

Decision No. 86705

ORIGINAL

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

Application of Gerald A. and  
Sandra E. Wolfe to Use Overhead  
Electric Service Extension to  
Serve a Private Residence in a  
Subdivision.

Application No. 56745  
(Filed September 10, 1976)

O P I N I O N

Gerald A. Wolfe and Sandra E. Wolfe (applicants) contacted San Diego Gas & Electric Company (SDG&E) in December 1975 regarding the availability of gas and electric service to a property applicants were contemplating buying. Applicants sought to ascertain that extension costs would not be prohibitive to them. SDG&E's extension planner advised applicants that service was available on the following bases:

- (1) An all electric overhead extension would be completely covered by free footage allowances;
- (2) The extension costs for gas service and all underground electric service would be approximately \$5,000; and
- (3) The extension costs for gas service would be \$960 and a partially overhead and partially underground electric extension would cost about \$140 resulting in a total cost of \$1,100.

Applicants adopted the third alternative after considering the differential in energy costs and installation costs and entered into an agreement for service to the lot in question on March 15, 1976. Applicants obtained a house construction loan including \$1,100 for extension of gas and electric service to

their property. Subsequently, SDG&E's revised its estimate upward to \$1,473 because of an error on its part as to the length of the extension. Applicants entered into a revised agreement for \$1.473.

A neighbor of applicants objected to the construction of electric poles and overhead lines to serve applicants because of the visual impact and because such construction was in violation of SDG&E's rules. After review SDG&E agreed that it would be necessary to provide electric service underground and requested an additional \$3,506, the nonrefundable cost for an underground electric extension plus an estimated additional cost of \$2,000 for trenching, backfill, and compaction plus an additional trench for electrical undergrounding of approximately \$200 plus labor. SDG&E advised applicants that the latter charge would be mostly refundable. Applicants state that the cost of installed overhead electric and telephone lines to serve them is \$3,100; that their lot is a 1.16 acre residential lot which is irregularly shaped and is a lot in a 12 parcel area; that the zoning restriction on Parcel Map 975 was recorded on September 7, 1972; that San Diego County's approval was not conditioned on undergrounding prior to recordation of the map; that SDG&E made a mistake in planning for the installation of utility lines; and that at this point in time applicants cannot afford an additional \$6,000 for utility service and were therefore requesting a deviation permitting an overhead electric service extension to serve the residence.<sup>1/</sup>

By letter dated September 21, 1976 (Exhibit 1) SDG&E states that the papers filed by applicants indicate that the subdivision involved did not require the public filing of a map

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<sup>1/</sup> SDG&E advised applicants of this procedure.

under the State Subdivision Map Act but is a subdivision as defined in its tariffs; that due to the difficulty of keeping records on subdivisions not of public record, applicants were advised that overhead service could be provided; that the fact that applicants' residence was situated in the subdivision was not discovered until after applicants had secured their financing, completed construction of their residence, and the overhead line had been built; that in view of the circumstances of this case, SDG&E believes that the fair and equitable course of action is for it to bear the burden of the cost difference between the overhead extension which applicants were advised they could have the underground extension which SDG&E proposes to install; and that since this course of action is not in keeping with SDG&E's tariffs Commission authority is required before it could be implemented.

SDG&E contends that it would not normally make such a request, but that the extent to which this matter had progressed before the mistake was ascertained warrants this unusual course of action and would not set a precedent; that the Commission staff concurred in its course of action; and that if SDG&E's proposal is accepted the subject application would be dismissed as moot.

By letter dated October 2, 1976 (Exhibit 2) applicants state that if SDG&E's proposal of September 21 is adopted that they would request dismissal of the application.

The application shows joint poles were built for the overhead installation of electric and telephone lines to applicants' property. By letter dated November 2, 1976 (Exhibit 3) The Pacific Telephone and Telegraph Company (Pacific) advised the Commission that based on their understanding that SDG&E will provide underground service to applicants, it would provide

underground telephone service to applicants, in lieu of an aerial drop, at no additional charge.

Exhibit G attached to the application is a letter dated August 31, 1976 from SDG&E to Mr. Gerald Wolfe which states in part: ". . . The mistake which we made in informing you that overhead service would be available was a result of the different definitions of a subdivision contained in the Subdivision Map Act and our Company's tariffs. The Subdivision Map Act does not have the definition involving development on a coordinated basis but it is based solely on the number of lots being created. Because of this, not all areas which are a subdivision under our tariffs are a matter of public record. This is why the problem of keeping track of these areas is considerable...."

Exhibit H attached to the application is a letter from Pacific to Mr. Wolfe dated August 30, 1976 which states in part: ". . . It is possible to serve you in this manner by utilizing recently placed SDG&E poles along your road easement. Though possible extension of this pole lead to serve other lots is not planned, Pacific Telephone is not bound to underground in this immediate vicinity."

Exhibit I attached to the application is a letter dated August 6, 1976 from the Community Services Agency in the Department of Land Use and Environmental Regulation in the county of San Diego to a right-of-way agent of SDG&E concerning applicants' property. This letter states in part: "...Parcel Map 975 recorded on September 7, 1972. The original approval was not conditioned that any undergrounding be accomplished prior to recordation of the map. Inasmuch as the map has recorded, creating four legal building sites, this Department cannot now require any undergrounding of utilities since it was not required as a condition of approval of the original tentative parcel map...."

in 1972.

Discussion

SDG&E erred in estimating the cost of and in entering into an electric extension contract to serve applicants on a partial underground partial overhead basis since the extension was to serve a lot in a subdivision. The extension should have been on the more costly underground basis in conformity with SDG&E's tariffs. SDG&E's low estimate was a major factor in applicants choice of a building site. SDG&E's proposal is equitable in resolving the financial burden on applicants and in resolving the complaint of applicants' neighbor.

We will authorize SDG&E to remove the overhead lines installed for supplying applicants' property and to install the necessary underground electric service for the property at its own expense. Pacific should be authorized to install underground telephone service on the basis proposed in Exhibit 3. SDG&E should coordinate its activities in undergrounding its electric service with Pacific to permit both electric and telephone lines to be installed in a common trench.

SDG&E and Pacific should review the definition of subdivisions contained in their tariffs and their procedures for checking out whether or not a subdivision map had been recorded.

Findings

1. Applicants purchased a lot and built a house at 246 Rancho Camino in Fallbrook, California, after receiving erroneous information from SDG&E as to the applicable provision of SDG&E's extension rules for service to their property.

2. Applicants and SDG&E entered into extension agreements for extending gas and electric service to applicants' lot in Fallbrook. The electric extension agreement provided for partially overhead and partially underground electric service.

3. Applicants paid the necessary advances and joint electric and telephone poles were constructed to provide service to applicants.

4. A neighbor complained that applicants' lot was within a subdivision and that electric service should accordingly be located underground.

5. SDG&E agreed that electric service should have been placed underground and requested applicants to pay approximately \$6,000 more to provide underground service. The \$6,000 included \$3,506, the nonrefundable cost for an underground extension, trenching, backfilling, and compacting costs estimated at approximately \$2,000 and other construction, and additional trenching costs of \$200 plus labor most of which would be refundable. SDG&E advised applicants of their right to petition this Commission for an exception from the requirements of undergrounding.

6. After the subject application was filed, SDG&E agreed to pay the additional costs of undergrounding its line to applicants and to remove its overhead line if the Commission authorized it to do so.

7. Pacific utilized a joint pole line with SDG&E to provide telephone service to applicants. Pacific agreed to supply underground telephone service to applicants at no additional charge if SDG&E provided underground electric service to applicants.

8. Applicants requested that this matter be dismissed if the proposal of SDG&E is adopted by this Commission. The application should be dismissed on this basis.

Conclusions

1. SDG&E and Pacific should be authorized to extend underground electric and communication service to applicants and to remove existing overhead facilities without any additional charge to applicants.
2. The application should be dismissed.
3. The effective date of this order should be on the date of signing to permit expeditious removal of the overhead facilities.

O R D E R

IT IS ORDERED that:

1. San Diego Gas & Electric Company is authorized to remove the overhead electric service extension constructed to serve the residence of Gerald A. Wolfe and Sandra E. Wolfe at 246 Rancho Camino, Fallbrook, California, and to construct an underground electric line replacing its existing overhead line. San Diego Gas & Electric Company should coordinate its undergrounding activity with The Pacific Telephone and Telegraph Company.

2. The Pacific Telephone and Telegraph Company is authorized to provide underground telephone service to the residence of Gerald A. Wolfe and Sandra E. Wolfe at 246 Rancho Camino, Fallbrook, California, on the basis described in Exhibit 3.

3. The application is dismissed.

The effective date of this order is the date hereof.

Dated at San Francisco, California, this 30<sup>th</sup> day of NOVEMBER, 1976.

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 President  
*William Symons*  
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*Vernon Sturgeon*  
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*Robert L. ...*  
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 Commissioners

Commissioner D. W. Holmes, being necessarily absent, did not participate in the disposition of this proceeding.