

ORIGINALDecision No. 55239

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)
 require and will require the exercise)
 by Applicant of the rights, privileges) Application No. 38989
 and franchise granted by Ordinance)
 No. 7062 of the County of Los Angeles,)
 State of California, to erect,)
 construct, operate, alter, maintain)
 and use an electric distribution,)
 transmission and communication system)
 within the unincorporated territory)
 of said County.)

Austin C. Smith, Jr., for applicant.

Bert Buzzini, for 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 County of Los Angeles to erect, construct, operate, alter, maintain and use an electric distribution and transmission system consisting of poles, towers, crossarms, conduits, manholes, vaults, cables, wires, transformers, switches and other equipment, appliances and appurtenances, including communication circuits, for the purpose of conducting, transmitting and distributing electricity and electrical energy for light, heat and power purposes, and for any and all

other purposes for which electricity can be used, on, along, upon, over, in, under and across the highways within the portions of the County of Los Angeles, State of California, unincorporated on December 27, 1956, together with the right to erect, construct, operate, alter, maintain and use a private communication system consisting of poles, towers, conductors, crossarms, conduits, cables, wires and other equipment, appliances and appurtenances, including communication circuits; said private communication system to be used solely in connection with the operation and maintenance of applicant's electric system.

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 as Exhibit "A", was granted by the County in accordance with the Broughton Act (Division 3, Chapter 1, California Public Utilities Code), was effective thirty days after its adoption on November 27, 1956, and is for a term of 50 years from the effective date. A fee will be payable annually equivalent to two percent of the gross annual receipts of the grantee arising from the use, operation or possession of the franchise, said payments to commence upon the effective date of the ordinance which supersedes Los Angeles County Franchise Ordinance No. 2243 adopted April 19, 1933.

The applicant's witness stated that the costs incurred in obtaining the franchise are \$19,359.28, exclusive of the costs incident to the application which amount to \$122.45 and include

\$50. for filing the application with the Commission and \$72.45 for publication of the notice of the hearing thereon. The witness stated that applicant has been serving the unincorporated territory in Los Angeles County since prior to 1900; that the last County franchise received by applicant was pursuant to Los Angeles County Ordinance No. 2243 adopted on April 19, 1933, and applicant was given a certificate of public convenience and necessity to exercise such franchise by this Commission's Decision No. 26977, dated April 23, 1934, in Application No. 19345; and that public convenience and necessity require the continuation of electrical service in Los Angeles County by the applicant which is the only electrical corporation serving the area. In addition, the witness said, the franchise granted by Ordinance No. 7062 of the County of Los Angeles more definitely establishes and extends applicant's franchise rights in said county and the possession, ownership and exercise of said franchise by applicant will be of value to it, among other things, in rendering service to the public within the County of Los Angeles 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 411,600 customers in the County of Los Angeles and had a gross revenue from all services in the County during the year 1956 of approximately \$55,200,000. It paid the County of Los Angeles approximately \$164,800 during the year 1956 under the terms of

the existing franchise and will pay a comparable sum under the new franchise in the future based on the terms thereof which require payments computed on the same basis as the existing 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 applicant by the County of Los Angeles Ordinance No. 7062.

The certificate of public convenience and necessity herein granted is subject to the following provision of law:

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~~ 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.

O R D E R

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. 7062 of the County of Los Angeles, State of California, which ordinance was adopted on November 27, 1956, by the Board of Supervisors of said County.

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
Carl J. Linder

Walter J. ...

R. ...

E. Lynn Fox
Commissioners

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