

ALJ/GEW/sid

Decision 97-12-023 December 3, 1997

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**BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA**

Application of Mather Field Utilities, Inc., for a Certificate of Public Convenience and Necessity for Its Gas Utility Distribution System at Mather Field, California.

Application 96-03-045  
(Filed March 21, 1996;  
amended July 12, 1996;  
supplemented August 19, 1996)

**OPINION**

**1. Summary**

This decision closes this docket upon representation by the parties that a single remaining issue has been amicably resolved.

**2. Background**

In Decision (D.) 97-04-084, Mather Field Utilities, Inc. (MFU), having acquired the gas distribution system at the former Mather Air Force Base in Sacramento County, was granted a certificate of public convenience and necessity to become the exclusive gas distribution utility serving Mather Field as it converts to civilian use.

The evidence showed, however, that a separate, smaller gas distribution system serving a former housing area at Mather Field had been constructed by Pacific Gas and Electric Company (PG&E), which continued to hold title to that system. The Commission in its order directed PG&E to continue to serve the relatively few customers linked to this gas system, and it kept this docket open pending resolution by the parties of how best to maintain service to the housing area.

**3. Sale of Facilities**

By letter dated October 27, 1997, MFU and PG&E reported that MFU has acquired the gas distribution facilities serving the Mather Field housing area. By agreement and bill of sale dated August 25, 1997, PG&E conveyed the facilities to MFU for \$15,000. MFU agreed that it would obtain all necessary land rights, permits and inspections necessary to operate the system.

PG&E stated that it has not filed for authority to transfer the facilities under Public Utilities (PU) Code § 851 because the system is no longer necessary or useful to the utility in the performance of its duties to the public. PU Code § 851 exempts from filing requirements the sale or other disposition of utility property that is no longer necessary or useful in public utility service.

#### **4. Discussion**

The parties have amicably resolved the single issue remaining open in our decision authorizing MFU to provide gas distribution service to the 5,700-acre Mather Field site as it converts to civilian use. We agree with PG&E that a formal filing of the conveyance of its housing area gas distribution system is not required under PU Code § 851. MFU is authorized to serve the housing area and now has acquired the PG&E facilities that will enable it to do so. The facilities are no longer necessary or useful to PG&E in the performance of its utility duties.

With the sole remaining issue in this proceeding resolved, this docket may be closed.

#### **Findings of Fact**

1. In D.97-04-084, MFU was granted authority to provide gas distribution service to Mather Field in Sacramento County.
2. PG&E held title to gas distribution facilities serving a housing area at Mather Field.
3. PG&E was directed to continue to provide gas distribution services to the housing area pending resolution of how best to maintain this service.
4. On August 25, 1997, PG&E conveyed its title to the gas distribution facilities at the Mather Field housing area to MFU for a purchase price of \$15,000.

#### **Conclusions of Law**

1. The gas distribution system serving the housing area at Mather Field is no longer necessary or useful to PG&E in the performance of its duties to the public.
2. The conveyance to MFU of the gas distribution system serving the Mather Field housing area resolves the single remaining issue in this docket.

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3. Application 96-03-045, as amended and supplemented, should be closed.
4. This order should be effective immediately in order to expedite the conversion of Mather Field from military to civilian use.

**O R D E R**

IT IS ORDERED that Application 96-03-045, as amended and supplemented, is closed.

This order is effective today.

Dated December 3, 1997, at San Francisco, California.

P. GREGORY CONLON  
President  
JESSIE J. KNIGHT, JR.  
HENRY M. DUQUE  
JOSIAH L. NEEPER  
RICHARD A. BILAS  
Commissioners