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Decision No. _____

Decision No. 4373

BEFORE THE RAILROAD COMMISSION OF THE
STATE OF CALIFORNIA.

ORIGINAL

In the Matter of the Application of)
SOUTHERN CALIFORNIA EDISON COMPANY)
for an order authorizing it to pur-)
chase an electric distributing) Application No. 2864.
system at Beverly Hills, and for a)
certificate of public convenience)
and necessity.)

In the Matter of the Application of)
BEVERLY HILLS UTILITIES COMPANY for)
an order authorizing it to sell an)
electric distributing system at) Application No. 2871.
Beverly Hills, California, to Southern)
California Edison Company.)

Gibson, Dunn & Crutcher and
S. M. Haskins, for Beverly
Hills Utilities Company.

H. H. Trowbridge and Harry
J. Bauer, for Southern Cal-
ifornia Edison Company.

BY THE COMMISSION:

OPINION.

A public hearing in the above entitled applica-
tions was conducted before Examiner Westover at Los Angeles
on April 26, 1917. In these applications Beverly Hills
Utilities Company requests authorization to sell its electric

distribution system described in Exhibit "1" attached hereto, to Southern California Edison Company, and Southern California Edison Company requests authorization to purchase the same and for a certificate of public convenience and necessity to exercise a franchise obtained by Beverly Hills Utilities Company from the City of Beverly Hills.

Beverly Hills Utilities Company wishes to retire from the field and sell its electric distributing system to Southern California Edison Company.

It was stipulated that the two applications might be heard together and that they be consolidated, and also that any evidence submitted in Application 2834, which application was heard at the same time and this day decided should be considered in evidence in these matters, if applicable.

It appears that Southern California Edison Company is better prepared to serve Beverly Hills and vicinity than Beverly Hills Utilities Company.

Most of the territory served with electric energy by Beverly Hills Utilities Company was incorporated about three years ago as Beverly Hills, a city of the sixth class.

By Ordinance No. 32, adopted April 9, 1917, the City of Beverly Hills granted to Beverly Hills Utilities Company the right, privilege and franchise for forty years to erect, construct and maintain an electric distributing system along the public highways, streets, alleys and public places of the city.

Including the real estate and materials and supplies on hand, the cost of the electric distributing system is reported at \$31,204.94. The purchase price is the sum of \$23,347.70 plus the cost of additions and extensions, franchises and value of materials and supplies at the date when possession of the property is transferred.

The Commission has made no valuation of the electric distributing system, but its engineers, after checking the figures presented, report the purchase price to be reasonable. Beverly Hills Utilities Company is the only utility serving electric energy in Beverly Hills and immediate vicinity. There is no mortgage indebtedness and its electric properties are all to be conveyed free from encumbrances of any kind.

Southern California Edison Company will carry out all contracts for service by the Beverly Hills Utilities Company which were in effect on April 26, 1917.

O R D E R

BEVERLY HILLS UTILITIES COMPANY and SOUTHERN CALIFORNIA EDISON COMPANY having applied to the Railroad Commission for the authority granted in its order, and

A public hearing having been held, and

It appearing to the Commission that said authority should be granted,

IT IS HEREBY ORDERED as follows:

(a) Beverly Hills Utilities Company is hereby authorized to transfer and convey to Southern California Edison Company all its properties and electric distributing system described in Exhibit "1" attached hereto, for the sum of \$23,347.70 plus the cost of additions and extensions, franchises and value of materials and supplies at the date when the possession of the property is transferred.

(b) It is hereby declared that public convenience and necessity require the exercise by Southern California Edison Company of the rights and privileges conferred upon Beverly Hills Utilities Company by Ordinance No. 32 of the City of Beverly Hills adopted April 9, 1917; provided Southern California Edison Company shall acquire the electric properties and franchise of Beverly Hills Utilities Company and file with the Railroad Commission a stipulation duly authorized by its Board of Directors declaring that Southern California Edison Company, its successors and assigns will never claim before the Railroad Commission or any court or other public body a value for said rights and privileges in excess of the original cost of acquiring said rights and privileges, which cost is represented by said Southern California Edison Company to have been \$500.00, and provided it shall have received from the Railroad Commission a supplemental order declaring that such stipulation in form satisfactory to the Railroad Commission has been filed

with said Railroad Commission.

This order is made upon the following conditions:--

1. The authority herein granted shall not be binding in any proceeding upon this Commission or any tribunal, court or public body as a finding by this Commission of the value of applicant's property for any purposes other than those relating to this application.

2. The stipulation herein required to be filed by applicant, Southern California Edison Company, concerning its franchise shall be filed within sixty days from date hereof.

3. Within ten days after any such conveyance or transfer is delivered, the grantor in said transfer or conveyance, shall report in writing to the Commission the fact of such delivery, with the date thereof, and shall file with the Railroad Commission a copy of any such transfer or conveyance.

4. The authority herein contained shall extend only to such property as shall have been

transferred on or before August 31, 1917.

Dated at San Francisco, California, this

6th day of June 1917.

Max Thelen

H. H. H. H. H.

Edwin O. Edgerton

Commissioners.

EXHIBIT NO. 1.

The property which Beverly Hills Utilities Company proposes to sell to Southern California Edison Company is described in Exhibit "A" attached to Application Number 2864 as follows:-

That the Seller agrees to sell and convey unto the Purchaser, and the Purchaser agrees to purchase and accept from the Seller the entire electric distributing system now owned by the Seller situated in and near the City of Beverly Hills, California, and all additions and extensions hereafter made thereto by the Seller, including all poles, pole lines, conduits, transformers, crossarms, insulators and all other property of every kind and character constituting a part of said electric distributing system; also all material and supplies purchased by the Seller for use on said system, which the Seller now has on hand. Also all rights-of-way, easements and franchises under or by virtue of which any or all of said property was erected, or is maintained and operated. The property to be conveyed hereunder includes Lot 12 in Block 1 of Beverly, in the County of Los Angeles, State of California, as per map recorded in Book 11, page 94 of Maps, Records of said County.

The purchase price to be paid for the property agreed to be conveyed hereunder shall be the sum of \$23,347.70. In addition thereto the Purchaser shall

pay the Seller a sum equal to the cost of all extensions and additions made by the Seller to said electric distributing system since September 30, 1916, and of such extensions and additions thereto as may be made hereafter with the consent of the Purchaser, also the actual cost of all work done by the Seller subsequent to December 1, 1916, and prior hereto in rebuilding said electric distributing system to comply with the rules and regulations of the Railroad Commission of the State of California.