Decision No.

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BEFORE THE RAILROAD COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Application of LOS ANGELES GAS AND ELECTRIC CORPORATION for a certificate that public convenience and necessity require the exercise of rights and privileges granted to it by Ordinance Number 25 of the City of Monterey Park, Los Angeles County.

Application No. 3008

J. H. Powell, for applicant.

Hunseker and Britt, and LeRoy M. Edwards, by G. Harold Janeway, for Southern Counties Gas Company, of California, intervenor. Thomas H. Berkebile, for City of Monterey-Fark.

LOVELAND, Commissioner.

## <u>O P I N I O N</u>

This is an application of Los Angeles Gas and Electric Corporation for a certificate that public convenience and necessity require the construction of *e* gas distributing system in that portion of the City of Monterey Park, covered by Ordinance Number 25 of said city, adopted May 26, 1917.

At the hearing witness for petitioner testified that the company now has applications for service from approximately sixty-five consumers and that in the neighborhood of Decision No.4522

9,171 feet of mains will be required to serve these parties.

The franchise under which applicant proposes to operate gives the company the right to lay, construct and maintain a gas distributing system for a period of forty years in the northerly portion of the City of Monterey Park, the territory being more fully described in the franchise, a copy of which is attached to the application herein as Exhibit "A". This franchise requires the company after five years to pay to the City, 2 per cent of the gross ennual receipts arising from the use or possession of the franchise.

Southern Counties Gas Company of California also has a franchise from the City of Monterey Park, contained in Ordinance Number 25, adopted April 14, 1917. The territory covered by this franchise is described as that portion of the city south of Lincoln Avenue and the east and west prolongations thereof. With the exception of a small section, the territory covered by the franchise of Southern Counties Gas Company of California is distinct and separate from the territory covered by the franchise of Los Angeles Gas and Electric Corporation.

Counsel for Los Angeles Gas and Electric Corporation stated that his company had no desire to encroach upon the territory covered by the franchise of Southern Counties Gas Company of California and that the order herein might contain a condition to that effect. Provided that the order following contain such condition, Southern Counties Gas Company of California withdrew its objections to the granting of the application. I shall therefore recommend that this application be granted subject to the condition that Los Angeles Gas and Electric Corporation shall

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not serve any territory covered by the franchise of Southern Counties Gas Company of California contained in Ordinance Number 23, of the City of Monterey Park.

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LOS ANGELES GAS AND ELECTRIC CORPORATION having applied for a certificate that public convenience and mecessity require the construction of a gas distributing system in the City of Monterey Park, Los Angeles County, under Ordinance Number 25, adopted May 26, 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 horeby declares that public convenience and necessity require the exercise by Los Angeles Gas and Electric Corporation of the rights and privileges conferred by Ordinance Number 25, of the City of Monterey Park, Los Angeles County, adopted May 26, 1917, provided that the authority berein granted shall not extend to any territory covered by the franchise granted to Southern Counties Gas Company of California under Ordinance Number 23 of the City of Monterey Park, adopted April 14, 1917, and provided further that Los Angeles Gas and Electric Corporation shall first have filed with the Railroad Commission a stipulation duly authorized by its Board of Directors; declaring that Los Angeles Gas and Electric Corporation, its successors and assigns, will never claim before the Railroad Commission or any court or other public body, a value for the rights and privileges granted by said Ordinance Number 25

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of the City of Monterey Park, in excess of the actual cost to Los Angeles Gas and Electric Corporation 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 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, Celifornia, this 1917.

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Commissioners.

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