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Decision No.

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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 Montebello by Ordinance No. 342.

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Application No. 25489

Le Roy M. Edwards, Attorney for Applicant

BY THE COMMISSION:

## <u>OPINION</u>

Southern Counties Gas Company of California seeks authority to exercise a franchise granted by the City of Montebello, permitting the maintenance of gas facilities upon the streets of said city.

As the franchise referred to is one granted by the city in accordance with the Franchise Act of 1937, it is provided therein that it be of indeterminate duration. A fee is payable annually to the city, equivalent to 2% of the gross receipts arising from the use of the franchise, but not less than 1% for all sales of gas by applicant within the city. The direct costs to applicant in obtaining the franchise are stated to have been \$58.90.

Ordinance No. 342 grants to applicant the use of the streets and thoroughfares in the entire city. According to the testimony, however, Southern Counties Gas Company of California has for a number of years past been serving only a part of the city with natural gas, while the remainder of the city is supplied by the Southern California Gas Company. This division of territory

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has been in effect for some time and Southern Counties Gas Company of California requests that a Certificate of Public Convenience and Necessity be limited to that part of the City of Montebello which they are now serving. The excepted territory is designated as Parcels Nos. 1 and 2, defined as follows:

## Parcel No. 1

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That portion of the City of Montebello described as follows:

Beginning at the 1/4 Section corner on the north line of fractional Section 4, T. 2 S., R. 12 W., as shown on Map of Repetto Rancho, recorded in Book 759, pages 21 and 22 of Deeds, Records of Los Angeles County; thence easterly along the north line of T. 2 S., R. 12 W., said line also being the north line of the City of Montebello, to the southwesterly line of Rancho La Merced as shown on a map recorded in Book 13, page 24 of Patents, Records of Los Angeles County; thence southeasterly along the southwesterly line of said Rancho La Merced to the intersection with a line which is parallel with and approximately 150 feet southerly measured at right angles from the north line of T. 2 S., R. 12 W.; thence westerly along said last mentioned parallel line to the intersection with the north and south center line of Sec. 3, T. 2 S., R. 12 W.; thence southerly along the said last mentioned center line to the northeast corner of Lot 2 Tract No. 10161 as shown in Book 144, pages 26 to 31 of Maps, Records of Los Angeles County; thence. westerly along the north line of Lots 2, 3, 4, 5, 6, and 7 of said last mentioned tract, to the northwest corner of Lot 7, said last mentioned tract; thence southerly along the westerly line of said last mentioned lot, and the prolongation thereof, to the intersection with the westerly line of the City of Montobello; thence northerly, northwesterly and northerly along the boundary of the City of Montebello to the point of beginning.

## Parcel No. 2

That portion of the City of Montebello lying southerly of the northerly line of the Atchison, Topeka and Santa Fe Railway Company's right of way.

A map showing the location and boundaries of the above, mentioned Parcels Nos. 1 and 2, and also the territory supplied by the Southern Counties. Gas Company of California is attached to and made a part of the application, and designated as Exhibit "A." The record in this proceeding is convincing that the requested authority should be granted.

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<u>order</u>

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> A public hearing having been held upon the application of Southern Counties Cas Company of California, the matter considered, and it appearing to the Commission and it being found as a fact that public convenience and necessity so require, therefore,

IT IS HEREBY ORDERED, that Southern Counties Gas Company of California be and is hereby granted a certificate limited to the territory specifically referred to in the opinion of this order to exercise the rights and privileges granted by the City of Montebello by Ordinance No. 342, adopted January 18, 1943, subject to the condition, however, that no claim of value for such franchise or the authority herein granted in excess of the actual cost thereof shall ever be made by grantee, its successors, or assigns, before this Commission or before any court or other public body.

The effective date of this order shall be the 20th day from and after the date hereof.

Dated at San Francisco, California, this <u>30<sup>47</sup></u> day of <u>March</u>, 1943. <u>Tranet R. However</u>

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(Commissioners)