

ORIGINAL

Decision No. 89712 DEC 12 1978

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Application of)
THE SEA RANCH GAS AND WATER COMPANY,)
for authorization to discontinue the)
operations of and abandon its gas)
system.)
(Gas)

Application No. 56707
(Filed August 23, 1976)

FINAL OPINION

By this application, The Sea Ranch Gas and Water Company (Company) sought an order of the California Public Utilities Commission (Commission) authorizing the Company to discontinue the operations of and abandon its gas system. The application was made pursuant to Section 451 of the Public Utilities Code and in conformity with the Commission's revised Rules of Practice and Procedure.

The Company is a public utility corporation organized under California law. It was engaged in the business of furnishing gas service, authorized by Decision No. 69070 dated May 18, 1965, and is still engaged in the business of furnishing water service authorized by Decision No. 68190 dated April 20, 1965, in all or portions of The Sea Ranch, Sonoma County, California.

The Company owned and operated a gas system which provided liquefied petroleum gas (LPG), primarily for space and water heating, to 26 residential and 2 nonresidential customers in a portion of The Sea Ranch, a development located in the northwestern corner of Sonoma County, California. The gas system consisted of 15,254 lineal feet of distribution mains ranging from 1-1/4 inches to 2-1/2 inches in diameter, six 1,000-gallon capacity welded steel storage tanks with appurtenances, approximately 135 3/4-inch services or subservices varying in length from 35 feet to 50 feet, 31 meters and associated valves, and valve boxes and appurtenances.

On February 15, 1977, the Commission issued an interim order by Decision No. 86968 in the above application. The order authorized the Company to make the necessary tariff filings to close its tariff schedules to new customers and to take the preliminary steps to transfer all existing customers to alternate fuel and to close its gas system to all service.

On April 12, 1977, the Company filed Advice Letter No. 25-G which closed Gas Schedule No. G-80 to all new customers after February 14, 1977, pursuant to the requirements of the above decision. Subsequently, on November 7, 1977, the Company filed Advice Letter No. 26-G for the purpose of withdrawing and canceling all of its existing tariff sheets as a final requirement to the abandonment of service. The tariff sheets were withdrawn and canceled as of December 31, 1977.

During the interim period between the two filings, the Company provided all existing customers with alternate equipment, namely individual propane tanks. Twenty-eight customers accepted the conversion and are all currently serviced by a new supplier. No complaints have been received from any of these customers.

During the week of November 7, 1977, the storage tanks were drained through customers' gas meters until all of the liquid propane in each had evaporated. The valves were closed and plugged and foundation brackets unscrewed. The Company subsequently hired Pargas, its prime propane distributor, to remove each tank from the platform site.

During the same week all mains and services on the western and lower part of service area Units 1 and 3 were disconnected and purged with air for a period of four hours. The air purging was maintained until negative gas readings with the Commission staff's gas detector were obtained. The laterals in each block unit, thereafter, were left open to be aired out by natural draft. Work on the easterly slope of Unit 3 was postponed because of weather conditions. The pipes, where practical, were exposed and opened for air-drafting until the compressor unit could be connected.

In April of 1978, the purging of Unit 3 was renewed. Due to the size of this area, which consisted of approximately 2,000 feet of 2-inch main and 45 laterals, it was divided into four sections. This was accomplished by digging bell holes and cutting the main. Each section was then effectively purged by air until negative gas readings were obtained.

The third and last step consisted of flushing the entire system with water and sealing all pipe ends, as required by General Order No. 112-C. All piping, fittings, valves, etc., were abandoned in place.

On August 31, 1978, in compliance with Ordering Paragraph 4 of Decision No. 86968, the Company provided verification that all installed substitute equipment has been inspected and is operating satisfactorily. With this step, the Company has complied with all of the provisions of the interim decision.

Findings of Fact

1. The Company has successfully converted all existing customers to alternate fuel without any apparent complications.
2. The Company has complied with all of the provisions of Decision No. 86968 and all required reports have been filed.
3. No complaints have been received from any individual alleging failure of the Company to carry out the provisions of the interim order.
4. The Commission staff has made inspections of the facilities and has found the conversion to have been completed in accordance with the interim order.
5. All tanks and appurtenances have been removed and all pipelines have been purged and sealed in accordance with General Order No. 112-C.
6. No public hearings are required in this matter.

Conclusions

1. The Company should be relieved of its public utility obligation to provide gas service in The Sea Ranch.
2. There being no longer any reason for the public utility obligation to furnish gas in The Sea Ranch, relief from such obligation should be made effective immediately.

FINAL ORDER

IT IS ORDERED that:

1. The Sea Ranch Gas and Water Company is hereby authorized to formally discontinue all operations of its gas system.
2. The Sea Ranch Gas and Water Company is hereby relieved of all public utility obligations for providing gas service in The Sea Ranch.

The effective date of this order is the date hereof.

Dated at San Francisco, California, this 12th day of DECEMBER, 1978.

Robert Bakumil
President

William J. ...

Vernon ...

Robert D. ...

W. ...
Commissioners