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ORIGINAL

Decision No. 54762

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Application of)
SOUTHERN CALIFORNIA GAS COMPANY for)
authority to file and place in)
effect, in accordance with General)
Order 96, revised tariff sheets)
covering the rules and regulations)
relating to gas main and gas service)
extensions.)

Application No. 37604

In the Matter of the Application of)
SOUTHERN COUNTIES GAS COMPANY of)
CALIFORNIA for authority to file and)
place in effect, in accordance with)
General Order 96, revised tariff)
sheets covering the rules and regu-)
lations relating to gas main and gas)
service extensions.)

Application No. 37605

Appearances and Witnesses
are listed in Appendix B

O P I N I O N

Applicants' Requests

The Southern California Gas Company and the Southern Counties Gas Company of California filed the above-entitled applications on December 19, 1955, requesting authority to file and place in effect revised tariff sheets covering the rules and regulations relating to gas main and gas service extensions as contained in Exhibits A and B attached to each application. Exhibit A is entitled "Rule and Regulation No. 15 - GAS MAIN EXTENSIONS" in each application, and Exhibit B is entitled "Rule and Regulation No. 16 - GAS SERVICE EXTENSIONS" in each application. Such new rules are designed to replace present Rules and Regulations Nos. 20 and 21 of each applicant.

Public Hearing

After due notice, public hearing was hold on these applications before Examiner M. W. Edwards in Los Angeles on the following dates: February 17, June 6, 7 and 8, 1956. Following the close of the hearing on June 8, 1956, the matter was submitted on briefs; opening briefs being filed on August 10, 1956, and closing and reply briefs on September 11, 1956.

Applicants presented 17 exhibits and 3 supplementary exhibits and testimony by 5 witnesses in support of their requests. A large group of subdividers and builders appeared at the hearing, some as protestants and some as interested parties, and introduced 5 exhibits and testimony by 6 witnesses generally opposing the requests of the applicants. The Commission staff, through counsel and a gas engineer, participated in the proceeding, called a witness to explain the revised electric extension rules being proposed by the Southern California Edison Company in another proceeding and presented as Exhibit No. 17 the present electric extension rules of the Department of Water and Power of the City of Los Angeles.

Present Gas Main Extension Rules

Southern California Gas Company, in general, will install at its own expense whichever length of gas main is greater, either 150 feet of main for each individual domestic customer or a length of main equivalent in cost to 3-1/2 times the first year's estimated billing, except that no gas main will be installed at the expense of the company where gas is to be used for space heating only. When the length of main is in excess of the free length, such excess main will be owned and installed by the company provided the customer advances an amount of money equal to the difference between the estimated cost of the main extension

and the sum of the free extension allowance. The rule provides for refunds of this advance under certain conditions or for an additional advance if the customer does not install the appliances originally contemplated.

Main extensions in real estate subdivisions will be installed, owned and maintained by the Company when the subdivider advances an amount of money equal to the difference between the estimated cost of all mains to be installed and the sum of the free extension allowances. Free extension allowances and refunds will be computed on the basis of either the average estimated cost of 150 feet of main for each premises or an amount of money equal to 2-1/2 times the estimated first year's billing, whichever amount is the greater, except that no allowances or refunds will be made where gas is to be used for space heating only.

Gas main extension allowances and/or refund of deposits are made for customers, other than domestic customers, and are based upon the estimated gross revenue, the character of the service to be rendered and the rate to be paid. This same basis applies to multiple dwelling projects or housing developments, even where some fuel other than gas is used for cooking or water heating. No free allowance for a main extension is made where a customer uses gas for space heating only. In unusual cases where the application of the extension rule appears impractical or unjust to the customer or to the applicant, the rule provides that the matter may be referred to the Commission for special ruling.

Southern Counties Present Main Extension Rule

Southern Counties Gas Company of California, in general, will extend its mains a distance of 175 feet for each prospective .

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customer for gas service whose annual billing as estimated by the Company will be \$40.00 or less. For each customer whose billing for the first year is estimated to exceed \$40.00, the Company will provide, in addition to the 175 feet, an investment in main extension equivalent to four times the amount by which such estimated first year's billing exceeds \$40.00 per customer. Extensions in length longer than above provided will be made if the prospective customer will advance the cost of the excess main extension on the basis of the combined average cost of 2-inch and 3-inch mains of the same character installed during the preceding calendar year in the district in which the main extension is to be installed.

Extensions in real estate subdivisions are on a somewhat different basis in that the excess main extension will be based on the estimated cost of all the mains, regardless of size or character, necessary to render service to the subdivision. Detailed conditions for refund of the advance for excess main extension in a subdivision are provided.

Present Service Extension Rules

Southern California Gas Company in general will install at its own expense a service pipe between the main in the street and the customer's property line plus 50 feet of service pipe on the customer's property; or if the main is located in an alley, 75 feet of service pipe per independent meter on the customer's property; or a length of service pipe which entails an investment of twice the annual average revenue, whichever length of service pipe is the greater. Several conditions as to the method of providing services to multiple dwelling projects, housing developments, apartment buildings, duplexes and flats are set forth in the rule. Service pipe and/or yard pipe installations will be

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made for commercial, gas engine and industrial customers on the basis of the estimated gross revenue, the character of the service and the rate to be paid. Such free lengths do not apply for space heating only.

Southern Counties in general will install the street service at its own expense, except for service to intermittent or standby use or for premises where gas appliances will not be installed. Yard services will be installed free up to 50 feet per independent meter from a street or if the main is located in an alley or rear easement, up to 75 feet for one independent meter, plus up to 50 feet for each additional independent meter. No free yard service allowance is made where customers install no gas appliances, or gas appliances for space heating only. Where the length of the yard service is in excess of the free length, such excess length will be installed and owned by the Company if the customer advances the cost thereof. There are several other detailed provisions relating to services in the present rules.

Position of Southern California Gas Company

Southern California states that a number of its rules and regulations were filed many years ago and because of changing cost relationships and other business conditions, certain of these rules and regulations have become outdated in respect to economic practicality, are difficult to administer and in certain cases are hard for customers to understand. Applicant is experiencing an unprecedented amount of building activity in its territory and, while it desires in time to revise most of its rules, at this time it states that revision of the gas main and gas service extension rules are particularly important.

Applicant represents that the amount of money which it can afford to invest in facilities to serve a new customer,

without burdening other customers, depends on the number and type of appliances to be installed by such new customer. If the investment required is greater than the revenue from gas sales will support, the Company expects the customer to advance the difference. Within limits, the Company represents that this basic philosophy is contained in its present rules and will be continued in its proposed rules; however, it states that it has incorporated improvements to produce equitable and nondiscriminatory treatment of the widely diverse situations to which the new rules will be applied.

Position of Southern Counties
Gas Company of California

While the present extension rules of Southern Counties were not filed as long ago as those of Southern California, it plans in time to refile most of its rules and regulations and, likewise, is particularly concerned over the extension rules at this time. Presently there are some differences in the extension rules of the two applicants herein; however, the proposed rules are virtually the same for the two utilities, except for differences in average costs for pipe installed in the different districts and differences in gas usage, rates and revenues between the two service areas. The revised numbers of 15 and 16 for these rules carry out the numbering scheme being worked out for proposed revision of all of the rules of these two applicants.

Applicant's present and proposed rules are based on the same general philosophy as enunciated by Southern California; that is, free extensions are provided within economic limits and if additional facilities are required beyond the free extension, the new customer must advance the excess costs, with the advances being subject to refunds under the circumstances stated in the rules.

Proposed Residential Allowances

The first major difference between the present and proposed rules relates to determining what facilities will be installed by the applicants free of charge. Under the present rules the length of main or service installed free of charge is dependent on whether the service is for space heating only or for combination service. For example, one applicant will install a minimum of 150 feet and the other applicant will install a minimum of 175 feet for customers using gas for two major purposes and in most instances these free extensions will not be enlarged even though the customer installs three or four gas-burning appliances. Under the proposed rules a more precise method of computing allowances is specified, based on the appliances and equipment being installed by the customer, as follows:

Table of Proposed Allowances for Individual Appliances

<u>Appliance</u>	<u>Monetary Allowance per Family Dwelling Unit</u>	
	<u>Rule 15 For Gas Main</u>	<u>Rule 16 For Services</u>
Range	\$15.00	\$15.00
Water Heating		
45 Gallons or Less	25.00	25.00
Over 45 Gallons	40.00	40.00
Refrigerator	10.00	10.00
Clothes Dryer	10.00	10.00
Garbage Incinerator	10.00	10.00
Swimming Pool Heater	35.00	35.00
Gas-Fired All Year Air Conditioners, per Ton	30.00	30.00
Space Heating		
90,000 Btu or Less	5.00	5.00
Over 90,000 Btu	10.00	10.00

It will be noted that the above allowance proposals are in dollars rather than feet but they can be converted to feet based generally on the cost of pipe installed during the preceding calendar year. Applicants propose to file such costs once each year with the Commission as supplements to these rules.

Proposed Combined Residential Allowances

Special combined allowances are proposed where three or more gas appliances will be installed and provision will be made for installation of additional gas appliances by the customer as follows:

	<u>Allowance per Family Dwelling Unit</u>		
	<u>Main Allowance</u>		<u>Service Allowance</u>
	<u>4 or Less Units</u>	<u>5 or More Units</u>	
1. The owner, builder or developer of dwelling units built for sale or for rent will furnish and install a gas water heater and gas space heating equipment and, without furnishing any range, will pipe and provide space for a free standing gas range	\$ 65.00	\$ 90.00	\$ 50.00
2. The owner, builder or developer will furnish and install a free standing gas range, a gas water heater and gas space heating equipment	85.00	110.00	70.00
3. The owner, builder or developer will furnish and install a built-in gas range, a gas water heater and gas space heating equipment	100.00	125.00	85.00
4. Additional allowance to be made for piping and providing space for:			
A gas refrigerator, per each	3.00	3.00	3.00
A gas clothes dryer, per each	3.00	3.00	3.00

Extensions in Tracts and Subdivisions

The second major difference between the present and proposed rules relates to the treatment of extensions in tracts and subdivisions. The proposed new rules have been clarified so that a builder or developer can more easily determine, from the appliances and equipment which he intends to install, how much free main and service will be extended. Under the proposed rules he also may receive further allowances from additional gas appliances installed by the purchaser. A distinction is made

between (a) the construction or operation of one to four single dwelling units as a single enterprise, and (b) the construction or operation of five or more such units. The former situation, ordinarily consisting of individual owner-built homes or small tract projects, usually permits applicants, through direct contact with the home owner, to develop a build-up of gas appliances that applicants represent will result in reasonable return on the amount invested. In the latter case, however, involving larger tracts or subdivisions, the selection of appliances for all of the homes is largely controlled by the builder or the developer.

Where the appliances are built in, the applicants experience difficulty in securing additional load through sales effort as it is considerably more difficult and expensive to change a built-in appliance using a competitive fuel to one using gas. It is also true that gas is used almost universally for heating in the area served by applicants. However, where gas is used solely for heating it produces a relatively low load factor on applicants' systems. This has been recognized in applicants' general service rates where a somewhat higher rate per Mcf is in effect for a customer using gas for heating alone. Applicants urge that by means of the proposed form of extension rule they can meet the competitive situation without burdening their other customers.

Basis of Proposed Allowances

Applicants used a cost-of-service approach to develop the allowances for the various appliances. They reasoned that since gas space heating was universal to nearly all of the customers, it should be considered as the primary load and should be priced from the highest rate blocks, including fixed charges, for the first 200 cubic feet of gas consumed. They further reasoned

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that annual revenues for the other types of gas usage should be developed incrementally by pricing the consumption from the follow-on rate blocks remaining after the pricing of the space heating. For purposes of this study a cost of 60 cents per Mcf was assumed for seasonal use gas, like space heating, and 30 cents per Mcf was assumed for gas used the year around. A rate of return of 6.0 per cent on the investment in the meter and regulator was assumed over and above all operating expenses, depreciation and taxes associated with the meter, and customer expenses. The results of the studies as set forth in Exhibits Nos. 7 and 8 are:

	Annual Mcf Usage	Annual Revenue	Annual Expense	For Main and Service Balance Avail- able	Allowable Invest- ment
<u>SO. CALIF. GAS CO.</u>					
<u>Primary Load</u>					
Space Heating Combined with Other Usage	48.0	\$47.09	\$50.07	\$ -	\$ -
Space Heating Only	48.0	54.10	50.51	3.59	20.16
<u>Increment Load</u>					
Cooking	12.0	8.39	4.11	4.28	24.03
Water Heating	24.0	16.65	8.21	8.44	47.39
Refrigeration	9.6	6.60	3.28	3.32	18.64
Clothes Drying	4.8	3.24	1.63	1.61	9.04
Swimming Pool Heating	100.0	65.30	34.02	31.28	64.72
Gas-Fired All Year Air Conditioner, 3 ton	99.0	66.23	33.77	32.46	182.26
<u>SO. COUNTIES GAS CO.</u>					
<u>Primary Load</u>					
Space Heating Combined with Other Usage	51.0	\$47.96	\$49.90	\$ -	\$ -
Space Heating Only	51.0	50.92	50.03	0.89	5.43
<u>Incremental Load</u>					
Cooking	13.0	7.73	4.24	3.49	21.31
Water Heating	25.0	14.97	8.17	6.80	41.51
Refrigeration	9.6	5.64	3.12	2.52	15.38
Clothes Drying	4.8	2.82	1.57	1.25	7.63
Swimming Pool Heating	100.0	60.21	32.69	27.52	58.33
Gas-Fired All Year Air Conditioner, 3 ton	99.0	53.77	32.09	21.68	132.36

In determining the allowable investment in the above tabulation the dollars in the Balance Available column was divided by 17.81 percent in the case of Southern California and by 16.38 percent in the case of Southern Counties, except for the swimming pool heating which was divided by amounts of 48.33 percent and 47.18 percent respectively. The monetary allowances as proposed by applicants more or less reflect rounding of these allowable investment figures.

In addition to the above figures which are on an average basis for the two systems, studies for certain divisions and districts were submitted in Exhibits Nos. 20 and 21. These studies covered the Metropolitan Los Angeles County and the Imperial Divisions, and the Santa Monica Bay and Northern Divisions. The results of these additional studies showed the same general pattern, i.e., little or no allowable investment for space heating and sizeable amounts for the incremental loads like cooking and water heating.

Position of Subdivider-Builder Interests

The subdividers and builders stated their position as follows:

1. The utility applicants have not adhered to the provisions of the tariffs now in effect;
2. Alleged nontariff penalty charges heretofore exacted and now being exacted from subdividers and builders are calculated to deprive them of a freedom of choice as between gas and electrical appliances, to ultimate public detriment;
3. Proposed rules also are designed to impel the installation of gas appliances, to ultimate public detriment; and
4. Any rules and regulations authorized to be made effective should be just and reasonable, to ultimate public benefit.

While the subdivider-builder interests went to great length to point out the disadvantages of the present extension rules, our main concern is regarding the alleged unreasonableness of the proposed rules. In this regard, of particular significance is the implication that the new rules do not permit a builder or subdivider to exercise a freedom of choice between gas and electric ranges. These interests computed the proposed equivalent free footage for the three major uses under the proposed rules as follows:

Equivalent Free Footage of Gas Main Extensions

	Southern California Gas (@ \$1.60 per Ft.)	Southern Counties Gas (@ \$1.39 per Ft.)
Space Heating - 90,000 Btu or less	3 ft.	4 ft.
Range	9 ft.	11 ft.
Water Heater - 45 gallons or less	15 ft.	18 ft.
Subtotal	27 ft.	33 ft.
Where builder installs water heater, space heating and piping for range:		
a. Four or less dwelling units	41 ft.	47 ft.
b. Five or more dwelling units	56 ft.	65 ft.
Where builder adds a free standing range:		
a. Four or less dwelling units	53 ft.	61 ft.
b. Five or more dwelling units	69 ft.	79 ft.
Where builder includes a built-in range:		
a. Four or less dwelling units	63 ft.	72 ft.
b. Five or more dwelling units	80 ft.	90 ft.

The subdivider-builder interests represent that there was no evidence in the record supporting different treatment as between individual dwellings, on the one hand, and real-estate subdivisions and tracts, on the other hand. However, they do not object to applicants' reducing their present tariff authorization in favor of individuals, real-estate subdividers and real-estate tracts to 100 feet. They also represent that no justification has been

advanced for a change in the theory of service extension rules under which customers are now entitled to a minimum of 50 feet of free service pipe.

Other Utility Line Extension Practices

In view of the objection to the proposed larger allowances to subdivisions of five homes or over, it is pertinent to consider the practices of the electric utilities which serve electricity in the same general territory of these two applicants. The two electric utilities mainly concerned are the Department of Water and Power of the City of Los Angeles and the Southern California Edison Company.

Extensions by Department of Water and Power

The major domestic allowances provided by the City of Los Angeles are:

	<u>Allowance</u>
Lighting and Small Appliance Load	\$ 50
Electric Range	50
Electric Water Heater	50
Electric Refrigerator	50
Total	<u>\$200</u>

Where a customer installs the above four loads in combination, an additional allowance of \$50, or a total of \$250, is made. Where the load is to consist of lighting and small appliances and a water heater, the allowance would be \$100; but if an electric convenience outlet is provided for an electric refrigerator as the sole source of energy for refrigeration, together with service entrance equipment adequate for serving an electric range and a conduit run to the range location, and terminating in an outlet box therefor, an additional allowance of \$50, or a total of \$150, is made.

With respect to commercial, industrial or other loads (other than domestic) the City will allow an amount equivalent to three times the estimated annual revenue to be derived from all such loads to be connected to the extension. When the estimated cost of the extension does not exceed the allowances above outlined, the City generally will make such extension at its own expense. When the estimated cost exceeds the allowances, the customer must advance the difference; such advance generally being subject to refund when extra load or new customers are added to the extension. No special extra allowances are made to real-estate subdivisions except for the larger subdivisions (150 kva of transformer capacity or more) where special detailed studies of costs, revenues and other factors pertinent to the service of such loads are considered.

Extensions by the Southern
California Edison Company

The major domestic allowances provided by the Edison Company are:

For each lighting customer	300 ft.
For each electric range customer	1,000 ft.
For each electric water heater customer	500 ft.
For each electric refrigerator	200 ft.

Line extensions of greater length than the free extension will be made provided the customer advances 30 cents for each foot of line in excess of the free length. Such advances are subject to refund generally on the basis of new loads or customers' being added to the extension.

Free extensions for loads other than domestic are on the basis of 150 feet for each kw of connected lighting load, 125 feet for each kw of connected cooking or heating load and 250 feet for each hp of connected motor load.

In the case of real-estate subdivisions, Edison will construct in advance of application for service when the entire cost of the extension (exclusive of transformers, meters and services) is advanced to it. Amounts so advanced will be refunded when a new permanent installation is directly connected to the extension, at the rate of 30 cents for each foot that the allowable free length exceeds the length of line required to supply the new installation.

Recently, Edison has revised its rules^{1/} and has reduced these allowances by roughly one-third and increased the advance to 45 cents per foot.

Extensions by Water Utilities

While the Commission staff did not introduce into this record any extension rules of water utilities operating in the territory served by the applicant nevertheless the Commission deems it desirable to take official notice of the fact that a uniform rule has been provided for water utilities.^{2/} This uniform rule provides a free main extension of 65 feet per individual customer, other than subdivisions, tracts, etc. Subdivisions are required to advance the estimated reasonable cost of the mains subject to refunds on two bases: (a) the proportionate cost method for each service connection based on the ratio of 65 feet of main to the total footage of main in the extension for which the cost was advanced or (b) the percentage of revenue basis at 22 percent of the revenue from each customer, exclusive of any customer formerly served at the same location, connected directly to the extension. The service connection within the street up to a meter location and a meter box normally is furnished by the

^{1/} Application No. 37417.

^{2/} Decision No. 50580, Case No. 5501, September 28, 1954.

utility and the customer furnishes the service pipe on his own property beyond the meter.

Conclusions

It has always been the policy of this Commission to encourage the utilities to make utility service available to as many people in the state as reasonably possible. In making extensions, however, the Commission must balance the interests of present customers with those of prospective customers. The position of present customers should not be jeopardized by large investments in extensions of plant which do not provide reasonable returns. On the other hand, it is necessary for a utility to be ready and willing to extend its facilities to serve new customers and provide them with the benefits of utility service where it can be done at reasonable cost and does not adversely affect existing customers.

One method of determining a reasonable length of extension to be made for a prospective customer is to determine the rate of return for the proposed extension. This method, while practical for large extensions, is too detailed to use for each individual customer and in lieu thereof monetary allowances by appliances are proposed. Applicants have used cost studies to determine the investment that can be justified for different types of appliances based on the anticipated revenue that will be received from them. These studies show need for sharp downward revision in certain footage allowances because of changing economic conditions since the applicants' present extension allowances were adopted. While the Commission does not specifically approve the cost studies that were used in the computation of the justifiable investment in plant extension, they are helpful to the Commission in considering the matter.

Applicants proposed certain allowances for individual customers, but would augment them considerably when dealing with builders or tract developers. It appears from the testimony of one of applicants' witnesses that these additional allowances are proposed, in part at least, to meet competitive conditions and to attempt to develop and retain the gas cooking and water heating business in addition to the space heating load. None of the electric utilities analyzed in applicants' territory granted larger allowances by appliances to the average subdivider-builder than to the individual customer; however, one of them provided additional allowances where desirable combinations of appliances are installed and also where it appeared that additional business might develop. Our conclusion on this point is that the same allowance, appliance by appliance, should be granted to the individual customer as to the subdivider-builder or tract developer, and that additional allowances for desirable combinations of appliances should be granted to the individual as well as the subdivider-builder or tract developer.

The applicants propose changing from a footage allowance basis to a dollar allowance basis. Such basis would require conversion into feet before a customer could determine his free footage allowance. Heretofore the Commission has generally favored footage rules, and in the interest of simplicity, we will not authorize the proposed change.

An analysis of the examples presented by applicants during the hearing shows that rarely, if ever, would applicants' full proposed allowances be required to supply the homes in a typical subdivision where gas is used for cooking, water heating and space heating. For example, the length of main required to serve a subdivision with lots of 60-foot frontage should be only

slightly more than 30 feet per lot.' In the examples given we note that the average length of main required varies from 43 feet to 65 feet per lot and in some of these cases additional houses could be connected to the mains without additional extensions, thus reducing these average lengths.' Therefore, applicants' proposed allowances to subdivider-builders are more than will be required in most of the cases and are somewhat more than justified by applicants' cost studies. It is obvious that present allowances of up to 175 feet of main per residence are too great and should be reduced.

The subdivider-builders are aware that the present main allowances are too liberal in light of present-day costs and are willing that this allowance be reduced. Essentially they desire not less than 100-foot allowance per lot under a rule of the present type. After considering the record and the position of the subdivider-builder interests, it is concluded that the applicants' proposed rules should not be authorized and since the present rules are too liberal and do not properly reflect the extensions justified for various types and combinations of appliances, a continuation of the present rule modified to 100 feet is not proper. Therefore, a substitute form of rule will be authorized by the order herein.

The applicants state that in many extensions there is probability that the area will develop and additional customers can be served without additional extensions. In such cases applicants propose to participate in approach mains for subdivisions and in the actual extension lengths to individual customers. Applicants' proposal in this respect appears to introduce an unnecessary complication in the proposed rules and will not be authorized.

Applicants desire to change the allowance for services generally from a flat amount of footage to a variable monetary allowance based on the number of appliances. While the subdivider-builder interests desire the present service allowances, with a minimum of 50 feet per customer, continued, applicants' proposal appears to be more in keeping with the changes being made in the main extension allowances. Variable service allowances, based on appliances to be connected or the amount of revenue from the prospective load will be authorized, except that they will be expressed in feet rather than dollars, as proposed by the applicants, and modified to follow the form of the main extension rule herein authorized.

Applicants have included a provision (Section K) in their proposed service extension rules which gives them the right, under certain conditions, to discontinue, on thirty days' written notice, gas service from gas collecting or transmission pipelines. It is the Commission's opinion that such service should not be discontinued until applicants have first obtained appropriate authorization from this Commission. Accordingly, this provision of the proposed rules will not be authorized herein.

Refunds Authorized

Where the new rule will require advances by the customers, refunds will be provided when additional customers are connected to the main, if they are connected within ten years of the date of completion of the extension. This provision, in general, is similar to the existing rule. The authorized rule, however, will provide refunds based on the approximate equivalent dollar allowances, without interest, in effect at the time of connection of additional customers, but in no case will the refunds be greater than the original amount of the advance.

Refunds will be made where additional nonresidential customers are supplied by a service connection to the main extension. Because of variation in usage and revenue from nonresidential customers, the rule will provide for consideration of the character of the service, the cost of the facilities, and the experienced revenue received where there is not sufficient information to compute the refund at the time the service is connected.

Applicants introduced as Exhibits 9 and 9-A proposed definitions of terms which they propose to use in administering the extension rules and which will in addition be applicable to their other rules. No objection was raised to these definitions. The applicants have also submitted to the Commission staff, for review, a full set of definitions applicable to all of the applicants' rules. While these definitions, except for those contained in Exhibits 9 and 9-A, are not of record in this proceeding, the Commission is of the opinion that it is desirable that a full set of definitions be prescribed for applicants at this time and the order will so provide.

Authorized Footage Allowances

Footage allowances, rather than dollar allowances, will be authorized in the new rules in the amounts set forth in the following tabulation:

<u>Appliance</u>	<u>Footage Allowance</u>	
	<u>Rule 15</u> <u>For Gas Main</u>	<u>Rule 16</u> <u>For Services</u>
Range	15 feet	15 feet
Water Heater	20	20
Refrigerator	5	5
Clothes Dryer	5	5
Garbage Incinerator	5	5
Swimming Pool Heater	20	20
Gas-Fired All Year Air Conditioner, per ton	20	20
Space Heating	5	5
Combination Allowances:		
a. Where builder or owner installs gas space heating, water heating and piping for a range	50	50
b. Where builder or owner installs space heating, water heating and a free standing gas range	60	60
c. Where builder or owner installs space heating, water heating and a built-in gas range	70	70

Transition Period

It is apparent that at the time the new rules become effective applicant will have some business in the process of being connected under the old rules and other business in the negotiation stage. Where a contract has been signed prior to the effective date of the rules authorized herein, the provisions of the old rules should apply. In those cases where negotiations have been started, as evidenced by written application for service, but not completed prior to the effective date of the rules authorized herein, either the old or new rules, whichever are most favorable to the prospective customer should be applied. After the effective date of the rules authorized herein all new business, except that outlined above, should be handled under the new rules.

Findings

After considering the evidence of record it is the finding of the Commission that the new rules in the form proposed by the applicants are not acceptable; however, revisions of the present extension rules appear warranted. Applicants will be authorized and directed to file revised rules which we hereby find to be reasonable and to cancel the present main and service extension rules which we hereby find to be unreasonable. As at this time applicants have not filed a complete set of new rules, which will require changes in rule numbering, the extension rules authorized herein will bear the same numbers as heretofore.

The unit charges for main and service extensions in excess of the footage allowances, and the unit charges for stub services and curb meter vaults authorized in the order herein will be based on the actual systemwide average unit costs for the year 1956 for each applicant. The footage allowances, refund

amounts and charges authorized should be revised at such time as there is a substantial change in costs, either upward or downward. If the costs sufficiently increase to warrant a change in the rules, the companies should make appropriate application to the Commission.

O R D E R

The above-numbered applications of Southern California Gas Company and Southern Counties Gas Company of California to revise their main and service extension rules having been filed, public hearings having been held and the matter having been submitted and now being ready for decision,

IT IS HEREBY ORDERED:

1. That applicants are authorized and directed to file, after the effective date of this order, in accordance with the provisions of General Order No. 96, revised title pages, definitions and rules substantially as set forth in Appendix A attached hereto, and on not less than five days' notice to the Commission and the public, to make said tariff filing effective on May 1, 1957.
2. That the costs to be set forth in the authorized rules shall be as follows:
 - a. Main extensions: Systemwide average unit cost of installing 2-inch and 3-inch main extensions for the year 1956, for the respective company.
 - b. Service piping: Systemwide average unit cost of installing 2-inch or smaller service piping for the year 1956, for the respective company.
 - c. Stub services and curb meter vaults: Systemwide average unit costs of stub services and curb meter vaults for the year 1956, for the respective company.
- 3 That applicants shall include, as an attachment to their advice letters submitting the filings required herein, data to fully support the costs set forth in ordering paragraph 2 above.

2
1

4. That applicants shall file in accordance with General Order No. 96 copies of all standard forms and agreements, acceptable to the Commission, used in connection with main and service extensions, and on not less than five days' notice to the Commission and the public, make said tariff filing effective on May 1, 1957.
5. That applicants shall file with the Commission in this proceeding, one copy of all instructions, standard practices and other information used in administering the rules proposed herein; such information will be deemed to be public information.
6. That the rules authorized herein shall be applicable on the effective date of this order, with the following exceptions, (a) that applicants' present Rules 20 and 21 shall apply to persons who have signed contracts prior to the effective date of this order; (b) either the present Rules 20 and 21 or the rules authorized herein, whichever are most favorable to the prospective customer, shall apply where negotiations have been started, as evidenced by written application for service or other documentary evidence but have not been completed prior to the effective date of this order.

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

Dated at San Francisco, California, this 2nd day of April, 1957.

[Signature]
President

[Signature]

[Signature]

[Signature]

[Signature]
Commissioners

Southern California Gas Company: File Title Page as set forth below and cancel present Title Page set forth on CPUC Sheet No. 5763-G.

TITLE PAGE

TARIFF SCHEDULES

Applicable to

G A S S E R V I C E

Together with Information Affecting
Rates and Services

of

SOUTHERN CALIFORNIA GAS COMPANY

810 South Flower Street

LOS ANGELES 17, CALIFORNIA

Operating in

Fresno, Imperial, Kern, Kings, Los Angeles, Riverside, San Bernardino,
San Luis Obispo, Santa Barbara and Tulare Counties.

The following tariff schedules have been regularly filed with the Public Utilities Commission of the State of California and are the effective rates and rules of this Company.

No officer, employee or agent of the Company has any authority to waive, alter or amend these tariff schedules or any part thereof in any respect.

Southern Counties Gas Company of California: File Title Page as set forth below:

TITLE PAGE

TARIFF SCHEDULES

Applicable to

G A S S E R V I C E

Together with Information Affecting
Rates and Services

of

SOUTHERN COUNTIES GAS COMPANY OF CALIFORNIA

810 South Flower Street

LOS ANGELES 17, CALIFORNIA

Operating In

Los Angeles, Orange, Riverside, San Bernardino, San Luis Obispo
Santa Barbara and Ventura Counties

The following tariff schedules have been regularly filed with the Public Utilities Commission of the State of California and are the effective rates and rules of this Company.

No officer, employee or agent of the Company has any authority to waive, alter or amend these tariff schedules or any part thereof in any respect.

Southern Counties and Southern California Gas Companies: File Rule No. 1 as set forth below.

Southern Counties Gas Company: Cancel present Rule and Regulation No. 1 set forth on CRC Sheet No. 116-G.

Southern California Gas Company: Cancel present Rule and Regulation No. 1 set forth on CRC Sheet No. 3574-G.

Rule No. 1

Definitions

For the purpose of these tariff schedules, the terms and expressions listed below shall have the meanings set forth opposite them:

Alloy: A public thoroughfare giving access to the rear of lots or buildings.

Appliance: A piece of gas-burning apparatus or equipment.

Applicant: The person making application to the Company for service or for the installation of gas service facilities.

Application: A written request to the Company for gas service as distinguished from an inquiry as to the availability or charges for such service.

Auxiliary Appliances: See "Incidental Appliances".

Average Month: 30 days.

Billing Period: The time interval between two consecutive meter readings that are taken for billing purposes.

Branch Service: A service that is not connected directly to a gas main and has as its source of supply another service.

Builder: The person who constructs new buildings or remodels existing buildings.

Built-in Range: An appliance that provides cooking facilities, including at least three surface burners and an oven, and is an integral part of the kitchen counters, cabinets or the building structure.

Commercial Service: Service to customers at premises primarily devoted to the business of selling commodities or services to the public, including minor production or processing activities connected therewith.

Commission: The Public Utilities Commission of the State of California, sometimes referred to as the Public Utilities Commission.

Company: *

Curb Meter: A meter installed below ground in a vault at or near the property line.

Curb Meter Vault: A below ground enclosure for one or more curb meters.

Customer: The person in whose name service is furnished, as evidenced by the signature on the application, contract or agreement for that service, or, in the absence of a signed instrument, by the receipt and payment of bills regularly issued in his name, regardless of the identity of the actual user of the service.

* Southern California Gas Company or Southern Counties Gas Company of California, as appropriate.

Rule No. 1

Definitions

Customer's Mailing Address: The address specified in a customer's application, contract or agreement or any other address subsequently given to the Company by the customer to which correspondence, notices, or bills are to be mailed to the customer by the Company.

Customer's Service Address: The address of the premises at which service is furnished.

Date of Presentation: The date upon which a bill or notice is mailed, or delivered by the Company, to the customer.

Developer: Any person other than a builder or subdivider who is responsible for the subdivision of land or the construction of dwelling units.

Domestic Service: Service for use at residential dwelling premises.

Firm Gas Service: Gas service to customers whose usage will not be interrupted except in emergencies.

Free-Standing Range: An appliance which in one unit provides cooking facilities including at least three surface burners and an oven, and which is not an integral part of the kitchen counters, cabinets or the building structure.

Gas Engine Service: Service to internal combustion gas engines.

General Service: Service supplied to residential customers and to those nonresidential customers who do not elect to receive or who are not eligible for service under commercial, industrial, gas engine or other rate schedules.

House Piping: All pipe and fittings, beyond the point of delivery, which are installed in or under the customer's building.

Incidental Appliances: Small accessory type appliances such as barbecue burners, fireplace lighters, toasters, portable heaters and bathroom heaters.

Industrial Service: Service to customers whose primary use of gas is for production, manufacturing, and processing operations.

Interruptible Gas Service: Service to customers whose usage may be temporarily discontinued, and who agree to accept such discontinuance during periods of shortage of gas supply.

Main Extension: The length of main and its related facilities required to transport gas from the existing facilities to the point of connection with the service piping.

Major Usage: Usage of gas for a range, water heating, swimming pool heater, summer air conditioner or space heating.

Master Meter: A meter through which gas is measured and delivered under retail schedules to a customer for subsequent distribution to other users.

Motor Set: A meter, and the related facilities between the stop cock on the service riser and the point of connection with the yard or house piping.

Minimum Charge: The least amount of money for which service will be furnished for a particular billing period under a given rate schedule.

Rule No. 1

Definitions

Multiple Dwelling: Bungalow courts, duplexes, apartments, or any other group of two or more residential dwelling units located on a single lot or premises.

Multiple Dwelling Project: A multiple dwelling or a group of multiple dwellings (regardless of the method of metering) that is owned, built or operated by an applicant or customer as a single enterprise.

Nonresidential Service: Service supplied to business or industrial establishments or enterprises, and to public and quasi-public institutions. The term includes hotels, apartment hotels, resorts, motels, trailer courts and other enterprises that either provide transient type living accommodations or do not provide complete living facilities.

Off-Peak Season: May 1 to September 30.

Peak Season: October 1 to April 30.

Permanent Service: All service other than temporary service as defined herein.

Person: Any individual, partnership, corporation, public agency, or other organization operating as a single entity.

Point of Delivery: The point where gas is delivered by the Company to a customer at the outlet fitting of the meter or master meter.

Premises: All of the real property and apparatus employed in a single enterprise on an integral parcel of land undivided, (except in the case of industrial, agricultural, oil field, and resort enterprises, and public or quasi-public institutions) by public thoroughfares or railways.

Private Property: Any realty other than public streets, highways, or alleys.

Public and Quasi-Public Institutions: Public utilities; state educational institutions; privately endowed, publicly attended, nonprofit universities and colleges; federal, state, county, district, or city owned and operated institutions, such as farms, hospitals and charitable institutions; and publicly owned and operated elementary schools, high schools and junior colleges.

Rate Area: A specified geographical area within which a rate schedule or schedules apply.

Rate Schedule: One or more tariff sheets setting forth the charges and conditions for a particular class or type of service in a given area or location.

Regular Meter Reading Date: The date on which meters are read for established billing periods.

Residential Dwelling Unit: A house, a flat, an apartment, or any other residential unit which provides complete living facilities and in which an individual or a family normally cooks meals, eats, sleeps, and carries on the household operations incident to domestic life.

Residential Service: Service supplied to residential dwelling units.

APPENDIX A
Page 6 of 17

Rule No. 1

Definitions

Rules: Tariff sheets, including the title page and preliminary statement, which set forth the application of all rates, charges, and service when such applicability is not set forth in and as a part of the rate schedules themselves. In general, a separate subject is covered by an individual rule.

Service: All pipe, valves, and fittings from and including the connection at the main up to and including the stop-cock on the riser.

Single Enterprise: A separate business, project, development, construction program or other activity that is owned, operated or undertaken by an applicant or customer.

Single Residential Dwelling Unit: A single house that is the main residential dwelling unit on one premises. Such premises may include guest houses, caretakers' homes or other structures supplemental to the household operation of the main residential dwelling unit, provided they are not regularly leased or rented.

Standby Equipment: Equipment required to be maintained by Interruptible Gas Service customers to be utilized in burning standby fuel at times of natural gas service interruption.

Standby Fuel: Substitute fuel which must be kept in supply by Interruptible Gas Service customers for utilization at times of natural gas service interruption.

Stub Service: A lateral pipe, including valves and fittings, from and including the connection at the main to a dead end near the curb or property line of the street in which the main is located.

Subcustomer: A gas consumer to whom gas is resold by the customer.

Subdivider: The person who subdivides land into lots for the purpose of selling them.

Subdivision: Any real property, improved or unimproved, or portion thereof, which is divided for the purpose of sale, whether immediate or future, by any subdivider into five or more lots or parcels within any one-year period.

Submeter: Any meter connected to the piping system served by a master meter and which is not used by the Company for billing purposes.

Tariff Schedules: Collectively, the entire body of effective rates, tolls, charges, classifications, rules and sample forms.

Tariff Sheet: An individual sheet of the tariff schedules.

Temporary Service: Service to premises or enterprises, the temporary nature of which can be determined in advance from the known limited duration of the contemplated operations or enterprises whose period of operation is subject to abnormal risk or unpredictable duration.

Tract: A group of single residential dwelling units constructed as a single project by an individual builder or developer.

Yard Piping: All pipe and fittings between the point of delivery and the house piping.

APPENDIX A
Page 7 of 17

Southern Counties Gas Company of California: Cancel present Rule and Regulation No. 20 set forth in C.P.U.C. Sheets Nos. 1707-G, 1708-G, 1709-G, 2070-G, 1711-G.

Southern California Gas Company: Cancel present Rule and Regulation No. 20 set forth in C.P.U.C. Sheets Nos. 6314-G, 2488-G, 2489-G, 2037-G, 2490-G, 5329-G, 5330-G, 5331-G, and 7201-G.

Rule No. 20
GAS MAIN EXTENSIONS

Gas distribution mains necessary to supply applicants for natural gas service of a permanent and established character normally will be extended by the Company, entirely or partially, at its own expense in accordance with this rule.

A. General

1. The Company will install gas distribution main extensions in permanently established public streets, roads and highways along the shortest practical route as determined by the Company. Extensions of mains into or across private property will be made by the Company at its option provided that the right of way agreement and other conditions are satisfactory to the Company. Gas distribution main extensions to be located on private property and not installed by the Company or on wharves, temporary fills or other similar structures not constituting a firm earthen mass, even though such structures have status of public streets, roads or highways, must be installed, owned and maintained by the applicant, or applicants, and constructed in a manner satisfactory to the Company.

2. Pipe of 2-inch diameter will be the minimum size installed by the Company as part of its distribution system.

B. Main Extension Allowances - Residential Service

1. The Company will install at its own expense for each applicant for service at residential premises a length of gas distribution main, as set forth in Section B.2, for each appliance installed within one year of the date of completion of the main installation.

2. Table of Allowances for Individual Appliances

<u>Appliance</u>	<u>Allowance</u>
a. Range	15 Foot
b. Water Heating	20 Foot
c. Refrigerator	5 Foot
d. Clothes Dryer	5 Foot
e. Garbage Incinerator	5 Foot
f. Swimming Pool Heater	20 Foot
g. Gas-Fired Summer Air Conditioner - Per Ton of Refrigeration	20 Foot
h. Space Heating	5 Foot

3. For certain combinations of appliances and/or the provision of piping and space for appliances, special combined allowances, as set forth in Section B.4 are applicable in lieu of the corresponding individual appliance allowances.

Rule No. 20
GAS MAIN EXTENSIONS (Cont'd)

B. Main Extension Allowances - Residential Service (Cont'd)

4. Special Combined Allowances

<u>Combination Allowance</u>	<u>Allowance</u>
a. Provide pipe and space for range and install water heating and space heating equipment	50 Foot
b. Install free standing range, water heating and space heating equipment	60 Foot
c. Install built-in range, water heating and space heating equipment	70 Foot
d. Provide pipe and space for a gas refrigerator	2 Foot
e. Provide pipe and space for a gas clothes dryer	2 Foot

C. Main Extensions - Tracts and Subdivisions

1. Extensions to supply gas to and/or in tracts will be installed, owned and maintained by the Company provided the subdivider advances \$_____* for each foot of main in excess of the free allowances specified in Sections B.2 and B.4.

2. Where the applicant is a subdivider and is improving lots for resale, an advance of \$_____* per foot must be made to the Company by the applicant for each foot of gas main extension installed.

3. The amounts advanced hereunder will be subject to refund, without interest, as provided in Sections G.2 and G.3. No repayments will be made by the Company in excess of the amount advanced to the Company nor after a period of ten years from the date of completion of the extension on which the advance is made.

D. Main Extensions - Multiple Dwelling Projects

1. The allowance granted to applicants with multiple dwelling projects of five or more family dwelling units under one ownership shall be 80 percent of the allowances set forth in Sections B.2 and B.4.

E. Main Extensions Beyond the Free Length

1. Extensions of mains beyond the free length to serve applicants for residential service will be installed, owned and maintained by the Company, provided said applicants advance to the Company \$_____* for each foot of main in excess of the free length as determined under Section B.

2. In cases where more than one applicant is to be served from the same extension, the total free length thereof will be considered to be the sum of the individual allowances made to each applicant as computed in accordance with Section B. The advance payment required from the group shall be \$_____* for each foot of main in excess of the free length. The amount to be advanced by the members of the group shall be apportioned among them in such manner as they shall mutually agree upon.

3. The amount advanced hereunder will be subject to refund without interest as provided for in Section G.

* To be filed in accordance with ordering paragraph 2 of the order herein.

Rule No. 20
GAS MAIN EXTENSIONS (Cont'd)

F. Main Extensions to Non-Residential Service Applicants.

1. The Company will install, at its own expense, a length of main determined in accordance with Section F.2 or Section F.3.

2. Annual Gas Bill Estimated by the Company to be Less Than \$100.00

Allowance

- | | |
|------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------|
| a. Space heating | 5 Feet |
| b. Each separate business or enterprise where the gas appliances or equipment to be installed will include at least one major gas usage other than space heating | 20 Feet |

3. Annual Gas Bill Estimated by the Company to be \$100.00 or More.

- a. When the cost of main extensions required to serve customers whose annual bill is estimated by the Company to be \$100 or more is greater than the footage allowances provided in Section F.2, the free allowance will be based upon an analysis of required investment, character of service and estimated gross revenue to the Company.
- b. Extensions to serve large loads on an interruptible basis or abnormal extensions will be made only at the option of the Company. When such extensions are made the Company may require the applicant to advance the full cost of facilities subject to annual refunds for ten years. Such refunds will be based on character of service, cost of facilities and experienced revenue received from applicant.

G. Refund of Advances

1. Refunds will be made for appliances installed by additional customers connected to an extension as set forth in Section G.2, or Section G.3, with the exception that refunds to an owner of a multiple dwelling project of five or more family units under one ownership shall be 80 percent of the refund amounts set forth in Sections G.2 and G.3.

2. Table of Refunds for Individual Appliances

<u>Appliance</u>	<u>Refund</u>
a. Range	\$25.00
b. Water heating	30.00
c. Refrigerator	10.00
d. Clothes dryer	10.00
e. Garbage incinerator	10.00
f. Swimming pool heater	30.00
g. Gas-fired summer air conditioner - per ton of refrigeration	30.00
h. Space heating	10.00

Rule No. 20
GAS MAIN EXTENSIONS (Cont'd)

G. Refund of Advances (Cont'd)

3. Table of refunds for combination allowances in lieu of the corresponding individual refunds specified in G.2.

<u>Combination Allowance</u>	<u>Refund</u>
a. Provide pipe and space for range and install water heating and space heating equipment	\$ 70.00
b. Install free standing range, water heating and space heating equipment	90.00
c. Install built-in range, water heating and space heating equipment	110.00
d. Provide pipe and space for a gas refrigerator	2.00
e. Provide pipe and space for a gas clothes dryer	2.00

4. Refunds will be made for excess allowances which accrue from succeeding extensions on the basis of \$_____* per foot of excess allowance.

5. No repayments will be made by the Company in excess of the amount advanced by the applicant or applicants.

6. No repayment will be made by the Company after a period of ten years from the date of completion of the extension on which the advance is made and any unrefunded amount remaining at the end of the ten-year period will become the property of the Company.

7. When two or more parties make a joint advance on the same extension, refundable amounts will be distributed to those parties in the same proportion as their individual advances bear to the total joint advance.

8. When succeeding main extensions are installed free by the Company and there is an excess allowance or when additional customers connect to such succeeding extensions, refunds will be made to parties with outstanding advances on previous extensions in series. When refunds from succeeding extensions are applicable to previous extensions they will apply first to the oldest previous extensions with an outstanding advance and thereafter in chronological order.

9. Refunds for additional nonresidential customers supplied by a service connected to the main, will be computed at the time service is established based upon the provisions of paragraph F.

H. Adjustment of Allowances and Advances

1. A survey will be made by the Company, within one year from the date of completion of the main extension, to determine the appliances or equipment installed in the premises served by the extension.

2. If the survey shows that the appliances or equipment found installed result in a greater free allowance, under this rule, than was originally justified and an advance for excess footage was made by the applicant, the Company will recompute the applicable free footage and the advance and refund the excess amount over that recomputed, to the applicant, within thirty days of such determination.

* To be filed in accordance with ordering paragraph 2 of the order herein.

Rule No. 20
GAS MAIN EXTENSIONS (Cont'd)

H. Adjustment of Allowances and Advances (Cont'd)

3. If the survey shows that the appliances or equipment found installed result in a lesser free allowance, under this rule, than was originally justified, the Company will recompute the applicable free footage and in those cases where such recomputation results in the requirement for an advance by the applicant, the applicant will be required to make such advance to the Company within thirty days of the date on which the applicant is notified that an advance is required.

4. The Company may grant reasonable extensions of time for the applicant to install the appliances or equipment originally agreed upon provided the failure to install said appliances or equipment is due to reasons beyond the control of the applicant or in the case of large commercial or industrial projects, construction has not been completed.

I. Agreements and Contracts

1. Agreements under the terms of which the Company will install gas main at its own expense and contracts for gas main extensions covering main installations for which applicants have made advance deposits shall be on forms filed with the Commission.

J. Exceptional Cases

1. In unusual circumstances, when the application of the provisions of this rule appears impractical or unjust to either party, the Company or the applicant may refer the matter to the Public Utilities Commission for special ruling or for the approval of any special conditions which may be mutually agreed upon.

Southern Counties Gas Company of California. Cancel present Rule and Regulation No. 21 set forth in C.P.U.C. Sheets Nos. 1964-G to 1970-G inclusive and 1975-G.

Southern California Gas Company: Cancel present Rule and Regulation No. 21 set forth in C.P.U.C. Sheets Nos. 5385-G, 5384-G, 5334-G to 5339-G inclusive and 7202-G.

Rule No. 21
GAS SERVICE EXTENSIONS

Gas service pipe to supply applicants for natural gas service of a permanent and established character normally will be extended by the Company, entirely or partially, at its own expense in accordance with this rule.

A. General

1. The Company will install service pipe along the shortest and most practical route that will avoid future construction on applicant's property and permit a safe and satisfactory service installation. Installation of service pipe across private property other than the property of the applicant, will be made by the Company at its option. Such installations will be made only in those cases where the applicant has secured and furnished to the Company, without cost to it, a meter location and rights of way for such service pipe satisfactory to the Company.

2. The applicant shall provide a meter location on applicant's property that is satisfactory to the Company and complies with local ordinances.

B. Service Piping - Residential Premises

1. The Company will furnish and install at its own expense, a service pipe from its gas main to the property line of the applicant's property abutting upon any public street, highway or road.

2. When the applicant's property will be served from a gas main located in private property or in an alley, the first 25 feet of service pipe from the main will be installed by the Company at its own expense.

3. In addition to service piping installed at the Company's expense under Sections B.1 and B.2, the Company will install at its own expense in private property, a length of service pipe as set forth in Section B.4, for each appliance installed within one year of the date of completion of the service installation.

4. Table of Allowances for Individual Appliances.

<u>Appliance</u>	<u>Allowance</u>
a. Range	15 Feet
b. Water Heating	20 Feet
c. Refrigerator	5 Feet
d. Clothes Dryer	5 Feet
e. Garbage Incinerator	5 Feet
f. Swimming Pool Heater	20 Feet
g. Gas-fired summer air conditioner - per ton of refrigeration	20 Feet
h. Space Heating	5 Feet

Rule No. 21
GAS SERVICE EXTENSIONS (Cont'd)

B. Service Piping - Residential Premises (Cont'd)

5. For certain combinations of appliances and/or the provision of piping and space for appliances, special combined allowances, as set forth in Section B.6 are applicable in lieu of the corresponding individual appliance allowances.

6. Special Combined Allowances

<u>Combination Allowance</u>	<u>Allowance</u>
a. Provide pipe and space for range and install water heating and space heating equipment	50 Foot
b. Install free standing range, water heating and space heating equipment	60 Foot
c. Install built-in range, water heating and space heating equipment	70 Foot
d. Provide pipe and space for a gas refrigerator	2 Foot
e. Provide pipe and space for a gas clothes dryer	2 Foot

C. Service Piping - Non-Residential Premises

1. The Company will furnish and install at its own expense a service pipe from its gas main to the applicant's property line. Meters to supply non-residential service normally will be located at or near the property line and as close as possible to the main.

2. The Company will install in private property, at its own expense, a length of service pipe determined in accordance with Section C.3 or Section C.4.

3. Annual Gas Bill Estimated by the Company to be Less than \$100.00.

	<u>Allowance</u>
a. Space heating	5 Foot
b. Each separate business or enterprise where the gas appliances or equipment to be installed will include at least one major gas usage other than space heating.	20 Foot

4. Annual Gas Bill Estimated by the Company to be \$100.00 or More.

a. When the length of service piping required to serve customers whose annual bill is estimated by the Company to be \$100.00 or more is greater than the footage allowances provided in Section C.3, the free allowance will be based upon an analysis of required investment, character of service and estimated gross revenue to the Company.

Rule No. 21
GAS SERVICE EXTENSIONS (Cont'd)

D. Installation of Service Piping Beyond the Free Length

1. Applicants will be required to make an advance for the length of service pipe installed beyond the length installed by the Company at its own expense, at the charge of \$____* per foot of pipe.

2. All service pipe for which an applicant has made an advance will be installed, owned, maintained and replaced by the Company.

E. Adjustment of Allowances and Advances

1. A survey will be made by the Company, within one year from the date of completion of the installation of the service pipe, to determine the appliances or equipment installed in the premises served by the extension.

2. If the survey shows that the appliances or equipment found installed result in a greater free allowance, under this rule, than was originally justified and an advance for excess footage was made by the applicant, the Company will recompute the applicable free footage and the advance, and refund the excess amount over that recomputed, to the applicant, within thirty days of such determination.

3. If the survey shows that the appliances or equipment found installed result in a lesser free allowance, under this rule, than was originally justified, the Company will recompute the applicable free footage and in those cases where such recomputation results in the requirement for an advance by the applicant, the applicant will be required to make such advance to the Company within thirty days of the date on which the applicant is notified that an advance is required.

4. The Company may grant reasonable extensions of time for the applicant to install the appliances or equipment originally agreed upon provided the failure to install said appliances or equipment is due to reasons beyond the control of the applicant or in the case of large commercial or industrial projects, construction has not been completed.

F. One Service for a Single Premises

1. The Company will not install more than one service (from a gas main) to supply a single premises, unless it is for the convenience of the Company or a customer requests an additional service and in the opinion of the Company, an unreasonable burden would be placed on the customer if the additional service were denied. When an additional service is installed under those conditions at the customer's request, the Company will, at its own expense, install the service pipe from the gas main to the customer's property line fronting the street or alley in which the main is located. The customer will be required to pay for the length of service between the property line and the meter at a charge of \$____* per foot of pipe.

G. Branch Services

1. For additional dwelling units on the same or adjoining premises, the company will install a branch service at the option of the Company, and will grant allowances on private property as set forth in Section B.

* To be filled in accordance with ordering paragraph 2 of the order herein.

Rule No. 21
GAS SERVICE EXTENSIONS (Cont'd)

H. Meters Located on Property Not Owned by the Applicant

1. When an applicant extends yard pipe across property or lot lines to reach a meter location on property other than the applicant's, the applicant shall first secure, without cost to the Company, satisfactory agreements for an acceptable meter location and any right of way necessary for the installation of service pipe. Such agreements must be executed by the owner of the property on which the applicant's meter will be located. In the event permission granted in the agreements is revocable or unsatisfactory to the Company, any installation of service pipe necessary to reach the meter location will be made at the expense of the applicant.

2. If the permission to use the private property on which the Company's meter or service pipe and the customer's yard pipe is installed, is at any time revoked for any cause whatever, or if any other premises are connected to said service or yard line, the Company shall have the right, upon ten days' written notice, to discontinue the gas service without obligation or liability.

I. Relocation of Services

1. When in the judgment of the Company, the relocation of a service, including metering facilities, is necessary and is due either to the maintenance of adequate service or operating convenience of the Company or to construction or remodeling of structures of the applicant or the customer, the Company normally shall perform such work at its own expense.

2. If relocation of service pipe is due solely to meet the convenience of the applicant or the customer, such relocation, including metering facilities, shall be performed by the Company at the expense of the applicant or the customer.

3. Any relocation of yard pipe required shall be performed by the applicant or the customer.

J. Property Subdivided Subsequent to a Service Installation

1. When a service extension is made, at the expense of the Company or the applicant, to a meter location upon private property which is subsequently subdivided into separate premises, with ownership thereof by other than the applicant or the customer, the Company shall have the right, upon written notice, to discontinue service without obligation or liability. Gas service, as required by said applicant or customer, will be re-established in accordance with the applicable provisions of the Company's rules.

K. Services for Intermittent Use or for Premises Where
Gas Appliances are not Installed

In the event an applicant desires the installation of a service pipe but will not use gas regularly or will not install gas appliances, the applicant shall pay the Company, prior to the installation, the total estimated cost of the service and curb meter installation, if one is involved, to be installed.

Rule No. 21
GAS SERVICE EXTENSIONS (Cont'd)

L. Stub Services

1. Stub services normally will not be installed prior to the need for gas service. When, at the request of the applicant, stub services are installed prior to the need for gas service, the applicant shall deposit with the Company, prior to such installation, \$_____ * for each stub service. All stub services shall be, and remain, the property of the Company.

2. When gas service is furnished through a stub service for which a deposit has been made, within ten years of the date of installation, the Company will refund the amount deposited, without interest to the party who made the deposit.

3. If gas service is not furnished through a stub service for which a deposit has been made within ten years of the date of installation, no refund of the deposit will be made and the deposit will become the property of the Company.

4. When gas service is not furnished through a stub service for which a deposit has been made and is furnished through a new service pipe from main to meter location to meet the operating convenience of the Company or to provide adequate service, the Company will refund the amount deposited by the applicant. If gas service is furnished through a new service pipe from main to meter location at the request of the applicant and solely to meet the applicant's requirements, no refund of the deposit will be made and the deposit will become the property of the Company.

M. Curb Motors and Vaults

1. Curb motors will be installed under the provisions of Rule No. _____.

2. The charge of installing a curb motor vault is \$_____*. If the free footage allowance for the service pipe is in excess of that required to provide for the installation of the service pipe, such excess footage, priced at \$_____ * per foot, will be applied against the charge for installing a curb motor vault. If this amount is not sufficient to cover the charge for a curb motor vault, the applicant will be required to advance the difference.

N. Yard Piping Beyond the Meter Outlet

The Company will not install piping beyond the meter outlet except in unusual cases where long service extensions into private property would result in unsatisfactory meter locations with respect to accessibility for meter reading and servicing. In such cases the Company may grant a free extension of yard piping beyond the meter outlet, equivalent to and in lieu of allowances available for service piping. All such yard piping will, upon installation, become the property of the owner of the lot or premises on which the yard piping is located, and such yard piping shall be operated and maintained by such owner. The Company will not be responsible for any loss or damage whatsoever caused by, arising out of, or in connection with such pipe, house line, or yard piping or the escape of gas therefrom.

* To be filled in accordance with ordering paragraph 2 of the order herein.

APPENDIX A
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Rule No. 21
GAS SERVICE EXTENSIONS (Cont'd)

O. General

1. Agreements under the terms of which the Company will install service pipe at its own expense, or receipts covering service pipe installations for which applicants have paid, shall be on forms filed with the Commission.

2. The Company shall not be obligated to install gas service pipe at its own expense for gas appliances which an applicant has agreed to install if prior to completion of the service installation, it becomes apparent that the applicant has not provided adequate piping or venting for such gas appliances or otherwise has not complied with his agreements.

P. Exceptional Cases

In unusual circumstances, when the application of the provisions of this rule appears impractical or unjust to either party, the Company or the applicant may refer the matter to the Public Utilities Commission for special ruling or for the approval of any special conditions which may be mutually agreed upon.

APPENDIX B

LIST OF APPEARANCES

For Applicants: Southern California Gas Company by T. J. Reynolds and Harry P. Letton, Jr.; Southern Counties Gas Company of California by Milford Springer and Frederick Dutton.

Protector: Tamarack Construction Corporation by George L. Dobson; Gustave W. Frank in propria persona.

Interested Parties: California Electric Power Company by Arthur D. Baldwin; California Farm Bureau Federation by J. J. Dougl and Bert Buzzini; City of Pasadena by Frank L. Kostlan; Department of Public Utilities and Transportation of the City of Los Angeles by R. W. Russell and M. Kroman; George Alexander, John Bangle, Basin Builders Corporation, Bosch and Barcus, Brainard Construction Company, Inc., Briarwood Homes, Brunswick & Saunders, Irvin Burns Construction Company, Cal-Frank Homes, California Pacific Construction Company, Henry C. Cox, B. C. Deano Company, Dodo Moldings, Inc., Exhibit Homes, Inc., Gordon Fields, Carl L. Frojd Construction Company, H. & H. Electrical Company, Inc., Hartford Construction Company, Inland Empire Builders, Inc., Laurel Homes, Mortex Construction Company, Moss Building Corp., Robert M. Mudge, R. A. McAdar, Murray Boulevard Corp., Northland Manor Company, Roland D. Powell, Rollingwood Estates Company, Ray G. Staff, Sidney Stamler, Surety Development Company, Tietz Construction Inc., Sun Valley Builders, Towne Development Company, Westwind Builders, Inc., Marvin Wilson Construction Company by Wyman C. Knapp of Gordon, Knapp and Gill.

Commission Staff: Mary Moran Patalich and William W. Evers.

LIST OF WITNESSES

Evidence was presented on behalf of the applicants by Frank M. Foster, C. R. Rikel, Carlton E. Brown, M. A. Seoley, A. J. Fagergren.

Evidence was presented on behalf of George Alexander, et al., by Henry Cox, Harry Rinker, Marvin Wilson, Sidney Stamler, and Lee Reise.

Evidence required by the Commission staff was presented by W. C. Drowry of the Southern California Edison Co.