

Decision No. 51025**ORIGINAL**

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Application of )  
 SOUTHERN CALIFORNIA GAS COMPANY and )  
 the CITY OF LONG BEACH under )  
 Section 851 of the Public Utilities )  
 Code for an order of the Commission )  
 authorizing the former to sell and )  
 the latter to buy certain gas dis- )  
 tribution facilities within the )  
 City of Long Beach, California. )

Application No. 36570

OPINION AND ORDER

Southern California Gas Company and the City of Long Beach by the above-entitled application filed December 16, 1954, request an order of this Commission, under Section 851 of the Public Utilities Code, authorizing Southern California Gas Company to sell and the City of Long Beach to buy certain gas distribution facilities located in territory recently annexed to the City of Long Beach, California. A detail of the facilities to be purchased is set forth in an agreement dated November 5, 1954, attached to and made a part of the application as Exhibit "A".

Southern California Gas Company, hereinafter referred to as "Southern", is engaged in the purchase, distribution and sale of gas in the central and southern portions of the State of California, including certain areas in and contiguous to the City of Long Beach, California. City of Long Beach, hereinafter referred to as "City", operates a municipally owned gas system largely located within the limits of the incorporated City of Long Beach.

The distribution facilities, as of September 30, 1954, to be sold to the City and as covered by the agreement dated November 5, 1954, consist of 7,925 feet of gas mains and 324 feet of service pipe, together with valves, fittings and other appurtenances attached

thereto. There are two customers served from the facilities to be sold.

All of the facilities are located as shown on the map attached to the application as Exhibit "B". The original book cost of the property to be sold is \$17,352, and the depreciated book cost on a 4% sinking fund basis is \$15,379. The total selling price is \$23,000, plus the book cost of such additional services, meters, and meter set assemblies as may be installed between September 30, 1954, and the closing date provided for in the agreement.

City will assume all obligations of Southern in respect to customers' deposits and refundable deposits for extensions connected with the operation of the aforesaid facilities.

It appears that the transfer of facilities referred to in this application is not adverse to the public interest because it will promote a logical division of service areas between Southern and City and, in addition, the two customers that are involved will obtain somewhat lower rates.

The Commission having considered the request of applicants and being of the opinion that a public hearing is not necessary and that the application should be granted; therefore,

IT IS HEREBY ORDERED that Southern California Gas Company on or after the effective date hereof and on or before August 31, 1955, may sell and transfer the herein-described public utility property to the City of Long Beach pursuant to the agreements of sale and purchase embodied in said application.

Within thirty days thereafter Southern California Gas Company shall notify this Commission in writing of the completion

of the property transfer herein authorized.

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 Los Angeles, California, this 25<sup>th</sup> day of JANUARY, 1955.

[Signature]  
President

[Signature]

[Signature]

[Signature]

Commissioners