

Decision No. 21191

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
the Public Utilities Act, for
Authority to Exercise the Franchise
acquired from the City of Covina
by Ordinance No. 219.

Application No. 21959

ORIGINAL

LeRoy M. Edwards, for Applicant.

WAKEFIELD, Commissioner.

OPINION

Southern Counties Gas Company of California requests a certificate of public convenience and necessity, under Section 50 (b) of the Public Utilities Act, authorizing the exercise of rights and privileges under the gas franchise granted to it by Ordinance No. 219 of the City Council of the City of Covina, County of Los Angeles, adopted May 2, 1938, a copy of which is attached as Exhibit "A" to the application herein. Said franchise is for an indeterminate period, adopted pursuant to the Franchise Act of 1937.

A public hearing was held in Los Angeles, July 27, 1938, and no one appeared to protest the granting of the application.

According to the application and testimony introduced at the hearing, applicant has been, for many years, supplying gas to the City of Covina and the inhabitants thereof pursuant to a franchise granted by Ordinance No. 39 adopted September 13, 1904, which ordinance was for a term of fifty years. This franchise contained a clause to the effect that the work of laying pipes by the applicant

should be completed within three years from the effective date of the franchise ordinance. Since this provision raises a legal question as to whether the applicant is entitled to continue to lay pipe lines under the rights and privileges of said franchise after the expiration of the initial three-year period, it was deemed advisable by the applicant that a new franchise be obtained correcting this ambiguity.

Applicant is the only gas utility operating in this vicinity and now renders gas service in substantially all parts of the City of Covina.

Applicant submitted at the hearing a stipulation that it, its successors or assigns will never claim, before the Railroad Commission or any court or public body, any value for said franchise granted May 2, 1938, by Ordinance No. 219, in excess of the actual cost thereof which is \$95.90, including the \$50.00 fee for filing of the present application with the Railroad Commission.

O R D E R

Southern Counties Gas Company having made application to the Railroad Commission for a certificate that public convenience and necessity require the exercise by it of certain franchise rights for the furnishing of gas service in the City of Covina, a hearing having been held in the proceeding and the matter having been submitted 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 Covina, Los Angeles County, under Ordinance No. 219, dated May 2, 1938, be and the same is, hereby granted to Southern Counties Gas Company, subject to the following conditions and not otherwise:

- (1) Applicant shall file written acceptance of the certificate herein granted, within a period of not to exceed thirty (30) days from the date hereof.
- (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.

This order shall be effective immediately.

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 Los Angeles, California, this 15th day of August, 1938.

Barth Swabey
Leon G. Hall
James M. Miller
Ray L. Day
Commissioners...