

ORIGINAL

50727

Decision No. \_\_\_\_\_

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 an expansion of its certificate )  
 of public convenience and necessity ) Application No. 35693  
 under Ordinance No. 1847 (N.S.) of )  
 the County of Los Angeles to author- )  
 ize the exercise of the rights and )  
 privileges granted thereby in cer- )  
 tain additional portions of said )  
 County. )

T. J. Reynolds and Harry P. Letton, Jr.,  
 by Harry P. Letton, Jr., for  
 applicant.

O P I N I O N

Southern California Gas Company, by the above-entitled application filed August 9, 1954, asks for expansion of its certificate of public convenience and necessity to exercise the rights and privileges granted to it under Ordinance No. 1847 (New Series) of the County of Los Angeles so as to authorize the exercise of such rights and privileges in an additional area within Los Angeles County, in which are located the Mira Loma Jail Facility of the County of Los Angeles and the community of Quartz Hill, all within Townships 6 and 7 North, Range 13 West, S.B.B. & M., as shown in the map attached to the application and marked Exhibit "A". A public hearing was held before Examiner C. E. Crenshaw on October 6, 1954 in Los Angeles.

This Commission, in a series of decisions in Applications Nos. 16451 and 32697,<sup>1/</sup> has, among other things, previously granted

<sup>1/</sup> Decision No. 22640 dated July 9, 1930, Decision No. 22718 dated July 29, 1930, Decision No. 22914 dated September 26, 1930, Decision No. 23048 dated November 5, 1930, and Decision No. 27996 dated May 27, 1935, all in Application No. 16451. Decision No. 46450 dated November 20, 1951, in Application No. 32679.

to applicant certificates of public convenience and necessity to exercise the rights and privileges of Ordinance No. 1847 (New Series) within certain limited portions of the County of Los Angeles in and about the Cities of Palmdale and Lancaster and adjacent portions of the Antelope Valley. A copy of Ordinance No 1847 (New Series) was attached to and made a part of Application No. 16451 and was, by reference, made a part of the instant application.

Said franchise ordinance was adopted August 11, 1930 and became effective September 10, 1930. This franchise was granted in accordance with the Broughton Act and is for a term of 40 years. A fee is payable annually to the County equivalent to 2 per cent of the gross annual receipts arising from the use, operation, or possession of the franchise and, in addition, applicant is required to make an installation payment to the County of \$100 for every mile or major fraction thereof of pipeline laid under the provisions of this franchise.

According to the record, the cost originally incurred by applicant in obtaining the franchise granted by Ordinance No. 1847 (New Series) was \$147.81. This cost is exclusive of the installation payments subsequently made and the costs incident to Application No. 32679 and the instant application. The installation payments made under the provisions of Ordinance No. 1847 (New Series) amount to \$5,661.93 as of August 31, 1954.

No objection to the granting of the requested certificate has been entered.

Applicant for many years has been serving gas in and about the communities of Lancaster and Palmdale and adjacent areas within the Antelope Valley and since 1951 has been serving the

area with natural gas obtained from the Pacific Gas and Electric Company through a connection near Mojave to that company's Topock-Milpitas pipeline.

Applicant has recently executed a contract for a main extension to serve the Mira Loma Jail Facility of the County of Los Angeles, located approximately five miles west of Lancaster, and has executed an appliance and equipment agreement in connection therewith for which applicant has received an advance in the sum of \$27,000 representing the estimated cost of said extension in excess of the length of main which applicant would install at its own expense under its Rule and Regulation No. 20, "Gas Main Extensions."

Since the estimated requirements of the Mira Loma Jail Facility are in excess of 25,000 cubic feet per day, it was necessary for applicant, in accordance with the provisions of its Rule and Regulation No. 31, to obtain permission from the Pacific Gas and Electric Company, or from this Commission, to serve such quantities of gas to this customer. The consent of Pacific Gas and Electric Company to the proposed sale of gas to the Mira Loma Jail Facility up to a maximum of 152 Mcf per day has been obtained, as shown in Exhibit No. 4.

The gas main extension contract with Los Angeles County covering service to the Mira Loma Jail Facility is contingent upon applicant obtaining authority from the Commission for the expansion of its presently certificated area in the Antelope Valley to include said Mira Loma Jail Facility. In addition, applicant desires the certificate to include the Quartz Hill district southwest of Lancaster which, according to the testimony, appears to be developing rapidly and may, therefore, in the future require natural gas service.

The additional area which applicant requests be included under its certificate, therefore, is that portion of the County of

Los Angeles lying within the East 1/2 of Township 7 North, Range 13 West, and Sections 1, 2, and 3 of Township 6 North, Range 13 West, S.B.B.& M.

It appears from the record in this proceeding that the expansion of the certificate applied for by applicant under Sections 1002 and 1005 of the Public Utilities Code of the State of California should be granted.

The 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 annual 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 construction, operation, and maintenance of an extension of the gas distribution system of the Southern California Gas Company within that portion of Los Angeles County lying within the East 1/2 of Township 7 North, Range 13 West, and Sections 1, 2, and 3 of Township 6 North, Range 13 West, S.B.B.& M., and the exercise by Southern California Gas Company of the right, privilege, and franchise granted to it by Ordinance No. 1847 (New Series) of the County of Los Angeles within said area, therefore,

IT IS HEREBY ORDERED that a certificate of public convenience and necessity be granted to Southern California Gas Company to construct, operate, and maintain an extension of its gas distribution system within that portion of Los Angeles County lying within the East 1/2 of Township 7 North, Range 13 West, and Sections 1, 2, and 3 of Township 6 North, Range 13 West, S.B.B. & M., and to exercise the rights and privileges granted by the Board of Supervisors of the County of Los Angeles by Ordinance No. 1847 (New Series) adopted August 11, 1930, within said area.

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

Dated at San Francisco, California, this 31st day of November, 1954.

Arthur E. Mitchell  
President

Justus D. Cullum

Frederick F. Patton

Gene Roggins

Paul L. Lutz  
Commissioners