59814Decision No.

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BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Application of SAN DIEGO GAS & ELECTRIC COMPANY, a corporation, for a Certificate of Public Convenience and Necessity Authorizing it to Exercise Gas Franchise Rights in the City of Del Mar, California. (Gas)

Application No. 41953

OPINION

San Diego Gas & Electric Company, in this proceeding, asks for a certificate of public convenience and necessity to exercise the rights and privileges of a franchise granted by the City of Del Mar, permitting the installation, maintenance, and use of a gas distribution and transmission system in the streets of said city.

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.

As of December 31, 1959, applicant served 1,080 customers within the city from approximately 15.8 miles of gas mains therein. The Commission has received no objection to the grenting of the application. A public hearing is not necessary.

After consideration 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. 11 of the City, of Del Mar.

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

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 - 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.

<u>ORDER</u>

The above-entitled application having been filed, and the Commission being informed in the premises,

IT IS HEREBY ORDERED that a certificate of public convenience and necessity be and it is hereby granted to San Diego Gas & Electric Company to exercise the rights and privileges granted by the City of Del Mar, by Ordinance No. 11, adopted October 26, 1959.

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

San Francisco, California, this 2200 Dated at 1arnh day of , 1960. 0 Presic ommissioners