

Decision No. 62816**ORIGINAL**

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Application of
 SOUTHERN CALIFORNIA GAS COMPANY under
 Section 851 of the Public Utilities
 Code for an order of the Commission
 authorizing it to sell to the United
 States of America certain gas distri-
 bution facilities located within the
 Arnold Heights Housing Project at
 March Air Force Base, Riverside County,
 California.

Application No. 43825

OPINION AND ORDER

By this application filed October 6, 1961, Southern California Gas Company seeks authorization under Section 851 of the Public Utilities Code to sell certain gas distribution facilities located within the Arnold Heights Housing Project at March Air Force Base, Riverside County, to the United States of America pursuant to an agreement dated January 5, 1961. Approximately 648 residences, a chapel and a school are being served by the facilities at the present time.

The facilities involved in the proposed sale include: 3,362 feet of 4-inch main, 23,157 feet of 2-inch main, 29,827 feet of 3/4-inch service pipe, 46 feet of 1-inch service pipe, 648 piping assemblies and 2 meter set assemblies. The purchase price for the facilities provided for in the said agreement is the sum of \$93,767 plus the cost of conversion to a single metered basis in the sum of \$6,790, making the total amount to be paid to applicant \$100,557, payment to be made in cash upon transfer of clear title.

The Arnold Heights Housing Project originally was a Wherry Housing Project with individual metering and billing. This project has since become a Capehart Housing Project and the Government has been paying all of the bills except that for a school which is paid directly to applicant by the Midland School District. The Government desires, for the sake of economy, to receive gas service for the project through a single meter, the Government to furnish gas to the school and bill the school for it in accordance with applicants Rule No. 24, on file with the Commission, covering the resale of gas.

Applicant alleges that this sale of facilities is in the public interest as the Government will thereby be enabled to achieve substantial economies in its cost of gas service and no hardship will result to applicant's other customers. By letter dated October 19, 1961, applicant advised the Commission that system gross revenue will decrease by about \$33,000 per year or \$8,000 annual net reduction.

The action taken herein shall not be construed to be a finding of the value of the properties herein authorized to be transferred.

The Commission having considered the above-entitled application finds and concludes that the proposed transfer will not be adverse to the public interest and should be authorized. A public hearing is not necessary.

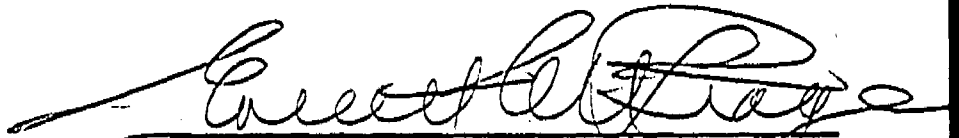
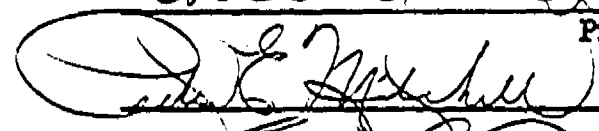

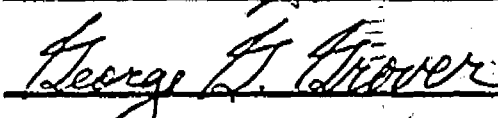

IT IS HEREBY ORDERED that:

1. Southern California Gas Company is authorized to carry out the terms and conditions of the written contract, dated January 5, 1961, with the United States of America.

2. Southern California Gas Company shall file with this Commission within thirty days after the effective date of this order, three certified copies of the contract as executed.

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

Dated at San Francisco, California, this 21st. day of November, 1961.


President




Commissioners