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ORIGINAL

Decision No. 91913 JUN 17 1980

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA BELLA FELDMAN,)

Complainant,

vs.

PACIFIC GAS & ELECTRIC COMPANY

Defendant.

Case No. 10796 (Filed October 16, 1979)

Bella Feldman, for herself, complainant. Robert Ohlbach and <u>Robert B. McLennan</u>, Attorneys at Law, for Pacific Gas and Electric Company, defendant.

OPINION AND ORDER

Bella Feldman (complainant) purchased two separate buildings on two lots which were included in the grant deed by a single legal description on April 1, 1978. The addresses are 1411 and 1425 Center Street, Oakland.

Pacific Gas and Electric Company (defendant) had extended gas service by a single line and meter to 1411 Center Street prior to the time of its purchase by complainant and, as complainant later learned, there was an illegal inferior gas pipe serving 1425 Center Street. Upon discovery of the illegal line to 1425 Center Street, complainant had it removed and a new service and meter connected directly to 1425 Center Street.

Defendant believed that the new connection to 1425 Center Street was an additional service to a single premise (Gas Service

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Extension Rule 16.E.2) and accordingly charged complainant \$1,011.00, the cost thereof. Complainant paid the money over to the Commission and brought this complaint alleging that no charge is due because 1425 Center Street is a separate premise receiving only one service (Gas Service Extension Rule 16.A.1) which is free of cost to the applicant or customer.

We have concluded that the properties at 1411 and 1425 Center Street do not constitute a single premise under the gas main extension rules and that, therefore, complainant's deposit with the Commission should be returned to her.

> Gas Service Extension Rule 15.F defines premises as follows: "All of the real property and apparatus employed in a single enterprise on an integral parcel of land undivided...by a dedicated street, highway or other public thoroughfare or a railway. Automobile parking lots constituting a part of and adjacent to a single enterprise may be separated by an alley from the remainder of the premises served."

Defendant contends that the quoted rule means that when two or more lots are contiguous and have been conveyed by a document of title describing all of the lots as one parcel, that parcel constitutes a single premise. If each of the parcels is leased out or rented to others by the owner, said leasing or rental activity is an "enterprise" under the rule so that only one utility-paid gas service is allowed. If, however, the owner simply requests the assessor to value and assess the several lots separately, or if the owner receives title or conveys title in deeds separately describing the lots, then the several lots do not constitute a single premise under the rule.

We think defendant's interpretation is not supported either by the language of the rule or by reason.

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Webster's Third New International Dictionary, Unabridged, furnishes the following definitions:

> "Premises" - "the place of business of an enterprise or institution; a specified piece of tract of land with the structures on it."

"Enterprise" - "a unit of economic organization or activity (as a factory, a farm, a mine), business organization, firm, company,..."

"Integral" - "essential to completeness."

These definitions show that rental of property is not an "enterprise" nor are several rented lots the "premises" of the landlord. Further, where, as in this case, the separate contiguous buildings are rented to different tenants for different purposes, the several lots are not each an "integral" part of all of the rented property.

Nor does reason support defendant's interpretation. Complainant would have received the benefit of the gas line installation at 1425 Center Street without cost, according to defendant, if she had taken title by a deed separately describing the property at that address or if she had merely gone to the assessor's office and obtained a separate tax bill for that address. We think that complainant would surely have performed this simple mechanical exercise if she had known in advance that the utility required it to avoid payment for the necessary gas extension. Moreover, defendant offers no explanation as to why a property owner who rents out two separate but contiguous buildings should receive only one gas service while a property owner who rents out two separate but noncontiguous buildings should receive two gas services.

Defendant draws a distinction without a difference.

Prior to complainant's purchase of the two lots under discussion, these two lots and a third contiguous lot were all utilized

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in a single enterprise--the manufacture of cigars. In those circumstances, the rule clearly provides that only one utility-paid gas service was proper for the premises, as all of the lots and buildings are utilized as a cigar factory. The cigar business was discontinued and one lot conveyed to another owner.

The remaining lots and buildings were sold and conveyed to complainant who leased or rented them to different tenants. The premises at 1425 Center Street became separate from the premises at 1411 Center Street and complainant is entitled to a gas service extension to 1425 Center Street under Rule 16.A.1.

Findings of Fact

1. Complainant acquired the property at 1411 Center Street, Oakland, and the property at 1425 Center Street, Oakland, on or about April 1, 1978.

2. Complainant discovered that the gas service line from 1411 Center Street to 1425 Center Street was illegal and had it removed.

3. Complainant arranged with defendant for a gas service to 1425 Center Street, the cost of which was \$1,011.

4. Complainant rents out or leases the properties at 1411 Center Street and 1425 Center Street to different tenants.

5. Neither the owner nor the tenants at 1411 Center Street and 1425 Center Street conduct any enterprise jointly upon the premises.

6. The premises at 1411 Center Street are physically separate from the premises at 1425 Center Street.

Conclusions of Law

1. Upon application, defendant was required to furnish and install at its own expense a service pipe of suitable capacity from its gas main to complainant's property line of the premises at 1425 Center Street, Oakland.

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2. The sum of \$1,011 deposited by complainant with the Commission should be returned to her.

IT IS ORDERED that the sum of \$1,011 on deposit with the Commission in this matter be returned to Bella Feldman in accordance with the prayer of her complaint.

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

JUN 17 1980

_, at San Francisco, California.

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