

ORIGINAL

Decision No. 52647

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 a certificate that public)	Application No. 37622
convenience and necessity require)	
the exercise of the rights and)	
privileges granted by Ordinance)	
No. 503 of the City of Bell, Cali-)	
formia.)	

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, a corporation, by the above-entitled application, filed on December 22, 1955, requests a certificate of public convenience and necessity to exercise the rights and privileges of franchise Ordinance No. 503, granted by the City of Bell, California, to lay and use pipes and appurtenances for transmitting and distributing gas for any and all purposes under, along, across and upon the public streets, ways alleys and places within the City of Bell.

A public hearing on the application was held before Examiner Kent C. Rogers on January 23, 1956, in Los Angeles. There was no objection to the granting of the requested authority.

Applicant's witness testified to the following facts which are undisputed:

The franchise referred to, a copy of which is attached to the application and designated Exhibit "A", was granted by the City of Bell in accordance with the Franchise Act of 1937 (Division 3, Chapter 2, California Public Utilities Code), and supersedes the franchises granted by Los Angeles County Ordinances Nos. 463, 467, 514 and 515 to the extent that those franchises cover areas lying within the City of Bell. It became effective November 2, 1955, and is of indeterminate duration. A fee will be payable annually equivalent to 2 percent of the gross annual receipts of the applicant arising from the use, operation or possession of said franchise, provided that such fee shall be not less than 1 percent of the gross annual receipts from the sale of gas within the limits of the city.

Applicant has filed the written acceptance of the franchise as required by Section Twelve thereof. No bond is required.

The costs incurred by the applicant in obtaining the franchise totalled \$69.14, exclusive of the costs incident to this application.

The reasons why the franchise was secured are, first, that the above referred to County franchises under which the applicant had operated in the City of Bell were due to expire within periods varying from one to three years from the present date, and it desired to be assured of continuity of operation within the City of Bell, and, second, that the applicant wished to replace the limited term franchises with a single municipal franchise under the Franchise Act of 1937 which would be effective for an indeterminate period, thus facilitating the sale of the

company's bonds to prospective customers who consider it essential that the term of the franchise shall extend beyond the maturity date of any bonds.

The annual cost of the new franchise will be comparable to the costs of the superseded franchises. During the year 1954 applicant paid a total of \$3,103 under the superseded franchises. Based on the revenues applicant received in the City of Bell during the twelve-month period ending December 31, 1954, it would have paid the City of Bell \$3,103.06 under the terms of the new franchise.

Upon the record herein the Commission finds that public convenience and necessity require the exercise by the applicant of the right, privilege and franchise granted to the applicant by Ordinance No. 503 of the City of Bell, California. 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.

1/ Pages 5 and 6 of Exhibit No. 1.

O R D E R

The above-entitled application having been filed, a public hearing having been held thereon, the matter having been submitted, and the Commission having made the foregoing findings and based upon such findings,

IT IS HEREBY ORDERED that Southern California Gas Company, a corporation, be and it is hereby granted a certificate that public convenience and necessity require the exercise by it of the rights, privileges and franchise granted to it by Ordinance No. 503 of the City of Bell, State of California, which ordinance was adopted on the 3rd day of October, 1955, by the City Council of said city.

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

Dated at Los Angeles, California,
this 14th day of FEBRUARY, 1956.

[Signature]
President

[Signature]

[Signature]

[Signature]

[Signature]
Commissioners