Decision No. 85810



BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

In the matter of the application of PACIFIC LIGHTING SERVICE COMPANY, a corporation, 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 the County of Riverside, California to PACIFIC LIGHTING SERVICE COMPANY in Ordinance No. 553 permitting, among other things, the transmission of natural gas along and across the public highways and places of the County of Riverside.

Application No. 56280 (Filed February 13, 1976)

<u>O P I N I O N</u>

This is an application by Pacific Lighting Service Company (PLSC) to exercise the rights and privileges granted by Ordinance No. 553 of the County of Riverside, California. This ordinance was enacted by the Board of Supervisors of Riverside County on August 19, 1975 and became effective on September 18, 1975. A copy of the ordinance is attached to the application as Exhibit A.

Ordinance No. 553 grants to PLSC, its successors and assigns, for a period of 40 years after August 19, 1975, the right, privilege and franchise to lay and use pipes and appurtenances for transmitting gas for any and all purposes under, along, across, or upon the public streets, ways, alleys and places, as the same now or may hereafter exist, within Riverside County.

The ordinance also states that the grant is made in lieu of all other franchises, rights or privileges owned by PLSC in Riverside County and that during the life of the franchise, PLSC shall pay (2%) of its gross annual receipts arising from the use, operation or possession of the franchise to the County of Riverside.

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PLSC presently transmits natural gas to Southern California Gas Company (SoCal) through pipelines located in Riverside County. PLSC represents that in order to continue to deliver gas to SoCal through equipment existing in Riverside County, PLSC needs to exercise such rights as were granted by Ordinance No. 553. PLSC has also represented that they plan no new activity in Riverside County.

Applicant has stipulated in its application that neither it nor its successors or assigns will ever claim before this Commission, or any other court or body, a value for the franchise and certificate in excess of the original actual cost thereof, represented to be \$1,649.75.

Findings

1. Pacific Lighting Service Company (PLSC) is now engaged in the transmission of natural gas to Southern California Gas Company through pipelines located in Riverside County.

2. PLSC has obtained a franchise to transmit gas across the County of Riverside pursuant to Ordinance No. 553 of the County of Riverside.

3. Public convenience and necessity require the exercise by PLSC of the rights, privileges, and duties granted by the franchise conferred by Ordinance No. 553 of the Board of Supervisors of the County of Riverside.

4. We find with reasonable certainty that the project involved in this proceeding will not have a significant effect on the environment, and accordingly Rule 17.1 is not applicable.

Conclusions

1. The application should be granted in accordance with the findings.

2. A public hearing is unnecessary.

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Pacific Lighting Service Company is placed on notice that operative rights, as such, do not constitute a class of property which may be capitalized or used as an element of value in rate fixing for any amount of money in excess of that originally paid to the State as the consideration for the grant of such rights. Aside from their purely permissive aspect, such rights extend to the holder a full or partial monopoly of a class of business. This monopoly feature may be modified or cancelled at any time by the State, which is not in any respect limited as to the number of rights which may be given.

O R D E R

IT IS ORDERED that a certificate of public convenience and necessity is granted to Pacific Lighting Service Company to exercise the rights, privileges, and duties conferred by the franchise issued pursuant to Ordinance No. 553 of the Board of Supervisors of the County of Riverside.

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

	Dated a	t San Fra	incisco	California,	this	112
day	ofM	ΔY,	1976.			

President