

ORIGINAL

Decision No. 90501 JUL 3 1979

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

In the matter of the application of PACIFIC GAS AND ELECTRIC COMPANY, a California corporation, for a certificate that public convenience and necessity require the construction, operation, and maintenance of a 30-inch O.D. pipeline from the Brentwood Compressor Station, Contra Costa County, California, to Panoche Junction, Fresno County, California.

Application No. 58639
(Filed January 29, 1979)

O P I N I O N

This is an application by Pacific Gas and Electric Company (PG&E) to comply with Decision No. 89117 to seek an order of the Commission granting a certificate under Section 1001 of the California Public Utilities Code, declaring that the present and future public convenience and necessity require or will require the construction, maintenance and operation of a 120-mile long, 30-inch OD pipeline from the existing Brentwood Compressor Station near the City of Brentwood in Contra Costa County to a point of interconnection with PG&E's existing gas facilities at Panoche Junction in Fresno County, California.

Application No. 58639 included therein details as to the location and description of the proposed pipeline; including Exhibit A attached to the application was a map of the pipeline route. The application also contains details as to the cost of construction.

The environmental considerations are set forth in Exhibit B. Among other items, this exhibit covers an environmental description of the physiography, geology and seismology, hydrology, biology, and land uses. The environmental effects and mitigation are covered.

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Without determining the completeness of Exhibits A and B, it is concluded that if the matter goes to a hearing there is sufficient information presented by the applicant for speedy processing of the application, if warranted at this time.

In addition, regarding the environmental consideration Government Code Section 65950 requires that any public agency, which is the lead agency for a development project, shall approve or disapprove such project within one year from the date on which an application requesting approval of such project has been received and accepted as complete by such agency. It would be useless and counterproductive to require this Commission to approve or disapprove this project within one year at a time when as here, the need for a pipeline has not yet been clearly established.

As part of its interim order in Decision No. 89177, issued July 31, 1978, this Commission directed PG&E to file a joint application with Pacific Lighting Service Company (PLS) for a certificate of public convenience and necessity for a north-south pipeline system having the capability of delivering up to 100 billion cubic feet of natural gas annually.

Decision No. 89177 in A-57626, A-57792, OII No. 1 and Case No. 10342 signed the 31st day of July 1978 in the Interim Order states:

"9. PG&E and PLS shall, within 180 days after the effective date of this order, file an application with this Commission for certificate of public convenience and necessity for a north-south pipeline system having the capability of delivering up to 100 billion cubic feet annually".

This application was filed solely by PG&E, and PLS was not a party thereto.

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The application covers only those pipeline facilities which would be constructed, owned and operated by PG&E. Additional interties and taps may be owned jointly or individually by PG&E and Southern California Gas Company (SoCal).

A letter requesting deferral of the Commission's order to upgrade such intertie capability has been forwarded to the Commission concurrently with the filing of the application.

This Commission has determined that the possibility of curtailment in 1983 of SoCal's P-1 and P-2 customers may exist in the absence of supplemental gas supplies for SoCal. It is in this context that the need for the pipeline would arise. This line would provide PG&E with the capability of sending gas to its southern area customers should El Paso supplies be diverted to SoCal customers in order to prevent curtailment of P-1 or P-2 users. In addition, the proposed pipeline would provide PG&E with the ability to supply SoCal directly from the northern supply sources. It is applicant's understanding of Decision No. 89177 that its application will not be the subject of review or hearings by this Commission or the Commission staff until such time as an adverse potential supply situation envisioned by the Commission has come to pass. It is PG&E's understanding that the filing of their application, within the time frame established by the Commission, is in the nature of a preventative measure to allow the Commission to act quickly in the event of a severe shortage of natural gas. The Commission staff concurs with these sentiments.

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Findings

1. There has been no demonstrated need for the construction of aforesaid facilities at this time.
2. FG&E has not complied with the Commission's order directing an application with a proposal joined in by PLS.
3. Based on the supply requirements scenario, sometime in the future, when it appears the construction of the facilities may be required, a new application should be refiled to take into account the then prevailing conditions.

O R D E R

IT IS ORDERED that the application of Pacific Gas and Electric Company for a certificate of public convenience and necessity be dismissed without prejudice.

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

Dated at San Francisco, California, this 3rd day of JULY, 1979.

John G. Byron
President

George L. Stinson

Robert P. Healey

Charles T. DeLoach

Edward W. Smith
Commissioners