

ALJ/BRS/mrj

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Decision 98-09-006 September 3, 1998

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Resolution G-2972 and
Southern California Gas Company Advice Letters
Nos. 2078 and 2079.

Application 91-12-032
(Filed December 20, 1991)

(See Appendix A for list of appearances.)

O P I N I O N

Summary

This decision dismisses for lack of prosecution the application for rehearing of Resolution G-2972 by the Plumbing, Heating, and Cooling Contractors of California (PHCC) and closes Application (A.) 91-12-032. PHCC's application for rehearing challenged the program of Southern California Gas Company (SoCal) to insulate hot water heaters and secure them against earthquake movement, and to connect appliances within SoCal's service territory. The first part of the program, commonly referred to as "wrap and strap," involves wrapping water heaters to improve insulation properties, and strapping or anchoring water heaters to prevent them from tipping over during earthquakes, thus reducing the chance of fire from broken gas service lines. The second part of the program involves providing appliance connection services to existing customers.

Since another active proceeding is available for parties to challenge these tariffs, there is no longer a need to keep this application open, and it is closed.

Background

On October 18, 1991 SoCal filed Advice Letter (A.L.) 2078, requesting Commission authority to include in tariff Rule 10 a description of services for fee

to wrap and strap water heaters, and to connect gas appliances for existing customers. The Commission approved A.L. 2078 by Resolution G-2972 on November 20, 1991. PHCC filed an application for rehearing of that resolution. The Commission granted limited rehearing in Decision (D.) 92-06-067, and allowed SoCal to continue to offer the tariffed wrap and strap and appliance connection services pending the rehearing decision.

Hearings were held on February 17, and 18, 1993 before Administrative Law Judge (ALJ) Baer, and briefing was completed on April 7, 1993. Unfortunately, ALJ Baer passed away suddenly, before he had completed a proposed decision in this matter. The proceeding was later reassigned to ALJ Stalder, who issued an ALJ Ruling on March 27, 1997 asking the parties to indicate whether they remained interested in this matter, considering the time that had passed since the earlier hearings. The parties were asked to indicate if they wish further hearings or other actions in this matter. Responses were received from PHCC and SoCal. PHCC indicated its members were interested, but it believed that proper resolution of the proceeding would depend on the outcome of the SoCal performance-based ratemaking (PBR) case (A.95-06-002) and the affiliate rules proceeding, (Investigation (I.) 97-04-011, Rulemaking (R.) 97-04-012) as they impact services of SoCal. SoCal similarly responded that the proceeding should not be closed pending resolution of the affiliate company issues and the PBR case.

Hearing

In an attempt to determine whether hearings were needed in this proceeding, an ALJ Ruling was issued on March 4, 1998, noting that the Commission had issued decisions in the affiliate company rules and PBR proceedings. The Ruling noticed a further prehearing conference (PHC), and indicated that parties who desire further evidentiary hearings and wish to

participate in them should be prepared to state their positions and indicate their availability at the PHC.

The duly noticed PHC was held on March 18, 1998 in Los Angeles. Only SoCal appeared at the PHC.

SoCal supports closing this proceeding, since there is no current record on which to base changes, and believes that any needed changes in these tariffs can properly be handled in other proceedings.

Discussion

The evidentiary hearings in this matter, resulting from PHCC's application for rehearing of Resolution G-2972, which approved SoCal's tariff Rule 10, were held several years ago. ALJ Baer's untimely death prevented him from completing a draft decision in this matter. Nevertheless, during the intervening time, there has been no indication by any party that the matter should either proceed or be terminated. It is primarily the Commission's quest for increased efficiency that has caused it to question the current relevance of older proceedings, and that has led to our consideration of what actions, if any, are appropriate in this matter.

In SoCal's PBR D.97-07-054 dated July 16, 1997, at mimeo pp. 63-64, the Commission allowed SoCal's miscellaneous services to continue in effect pending a policy decision on permissible product and service offerings by energy utilities in I. 97-04-011, R. 97-04-012.

Then in D.97-12-088 dated December 16, 1997, in I. 97-04-011, R. 97-04-012 the Commission set forth its policy on the appropriate scope of such offerings by energy utilities, including tariff services such as wrap and strap and appliance connection services. D.97-12-088 also requires that revenues from these products and services be shared with the utilities' customers. In compliance with that decision, SoCal filed A.L. 2669, which described its tariffed and nontariffed

products and services offered as of December 16, 1997, which included the wrap and strap and appliance connection services in existing Rule 10.

The other large regulated energy utilities, Pacific Gas and Electric Company (PG&E), Southern California Edison Company (SCE), and San Diego Gas & Electric Company (SDG&E), also filed Advice Letters on January 30, 1998 describing a variety of existing products and services. Protests to all the utilities' advice letter filings were filed on March 19, 1998.

As both SoCal and PHCC noted in response to the ALJ Ruling, proper resolution of this matter depends on the outcome of the SoCal PBR proceeding and the affiliate rules proceeding. Decisions have been issued in both proceedings, and advice letters were filed in compliance with D.97-12-088 in the affiliate rules proceeding. Protests to all the utilities' advice letters were received. Thus, the issue of appropriate services by energy utilities remains open, and parties such as PHCC have that forum, I. 97-04-011, R. 97-04-012, available to indicate their concerns to the Commission. Because of this, there is no longer a need to keep this application open.

The Commission is interested in closing proceedings that are either inactive or are no longer needed for the purposes they were originally intended. SoCal also requests that this matter be closed. No party opposes closing it, and no party requests hearings. Considering PHCC's failure to appear at the PHC, and the fact that another forum will consider the same issues raised by PHCC, we conclude that it is reasonable to close this proceeding.

Findings of Fact

1. Applicant for rehearing PHCC is no longer interested in pursuing rehearing in this proceeding.
2. No party requests hearing in this matter.

3. Parties who desire may challenge SoCal's tariffs in the affiliate rules proceeding, I. 97-04-011, R. 97-04-012.

Conclusions of Law

1. There is no need for further hearing in this matter.
2. The application for rehearing of Resolution G-2972 should be dismissed for lack of prosecution.
3. This decision should not order changes to SoCal's tariffs for wrap and strap and appliance connection services.
4. This proceeding should be closed.

O R D E R

IT IS ORDERED that:

1. The application for rehearing of Resolution G-2972 by the Plumbing, Heating, and Cooling Contractors of California is dismissed for lack of prosecution.
2. Application 91-12-032 is closed.

This order becomes effective 30 days after today.

Dated September 3, 1998, at San Francisco, California.

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

APPENDIX A

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***** INFORMATION ONLY *****

(END OF APPENDIX A)