

Decision No. 57870

ORIGINAL

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. 17 of the City of)
Fountain Valley, County of Orange,)
State of California, in accordance)
with Franchise Ordinance No. 17 of)
said City.)

Application No. 40570

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

O P I N I O N

Southern California Edison Company, a corporation, requests a certificate of public convenience and necessity to exercise the rights, privileges and franchise granted by the City of Fountain Valley, County of Orange, State of California, in Ordinance No. 17 of said city, which ordinance was adopted on June 2, 1958, and became effective thirty days thereafter. Said franchise authorizes applicant to use and to construct and use, for transmitting and distributing electricity for any and all purposes, poles, wires, conduits, including communication circuits necessary and proper therefor, in, along, across, upon, over and under the streets within the city limits of the said city as more specifically set forth in the ordinance.

A public hearing was held in Los Angeles before Examiner Mark V. Chiesa. Oral and documentary evidence having been adduced, the matter was submitted for decision. Notice of the hearing was published in a local newspaper. The application was not opposed.

The said franchise was granted under and in accordance with the provisions of the Franchise Act of 1937 (Division 3, Chapter 2, of the California Public Utilities Code) and is for an indeterminate period. It provides, among other things, that grantee shall pay the city two percent (2%) of the gross annual receipts of grantee arising from the use, operation or possession of said franchise, provided that such payment shall in no event be less than one percent (1%) of the gross annual receipts derived from the sale of electricity within the limits of said city. No bond was required.

Applicant has been furnishing electricity in the City of Fountain Valley area pursuant to a county ordinance (Decision No. 44086). The evidence shows that for the year ending December 31, 1958 (estimated), approximately 2,147,000 kilowatt hours of electricity were consumed in the City of Fountain Valley area, returning a revenue of approximately \$60,000. As of October 31, 1958, there were approximately 420 customers within the said area. Payments to the city, computed on 1958 revenues, would have been approximately \$600 under the present franchise.

Total expenses incurred in connection with this application are \$77.50.

It was testified that the franchise will more definitely establish and extend applicant's rights in said city, will enable

applicant to render its service to the public, and will be of value to applicant in qualifying outstanding and future bonds as legal investments where such qualification is necessary.

Having considered the record we find that public convenience and necessity require the exercise by applicant of the rights, privileges and franchise granted by the City of Fountain Valley in Ordinance No. 17. The certificate herein granted is subject to the following provision 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

A public hearing having been held, the Commission being fully advised in the premises, and having found facts as hereinabove set forth, makes its order as follows:

Southern California Edison Company, a corporation, 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. 17 of the City of Fountain Valley which ordinance was adopted by the City Council of said city on the 2nd day of June, 1958.

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

Dated at San Francisco, California,
this 21th day of January, 1959.

[Signature]
President

[Signature]

[Signature]

[Signature]

Commissioners