

**ORIGINAL**

Decision No. 50863

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Application of )  
SOUTHERN COUNTIES GAS COMPANY OF )  
CALIFORNIA under Section 1002 of )  
the Public Utilities Code for a )  
certificate that public convenience )  
and necessity require the exercise )  
of the rights and privileges granted )  
by Ordinance No. 206 of the City of )  
La Habra, California. )

Application No. 35881

Frederick G. Dutton, for applicant.

O P I N I O N

Southern Counties Gas Company of California, by the above-entitled application filed October 20, 1954, seeks a certificate under Section 1002 of the Public Utilities Code that public convenience and necessity require the exercise of the rights, privileges and franchise granted by Ordinance No. 206 of the City of La Habra, Orange County, permitting the installation, maintenance and use of a gas distribution and transmission system in the streets of said city.

A public hearing in this matter was held before Examiner Stewart C. Warner on November 24, 1954 at Los Angeles.

The franchise referred to, a copy of which is attached to the application as Exhibit A, was granted by the city on September 7, 1954 in accordance with the Franchise Act of 1937, and is of indeterminate duration. A fee is payable annually to

the city equivalent to 2% of the gross receipts arising from the use, operation, or possession of the franchise, but not less than 1% of the gross annual receipts from sales of gas within the limits of the city under said franchise.

Based on the twelve months' period ending July 31, 1954 as shown in Exhibit 1, the 2% computation amounting to \$2,513.69 would control the fee paid to La Habra for that period.

The costs incurred by applicant in obtaining the franchise are stipulated to have been \$245.79, which amount includes costs incident to this application.

No objection to the granting of the requested certificate has been entered. This utility has served gas in the City of La Habra without competition since 1916 under a franchise granted by Orange County Ordinance No. 136 dated June 1, 1916. As of July 31, 1954 there were 2,751 active meters within the city and as of June 30, 1954, 24.93 miles of main therein.

The certificate of public convenience and necessity herein granted is subject to the following provisions of law:

1. 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.

2. That the franchise involved herein shall never be given any value before any court or other public authority in any proceeding of any character in excess of the cost to the grantee of the necessary publication and any other sum paid by it to the municipality therefor at the time of the acquisition thereof.

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 rights, privileges and franchise granted to applicant by Ordinance No. 206 of the City of La Habra, Orange County, therefore,

IT IS HEREBY ORDERED that a certificate of public convenience and necessity be and is granted to Southern Counties Gas Company of California to exercise the rights and privileges

granted by the City of La Habra, Orange County, by Ordinance  
No. 206 adopted September 7, 1954.

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

Dated at San Francisco, California,  
this 14th day of December, 1954.

E. Mitchell  
President  
Justus J. Calver  
Conrad H. Patten  
Gene Roggins  
Ray H. Lister  
Commissioners