

Decision No. 48969**ORIGINAL**

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Application of)
 SOUTHERN CALIFORNIA GAS COMPANY, a)
 corporation, under Sections 1002 and)
 1005 of the Public Utilities Code,)
 for a certificate that public conven-) Application No. 34355
 ience and necessity require the)
 exercise of the rights and privileges)
 granted by Ordinance No. 1964 of the)
 City of San Bernardino, California.)

L. T. Rice, for applicant.

O P I N I O N

Southern California Gas Company in this proceeding asks for a certificate of public convenience and necessity to exercise the rights and privileges of a franchise granted by the City of San Bernardino, San Bernardino County, by its Ordinance No. 1964 adopted December 31, 1952, permitting the installation, maintenance, and use of a gas distribution and transmission system in the streets of said city. A public hearing was held before Commissioner Huls and Examiner Crenshaw on August 6, 1953 in Los Angeles.

The franchise referred to, a copy of which is attached to the application and designated as Exhibit "A", was granted by the City of San Bernardino in accordance with the Broughton Act and is for a term of 50 years. A fee is payable annually to the city equivalent to two per cent of the gross annual receipts arising from the use, operation or possession of the franchise.

The costs incurred by applicant in obtaining the franchise are stated to have been \$605.38, which amount does not include the \$50 filing fee and \$5.63 expense of publication of notice of hearing. The total cost of the franchise and certificate was stated to have been \$661.01.

The record shows that applicant obtained the new franchise for several reasons. In the first place, applicant desired to obtain a single municipal franchise to cover all of its operations within the City of San Bernardino rather than continue to operate under several city and county franchises granted to it at various times in the past. Further, applicant desired to obtain a franchise which would have an expiration date substantially later than that of any of the foregoing city and county franchises. The new franchise which is for a term of 50 years should, according to applicant, facilitate the sale of its bonds to prospective purchasers.

Annual payments to the City of San Bernardino, based upon 1952 operations, would be substantially the same, as in both instances the amount would be calculated at two per cent of the gross receipts arising from the use and operation of the franchise in accordance with the Broughton Act.

No objection to the granting of the requested certificate was entered at the hearing. This utility or its predecessors for many years have served gas in and about the City of San Bernardino without competition. It is the Commission's opinion that the requested authority should be granted.

This certificate of public convenience and necessity herein granted is subject to the following provision of law:

That the Commission shall have no power to authorize the capitalization of the franchise involved herein or this certificate of public convenience and necessity or the right to own, operate or enjoy such franchise or certificate of public convenience and necessity in excess of the amount (exclusive of any tax or charge) actually paid to the State or to a political subdivision thereof as the consideration for the grant of such franchise, certificate of public convenience and necessity or right.

O R D E R

The above-entitled application having been filed, a public hearing having been held, the matter having been submitted and now being ready for decision,

IT IS HEREBY FOUND AS A FACT that public convenience and necessity require the exercise by applicant of the right, privilege and franchise granted to applicant by Ordinance No. 1964 of the City of San Bernardino.

IT IS HEREBY ORDERED that a certificate of public convenience and necessity is granted to Southern California Gas Company to exercise the rights and privileges granted by the City of San Bernardino, San Bernardino County, by Ordinance No. 1964 adopted December 31, 1952.

The effective date of this order shall be twenty days after the date hereof.

Dated at San Bernardino, California, this 18th day of August, 1953.

Justus F. Craemer President
Harold P. Euls
Peter E. Mitchell

Commissioners
R. E. Mittelstaedt
Commissioner Kenneth Pottor, being necessarily absent, did not participate in the disposition of this proceeding.

~~JUSTUS F. CRAEMER~~ President
JUSTUS F. CRAEMER
HAROLD P. EULS
PETER E. MITCHELL
Commissioners