

ORIGINAL

Decision No. 53914

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 conven- )  
ience and necessity require the )  
exercise of the rights and )  
privileges granted by Ordinance )  
No. 21 of the City of Baldwin Park, )  
California. )

Application No. 38364

Milford Springer and Frederick G. Dutton,  
by Frederick G. Dutton, for applicant.

O P I N I O N

Southern Counties Gas Company of California, a corpora-  
tion, by the above-entitled application filed on August 24, 1956,  
requests a certificate of public convenience and necessity to  
exercise the rights and privileges of Franchise Ordinance No. 21,  
granted by the City of Baldwin Park, Los Angeles County, Cali-  
fornia, to lay and use pipes and appurtenances for transmitting  
gas for any and all purposes under, along, across and upon the  
public streets within said city.

A public hearing on the application was held before  
Examiner Kent C. Rogers on September 21, 1956, in Los Angeles.  
There was no objection to the granting of the requested authority.

Applicant's witness testified to the following facts:

The franchise referred to, a copy of which is attached  
to the application and designated Exhibit "A", was granted by the

City of Baldwin Park 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 Franchise Ordinances Nos. 500 and 6766 to the extent that those franchises cover areas lying within the City of Baldwin Park. It became effective July 21, 1956, and is of indeterminate duration. A fee will be payable annually equivalent to two percent of the gross annual receipts of the applicant arising from the use, operation or possession of said franchise, provided that such fee shall not be less than one percent of the gross annual receipts from the sale of gas within the limits of the city.

Applicant has filed its written acceptance of the franchise as required by Section 6601.5 thereof, and has posted a bond as required by Section 6601.7 thereof.

The costs incurred by the applicant in obtaining the franchise totaled \$159.69, exclusive of the costs incident to this application.

In the City of Baldwin Park, Southern Counties Gas Company of California served during the 12 months ended June 30, 1956, an average of 7,726 customers, most of whom are residential customers. Gas service to these residential customers is essential in that it provides fuel for cooking, water heating, refrigeration and space heating. If gas service were discontinued in the City of Baldwin Park, the household appliances would have to be replaced by new appliances using other types of fuel. The gas service rendered to commercial and industrial customers in the area provides an economical and convenient fuel for their

purposes. There are no other gas companies in the City of Baldwin Park with which applicant is likely to compete.

The annual cost of the new franchise will be comparable to the annual costs of the superseded franchises. During the year 1955 applicant paid a total of \$8,637.41 under the superseded franchises. Based on the revenues applicant received in the City of Baldwin Park during the twelve-month period ending December 31, 1955, it would have paid the City of Baldwin Park \$8,637.41 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 Franchise Ordinance No. 21 of the City of Baldwin Park, California. The certificate of public convenience and necessity herein granted is subject to the following provisions of law:

- (a) 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.
- (b) 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 thereon, the matter having been submitted, the Commission having made the foregoing findings and based upon such findings,

IT IS HEREBY ORDERED that Southern Counties Gas Company of California, 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 Franchise Ordinance No. 21 of the City of Baldwin Park, State of California, which ordinance was adopted on the 21st day of June, 1956, by the City Council of said city.

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

Dated at San Francisco, California,  
this 16<sup>th</sup> day of OCTOBER, 1956.

[Signature]  
President

Justin S. Calver

Ray L. Winterer

[Signature]

[Signature]  
Commissioners