

Decision No. 58376

ORIGINAL

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Joint Application of the SOUTHERN CALIFORNIA EDISON COMPANY, a corporation, and the CALIFORNIA ELECTRIC POWER COMPANY, a corporation, for an order establishing portions of the boundary lines separating their respective service areas.)

Application No. 40765

Rollin E. Woodbury, Harry W. Sturges, Jr., by
Harry W. Sturges, Jr., and H. Clinton Tinker,
for Southern California Edison Company.
Donald J. Carman, for California Electric
Power Company.
Kenneth J. Hedstrom, for the Commission staff.

O P I N I O N

Applicants' Request

Southern California Edison Company¹ and California Electric Power Company² jointly filed the above-entitled application on January 21, 1959, requesting an order establishing certain boundary lines separating the service area of Edison in Los Angeles County and the service areas of Edison in the vicinity of each of these lines in San Bernardino and Riverside Counties from the service areas of California Electric in the vicinity of each of these lines in Kern, San Bernardino, and Riverside Counties. Exhibits A, B, and C and Exhibits I, II, and III, attached to the application, are maps and property descriptions of the proposed boundary lines.

¹ Hereinafter referred to as Edison, is a California corporation engaged in the business of generating, transmitting, and distributing electricity in the central and southern portions of the State of California, including the County of Los Angeles and portions of the Counties of Kern, San Bernardino, and Riverside.

² Hereinafter referred to as California Electric, is a corporation organized and existing under the laws of the State of Delaware, and is engaged in the business of generating, transmitting, and distributing electricity in the eastern and southern portions of the State of California, including portions of the Counties of Kern, San Bernardino, and Riverside.

Public Hearing

After due notice, public hearing was held upon this application before Commissioner Theodore H. Jenner and Examiner Manley W. Edwards on March 13, 1959, in Los Angeles. Applicants presented one exhibit and testimony by two witnesses in support of their request. The Commission staff, represented by an engineer, cross-examined the witnesses for the purpose of developing a full record to aid the Commission in deciding this request. No party attending the hearing voiced any objection to the proposal of the applicants.

Position of Applicants

Both utilities state that they are certificated to do business in Kern, San Bernardino, and Riverside Counties,³ and represent that for many years they have been furnishing and providing electric service in accordance with natural growth and service requirements of the public. They refer to the fact that in certain instances, from time to time, they have established informal boundary lines between areas within which they respectively are providing service. They also refer to the fact that certain portions of their boundary lines have been established by prior Commission decisions; that is: Decision No. 50034, Application No. 35244, for Kern County; Decision

<u>County</u>	<u>Franchise Ordinance Number</u>	<u>Date Granted</u>	<u>Certificates of Public Convenience and Necessity</u>	
			<u>Application Number</u>	<u>Decision Number</u>
<u>Southern California Edison Company</u>				
Los Angeles	7062	11-27-56	38989	55239
Kern	F-2	4-15-56	27836	39907
		(as modified by)	35244	50034
San Bernardino	482	4--8-40	23635	34741
Riverside	259	7-22-40	23634	34723
<u>California Electric Power Company</u>				
Kern	119	10--7-16	3050	4597
		(as modified by)	35244	50034
San Bernardino	789	5-14-56	38676	55271
Riverside	127	8--9-16	3049	4597

No. 56694, Application No. 39107, in the vicinity of the City of Corona, extending from the southwest corner of the City of Riverside westerly to San Bernardino-Orange County line.

Applicants refer also to Decision No. 55123, Case Nos. 5815 and 5898, dated June 11, 1957, wherein this Commission suggested that they should negotiate some workable agreement for dividing their territory wherever disputes are likely to arise, and wherein the Commission required that neither party should construct any additional new facilities, other than those authorized in Decision No. 55123, in that portion of Riverside County between the easterly boundary of Range 6 east and the westerly boundary of Range 20 east, S.B.B. & M., without receiving prior approval of this Commission.

Accordingly, applicants entered into negotiations directed towards establishing boundary lines which are mutually acceptable and which represent reasonable and factual allocations of territory, after giving adequate recognition to past developments and current installations. To attain this objective in the most efficient manner, applicants agreed to subdivide the investigation into nine parts, designated jobs, in order to expedite the necessary field work and concentrate attention successively in the various geographic areas in which boundaries are to be determined. At this time four of the nine jobs are complete and applicants ask authorization of Jobs 1, 2, and 8. Job 4 was concerned with the line near the City of Corona, authorized by Decision No. 56694.

Job No. 1

The boundary line agreed upon under Job No. 1 extends easterly along the Los Angeles County line, from the intersection of said county line and the Kern County service-area boundary line previously established between the service areas of these applicants, to

the San Bernardino County line; thence southerly along the San Bernardino County line, except for an extension into San Bernardino County to include generally the area around Mirage Lake, to a point just north of Wrightwood; thence in a southerly direction along section lines to Cajon Pass. In the locality of this boundary line, Edison's service area is generally south and west thereof, and California Electric's service area is generally north and east thereof. This line is shown on Exhibit A of the application.

Job No. 2

The boundary line agreed upon under Job No. 2 commences at a point north of Cajon Pass at Cleghorn Mountain and includes the area around Summit Valley; thence extends in an easterly direction to a point northwest of Big Bear Lake; thence extending generally southerly to a point southeast of the City of Beaumont. In the locality of this boundary line, Edison's service area is generally south and west thereof, and California Electric's service area is generally north and east thereof. This line is shown on Exhibit B of the application.

Job No. 8

The boundary line agreed upon under Job No. 8 commences on the Nevada-California State boundary line at or near the northeast corner of Township 16 north, Range 15 east, S.B.B. & M.; thence southwesterly along section lines to the easterly side of Township 13 north, Range 10 east, S.B.B. & M.; thence southerly along township and range lines to the San Bernardino-Riverside County line. In the locality of this boundary line Edison's service area is generally east thereof, and California Electric's service area is generally west thereof. This line is shown on Exhibit C of the application.

Other Jobs

Applicants' first witness indicated that Job No. 5 covers the territory near the Santa Ana River and generally north and west of the Cities of San Bernardino and Riverside; that Job No. 6 is concerned with the Cajon Pass area; that Job No. 7 is concerned with the City of San Bernardino; and that Job No. 9 is concerned with the eastern portion of Riverside County. These four jobs are being worked on at the present time but are not sufficiently complete so that applicants are not now ready to seek authorization by the Commission. Applicants desire that authorization now be given for Jobs Nos. 1, 2, and 8, but that authorization of Jobs Nos. 5, 6, 7 and 9 be covered by supplemental application.

Other Electric Utilities Serving in the Areas

Applicants presented, as Exhibit No. 1 in this proceeding, a large map which shows all of the agreed upon boundary lines on a single sheet. This map shows the approximate service areas in San Bernardino County of the California Pacific Utilities Company at Needles, the Southern California Water Company at Big Bear Lake, and the Desert Electric Cooperative east and west of Twentynine Palms. These three electric utilities were sent copies of the notice of hearing in this matter, but none of them appeared at the hearing nor offered any opposition to the proposed boundary lines. Exhibit No. 1 also shows the approximate service areas of Anza Electric Cooperative, Inc., and Imperial Irrigation District in Riverside County. These utilities are not in close proximity to the proposed boundary line in said county.

Findings and Conclusions

The record shows that no change in service to any existing customers will be effected by the establishment of the boundary lines as proposed. While the authorization of the lines proposed in this

application carries out the Commission's suggestion with regard to a portion of the territory, it does not cover the central and eastern portion of Riverside County and the requirement of Decision No. 55123 for prior authorization for any additional new facilities therein is not altered by this decision.

After considering the evidence of record, it is the Commission's finding and conclusion that the establishment of boundary lines along the boundary lines or within the Counties of Kern, Los Angeles, Riverside, and San Bernardino, as proposed in this application, is not adverse to the public interest. There is some overlapping of facilities; and each applicant desires to continue to enjoy its right to run transmission lines on either side of the boundary lines; but each states that it will not erect distribution facilities and serve customers beyond the boundary lines as delineated in this application. Much of the territory on either side of the boundary lines being authorized by this decision is in no present need of service, and neither utility presently has facilities to serve all of the territory. The boundary line in the eastern half of San Bernardino County gives due weight to the location of existing transmission circuits and to the shortest lines to reach new loads as they might develop. It appears in the public interest to grant the authorization sought by an application that will save duplication of service facilities and prevent destructive competition in the future. Therefore, the Commission finds and concludes that public convenience and necessity require that an order should be issued granting the authority as requested. While this order does not grant additional authority but may restrict or alter certain rights now available under existing franchises to these utilities, it is subject to the following provision of law:

That the Commission shall have no power to authorize the capitalization of this certificate of public convenience and necessity or the right to own, operate or enjoy such certificate of public convenience and necessity in excess of the amount (exclusive of any tax or annual charge) actually paid to the State as the consideration for the issuance of such certificate of public convenience and necessity or right.

The action taken herein shall not be construed to be a finding of the value of the properties that might be transferred as a result of this decision.

O R D E R

Joint application as above entitled having been filed, a public hearing having been held, the matter having been submitted and now being ready for decision, and it appearing to the Commission and being found as a fact that public convenience and necessity so require,

IT IS HEREBY ORDERED as follows:

1. That Southern California Edison Company, a corporation, and California Electric Power Company, a corporation, be and they are authorized to establish boundary lines, including revision of any existing informal or formal boundary lines, separating their distribution service areas in or along the boundaries of the Counties of Kern, Los Angeles, Riverside, and San Bernardino, according to the maps, Exhibits A, B, and C, and the legal descriptions Exhibit I, II, and III attached to the application.

2. That within forty days after the effective date of this order applicants shall file, in accordance with the Commission's General Order No. 96, four copies of tariff rate area maps, which shall reflect the boundary lines authorized by this order.

3. That the service areas and/or boundary lines, as established in Kern County for Southern California Edison Company by

Decision No. 39907, in Application No. 27836, and for a predecessor of California Electric Power Company by Decision No. 4597, in Application No. 3050; in San Bernardino County for applicants by Decision No. 34741, in Application No. 23635, and Decision No. 55271, in Application No. 38676; and in Riverside County for Southern California Edison Company by Decision No. 34723, in Application No. 23634, and for a predecessor of California Electric Power Company by Decision No. 4597, in Application No. 3049, as such decisions relate to the exercise of franchise rights for distribution purposes, shall be and they are limited in the manner established by this order.

4. That extensions of applicants' distribution lines in the territory specified in this order may be made only in accordance with such applicable tariff rule or rules as may be in effect at the time covering such extensions, or in accordance with any general or special authority granted by the Commission.

5. That, except upon further certificate of this Commission, applicants shall not supply electricity within any parts or portions of Kern, San Bernardino, or Riverside Counties then being served with electricity by any other utility.

6. That, except upon further certificate of this Commission, applicants shall not supply electricity within any parts or portions of Kern, San Bernardino or Riverside Counties not now served by them except through extensions of their existing system made in the ordinary course of business as contemplated by Section 1001 of the Public Utilities Code.

7. That the Commission may hereafter, by appropriate proceeding and order, limit the authority herein granted to applicants as to any territory within Kern, San Bernardino, and Riverside Counties not then being served by either of them.

8. That this authorization does not preclude the application for and certification to other electric utilities of service areas within the territory depicted in exhibits delineating the boundary lines in this application, nor affect the rights of other electric utilities in any manner.

9. That the Secretary shall cause a copy of this decision to be filed in each of the proceedings designated in paragraph 3 above.

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

Dated at San Francisco, California, this 6th day of MAY, 1959.

E. Lynn Fox
President

John E. [unclear]

Matthew [unclear]

Theodore [unclear]

Commissioners

Commissioner Everett C. McKeago, being necessarily absent, did not participate in the disposition of this proceeding.