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ORIGINAL

Decision No. 84862

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of Application of  
Lakeview Ranchos Mutual Water  
Company, a California Corporation,  
Application for Extension of  
Overhead Utilities.

Application No. 55394  
(Filed December 18, 1974;  
amended January 15, 1975)

Albert A. Webb Associates, by Reginald H. Knaggs,  
for Lakeview Mutual Water Company, applicant.  
Rollin Woodbury, H. Clinton, and Mary E. Schroeder,  
Attorneys at Law, for Southern California  
Edison Company, interested party.

### O P I N I O N

#### Proceeding

Applicant requests that Southern California Edison Company (Edison) be authorized to deviate from the mandatory undergrounding requirements of its Rule 15 and that overhead distribution facilities be installed to serve a well site. After due notice, hearing on this matter was held before Examiner Coffey on March 7, 1975. After the receipt of a late-filed exhibit and the transcript on April 9, 1975, the matter was submitted.

#### Applicant's Service Area

Applicant was incorporated in California on December 18, 1973 for the purpose of delivering water to the area delineated in Exhibit No. 2. Applicant's service area is located approximately 10 miles east of Lake Isabella in an unincorporated portion of Kern County and encompasses approximately 280 acres. The land is residential zoned in 2-1/2 acre minimum parcels for trailers and mobile housing with animals except pigs. The service area is

six-tenths of a mile from State Highway 178, a two-lane road between Bakersfield, Lake Isabella, and Highway 14. The road has not been designated as a scenic highway.

About 20 property owners in the area formed a mutual to solve local hard water conditions and to deal with county authorities. Two well sites have been improved and the lines and system have been installed. It was originally intended by "everybody" to have a well on each 10-acre parcel to serve four parcels, but dry wells resulted on some parcels.

#### Land Subdivision

The original owners of the land divided it into approximately 40-acre parcels and sold the land to eight individuals. Subsequent owners divided and sold the land in 10-acre parcels. The owners of the 10-acre parcels again divided and sold the land as lots of about 2-1/2 acres in size. The land was thus progressively divided into 2-1/2-acre parcels without having to file any subdivision maps or plans or comply with any subdivision laws or ordinances. The land was divided and sold without any improvements. Exhibit No. 8 demonstrates that while some landowners plan to use their land for residences and recreation, most of the land is being held for speculation. Only one of the 11 landowners surveyed in Exhibit No. 8 is planning any construction on the property in the immediate future. More than half of the individuals surveyed own more than one parcel.

#### Terrain

The land is gently sloping with a 300-foot elevation difference between the tank site at 4,000 feet and the well site. The area is rocky, crossed by washes, and substantially treeless. Ditches for the water system have been dug through the rocky soil.

Line Extension Costs

A representative of Edison testified that the cost of constructing an overhead line to serve the well would be approximately \$2,862. The construction cost for an underground extension to serve the well was estimated to be approximately \$10,727. Both estimates excluded the costs of transformers, meters, and services which are excluded from the advances required of developers or customers. The utility estimated the cost of trenching and backfilling to be approximately \$2.50 per foot. This cost may increase as much as \$4.00 if large areas of rocky soil are encountered.

The utility estimated, based on the \$2.50 unit cost of trenching and backfilling, that an underground extension would require \$5,900 as a contribution in aid of construction from applicant.

If overhead line extensions were available to other potential customers in applicant's service area, and if the service were to a residence with lighting and a refrigerator, the customer would have to advance to the utility \$1.30 per foot of line extension that exceeded 500 feet. For underground line extensions the customer would have to make a nonrefundable contribution of \$4.00 to \$6.00 per foot of the entire extension.

Position of Edison

Edison has taken a neutral position on this application. While it does not oppose the application, it does not feel it is in a position to make the determination because of uncertainty resulting from the procedure of splitting parcels. However, by letter dated April 14, 1974, Edison advised applicant that since the 2-1/2-acre parcels to be served by the water system represent a real estate development of over five lots or parcels and as the parcels are less than three acres, all electric service to this development will have to be underground.

Position of Applicant

Applicant maintains the subject land is not a subdivision or real estate development within the meaning of Rule 15. Applicant contends in its application as follows:

"A) That the subject land is not a new residential subdivision or real estate development within the definition of Defendant's Rule No. 15c.

"1) Though the property has been parceled into 2-1/2 acre parcels, there is no single map identifying the property on file within the local governmental authority. (Other than the parcel size, all requirements of Rule 15c are met.)

"2) The subject land is not a residential subdivision or land development as defined by the Public Utilities Commission. Mandatory undergrounding of utilities has been required where the development, though successive lot splits are 'an area for family dwellings which may be identified by filed subdivision plans or as an area in which a group of dwellings may be constructed about the same time, either by a large scale builder or by several builders working on a coordinated basis.'

"3) Applicant is applying for service to a well and well site only, and not for purposes of building.

"4) Attached hereto are statements of other individual owners within the subject land, showing that the primary purpose of ownership of the land is speculation, the secondary purpose is recreation, and that no immediate plans for developing the area exist on a coordinated basis, or as individuals to any significant extent.

"B) Other factors:

- "1) In filing parcel maps, easements were provided for public ingress and egress, but no utility right of ways were separately provided except later to Applicant. Underground utilities would of necessity have to be installed in the ingress and egress right of ways. Said right of ways have not been developed, though they are of record. There are no plans at present to develop said ways, access in the subject land and adjacent lands being an ungraded dirt strip following the natural terrain which is uneven and rocky. Underground utilities would have to be relocated at the time grading was done in the future at undue expense.
- "2) Immediately adjacent, on the East, is a residentially developed area generally called Hillview Acres. This was previously developed by lot splits, some existing lots were split to less than 1 acre in size prior to county ordinances. This development is served by overhead utilities, with power poles located immediately adjacent to lot 3, Parcel Map 1234 and lots 4 of Parcel Maps 1273 and 1274. Overhead utilities to the subject land would be convenient and would not have an adverse impact on the area, but would only be an extension of existing facilities.

- "3) The terrain is extremely rocky, lying adjacent to foothills immediately to the South, and is cut with deep natural drainage channels, causing the cost of undergrounding utility to be prohibitive. The actual cost is presently unknown but has been estimated to be as high as \$5.00 per foot. This would be extremely burdensome on any person seeking to develop the property, since any development would be on an individual, uncoordinated basis."

To support its request that overhead line extension be constructed under the provisions of Rule 15-C-1-b, applicant submitted the following in its amendment.

- "(1) Local ordinances do not require underground construction.
- "(2) Local zoning and the Master Plan for Kern County has previously designated this area as 2-1/2 acres and it cannot be further divided.
- "(3) Not more than one single family residence is to be placed on each 2-1/2 acre parcel.
- "(4) The area is more than 1000 feet from any designated highway or park and scenic area. No highway or park has been designated as a scenic area adjacent to or within one mile of Applicant's service area.
- "(5) There are no exceptional circumstances which warrant the installation of underground distribution facilities."

Applicant argues that whether or not the subject land is construed to be a subdivision within the meaning of Section C of Rule 15, it would be unreasonable and oppressive to require undergrounding of electric line extensions to the subject land. The subject land is rural, rugged, and remote. It is not close to any

populated center. The ground is exceptionally rocky and underground trenching would require expensive blasting and removal of boulders. The cost of undergrounding would be prohibitive, for it would render development of the land uneconomic. Because of the unusually large parcels (2-1/2 acres), overhead lines would not be closely grouped and would not be unsightly.

Applicant believes that the only item in Rule 15-C-1-b with which it does not comply is the 2-1/2-acre parcel size instead of the 3 acre minimum as presently designated and that there will be no detrimental effect on the area because of this situation and the installation of overhead distribution facilities.

#### Discussion

It is the policy of this Commission to encourage underground construction of electric facilities throughout California wherever possible without causing undue or unreasonable hardship. While this record indicates rocky soil conditions exist in applicant's area, it appears burial of facilities can be effected at costs which are not excessively burdensome. If the landowners, through their mutual can cooperate to install all extensions at one time, the costs can be reduced substantially. From the description of the area, it appears that there is little or no tree growth to minimize the visual impact of overhead line construction.

We are concerned with the impact of our decision in this matter on the ultimate owners of the land as well as those presently holding it for speculation. The ultimate owners should know of the development burdens they will have to assume when purchasing these lots.

We do not find anything in this record that convinces us that a deviation should be authorized from Edison's rules. Unless applicant and all others in applicant's area can qualify under Rule 15-C-1-b in all respects, all electric service in applicant's area should be by underground extensions. Since a map has not been filed with a local government authority which identifies that the minimum parcel size is 3 acres, it appears that applicant's request should not be granted under Rule 15-C-1-b. Further, this record does not demonstrate as required by Rule 15-C-b-(3) that local ordinances or deed restrictions do not allow more than one single-family dwelling or accommodation on a parcel of less than 3 acres, or any portion of a parcel of less than 3 acres.

Findings

1. Little or no tree cover exists in the area served by applicant to minimize visual impact of overhead line construction.
2. Water facilities have been installed underground in the area served by applicant.
3. The soil condition in the area served by applicant is rocky but can be trenched and backfilled.
4. The cost of trenching and backfilling utility lines will vary between \$2.50 and \$6.00 per linear foot.
5. A map of the area has not been filed with the local government authority which identifies that the minimum parcel size is 3 acres.
6. This record does not demonstrate that local ordinances or deed restrictions do not allow more than one single-family dwelling or accommodation on a parcel of less than 3 acres, or any portion of a parcel of less than 3 acres.



7. The area served by applicant does not qualify for service by overhead line extensions under the conditions of Rule 15-C-1-b.


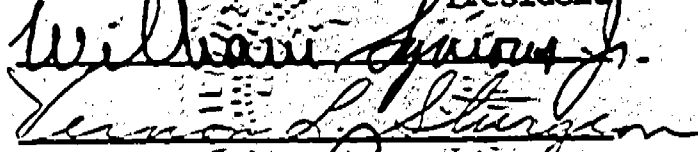
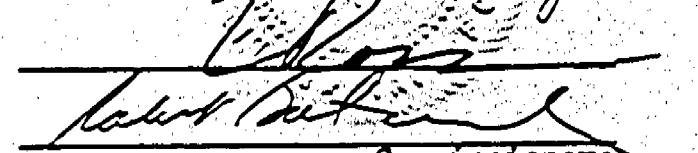
We conclude that applicant's request should be denied.

O R D E R

IT IS ORDERED that the request of Lakeview Ranchos Mutual Water Company for electric service from the Southern California Edison Company by overhead line extensions is denied.

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

Dated at San Francisco, California, this 3rd day of SEPTEMBER, 1975.

  
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President  
  
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Commissioners