

Decision No. 55963

ORIGINAL

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Application of)
SOUTHERN CALIFORNIA WATER COMPANY for)
an order granting it a certificate of)
public convenience and necessity to)
exercise rights under the franchise)
granted by Ordinance No. 108,812 of)
the City of Los Angeles.)

Application No. 39382

O'Melveny & Myers, attorneys, by Charles K. Mills,
for applicant.

O P I N I O N

Southern California Water Company, a corporation, pursuant to Section 1002 of the Public Utilities Code has applied for a certificate that public convenience and necessity require the exercise of a franchise from the City of Los Angeles granted to applicant by Ordinance No. 108,812 and adopted January 17, 1957.

A public hearing was held in Los Angeles before Examiner Mark V. Chiesa. Proof of publication of the notice of hearing was filed at the hearing. No protests were entered.

Applicant is a public utility and produces, distributes and supplies water in certain areas within the Counties of Los Angeles, Orange, San Bernardino, Imperial, Ventura and Sacramento. It also distributes and supplies electric energy in Bear Valley in the County of San Bernardino.

Applicant's new franchise authorizes it to maintain its transmission facilities in certain specified streets and in such addi-

tional streets as this city may hereafter approve from time to time after hearing of proposals to install transmission facilities in such additional streets, all as more particularly specified in Sections 2.1, 2.2, and 2.3 of said ordinance No. 108,812. The franchise granted by that ordinance is for a period of twenty years from and after the effective date of the ordinance and provides for payment annually to the city of an amount equivalent to 40 cents per cubic foot of space occupied in streets within an area formed by the outer lines of Western Avenue, Santa Barbara Avenue, Central Avenue and its northerly prolongation, Temple Street and Beverly Boulevard, and 20 cents per cubic foot of street space occupied elsewhere in the city, all as more particularly specified and determined by the provisions of Section 5.1 of said Ordinance No. 108,812. All of applicant's transmission facilities now located in said city are within the area calling for annual payments to said city at the rate of 20 cents per cubic foot of street space occupied by such facilities.

In 1951 applicant was and for many years past had been rendering water service to customers within the City of Los Angeles. During that year such service was discontinued as the result of the sale to the city of most of applicant's city properties. Certain transmission facilities of applicant were excepted from the properties sold to the city because they were needed to transport water through certain city streets to render service to customers of applicant outside of the city, and since the sale applicant has installed additional transmission facilities in certain streets of the city for the transmission of water to customers outside of the city. These transmission facilities transport water from wells located both within and

outside of the city limits. Economic operation of applicant's existing water facilities requires continued use of those streets of the City of Los Angeles in which applicant's aforesaid transmission facilities may be required to be installed in other streets of said city, all to the end of transporting water from sources either within or outside of the city to customers of the applicant in non-city areas.

Applicant's first annual payment under said ordinance, on the basis of present facilities, amounts to \$3,864.22. Said facilities are a part of the plant used and necessary to serve the Culver City Area and the so-called Southwest Area which areas together account for approximately 44,000 customers.

Costs incurred in the procurement of this franchise consist of \$1000 for franchise, \$980 legal fees, \$200 advertising, \$50 application fee, and \$9 for publication notice, or a total of \$2,239.

The Commission finds that public convenience and necessity require the exercise of said franchise. The application will be granted.

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

That 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.

O R D E R

A public hearing having been held, the Commission being fully advised in the premises and having found as hereinabove set forth,

IT IS HEREBY ORDERED that a certificate of public convenience and necessity be, and it hereby is, granted to Southern California Water Company, a corporation, authorizing it to exercise the rights and privileges granted by the City of Los Angeles in Ordinance No. 108,812 adopted January 17, 1957.

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

Dated at San Francisco, California, this 16th day of December, 1957.

E. N. [Signature]
President
[Signature]
[Signature]
[Signature]
Commissioners