

Decision No. 29448

BEFORE THE RAILROAD COMMISSION OF THE STATE OF CALIFORNIA.

In the Matter of the Application of  
                  LOUIS R. LACKEY  
for a certificate of public conven-  
ience and necessity.

APPLICATION NO. 20824.

**ORIGINAL**

L. R. LACKEY, in Propria Persona.

BY THE COMMISSION:

O P I N I O N

Under the above entitled application L. R. Lackey (1) asks the Railroad Commission to issue its certificate of public convenience and necessity, authorizing the installation and operation of a gas plant and distribution system and the exercise of the rights and privileges to be granted to him by the City Council of the City of Blythe, County of Riverside.

A public hearing before Examiner McCaffrey was held on November 12, 1936, in the city of Blythe, at which time testimony was introduced and the matter submitted for decision.

It is alleged by applicant that the city of Blythe now has a population of from 1500 to 2000 people and that because of its being situated on transcontinental highway No. 60, one of the main ports of entry to this State from the East, and located

---

(1) L. R. Lackey is an officer of the Southwest Gas Corporation, Ltd., which now is, and for the past five years has been, selling and distributing a liquefied petroleum gas of approximately 3000 B. t. u. per cubic foot to the inhabitants of the cities of Victorville and Barstow. As the applicant herein, he proposes a similar service to the community of Blythe, but under his own individual management.

in the center of an agricultural area of several thousand acres which is afforded protection from inundation by the recent completion of Hoover Dam, the activity in agriculture, dairying and travel has developed to a marked degree, and the population, both permanent and transient, is therefore rapidly increasing.

It appears from the record that the community of Blythe is now being supplied with electric energy by The Southern Sierras Power Company (recently changed to The Nevada-California Electric Corporation), and with tank or bottled gas from several oil companies. Representatives of both interests testified that in their opinion there was no need for the service proposed by applicant. Despite this opposition, applicant through public witnesses established that there is a demand for a gas distribution system such as here proposed. It is estimated that approximately 100 consumers can be immediately secured and that 200 consumers will be available within the next two years.

Since the hearing on this matter, applicant has filed with the Commission a certified copy of the franchise granted by the City Council of the City of Blythe under date of December 7, 1936, authorizing the applicant to maintain and operate a gas plant and distribution system in the said city of Blythe for the purpose of supplying gas for domestic and industrial purposes to the inhabitants therein. Applicant has also filed a stipulation, agreeing that his successors and assigns will never claim before the Railroad Commission, or any other public body, a value for the franchise above referred to in excess of the actual cost thereof, which cost is \$313.00.

Applicant proposes to furnish said gas service at a price comparable to the rates charged by other companies having similar systems, and at prices comparable to the rates for

manufactured gas, adjusted to the difference in the heating values of the different gases. The record shows that the applicant is financially able to pioneer the service proposed in Blythe and clearly manifests that the public interest will best be served by the granting of the application. The order herein will so provide.

#### ORDER

L. R. Lackey having made application to this Commission for an order granting applicant a certificate of public convenience and necessity to supply gas service to the community of Blythe, Riverside County, a public hearing having been held and the matter being submitted and now ready for decision,

IT IS HEREBY ORDERED that a certificate of public convenience and necessity to exercise the rights and privileges authorized by the City Council of the City of Blythe under Ordinance No. 118, dated December 7, 1936, be and the same is hereby granted to applicant, subject to the following conditions:

1. Applicant shall file a written acceptance of the certificate herein granted within a period of not to exceed thirty (30) days from the date hereof.
2. Applicant shall file in quadruplicate, within a period of not to exceed thirty (30) days from the date hereof, a tariff or tariffs constructed in accordance with the requirements of the Commission's General Orders and containing rates and rules which, in volume and effect, shall be identical with the rates and rules shown on the application, or rates and rules satisfactory to the Commission.
3. The authority herein granted shall apply only within the incorporated area of the city of Blythe; provided, however, that the Railroad Commission may hereafter, by appropriate proceedings and orders, revoke or limit as to territory not then served by L. R. Lackey, his successors or assigns, the authority herein granted.

4. The rights and privileges herein authorized may not be discontinued, sold, leased, transferred or assigned unless the written consent of the Railroad Commission to such discontinuance, sale, lease, transfer or assignment has first been obtained.
5. The authorization herein granted shall lapse and become void if not exercised within one (1) year from the date hereof, unless further time is granted by subsequent order.

For all other purposes the effective date of this order shall be twenty (20) days from the date hereof.

Dated at San Francisco, California, this 17<sup>th</sup> day of January, 1937.

W. H. ...  
...  
...  
...

COMMISSIONERS.