

Decision No. 23993.**ORIGINAL**

BEFORE THE RAILROAD COMMISSION OF THE STATE OF CALIFORNIA.

In the Matter of the Application of SOUTHERN CALIFORNIA GAS COMPANY, a corporation, and CITY OF LONG BEACH, a municipal corporation, for an order of the Railroad Commission authorizing the former to sell, assign, transfer and convey to the latter the properties referred to in a certain agreement entered into by applicants under date of August 10, 1931.

Application No. 17598.

BY THE COMMISSION:

OPINION AND ORDER

This is an application of Southern California Gas Company and the City of Long Beach for an order authorizing the former to sell to the latter, on or before September 15, 1931, certain of its gas distribution properties located in North Long Beach, all as set forth in an agreement between said parties dated August 10, 1931, the consummation of said agreement by the former and the ceasing by the former of furnishing and supplying gas service in the territory in which the former now supplies gas service by means of said properties, subsequent to the transferring and conveying of said properties to the City of Long Beach and at such time as the latter is in a position to render service therein.

Under the terms and provisions of said agreement, a copy of which is marked "Exhibit A," and attached to and made a part of the application and subject to the approval of this Commission, Southern California Gas Company has agreed to sell,

assign, transfer and convey to the City of Long Beach for the sum of three hundred thousand dollars (\$300,000.00), plus cost of all additions and betterments made by the former during the period December 31, 1930, to September 14, 1931, inclusive, its North Long Beach gas distribution system consisting of those certain properties which it now owns and uses in the Long Beach Boulevard, Gateway Park and a portion of the Greater Long Beach annexations to the City in the County of Los Angeles, in connection with its business of distributing natural gas in said area, and also certain property located on Harbor Avenue, with the exception of certain enumerated facilities and equipment.

Exhibits "B" and "C" attached to the application set up the physical valuation of this property as of December 31, 1930, as follows:

|  |              |
|--|--------------|
| Historical Cost.....                   | \$375,684.10 |
| Reproduction Cost New.....             | \$378,814.24 |
| Reproduction Cost New Depreciated..... | \$340,348.64 |

Under the agreement Southern California Gas Company agrees to desist from distributing gas in the territory involved but retains the right to transmit gas therethru, and the continuity of service to the consumers in the territory is assured.

After careful consideration of all the facts and circumstances involved in this matter and of the terms and provisions of said agreement, the Commission is of the opinion that the terms and provisions of said agreement are fair and reasonable to all parties concerned and that a public hearing upon this application is not necessary and, therefore,

Good Cause Appearing,

THE RAILROAD COMMISSION OF THE STATE OF CALIFORNIA HEREBY ORDERS AND DECLARES that Southern California Gas Company be and the

the same is hereby authorized to sell, assign, transfer and convey to the City of Long Beach those certain properties enumerated above, to consummate that certain agreement above described and dated August 10, 1931, and upon the commencement of the rendering of gas service by the City of Long Beach in the territory involved to cease furnishing and supplying gas service in said territory.

The effective date of this order shall be fifteen (15) days from and after the date hereof.

Dated at San Francisco, California, this 31 day of August, 1931.

C. C. Jones

Leon Whiteley

W. A. Case

M. B. Harris

Fred G. Stewart

Commissioners.