Decision No.

ME

BEFORE THE RAILROAD COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Application of SOUTHERN COUNTIES GAS COMPANY OF CALIFORNIA for an order preliminary to the issuance of a certificate of public convenience and necessity under a franchise to be secured from the City of Monterey Park, Los Angeles County. ORIGINAL

Application No. 2752

Hunsaker and Britt and LeRoy M. Edwards, by G. Harold Janeway, for applicant.

LOVELAND, Commissioner.

FIRST SUPPLEMENTAL OPINION

In this supplemental application Southern Counties Gas Company of California asks for a certificate of public convenience and necessity under a franchise adopted by the Board of Trustees of the City of Monterey Park, Los Angeles County, on April 14, 1917.

In Decision Number 4168, dated March 7, 1917, this Commission issued its preliminary order stating that it would issue such a certificate upon proper application by the utility after it had secured the necessary franchise. Decision No. 456

The franchise under which applicant proposes to operate is contained in Ordinance Number 23 of the City of Monterey Park. It grants to Southern Counties Gas Company of California the right to construct, maintain and operate a gas distributing system for a period of fifty years in that portion of the city south of Lincoln Avenue and the east and west prolongation thereof. By its terms the company after five years is required to pay to the city 2 per cent of the gross annual receipts arising from the use or possession of the franchise.

A hearing in this matter was held in Los Angeles on July 14, 1917 at which time applicant testified that no other company was now serving gas in this territory and that it had received in excess of 100 applications for service.

After a consideration of the evidence I am of the opinion that this application should be granted and I submit the following form of Order:-

ORDER

SOUTHERN COUNTIES GAS COMPANY OF CALIFORNIA having applied for a certificate that public convenience and necessity require the construction of a gas distributing system in the City of Monterey Park, Ios Angeles County, under Ordinance Number 23, adopted April 14, 1917;

And a public hearing having been held;

And the Commission being of the opinion that this application should be granted,

The Railroad Commission of California hereby declares that public convenience and necessity require the exercise by Southern Counties Gas Company of California of the rights and privileges conferred by Ordinance Number 23, of the City of

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2.

Monterey Park, Los Angeles County, adopted April 14, 1917, provided that Southern Counties Gas Company of California shall first have filed with the Railroad Commission a stipulation duly anthorized 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 shall be set forth in the stipulation, and shall have received from the Railroad Commission a supplemental order declaring that such stipulation has been filed in form satisfactory to the Railroad Commission.

The foregoing First Supplemental Opinion and Order are hereby approved and ordered filed as the First Supplemental Opinion and Order of the Railroad Commission of California.

Dated at San Francisco, California, this <u>144</u> day of August, 1917.

Commissioners.

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