

ORIGINAL

Decision No. 71509

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 convenience and necessity require the exercise of the rights and privileges granted by Ordinance No. 2090 of the County of Orange, California.

Application No. 48788
(Filed September 14, 1966)

O P I N I O N

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

The franchise, a copy of which is attached to the application as Exhibit A, was granted by the County in accordance with the Broughton Act and is of indeterminate duration. A fee is payable annually to the County equivalent to 2 percent of 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 \$1,795.66, which amount does not include costs incident to this application.

The application states that the exercise of the rights granted by Ordinance No. 2090 of the County of Orange is necessary to enable applicant to lay, operate and maintain natural gas pipelines within the County. The present need relates to the 36-inch Newberry-Placentia transmission pipeline owned jointly with Southern Counties Gas Company of California (Southern Counties).

As of August 1966, there were approximately 3-1/2 miles of the transmission pipeline within the public streets of the unincorporated territory of the County of Orange.

Official notice is taken of Decision No. 70702, dated May 17, 1966, in Application No. 48347, for the purpose of incorporating into the record herein pertinent aspects of the operations of Southern Counties. These are that Southern Counties has primary gas facilities throughout most of Orange County, renders the gas service there, and has asserted that no other gas utility exists in the County with which Southern Counties is likely to compete. A public hearing is not necessary.

After consideration we find under these circumstances that public convenience and necessity require the exercise by applicant of the right, privilege and franchise granted by Ordinance No. 2090 and that such exercise should be subject to an appropriate restriction, as provided in the order herein, with respect to gas distribution and retail sale of gas.

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

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.

O R D E R

IT IS ORDERED that a certificate of public convenience and necessity is granted to Southern California Gas Company, subject to the restriction set forth below, to exercise the rights and

privileges granted by the County of Orange by Ordinance No. 2090,
adopted August 3, 1966.

The rights granted under Ordinance No. 2090 shall not be exercised for the purpose of distribution or retail sale of gas in Orange County without further order of this Commission authorizing such exercise.

The Commission may hereafter by appropriate proceeding and order limit the authority herein granted to applicant as to any territory within said County not then being utilized by it.

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

Dated at San Francisco, California, this 9th
day of NOVEMBER, 1966.

[Signature]
President

[Signature]

[Signature]

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Commissioners