

**ORIGINAL**Decision No. 81483

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

Application of ORVILLE A. FIGGS  
 seeking a deviation from the  
 requirement for underground  
 electric service to the Third  
 Addition to the Ponderosa Sky  
 Ranch Subdivision in Tehama County.

Application No. 53725  
 (Filed December 4, 1972)

Rawlins Coffman, Attorney at Law,  
 for applicant.

John C. Morrissey, Malcolm H. Furbush, and  
J. Bradley Bunnin, by J. Bradley  
Bunnin, Attorney at Law, for  
 Pacific Gas and Electric Company,  
 interested party.

Vincent V. MacKenzie, Attorney at Law,  
 for the Commission staff.

O P I N I O N

Orville A. Figgs, a subdivider, seeks a deviation from Pacific Gas and Electric Company's (PG&E) tariff rule (15.1) under which PG&E will now provide only underground service to new subdivisions. Alternatively he seeks a declaration that the subdivision unit in question (Ponderosa Sky Ranch Unit No. 3, Tehama County) should not be treated as a new subdivision, allowing PG&E to provide overhead service (under its Rule 15) as it did before Decision No. 77187 in Case No. 8993<sup>1/</sup> (issued and effective May 3, 1970).

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<sup>1/</sup> That decision made undergrounding mandatory for all new subdivision extensions after the decision's effective date, except under a Commission authorized deviation.

Hearing was held before Examiner Gilman in Red Bluff on March 20, 1973. Complainant<sup>2/</sup> Orville A. Figgs testified as did his engineer and the County Recorder. PG&E called one of its employees who is responsible for analyzing underground installations. The staff presented no witnesses, but cross-examined the witnesses sponsored by the other parties.

PG&E was not opposed to relief. The staff at hearing tentatively indicated that it did not oppose relief, but sought and was granted a 10-day extension of submission in which to reevaluate its position and possibly to make a filing including a different recommendation. No further staff representations were made. The pleadings allege that the County does not oppose relief.

The Subdivision

Ponderosa Sky Ranch is a lot-type recreational subdivision located off Highway 36, 30 miles from Red Bluff and 10 miles from Mineral. Units Nos. 1 and 2 were developed and many lot sales were made during the early and middle 1960's. All three units were planned and laid out as an integral whole; each unit is laid out on an obsolete grid system with streets planned as parallels and perpendiculars without reference to terrain.

Sales and building rates in the older tract have not been rapid. Complainant's inventory includes some saleable lots in Units Nos. 1 and 2. The majority of the lots sold are still unimproved. The subdivision as a whole is isolated, and it is unlikely that there will be any development of the surrounding land.

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<sup>2/</sup> Although Orville A. Figgs is a water utility because he owns and operates a water system serving the subdivision, he appears herein as a subdivider rather than a utility subject to our jurisdiction. Hence, the proceeding would more properly have been cast as a complaint against PG&E, seeking relief from its tariff rules.

Unit No. 3 was tentatively laid out in April 1964. The final map was approved by the Board of Supervisors in November 1966 with the understanding that no undergrounding was planned. The same plan was reapproved by the Board on November 21, 1972. While several issues have arisen between complainant and County as to this subdivision, none of them are material to the undergrounding problem. If these issues had not arisen, complainant would have entered into a contract for overhead facilities while such construction was still the accepted standard for subdivision service. ✓

Complainant completed the construction work necessary for subdivision, including installation of water and gas mains and street grading, prior to the time when underground utility service was made mandatory for new subdivisions. ✓

The evidence indicates that complainant will have to recover over \$4,000 per lot to recoup his investment in Unit No. 3. There is also evidence which indicates that Unit No. 3 lots will be difficult to market at that price, and that adding an additional 10 percent to the price, to recover undergrounding costs, would render the lots virtually unmarketable.

Findings

1. Units Nos. 1 and 2 have overhead utility systems in place.
2. The only road access to Unit No. 3 is through Units Nos. 1 and 2.
3. Unit No. 3 cannot be seen from any public highway other than streets within Ponderosa Sky Ranch except at a distance of five miles.
4. The land surrounding Units Nos. 1, 2, and 3 is not developed.
5. It is unlikely that any other future residential development will occur in proximity to Ponderosa Sky Ranch.
6. The installation of overhead utility systems in Unit No. 3 will have no significant aesthetic impact on the public generally or on lot owners or occupants of Units Nos. 1 and 2.
7. There will be an aesthetic impact on purchasers of lots in Unit No. 3.

8. PG&E intends to place poles in Unit No. 3 so that the view is shielded by existing trees where possible in order to minimize aesthetic impact.

9. If required, undergrounding costs would now add approximately 10 percent to the developer's total costs for Unit No. 3; such costs would approximate \$400 per lot.

10. It is unlikely that any significant refunds of such costs would be realized by the developer or lot purchasers.

11. Complainant had committed himself to the street and lot plan, and streets, water, and gas mains were installed prior to May 5, 1970.

12. After May 5, 1970 complainant could not practically elect any of the following options to eliminate undergrounding costs:

- (a) Expedite the project and make a contract for overhead construction under PG&E's Rule 15 prior to the effective date of Decision No. 77187;
- (b) Subdivide with parcels of greater than two-acre size;<sup>3/</sup>
- (c) Abandon subdivision plans;

nor either of the following options to reduce undergrounding costs:

- (d) To realign street plan and lot boundaries;
- (e) To use joint trenching or other construction techniques.

13. The county of Tehama approved all phases of this subdivision proposal prior to April 5, 1973.

We conclude that Pacific Gas and Electric Company should be authorized to contract with complainant Figgs for the construction of overhead facilities in Ponderosa Sky Ranch Unit No. 3, and that no Environmental Impact Report is required (Cal. Admin. Code Title 14, § 15070(e)).

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<sup>3/</sup> All of the lots are less than 12,500 square feet.

O R D E R

IT IS ORDERED that Pacific Gas and Electric Company is authorized to contract with complainant Figgs for the construction of overhead facilities in Ponderosa Sky Ranch Unit No. 3.

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

Dated at San Francisco, California, this 19<sup>th</sup> day of JUNE, 1973.

Vernon L. Stinson  
President  
William Synovis

[Signature]  
Commissioners

Commissioner J. P. Vukasin, Jr., being necessarily absent, did not participate in the disposition of this proceedings.

I Dissent.

Thomas Moran  
Commissioner