

Decision No. **44108**

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Investigation
 on the Commission's own motion into
 the reasonableness of certain proposed
 rules for gas service in the State of
 California, in revision of General
 Order No. 58 of this Commission.

Case No. 3181

ORIGINALFOURTH SUPPLEMENTAL OPINION AND ORDER

General Order No. 58A, which was promulgated by Decision No. 24827 (37 CRC 589), effective July 1, 1932, prescribes the standards to which gas service supplied by gas public utilities in California must conform.

Rule 24(a) of General Order No. 58A limits to seven years the time in which gas meters are permitted to remain in service without testing. Rule 24(a) reads as follows:

"No gas meter hereafter installed shall be allowed to remain in service more than seven (7) years from the time when last tested without being retested in the manner herein provided, and if found inaccurate, each such meter shall, at the time of each test, be readjusted to be correct within the prescribed limits before again being installed."

As a means of conserving both materials and manpower, and adapting the prescribed test program to the limited staff and parts available during the war, the meter test cycle was lengthened from seven to ten years by Decision No. 35470 (44 CRC 261), June 9, 1942. This temporary modification, which was to revert to the original seven-year cycle six months after the end of World War II, has subsequently been extended twice, by Decisions Nos. 38949 (46 CRC 452) dated May 7, 1946, and 41509, dated April 27, 1948. The latter extension for a period of two years was accompanied by a statement that the gas utilities should, during the period, assemble appropriate information to support any changes which might ultimately be sought.

Southern California Gas Company, Southern Counties Gas Company of California, Pacific Gas and Electric Company, by petition herein, and Coast Counties Gas and Electric Company, by letter, have submitted statistical analyses of gas meter accuracy and performance compiled in accordance with the Commission's suggestion. While each of the utilities has had somewhat different experience, the analyses produced consistent results which appear to justify the continuation of the ten-year test cycle.

Test data indicates that the accuracy of the newer meters has improved over the results of those acquired in earlier years and that accuracy is apparently not a direct function of the period of service since the last test. Pacific Gas and Electric Company statistics indicate that whereas about 74% of the meters tested in 1936 were found to be accurate, in 1949 the proportion had increased to 90% even though the test cycle was on the seven-year basis in 1936 and on the ten-year basis in 1949. Southern California Gas Company, in experience paralleled by other utilities, found that of the meters tested in 1949, those which had been in service more than seven years from the last test had as high or higher accuracy than those with lesser years of service. Petitioners attribute these trends to improved methods and materials of manufacture and to improved processes and procedures in shop maintenance and overhaul by the utility. In addition to this statistical review, the Commission is cognizant of the insignificant number of informal complaints which have been lodged with its gas division in recent years involving gas meter accuracy.

Petitioners likewise direct attention to the economic and physical disadvantages of resuming the seven-year test cycle. Southern California Gas Company foresees an added plant cost for expanded testing facilities of about \$1,000,000, and Pacific Gas and Electric Company and Southern Counties Gas Company suggest that an immediate resumption of the seven-year cycle is impractical, if not impossible, and that a

gradual change-over might require as much as ten years. The increased annual cost as estimated by the petitioners aggregates more than \$1,250,000 as follows:

<u>Company</u>	<u>Increase in Program If 7-Year Cycle is Adopted</u>	
	<u>Number Meters</u>	<u>Annual Expense</u>
Coast Counties Gas and Electric Company	3,200	\$ 30,000
Pacific Gas and Electric Company	40,000	330,000
Southern California Gas Company	68,000	848,000*
Southern Counties Gas Company	18,600	191,000*
Total	<u>129,800</u>	<u>1,399,000</u>

* After a gradual change, completed in 1960.

From the data submitted, it is apparent that it would not be in the public interest under present circumstances to resume the seven-year test cycle required by Rule 24(a). Consequently, authority to deviate from the seven-year test cycle and to substitute a ten-year test cycle will be granted to the gas public utilities in California.

The Commission having received studies of gas meter accuracy and performance and recommendations urging the continuation of a ten-year schedule of gas meter testing instead of the seven-year schedule required by the provisions of Rule 24(a) of General Order No. 58A, being of the opinion that such a schedule will best serve the public interest under present circumstances, and that public hearings in the matter are not necessary, therefore,

IT IS HEREBY ORDERED that all public utility gas corporations are hereby authorized to deviate from the provisions of Rule 24(a) of General Order No. 58A to permit the removal of gas meters for testing

and possible adjustment on a ten-year schedule rather than a seven-year schedule until further order of the Commission.

The effective date of this order is the date hereof.

Dated at San Francisco, California, this 2nd day of May, 1950.

R. E. Donagan

Robert Powell

Harold P. Hill

Penelope Pottel
Commissioners.

Commissioner Justus E. Craemer - being necessarily absent, did not participate in the disposition of this proceeding.