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 Application No. 19622. the Public Utilities Act for Authority to exercise Franchise acquired from the City of Santa Barbera. Leroy M. Edwards and O. C. Sattinger, by O. C. Sattinger, for Applicant. BY THE COMMISSION: OBINION In the above entitled application the Southern Counties Gas Company, a corporation, requested that this Commission issue a certificate of public convenience and necessity authorizing it to exercise the rights and privileges granted by Ordinance No. 1655 of the City of Santa Barbara, Santa Barbara County. A public hearing on this application was conducted by Exeminer Gorman at Los Angeles on November 8th, 1934, at which time the matter was duly submitted. The evidence presented shows that applicant has been serving and distributing gas to its consumers generally, in the City of Santa Barbara, since 1919, the time of acquisition of the gas properties (Decision No. 6362, 16 C.R.C. 799-807), natural gas having replaced manufactured for many years last past. Applicant alleged that Ordinance No. 1655 is in addition to the constitutional franchise under which it operates and the rights acquired -1-

Decision No. 27586

from the predecessor company. The ordinance provides for the rendering of gas service to domestic, commercial and industrial consumers in all of the incorporated area of the City of Santa Barbara. The record shows that on September 30th, 1934, applicant was rendering natural gas service to 11,200 domestic, commercial and industrial consumers within the incorporated area of the City of Santa Barbara.

Applicant alleged that the rights and privileges granted under Ordinance No. 1655 of the City of Santa Barbara will not conflict with the rights and privileges of any other public utility.

There has been filed a copy of the ordinance, together with a stipulation duly executed under authority of applicant's Board of Directors, agreeing that applicant, its
successors or assigns, will never claim before the Railroad
Commission or any other court or public body a value for the
franchise in excess of the original cost of said franchise.

No one appeared at the hearing to protest the granting of the application and it is clear from the record 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 Santa Barbara. We are therefore
of the opinion that this application should be granted.

ORDER

Southern Counties Gas Company having requested that this Commission issue a certificate of public convenience and necessity requiring the exercise, by applicant, of the rights and privileges granted to it by the ordinance to which reference is made in the foregoing Opinion, a public hearing having been held and the

matter being submitted and now ready for decision;

pany of California be and it is hereby granted a certificate of public convenience and necessity and authorized to exercise the rights and privileges granted to it under Ordinance No. 1655 of the City of Santa Barbara, Santa Barbara County; provided, however, that the Railroad Commission of the State of California may hereafter, by appropriate proceedings and orders, revoke or limit, as to territory not then served by Southern Counties Gas Company of California, the authority herein granted.

The effective date of this order shall be the date hereof.

Dated at San Francisco, California, this day of December, 1934.

WarNe

Commissioners.