

ORIGINAL

Decision No. 80031

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

Application of AUGUSTUS R. PARRISH
and JULIA PARRISH for a waiver of
subdivision utility undergrounding
requirement.

Application No. 53089
(Filed January 10, 1972;
Amended March 27, 1972)

Gary Arel, Attorney at Law, for applicants.
J. Bradley Bunnin, Attorney at Law, for
Pacific Gas and Electric Company, interested
party.
Timothy E. Treacy, Attorney at Law, for the
Commission staff.

OPINION AND ORDER

Applicants seek a certificate from this Commission declaring that Phase 2 of Unit 2 of the Rim Rock Ranch and all further development of the Rim Rock Ranch be relieved from Decision No. 77187 and any other decisions thereunder requiring mandatory undergrounding of utilities. Applicants request that said undergrounding of utilities requirement be waived on behalf of themselves and any other applicants on the property; that Pacific Gas and Electric Company (PG&E) be ordered to make power available to applicants herein or any other owners of the subject property in Phase 2, Unit 2 of the Rim Rock Ranch at no cost to Augustus R. Parrish and Julia Parrish; that the existing overhead power lines utilized by PG&E be continued and extended into Phase 2, Unit 2 of the Rim Rock Ranch at no cost to Augustus R. Parrish and Julia Parrish; and that service be made available through existing overhead power lines to individual lot owners in Phase 2, Unit 2 of the Rim Rock Ranch as requested by the lot owners in the Rim Rock Ranch.

Public hearing was held at Redding on March 9, 1972 before Examiner Gillanders. Evidence was adduced from applicants and PG&E. The matter was submitted on March 30, 1972 upon receipt of staff's written closing statement.

Applicants have, for many years past, been the owners of certain real property at Old Station, Shasta County, commonly known as the "Rim Rock Ranch" and has so owned the property for approximately thirty years. While so owning the property, applicants have operated a guest ranch, gas station and general merchandise store.

Applicants have, for many years past, planned and continue to plan to develop the Rim Rock Ranch since their initial acquisition thereof. In 1959, applicants commenced Phase 1 of their long range plan of development. In 1959, they filed a subdivision map constituting Phase 1 of Unit 1. Unit 1 contains 60 lots and at present, PG&E supplies electric service to seven customers. Three of the seven customers occupy their residences on a seasonal basis. In the Fall of 1969, applicants continued their long range plan by the construction and erection of a new facility constituting a gasoline service station and site building for a new general merchandise store.

In further continuation of the aforementioned long range plans, in the summer of 1970, applicants commenced Phase 2 of Unit 2 by causing to have filed documents for the subdividing of Unit 2. The tentative map for Unit 2 showed 153 lots. The map indicates that streets will be constructed to Shasta County agricultural standards and water service will be supplied by the Hat Creek Water Company. Recent revisions will reduce the number of lots in Unit 2 to 140.

Applicants are 67 and 65 years of age, respectively, and are of modest financial means.

According to applicants, this development of the Rim Rock Ranch has progressed to the point where plans cannot now be changed without disastrous financial impact on them. Their estimate of cost for mandatory undergrounding of utilities within the development is approximately \$93,000 for approximately 140 small lots, averaging approximately 13,000 square feet per lot. The development is located in Eastern Shasta County, at an elevation of approximately 4,000 feet where copious amounts of snow falls for prolonged periods during the winter months with extreme subfreezing temperatures. For that reason,

applicants assume that the subdivision will not be utilized full time but will enjoy exposure more likely than not only throughout the summer months.

Discussion

After lengthy statewide hearings and various decisions (Dec. 76394 in C.8209, 11-4-69; Dec. 77187 in C.8993, 5-5-70; and Dec. 78294 in C.8993, 2-9-71), the Commission has determined that all electric and communication lines to serve new residential subdivisions be underground. Individuals, developers and other interested parties fully participated in these hearings, the decisions are final, and the mandatory requirements should not be lightly disregarded, or exceptions granted without a showing of good cause therefor.

It is clear that applicants have not demonstrated any grounds for an exception to the mandatory requirements of PG&E's Rule 15.1, the applicable rule under which an electric extension would be made to the property in question.

There is no question that applicants' Unit 2 of Rim Rock Ranch Subdivision is a subdivision or development within the meaning of PG&E Rule 15.1. Unit 2 is a coordinated development by applicants, which will comprise 140 parcels of about 1/4 acre each. The lots are to be sold to purchasers primarily for seasonal use as second home sites. It is envisioned such purchasers will place trailers on the lots.

Based on the testimony and statements made at the hearing and in view of the amended application filed by applicants, it is crystal clear that the subdivider-applicants do not themselves intend to install or have installed any electric distribution facilities from which lot purchasers may take service from PG&E. Rather, it will be the responsibility of any individual lot owner to obtain his own electric service from PG&E's nearest source of supply. Such service would be taken under Rule 15.1 and would be required to be underground.

Applicants are in effect seeking a declaratory order that no subsequent lot purchaser in Rim Rock Unit 2 will be required to have his electric service extension installed underground. The staff opposes any such order as wholly inappropriate and urges that such a declaratory order would be a severe inroad upon the letter and spirit of the mandatory undergrounding requirements.

The rule for mandatory undergrounding in new residential subdivisions does include an exception clause for unusual cases. But such exceptions should not be made prospectively by way of a far-reaching declaratory order. There is no evidence in this record as to what it might cost some future purchaser of any individual lot to obtain underground or overhead electric service. The cost figures discussed related only to the costs to the developer-applicants in the event they elected to have an electric distribution system installed for the development. But the evidence, statements and amended application made it clear that developer-applicants have no such intention. Hence, alleged costs to them are irrelevant to the questions of actual costs to subsequent lot purchasers.

Even should applicants elect to install an electric distribution system, there are no grounds for an exception to the requirement for undergrounding for Unit 2. The evidence disclosed the costs to developer-applicants to be about \$35,000 for an overhead system and \$45,000 plus \$9,800^{1/} for trenching and back filling for an equivalent underground system. Hence the difference between overhead and underground is \$19,800 or about \$141 per lot based on a 140-lot projection. This has not been shown to be unreasonable.

The application clearly seeks an exemption from undergrounding on behalf of unspecified, future lot purchasers. There is no evidence as to costs of overhead or underground electric service for such purchasers.

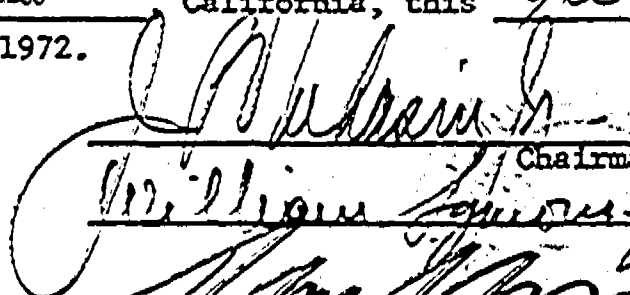
^{1/} This amount gives no consideration to the savings which could be realized by joint trenching.

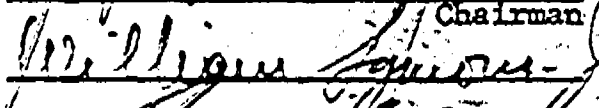
Findings and Conclusion

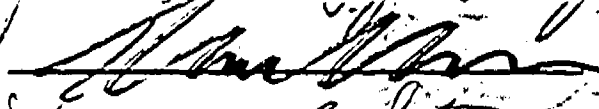
The Commission finds that deviation from the mandatory undergrounding provisions of PG&E's line extension rule is not justified for service to the Parrish's property described in this application, and such deviation would be adverse to the public interest. The Commission concludes that the application should be denied.

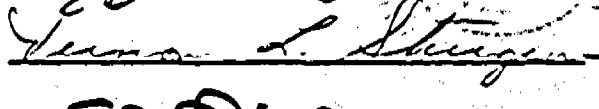
IT IS HEREBY ORDERED that Application No. 53089 is denied.

Dated at San Francisco California, this 9th
day of MAY, 1972.



Chairman






Commissioners