

ORIGINALDecision No. 64121

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 con-)
 venience and necessity require the)
 exercise of the rights and privi-)
 leges granted by Ordinance No. F-63)
 of the County of Kern, California.)

Application No. 44462

O P I N I O N

Southern California Gas Company, in this proceeding, requests a certificate of public convenience and necessity to exercise the rights and privileges of a nonexclusive franchise granted by the County of Kern, California, permitting the installation, maintenance, and use of a gas distribution and transmission system in the public roads in the unincorporated area of said county.

The franchise referred to, a copy of which is attached to the application and designated as Exhibit A, was granted by the county pursuant to the provisions of the laws of the State of California which relate to the granting of franchises by counties, is subject to all "Terms and Conditions of Franchise" as provided in Ordinance No. F-3 of the County of Kern, as amended, and is for the term of 50 years. The ordinance granting the franchise was adopted on March 6, 1962 and was accepted by applicant on March 27, 1962. A fee is payable annually to the county equivalent to 2 percent of the gross receipts arising from the use, operation, or possession of the franchise.

The costs incurred by applicant in obtaining the franchise are stated to have been \$203.90, which amount does not include costs incident to this application.

Applicant and its predecessors have served gas in portions of the County of Kern for many years. As of March 31, 1962, it served 11,146 customers within the unincorporated area of said county from approximately 703.95 miles of gas mains therein.

Pursuant to a territorial agreement between applicant and Pacific Gas and Electric Company, dated September 17, 1961 and authorized by the Commission (Decision No. 62681, October 17, 1961, Application No. 43146), the respective service areas of the two companies in Kern County were determined. We take official notice of the terms of that agreement and of the cited decision in connection with the authorization herein granted.

No objection to the granting of the requested certificate has been received. 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. F-63 of the County of Kern, California.

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

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 right.

O R D E R

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

IT IS ORDERED that

1. A certificate of public convenience and necessity be and it hereby is granted to Southern California Gas Company, subject to the terms and conditions of that certain agreement between applicant and Pacific Gas and Electric Company, dated September 17, 1961 and heretofore authorized by the Commission by Decision No. 62681, dated October 17, 1961, in Application No. 43146, to exercise the rights and privileges granted by the County of Kern by Ordinance No. F-63, adopted March 6, 1962.

2. Southern California Gas Company shall not exercise said franchise for the purpose of supplying gas service in those parts or portions of Kern County not now being served by it, other than as may be provided in the agreement hereinabove referred to, except through extensions of its existing system made in the ordinary course of business, as contemplated by Section 1001 of the Public Utilities Code of California.

3. The Commission may hereafter, by appropriate proceeding and order, limit the authority herein granted to applicant as to any territory within the County of Kern not then being served by it.

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

Dated at San Francisco, California, this 17th day of August, 1962.

[Signature] President
[Signature]
[Signature]
Fredrick B. Holmuff
Commissioners