

Decision No. 54203

ORIGINAL

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

JOHN L. BESSAW, JAMES BOND, NORMAN COMER,)
 S. CONLEY, S.M. DAVIS, MRS. CARL E. DEAN,)
 RAYMOND W. DEDE, JANE E. DUNN, V. E. EMERSON,)
 JAMES K. EVERS, HARRY E. FIRTH, THOMAS J.)
 GOODWIN, MARK HALL, E. HARDESTY, GORDON)
 HEIBERT, FRANK HINMAN, ROYAL D. HOPPER,)
 A. L. HUTCHINS, MURREL W. JAMES, E. KELLOGG,)
 LESTER J. LINDSAY, JUAN M. ORTEGA, JAMES A.)
 PARSONS, L.M. RUSSELL, JACK I. SHORT,)
 DAN ROBLA, PAUL SILVA, GLEN SUTTON, SAMUEL)
 L. TATE, HAROLD H. WALKER, ELWOOD EARL)
 WITHROW, ROYAL D. STEWART, W. W. CASTELLAN,)
 V. E. BENNY,)

Case No. 5775

Complainants,

vs.

PLUMAS SIERRA RURAL ELECTRIC COOPERATIVE, INC.,)
 a corporation,)

Defendant.)

Donald P. Cady, Pardee & Cady, for complainants.
S. C. Young, for defendants.
Lloyd E. Cooper and A. U. Zimmerman, for California
 Pacific Utilities Company, interested party.
Arthur S. Hecht, for Commission staff.

O P I N I O N

Complainants' Request

This complaint was filed on May 31, 1956, by 34 customers of the Plumas Sierra Rural Electric Cooperative, Inc., residing in Herlong, California, concerning the quality of the electric service furnished by the defendant and requesting "that all of the territory in Section 3, Township 26 North, Range 16 East, M.D.B. & M., in Lassen County, California, be assigned and set aside to California Pacific Utilities Company as its sole and exclusive service area for electric light, power and energy, or

that portion of said Section 3 which was heretofore (in Application No. 33396 and Decision No. 47989, dated December 12, 1952) set aside to defendant as its exclusive service area be declared and adjudged to be competitive territory so that complainants and other persons in said area may obtain service from the said California Pacific Utilities Company."

Defendant's Answer

Defendant filed its answer to the above-mentioned complaint on June 22, 1956, admitting and denying certain of the charges as to times of power outage; claiming certain outages were due to failure on the part of its supplier of energy, the Pacific Gas and Electric Company, and certain others due to weather conditions, lightning or other acts of God beyond its control. It enumerated certain plant improvements being made and system studies for the purpose of providing better service to its patrons and requested that the Commission deny the complaint and that the territory be permitted to remain in the exclusive service area of the defendant.

Public Hearing

After due notice, a public hearing on the complaint was held in Herlong, California, on September 26, 1956, before Commissioner Ray E. Untereiner and Examiner M. W. Edwards. Testimony in substantiation of the charges in the complaint regarding poor service was presented by 24 witnesses. A representative of the California Pacific Utilities Company presented testimony to show that his utility was ready and able to render service to the area in question. Three employees and one customer of the Plumas Sierra Rural Electric Cooperative were called to testify on behalf of the defendant. The matter was submitted for decision at the close of the day's hearing subject to the filing by defendant within 30 days of written answers to a number of questions propounded by the Commission staff.

Service Outages

The complainants listed some 38 occasions during the period from November 3, 1954, to March 27, 1956, when the service was out for 20 minutes or more. In many instances the outages lasted for several hours. Defendant admitted that there were some 30 outages during this period of time, but in most cases stated that the time of the outage was less than charged by the complainants. Defendant stated that two of the outages were occasioned by outages on the Pacific Gas and Electric Company lines, from which it obtains its supply of power; one was due to a forest fire; several others resulted from heavy wind, lightning and storms. Also, several of the outages were caused by hunters shooting off insulators on the distribution system.

Low Voltage and Loss of Phase

Some of the complaints were the result of the burning out of motors due to low voltage. The defendant's explanation for the low voltage was that when the 44-kv transmission line across the mountains from Beckwourth eastward went out, the power was carried around through the 12-kv distribution system over a much longer route while the transmission line was being repaired. Defendant referred to its Rule and Regulation No. 2, filed with the Commission, which requires protective devices on motors to guard against low voltage or loss of one or two phases on a three-phase supply.

Instances of loss of refrigerated food resulting from long outages of service were cited.

System Improvements

Defendant stated that it is in the process of improving its transmission line from a point near Quincy to a point near Beckwourth by reconstruction. For a distance of six miles, where

this line is most exposed to winter hazards, the defendant is replacing some #2 ACSR wire of 2,700 pounds breaking strength with 101,800 CM wire of 9,860 pounds strength. This work and additional guying work is to be completed no later than November 16, 1956, at an estimated cost of \$45,000. During the summer of 1956, over \$3,500 was spent on 15-kv valve-type lightning arresters to protect transformers. By 1959 it expects to have every transformer on its system, some 1,100 in number, protected with valve arresters at a total cost in excess of \$20,000. For the year 1956 it expects to spend \$18,000 for the purpose of changing transformers where increased loads have made the original transformer inadequate. Also, it is installing a three-phase automatic recloser near the Herlong area for the purpose of more promptly restoring service where temporary faults are involved.

The long duration of some of the outages resulted from the time required for a repair crew to be dispatched from Portola to Herlong. At one time the bridges on the shortest route were washed out and the crew had to go by a roundabout route that added several hours to the delay in restoring service. To improve this situation defendant plans to establish a repair crew in the vicinity of Herlong in order to be able more promptly to repair its transmission and distribution lines in the area. It mentions that three new trucks for maintenance work and many new tools have been purchased in 1956, at a cost of approximately \$7,000.

The defendant states that it has retained consulting engineers to make a study of its system for the purpose of recommending improvements looking toward the provision of better service to its patrons. The defendant states that this study should be completed some time in 1957 at a cost of approximately \$8,000 and anticipates that the recommendations will call for additional

voltage regulators, increased conductor size in some locations, additional automatic sectionalizing equipment and plans for future substations. It states that costs on these items have not been estimated and that it would be almost impossible to estimate them at this time. When this study is completed the defendant will be required to supply the Commission with information as to the conclusions and recommendations in the study.

Interconnection

The defendant had not investigated the possibility of interconnecting its system with the system of the California Pacific Utilities Company for the purpose of obtaining interchange or emergency power when its transmission line is out of service. Nor had it investigated the possibility of purchasing power from the California Pacific Utilities Company in lieu of a major line rebuilding program in the area between Beckwourth and Herlong. The order herein will require such investigations by the defendant prior to carrying out the recommendations in the study being made by the consulting engineers.

Findings and Conclusions

The Commission is impressed by the legitimacy of this complaint. The complainants clearly are not receiving the quality of service to which they are entitled. It is true that snow, ice, lightning and wind conditions make this a difficult area to serve. Yet California Pacific Utilities Company serves an adjacent area with far fewer service interruptions. The record indicates some 16 interruptions, for a total of 24 hours and 12 minutes, in this California Pacific territory since November 7, 1954. It is understandable that complainants should prefer that service to what they are getting; particularly since it is offered at lower rates than they are paying.

On the other hand, the Commission does not believe it to be in the public interest to deprive a utility of territory that has been certificated to it, and in which it has made a substantial investment, except on a clear showing that it is either unable or unwilling to provide satisfactory service. Such a showing has not been made. Instead, the defendant has offered a persuasive showing of its plans and intentions to improve the service. When the defendant completes its projected improvements, the service continuity should be comparable to that of California Pacific Utilities Company, and satisfactory in view of the difficulties inherent in the natural conditions of the area.

Under these circumstances, we do not find it reasonable to grant the request of the complainants until a fair test has been made of the system improvements being made or proposed by the defendant. We shall deny complainants' request without prejudice. If defendant does not complete its improvements within a reasonable time, or if those improvements, when completed, do not result in satisfactory service after a reasonable trial period, the complainants can petition for reconsideration of their request. On such reconsideration, a showing that defendant's service is not substantially improved will give rise to a strong presumption that it is either unable, or unwilling to provide satisfactory service.

O R D E R

Complaint as above entitled having been filed with this Commission, a public hearing having been held thereon, the matter having been submitted and the Commission being of the opinion that the complainants' request should be denied pending a fair test of system improvements being made; therefore,

IT IS HEREBY ORDERED that the request of the complainants be denied, without prejudice.

IT IS HEREBY FURTHER ORDERED that:

1. A report on the results of the study of defendant's system being prepared by consulting engineers be supplied to the Commission as soon as available.

2. The defendant shall investigate the possibility of isolating a portion of its system near Herlong and purchasing energy from and/or interconnecting its system with that of the California Pacific Utilities Company and furnish a report of such investigation and the cost of such purchased power and/or interconnection to the Commission on or before the time the report under Section 1 herein is supplied, and prior to the time of carrying out any of the recommendations in that report.

3. The defendant shall submit a report of outages on its transmission and distribution lines in the vicinity of Herlong, covering the first three-month period after the effective date of this order, and thereafter on every third month for a period of 12 months unless otherwise notified by this Commission. This report shall show the date, time, duration and cause of each outage and the number of customers affected.

4. The defendant shall submit with each report of outages a record of the complaints which were received during the previous

three months concerning low voltage, outages, or other matters involving service in the Herlong area.

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

Dated at Los Angeles, California, this 4th day of DECEMBER, 1956.

[Signature]
President
Ray L. Winterer
[Signature]
[Signature]
[Signature]
Commissioners