

ORIGINAL

Decision No. 62681

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Application of
SOUTHERN CALIFORNIA GAS COMPANY, a
corporation, for an order prescribing
and fixing the area to be hereafter
served by it within Kern County.

Application No. 43146
(Filed February 10, 1961)
(Amended March 21, 1961)

Harry P. Letton, Jr., L. T. Rice and
Reginald L. Vaughan, for Southern California
Gas Company, applicant.
F. T. Searls, Malcolm A. MacKillop, John S. Cooper,
and John C. Morrissey, for Pacific Gas and
Electric Company, protestant.
William L. Knecht, for California Farm Bureau
Federation; and J. F. Nail for Rollin E.
Woodbury of Southern California Edison
Company; interested parties.
Melvin E. Mezek and Harold J. McCarthy, for the
Commission staff.

O P I N I O N

At the public hearing held in the above-entitled matter on September 18, 1961 in San Francisco before Examiner William W. Dunlop, applicant presented as Exhibit No. 73 a service area agreement regarding public utility gas service in Kern County entered into on September 17, 1961 by Southern California Gas Company (Southern) and Pacific Gas and Electric Company (Pacific).

The principal provisions of the agreement may be summarized as follows:

1. Pacific's present service area in Kern County is as shown in yellow on the map attached as Exhibit A to Exhibit No. 73.
2. Southern's present service area in Kern County is as shown in green and brown on the aforesaid map.
3. Certain portions of said service area boundaries are as described in detail in Exhibit B to Exhibit No. 73.

4. Neither Pacific nor Southern, nor the successors or assigns of either, shall provide gas service to customers located in the service area of the other, as they now or hereafter may exist without the consent of the other; provided, however, that each may provide service to its offices, plants, compressor stations, or employees residing on company property wherever they may be located; and provided further, that Pacific and Southern may install and operate mains, pipe lines and other gas facilities in the service area of the other for the purpose of gathering gas at oil and gas fields and other production centers and for the purpose of transmitting gas from any and all sources.

5. All territory not presently included within the service area of Pacific or Southern as herein set forth shall be considered open territory wherein each party shall have the right to make extensions from its existing facilities in the ordinary course of business and serve new customers therefrom within said open territory in accordance with its respective rates, rules, franchises and certificates,

6. When either party installs a distribution or transmission main in open territory, an area one-half mile on either side and beyond the terminus of such main shall be added to the gas service area of the party installing and owning such main. Where such new main crosses a main installed previously in open territory by the other party, the party owning the pioneer main shall retain one-half mile service area at the crossing. Where such new main is located less than one mile from a main previously installed in open territory by the other party, the party owning the pioneer main shall retain one-half mile of service area adjacent to its main and the remainder of the area separating the two mains shall be added to the service area of the other party.

7. Where future developments in open territory close to mains of both parties indicate that a common boundary should be established, or small open areas are surrounded by the mains of either or both parties, Southern and Pacific will meet to discuss establishment of suitable service area boundaries for such areas or localities. In any event, unless otherwise mutually agreed, at or about the end of each two-year period following the effective date hereof, representatives of the parties shall meet in Bakersfield to review developments during the previous two-year period and develop proposals for any changes or modifications in boundary lines or basic service areas that are indicated by such review.

8. Southern shall request the Commission to dismiss its Application No. 43146 and its Complaint in Case No. 7088; Pacific shall request the Commission to dismiss its complaint in Case No. 7135.

9. This agreement shall become effective after the dismissals of said application and complaints and upon authorization of the Commission; it shall at all times be subject to such changes or modifications by the Commission as it may, from time to time, direct in the exercise of its jurisdiction good cause having been shown and competent evidence having been presented in support thereof.

Southern moved for dismissal of its Application No. 43146 and Case No. 7088 and Pacific moved for dismissal of its Case No. 7135 upon authorization of said agreement by this Commission. The motions and three proceedings were taken under submission at the conclusion of the hearing on September 18, 1961. No opposition to the agreement was entered.

The record shows that Stockdale Development Corporation is in full accord with the Kern County Service Area Agreement (Exhibit No. 73) as that agreement pertains to the Stockdale Development.

With respect to extension of service into open territory, the Commission staff stated that General Order No. 96 provides that a utility shall keep on file with the Commission maps showing its service areas.

We find that the agreement contained in Exhibit No. 73 is not adverse to the public interest. It will be authorized by the order herein. Since Southern and Pacific will be providing gas service in Kern County pursuant to the terms of said agreement, the cease and desist orders issued under Case No. 7135 against Southern will be set aside and vacated.

O R D E R

IT IS ORDERED that Southern California Gas Company and Pacific Gas and Electric Company be and they hereby are authorized to carry out the terms and conditions of the agreement filed as Exhibit No. 73 in Application No. 43146.

IT IS FURTHER ORDERED that the cease and desist orders (Decision No. 62241 dated July 11, 1961; Decision No. 62327 dated July 25, 1961; Decision No. 62353 dated July 27, 1961) be and they hereby are set aside and vacated.

IT IS FURTHER ORDERED that in all other respects Application No. 43146 be and it hereby is denied.

IT IS FURTHER ORDERED that Southern California Gas Company and Pacific Gas and Electric Company are authorized and directed to file revised tariff sheets with changes as indicated in

Appendix A hereof within thirty days after the effective date of this order, in conformity with the provisions of General Order No. 96.

The effective date of this order shall be the date hereof.

Dated at San Francisco, California, this 17th day of October, 1961.

Carroll R. Page
President
W. D. Mitchell
C. Lee Fox
George H. Driver
Fredrick B. Hallock
Commissioners

APPENDIX A

1. Pacific and Southern shall file maps and descriptions of boundaries between Pacific and Southern in Kern County pursuant to Exhibit No. 73.
2. Southern shall refile Cal. P.U.C. Sheets Nos. 8296-G, 8166-G, 7748-G, 7749-G, 8140-G, 8141-G, 7921-G, 7752-G, 8142-G, 8143-G, 8144-G, and 8145-G, so as to be in accordance with Exhibit No. 73.
3. Pacific shall refile Cal. P.U.C. Sheets Nos. 3401-G, 3633-G, 5422-G, 5667-G, and 5678-G, so as to be in accordance with Exhibit No. 73.
4. Pacific shall revise territory description under Schedule G-6 (Cal. P.U.C. Sheet No. 5719-G) to the following:

A------(3) supplied from Transmission Main 300 except for certain points in Kern County as described on Cal. P.U.C. No. _____ (filed map).