

ACCEPTANCE OF FRANCHISE

City Council of the
City of Yucaipa
State of California

SOUTHERN CALIFORNIA EDISON COMPANY hereby accepts that certain Franchise which was granted by Ordinance No. 18 of the City of Yucaipa adopted by your Honorable Body on the 12th day of February, 1990.

DATED this 12th day of March, 1990.

SOUTHERN CALIFORNIA EDISON COMPANY

APPROVED AS TO FORM
DAVID N. BARR, III
Vice President and General Counsel
By [Signature]
Attorney
3/7, 1992

By [Signature]

By [Signature]

Assistant Secretary

STATE OF CALIFORNIA)
COUNTY OF SAN BERNARDINO) ss.
CITY OF YUCAIPA)

I, Linda Drucya, City Clerk of the City of Yucaipa, California, do hereby certify that the within Acceptance of Franchise is a true and correct copy of Acceptance of Franchise filed by the Southern California Edison Company.

IN WITNESS WHEREOF, I have hereunto set my hand and official seal of the City of Yucaipa, this 22 day of March, 1990.

[Signature]
City Clerk of the City of
Yucaipa, State of California

ORDINANCE NO. 18

ORDINANCE OF THE CITY COUNCIL OF THE CITY OF YUCAIPA, CALIFORNIA, GRANTING TO SOUTHERN CALIFORNIA EDISON COMPANY, ITS SUCCESSORS AND ASSIGNS, 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 PUBLIC STREETS, WAYS, ALLEYS AND PLACES WITHIN THE CITY OF YUCAIPA.

The City Council of the City of Yucaipa does ordain as follows:

Section 1: Whenever in this Ordinance the words or phrases hereinafter in this section defined are used, it is intended that they shall have the respective meanings assigned to them in the following definitions (unless, in the given instance, the context wherein they are used shall clearly import a different meaning):

(a) The word "grantee" shall mean the corporation to which the franchise contemplated in this Ordinance is granted and its lawful successors or assigns.

(b) The word "City" shall mean the City of Yucaipa, a municipal corporation of the State of California, in its present incorporated form or in any later reorganized, consolidated, enlarged or reincorporated form.

THIS DOCUMENT
Belongs in the
FILES OF THE OFFICE OF
CITY CLERK
Yucaipa, California
FILE NO. F 89-47

(c) The word "streets" shall mean the public streets, ways, alleys and places as the same now or may hereafter exist within said City.

(d) The phrase "poles, wires, conduits and appurtenances" shall mean poles, towers, supports, wires, conductors, cables, guys, stubs, platforms, crossarms, braces, transformers, insulators, conduits, ducts, vaults, manholes, meters, cut-outs, switches, communication circuits, appliances, attachments, appurtenances and any other property located or to be located in, along, across, upon, over or under the streets of said City, and used or useful, directly or indirectly, for the purpose of transmitting or distributing electricity for all purposes.

(e) The phrase "construct and use" shall mean to lay, construct, excavate, encroach, erect, install, reinstall, operate, maintain, use, repair, modify, replace, relocate, or remove.

(f) The word "franchise" shall mean and include any authorization granted hereunder in terms of a franchise, privilege, permit, license or otherwise to construct and use poles, wires, conduits and appurtenances, including communication circuits, for transmitting and distributing electricity for any and all purposes in, along, across, upon, over, and under streets within the City. Any authorization, in whatever terms granted, shall mean and include any license or permit required for the privilege of transacting and carrying on a business within the City.

Section 2: The 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 Yucaipa, is hereby granted to Southern California Edison Company, its lawful successors and assigns, under and in accordance with the provisions of the Franchise Act of 1937.

Section 3: Said franchise shall be indeterminate, that is to say, said franchise shall endure in full force and effect until, with the consent of the Public Utilities Commission of the State of California, the same shall be voluntarily surrendered or abandoned by the grantee, or until the State or some municipal or public corporation thereunto duly authorized by law shall purchase by voluntary agreement or shall condemn and take under the power of eminent domain, all property actually used and useful in the exercise of said franchise and situate within the territorial limits of the state, municipal or public corporation purchasing or condemning such property, or until said franchise shall be forfeited for noncompliance with its terms by the grantee.

Section 4: The grantee of said franchise, during the life thereof, will pay to said City two percent (2%) of the gross annual receipts of said grantee arising from the use, operation or possession of said franchise; except that this payment shall be not less than one percent (1%) of the gross annual receipts derived by grantee from the sale of electricity within the limits of said City.

Section 5: The grantee shall file with the City Clerk of said City, within three (3) months after the expiration of the calendar year, or fractional calendar year, following the date of the granting of this franchise, and within three (3) months after the expiration of each calendar year thereafter, a verified statement showing in detail the total gross receipts of said grantee derived during the preceding calendar year, or such fractional calendar year, from the sale of electricity within the limits of said City. The grantee shall pay to said City within fifteen (15) days after the time for filing said statement, in lawful money of the United States, the aforesaid percentage of its gross receipts for the calendar year, or fractional calendar year, covered by said statement. Any neglect, omission or refusal by said grantee to file said verified statement, or to pay said percentage at the times or in the manner hereinbefore provided, shall constitute grounds for the declaration of a forfeiture of this franchise and of all rights of grantee hereunder.

Section 6: The Grantee shall remove or relocate, at the request of the City and without expense to the City, any poles, wires, conduits and appurtenances installed, used or maintained under this franchise if and when made necessary by any change of grade, alignment or width of any streets, including the construction of any subway or viaduct by the City; provided, however, that Grantee shall not be required to bear the expense of any removal or relocation made at the request of the City on

behalf of or for the benefit of, any developer or other third party.

Section 7: This Ordinance shall become effective thirty (30) days after its final passage, unless suspended by referendum petition filed as provided by law.

Section 8: The grantee of this franchise shall pay to the City a sum of money sufficient to reimburse it for all publication expenses incurred by it in connection with the granting of this franchise; said payment to be made within thirty (30) days after the City shall have furnished said grantee with a written statement of such expenses.

Section 9: The franchise granted hereby shall not become effective until written acceptance thereof shall have been filed by the grantee with the City Clerk of said City.

Section 10: The City Clerk shall cause this Ordinance to be posted within fifteen (15) days after its passage in three (3) public places within said City.

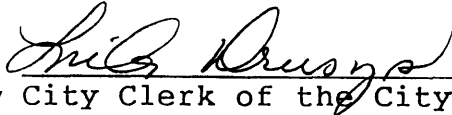
First read at a regular meeting of the City Council of said City held on the 22 day of January, 1990, and finally adopted and ordered posted at a regular meeting of said City Council held on the 12 day of February, 1990, by the following vote:

AYES: Council Member Pitts, Eaton, Henderson, Metcalf

NOES: Council Member _____

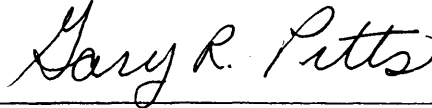
ABSENT: Council Member Semans

ATTEST:



Deputy City Clerk of the City of
Yucaipa

(SEAL)



Gary R. Pitts, Mayor

RESOLUTION NO. 89-29

RESOLUTION OF THE CITY COUNCIL OF THE CITY OF YUCAIPA, CALIFORNIA, DECLARING ITS INTENTION TO GRANT AN ELECTRIC FRANCHISE TO SOUTHERN CALIFORNIA EDISON COMPANY

WHEREAS, SOUTHERN CALIFORNIA EDISON COMPANY, a California corporation, has filed with the City Council of the City of Yucaipa, an application requesting that a franchise be granted to it of the character and for the purpose mentioned in the form of notice hereinafter set forth; and

WHEREAS, in the opinion of said City Council the public good requires that said franchise be granted;

NOW, THEREFORE, BE IT RESOLVED that said City Council intends to grant said franchise, that hearing of objections to the granting thereof will be held at the time and place specified in the form of notice hereinafter set forth which the City Clerk of said City is hereby directed to publish at least once in the Yucaipa News Mirror, a newspaper of general circulation published nearest to said City, and to post in three (3) public places in said City, within fifteen (15) days after the passage of this resolution, and that said notice shall be substantially in the following words and figures:

"NOTICE OF INTENTION TO GRANT FRANCHISE

NOTICE IS HEREBY GIVEN that Southern California Edison Company, a California corporation, has filed its application with the City Council of the City of Yucaipa, requesting that said City Council grant to it

F89-47

a franchise for an indeterminate period, pursuant to the Franchise Act of 1937, 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 public streets, ways, alleys and places within the City of Yucaipa for all purposes.

If said franchise shall be granted to it, said Southern California Edison Company, its successors and assigns, hereinafter designated grantee, during the life of said franchise will pay to said City two percent (2%) of the gross annual receipts of said grantee arising from the use, operation or possession of said franchises; except provided that this payment shall not be less than one percent (1%) of the gross annual receipts derived by grantee from the sale of electricity within the limits of said City. Such percentage shall be paid annually from the date of the granting of the franchise applied for, and in the event such payment shall not be made said franchise shall be forfeited.

The City Council of the City of Yucaipa proposes to grant said franchise for an indeterminate period.

NOTICE IS HEREBY FURTHER GIVEN that any and all persons having any objections to the granting of said franchise may appear before said City Council at the Council Chambers, 34282 Yucaipa Boulevard
Yucaipa,

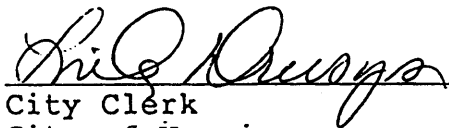
California, at the hour of 3:00 o'clock p.m. on Monday, the 22 day of January, 1990, and be heard thereon; and

NOTICE IS HEREBY FURTHER GIVEN that at any time not later than the hour set for hearing objections, any person interested may make written protest stating objections against the granting of said franchise; which protest must be signed by the protestant and be delivered to the City Clerk of said City. The City Council at the time set for hearing said objections shall proceed to hear and pass upon all protests so made; and

For further particulars reference is hereby made to said Application which is on file in the office of said City Clerk, and also to the resolution adopted by said City Council on the 27th day of December, 1989, declaring its intention to grant said franchise.

DATED THIS 27 day of December, 1989.

By order of the City Council of the City of Yucaipa,
California.



City Clerk
City of Yucaipa

The foregoing Resolution was duly passed and adopted by the City Council of the City of Yucaipa at a regular meeting of said City Council held on the 27 day of December, 1989, by the following vote:

AYES: Council Member Pitts, Semans, Eaton, Metcalf
and Henderson

NOES: Council Member _____

ABSENT: Council Member _____

ATTEST:

Gary R. Pitts
Mayor, City of Yucaipa,
State of California

[Signature]
City Clerk
City of Yucaipa
State of California

(SEAL)

Southern California Edison Company



P. O. BOX 800
2244 WALNUT GROVE AVENUE
ROSEMEAD, CALIFORNIA 91770
December 4, 1989

CITY OF YUCAIPA
STATE OF CALIFORNIA
and its City Council

Gentlemen:

Re: Application for Franchise

SOUTHERN CALIFORNIA EDISON COMPANY, a California corporation, as Applicant, hereby applies for a franchise pursuant to the Franchise Act of 1937, and avers as follows:

(a) Applicant's name and address is:

Southern California Edison Company
2244 Walnut Grove Avenue
Rosemead, California 91770
Attention: Norman G. Kuch, Attorney

(b) The purpose and term of said franchise shall be:

1. To use, or to construct and use, poles, wires, conduits and appurtenances, including communication circuits necessary or proper therefor, for transmitting and distributing electricity for all purposes, in, under, along, across, upon and over the public streets, ways, alleys and places within the City of Yucaipa.
2. The term of said franchise requested is indeterminate as provided for in the Franchise Act of 1937. (Public Utilities Code § 6261.)

(c) If said franchise shall be granted to it, Applicant will pay to the City during the life thereof, two percent (2%) of the gross annual receipts of Applicant arising from the use, operation or possession of said franchise, except that this payment shall be not less than one percent (1%) of Applicant's gross annual receipts derived from the sale of electricity within the limits of said City. (Public Utilities Code § 6231.)

We request that said franchise be granted by ordinance in the form which accompanies the form of resolution which we have prepared and submit herewith for your use should you elect to use the same.

Yours very truly,

SOUTHERN CALIFORNIA EDISON COMPANY

By Charles B. McCarthy
Vice President

E P Ovadute
Assistant Secretary

ATTEST:

(SEAL)

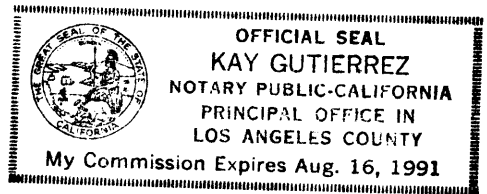
SCE RW 127 REV 8/83 (CORPORATION)

STATE OF CALIFORNIA
COUNTY OF Los Angeles } ss.

On December 4, 1989, before me, a Notary Public in and for said State, personally appeared Charles B. McCarthy, personally known to me (or proved to me on the basis of satisfactory evidence) to be Vice O President, and E P Ovadute, personally known to me (or proved to me on the basis of satisfactory evidence) to be Assistant Secretary, of Southern California Edison Company, the corporation that executed the within instrument, and personally known to me (or proved to me on the basis of satisfactory evidence) to be the persons who executed the within instrument on behalf of the said corporation, and acknowledged to me that such corporation executed the same pursuant to its by-laws or a resolution of its board of directors.

WITNESS my hand and official seal.

Kay Gutierrez



November 27, 1989

BILL COVINGTON
INTERIM CITY MANAGER

Re: Proposed 1937 Act Franchise to be
Granted by the City of Yucaipa

Enclosed for your use in connection with your negotiations with the above City for an indeterminate franchise under the Franchise Act of 1937 are the following documents:

1. Application for Electric Franchise.
2. Resolution of the City Council of the City of Yucaipa, California, declaring its intention to grant an electric franchise to Southern California Edison Company.
3. Proposed Ordinance.
4. Proposed letter for your signature to the City Council of the City of Yucaipa.
5. Form of Affidavit of Mailing to the District Engineer, Division of Highways, of the Application for Electric Franchise.
6. Affidavit of Posting.
7. Excerpts from Minutes of Hearing of Notice of Intention and First Reading.
8. Excerpts from Minutes of Meeting. (Application filed and Resolution of Intention adopted.)
9. Excerpts from Minutes. (Adoption of Franchise Ordinance.)
10. 1937 Act Franchise.
11. Affidavit of Posting Certified Copy of Ordinance.

I suggest that you discuss the form of resolution and the proposed ordinance with the City Clerk and members of the City Council. If the form of resolution and ordinance is acceptable to them and the members of the City Council indicate a

willingness to grant to this Company an electric franchise for an indeterminate period under the Franchise Act of 1937, please prepare and execute the original letter addressed to the City Council and deliver the same to the City Clerk, together with the Resolution of the City Council of the City of Yucaipa, California, declaring its intention to grant an electric franchise and the Ordinance.

The procedure to be followed in securing this franchise should be as follows:

A. Filing of Application for Electric Franchise.

1. You will file with the City Clerk the original executed Application for Electric Franchise, the original copy of the form of Resolution of the City Council, declaring its intention to grant an electric franchise to Southern California Edison Company and the original copy of the Ordinance, together with your letter of transmittal.
2. The City Clerk should present the Application to the City Council at an ensuing regular meeting.

B. Mailing of Application for Electric Franchise to District Director.

1. ✓ Please request the City Clerk to mail, without delay, a copy of the Application for Electric Franchise to:

District Director, District 08
California Department of Transportation,
247 West Third Street,
(P.O. Box 231)
San Bernardino, CA 92403

2. ✓ After the City Clerk has mailed the Application for Electric Franchise to the District Director, will you please request him to execute and deliver to you for transmittal to me, an Affidavit of Mailing. A suggested form of Affidavit of Mailing is enclosed which you will please deliver to the City Clerk.

C. Adoption of Resolution of the City Council of the City of Yucaipa, California, Declaring its Intention to Grant an Electric Franchise to Southern California Edison Company.

1. If the City Council is willing to grant the Company a franchise, the resolution declaring its intention

to grant an electric franchise will be adopted at a regular meeting. There must, of course, be a quorum present.

2. Please see that the time for hearing objections to the granting of the franchise is inserted on page 2 of the Resolution. The law requires that the date fixed for hearing such objections shall be not less than twenty days nor more than sixty days after the date of the passage of the Resolution. Please see that the date fixed for such hearing and inserted in this Resolution complies with this requirement. This date for hearing objections also should correspond to the date of a regular meeting of the City Council.

3. Please also see that the name of the newspaper in which the notice is to be published is inserted on page 1 of the Resolution. This notice must be published in a newspaper which has been adjudicated to be a newspaper of general circulation which has been established, printed and published at regular intervals within said City at least one year preceding the date of publication. If there is no such newspaper within the City, then the notice should be published in a newspaper which has been adjudicated to be a newspaper of general circulation published nearest to said City.

4. Following the adoption of the resolution, please have the City Clerk certify a copy of the resolution and forward the same to me promptly in order that I may receive them for checking the galley proof of the notice which is referred to below.

5. Please obtain from the City Clerk and forward to me a certified copy of excerpts of the minutes of the meeting of the City Council showing the filing of the application for the franchise and the adoption of the resolution of intention. These minutes should show the hour, date and place of the meeting; that it was a regular meeting; the names of the members of the City Council present or absent; that a quorum was present and the vote of each member present upon said resolution. A sample copy of such minutes is enclosed for your guidance. I suggest you discuss this form of minutes with the City Council prior to the meeting in order that the proceedings may conform therewith.

D. Publication of Notice of Intention to Grant Franchise.

1. A conformed copy of the Resolution of the City Council, Declaring its Intention to Grant an Electric Franchise to Southern California Edison Company after being adopted by the City Council should be forwarded without delay by the City Clerk to the newspaper in which the Notice of Intention to Grant Franchise is to be published. This notice must be published at least once within fifteen days after the passage of the resolution of intention. The resolution of intention must not be published in its entirety but only that portion which begins with the words "NOTICE OF INTENTION TO GRANT FRANCHISE" (page 1 of the resolution) and ends with the words "City of Yucaipa" (page 3 of the resolution). Please see that only the "Notice of Intention to Grant Franchise" is published.
2. Will you please obtain from the publisher of the newspaper, a galley proof of the Notice of Intention to Grant Franchise contained in the above mentioned part of the resolution. Please impress upon the publisher that the published Notice to Grant Franchise must contain no typographical errors and must be an exact copy of the notice as set forth in the Resolution adopted by the City Council. The City Clerk may require the publisher to furnish him with a galley proof so that he may check the publication. Even though this be true, the publisher should also be required to read the galley and be responsible for its accuracy. In addition, I urge that you also read the galley and be certain that it is an exact copy of the Notice of Intention contained in the Resolution.
3. Please forward to me a galley proof of the Notice of Intention as soon as possible in order that I may also check the galley and advise you of any corrections which should be made prior to the publication.
4. Please obtain from the publisher, and transmit to me, an executed Affidavit of Publication of the Notice of Intention with a copy of the published notice attached to the affidavit.
5. The Company will pay the publication charges for publishing the Notice of Intention to Grant Franchise. Therefore, please obtain and forward to me a copy of the statement covering the cost of such publication. I will secure the necessary voucher and forward the same to you for delivery.

E. Posting of Notice of Intention to Grant Franchise.

1. It also will be necessary that the Notice of Intention to Grant Franchise be posted in three public places in the City within fifteen days of the adoption of the Resolution of Intention. Only that portion of the Resolution of Intention which is published should be posted; that is, commencing with the words "NOTICE OF INTENTION TO GRANT FRANCHISE" page 1 of the Resolution and continuing to the words "City of Yucaipa" page 3 of said Resolution. Would you arrange with the publisher of the newspaper in which the notice is to be published to give the City Clerk a copy of said notice.
2. Please obtain from the City Clerk and forward to me, an Affidavit of Posting of said notice. A copy of the notice should be attached to and made a part of the affidavit. I am enclosing a copy of a form to be used in case the City does not have a form of Affidavit of Posting.

F. Hearing of Objections and First Reading of Ordinance.

1. The hearing of objections to the granting of the franchise will be held by the City Council at the hour, upon the date, and at the place specified in the Notice of Intention to Grant Franchise. At this meeting, the City Clerk will announce whether or not any written objections have been filed. If so, the City Council will proceed to hear the objections. After the City Council hears the objections to the granting of the franchise, should any be filed, it will overrule and deny such objections if it wishes to grant the franchise. This action should be noted in the minutes of the meeting. Also, if no objections have been filed, this fact should be noted in the minutes of the meeting.
2. Thereafter, the franchise ordinance may be introduced and a first reading had thereof. This first reading must be had at a regular meeting of the City Council and usually is had upon the same date as and immediately following the hearing of objections to the granting of the franchise. There must, of course, be a quorum present at the time of the hearing of objections and the first reading of the ordinance.
3. Please obtain from the City Clerk and forward to me a certified copy of the excerpts of the minutes of the meeting of the City Council with reference to

the hearing of objections to the granting of said franchise and the first reading of the Ordinance. These minutes should show the hour, date and place of the meeting; that it was a regular or an adjourned regular meeting; the names of the members of the City Council present or absent; that a quorum was present, that all protests and objections made or filed to the granting of said franchise be and the same are overruled and denied; the vote upon the foregoing motion; and that the franchise ordinance was thereupon given its first reading. A sample copy of such minutes is also enclosed for your guidance. I suggest that you discuss these minutes with the City Clerk prior to the meeting in order that the proceedings may conform.

G. Second Reading and Adoption of Ordinance and Filing.

1. At the next regular or adjourned regular meeting of the City Council held not less than five days following the first reading of the ordinance, a second reading of the ordinance may be had, after which the ordinance may be adopted by the City Council. At least three Council Members must vote for the passage of the ordinance.
2. Following the adoption of the ordinance, please have the City Clerk conform and certify a copy and forward the same to me.
3. Please obtain from the City Clerk and forward to me, a certified copy of the excerpts of the minutes of the meeting of the City Council at which the ordinance was adopted. These minutes should show the hour, date and place of the meeting; that it was a regular or an adjourned regular meeting; the names of the members of the City Council present or absent; that a quorum was present; that the ordinance was given a second reading; that the adoption of said ordinance was duly moved and seconded; and the vote of each member present of the City Council upon the adoption of said ordinance.

H. Posting of Ordinance.

1. The ordinance must be posted within fifteen days after its adoption in three public places within the City. Please see that this is accomplished by the City Clerk (Government Code 36933).

2. As soon as this posting has been accomplished, will you procure and forward to me, an Affidavit of Posting of said ordinance, to which should be attached a copy of the ordinance. I am enclosing a copy of a form to be used in case the City does not have a form of Affidavit of Posting.

I. Acceptance of Franchise.

1. Upon adoption of said ordinance, I will have prepared and will forward to you an original executed Acceptance of Franchise, as required by the ordinance. You will file this Acceptance with the City Clerk. It is the filing of the Acceptance that causes the franchise ordinance to become effective.

I will appreciate it if you will attend all meetings of the City Council at which any matters pertaining to our franchise will be discussed. I am available to attend these meetings when you deem it necessary. It therefore will be necessary for you to keep in close contact with the City Clerk so that you will be advised as to the progress of our franchise proceedings. All matters concerning the franchise will be cleared through your office.

The proceedings in this franchise matter must be regular in all respects. It therefore is of the utmost importance that all matters be handled as I have outlined them above. Otherwise, it may be necessary to go through the entire proceedings again.

In addition to the foregoing, and in order that I may be kept currently advised as to the progress of the franchise proceedings, please furnish to me, as soon as the information in each instance becomes available, memorandums of the following:

1. The date the Application for Franchise is filed.
2. The date upon which the resolution of intention to grant electric franchise is adopted.
3. The date, place, and time set for the hearing of objections to the granting of the franchise.
4. The date that any objections are filed, together with a copy thereof.
5. The action taken by the City Council with reference to any such objections.
6. The date upon which the first reading of the ordinance is had, the number assigned to said ordinance, and the date set for the second reading.

7. The date upon which the second reading is had and the ordinance is adopted.



RAY R. GONZALEZ
AREA MANAGER

RRG:bbm

Attachments