

ORIGINAL

Decision No. 55451

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 and franchise
 granted by Ordinance No. 67 of the City
 of Paramount, County of Los Angeles,
 State of California, in accordance with
 Franchise Ordinance No. 67 of said City.)
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) Application No. 39155

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

O P I N I O N

Southern California Edison Company, a corporation, by the above-entitled application, filed on June 15, 1957, requests a certificate of public convenience and necessity to exercise the rights and privileges of a franchise granted by the City of Paramount, County of Los Angeles, California, by Ordinance No. 67, to use and to construct and use, for transmitting and distributing electricity for any and all purposes, poles, wires, conduits and appurtenances, including communication circuits necessary or proper therefor, in, along, across, upon, over, 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 July 31, 1957, in Los Angeles. Prior to the hearing notice thereof was published as required by this 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 30 days after its adoption on March 19, 1957, and is of indeterminate duration. A fee will be payable annually equivalent to 2 percent of the gross annual receipts of the applicant arising from the use, operation or possession of the franchise, but not less than 1 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 \$32.70, exclusive of the costs incident to this application which amount to \$54.56 and include \$50 for filing the application with the Commission and \$4.56 for publication of the notice of the hearing thereon. Prior to the incorporation of the City of Paramount on January 30, 1957, he said, the applicant had been serving the area, which was Los Angeles County territory, for many years pursuant to county franchises, and public convenience and necessity require the continuation of an electric service therein by applicant which is the only electrical corporation serving the area. In addition, he said, the franchise granted by Ordinance No. 67 of the City of Paramount 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 Paramount, and in connection with continuing to qualify the outstanding bonds of the 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 7,500 customers in the City of Paramount and had a gross revenue from all services in the city area during the year 1956 of \$1,026,000. It will pay annually to the city approximately \$10,260 under the terms of the franchise based on its 1956 revenues. It paid the County of Los Angeles under its County Franchise, for the area now comprising the City of Paramount, approximately \$1,896 in 1956.

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 Paramount Ordinance No. 67. 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.

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. 67 of the City of Paramount, State of California, which ordinance was adopted on the 19th day of March 1957 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 27th day of August, 1957.

President
Raul J. [unclear]
[unclear]

[unclear]

Commissioners

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