

Decision No. 47101

ORIGINAL

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Application of)
SOUTHERN COUNTIES GAS COMPANY OF)
CALIFORNIA for permission to deviate) Application No. 33066
from Rule and Regulation No. 20,)
covering gas main extensions.)

Milford Springer, for applicant.

O P I N I O N

In this application, Southern Counties Gas Company of California requests authority to render gas service to 13 houses to be built by Mrs. Essie G. Sheets, in a subdivision on Belle Vista Street, Monrovia, under conditions somewhat at variance with applicant's filed Rule and Regulation No. 20 covering gas main extensions.

A public hearing on this application was held by Commissioner Huls and Examiner Crenshaw in Los Angeles on April 9, 1952, at which no objection to the granting of the deviation was manifested.

Since Mrs. Essie G. Sheets was not formally notified of the hearing the presiding Commissioner took the matter under submission, contingent upon Mrs. Sheets advising the Commission by letter that she was in agreement with the gas company's presentation and did not wish to make an appearance in the matter. In addition, applicant was to file a sketch of the extension within one week, which was to be assigned Exhibit No. 5.

The above requested information has been received and the matter is now considered submitted and ready for decision.

Under applicant's Rule and Regulation No. 20, covering gas main extensions, a real estate subdivider receives a free gas main extension allowance at the rate of 175 feet of pipe for each house on which construction has been started, if gas were to be used in major household appliances for other than space heating or in addition to space heating, and if the estimated annual revenue were \$40 or less.

The subdivision owned by Mrs. Essie G. Sheets would accommodate 13 houses but no construction could be started until the streets were paved because of the nature of the terrain and the need for transporting materials for the building of the houses. Therefore, Mrs. Sheets made a deposit of \$2,409.75 for the entire amount of the estimated cost of the gas main extension of 2,025 feet of 2-inch main in Belle Vista Street, Monrovia, which excludes 175 feet as allowed for an existing residence.

Under the presently effective Rule and Regulation No. 20, Mrs. Sheets would be entitled to receive refunds at the rate of the cost of 100 feet of gas main for each customer connected to the particular extension who uses gas for more than just space heating. As this subdivision is located in a blind canyon, with no opportunity for additional construction of houses and more gas business, the subdivider could not qualify for a 100% refund of the deposit in accordance with the present rule.

Under the circumstances Mrs. Sheets refused to sign a standard main extension contract because refunds at the rate of the cost of 100 feet of main, plus excess if applicable for each house, would not be adequate to return the entire deposit for the extension. On the other hand, if the street were paved and the houses were constructed, Mrs. Sheets could then request the extension of gas service on the basis of 175 feet for each residence and would not be

required to make any deposit with applicant. This would require the cutting of new pavement and an additional cost of \$1,650 to applicant if the gas main were installed after the paving was in.

Applicant has therefore requested authority to deviate from its presently filed Extension Rule and Regulation No. 20 to the extent that refunds would be made to Mrs. Essie G. Sheets on the basis of the cost of 175 feet of gas main, instead of 100 feet as now provided in the rule, and such deviation would apply for a one-year period only from December 31, 1951, to December 31, 1952. After that time the regular refund provision of the extension rule would apply.

Applicant submitted as Exhibit No. 1 its usual form of Contract for Gas Main Extension, with an insert to permit the refunds for the first year ending December 31, 1952, to be based on 175 feet instead of 100 feet and after that time to revert to the present provisions of the rule.

It is evident from the record that this deviation will not place a burden on applicant's other customers; therefore, the request appears reasonable and should be granted.

O R D E R

The above-entitled application having been considered, a public hearing having been held, the matter having been submitted and now being ready for decision,

IT IS HEREBY ORDERED that Southern Counties Gas Company of California is hereby authorized to deviate from its filed Rule and Regulation No. 20, Gas Main Extensions, to the extent that it be permitted to execute and consummate a contract with Mrs. Essie G. Sheets,

in substantially the same form as that set forth in Exhibit No. 1, which contains the following insert:

"The Company agrees to refund to Applicant an amount equal to the estimated cost of 175 feet of gas main installed for each bona fide domestic customer, over those customers for whom credit has already been given, who is connected and supplied by by an independent meter from a service pipeline connected to such gas main extension within one year from December 31, 1951, and whose billing for the first year of service, as estimated by the Company, is \$40 or less. For each such domestic customer whose estimated billing for the first year of service exceeds \$40, the Company agrees to refund to the Applicant, in addition to the above allowance, an amount equal to four times the amount by which such estimated billing for the first year of service exceeds \$40 per customer. All money not refunded by December 31, 1952 shall be subject to refund as follows:"

The present refund provision of Rule and Regulation No. 20 will apply after December 31, 1952.

The effective date of this order shall be twenty (20) days after the date hereof.

Dated at San Francisco, California, this 5th day of May, 1952.

[Signature]
President.
Justus F. Casner
Harold P. Hule
[Signature]
[Signature]
Commissioners.