

ORIGINAL

Decision No. 17487.

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 Neces-  
sity to exercise certain franchise  
rights granted to it by the City  
of Long Beach.

Application No. 13186.

Leroy M. Edwards, for applicant.  
A. D. Cleveland, for Southern California  
Gas Company, Interested party.

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 a franchise granted by ordinance of the City of Long Beach.

Public hearing before Examiner Williams was held in Los Angeles October 5, 1926, at which time testimony was introduced and the matter submitted for decision.

It appears that prior to June 1, 1924, applicant had been supplying gas to the inhabitants of the City of Long Beach and that it is now and has been for many years past supplying gas to the inhabitants of Seal Beach, San Pedro and Wilmington. On or about June 1, 1924, it sold its gas distribution system in Long Beach to the City of Long Beach, reserving, however, certain pipe lines through which it had been transporting gas from the so-called Signal Hill Oil Field, westward to San Pedro and Wilmington, and

eastward to Seal Beach. In order that it might continue to serve its consumers in Wilmington, San Pedro and in Seal Beach it was agreed between applicant and the City of Long Beach that the City would grant applicant the right to maintain certain existing pipe lines and to construct and maintain in the future certain other pipe lines, said pipe lines to be used exclusively for the purpose of transporting gas across the City of Long Beach to the communities of San Pedro, Wilmington, and Seal Beach. In accordance with this agreement the City of Long Beach did on May 27, 1924, grant to applicant a thirty-five year franchise being Ordinance No. C-275.

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

#### O R D E R

Southern Counties Gas Company of California 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 Long Beach, Ordinance No. C-276, public hearing having been held, the matter being submitted and being 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 California of those rights and privileges granted by Ordinance No. C-276, adopted by the Council of the City of Long Beach on May 27, 1924, for purposes of transmission of gas only and subject to the following condition:

That on or before December 31, 1926, Southern Counties Gas Company shall file with this Commission a stipulation duly executed upon authority of its Board of Directors to the effect that applicant, its successors or assigns, will never claim before the Railroad Commission or any court or public body any value for the aforesaid franchise in excess of the original cost thereof.

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

The foregoing Opinion and Order are 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 16<sup>th</sup> day of October, 1926.

H. R. Brundage

C. Leavy

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Thos. Shout

Commissioners.