

ORIGINAL

Decision No. 81108

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, privi-
leges, and franchise granted by the
City of Perris, County of Riverside,
State of California, in accordance
with Franchise Ordinance No. 387 of
said City.

Application No. 53810
(Filed January 29, 1973)

O P I N I O N

Southern California Edison Company (Edison) requests a certificate of public convenience and necessity to exercise a franchise granted to it by the city of Perris. The application is made under Section 1002 of the Public Utilities Code. Edison is engaged in the business of generating, transmitting, and distributing electricity in the central and southern portions of the State of California. It has been serving electricity for many years within the area now known as the city of Perris under franchise rights granted by the county of Riverside and is the only utility presently providing electric service within the city of Perris.

On August 28, 1972 the City Council of the city of Perris passed and adopted Ordinance No. 387 granting Edison, its lawful successors and assigns, under and in accordance with the provisions of the Franchise Act of 1937, a franchise 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 or proper therefor in, along, across, upon, over, and under the streets within the city of Perris. A copy of said ordinance is attached to the application as Exhibit A. The franchise granted by the ordinance is of indeterminate duration. A fee is payable annually to the city of Perris equal to 2 percent of the gross annual receipts arising from the use, operation, or possession of said franchise, provided, however, that in no event shall such payment be less than 1 percent of the gross annual receipts of Edison derived from sale of electricity within the city limits.

The application states that Edison has obtained a new franchise from the city of Perris so as to more definitely establish and extend its franchise rights within said city. Edison believes that the possession, ownership, and exercise of this franchise will be of value to it in connection with the qualification of its outstanding bonds 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, 1972 Edison was serving approximately 1,896 customers within the city of Perris and received a gross revenue from them calculated to be approximately \$482,300 for the preceding calendar year.

The actual cost to Edison of the franchise was \$103 exclusive of the fee of \$75 paid to the Public Utilities Commission of the State of California under and pursuant to the provisions of Section 1904(a) of the Public Utilities Code.

Exhibit B, attached to the application, is a stipulation whereby Edison agrees that neither it nor its successors or assigns will claim before the Commission or any court or other public body a value for said franchise in excess of the original cost thereof, or for the certificate of public convenience and necessity to exercise the franchise which may be granted by the Commission, a sum in excess of the costs to Edison.

After consideration the Commission finds that:

1. Public convenience and necessity require the exercise by Edison of the rights and privileges conferred in the franchise granted by Ordinance No. 387 of the city of Perris.

2. A public hearing is not necessary.

The Commission concludes that:

1. The application should be granted.
2. The certificate of public convenience and necessity issued herein is subject to the following provisions of law:

- (a) 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 and necessity, or right.

- (b) 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 issued pursuant to Ordinance No. 387 of the City Council of the city of Perris.

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

Dated at Los Angeles, California, this 6th day of MARCH, 1973.

Vernon L. Stinson
President
William J. Lyons

[Signature]
Commissioners

Commissioner J. P. Vukasin, Jr., being necessarily absent, did not participate in the disposition of this proceeding.

Commissioner Thomas Moran, being necessarily absent, did not participate in the disposition of this proceeding.