

**ORIGINAL**

Decision No. 55238

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Application of )  
 SOUTHERN CALIFORNIA EDISON COMPANY, )  
 a corporation, for Certificate that )  
 Public Convenience and Necessity re- )  
 quire and will require the exercise ) Application No. 38988  
 by Applicant of the rights, privileges )  
 and franchise granted by Ordinance )  
 No. 12 of the City of Dairy City, County )  
 of Orange, State of California, in )  
 accordance with Franchise Ordinance )  
 No. 12 of said City. )

Bruce Ronwick and Harry W. Sturges, Jr., by  
Austin C. Smith, Jr., for applicant.

Bert Buzzini for the California Farm Bureau  
 Federation, interested party.

O P I N I O N

Southern California Edison Company, a corporation, by the above-entitled application filed on April 17, 1957, requests a certificate of public convenience and necessity to exercise the rights and privileges of a franchise granted by the City of Dairy City, County of Orange, California, to use and to construct and use, for transmitting and distributing electricity to the public for any and all purposes, poles, wires, conduits and appurtenances, including communication circuits necessary or proper therefor, in, along, across, upon, over, and under the public streets, ways, alleys, and places within said city.

A public hearing on the application was held before Examiner Kent C. Rogers on June 4, 1957, in Los Angeles. Prior

to the hearing notice thereof was published as required by the Commission. There were no protests.

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 thirty days after its adoption on February 11, 1957, and is of indeterminate duration. A fee will be payable annually equivalent to two percent of the gross annual receipts of the applicant arising from the use, operation or possession of said franchise, but not less than one percent of the gross annual receipts arising from the sale of electricity within the limits of the city pursuant to the franchise.

The applicant's witness stated that the costs incurred in obtaining the franchise are \$19.19, exclusive of the costs incident to this application which amount to \$60.28 and include \$50 for filing the application with the Commission and \$10.28 for publication of the notice of the hearing thereon. Prior to the incorporation of the City of Dairy City on July 24, 1956, he said, the applicant had been serving the area, which was Orange County territory, for many years pursuant to county franchises, and public convenience and necessity require the continuation of an electric service therein by the applicant which is the only electrical corporation serving the area. In addition, he said, the franchise granted by Ordinance No. 12 of the City of Dairy City more definitely establishes and extends applicant's franchise rights in said city, and the possession, ownership, and exercise of said franchise by applicant will be

of value to the applicant in rendering service to the public within the City of Dairy City, and in connection with continuing to qualify the outstanding bonds of this company and effecting qualification of 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 475 customers in the City of Dairy City and had a gross revenue from all services in the city during the year 1956 of \$61,795. It will pay annually to the city approximately \$618 under the terms of the franchise based on its 1956 revenues.

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 the City of Dairy City Ordinance No. 12. The certificate of public convenience and necessity herein granted is subject to the following provisions of law:

1. 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 for any amount of money 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.
2. 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.

ORDER

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

IT IS HEREBY ORDERED that Southern California Edison Company, a corporation, 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. 12 of the City of Dairy City, State of California, which ordinance was adopted on the eleventh day of February, 1957, by the City Council of said city.

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

Dated at San Francisco, California,  
this 9th day of JULY, 1957.

President

*Paul Suterence*

*Michael J. ...*

*R. ...*

*... Fox*

Commissioners

Commissioner Peter E. Mitchell, being necessarily absent, did not participate in the disposition of this proceeding.