

A. 51772 hjh

As indicated the franchise here under consideration is contained in Ordinance No. 23 of the City Council of the City of Simi Valley, which is attached to the application as Exhibit A. Examination of the ordinance indicates that the franchise granted therein is of the standard type between gas utilities and cities. It provides for a payment of two percent of applicant's annual gross receipts arising out of the use, operation or possession of the franchise, provided however, that such payment shall in no event be less than one percent of the gross annual receipts of the applicant derived from the sale of gas within the city limits.

The Commission is of the opinion that the application should be granted. No other points require discussion.

The Commission makes the following findings and conclusions in this matter.

Findings of Fact

The Commission finds that:

1. A public hearing is not necessary in this matter.
2. Public convenience and necessity require the exercise by Southern Counties of the rights and privileges granted in the franchise conferred by Ordinance No. 23 of the City Council of the City of Simi Valley.

Conclusions of Law

The Commission concludes that:

1. The application should be granted.
2. The certificate of public convenience and necessity issued herein is subject to the following provisions of law:

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- a. The Commission shall have no power to authorize the capitalization of the franchise involved herein or these certificates of public convenience and necessity, or the right to own, operate or enjoy such franchise or certificates 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 issuance of such franchise, certificates of public convenience and necessity or right.
- b. 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.

O R D E R

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 conferred by the franchise issued pursuant to Ordinance No. 23 of the City Council of the City of Simi Valley.

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

Dated at San Francisco, California, this 14th day of APRIL, 1970.

William Synovis, Jr.
President

Angela

Thomas L. Sturgeon
Commissioners

Commissioner J. P. Vukasin, Jr., being necessarily absent, did not participate in the disposition of this proceeding.