

Decision No. 17728

BEFORE THE RAILROAD COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Application  
of SOUTHERN COUNTIES GAS COMPANY  
OF CALIFORNIA, a corporation, for  
a Certificate of Public Convenience  
and Necessity under Section 50 of  
the Public Utilities Act, for  
authority to exercise Franchise  
acquired.

APPLICATION NO. 17728

ORIGINAL

LeRoy M. Edwards, for Applicant.

BY THE COMMISSION.

O P I N I O N

In this application, Southern Counties Gas Company of California asks the Railroad Commission 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 Claremont, Los Angeles County.

A public hearing before Examiner Johnson was held November 10, 1931, in the City of Los Angeles, at which time testimony was introduced and the matter submitted for decision.

The record on this proceeding shows that applicant, since 1916, has been serving the City of Claremont by Constitutional Franchise, under authority granted by this Commission in Decision No. 3360 (10 C.R.C. 190). It appears that applicant, in the spring of the year 1916, purchased from Southern California Edison Company its gas distribution system in the said City of Claremont, and that on or about May 1, 1916, applicant petitioned the Commission, under Application No. 2199, for authority to purchase said gas properties and to acquire and exercise the aforesaid Constitutional Franchise. It further appears that at the time of the

filing of said application, the Southern California Edison Company had pending before the Board of Trustees of the City of Claremont, an application for the granting of a franchise to construct and operate pipe lines throughout the City of Claremont for carrying and distributing gas "for any and all purposes other than lighting," and that the Board of Trustees of the City of Claremont, on the 1st day of May, 1916, granted petitioner said franchise under Ordinance No. 120. Applicant now testifies that it had no knowledge of the granting of this franchise, at the time of the hearing of its said Application No. 2199, and that the decision of the Commission rendered May 22, 1916 (Decision No. 3360), authorized applicant to acquire and exercise the aforesaid Constitutional Franchise in the City of Claremont, but that no mention being made of Ordinance No. 120 in applicant's petition, the Commission did not authorize applicant to acquire said franchise or exercise same.

Applicant has never acquired any rights under said Franchise Ordinance No. 120, (and) has been at all times since 1916 the only utility serving gas to the inhabitants of the City of Claremont. The testimony shows that applicant has recently been requested by the City of Claremont to take out a new franchise under the so-called Broughton Act, and, pursuant to said request, applicant has secured a franchise from said City of Claremont under Ordinance No. 215, as fully described in Exhibit "A" and delineated by map in Exhibit "B," both of which exhibits are attached to and made a part of the application.

No one appeared in opposition to the application, and the testimony makes apparent that public convenience and necessity require, and will require, the exercise by applicant of the rights granted to it under the aforesaid franchise of the City of Claremont. We are of the opinion, therefore, that this application should be granted.

ORDER

Southern Counties Gas Company of California having applied to the Railroad Commission for certificate of public convenience and necessity for the exercise of certain rights and privileges granted by the City of Claremont under Ordinance No. 215, public hearing having been held, and 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 California, of the rights and privileges granted under Ordinance No. 215 by the Board of Trustees of the City of Claremont, Los Angeles County, subject, however, to the condition that applicant shall first have filed with the Railroad Commission of the State of California a stipulation duly authorized by its Board of Directors, agreeing that Southern Counties Gas Company of California, its successors or assigns, will never claim, before the Railroad Commission or any other public authority, any value for the franchise granted by said Ordinance No. 215 of the Board of Trustees of the City of Claremont, Los Angeles County, in excess of the actual cost thereof, which cost shall be stated in the stipulation, and shall have secured from the Railroad Commission a supplemental order herein declaring that such stipulation, satisfactory to the Railroad Commission, has been filed.

The authority herein granted shall become effective on the date hereof.

Dated at San Francisco, California, this 21st day of December, 1931.

C. Stearns  
Leon G. Williams  
W. G. Lee  
M. B. Harris  
Fred G. Stewart  
Commissioners.