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ORIGINAL

Decision No. 84772

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Application of)
SOUTHERN CALIFORNIA GAS COMPANY, for)
an order issuing a Certificate of)
Public Convenience and Necessity to)
exercise the rights and privileges)
and franchise granted to applicant)
by the City of Culver City to)
SOUTHERN CALIFORNIA GAS COMPANY in)
Ordinance No. CS-215, May 24, 1954)
to provide, among other things,)
gas service to the City of Culver)
City, California.)

Application No. 55786
(Filed July 2, 1975)

O P I N I O N

This is an application by Southern California Gas Company (SoCal) seeking authority to exercise the rights and privileges granted it by a franchise from Culver City, California.

Applicant is engaged principally in the business of furnishing gas in California. On May 24, 1954, Ordinance No. CS-215 was adopted by Culver City granting to SoCal the right to lay and use pipes and appurtenances for transmitting and distributing gas for any and all purposes, under, along, across, or upon the streets of the city. At that time, Southern Counties Gas Company, an affiliate of SoCal, which has since been merged into SoCal, was supplying domestic gas service to most areas of the municipality, and SoCal provided gas service to only a limited number of customers therein.

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In Decision No. 50893, granting SoCal's application for a certificate of public convenience and necessity to exercise its rights and privileges under Ordinance No. CS-215, we included the following conditions:

"That, except upon further certificate of this Commission first obtained, Southern California Gas Company shall not exercise said franchise for the purpose of supplying gas service in those parts or portions of Culver City now supplied by Southern Counties Gas Company of California".

SoCal now seeks such a certificate.

A franchise to lay, construct, maintain, use, and operate gas pipes in, under, and along the streets, alleys, lanes, highways, and public places of Culver City was acquired by Southern Counties in 1925 pursuant to Ordinance No. 155 which expires in June 1975.

As the franchise acquired through merger with Southern Counties is due to expire this month, SoCal now seeks from the Commission a certificate that public convenience and necessity require SoCal to continue to provide gas service within Culver City and, in this connection, authorization to exercise all rights and privileges of the franchise conferred by Culver City through Ordinance No. CS-215. Continuing gas service within Culver City under authority of Ordinance No. CS-215 would not result in any loss of revenue to the city.

Ordinance No. CS-215 is attached to the application as Exhibit "A". Examining of the ordinance indicates the franchise granted therein is of the standard type between gas utilities and cities. It provides for 2 percent of applicant's annual gross receipts arising from the use, operation, or possession of the franchise, provided, however, that such payments 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 limits of the city.

Findings of Fact

1. A public hearing is not necessary.
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. CS-215 of Culver City.

Conclusions of Law

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

- (a) 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 issuance of such franchise, certificate 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 therefore at the time of the acquisition thereof.


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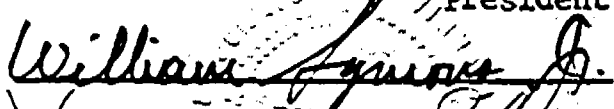

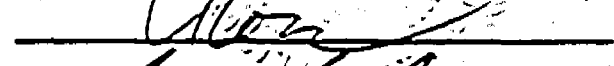

O R D E R

IT IS ORDERED that a certificate of public convenience and necessity is granted to Southern California Gas Company to exercise the rights and privileges conferred by the franchise issued pursuant to Ordinance No. CS-215 of Culver City.

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

Dated at San Francisco, California, this 12th
day of AUGUST, 1975.



President




Commissioners