

ORIGINAL

Decision No. 54706

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Application of)
 SOUTHERN CALIFORNIA EDISON COMPANY,)
 a corporation, for a Certificate)
 that Public Convenience and Necessity)
 require and will require the exercise)
 by Applicant of the rights, privileges)
 and franchise granted by Ordinance)
 No. 1192 of the City of Ontario,)
 County of San Bernardino, State of)
 California.)

Application No. 38721

Bruce Renwick, Rollin E. Woodbury, Harry W. Sturges, Jr.,
and Austin C. Smith, Jr., by Austin C. Smith, Jr.,
for applicant.

O P I N I O N

Southern California Edison Company, by the above-entitled application filed on January 10, 1957, requests a certificate of public convenience and necessity to exercise the rights and privileges of a franchise, granted by the City of Ontario, County of San Bernardino, State of California, to use and to construct and to use for transmitting electricity to the public for any and all purposes other than those authorized under Section 19 of Article XI of the California Constitution, poles, wires, conduits and appurtenances, including communication circuits necessary or proper therefor, in, along, across, upon, over and under the streets of said city.

A public hearing on the application was held before Examiner Kent C. Rogers on February 25, 1957, in Los Angeles. Prior to said hearing notice thereof was published as required by this Commission.

The franchise referred to, a copy of which is attached to the application and designated Exhibit "A," was granted by the city in accordance with the Franchise Act of 1937 (Division 3, Chapter 2, California Public Utilities Code); was effective 30 days after September 11, 1956; was formally accepted by the applicant on October 11, 1956; and is of indeterminate duration. A fee will be payable annually equivalent to 2 per cent of the gross annual receipts of said grantee arising from the use, operation or possession of said franchise, but not less than 1/2 per cent of the gross annual receipts from the sale of electricity within the limits of the city under said franchise and the existing constitutional franchise.

No objection to the granting of the requested certificate has been entered.

The applicant's witness stated that the costs incurred in obtaining the franchise total \$78.37, not including the fee for filing the herein application of \$50.00 and the cost of publishing notice of the hearing thereon of \$8.25. He further stated that the franchise under which the applicant has been serving the City of Ontario was granted in 1932 by Ordinance No. 536, is for a term of 50 years and expires on June 20, 1982. He said the new franchise granted by Ordinance No. 1192 is for an indefinite term, more definitely establishes and extends applicant's franchise rights in the city, and the possession, ownership and exercise of said franchise will be of value to it in rendering service to the public and in connection with continuing to qualify the outstanding bonds of the applicant and qualifying future issues of bonds as legal investments in states having laws relating to the qualification of bonds of public utility companies.

As of December 31, 1956, applicant served approximately 14,000 customers in the City of Ontario and had a gross revenue from all services in the city for the year 1956 of \$1,821,218. It will pay the city under the franchise approximately \$9,106 per year based on the 1937 Act provisions which will be an increase of approximately \$6,500 over the payments under the present franchise.

Upon the record herein the Commission finds that public convenience and necessity require the exercise by the applicant of the rights, privileges and franchise granted to the applicant by Ordinance No. 1192 of the City of Ontario, California. The certificate of public convenience and necessity herein granted is subject to the following provisions of law:

- (a) The Commission shall have no power to authorize the capitalization of the franchise involved herein or this certificate of public convenience and necessity or the right to own, operate or enjoy such franchise or certificate of public convenience and necessity in excess of the amount (exclusive of any tax or annual charge) actually paid to the State or to a political subdivision thereof as the consideration for the grant of such franchise, certificate of public convenience and necessity or right.
- (b) The franchise involved herein shall never be given any value before any court or other public authority in any proceeding of any character in excess of the cost to the grantee of the necessary publication and any other sum paid by it to the municipality therefor at the time of the acquisition thereof.

O R D E R

The above-entitled application having been filed, a public hearing having been held therein, the matter having been submitted, and the Commission having made the foregoing findings and based upon said findings,

IT IS ORDERED that Southern California Edison Company be and it is hereby granted a certificate that public convenience and necessity require the exercise by it of the rights, privileges and franchise granted to it by Ordinance No. 1192 of the City of Ontario, State of California, which ordinance was adopted on the eleventh day of September, 1956, by the city council of said city.

The effective date of this order shall be twenty days after the date hereof.

Dated at Los Angeles, California, this 26th day of MARCH, 1957.

[Signature]
President
[Signature]
[Signature]
[Signature]
Commissioners