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Decision No. 81057

ORIGINAL

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

SID CROSSLEY,

Complainant

vs.

SOUTHERN CALIFORNIA EDISON COMPANY, a California Corporation,

Defendant.

Case No. 9427
(Filed August 16, 1972)

Sid Crossley, for himself, complainant.
James A. Trecartin, Attorney at Law, for defendant.

O P I N I O N

Complainant Sid Crossley seeks a deviation from the provisions of the tariffs of defendant Southern California Edison Company which prescribe an advance of $2.35 per front foot of lots in a subdivision for the installation of underground electric line extensions.

Public hearing was held before Examiner Catey at San Bernardino on January 10, 1973. Complainant testified in his own behalf. Defendant's Palm Springs division manager and an engineer from defendant's Valuation Department testified on behalf of defendant. The matter was submitted on January 10, 1973.

Complainant and Defendant

Complainant is the developer of Tract 2596, San Bernardino County, near Palm Springs. Defendant is a public utility which supplies electric utility service within a large service area that includes, among other communities, Palm Springs and its environs.

Issue

Complainant is developing Tract 2596 in units, one of which consists of six lots. Three of the lots have a total 300-foot

frontage on one street and the other three lots have a total 265-foot frontage on the next street. The two groups of three lots share common rear lot lines.

Defendant installed a 300-foot underground electric line extension in a utility easement along the rear lot lines of the six lots. Pursuant to its Rule No. 15.1, defendant required from complainant a refundable advance determined by multiplying the 565 feet of lot frontage by $2.35, resulting in a total of $1,327.75. Inasmuch as a house was being constructed on one of the lots and one-sixth of the advance is refundable for each occupied lot receiving electric service, this resulted in a net advance of $1,106.46.

Complainant contends that the amount of advance is excessive because defendant was able to provide service to the six lots by means of a 300-foot line extension along the rear lot lines instead of having to install a total of some 565 feet of extensions in the two streets upon which the lots front.

Discussion

Defendant, in its answer to the complaint, contended that the amount of the advance is prescribed by its tariffs and that the complaint was defective in not being signed by the city or county officials or the 25 actual or prospective customers required by Rule 9 of the Commission's Rules of Practice and Procedure. Although the cited Rule 9 normally would apply to complaints concerning charges prescribed by a utility's tariffs, defendant's Rule No. 15.1 includes the following provision, which supersedes the cited Rule 9 in this instance:

> "In unusual circumstances, when the application of these rules appears impractical or unjust to either party, the utility or developer may refer the matter to the Public Utilities Commission for special ruling..." (Emphasis added.)

We turn then to the merits of the complaint. The various aspects of subdivision line extension rules were explored thoroughly in Case No. 8209, an investigation on the Commission's own motion into possible revision of previous line extension rules of all electric and communication utilities under the Commission's jurisdiction. After 36 days of public hearings, during which various utilities, civic organizations, subdivider groups, governmental agencies, political subdivisions, and the Commission staff actively participated, the present subdivision underground line extension rules were prescribed by Decision No. 76394 dated November 4, 1969.

After careful consideration of the record in Case No. 8209, the Commission adopted an average-cost approach in specifying the amount to be advanced to an electric utility by a subdivider. The average cost for each utility was determined by taking the utility's total cost of recent underground line extensions and dividing that total cost by the corresponding total front-footage of lots within those subdivisions. Annual studies are made of the unit costs thus derived to be sure that appropriate recognition is given to any significant changes in average costs.

As in any such averaging process, the total amounts advanced by all subdividers will coincide quite closely with the total actual cost of the related line extensions but there will be differences in individual cases. For example, if the configuration of lots in a particular subdivision is such that none of the streets or rights-of-way in which the line extension are placed have lots on both sides, the actual cost of the line extension could approach twice the cost involved where all of the streets or rights-of-way have lots on both sides. In practice, the average subdivision falls somewhere between the two extremes. Recent studies of line extensions installed by defendant during the year 1972 to serve new residential subdivisions indicate that, on the average, about 69 feet of line extension is required for every 100 feet of lot frontage.

The 53 feet of line extension required to serve every 100 feet of lot frontage in the six-lot unit of complainant's subdivision is less than the average. There are other factors, however, which tend to mitigate this difference. For example, such cost items as design, moving of equipment and supplies, supervision, and overheads are inherently higher per foot of line for a short line extension than for a long one. Also, complainant conceded that there are no similar disputes with defendant concerning the remainder of the subdivision being developed by complainant. It is therefore likely that, considering complainant's subdivision as a whole, the average length of line extension per 100 feet of lot frontage is greater than 53 feet.

The situation presented in this case is similar to those considered in Case No. 8209 when the averaging rule was adopted. This case does not present "unusual circumstances" within the meaning of defendant's Rule No. 15.1.

The advance per front foot specified in defendant's tariffs is $2.35. The studies of actual 1972 installations show an average of $2.36 per front foot.

Findings

1. Decision No. 76394 dated November 4, 1969 established a requirement that developers of residential subdivisions provide an advance to the electric utility based upon the utility's average cost per front foot rather than the actual cost per front foot of lots served by any particular extension.

2. Recent studies show that the average cost per front foot specified in defendant's tariffs is almost identical with defendant's 1972 actual average costs.

3. No good cause has been shown to deviate from defendant's tariff requirements in this instance.

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O R D E R

IT IS ORDERED that the relief requested is denied.

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

Dated at San Francisco, California, this 21st day of FEBRUARY, 1973.

Vernon L. Sharp
President

William Symons Jr.

Commissioners