

ORIGINAL

Decision No. 88709 APR 18 1978

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 La Canada Flintridge, County of Los Angeles, State of California, in Accordance with Franchise Ordinance No. 14 of said City.

Application No. 57734  
(Filed December 9, 1977)

O P I N I O N

Southern California Edison Company (SCE) seeks a certificate of public convenience and necessity to exercise the rights and privileges of a franchise granted it through Ordinance No. 14, as passed on June 20, 1977, by the City Council of the City of La Canada Flintridge (City). The franchise agreement which permits the installation, maintenance, and use of an electric transmission and distribution system within the city limits of the City, is of the standard type between SCE and other cities in its service area.

Ordinance No. 14, a copy of which is attached to the application as Exhibit A, is in accordance with the Franchise Act of 1937, and specifies a franchise of indeterminate duration. A fee is payable annually to the City equivalent to 2% of the gross annual receipts of SCE arising from the use, operation or possession of the franchise, but not less than 1% of the gross annual receipts from sales of electricity within the city limits.

Within the area now become known as the City of La Canada Flintridge, SCE is now and has been serving electricity without competition for many years. As of December 31, 1976, SCE was serving 7,003 customers within the City, and had gross revenues of approximately \$5,671,943.62 for the preceding calendar year. For this purpose, SCE is now and has been the owner of, and operates and maintains the electric transmission and distribution and other properties situated in the City, which properties are part and parcel of SCE's general transmission and distribution systems.

The franchise from the City would supersede the current franchise of limited duration previously granted by the County of Los Angeles with respect to the area now lying within the city limits.

The cost incurred by SCE in obtaining this franchise from the City is \$49.80. SCE has included a stipulation in the application that it will not claim before this Commission, or any court or other public body, any value for the franchise in excess of its original cost of \$49.80, exclusive of the fee of \$75.00 incident to this application.

The Commission makes the following findings and conclusion in this matter.

Findings

1. A public hearing is not necessary.
2. Public convenience and necessity require the exercise by SCE of the rights and privileges granted by the franchise conferred by Ordinance No. 14 of the City Council of La Canada Flintridge.

Conclusions of Law

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 grant 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. 14, adopted June 20, 1977 by the City of La Canada Flintridge.

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

Dated at San Francisco, California, this 18<sup>th</sup> day of 7 APRIL, 1978.

Robert Batzmaier  
President  
William J. Snow  
Samuel L. Sturgeon

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Commissioners

Commissioner Richard D. Gravelle, being necessarily absent, did not participate in the disposition of this proceeding.

Commissioner Claire T. Dadrick, being necessarily absent, did not participate in the disposition of this proceeding.