

ORIGINAL

Decision No. 34451

BEFORE THE RAILROAD COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Application of
Southern California Gas Company for
a Certificate that Public Convenience
and Necessity Require the Exercise of
Rights and Privileges Granted to it
by Ordinance No. 767 of the City of
Inglewood.

Application No. 24255.

T. J. Reynolds and L. T. Rice, by
L. T. Rice, for Applicant.
Clyde Woodworth, City Attorney, by
Jessie M. Neale.

BY THE COMMISSION:

O P I N I O N

Southern California Gas Company, applicant, applies for a finding and order that public convenience and necessity require the exercise by applicant of the rights and privileges granted to it by franchise and Ordinance No. 767 of the City of Inglewood, Los Angeles County, and alleges that such order is necessary to enable applicant to meet the demands upon it for gas service by its present and prospective customers and consumers of gas in said City of Inglewood.

Ordinance No. 767 is authorized by the Franchise Act of 1937, is indeterminate in duration and provides that the grantee shall during the term thereof pay to the City of Inglewood an amount not less than one per cent (1%) of the gross annual receipts derived by grantee from the sale of gas within the limits of said city.

A public hearing on this application was held June 30, 1941, in the City of Inglewood, at which time applicant testified that the cost of the franchise was \$43.05, exclusive of the \$50.00 filing fee for the present application and \$3.50 for the publication of notice of the hearing.

This application is before us under the provisions of Section 50 of the Public Utilities Act. Section 50 (c) of that act declares that there is concurrent jurisdiction of the city and of this Commission in franchise proceedings of this nature. The city has made its grant of franchise to applicant under the terms and conditions set forth in Ordinance No. 767 "in the exercise of its police powers and not in conflict with the paramount authority of the State of California" (Sec. 8 of said ordinance). This Commission in the exercise of its paramount regulatory powers over applicant's construction, extensions, operation, service, rights, and other matters, as set forth in the Public Utilities Act, may grant its certificate of public convenience and necessity, as provided for in Section 50 of said act upon "such terms and conditions, including provisions for the acquisition by the public of such franchise or permit and all rights acquired thereunder and all works constructed or maintained by authority thereof, as in its judgment the public convenience and necessity may require" (Sec. 50 (c)).

The record shows that applicant heretofore has been using the public streets and roads and has been operating and furnishing gas service in the territory now included within the city under certain fixed term franchises, viz: City of Inglewood Ordinance No. 607 and franchises granted by the County of Los Angeles by Ordinance Nos. 463 and 1382, and under its so-called constitutional franchise; also under prior orders and certificates of this Commission, viz: Decision No. 3996, dated January 9, 1917; Decision No. 4254, dated April 17, 1917, and Decision No. 28986, dated July 16, 1936. The city granted its indeterminate franchise, Ordinance No. 767, "in lieu of all other franchises, rights, or privileges owned by the grantee, or by any

successor of the grantee to any rights under this franchise, for transmitting and distributing gas within the limits of the city, as said limits now or may hereafter exist, and the acceptance of the franchise hereby granted shall operate as an abandonment of all such franchises, rights and privileges within the limits of this city, as such limits now or may hereafter exist" (Sec. 4 of said ordinance), and required, in Sec. 4, the "abandonment" of the prior franchises above referred to.

The grant of this Commission's certificate of public convenience and necessity will be made upon a similar condition of abandonment of prior franchises and certificate rights within the territory covered by this application, and this order will supersede such prior rights and the grants made in this Commission's prior decisions enumerated above.

Upon the record in this application and the testimony introduced on behalf of the applicant we conclude that the requested authority should be granted under the terms and conditions set forth in the following order.

O R D E R

The application of Southern California Gas Company having been considered, and

IT BEING FOUND AS A FACT that public convenience and necessity so require,

IT IS HEREBY ORDERED that Southern California Gas Company be and is hereby granted a certificate for the exercise of the rights and privileges granted it by the City of Inglewood, Los Angeles County, in Ordinance No. 767 adopted May 6, 1941, and for the construction, extensions and operation of its gas facilities within the corporate limits of said city in order to enable applicant to meet the demands for gas service of present and prospective customers and consumers of gas.

This grant is subject to the following conditions;

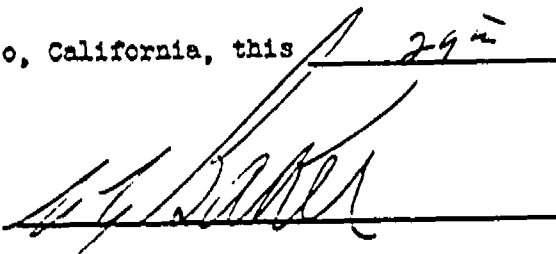
1. This certificate and order is in lieu of and supersedes all certificates heretofore granted to and owned by applicant, within

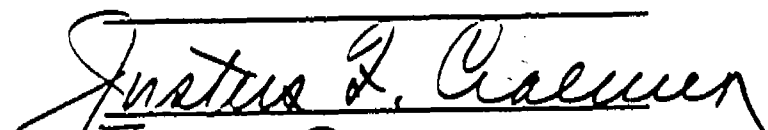


the corporate limits of the City of Inglewood, and the acceptance of this certificate shall operate as an abandonment of all such prior certificates.

2. Southern California Gas Company, its successors or assigns, will never claim before this Commission or any court or other public body a value for said franchise, Ordinance No. 767, or for the authority granted in this order, in excess of the actual cost thereof.

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

Dated at San Francisco, California, this 29th day
of January, 1941.



Commissioners.