PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

COMMISSION ADVISORY AND COMPLIANCE DIVISION
ENERGY BRANCH

RESOLUTION E-3436
DECEMBER 18, 1995

R E S O L U T I O N

RESOLUTION E-3436. REQUEST OF BARRY A. AND MALINE L. HAZLE (HAZLE) FOR A RULING UNDER THE EXCEPTIONAL CASES PROVISION OF TARIFF RULE 15 TO ORDER PACIFIC GAS AND ELECTRIC COMPANY TO PROVIDE SERVICE UNDER EXTENSION RULES IN EFFECT PRIOR TO JULY 1, 1995

BY LETTER, DATED NOVEMBER 7, 1995.

SUMMARY

1. Barry A. and Maline L. Hazle (HAZLE or Applicants) request a special ruling from the Commission directing Pacific Gas and Electric Company (PG&E) to extend service to their property in Shasta County under the line extension rules in effect prior to July 1, 1975.

2. PG&E protested HAZLE's request.

3. HAZLE's request is granted and PG&E's protest is denied.

BACKGROUND

1. On November 7, 1995 HAZLE requested a special ruling by the Commission under the Exceptional Cases provisions of PG&E's Electric Line Extension Tariff Rules. The Exceptional Cases provisions allow PG&E or an Applicant to refer a matter to the Commission for special ruling when unusual circumstances are involved, and the application of the extension rules appears impractical or unjust.

2. HAZLE believes that PG&E's application of Tariff Rules 15 and 16 is impractical and unjust with regard to the installation of an electric extension. Applicants relied upon information provided by PG&E to plan for the construction of a home. This information was provided in June of 1994, according to PG&E's records. The line extension rules in effect prior to July 1, 1995, would have been more advantageous to HAZLE than the current rules. HAZLE applied to PG&E for service on July 7, 1995 and has been informed that service will be provided by PG&E under the new and less advantageous rules.

3. As a consequence of the Commission's Rulemaking (R) 92-03-050 to consider electric and gas line extension rules, Decision (D) 94-12-036 was issued on December 7, 1994. That decision ordered PG&E and California's other investor owned utilities to implement the new rules for gas and electric line extensions. The decision ordered the new rules to go into effect on July 1, 1995. This effective date was elaborated on by correspondence from the Commission Advisory and Compliance Division (CACD). Part of that correspondence states "... any customer application for an extension, mailed on or before June 30, 1995, initiates an extension process with the utility under the extension rules previously in effect."

4. HAZLE asserts that PG&E's position is impractical and unjust under these circumstances with regard to their property in Oak Run, Shasta County, California, and that the utility is unnecessarily preventing Applicant from receiving service under the previously effective rules. HAZLE submits its request under the Exceptional Cases provisions of Electric Rule 15, Distribution Line Extensions, Section H.3. and Electric Rule 16, Service Extensions, Section G. These sections provide that:

> When the application of this rule appears impractical or unjust to either party, or ratepayers, PG&E or Applicant may refer the matter to the Commission for a special ruling...

5. PG&E and the other respondent utilities to R.92-03-050 engaged in a program of disseminating information to builders and developers after D.94-12-036 was issued. They jointly funded the development of a brochure and engaged in outreach efforts to alert builders and developers to the impending change in the extension rules.

NOTICE

1. Notice of this letter was provided by publication in the Commission Calendar and by service to PG&E.

PROTESTS

1. PG&E protested HAZLE's letter on November 27, 1995.

DISCUSSION

1. The history and substance of HAZLE's request for gas service with PG&E is outlined in the Background section of this Resolution. Essentially, HAZLE relied upon information that was subsequently changed by a Commission Decision issued in December of 1994.

2. PG&E indicates that it has been lenient in granting exemptions to applicants that had contacted PG&E after December 7, 1994, but before the new rules went into effect, who were not

made aware of the impending rules changes. PG&E feels that the HAZLE request falls outside the parameters of these exemptions.

3. CACD notes that the correspondence cited by PG&E was issued to safeguard applicants for service who were being required to comply with the revised rules prior to the effective date. The HAZLE request for special ruling falls outside of such correspondence. CACD supports the request by HAZLE on the basis that PG&E had a responsibility not only to the builders and developers who would be affected by the change in the rules, but also to potential applicants for service. In particular this duty applies to potential applicants for service who the utility had records of and who, if they had been notified of the rule change, could have adjusted their building process to take advantage of the previous rules.

4. PG&E's protest to the HAZLE letter indicates that its records show a contact with the HAZLE's in June of 1994. Clearly the utility could have notified HAZLE of the impending rule change so that HAZLE could have taken advantage of the more advantageous rules.

5. CACD finds no procedural defect in HAZLE's letter request.

6. CACD recommends that HAZLE be granted the opportunity to take service from PG&E under the extension rules in effect prior to July 1, 1995.

FINDINGS

1. Barry A. and Maline L. Hazle (HAZLE) requested by letter on November 7, 1995 a special ruling by the Commission to order Pacific Gas & Electric Company (PG&E) to provide service under the line extension rules in effect prior to July 1, 1995.

2. HAZLE filed its request under the Exceptional Cases provisions of Electric Rule 15, Distribution Line Extensions, Section H.3. and Electric Rule 16, Service Extensions, Section G.

3. HAZLE asserts that the application of Tariff Rules 15 and 16 is impractical and unjust with regard to HAZLE's request.

4. PG&E protested the HAZLE request by letter dated November 27, 1995.

5. A decision was issued on December 7, 1994 (Decision (D) 94-12-036) which ordered PG&E and California's other investor owned utilities to implement the new rules for gas and electric extensions. The decision ordered the new rules to go into effect on July 1, 1995.

6. PG&E and other respondent utilities made efforts to educate builders and developers as to the impending effect of the new rules.

7. PG&E did not notify HAZLE of the impending rule change while it did notify builders and developers.

8. There is no procedural defect in HAZLE's letter request.

9. PG&E should be instructed to offer service to HAZLE under the line extension rules in effect prior to July 1, 1995.

10. CACD should monitor the provision of this service to HAZLE and other, similarly situated, applicants for service.

THEREFORE, IT IS ORDERED that:

1. Barry A. and Maline L. Hazle's (HAZLE) letter request of November 7, 1995, requesting the opportunity to take service under the electric extension rules in effect prior to July 1, 1995 is granted.

2. Pacific Gas and Electric Company's (PG&E) protest is denied.

3. CACD shall monitor the implementation of this Resolution.

4. PG&E shall provide CACD with a copy of the agreement for service negotiated with HAZLE.

This Resolution is effective today.

I hereby certify that this Resolution was adopted by the Public Utilities Commission at its regular meeting on December 18, 1995. The following Commissioners approved it:

Wesley Franklin

WESLEY M. FRANKLIN
Executive Director

DANIEL Wm. FESSLER
President
P. GREGORY CONLON
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