



County of Los Angeles
CHIEF ADMINISTRATIVE OFFICE

713 KENNETH HAHN HALL OF ADMINISTRATION • LOS ANGELES, CALIFORNIA 90012
(213) 974-1101
<http://cao.co.la.ca.us>

DAVID E. JANSSEN
Chief Administrative Officer

November 14, 2006

The Honorable Board of Supervisors
County of Los Angeles
383 Kenneth Hahn Hall of Administration
500 West Temple Street
Los Angeles, CA 90012

Board of Supervisors
GLORIA MOLINA
First District

YVONNE B. BURKE
Second District

ZEV YAROSLAVSKY
Third District

DON KNABE
Fourth District

MICHAEL D. ANTONOVICH
Fifth District

Dear Supervisors:

**AN ORDINANCE TO EXTEND THE TERM OF ELECTRICAL
FRANCHISE ORDINANCE NO. 7062 GRANTED TO
SOUTHERN CALIFORNIA EDISON COMPANY
(ALL AFFECTED) (3 VOTES)**

IT IS RECOMMENDED THAT YOUR BOARD:

1. Approve an amendment to electrical franchise Ordinance No. 7062, granted to Southern California Edison Company, a California corporation (Edison), to extend the term of the franchise through December 31, 2007.
2. Introduce, waive reading, and place on your Board's agenda for adoption the accompanying ordinance that implements the above recommendation, becoming effective 30 days from adoption thereof.
3. Find that this project is categorically exempt under the California Environmental Quality Act (CEQA) pursuant to Class 1 of the Environmental Document Reporting Procedures and Guidelines adopted by your Board on November 17, 1987, and Section 15301 of the State CEQA Guidelines.

PURPOSE/JUSTIFICATION OF RECOMMENDED ACTION

The purpose of the recommended actions is to extend the term of the electrical franchise granted to Edison through December 31, 2007, in order to provide additional time for the Auditor-Controller to audit the annual fees paid by Edison during the past five-year period of the existing franchise, and allow the County of Los Angeles (County) to implement certain revisions to the County's franchise codes and negotiate the terms and conditions of a new franchise with Edison.

Implementation of Strategic Plan Goals

The County Strategic Plan directs that we provide the public with quality service that is beneficial and responsive (Goal 1). The Board's approval and adoption of an ordinance to extend the term of the Edison franchise is consistent with this goal.

FISCAL IMPACT/FINANCING

Edison has paid the County a one-time granting fee of \$5,000 to process an ordinance to extend the term of the franchise. Edison will continue to pay an annual fee of two percent of the gross annual receipts arising from the use, operation or possession of the franchise. For the 2005 calendar year, Edison declared gross annual receipts applicable to the franchise of \$131,792,748, and paid the County an annual franchise fee of \$2,635,854.

FACTS AND PROVISIONS/LEGAL REQUIREMENTS

On November 27, 1956, your Board adopted Ordinance No. 7062, granting a 50-year County-wide electrical franchise to Edison that will expire December 27, 2006. Upon your Board's approval and adoption of the accompanying ordinance, the term of the Edison franchise will be extended through December 31, 2007.

The Audit Division of the Auditor-Controller performed a limited review of the financial statements of Edison. Based upon the results of the audit, this office recommends extending the term of the franchise. The Department of Public Works and the Fire Department have reviewed the request and have no objections. County Counsel has reviewed the accompanying ordinance to extend the franchise and approved it as to form.

ENVIRONMENTAL DOCUMENTATION

This project is categorically exempt under the CEQA pursuant to Class 1 of the Environmental Document Reporting Procedures and Guidelines adopted by your Board on November 17, 1987, and Section 15301 of the State CEQA Guidelines.

IMPACT ON CURRENT SERVICES (OR PROJECTS)

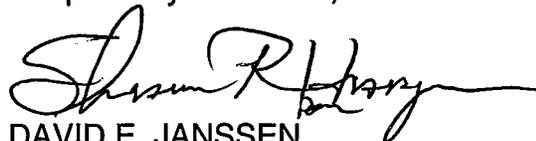
The recommended Board actions will not impact or adversely affect any current services or future projects.

The Honorable Board of Supervisors
November 14, 2006
Page 3

CONCLUSION

Instruct the Executive Officer, Board of Supervisors, to send conformed copies of the approved Board recommendation and the adopted ordinance to Southern California Edison Company, 2244 Walnut Grove Avenue, Room 372, Rosemead, CA 91770, Attention: Ms. Donna McCort, Director of Public Affairs, and the offices of County Counsel, Auditor-Controller, Audit Division, Department of Public Works, Construction Division, Permit Section, the Fire Department, Fire Prevention Division, Land Development Unit, and the Chief Administrative Office, Real Estate Division, Property Management Section, 222 South Hill Street, 3rd Floor, Los Angeles, CA 90012.

Respectfully submitted,



DAVID E. JANSSEN
Chief Administrative Officer

DEJ:WLD
CB:RB:dd

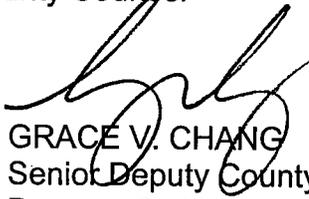
c: County Counsel
Auditor-Controller
Department of Public Works
Fire Department

SCE.B

ANALYSIS

This ordinance extends through December 31, 2007, the term of an electrical distribution franchise granted to Southern California Edison Company, a corporation, by Ordinance No. 7062.

RAYMOND G. FORTNER, JR.
County Counsel

By 

GRACE V. CHANG
Senior Deputy County Counsel
Property Division

GVC:gjh

9/29/06 (requested)

10/30/06 (revised)

ORDINANCE NO. _____

An ordinance to extend through December 31, 2007, the term of the electrical distribution franchise granted to Southern California Edison Company, a corporation, by Ordinance No. 7062.

The Board of Supervisors of the County of Los Angeles ordains as follows:

SECTION 1. Section 1 of Ordinance No. 7062 is hereby amended to read as follows:

Section 1. Franchise Term, Grant.

The right, privilege, and franchise is hereby granted to the Southern California Edison Company, a corporation organized and existing under and by virtue of the laws of the State of California, its successors and assigns, ~~for a period of fifty years from and after the effective date of this ordinance~~ through December 31, 2007, to erect, construct, operate, alter, maintain, and use an electric distribution and transmission system consisting of poles, towers, crossarms, conduits, manholes, vaults, cables, wires, transformers, switches, and other equipment, appliances and appurtenances, including communication circuits, for the purpose of conducting, transmitting, and distributing electricity and electrical energy for light, heat and power purposes, and for any and all other purposes for which electricity can be used, on, along, upon, over, in, under, and across the highways within the County of Los Angeles, State of California, together with the right to erect, construct, operate, alter, maintain, and use a private communication system, consisting of poles, towers, conductors, crossarms, conduits, cables, wires and other equipment, appliances, and appurtenances, including communication circuits; said

private communication system to be used solely in connection with the operation and maintenance of grantee's electric system. The privileges granted by this franchise apply only to territory within the County which, upon the effective date of this ordinance, is unincorporated.

[PPSOCALEDISONGCCC]