Decision No.

## BEFORE THE RAILROAD COMMISSION OF THE

STATE OF CALIFORNIA.

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In the Matter of the Application of the SOUTHERN COUNTIES GAS COMPANY OF CALIFORNIA, a corporation, for a certificate that public convenience and necessity require the exercise of a right or privilege granted to applicant by Orange County, under a franchise.

Application
No. 2429.

Le Roy M. Edwards, for applicant.

LOVELAND, Commissioner.

## OPINICN.

This is an application by SOUTHERN COUNTIES GAS COMPANY OF CALIFORNIA for an order declaring that public convenience and necessity require applicant herein to exercise the rights and privileges granted by Ordinance Number 136, approved by the Board of Supervisors of Orange County, on May 16, 1916.

By Decision Number 3360, dated May 22, 1916, the Commission authorized applicant herein to purchase the properties of Long Beach Consolidated Gas Company and the gas properties of Southern California Edison Company.

Applicant reports that it has been for some time supplying gas to various cities and rural communities in Orange County Mill Of College Handlises granted by said Orange County by its ordinances Nos. 70, 84 and 125; that ordinance No. 70 was granted on June 18, 1907 and ordinance No. 84 on May 25, 1911; that more than three years has elapsed since

the passage of said ordinances and that it is no longer possible for applicant herein to make new extensions in the territory covered by said franchises. To enable it to install extensions, additions and betterments to its plant, applicant has recently acquired a new franchise (Ordinance No. 136) from the Board of Supervisors of Orange County. This franchise covers substantially the same territory as covered by the aforementioned ordinances. It provides that the work of constructing and laying the system of pipes shall be commenced in good faith within not more than four months from the date of the granting of the franchise, and shall be prosecuted diligently and in good faith so as to meet and fill the reasonable needs of the inhabitants of the territory for the service of which the franchise is granted.

I recommend that this application be granted subject to the conditions set forth in the following order.

## ORDER.

SOUTHERN COUNTIES HAS COMPANY OF CALIFORNIA having applied to this Commission for a certificate that public convenience and necessity require the exercise by it of the rights and privileges conferred under the terms of a franchise (Ordinance No. 136) by the Board of Supervisors of Orange County on May 16, 1916,

And a hearing having been held and this Commission having been advised in the premises,

THE RAILROAD COMMISSION HEREBY DECLARES that public convenience and necessity require the exercise by SOUTHERN COUNTIES GAS COMPANY OF CALIFORNIA of the rights and privileges conferred by the franchise (Ordinance No. 136) by the county of Orange on May 21, 1916; provided that SOUTHERN COUNTIES GAS COMPANY OF CALIFORNIA shall first have filed with the Railroad

Commission a stipulation duly authorized by its board of directors declaring that SOUTHERN COUNTIES GAS COMPANY OF CALIFORNIA, its successors and assigns, will never claim before the Railroad Commission, or any court or other public body, a value for said rights and privileges in excess of the actual cost to SOUTHERN COUNTIES GAS COMPANY OF CALIFORNIA of acquiring said rights and privileges, which cost is represented by SOUTHERN COUNTIES GAS COMPANY OF CALIFORNIA to have been \$300.00 , and shall have received from the Railroad Commission a supplemental order declaring that such stipulation, in form satisfactory to the Railroad Commission has been filed herein.

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 /0 Lt. day of August, 1916.