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Decision No. 92812

MAR 17 1981

ORIGINAL

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

PERRY A. EARL and PERRY A. EARL DEVELOPMENTS, INC., a California corporation,

Complainants,

VS.

PACIFIC GAS AND ELECTRIC COMPANY,

Defendant.

CITY OF IONE, a municipal corporation of the State of California,

Complainant,

vs.

PACIFIC GAS AND ELECTRIC COMPANY,

Defendant.

Case No. 10733 (Filed April 17, 1979)

> nase 100. 10748 (Filed May 25, 1979)

ORDER-MODIFYING DECISION NO. 92445
AND DENYING REHEARING

Petitions for rehearing of Decision No. 92445 have been filed by Perry A. Earl and by the City of Ione. A response to the petitions was filed by the Pacific Gas and Electric Co.

We have reviewed each and every allegation of error in the petitions and are of the opinion that good cause for granting renearing has not been shown. However, we believe that the following modifications must be made to clarify our intent.

IT IS HEREBY ORDERED that Decision No. 92445 is modified as follows:

1. Finding of Fact No. 28 is amended to read as follows: 28. This increase, when considered along with the 417 percent increase in rates granted PG&E by D. 92489, would be unreasonable.

- 2. Conclusion of Law No. 1 is amended to read as follows:
 - 1. Where a municipality grants an exclusive franchise to a utility, the latter is not necessarily obligated to serve all residents of the city, nor to expand its service area to coincide with the city limits whenever the latter are expanded.
- 3. Conclusion of Law No. 3 is amended to read as follows:
 - 3. On the facts of this case, PG&E has not held itself out or shown an intention to provide service to the area where service is requested by this complaint.

Rehearing of Decision No. 92445, as modified herein, is denied.

The effective data of this order is the date hereof.

Dated , at San Francisco, California.

Commissioners