

Decision No. 29984

BEFORE THE RAILROAD COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Application of SOUTHERN CALIFORNIA EDISON COMPANY LTD., a corporation, for certificates that public convenience and necessity require that it exercise the right and privilege granted it under franchise to construct, operate, alter, maintain and use electric distribution and transmission systems within the CITY OF VERNON, County of Los Angeles, State of California.

Application No. 21270

Roy V. Reppy, B. F. Woodard and Gail B. Selig,  
for Applicant.

Leonard A. Diether for Alhambra Action League  
and Long Beach Municipal Defense League,  
Protestants.

BY THE COMMISSION:

O P I N I O N

Southern California Edison Company Ltd., a corporation, herein seeks a certificate of public convenience and necessity to exercise the rights granted to it by Ordinances Nos. 503 and 504 of the City of Vernon, Los Angeles County, authorizing applicant to construct, operate, alter, maintain and use an electric distribution and transmission system, etc., over and along certain streets and alleys and public places in the City of Vernon. The certificate sought carries out the provisions of a settlement between the City of Vernon and applicant, the details of which are set forth in the Commission's Decision No. 29749, dated May 10, 1937, on Application No. 21065, whereby applicant was authorized to lease the Vernon municipal electric system.

A public hearing thereon was conducted by Examiner W. R. Williams at Los Angeles, the matter was duly submitted and now is ready for decision.

Ordinance No. 503 grants to applicant authority to construct, operate and maintain an electric system in the City of Vernon over certain streets named in said ordinance, for a period of fifty years, said system to be used solely for the purpose of distributing electricity within the City of Vernon to the city itself, including any department thereof, and to the Los Angeles Railway Corporation for railway purposes only, and to transmit electricity through the City of Vernon to serve communities outside the City of Vernon. The ordinance also permits certain telephone circuits of applicant and contains detailed provisions for the location, construction and maintenance of poles and lines, including additional streets.

Ordinance No. 504 grants to applicant a franchise, similar to Ordinance No. 503, for the occupancy and use of all the streets, alleys and public places in the City of Vernon, for the purpose of selling electricity to all classes of consumers at retail and at rates stipulated and agreed to in the lease heretofore mentioned and which lease was approved by Decision No. 29749, supra. The term of this franchise is limited to the period beginning April 1, 1937, and terminating whenever possession of the property, leased to it by the City of Vernon, may terminate, according to the aforementioned lease. This lease is for a period of ten years, and may be extended at the option of the City; or the lease may be terminated at any time that applicant (lessee) charges rates higher than stipulated in the lease. Hence the indefinite term of the franchise.

Protest was made by Alhambra Action League and Long Beach Municipal Defense League upon the same grounds urged at the hearing of Application No. 21065 and disposed of adversely in Decision No. 29749. No witnesses were presented.

W. C. McWhinney, assistant vice-president of applicant, testified that the cost of the franchise, under Ordinance No. 503, was \$255.00 and under Ordinance No. 504, \$232.42. Applicant filed a stipulation agreeing never to claim any greater value on these franchise rights than the cost thereof.

The exercise of these franchise rights by applicant appears necessary to the City of Vernon and its inhabitants under the agreement between the city and applicant. The application will be granted.

#### O R D E R

Southern California Edison Company Ltd. having applied for a certificate of public convenience and necessity authorizing it to exercise the rights, privileges, and franchises granted to it by the above mentioned ordinances, 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 California Edison Co. Ltd. of the rights, privileges, and franchises granted to it by Ordinances Nos. 503 and 504 of the City of Vernon, as fully set forth and described in the application herein, and that a certificate of public convenience and necessity authorizing such exercise is hereby granted to applicant, subject to the following conditions and not otherwise:

- (1) That the rights and privileges herein authorized may not be discontinued, sold, leased, transferred, nor assigned unless and until the written consent of the Railroad Commission to such discontinuance, sale, lease, transfer or assignment has first been obtained.
- (2) That applicant, its successors or assigns will never claim before the Railroad Commission or any court or other public body, any value for the above mentioned franchises in excess of the amounts actually paid therefor.
- (3) That applicant shall, within thirty (30) days from and after the date hereof, file with the Commission a written acceptance of the certificate herein granted.

The effective date of this Order is the date hereof.

Dated at San Francisco, California, this 13<sup>th</sup> day of  
July, 1937.

Walter S. ...

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Raymond ...  
Raymond ...  
Commissioners.