

Decision No. 70968**ORIGINAL**

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 convenience
 and necessity require the exercise of
 the rights and privileges granted by
 Ordinance 463 of the City of San
 Clemente, California.

Application No. 48413
 (Filed April 19, 1966)

O P I N I O N

Southern Counties Gas Company of California requests a certificate of public convenience and necessity to exercise the rights and privileges of a franchise granted by the City of San Clemente, permitting the installation, maintenance, and use of a gas distribution and transmission system in the streets of said city.

The franchise, a copy of which is attached to the application as Exhibit A, 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 percent of the gross receipts arising from the use, operation, or possession of the franchise, but not less than one percent of the gross annual receipts from sales of gas within the limits of the City under said franchise.

The costs incurred by applicant in obtaining the franchise are stated to have been \$536.88, which amount does not include costs incident to this application.

Applicant has served gas in and about the City of San Clemente without competition for many years. As of February, 1966, it served 5,912 customers within the City from approximately 68.10 miles of gas main therein. No objection to the granting of the requested certificate has been received and a public hearing is not necessary.

The Commission finds that public convenience and necessity require the exercise by applicant of the right, privilege and franchise granted to applicant by Ordinance No. 463 of the City of San Clemente.

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

1. 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. 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.

ORDER

IT IS ORDERED that a certificate of public convenience and necessity is granted to Southern Counties Gas Company of California to exercise the rights and privileges granted by the City of San Clemente by Ordinance No. 463, adopted December 15, 1965.

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

Dated at San Francisco, California, this 19th day of JULY, 1966.

 President
George G. Hoover

Fredrick B. Wheliff

Augusta

William B. DeWitt

 Commissioners