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ORIGINAL

Decision No. 81620

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

Investigation on the Commission's own
motion into the Rules Pertaining to
Underground Extensions to Commercial
and Industrial Developments and to
Individual Customers of all Electric
and Communication Public Utilities in
the State of California.
Investigation on the Commission's own
motion into Mandatory Requirements
for Underground Extensions.

Case No. 8993
(Reopened November 14, 1972)

(See Appendix A for appearances in this reopened proceeding)

O P I N I O N

This proceeding was reopened for the purpose of considering the application of the mandatory underground rules for electric and telephone extensions to and within new residential subdivisions.

Public hearing was held before Examiner Catey at San Francisco on February 5, 6, 7, and 8, 1973 and at Los Angeles on April 2 and 3, 1973. Notice of hearing had been widely publicized and, in addition, had been mailed to the 13 respondent electric utilities, the 33 respondent telephone utilities, officials of the 407 incorporated cities and 58 counties within the state, all appearances in the original proceedings, and many other parties who had expressed an interest.

Testimony and, in most instances, supporting exhibits were presented by three witnesses for electric utilities, two witnesses for telephone utilities, five witnesses for land developers and home builders, one county supervisor, and a Commission staff engineer. The matter was submitted on April 3, 1973, subject to the filing of concurrent opening briefs on April 23, 1973 and concurrent reply briefs on May 7, 1973. Opening briefs were filed by three electric utilities, three telephone utilities, two land developer and home builder associations, and the League of California Cities. Reply briefs were filed by two electric utilities, two telephone utilities, a home builder association, and the Commission staff.

History

Prior to 1969, there had been an increasing trend toward the installation of electric and telephone lines underground rather than overhead in new residential subdivisions. Undergrounding was not then mandatory under the utilities' tariffs.

Decision No. 76394 dated November 4, 1969 in Case No. 8209 included a finding that undergrounding should be the standard for extensions by electric and telephone utilities. The extension rules promulgated by that decision did not, however, clearly make undergrounding mandatory for new residential subdivisions.

On February 20, 1970, the Commission amended its then pending investigation (Case No. 8993) into extensions other than residential, to develop an updated record relative to the necessity for mandatory requirements of underground extensions for new residential subdivisions. Based upon the updated record, Decision No. 77187 dated May 5, 1970 made it mandatory that those extensions be underground unless a deviation from that requirement was authorized by the Commission.

After Decision No. 77187 became effective, there were many inquiries concerning the circumstances under which deviations from the mandatory rules would be authorized. Informal letter requests for deviations were granted by Commission resolution in instances where the deviation obviously was warranted. Formal applications for deviations were granted by ex parte order when the Commission staff's investigation indicated the deviation clearly was justified. When sufficient information could not readily be developed without presentation of testimony, public hearings were held on formal applications for deviations.

Attachment 1 of staff Exhibit T-2 lists the deviations authorized since the inception of the mandatory undergrounding provisions, through February 21, 1973, the cutoff date for the staff's tabulation. In summary, the methods of authorization were:

<u>Method</u>	<u>Number</u>
Resolution	22
Ex Parte Decision	9
Hearing and Decision	9
Total	40

Decision No. 80736 dated November 11, 1972 reopened a portion of the investigation in Case No. 8993. That decision stated, in part:

"The Commission wishes to reaffirm its policy with respect to mandatory undergrounding in new residential subdivisions. However, the Commission also believes that it is desirable to consider at this time the criteria and factors that might warrant deviations from the mandatory underground requirements in new residential subdivisions. Such consideration could lead to the establishment of guidelines or rules or tariff changes that would more clearly apprise all parties of the circumstances under which deviations from the mandatory undergrounding rules would be authorized."

Position of the Commission Staff

The Commission staff studied the various deviations which have been authorized since the mandatory undergrounding provisions became effective. Attachment 1 of Exhibit T-2 lists the principal factors considered in the Commission resolutions and decisions involved. These include such things as whether roads were to be improved or unimproved, whether there was easy or limited access to the subdivided area by the general public, whether there was or was not any trenching to be done for other than electric and telephone lines, whether the lots were small or large, whether adjacent areas had underground or overhead facilities, whether local ground conditions and terrain made trenching relatively simple or difficult, whether the development was by formal subdivision or resulted from successive lot-splits, whether undergrounding would involve reasonable or excessive costs, and whether the visual impact of overhead lines would be great or small. Attachment 2 of Exhibit T-2 lists the types of information which the staff has requested from the various applicants for deviations. The requested information includes the principal factors which have been considered in the authorized deviations and, in addition, other pertinent data.

The staff, upon completing its studies, concluded that the various factors considered in determining the reasonableness of deviation requests cannot generally be quantified nor assigned qualitative evaluation factors. Usually it is the combined effect of several factors which resulted in the authorization of a deviation. On the other hand, a single adverse effect of overhead lines might sometimes outweigh many other arguments in favor of a particular deviation. For example, Decision No. 81063 dated February 21, 1973 in Case No. 9441 authorized the requested deviation but pointed out that, despite the several valid justifications presented for the deviation, the overhead lines might not have been permitted if distribution lines in adjacent tracts had been installed underground.

The staff thus did not consider it feasible to merely add up assigned values for positive factors favoring a particular deviation, subtract assigned values for negative factors against the deviation, and arrive at an answer mathematically.

The staff studies show, however, that although there has been a wide diversity in the combination of factors considered in the various authorized deviations, the vast majority of them involved large-lot subdivisions located outside the corporate limits of any city in areas away from scenic highways or parks and where local authorities had no restrictions against overhead lines. The staff recommends that the utilities' tariffs be revised to exclude that type of large-lot subdivision from the mandatory undergrounding provisions if (1) local ordinances, land use policies, or deed restrictions preclude further division of the parcels and preclude multiple dwellings or dwelling units on a parcel, and (2) the investigations by the utilities involved do not disclose exceptional circumstances which warrant underground extensions to serve the large-lot tracts. The staff suggests that two acres be the minimum qualifying size for the exemption, with larger minimum sizes applicable where county authorities so request.

Position of Electric Utilities

Pacific Gas and Electric Company (PG&E) studied the circumstances which prompted the various requests for deviations from its mandatory extension rule for residential subdivisions. Its conclusions were similar to those of the staff; i.e., although the various factors which have been considered in the requests for deviations are important, lot size is the one criterion which can simply and universally be applied. In Exhibit J-1, PG&E contends that, when lot sizes are two acres or larger, the following circumstances almost always prevail:

- (1) The subdivider does not make arrangements to provide electric service. The lot purchaser has the responsibility to deal directly with the utilities for electric and telephone service.
- (2) Many large-lot projects are developed through the lot-split process (which developments do not come under the mandatory undergrounding provisions unless there are plans for construction of a group of dwellings at about the same time). This requires constant search of county land records to determine whether an individual applicant for service is within a subdivision.
- (3) Subdivider-provided improvements are very limited, so there is virtually no opportunity to achieve economies in the use of joint trenches.
- (4) Because of the large footage of extension per lot, the cost per customer for undergrounding is high, even if the developer makes the necessary arrangements, and is even higher when the extensions must be made piecemeal as individual lot purchasers request service.
- (5) The developments are in rural areas. Some county planning officials and other concerned citizens have expressed the fear that the mandatory undergrounding requirement will force developers to either use the lot-split process or develop much higher densities, either of which approaches may be undesirable.

Because of these and other factors sometimes encountered, PG&E recommended exempting certain subdivisions with lot sizes of two acres or larger, in rural areas, from the mandatory undergrounding requirements. The rule proposed by PG&E differed in some respects from the rule later recommended by the staff, but PG&E, in its opening brief, concurred with the staff's version, terming it a "sound practical revision to the tariff rules".

In its final brief, PG&E qualified its endorsement of the staff version only to the extent that PG&E now considers as "surplusage" the staff proposal to permit counties to establish more rigid requirements (larger lot sizes) than set forth in the proposed rule. This revised position is based upon the conclusion that counties can impose more stringent requirements whether or not the utilities' tariffs so provide.

Southern California Edison Company (SCE) participated along with other electric utilities in the preparation of the proposed rule revisions presented by PG&E. In its opening brief, SCE states that it believes that the changes proposed by the electric utilities would result in a clarification of the mandatory requirements for undergrounding and would be in the best interests of the utilities, their customers, and the general public. SCE has no objection to the changes and clarifications proposed by the staff or suggested by questions asked of the staff witness by the presiding examiner.

San Diego Gas & Electric Company (SDG&E) also participated in the preparation of the proposed rule revisions presented by PG&E. In its opening brief, SDG&E holds that the most sensible and practical approach toward alleviating present problems encountered with the application of the present rule is that advocated by the electric utilities and the Commission staff. In its closing brief SDG&E reaffirmed its support of the staff's version of a revised rule.

Pacific Power and Light Company (PP&L) examined the rule changes proposed by PG&E and concurred in them during the opening statements presented on the first day of the reopened proceeding.

Plumas-Sierra Rural Electric Cooperative (PSREC) emphasized in its opening statement the problem of determining whether there was or was not coordinated development in lot-split situations, where individuals purchase property for ultimate building of a retirement home, and the unreasonably high cost to an individual applicant for electric service if he must carry alone the cost of an underground extension. Further, in rural subdivisions, PSREC states that it

constantly encounters situations where the cost of an underground electric extension exceeds the cost of the land which is being developed. PSREC did not suggest any specific changes in the present rules but recommended that the revised rule should eliminate having to present numerous applications for deviations in rural areas. The types of changes proposed by the other electric utilities and by the Commission staff presumably would alleviate at least some of the problems of the rural electric utilities.

Position of Telephone Utilities

The Pacific Telephone and Telegraph Company (PT&T) recommended changes parallel to those proposed by the staff and the electric utilities. The justification presented also was similar to those put forth by the electric utilities. In its reply brief, PT&T adopted suggestions presented by other parties which would (1) make the large-lot subdivision exemptions equally available within and outside corporate city limits, (2) remove the provision for counties to prescribe more rigid requirements (larger lot sizes), and (3) a minor language change to avoid ambiguity.

General Telephone Company of California (GTC/C) recommends that the rules be modified to leave the matter of deviations from mandatory undergrounding for determination by the governing body of the city or county in which the facilities are located, within criteria prescribed by the Commission. GTC/C contends that determination of the facts in each situation would be burdensome for either the Commission or the utilities to undertake, whereas local authorities could determine the facts and apply them to prescribed criteria at the same time they were evaluating other matters within their jurisdiction relating to the subdivisions.

Continental Telephone Company of California (CTC/C) had originally proposed rule changes similar to, but not identical with, those proposed by the staff and by PT&T. In its opening brief, however, CTC/C submitted as its final position a full support of the staff's version.

Position of Developers

California Builders Council (CBC), together with two of its developer members, recommends that any new rules (1) should list the various criteria which would be considered in future requests for deviations, (2) should not give the utilities the uncontrolled discretion to require undergrounding for large-lot subdivisions, (3) should not permit an electric or telephone utility to require undergrounding for large-lot subdivisions unless both utilities were to place their extensions underground, (4) should be clear as to effect of local ordinances and deed restrictions, and (5) should provide for certification of qualifying facts by local authorities rather than determination of those facts by the utilities.

CBC did not propose specific language to achieve the foregoing objectives but did propose, in its opening brief, specific revisions which would permit temporary overhead extensions connecting new subdivisions to existing lines which are more than 500 feet distant. The temporary lines would be replaced within five years with underground lines. If intervening land were developed within that period, the new developers would be responsible for the underground lines to replace the temporary overhead lines. If the intervening land were not developed within five years, the original developer would be responsible. In either event, the original developer would pay the net cost, after salvage, of the temporary overhead lines.

CBC's stated objectives in its proposal for temporary overhead approach lines are: (1) Avoid situations where one utility is already overhead but the new lines must go underground, (2) allow time for final utility plant design and development of intervening land, (3) avoid subsidy by initial developers of future developers' projects, (4) alleviate problems where the boundary line between the service areas of two telephone utilities or two electric utilities extends through a new development, and (5) clarify the present requirements for approach lines.

Western Developers Council (WDC) generally agrees with and supports the position of the staff, with two qualifications: It believes that (1) there should be no distinction between the requirements within and outside city limits, and (2) the provision allowing a county board of supervisors to request a higher minimum acreage size if it so desires is confusing and redundant.

A Sonoma County subdivider stated his position on the first day of the reopened proceeding. In his opinion, there should be a relaxation of the stringent rules requiring undergrounding, particularly in regard to rural subdivisions. He suggested that weight be given to the lot size, amount of tree cover, and relative cost of overhead and underground construction. He further suggested that part overhead and part underground might sometimes be appropriate. He conceded, however, that it would be almost impossible to incorporate his suggestions in a statewide rule.

A group of El Dorado County subdividers recommends that "land projects" as defined in Section 11000.5 of the Business and Professions Code be exempted from the mandatory undergrounding provisions, in addition to the lot-size exemption recommended by the staff and others. "Land projects" must have 50 or more parcels, of which at least 50 are (1) not improved with buildings, (2) offered for purposes other than industrial, commercial, institutional, or commercial agricultural uses. The project also must be in sparsely settled areas and cannot constitute a community apartment project, condominiums, or stock cooperatives.

Position of Cities and Counties

The League of California Cities recommends that virtually no exemptions should be granted allowing the construction of overhead utilities in new residential subdivisions. The League asks, however, that any blanket exemptions authorized by the Commission apply equally within and outside corporate limits unless the respective city or county otherwise provides.

Representatives of Tuolumne, Sonoma, and Yuba Counties recommend that large-lot subdivisions be exempted from mandatory undergrounding.

Criteria of Dates of Development and Contracts

The present electric and telephone rules permit overhead lines where, prior to May 5, 1970, suitable maps have been filed with local authorities, provided an agreement for electric service had been entered into with the electric utility prior to May 5, 1972. Further, the Commission has interpreted the rules as permitting overhead service where the lots existed as legally described parcels prior to May 5, 1970 and significant overhead lines already exist within the subdivision or development.

The rule changes proposed by the staff would continue those criteria in clearer language than the present rules. The staff recommendations regarding the criteria of dates of development and contracts are adopted.

Criterion of Lot Size

If the present mandatory underground line extension rules of electric and telephone utilities exempted subdivisions with lots of at least two acres, about three-fourths of the deviations listed by the staff which the Commission has found to be justified would have automatically been exempted. This would have saved much of the time and expense involved by the developers, the utilities, and the Commission in processing the requests for deviations.

On the other hand, the time and expense which would have been involved in seeking a deviation may well have induced some large-lot developers to choose underground line extensions. Exempting two-acre lots could reverse this trend and cause some developers to choose overhead lines where underground lines might be feasible. On a trial basis, subject to modification up or down if undesirable results are experienced, we will adopt a three-acre, rather than a two-acre lot size criterion. This would have covered over half of

the forty deviation authorizations listed by the staff. This will also cover many of the land projects mentioned by the group of El Dorado County subdividers. Those land projects having some lots smaller than three acres should not be automatically exempted.

The staff recommended that counties be given the option of prescribing higher minimum lot sizes to be incorporated in the rules applicable in specified locations. This would be somewhat unwieldy. It also would be redundant in that an additional staff recommendation hereinafter discussed covers the broader aspect of local option for mandatory undergrounding. The variable acreage option recommended by the staff is not adopted.

Criterion of Corporate City Limits

The staff recommended that large-lot subdivisions not be exempted from mandatory undergrounding if within the corporate limits of a city. Although most large-lot subdivisions are in unincorporated areas, it is possible that some cities may wish to encourage such subdivisions somewhere within the city limits. We will adopt the recommendation of the League of California Cities that no distinction be made between subdivisions within and outside city limits.

Criterion of Local Option

The staff recommended that large-lot subdivisions not be exempted from mandatory undergrounding if (1) local ordinances require undergrounding, (2) local ordinances and deed restrictions permit more than one single-family dwelling or accommodation on each parcel, or any portion of a parcel, of two acres or less, or (3) if the new lines would be in proximity to, and visible from, a designated scenic highway, state or national park, or other areas determined by a governmental agency to be of unusual scenic interest to the general public.

The degree of local control provided by the staff's recommendations appears desirable and is adopted herein, with minor modifications. The modifications (1) clarify the requirements to avoid double negatives, (2) place the burden of proof of qualification for exemption upon the applicant for the extension, (3) define the terms "in proximity to" and "visible from" based upon the definitions prescribed in Decision No. 80864 dated December 19, 1972 in Case No. 9364, the recent Scenic Highways proceeding, and (4) change parcel size from 2 to 3 acres.

Other Criteria

The staff recommended that large-lot subdivisions not be exempted from mandatory undergrounding if exceptional circumstances exist which, in the utility's opinion, warrant the installation of underground distribution facilities. In order to maintain surveillance over this necessarily broad provision, the rules prescribed herein require the utility to advise the Commission by letter, with a copy to the applicant for the extension, whenever this provision is invoked. The applicant for the extension thus will be able to respond if he feels that the utility is being arbitrary or discriminatory. This should permit resolution of some disputes by informal recommendations of the Commission staff, thus avoiding an increase in formal filings. In the event that the staff is unable to resolve the matter informally, a formal application would be required to request a deviation.

Extensions to Serve Individuals

The staff recommends that an inconsistency in the present electric utility rules be removed. One provision of the present rules states that extensions to serve individual applicants for service in residential subdivisions will be made overhead, whereas another provision requires underground extensions to serve residential subdivisions. The staff's recommended revision would make it clear that an individual applicant for service in a residential subdivision would automatically qualify for an overhead extension only if the subdivision itself qualified. That recommendation is adopted.

Temporary Approach Lines

CBC requested that the rules be revised to permit temporary overhead approach lines where residential subdivisions are at a distance from existing electric facilities. We would want to examine the circumstances in each such instance, however, to be sure that the temporary overhead lines are not detrimental to the community. The recommendation is not adopted, but there may well be situations where individual applications for temporary lines would be granted.

Findings

1. Most of the deviations granted from the present mandatory undergrounding provisions of electric and telephone utilities rules for line extensions to serve residential subdivisions have been for large-lot subdivisions.

2. Automatic exemption of large-lot subdivisions from mandatory undergrounding rules, under the specific safeguards provided by the revisions authorized herein, will not result in overhead lines where undergrounding is feasible.

Conclusion

The rule changes recommended by the Commission staff, with the relatively minor modifications discussed herein, should be adopted.

O R D E R


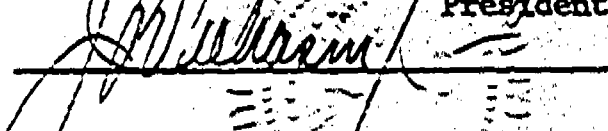
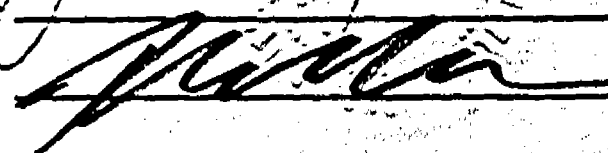
IT IS ORDERED that, within thirty days after the effective date of this order, all respondent electric and telephone utilities shall file revised tariff sheets incorporating the modifications set forth in Appendix B (Electric) and Appendix C (Telephone).

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

Dated at San Francisco, California, this 24th day of JULY, 1973.

I abstain:

, Commissioner


President


Commissioners

Commissioner William Symons, Jr., being necessarily absent, did not participate in the disposition of this proceeding.

APPENDIX A
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APPEARANCES IN REOPENED CASE NO. 8993

<u>Party</u>	<u>Appearance</u>
<u>Respondents</u>	
<u>Electric Utilities</u>	
Pacific Gas and Electric Company	<u>J. Bradley Bunnin*</u>
Pacific Power and Light Company	<u>Robert F. Harrington*</u>
Plumas-Sierra Rural Electric Coop.	<u>A. E. Engel</u>
San Diego Gas & Electric Company	<u>Gordon Pearce* and</u> <u>Vincent P. Master, Jr.*</u>
Southern California Edison Company	<u>R. E. Woodbury* and</u> <u>H. Clinton Tinker*</u>
<u>Communication Utilities</u>	
Continental Telephone Company of California	<u>John Bausano; and Orrick,</u> <u>Herrington, Rowley &</u> <u>Sutcliffe, by Robert J.</u> <u>Gloistein*</u>
General Telephone Company of California	<u>A. M. Hart* and Donald J.</u> <u>Duckett*</u>
Pacific Telephone and Telegraph Company, The	<u>James M. Phillips*</u>
<u>Interested Parties</u>	
<u>Political Subdivisions</u>	
Long Beach, City of, Bureau of Franchises and Public Utilities	<u>Louis Possner</u>
Los Angeles, City of, Department of Water and Power	<u>Allen D. Fricke</u>
Sacramento Municipal Utility District	<u>Donald M. Haight</u>
Sonoma County	<u>Bob Theiller*</u>
Tuolumne County	<u>John P. Pedri</u>

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<u>Party</u>	<u>Appearance</u>
<u>Others</u>	
Avco Community Developers	Wilsey & Ham by <u>Robert G. Caughey</u>
California Builders Council	<u>Fred F. Cooper*</u>
California Independent Telephone Association	<u>Neal C. Hasbrook</u>
Cal-Pacific Resources, Inc.	<u>George C. Baron</u>
Cameron, Herbert	<u>Herbert Cameron*</u>
Diamond "A" Estates	<u>James S. Mitchell</u>
El Dorado County Developers Association	(See Cal-Pacific Resources, Inc.)
Irvine Company, The	(See California Builders Council)
League of California Cities	<u>Kenneth C. Frank</u>
Southern California Gas Company	<u>Frederick A. Peasley*</u>
Views Land Company	<u>Walter L. Benson</u>
Western Developers Council	<u>Whiting & Morley, by Harvey Diemer*</u>
Westlake Village	(See California Builders Council)
Commission Staff	<u>Vincent MacKenzie*</u> and <u>Timothy E. Treacy*</u>

* Attorney at Law

APPENDIX B
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CHANGES IN RULES OF ELECTRIC UTILITIES

Rule 15 (PG&E and SCE)
Rule 20 (SDG&E)

LINE EXTENSIONS

(Replaces the existing language of Section C)

C. Overhead Extensions to Serve Residential Subdivisions or Developments.

1. Conditions of Service

Overhead extensions may be constructed when either of the conditions in a. or b. below are found to exist:

- a. (1) The lots within the residential subdivision or development existed are legally described parcels prior to May 5, 1970, and significant overhead lines exist within the subdivision or development, or
- (2) The new residential subdivision or development is one for which a master plan, preliminary map, or tentative map was filed before May 5, 1970, with the appropriate local authorities pursuant to the Subdivision Map Act and an agreement for electric service was entered into with the utility before May 5, 1972.
- b. The minimum parcel size within the new residential subdivision or real estate development, identifiable by a map filed with the local governmental authority, is 3 acres and the applicant for the extension shows that all of the following conditions exist:
 - (1) Local ordinances do not require underground construction.
 - (2) Local ordinances or land use policies do not permit further division of the parcels involved so that parcel sizes less than 3 acres can be formed.
 - (3) Local ordinances or deed restrictions do not allow more than one single-family dwelling or accommodation on each parcel or any portion of a parcel, of less than 3 acres.

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CHANGES IN RULES OF ELECTRIC UTILITIES

LINE EXTENSIONS

(Replaces the existing language of Section C)

C. Overhead Extensions to Serve Residential Subdivisions or Developments.

1. Conditions of Service - Continued

- (4) New overhead lines constructed to or within a residential subdivision would not be in proximity to,* and visible from,* a designated scenic highway, state or national park, or other area determined by a governmental agency to be of unusual scenic interest to the general public.
- (5) Exceptional circumstances do not exist which in the utility's opinion warrant the installation of underground distribution facilities. Whenever the utility invokes this provision, the circumstances shall be described promptly in a letter to the Commission, with a copy to the applicant for the extension. Whenever the utility elects to install the extension underground for its own operating convenience, the extra cost compared with overhead shall be borne by the utility.

* "In proximity to" shall mean within 1,000 feet from each edge of the right-of-way of designated state scenic highways and from the boundaries of designated parks and scenic areas. "Visible from" shall mean that overhead distribution facilities could be seen by motorists or pedestrians traveling along scenic highways or visiting parks or scenic areas.

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CHANGES IN RULES OF ELECTRIC UTILITIES

(Existing Sections C.1 and C.2 are to be renumbered C.2 and C.3. Existing Section C.3 shall be revised to read as indicated below.)

4. Extensions to Serve Individuals. Where overhead extensions are permitted under Section C.1, extensions to serve individual applicants for service in residential subdivisions will be made in accordance with Section B hereof.

APPENDIX C
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CHANGES IN RULES OF TELEPHONE UTILITIES

Rule 15 (PT&T and Continental)
Rule 32 (GT/C)

LINE EXTENSIONS

I. General - Continued

- G. Only underground line extensions will be constructed to and within the following types of new subdivisions (as defined in Rule No. 1 of this schedule); or new real estate developments, i.e., projects which do not satisfy the density requirement for a subdivision: (See H. and I. below for exemptions to this requirement.)
1. Five or more lots for single-family and/or multi-family dwellings; unless:
 - a. The lots within the residential subdivision or real estate development existed as legally described parcels prior to May 5, 1970 and an agreement has been entered into prior to May 5, 1972 with the electric utility for aerial service; or
 - b. The minimum parcel size within the new residential subdivision or real estate development, identifiable by a map filed with the local governmental authority, is 3 acres and the applicant for the extension shows that all of the following conditions exist:
 - (1) Local ordinances do not require underground construction.
 - (2) Local ordinances or land use policies do not permit further division of the parcels involved so that parcel sizes less than 3 acres can be formed.
 - (3) Local ordinances or deed restrictions do not allow more than one single-family dwelling or accommodation on each parcel, or any portion of a parcel, of less than 3 acres.
 - (4) New line aerial extensions* constructed to or within a residential subdivision or real estate development would not be in proximity to,** and visible from,** a designated scenic highway,
- * Read "service connections(s)" in Rule 16 I.A.7.
- ** "In proximity to" shall mean within 1,000 feet from each edge of the right-of-way of designated state scenic highways and from the boundaries of designated parks and scenic areas. "Visible from" shall mean that overhead distribution facilities could be seen by motorists or pedestrians traveling along scenic highways or visiting parks or scenic areas.

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LINE EXTENSIONS

I. General - Continued

G. Continued

state or national park, or other area determined by a governmental agency to be of unusual scenic interest to the general public.

- (5) Exceptional circumstances exist which in the utility's opinion warrant the installation of underground line extension* facilities. Whenever the utility invokes this provision, the circumstances shall be described promptly in a letter to the Commission, with a copy to the applicant for the extension. Whenever the utility elects to install the extension underground for its own operating convenience, the extra cost compared with overhead shall be borne by the utility.
2. Five or more dwelling units in two or more buildings located on a single parcel of land.
3. Two or more enterprises on a single parcel or on two or more contiguous parcels of land where each enterprise is to be engaged in trade, the furnishing of services, or a process which creates a product or changes materials into another form or product (e.g., shopping centers; sales, commercial, or industrial enterprises; business or professional offices; educational or government complexes; shops; and factories).
- H. If an applicant elects to be served by aerial electrical facilities which are not in violation of a legal prohibition imposed by a municipality, the CPUC, or other governmental agency having jurisdiction, the utility is not obligated to construct underground.
- I. In exceptional circumstances, when the application of these rules appears impractical or unjust, the utility or the applicant may refer the matters to the Public Utilities Commission for special ruling or for approval of mutually agreed upon special conditions prior to commencing construction.

* Read "service connections(s)" in Rule 16 I.A.7.