

Decision No. 17401.

ORIGINAL

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
granted applicant by the City of
Los Angeles.

Application No. 12862.

F. S. Wade and Leroy M. Edwards by O.C. Sattinger
for applicant.

A. L. Cleveland for Southern California Gas Company-
Interested party.

BY THE COMMISSION:

OPINION

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 rights and privileges of franchise granted by the City of Los Angeles.

Public hearing before Examiner Williams was held June 30, 1926, in the City of Los Angeles, at which time testimony was introduced and the matter submitted for decision.

It appears that on March 30, 1926, the City of Los Angeles awarded applicant a twenty-one year franchise (Ordinance No. 54509) to construct and operate gas pipe lines throughout portions of those annexations of the City of Los Angeles known as Westgate Addition, Palms Addition, West Coast Addition and City of Wilmington. Copy of said franchise is attached to application No. 12862,

being marked Exhibit "A".

It further appears that on April 26, 1926, the City of Los Angeles did by Ordinance No. 54791, amend Subdivision 21 of Section 2 of said Ordinance 54509 to state that the work of constructing and laying pipe lines shall be prosecuted diligently. A copy of said Ordinance is attached to application No. 12862, being marked Exhibit "B".

Applicant is now and has been for many years past supplying gas to the inhabitants of the additions above named under a franchise granted to it by the County of Los Angeles, under Ordinance No. 500 New Series, and in the area referred to as the City of Wilmington, applicant has been operating under a constitutional franchise granted to its predecessors in interest under Section 19, Article 11 of the Constitution of the State of California, as the same existed prior to its amendment in October, 1910.

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 franchise now held by Southern Counties Gas Company and on file with this Commission.

Applicant has filed with this Commission a stipulation, duly and legally passed by resolution of its Board of Directors, to the effect that applicant, its successors or assigns would never claim before the Railroad Commission, or any court of public body, any value for the aforesaid franchise in excess of the original cost thereof.

The exercise of those rights and privileges granted in Ordinance No. 54509, as amended by Ordinance No. 54791, awarded applicant by the City of Los Angeles, will be restricted to that

portion of the territory in question allotted to Southern Counties Gas Company, in territorial agreement between applicant and Southern California Gas Company.

O R D E R

Southern Counties Gas Company, having applied to the Railroad Commission of the State of California, for a certificate of public convenience and necessity for the exercise of certain rights and privileges granted by the City of Los Angeles, Ordinance No. 54509, as amended by Ordinance No. 54791, public hearing having been held, the matter being submitted and now ready for decision;

The Railroad Commission of the State of California 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. 54509, adopted by the Council of the City of Los Angeles, on March 30, 1926, as amended by Ordinance No. 54791, adopted by the Council of the City of Los Angeles on April 28, 1926, subject to the following conditions:

The exercise of the rights and privileges granted applicant by Ordinance No. 54509 adopted March 30, 1926, and amended by Ordinance No. 54791 adopted April 28, 1926, by the Council of the City of Los Angeles, shall be restricted to that portion of the City of Los Angeles allotted to Southern Counties Gas Company in a territorial agreement between applicant and Southern California Gas Company as set forth in stipulation filed with the Commission by applicant.

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 27th day
of September, 1926.

H. B. Brundage

C. L. Seaver

Leon O. Whittell

Commissioners.