



applicant purchased from Southern California Edison Company in 1916, its gas distributing system in the City of Santa Monica, together with its constitutional franchise to sell and distribute gas to the City of Santa Monica and its inhabitants; that acquisition of said gas distributing system and said constitutional franchise and the exercise by applicant of said constitutional franchise were duly authorized by the Railroad Commission of the State of California in its Decision No. 3360 of date May 22, 1916; that applicant is now the owner of said constitutional franchise to distribute gas to the City of Santa Monica and its inhabitants.

The said City of Santa Monica has challenged the right of applicant, under said constitutional franchise, to use and occupy the streets of the City of Santa Monica for the distribution of gas for any purpose other than "illuminating light," and has demanded that applicant take out a new franchise.

Pursuant to said demand on the part of the City of Santa Monica, applicant did apply to said City for a franchise, and on the 3rd day of May, 1937, the City Council of the City of Santa Monica granted to Southern Counties Gas Company of California, by Ordinance No. 626, a franchise, for a period of forty years, to lay, construct, repair, maintain, replace, use and operate gas pipes and other appurtenances connected thereto, under, along, across and in the public streets, avenues, thoroughfares and other public places within said City of Santa Monica, as such public streets, avenues, thoroughfares or other public places now or may hereafter exist, for the purpose of transporting and distributing gas for heat, light, power and other purposes. A copy of said franchise is attached to said application, marked Exhibit "A" and made a part thereof.

Public convenience and necessity will be served by the exercise of the rights granted to applicant under said franchise.

Applicant is now, and has been at all times since May 22, 1916, the only person, firm or corporation serving gas to the City of Santa Monica or its inhabitants.

Applicant filed in this proceeding an affidavit of publication of notice of this hearing, as required by the Commission.

Applicant filed a written stipulation to the effect that "in consideration of the granting to it of said certificate of public convenience and necessity by the Railroad Commission of the State of California, neither it, said Southern Counties Gas Company of California, nor its successors or assigns, will ever claim before the Railroad Commission of the State of California, or any other court or body, a value for the aforesaid franchise in excess of the actual cost thereof, which actual cost it is hereby stipulated and agreed is the sum of \$499.20, said cost having been incurred as follows:

Franchise Bid	\$100.00
Cost of advertising notice of sale of franchise	276.00
Publication of Franchise Ordinance, Filing fee with the Railroad Com- mission,	73.20
	<u>50.00</u>
TOTAL	\$499.20"

The following form of order is recommended.

#### O R D E R

Southern Counties Gas Company of California having applied to the Railroad Commission of the State of California for an order granting to applicant a certificate declaring that public convenience and necessity require, and will require, the exercise by applicant of the right, privilege and franchise granted to it by the ordinance referred to in the foregoing opinion, the Commission having considered the matter and being of the opinion that the application should be granted,

THE RAILROAD COMMISSION OF THE STATE OF CALIFORNIA HEREBY ORDERS AND DECLARES that public convenience and necessity require, and will require, the exercise by Southern Counties Gas Company of California of the right or privilege under the franchise granted to it by Ordinance No. 626 of the City Council of the City of Santa Monica, County of Los Angeles, State of California, as fully set forth and described in Exhibit "A," attached to and made a part of the application herein, and that a certificate of public convenience and necessity authorizing such exercise be, and it is, hereby granted to applicant, subject to the following conditions and not otherwise:

- (1) That applicant, its successors or assigns will never claim before the Railroad Commission or any other public authority, a value for the aforesaid franchise in excess of the actual cost thereof, which is stated by applicant to be the sum of \$499.20.
- (2) 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 been first obtained.
- (3) Applicant shall file a written acceptance of the certificate herein granted, within a period of not to exceed fifteen (15) days from the date hereof.

The effective date of this order is the date hereof.

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 30<sup>th</sup> day of

June, 1937.

Leon A. Hill  
Frank R. Wilson  
Robert W. ...  
Ray & Alley  
Commissioners.