

Decision No. 6845

ORIGINAL

BEFORE THE RAILROAD COMMISSION
OF THE STATE OF CALIFORNIA

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D. MILLER,

Complainant,

- vs -

PACIFIC GAS AND ELECTRIC
COMPANY,

Defendant.

Case No. 1349

D. Miller in propria persona
C. P. Cutten for Defendant.

MARTIN, Commissioner:

O P I N I O N

D. Miller, residing in Highland Manor, a real estate subdivision near the outskirts of the City of Oakland, California, alleges that early in the year 1919 he applied to Pacific Gas and Electric Company, the defendant, for electric service to his residence, which service was and is still denied him on the grounds that the revenue to be ob-

tained from the sale of electricity to him is insufficient to warrant the construction of the lines necessary to supply the complainant's premises. He asks for an order of the Commission directing the Pacific Gas and Electric Company to extend its lines and supply electricity to him.

A public hearing was held at San Francisco October 15th, 1919.

Complainant is a pioneer builder in this new section known as Highland Manor, and his residence, a four room bungalow, is distant about 1925 feet from the nearest existing pole of defendant's lines.

The Pacific Telephone and Telegraph Company has constructed a line by which complainant obtains telephone service, and, between complainant's premises and the end of the present lines of defendant, there are in place ten 40 ft. standard poles of the Pacific Telephone and Telegraph Company which could be used to carry the wires of Pacific Gas and Electric Company to the premises of complainant.

Defendant submits that the cost of extending its facilities by the construction of a separate pole line, wires and other equipment would be \$698.00, and, further, that if defendant obtains a one-half interest in the poles of Pacific Telephone and Telegraph Company and extends its wires on said poles of Telephone Company that the cost of thus supplying complainant would be \$452.00. Defendant further shows that the revenue to be derived from the complainant's service alone would not exceed \$15.00 per annum. However, the line to be constructed could serve the premises of E. C. Calley, an assured prospective builder, from whom an

annual revenue of \$42.00 is probable. A Mrs. Gertrude Clark might be served from the same line, which service would yield about \$18.00 per annum, but to supply her premises would require the placing of an additional pole and transformer. No one but complainant herein is now in a position to receive electric service.

Complainant submits estimates of electrical contractors of the cost of making this extension in an endeavor to support his claim that he can be supplied by defendant at a cost of approximately \$200.00. An analysis of complainant's estimates shows the omission of cross-arms, pole steps, hardware, guys, anchors, transformers, transformer meter and other incidental expenses such as freight, cartage and overhead expense. Furthermore, complainant proposes the use of No. 10 gauge wire, which is not of sufficient size for this type of construction. In this and in other respects complainant's estimate is incomplete.

Complainant's premises can be satisfactorily supplied at a minimum of cost by the second plan proposed by defendant, namely, the placing of its wires upon the poles of Pacific Telephone and Telegraph Company, after obtaining a one-half interest in such poles. I am of the opinion that the amount of \$425.00 is a reasonable estimate of cost of such extension on the present poles of the Telephone Company.

The territory in question is wholly within the corporate limits of the City of Oakland. It is, however, at present practically undeveloped and its future is problematical. Complainant urged that further building would take place in this section but offers no direct evidence of the

immediate possibility of development.

The revenue to be obtained from complainant's service alone does not warrant the expenditure of \$425.00 by defendant for the construction of its line, and, even if the other two houses above mentioned are supplied in addition to that of complainant, the total revenue from all three premises does not appear sufficient. I am of the opinion that defendant should not be required to extend its service to complainant at its own expense, and, further, that it would be proper for complainant to advance to defendant the sum of \$300.00 precedent to service being rendered, this amount to be returned to complainant at the rate of \$100.00 for each and every additional consumer, up to three in number, that should later be supplied from the extension.

I recommend the following form of Order:

O R D E R

D. Miller having filed a complaint against Pacific Gas and Electric Company as set forth in the foregoing Opinion, public hearing having been held, the matter being submitted and now ready for decision,

The Railroad Commission of the State of California hereby finds as a fact that the estimated revenue to be derived from the proposed service to complainant is insufficient to warrant the construction of a line by defendant at

its own expense to serve said complainant and that precedent to service, complainant should advance to defendant a portion of the cost of said extension under the terms and conditions hereinafter set forth.

Basing its order on the foregoing findings of fact and on the other findings of fact contained in the Opinion which precedes this Order,

IT IS HEREBY ORDERED that Pacific Gas and Electric Company shall extend its lines to supply the premises of D. Miller with electricity within 10 days of the date on which said D. Miller shall deposit with said Pacific Gas and Electric Company the sum of \$300.00.

Provided, that said D. Miller and said Pacific Gas and Electric Company shall enter into an agreement whereby D. Miller shall advance to Pacific Gas and Electric Company the sum of \$300.00 in consideration of which Pacific Gas and Electric Company will extend its lines and supply the premises of said D. Miller with electricity, and wherein Pacific Gas and Electric Company shall agree to refund to D. Miller the sum of \$100.00 for each and every additional consumer which it shall supply from the line which it builds to supply D. Miller, and further, that Pacific Gas and Electric Company shall not be required to refund to said D. Miller any sum in excess of said \$300.00. Such agreement shall further provide that in the event that the sum of \$300.00 is not refunded to said D. Miller within 7 years

from the date of the agreement, no further refunds shall be made to said D. Miller.

The foregoing Opinion and Order are hereby approved and ordered filed as the Opinion and Order of the Railroad Commission of the State of California.

Dated at San Francisco, California, this
18th day of November 1919

Edwin O. Edgerton

H. B. Woodard

Frank R. Tilden

H. B. Woodard

Dwight Martin
Commissioners