

Decision No. 90151 APR 10 1979**ORIGINAL**

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Application of  
 PACIFIC LIGHTING SERVICE 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. 4370 of the City of Glendale,  
 California.

Application No. 58709  
 (Filed February 28, 1979)

O P I N I O N

This is an application by Pacific Lighting Service Company (PLS) for a certificate of public convenience and necessity authorizing PLS to exercise certain rights and privileges of a franchise granted by the City of Glendale, California (City) to Southern California Gas Company (SoCal). This franchise was granted by Ordinance No. 4370, which ordinance was adopted by the City on January 24, 1978, pursuant to the provisions of the Franchise Act of 1937, became effective on February 13, 1978, and runs for a twenty-five year term from the effective date. A copy of the ordinance is attached to the application as Exhibit "A".

On September 11, 1978, SoCal and PLS entered into an agreement whereby SoCal assigned to PLS certain franchise rights under City of Glendale Ordinance No. 4370 as were necessary to permit PLS to lay, construct, erect, install, operate, maintain, use, repair, replace, and remove pipes and pipelines for the transmission of gas under, along, across and upon the streets, ways, alleys, and other public places within the City of Glendale. A true copy of the

Partial Assignment of Franchise Rights of SoCal to PLS is attached in the application and marked as Exhibit "C" and is made a part of the application. By Resolution No. 18,773, adopted October 31, 1978, the City of Glendale approved the assignment by SoCal of franchise rights to PLS under Ordinance No. 4370.

Examination of Ordinance No. 4370 indicates that the franchise granted therein is of the standard type between gas utilities and cities. It provides that PLS shall pay to the City a sum annually of two percent (2%) of the gross annual receipts arising from the use, operation, or possession of the franchise, provided, however, that such payments shall in no event be less than 1% of the gross annual receipts of the PLS derived from the sale of gas within the limits of the City.

PLS has stipulated in its application that in consideration of the granting of the certificate of public convenience and necessity it will never claim before this Commission, or other court or body, a value for that franchise and the certificate in excess of the original cost thereof; namely, the \$75 filing fee paid to this Commission and \$100 filing fee for costs of Ordinance No. 4370, for a sum total of \$175.

#### Findings

1. PLS has been distributing gas in the City of Glendale under a franchise granted by Ordinance No. 2641 of the City of Glendale and independently authorized by Commission Decision No. 49356 (November 24, 1953).

2. PLS is now applying for a partial assignment of a certificate of public convenience and necessity to exercise the rights and privileges of a new franchise granted by Ordinance No. 4370 of the City of Glendale to SoCal, which became effective on February 13, 1978.

3. Public convenience and necessity require the partial exercise by PLS of the rights and privileges of the franchise granted to SoCal by Ordinance No. 4370 of the City of Glendale.

Conclusions





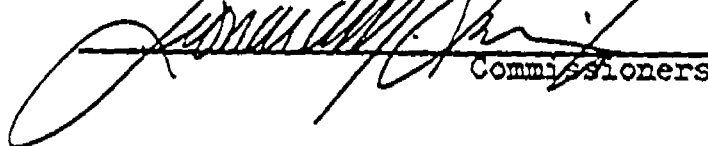
1. The application should be granted in accordance with the findings.
2. A public hearing is unnecessary.
3. The certificate of public convenience and necessity granted herein is subject to the following provisions of law:
  - (a) The Commission shall have no power to authorize the capitalization of 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 grant 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 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 Pacific Lighting Service Company to exercise the partial rights and privileges conferred by the franchise granted by the City of Glendale by Ordinance No. 4370 to SoCal adopted January 24, 1978.

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

Dated at San Francisco, California, this 10th day of APRIL, 1979.

  
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President  
  
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Commissioners