

ORIGINALDecision No. 50524

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Application of)	
SOUTHERN COUNTIES GAS COMPANY OF)	
CALIFORNIA, a corporation, for)	
authorization and permission to dis-)	Application No. 35643
continue service to one customer in)	
San Luis Obispo County.)	

OPINION AND ORDER

Southern Counties Gas Company of California in this proceeding asks authority to discontinue natural gas service to H. E. Pezzoni, owner of the property, and to Ernest J. Lopes, a customer who is now being supplied through a distribution main 3 inches in diameter and 4,705 feet in length, of which 3,200 feet is now installed on a state highway bridge and the approaches thereto crossing the Santa Maria River just north of the town of Guadalupe. The portion of the gas main to be retired and the location of the customer's premises are shown on a map attached to and made a part of the application as Exhibit A.

According to the application, this main was installed about 1918 at a time when the route was along only a county road and is maintained by applicant under San Luis Obispo County Franchise Ordinance No. 39, a copy of which is attached to and made a part of the application as Exhibit B. Said franchise requires applicant to pay the costs of any relocation or replacement required of such line. Applicant has been officially notified by the Division of Highways of the State of California to remove said 3,200 feet of line by early 1955. A copy of the notice containing such order is attached to the application as Exhibit C.

The existing bridge across which said main is laid is to be dismantled by early 1955 after a new crossing is completed. Relocation of the main to the new bridge would require applicant to remove 3,200 feet of main from the old bridge, of which only 1,850 feet could be taken up for use. Applicant would be required to install 3,200 feet of new main on the new bridge crossing. The total cost to applicant is estimated at \$5,623, the itemization of which is shown in Exhibit D attached to the application.

The total length of the main to be discontinued and abandoned is approximately 4,700 feet. This length of main was originally installed as a segment of the Guadalupe and of a tie line laid to connect a 4-inch main at Nipomo with Betteravia and a 4-inch line at Guadalupe, and to provide a gas supply to the town of Guadalupe from two sources and a second line across the Santa Maria River. The original function of this tie line ceased after construction of a large transmission line by applicant.

This Commission, by Decision No. 40797, dated October 10, 1947, authorized applicant to discontinue gas service to seven customers and to abandon approximately 5 miles of this tie line, which abandonment was necessitated by highway improvements. This present application covers the request for abandonment of that portion of the balance of the tie line where it extends into the town of Guadalupe.

It is applicant's position that earnings from the present gas service to one customer are entirely inadequate to even maintain such service, let alone to justify new capital expenditures for main replacements. Applicant, however, in the event discontinuance of gas service is granted, has offered to pay the cost of converting the existing natural gas appliances located on the property now being served, to the use of butane or propane, or to pay the cost of

substitute appliances for such use if their conversion is not feasible, and to pay the initial cost, if necessary, for related equipment such as storage tanks and regulators.

Attached to the application as Exhibit G is an affidavit from Ernest J. Lopes, stating that he has no objection to the discontinuance of natural gas service provided applicant pays the cost of converting his existing natural gas appliances as referred to above.

Attached to the application as Exhibit H is an affidavit from H. E. Pezzoni, who is referred to in the application as owner of the property, stating that he has no objection to the discontinuance of natural gas service provided that applicant pays the cost of converting his existing natural gas appliances as referred to above.

Applicant alleges that the proposed offer and the availability of alternate fuels will not result in any utility hardship to the customer from the discontinuance of natural gas service.

Since the proposal submitted by applicant for the discontinuance of gas service has been accepted by Ernest J. Lopes, customer, and H. E. Pezzoni, owner of the property, as evidenced by the affidavits, it is the opinion of the Commission that the request should be granted. It is the further opinion of the Commission that a public hearing thereon is not necessary; therefore,

IT IS HEREBY ORDERED that Southern Counties Gas Company of California be and is hereby granted authority to cease rendering natural gas service to the premises owned by H. E. Pezzoni, and occupied by Ernest J. Lopes as a customer of applicant, named in the application herein, to become effective within twelve months of the effective date of this order and on the date of applicant's fulfillment of its promises as follows:

Pay the cost of converting the existing natural gas appliances of H. E. Pezzoni and Ernest J. Lopes

to the use of butane or propane, or pay the cost of substitute appliances if such conversion is not feasible, and pay the cost of whatever related equipment is necessary for storage tanks and regulators.

For all other purposes the effective date of this order shall be twenty days from and after the date hereof.

Dated at San Francisco, California, this 14th day of September, 1954.

W. E. Mitchell
President
James J. Calver
Kenneth Pitts
James Higgins

Commissioners