

ORIGINAL

Decision No. 83029

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 conven-
ience and necessity require the
exercise of the rights and privileges
granted by Ordinance No. 34 of the
City of Rancho Mirage, California.

Application No. 54884

(Filed May 15, 1974)

O P I N I O N

This is an application by Southern California Gas Company seeking authority to exercise the rights and privileges granted it by a franchise from the city of Rancho Mirage.

Applicant is engaged in the purchase, distribution, and sale of gas within the central and southern portions of the State of California. It presently furnishes gas service in the city of Rancho Mirage. It conducts operations under a franchise granted it by the county of Riverside. The verified application avers that the city council of the city of Rancho Mirage enacted Ordinance No. 34 which grants Southern California Gas Company a franchise to indefinitely conduct its gas business in the city. The franchise would supersede the previously mentioned county franchise with respect to the area lying within the city limits. Southern California Gas Company has included in the application a stipulation that it will not claim before this Commission, or any court or other public body, any value for the franchise in excess of its original cost which is stated to be \$255.40.

Ordinance No. 34 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 2 percent of applicant's annual gross receipts arising from the use, operation, or possession of the franchise provided, however, that such payment shall in no event be less than 1 percent of the gross annual receipts of the applicant derived from the sale of gas within the city limits.

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

Findings

1. A public hearing is not necessary in this matter.
2. Public convenience and necessity require the exercise by Southern California Gas Company of the rights and privileges granted in the franchise conferred by Ordinance No. 34 of the city council of Rancho Mirage.

Conclusion of Law

The application should be granted.

O R D E R

IT IS ORDERED that a certificate of public convenience and necessity is granted to Southern California Gas Company to

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exercise the rights and privileges conferred by the franchise issued pursuant to Ordinance No. 34 of the city council of the city of Rancho Mirage.

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

Dated at San Francisco, California,
this 25th day of JUNE, 1974.

William L. Stinson
President
William L. Stinson
William L. Stinson
William L. Stinson
William L. Stinson
Commissioners