

**ORIGINAL**Decision No. 50910

## 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 rights and privileges granted by )  
 Ordinance No. 678 of the City of )  
 San Gabriel, California. )

Application No. 35889

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 25, 1954, asks for a limited certificate of public convenience and necessity to exercise the rights and privileges of a franchise granted by the City of San Gabriel, 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 Examiner C. E. Crenshaw on December 10, 1954, at Los Angeles.

The franchise referred to, a copy of which is attached to the application and designated as Exhibit "B", was granted by the City in accordance with the Franchise Act of 1937, and is of indeterminate duration. A fee is payable annually to the city equivalent to 2 per cent of the gross receipts arising from the use, operation, or possession of the franchise, but not less than 1 per cent of the gross annual receipts from sales of gas within the limits of the city under said franchise.

The costs incurred by applicant in obtaining the franchise are stated to have been \$196.12, which amount does not include costs incident to this application.

Southern California Gas Company is the principal distributor of natural gas service in San Gabriel, and serves all of the city except for a small portion which lies easterly, southerly and westerly of the following described line:

Beginning at the intersection of the south boundary of the City of San Gabriel (north line of Marshall Street) with a line parallel with and 150 feet west of the west line of San Gabriel Boulevard; thence north along said parallel line to a line parallel with and 150 feet north of the north line of Valley Boulevard; thence easterly along last mentioned parallel line to a line parallel with and 135.55 feet west of the west line of Delta Avenue; thence north along last mentioned parallel line to the north line of Scott Street; thence east along the north line of Scott Street a distance of 100 feet; thence north, at right angles to Scott Street, 100 feet; thence east along a line parallel with and 100 feet north of the north line of Scott Street to the east boundary of the City of San Gabriel; thence southeasterly along said east boundary to its intersection with a line parallel with and 150 feet east of the east line of Delta Avenue; thence south along last mentioned parallel line to a line parallel with and 150 feet north of the north line of Valley Boulevard; thence easterly along last mentioned parallel line to the east boundary of the City of San Gabriel.

Gas service to the above-described portion of the City of San Gabriel is supplied by applicant.

A map showing the above-described territory is set forth in Exhibit "A", attached to the application, and Exhibit 3 which was introduced at the hearing.

Applicant or its predecessors have for many years served gas in this portion of the City of San Gabriel without competition. As of July 31, 1954, applicant rendered gas service to about 153 customers within the City from approximately 1.06 miles of main.

In this proceeding applicant requests that the certificate of public convenience and necessity permitting it to exercise the franchise rights here sought to be certificated be limited to that portion of the City of San Gabriel previously described.

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

According to the testimony received it appears that the only person, firm, or public or private corporation other than applicant now engaged in the business of furnishing, distributing and selling natural gas in San Gabriel is the Southern California Gas Company. Further it is not the intention of applicant to enter into competition with the Southern California Gas Company in rendering gas service in San Gabriel.

From the evidence of record, the Commission finds that public convenience and necessity require the exercise by applicant of the right, privilege, and franchise granted to it by Ordinance No. 678 of the City of San Gabriel for the supplying of gas service within that portion of the City of San Gabriel now served by it. The order herein will therefore contain appropriate restrictions concerning territory not now served by applicant.

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 right, privilege and franchise granted to applicant by Ordinance No. 678 of the City of San Gabriel.

IT IS HEREBY ORDERED that a certificate of public convenience and necessity be and it is granted to Southern Counties Gas Company of California to exercise the rights and privileges granted by the City of San Gabriel by Ordinance No. 678 adopted September 7, 1954, in that portion of the City of San Gabriel as set forth on the map introduced as Exhibit "A" attached to the application, and more particularly described in the opinion herein; subject, however, to the following conditions:

1. That except upon further certificate of this Commission first obtained, Southern Counties Gas Company of California shall not exercise said franchise for the purpose of supplying gas service in those parts or portions of the City of San Gabriel outside the limits of the certificate provided in this order or in the territory now supplied by the Southern California Gas Company.
2. That the Commission may hereafter, by appropriate proceeding and order, limit the authority herein granted to Southern Counties Gas Company of California as to any territory within said City of San Gabriel not then being served by it.

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

Dated at San Francisco, California, this 4th day of JANUARY, 1955.

*(Signature)*  
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 President  
*(Signature)*  
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*(Signature)*  
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Commissioners