ORIGINAL

Decision No. <u>79283</u>

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 require and will require the exercise by applicant of the rights, privileges and franchise granted by the City of Adelanto, County of San Bernardino, State of California, in accordance with Franchise Ordinance No. 7 of said city.

Application No. 52788 (Filed August 2, 1971)

<u>O P I N I O N</u>

Southern California Edison Company requests a certificate of public convenience and necessity to exercise the rights and privileges of a franchise granted by the City of Adelanto, County of San Bernardino, giving said applicant the right 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 and proper therefor, in, along, across, upon, over and under the streets within the City of Adelanto.

The franchise, a copy of which is attached to the application as Exhibit A, was granted by the city in accordance with the 1937 Act and is of indeterminate duration. A fee is payable annually to the city equivalent to two percent of the gross annual receipts of said grantee arising from the use, operation or possession of said franchise, but not less than one percent of the gross annual receipts derived by grantee from the sale of electricity within the limits of said City of Adelanto.

The costs incurred by applicant in obtaining the franchise are stated to have been \$26.34, which amount does not include costs incident to this application.

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Applicant has been serving electricity for many years within the area now known as the City of Adelanto under franchise rights granted by the County of San Bernardino.

Applicant has obtained a new indeterminate 1937 Act Franchise from the City of Adelanto so as more definitely to establish and extend its franchise rights within said city. The possession, ownership and exercise of said franchise will be of value to the applicant in connection with the qualification of outstanding bonds of the applicant and effecting qualification of future issues of bonds as legal investments in states having laws relating to the qualification of bonds in public utility companies.

As of December 31, 1970, applicant was serving approximately 813 customers within the City of Adelanto and has a gross revenue calculated approximately to be in the amount of \$189,492.52 for the preceding calendar year. Applicant alleges that public convenience and necessity require and will require that applicant exercise the rights, privileges and franchise granted to it by Ordinance No. 7 of the City of Adelanto for the reason that applicant is the only public utility presently providing electricity to the City of Adelanto and to the inhabitants thereof, all of whom depend upon said service for electric power, light and heat. No objection to the granting of the requested certificate has been received by the Commission.

The Commission finds that:

1. Public convenience and necessity require and will require the exercise by applicant of the rights, privileges and franchise granted to applicant by Ordinance No. 7 of the City of Adelanto.

2. A public hearing is not necessary.

The Commission concludes that the application should be granted.

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The certificate of public convenience and necessity issued herein 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 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 issuance of such franchise, certificate of public convenience 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

IT IS ORDERED that a certificate of public convenience and necessity is granted to Southern California Edison Company to exercise the rights and privileges conferred by the franchise pursuant to Ordinance No. 7, adopted March 24, 1971, by the City Council of the City of Adelanto, California.

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

Dated at San Francisco California. this 27th day OCTOBER of . 1971. Chairman Commissioners -3- Commissioner Vernon L. Sturgeon, being necossarily absent, did not participate in the disposition of this proceeding.