

ORIGINAL

Decision No. 84735

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Application of
PACIFIC GAS AND ELECTRIC COMPANY for
authorization to abandon a portion
of its Tuolumne Water System.

(Water)

Application No. 55059
(Filed July 24, 1974)

ORDER DENYING REHEARING

Petitions for rehearing of Decision No. 84428 have been filed by Sonora Water Company (Sonora) and Tuolumne County Water District No. 2 (Tuolumne). After considering each and every allegation presented therein, we are of the opinion that good cause has not been shown to grant rehearing of Decision No. 84428. However, one matter requires discussion.

In Decision No. 84428 we found that:

"The difference in the annual cost to Sonora Water Company between untreated water service from the ditch and treated water service from the pipeline under Schedule No. 1 would be \$915 at present rates and \$1,494 at proposed rates." (Finding No. 26.)

Upon further review, we now conclude this finding may be misleading.

Exhibit No. 6, upon which Finding No. 26 is premised, compares costs to Sonora for treated and untreated water at different volumes. Thus, we have, in effect, a comparison of apples and oranges. Based on Exhibit No. 6 and a water usage of 730 MGD, the difference in annual cost to Sonora between untreated water and treated water under Schedule No. 1 would be \$1,042 at present rates and \$1,715 at proposed rates.

Notwithstanding this latest comparison, we still believe and conclude that resale rates should be those provided in Schedule No. 1 for the reasons given in Decision No. 84428.

Finding No. 26 in Decision No. 84428 is revised to read as follows:

26. The increase in the annual cost of 730 MID to Sonora Water Company as a result of the change from receiving untreated water service from the ditch to receiving treated water service from the pipeline under Schedule No. 1 would be \$1,042 at present rates and \$1,715 at proposed rates.

The following additional findings are made:

31. The substitution of the closed treated water system for the untreated water ditch system is the substitution of a different, new, and improved public utility water service under which PG&E will furnish treated water to customers through its own transmission and distribution mains instead of furnishing untreated water to customers who formerly were required to come to the berm of the PG&E ditch where they took delivery and arranged for the transportation of the water to the place of use themselves.

32. In this proceeding it is unnecessary to determine whether PG&E's service area for untreated water from the ditches to be abandoned is the smaller service area as contended by PG&E or the larger service area as contended by Tuolumne, both of which are larger service areas than the service area authorized in this decision for PG&E's closed treated water service, because the larger the present untreated water service is, the more important it is that the closed treated water service area be limited as provided in this decision to eliminate the possibility of unreasonable and uneconomical demands for extensions of water service being made upon the closed treated water system to be constructed by PG&E.

33. Public interest, convenience, and necessity require that PG&E be permitted to abandon the open ditches as proposed in the application when the existing customers have been connected to the new pipeline or have declined service, subject to the conditions set forth in the order in Decision No. 84428, and that the PG&E service area for treated water from the closed system should be restricted, as proposed by PG&E, to 50 feet on each side of the proposed PG&E pipeline and 25 feet on each side of the distribution mains installed to serve existing customers.

Therefore, IT IS ORDERED that rehearing of Decision No. 84428 is hereby denied, and the effective date of the order in that decision shall be the date hereof.

The effective date of this order is the date hereof.

Dated at San Francisco, California, this 12th day of AUGUST, 1975.

I abstain

Leonard Rona Commissioner

I abstain

Robert R. Rabin Commissioner

[Signature] President

William J. Quinn

Vernon L. Stinson

Commissioners