

**ORIGINAL**

Decision No. 57592

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 should require and will require the exercise by applicant of the rights, privileges and franchise granted by Ordinance No. 37 of the City of Rolling Hills Estates, County of Los Angeles, State of California, in accordance with Franchise Ordinance No. 37 of said City.

Application No. 40339

Rollin E. Woodbury, Harry W. Sturges, Jr., and H. Clinton Tinker, by H. Clinton Tinker, for applicant.

O P I N I O N

Southern California Edison Company, a corporation, by the above-entitled application filed August 11, 1958, requests a certificate of public convenience and necessity to exercise the rights and privileges of a franchise granted by the City of Rolling Hills Estates, County of Los Angeles, California, 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, and under the public streets, ways, alleys and places within said city.

Public hearings on the application were held before Examiner Kent C. Rogers on September 30 and October 20, 1958, in Los Angeles. Prior to the last day of 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 30 days after its adoption on April 7, 1958, 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 \$10.70, exclusive of the costs incident to this application which amount to \$57.50 and include \$50 for filing the application with the Commission and \$7.50 for publication. Prior to the incorporation of the City of Rolling Hills Estates on September 18, 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. 37 of the City of Rolling Hills Estates 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 Rolling Hills Estates, 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, 1957, applicant served approximately 853 customers in the City of Rolling Hills Estates and had a gross revenue from all services in the city area during the year 1957 of approximately \$94,800. It will pay annually to the city approximately \$948 based on its 1957 revenue. It paid the County of Los Angeles under its county franchise, for the area now comprising the City of Rolling Hills Estates, approximately \$600 in 1957.

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 Rolling Hills Estates Ordinance No. 37. 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, public hearings 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 hereby is 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. 37 of the City of Rolling Hills Estates, State of California, which ordinance was adopted on April 7, 1958, 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 10<sup>th</sup> day of November, 1958.

E. Lynn Fox  
President

John L. ...

Carl ...

...

Theodore ...  
Commissioners