MP /AG

Decision No 58554

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. 687 of the City of Huntington Beach, State of California.

Application No. 40781

ORIGINAL

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 Rollin E. Woodbury, Harry W. Sturges, Jr., and H. Clinton Tinker, by <u>H. Clinton Tinker</u>, for applicant.
<u>William L. Knecht</u>, for California Farm Bureau Federation, interested party.
L. S. Patterson, for the Commission staff.

$\underline{O P I N I O N}$

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

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"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. 687 of the City of Huntington Beach, State of California.

On or about the seventh day of April, 1958, the City Council of the City of Huntington Beach, State of California, passed and adopted Ordinance No. 687, duly granting to applicant a certain franchise to construct, lay, operate, maintain, use, renew, repair, replace, move and remove or abandon in place a system of pipe lines and appurtenances, for the purpose of conducting, transporting, conveying, and carrying gas, oil, petroleum, water and other substances, on, along, in, under and across the public streets, ways, alleys and places within the City of Huntington Beach, 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 granted by said Ordinance No. 687 names the streets along which the pipe lines and appurtenances are to be constructed. Pursuant to said Ordinance, and Ordinance No. 1077 granted to applicant by the County of Orange (see Application No. 40791), applicant has constructed 15.67 miles of fuel line,

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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 an indeterminate period and provides for the payment of two percent (2%) of the gross annual receipts of the grantee arising from the use, operation or possession of the franchise. It was estimated that the franchise fee for the year 1958 would have been \$1,193.13. Total expense incurred in acquiring the franchise, filing fee, and publication cost was \$198.12.

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. 687 of the City of Huntington Beach.

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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.

<u>ORDER</u>

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

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Edison Company, a corporation, to exercise the rights and privileges granted by the City of Huntington Beach by Ordinance No. 687, adopted April 7, 1958.

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

Dated at San Francisco California, STh. day of this _ 1959. resident Commissioners

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