

# ORIGINAL

Decision No. 58550

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Application of  
SOUTHERN CALIFORNIA EDISON COMPANY,  
a corporation, for a certificate  
that public convenience and necessity  
require and will require the exercise  
by applicant of the rights, privileges  
and franchise granted by Ordinance  
No. 1077 of the County of Orange,  
State of California.

)  
Application No. 40791

Rollin E. Woodbury, Harry W. Sturges, Jr., and  
H. Clinton Tinker, by H. Clinton Tinker,  
for applicant.  
William L. Knecht, for California Farm Bureau  
Federation; Chickering & Gregory, by  
Sherman Chickering and C. Hayden Ames,  
and L. R. Knerr, for San Diego Gas &  
Electric Company; interested parties.  
L. S. Patterson, for the Commission staff.

## O P I N I O N

A public hearing in the above-entitled matter was held in Los Angeles before Examiner Mark V. Chiesa. The evidence of record shows and we find as follows:

By Decision No. 53187, dated June 4, 1956, applicant was granted a certificate "that public convenience and necessity require the construction, operation, maintenance and use of the proposed Huntington Beach Steam Station consisting of two 200,000-kw units generally as described in the application, the procurement of the requisite lands or land rights, permission or such franchises as may be necessary for the construction or operation of the project,

"the production, transmission, distribution, delivery and sale of such electric energy as may be generated by the plant to its present and prospective customers in accordance with its certificates of public convenience and necessity and with its rates, rules and regulations duly filed with the Commission."

Applicant is herein applying, under Section 1002 of the Public Utilities Code, for a certificate declaring that the present and future public convenience and necessity require and will require the exercise by applicant of the rights, privileges and franchise granted by said Ordinance No. 1077 of the County of Orange, State of California.

On or about the 15th day of April, 1958, the Board of Supervisors of the County of Orange, State of California, passed and adopted Ordinance No. 1077, duly granting to applicant a certain franchise to construct, lay, operate, maintain, use, renew, repair, replace, move and remove or abandon in place a pipe line not to exceed 12-3/4 inches in internal diameter and appurtenances, for the purpose of conducting, transporting, conveying and carrying gas, oil, petroleum, water and other substances, and to construct, lay, operate, maintain, use, renew, repair, replace, move and remove or abandon in place a gas pipe line not to exceed 4 inches in internal diameter and appurtenances for the purpose of carrying gas, on, along, in, under and across the public streets, ways, alleys and places within the County of Orange, State of California, as described in said Ordinance, together with the right to construct, operate, maintain and use a private communication system to be used in connection with the operation and maintenance

of said pipe lines and appurtenances as aforesaid. A copy of said Ordinance was filed with the application and marked Exhibit A.

The franchise is restricted to streets and route set forth therein and is not a county-wide franchise. Pursuant to said Ordinance, and Ordinance No. 687 granted to applicant by the City of Huntington Beach (see Application No. 40781), applicant has constructed 15.6 miles of fuel line, 12-1/8 inches in diameter, between its Alamitos Steam Station and its Huntington Beach Steam Station, 8.27 miles of said fuel line being along streets within the City of Huntington Beach, 5.09 miles along streets within the County of Orange, and 2.31 miles in private rights of way. This is a fuel oil line but can also be used to transport gas. Under the said Ordinances applicant has also constructed a 4-inch gas line .78 miles in length, part of which gas line is along streets within the city (.25 miles) and part along streets within the County (.53 miles). The latter line is used to transport gas received from the Huntington Beach municipal gas plant to applicant's fuel line heating station on Winterburg Avenue east of Graham Street. A company witness testified that neither of said pipe lines will supply the main gas requirements of the Huntington Beach steam station.

The franchise is for a period of fifty years and was granted under authority of Division 3, Chapter I, Article 1 of the Public Utilities Code. It provides for a franchise fee payment of two percent (2%) of the gross annual receipts of the grantee arising from its use, operation and possession. It is not a renewal and, therefore, no percentage will be paid for the first five years

succeeding the date of the franchise. It was estimated that had the franchise been in effect in 1958 the franchise fee for said year would have been \$1,480.13. Total expense incurred for acquiring the franchise, filing fee and publication costs was \$771.96.

The application is not opposed, and the Commission having considered the matter, hereby finds as a fact that public convenience and necessity require the exercise by applicant of the right, privilege and franchise granted by Ordinance No. 1077 of the County of Orange.

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

1. 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.
2. That 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,

IT IS ORDERED that a certificate of public convenience and necessity be and it hereby is granted to Southern California Edison Company, a corporation, to exercise the rights and privileges granted by the County of Orange by Ordinance No. 1077, adopted April 15, 1958.

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

Dated at San Francisco, California,  
this 8<sup>th</sup> day of June, 1959.

[Signature]  
President  
[Signature]  
[Signature]  
[Signature]  
Commissioners

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