

ORIGINAL

Decision No. 49590

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Application of)
SOUTHERN COUNTIES GAS COMPANY OF)
CALIFORNIA, a California corporation,)
and PACIFIC LIGHTING GAS SUPPLY)
COMPANY, a California corporation,)
for an order authorizing the former)
to sell and convey to the latter a)
pipeline under the provisions of)
Section 851 of the Public Utilities)
Code of the State of California.)

Application No. 34882

OPINION AND ORDER

In the above application, Southern Counties Gas Company of California (hereinafter referred to as "Counties") and Pacific Lighting Gas Supply Company (hereinafter referred to as "Supply Company") request an order of this Commission authorizing Counties to sell a certain pipeline to Supply Company in accordance with the terms of the agreement attached to the application as Exhibit A; and also authorizing the assignment and transfer from Counties to Supply Company of such rights and privileges as Counties may have in an easement traversed by a portion of said pipeline, which easement is described in the application.

The facilities to be sold consist of 9,312 lineal feet of pipeline, made up of 35 feet of 8-5/8-inch, 286 feet of 10-3/4-inch, and 8,991 feet of 16-inch O.D. pipe, lying generally between the Supply Company's Brea plant and the intersection of Ocean Avenue and Puente Street near the City of Brea, County of Orange, as more particularly described in the application and shown in the map attached to the application as Exhibit B.

Counties now uses this pipeline to deliver gas purchased from Supply Company at the Brea plant to its Orange County distribution system, as well as into Supply Company's Coyote Hills-Santa Fe Springs line. The gas production available to Supply Company in the Brea area has recently increased to such an extent that present facilities are inadequate to handle the volumes available. In order to correct this situation, Supply Company plans to construct pipelines necessary to provide a direct connection from its Brea plant to its Coyote Hills-Santa Fe Springs pipeline, thereby enabling it to deliver the increased Brea production to its Santa Fe Springs station, where an outlet for the gas exists. If Supply Company is permitted to purchase and utilize the pipeline involved in this application as a part of this new connection, it will avoid unnecessary duplication of lines in the Brea area.

Transfer of this line to Supply Company will not affect service by Counties to any of its present retail customers. There are no services connected directly to the line involved, and a connection to Counties' facilities will be maintained at the intersection of Fuente Street and Ocean Avenue so that gas delivery to Counties may be made at this point instead of at Supply Company's Brea plant connection. It is applicants' position that the transfer of this pipeline to Supply Company will permit maximum economic use of these facilities and will, therefore, be in the public interest.

The Commission has been advised that this line was purchased by Counties from the Pacific Lighting Corporation, a predecessor of Supply Company, on April 5, 1946. Under the terms of the agreement herein, the pipeline will be transferred to Supply Company at the price of \$42,679.63, which price is equal to the amount formerly paid by Counties to Supply Company's predecessor, plus subsequent additional installations, less depreciation accrued by Counties from date of purchase to August 31, 1953.

The Commission having considered the request of the applicants and being of the opinion that the application should be granted and that a public hearing is not necessary, and it appearing to the Commission that the proposed transfer of property will not be adverse to the public interest; therefore,

IT IS HEREBY ORDERED that Southern Counties Gas Company of California on or after the effective date hereof and on or before December 31, 1954, may sell in accordance with the terms of the agreement dated November 10, 1953, attached to the application herein as Exhibit A, that certain pipeline described therein; and also assign and transfer such rights and privileges as said Southern Counties Gas Company of California may have in an easement traversed by a portion of said pipeline as described in the application herein, to Pacific Lighting Gas Supply Company, subject to the following conditions:

1. The proposed accounting entries by which the properties will be distributed to accounts on the books of the purchaser shall be submitted by purchaser to this Commission.
2. Within thirty days after effecting said sale, Southern Counties Gas Company of California shall notify this Commission in writing of the date of the completion of the property transfer herein authorized and its compliance with the conditions hereof.

3. The action taken herein shall not be construed to be a finding of the value of the property herein authorized to be transferred.

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

Dated at San Francisco, California, this 26th day of January, 1954.

Harrietta Pottinger
John E. McLaughlin
Gene Bergquist

Commissioners