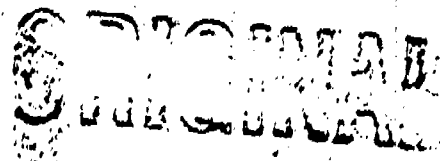


Decision No. 15601.

BEFORE THE RAILROAD COMMISSION OF THE STATE OF CALIFORNIA.

In the matter of the application
of Southern Counties Gas Company
of California for a certificate of
public convenience and necessity to
exercise certain franchise rights
in the Cities of Fillmore, Santa
Paula, Culver City, Newport Beach
and Seal Beach, under franchises granted
to, and applied for, by applicant.



Application No. 11,341.

LeRoy M. Edwards and A. F. Bridge,
for applicant.
John F. Imel, City Attorney,
for Culver City.

BY THE COMMISSION:

O P I N I O N

This is an application by Southern Counties Gas Company of California for an order declaring that public convenience and necessity require the exercise by it of the right and privileges of franchises granted and to be granted by the Boards of Trustees of Fillmore, Santa Paula, Culver City, Newport Beach and Seal Beach.

Public hearing was held September 4, 1925 in the City of Los Angeles, at which time testimony was introduced and the matter submitted for decision.

It appears that on April 7, 1925, the City of Fillmore awarded applicant a fifty year franchise, (Ordinance No. 82) to operate and maintain pipe lines throughout the City of Fillmore. Copy of said franchise is attached to Application No. 11,341, being marked Exhibit "B". Applicant has to date rendered service

under the franchise granted by Ordinance No. 47, the legality of which franchise is questioned in that certain requirements stipulated in said franchise were not complied with by applicant.

On May 4, 1925 the City of Santa Paula awarded applicant a fifty-year franchise, by Ordinance No. 126, to operate and maintain pipe lines throughout the City of Santa Paula. Copy of said franchise is attached to Application No. 11,341, being marked Exhibit "A". Applicant has to date rendered service in the City of Santa Paula, pursuant to a constitutional franchise exercised by applicant's predecessors in interest.

On June 15, 1925, the City of Culver City awarded applicant a fifty-year franchise, by Ordinance No. 155, to lay and maintain gas pipes throughout the City of Culver City. Copy of said franchise is attached to Application No. 11,341, being marked Exhibit "C". Applicant has to date rendered service in Culver City pursuant to a franchise granted by the County of Los Angeles on February 28, 1918 (Ordinance No. 500 N.S.) since which date Culver City has been incorporated. Los Angeles Gas and Electric Corporation now supplies gas to the eastern portion of Culver City while applicant serves the western portion. Counsel for applicant stipulated that although the new franchise covers the entire city, it will be exercised only in that portion of Culver City not now being served by Los Angeles Gas and Electric Corporation.

On or about January 1, 1923, applicant purchased the gas distributing system then owned by the City of Newport Beach, which system has since been operated without franchise. It appears that the City of Newport Beach has at applicant's request caused a franchise ordinance to be prepared granting to applicant the right to operate and maintain pipes throughout the City of Newport Beach and applicant is now awaiting the final passage of the franchise

ordinance awarded to it.

Applicant has been operating in Seal Beach, pursuant to various county franchises owned by applicant and by its predecessors in interest, all being granted prior to the incorporation of Seal Beach. Prior to the date of filing of Application No. 11,341, applicant had applied to the City of Seal Beach for a franchise to lay and maintain gas pipes throughout the City of Seal Beach, such franchise not having been granted prior to date of said application. Subsequent to the filing of Application No. 11,341, but prior to the date of hearing in this matter, the City of Seal Beach, on July 30, 1925, awarded applicant a forty-year franchise (Ordinance No. 118), to lay and maintain gas pipes throughout the City of Seal Beach. Copy of said franchise is filed as Exhibit No. 3 in Application No. 11,341.

It is deemed advisable that applicant should operate under statutory franchises granted by the various cities in which applicant operates its gas system and the accompanying order will grant the necessary certificate of public convenience and necessity for the exercise of those rights and privileges granted in the above mentioned franchises now held by Southern Counties Gas Company and on file with this Commission.

Hereafter, when and if franchise is awarded applicant by the City of Newport Beach, this Commission will, upon supplemental application, grant a certificate of public convenience and necessity to exercise the rights and privileges awarded by such franchise, provided that applicant file with this Commission a certified copy of such franchise and a stipulation duly executed by its board of directors agreeing that it will never claim for said franchise a value in excess of the cost thereof.

The exercise of those rights and privileges granted in Ordinance No. 155 awarded applicant by Culver City, will be restricted to that portion of Culver City not now supplied with gas service by Los Angeles Gas and Electric Corporation.

Stipulation will be required of applicant to the effect that no value in excess of actual cost of the above mentioned franchises will ever be urged for the above mentioned franchises.

ORDER

Southern Counties Gas Company having applied to the Railroad Commission for a certificate of public convenience and necessity for the exercise of certain rights and privileges granted by the City of Fillmore, Ordinance No. 82; the City of Santa Paula, Ordinance No. 126; the City of Culver City, Ordinance No. 155; and the City of Seal Beach, Ordinance No. 118; public hearing having been held, the matter being submitted and now ready for decision;

The Railroad Commission hereby certifies and declares that public convenience and necessity require and will require the exercise by Southern Counties Gas Company of those rights and privileges granted by Ordinance No. 82 adopted April 7, 1925 by Board of Trustees of the City of Fillmore; Ordinance No. 126 adopted May 4, 1925 by the Board of Trustees of the City of Santa Paula; Ordinance No. 155 adopted June 15, 1925 by the Board of Trustees of the City of Culver City and Ordinance No. 118 adopted July 31, 1925 by the Board of Trustees of the City of Seal Beach, all subject to the following conditions and not otherwise;

1. The exercise of the rights and privileges granted applicant by Ordinance No. 155 adopted June 15, 1925 by the Board of Trustees of the City of Culver City shall be restricted to that portion of Culver City not now receiving gas service from the Los Angeles Gas and Electric Corporation.

2. That on or before January 31, 1926 Southern Counties Gas Company shall file with this Commission a stipulation duly executed upon authority of its board of directors, agreeing that it will never claim for any of said franchises a value in excess of the cost thereof.

The authority herein granted shall be effective from and after the date of this order.

The foregoing opinion and order is hereby approved and ordered filed as the opinion and order of the Railroad Commission of the State of California.

Dated at San Francisco, California this 7th day of ~~December~~ November, 1925.

H. B. Brundage

C. J. Harvey

George D. Squires

Edward A. ...

Commissioners.