

ORIGINAL

Decision No. 92867 APR 7 1981

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

Application of ERNIE WILDER for authority to deviate from the requirements for underground utilities in Herlong, Lassen County.

Application No. 60130
(Filed December 10, 1980)

O P I N I O N

Ernie Wilder (Applicant) seeks Commission approval of a tariff rule variance to allow an overhead extension of electric and telephone service in Honey Lake Tract No. 1, a subdivision consisting of two parts, the southern part comprising 102 lots and the northern part 82 lots, with minimum parcel size of 0.37 acre. The two tracts are separated by 40 acres of open land.

Applicant predicates his request on: (1) the fact that the terrain of the subdivision is desert-like; (2) all existing public service utilities are overhead both in and around the Sierra Army Ordnance Depot; (3) the existence of overhead poles and wires does not interfere with the operations of the depot; and (4) the higher cost of money and materials precludes installation of underground utilities.

Applicant does not meet the criteria for exception of Plumas-Sierra Rural Electric Cooperative Tariff Rule No. 15, Section C. In the questionnaire attached to the application he stated that at present only one out of 183 lots is being served by overhead facilities. Significant overhead lines, therefore, do not exist in the development.

Applicant relies on the Tariff Rule No. 15.1, Section E, which states:

"Exceptional Cases. In unusual circumstances, when the application of these rules appears impractical or unjust to either party, the cooperative or developer may refer the matter to the Public Utilities Commission for special ruling or for the approval of special conditions which may be mutually agreed upon, prior to commencing construction."

The unusual circumstance apparently relied upon in this application is that the cost of underground lines makes it economically unfeasible to go underground. An initial cost estimate by the utility appended to the application (letter of Plumas-Sierra Rural Electric Cooperative to the Commission, dated April 5, 1979) shows the cost of an underground line extension in excess of \$70,000 and an unspecified but small cost for overhead lines.

A later cost estimate, also included in the application, shows the cost of underground installation is \$120,000 and the cost of overhead installation is \$266,000. The cost of trenching and backfill payable by the applicant is not shown. This cost estimate appears incomplete. As it stands, it does not support the applicant's allegation that underground installation will be more costly.

The correspondence attached to the application (letter by Peter A. Luthy addressed to Diane Elder, our Docket Office Supervisor) states that an underground line extension would require an additional grounding conductor which would have to run from the point of connection. Staff investigation disclosed that this is not the case; the requisite ground can be established with a grounding transformer at or near the location of the subdivision. Therefore, the additional grounding conductor referred to in Mr. Luthy's letter would not be needed.

A number of owners of lots in the Honey Lake Tract No. 1, have expressed concern, in writing, that the added expense of undergrounding utilities will impair the sale of the lots.

However, the information presented in the application does not bear this out. Aside from the expense of trenching and conduit costs, we fail to see where compliance with the undergrounding requirement would work a financial hardship on the individual lot owner. The small lot size and the nearly flat terrain make undergrounding within this tract practical and desirable.

Based on a consideration of the foregoing facts, it is concluded that the application for authority to deviate from the requirements for undergrounding utilities in Honey Lake Tract No. 1 should be denied. Applicant has not alleged facts or circumstances which, if substantiated on an evidentiary record, would lead us to grant the requested relief. Accordingly, we will not hold a public hearing.

Findings of Fact

1. The area to be served is remote and desert-like.
2. No significant overhead line exists within the applicant's development.
3. Applicant does not meet criteria for exception under Plumas-Sierra Rural Electric Cooperative Tariff Rule No. 15.
4. The terrain does not make it impractical to construct an underground electric line extension to applicant's area.
5. Cost of underground line extension in this area is not prohibitive or unreasonable.
6. No special circumstances have been shown to exist that would warrant a deviation from the undergrounding requirement.

A. 60130 U/CM*

Conclusions of Law

1. A public hearing is not necessary.
2. The application for deviation should be denied.

O R D E R

IT IS ORDERED that:

1. The application is denied.
2. Plumas-Sierra Rural Electric Cooperative is not authorized to deviate from mandatory underground requirements of Rules Nos. 15 and 15.1 of its tariffs to install electric line extensions to applicant's properties in Herlong.
3. Citizens Utilities Company is not authorized to deviate from the mandatory underground requirements of Rule No. 17 of its tariffs to install telephone line extensions to applicant's properties in Herlong.

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

Dated APR 7 1981, at San Francisco, California.

John E. Bay
President
Richard W. ...
... ..
... ..
... ..
Commissioners