

ORIGINALDecision No. 49105

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Application)
of PACIFIC LIGHTING GAS SUPPLY)
COMPANY, a corporation, for an)
order permitting a deviation from)
Rules 4a, 4b, 11, 13c, 15b, 17,)
18, 19 and 21 of General Order)
No. 58A.)

Application No. 34495

Oscar C. Sattenger, for applicant.Alan G. Campbell and Robert Russell,
for the City of Los Angeles.Robert O. Randall, for Commission staff.O P I N I O N

Pacific Lighting Gas Supply Company in this proceeding asks for certain deviations from General Order No. 58-A which sets forth standards for gas service as established by this Commission. A public hearing was held before Commissioner Huls and Examiner Crenshaw on August 6, 1953.

It is applicant's contention that General Order No. 58-A of this Commission was prepared primarily for the regulation of gas distributing companies supplying gas directly to domestic, commercial and industrial customers. Since applicant is a wholesaling company selling gas only to two distributing companies, namely, Southern California Gas Company and Southern Counties Gas Company of California, and not rendering service directly to domestic, commercial and industrial customers, there are certain portions of General Order No. 58-A which in its opinion would not apply to its company and other sections which should be clarified. The particular provisions of the rules of General Order No. 58-A from which

Pacific Lighting Gas Supply Company seeks authority to deviate and the nature of the proposed deviations and reasons therefor are as follows:

1. Rule 4, Record of Interruptions

Rule 4(a), as it appears in the order, reads as follows:

"(a) Any gas utility contemplating an interruption to service on its entire system or in any major district thereof shall first submit its plans to the Commission for approval."

It is applicant's position that under its operations as a wholesaling company the interpretation of an interruption of service is not too clear. Applicant points out that it is necessary at times to shut down some of its major transmission lines for maintenance work or other causes, but that such operation would not affect its deliveries of gas to Southern California Gas Company or Southern Counties Gas Company of California as the gas supply could be maintained from other sources or through other pipelines of applicant.

In some instances customers of the distributing companies, Southern California Gas Company and Southern Counties Gas Company of California, are supplied directly from transmission lines of applicant, through facilities owned by the distributing companies. When these transmission lines are shut down it is applicant's contention that in a number of instances only a few customers would be affected, which raises the question as to what interruptions should be reported. Applicant believes that this should be clarified by the deviation granted under Rule 4(b).

Since the above rule 4(a) applies to interruptions of service on the entire system or any major district, it is the opinion of this Commission that an interruption of this magnitude on the system of applicant is very remote. Therefore, a deviation would not be necessary in this instance as applicant, except under extreme

circumstances, could maintain service to either Southern California Gas Company or Southern Counties Gas Company of California by rearrangement of the gas supply through its pipelines from its many sources of gas.

Section 4(b) reads as follows:

"4(b) Each gas utility shall keep a record of all interruptions to service on its entire system, or in major divisions or operating districts thereof, including a statement of the time, duration and cause, if known, of the interruption. Any such interruption of over two (2) hours' duration shall be reported to the Commission as soon as possible after its occurrence."

It appears that it would not be necessary for applicant to report to this Commission those interruptions on its system which do not affect service to any large number of customers of the distributing utilities, Southern California Gas Company and Southern Counties Gas Company of California. Therefore, a deviation should be granted authorizing applicant to report to this Commission only those interruptions of over two hours' duration which affect 100 customers or more of Southern California Gas Company and/or Southern Counties Gas Company of California. As this procedure is the same as that now generally followed by the distributing companies, it appears that applicant's request that it be required to report only those interruptions affecting firm customers of the distributing companies should not be granted.

2. Rule 11, Heating Value of Natural Gas and Hydrocarbon Gas

Applicant has requested a deviation from Rule 11 which requires that a utility shall file with this Commission as a part of its schedule of rates, rules and regulations, the average total heating value of natural gas, together with the maximum fluctuation above or below the average heating value which may be expected of the gas supplied by it in each division or community served. While

applicant is a wholesaling public utility, the Commission is of the opinion that no deviation should be granted and that no hardship will be placed on applicant to set forth in its rates, rules and regulations the nominal heating value of gas supplied from the various sources or the maximum and minimum heating values of the gas delivered to applicant's customers.

3. Rule 13, Heating Value Tests
Section (c), Natural Gas and Hydrocarbon Gas

Applicant has also requested a deviation from Rule 13(c) which provides for the making and recording of total heating value tests of natural gas received or delivered to it, provided, that if the heating value determinations of the same gas are satisfactorily made by another utility, these determinations may be used for the purpose of this record upon the written approval of the Commission.

Applicant's contention is that there would be a duplication of tests if they were required to make heating value tests of the gas delivered to its two customers, Southern California Gas Company and Southern Counties Gas Company of California, who also make tests of the same gas which they receive from applicant. It appears to the Commission that a deviation in this instance is not required as the rule now provides that the determinations of the other utilities for the purpose of the record could be used by applicant upon written approval. Therefore, this order will provide that applicant may use for its reports to this Commission the heating value determinations of Southern California Gas Company and Southern Counties Gas Company of California which are satisfactorily made of the same gas supplied by applicant.

4. Rule 15(b), Calorimeter Equipment

In Exhibit "A", attached to and made a part of its application, applicant has requested a deviation from Rule 15(b)

Calorimeter Equipment, and submits a deviation which is substantially the same as 13(c) permitting the use of heating value determinations made by Southern California Gas Company or Southern Counties Gas Company of California of the gas which is supplied by applicant. With the Commission's approval of the use of the heating value determinations by Southern California Gas Company and Southern Counties Gas Company of California under Section 13(c), it does not appear that a deviation is necessary to be granted from Rule 15(b).

5. Rules 17, 18 and 19, Standard Gas Delivery Pressure and Maximum, Minimum and Variations in Gas Pressure. Rule 21, Meters and Regulators.

Applicant has also requested deviations from Rules 17, 18, 19 and 21 as all of these rules, in its opinion, apply only to distributing utilities and not to wholesale utilities. These rules affect gas service supplied directly by distributing companies to domestic, commercial and industrial customers and refer to standard pressure, maximum and minimum pressures, pressure variations, and service meters and regulators. Deviations from the above Rules 17, 18, 19 and 21 should be granted.

6. General Conclusions

Rules 11, 13(c), 17, 18, 19 and 21 of General Order No. 58-A as now written apply to gas utilities supplying gas for, or to, domestic, commercial and industrial customers but do not define what constitutes the supplying utility. It is applicant's opinion that said rules are inoperative so far as applicant's present business is concerned, but to clarify the matter and to eliminate any doubt, applicant desires that an order be made permitting it to deviate from these rules. It is the opinion of this Commission that Rule 11, which contains the clause, "Each gas utility supplying natural gas or hydrocarbon gas for domestic, commercial or industrial purposes," would be applicable to this utility and therefore, as previously stated, no deviation will be granted.

Rule 13(c), which provides for heating value tests by each gas utility supplying natural gas for domestic, commercial and industrial purposes, would be applicable to this company as such gas is supplied for these purposes, and no deviation is granted in this instance.

Rule 17 refers to the establishment of a standard delivery pressure by gas utilities supplying gas for domestic and commercial purposes, but it is the apparent intent of the rule to apply only to direct service to such customers. Since applicant does not, under its present operations, supply such customers directly, a deviation will be granted.

Rules 18 and 19, regarding the gas pressure supplied by a distributing utility to domestic or commercial customers, would apply only to distributing companies and not to applicant. Therefore, deviations will be granted for these two rules.

Rule 21 concerns the ownership and location of meters and regulators used in supplying gas to domestic, commercial, and industrial customers and is inapplicable to the present operations of applicant. Therefore, the requested deviation will be granted.

The above-mentioned deviations will be applicable only as long as applicant is operating as a wholesaling gas utility supplying only two customers, Southern California Gas Company and Southern Counties Gas Company of California.

Except for the deviations granted in this order, General Order No. 58-A will remain in full force and effect.

After consideration of all the evidence presented, the Commission is of the opinion that the deviations authorized herein are reasonable.

O R D E R

Pacific Lighting Gas Supply Company having applied to this Commission for an order authorizing certain deviations from General Order No. 58-A, Standards for Gas Service in the State of California, a public hearing having been held, the matter having been submitted and now being ready for decision,

IT IS HEREBY ORDERED that Pacific Lighting Gas Supply Company be and it is hereby authorized to deviate from the provisions of General Order No. 58-A in the following particulars and under the conditions herein specified:

1. Rule 4(a), Record of Interruptions

Deviation from this rule is denied.

2. Rule 4(b), Record of Interruptions

Interruptions referred to in this rule shall be reported to the Commission only when such interruptions are of a two-hour duration or over, resulting in an interruption of gas service to 100 customers or more of Southern California Gas Company and/or Southern Counties Gas Company of California. However, records shall be kept by applicant of all interruptions to service on the entire system or in major divisions or operating districts thereof, including a statement of the time, duration, and cause, if known, of the interruption as now required by this rule.

3. Rule 11, Heating Value of Natural Gas and Hydrocarbon Gas

Deviation from this rule is denied.

4. Rule 13(c), Heating Value Tests, Natural Gas and Hydrocarbon Gas

Deviation from this rule is denied; however, applicant may be relieved of making duplicate tests of gas which it supplies to Southern California Gas Company and Southern Counties Gas Company

of California, and, in lieu thereof, may substitute tests made by these two utilities in its reports to the Commission.

5. Rule 15(b), Calorimeter Equipment

Deviation from this rule is denied.

6. Rules 17, 18 and 19, Standard Gas Delivery Pressure, Maximum and Minimum and Variation in Gas Pressures. Rule 21, Meters and Regulators

Deviation is granted to applicant from these rules as they apply only to utilities supplying gas service directly to domestic, commercial, and industrial customers.

7. Except for the deviations and modifications herein granted, General Order No. 58-A remains in full force and effect.

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

Dated at San Francisco, California, this 22nd day of September, 1953.

R. E. [Signature]
President

[Signature]

[Signature]

Commissioners

Justus F. Craemer
Commissioner S. Peter E. Mitchell, being necessarily absent, did not participate in the disposition of this proceeding.