

**ORIGINAL**Decision No. 68988

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

WEBERSTOWN CORPORATION, THE PERZY  
CORPORATION, THE SINNOTT CORPORATION,  
THE SUENDERMANN CORPORATION and  
WEBER ENTERPRISES, INC.,

Complainants,

vs.

PACIFIC GAS AND ELECTRIC COMPANY,

Defendant.

Case No. 7712  
(Filed September 10, 1963)

Gregg M. Anderson, for complainants.  
Malcolm A. MacKillop, for defendant.  
W. E. Waldrop and Richard A. Norton,  
for the Commission staff.

OPINION AND ORDER ON REHEARING

Decision No. 67511, dated July 14, 1964, denied complainants the tariff deviation they requested to permit purchase of electric energy from defendant for resale, at a profit, to tenants of their shopping center in Stockton, San Joaquin County. The decision did, however, provide other relief as discussed hereinafter.

Decision No. 67511 provided that the order therein would become effective on August 3, 1964, unless defendant filed a request for further hearing before that date. Defendant did not request further hearing but instead, on August 3, 1964, filed a petition for rehearing. On September 15, 1964, an order was issued granting a rehearing and staying the operative effect of Decision No. 67511 pending further Commission order. The rehearing was held and submitted before Examiner Catey at San Francisco on March 29, 1965.

The opinion in Decision No. 67511 stated, in part:

"Instead of permitting complainants to resell electricity at defendant's rates, thus permitting a profit to complainants and placing them in a utility status, it appears more reasonable to permit them to meter all usage for the sole purpose of prorating equitably, in proportion to actual usage, the periodic electric bills payable to defendant. This will meet complainants' objective of fair treatment to all tenants."

The Commission then found, among other things, that:

"2. It is reasonable for complainants to prorate their periodic electric bills to all users at Weberstown Mall, including themselves, in proportion to actual usage as determined by meters."

The Commission concluded:

"The Commission concludes that defendant should be directed to permit a deviation from its filed Rule No. 18 to the extent set forth in the ensuing order."

The order then provided, among other things, that:

"2. Defendant shall permit a deviation from its Rule No. 18 by complainants to the extent that they may prorate their periodic electric bills to all users at Weberstown Mall, including themselves, in proportion to actual usage as determined by meters."

At the rehearing, defendant presented Exhibit No. 11 and testimony of one of its rate engineers, which showed that proration of complainants' periodic electric bills to all users in proportion to actual use would not necessarily be equitable. This is due to the wide variation possible in load factors and other use characteristics of the various tenants. The exhibit showed that, in certain instances, the prorated bill to a customer with a fairly constant load could be higher than the amount he would have paid directly to defendant as a single customer.

In addition, a stipulation was entered by complainants and defendant which shows that the parties have agreed to deletion of the portions of Decision No. 67511 quoted hereinabove.

The Commission finds that the method of prorating bills to complainants' tenants which would have been permitted by the order in Decision No. 67511 would not necessarily be equitable. It concludes, therefore, that Decision No. 67511 should be modified as suggested by the stipulation filed by complainants and defendant.

IT IS ORDERED that Decision No. 67511 is modified to delete the portions thereof quoted herein. In all other respects, Decision No. 67511 is reaffirmed and shall become effective on the date hereof.

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

Dated at San Francisco, California, this 4th day of May, 1965.

Frederick B. Hallock  
President

Arthur E. Mitchell

George L. Hoover

Augustine

William W. Bennett  
Commissioners