PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

COMMISSION ADVISORY AND COMPLIANCE DIVISION Energy Branch RESOLUTION G-2942 May 8, 1991

RESOLUTION

RESOLUTION G-2942. REQUEST BY PACIFIC GAS & BLECTRIC COMPANY TO FILE NEW FORM 79-875 FOR TEMPORARY SERVICE AGREEMENTS FOR BOTH GAS AND BLECTRIC SERVICE.

ADVICE LETTER 1625-G/1334-E, FILED JANUARY 15, 1991.

SUMMARY

- 1. Pacific Gas & Electric Company (PG&E) requests authorization to file Form 79-875 "Rule 13 Temporary Service Agreement" which will apply to both gas and electric service. Form 79-875 will replace existing Electric Form 62-4513 "Extension Agreement and Service Contract for Temporary Service". No form for temporary gas service is in use at present.
- 2. Normally, the filing of a new or revised form could become effective after review by the Commission Advisory and Compliance Division (CACD), without a Resolution. However, this filing is protested by Utility Design, Inc. (UDI). UDI requests that additional language allowing third party work on PG&E systems and other modifications in PG&E's tariffs be included in this new Form 79-875.
- 3. CACD also proposes specific language be added to this form for clarification.
- 4. This resolution directs PG&E to file this proposed standard Form 79-875, as modified, and also directs PG&E to revise specific tariff rules to conform with the new form.

BACKGROUND

1. PG&E tariffs do not have an agreement for temporary gas service. Each request for temporary gas service must be treated individually by filing the agreement and requesting Commission approval. PG&E has been receiving requests for temporary gas service, and PG&E is requesting Commission approval for each request. The proposed Form 79-875 will simplify the process as it will no longer be necessary to submit each temporary service request for Commission approval.

NOTICE

1. Public notification of this filing has been made on the Commission calendar for January 18, 1991 and by mailing copies of the filing to other utilities, governmental agencies and to all interested parties who requested such notification.

PROTESTS

- 1. On January 18, 1991 UDI filed a timely protest to this Advice Letter and clarified its protest in a second letter, received January 23, 1991.
- 2. UDI's protest points to the absence of any language in Form 79-875 that would allow an applicant to install their own Applicant Installed Facilities (AIF) as required of all regulated utilities by Public Utilities Code (PUC) 783 (f). UDI requests that the proposed Form 79-875 be amended to include a reference that AIF is an option.
- 3. UDI suggests that the second sentence of the introductory paragraph to Form 79-875 be amended to read as follows:

(Underlined words are UDI's proposed additions)

"PG&E is willing to either furnish and install the necessary gas or electric facilities, or accept applicant installed facilities that have been constructed in accordance with PG&E's specifications and have been inspected by PG&E for material and workmanship compliance (Facilities) under the provisions of Rule 13, and sell and deliver natural gas or electric service to Applicant subject to the following terms and conditions:".

- 4. In addition to the proposed revisions to Form 79-875, UDI requests that the Commission direct PG&E to amend Rule 13 in both its gas and electric tariffs to include similar language revisions to allow for AIF.
- 5. On January 29, 1991, PG&E responded to UDI's protest by stating that "PG&E contends that experience indicates that providing for the installation of temporary (emphasis added) facilities by third parties is not a compelling issue, has no benefit to ratepayers, and reduces service reliability to other customers.".
- 6. PG&E states that it provides temporary service upon request. PG&E also conducts an engineering review of the potential effect and possible disruption of service to customers on the existing distribution system. Virtually all such requests involve only connecting to conductors on existing poles or underground boxes or gas lines.

- 7. PG&E also claims that there is a safety issue involved in that a limited number of requests for temporary service involve the installation of equipment and facilities, such as transformers and other devices, that are installed upon, or in close proximity to, pressurized gas or energized electric distribution systems. It is PG&E's policy not to allow third parties to work on PG&E's existing pressurized or energized facilities. PG&E makes temporary installation and connections to the system "hot" (leaving the system energized) to avoid service interruptions to other customers. For PG&E to de-energize its facilities to allow an applicant to install temporary facilities and for PG&E to accept and allow use of these facilities would require the preparation and filing of a separate agreement detailing the unique terms and conditions of such work, including warranty and conveyance provisions.
- 8. On February 5, 1991, UDI submitted a third letter in reply to PG&E's response. In this letter, UDI repeated its contention (one that it has put forth in many Commission proceedings) that PG&E seeks to eliminate competition in the engineering and construction of utility plant additions to PG&E's system. UDI maintains that if the applicants for extension of utility facilities are allowed to seek alternative design and constructions services (discontinue support of PG&E personnel who perform this work) the competition will prove to be a benefit to all ratepayers as it will force PG&E to improve its efficiency.

DISCUSSION

- 1. CACD has reviewed this filing together with the letters from both PG&E and UDI and concludes that UDI's allegations in the previous paragraph are without merit. However, CACD concurs with UDI that PG&E's Form 79-875 as submitted (with no reference to an option available in accordance with PUC 783 (f)) could possibly eliminate all third party participation in temporary service extensions, removing an option legislatively mandated, and at an increased cost to the Applicants. CACD does believe that a definite danger exists in allowing third parties access to PG&E's energized or pressurized systems. Therefore CACD concurs with UDI's request to allow AIF to be used in temporary facilities but only as long as specific provisions are made that only PG&E employees are permitted to connect these AIFs to PG&E's existing energized or pressurized system.
- 2. The proposed Form 79-875 will be a convenience for customers who wish to arrange for either temporary gas or electric service as it will no longer be necessary to seek Commission approval for each temporary service connection.

- 3. Form 79-875 updates the temporary electric service agreement and contains provisions for Safety Precautions and Force Majeure which were not in Form 62-4513. In addition, provisions governing land rights have been revised to state PG&E's current practices of requiring the Applicant to provide, at their expense, all necessary rights-of-way for the installation.
- 4. PG&E's current tariff does not provide for an agreement for temporary gas service. Form 79-875 provides for this and will ensure consistent treatment of all customers who request temporary service, either electric or gas.
- 5. Under present policy and practice, applicants for temporary electric overhead service are usually required to install new non-energized facilities by temporary service poles, termination facilities, etc. Following satisfactory inspection, PG&E installs the service drop, sets the meter and energizes the service connection.
- 6. For temporary electric underground service, the applicants are currently required to install all underground facilities, including conduit and conductors, to PG&E's nearest designated splice box. After the inspection clearance, PG&E connects the conductors to the existing electric distribution facilities.
- 7. For safety considerations as well as for assured continued service to other customers, PGLE does not allow applicants or their designated agents the option of working on PGLE's energized electric or pressurized gas facilities. CACD concurs with this practice, and believes it to be a sound one.
- 8. Filing new Form 79-875 will not increase any rate or charge, cause the withdrawal of service, or conflict with any rate schedule or rule.
- 9. CACD has reviewed this filing, UDI's protest, PG&E's response to the protest and UDI's rebuttal. CACD concludes that UDI's request for additional language allowing third party work in making service connections has merit and should be incorporated into Form 79-875. However, Form 79-875 should be further modified to assure that there is no confusion in the fact that third parties are not allowed access the PG&E's energized or pressurized systems. CACD proposes that the second sentence of the introductory paragraph to Form 79-875 be further modified to read as follows: (Underlined words are UDI's proposed additions; Bold and underlined words are CACD's modifications)

"PG&E is willing to either furnish and install the necessary gas or electric facilities, or accept applicant installed facilities that have been constructed in accordance with PG&E's specifications and have been inspected by PG&E for material and workmanship compliance (Facilities) under the provisions of Rule 13. PG&E shall at all times retain the exclusive right to connect such applicant installed facilities to PG&E's energized or pressurized system and upon completion or acceptance of such facilities, PG&E shall sell and deliver natural gas or electric service to Applicant subject to the following terms and conditions:"

10. In addition to the proposed revisions to Form 79-875, PG&E should also revise Rule 13 in both gas and electric tariffs to include similar language to allow for the possibility of AIF in temporary service.

FINDINGS

- 1. New Form 79-875, will replace existing Form 62-4513 for use as a service agreement for temporary electric service. Form 79-875 will also be used for service agreements for temporary gas service, where no current form exists.
- 2. A protest was filed by Utility Design, Inc. in an effort to revise the proposed Form 79-875 to allow for agreements using AIF.
- 3. Current PG&E policy does not allow third parties access to PG&E's existing pressurized or energized facilities. This is a sound policy which CACD supports.
- 4. For temporary services, the applicant is currently required to install all necessary facilities to the service connection point prior to energizing or pressurizing them.
- Form 79-875 should be revised to insure that applicants are not precluded from providing their own facilities for temporary service. However, PG&E's policy of not allowing outside parties access to pressurized or energized facilities should be maintained. The proposed revision as presented in Paragraph 9 of the Discussion above is reasonable.
- 6. PG&E should revise Rule 13, Temporary Service, in both its electric and gas tariffs, to reflect the revised proposed language on Form 79-875.

THEREFORE, IT IS ORDERED that:

- 1. Pacific Gas & Blectric Company's Form 79-875 shall be revised to state that Applicant Installed Facilities are an option available to applicants for service extensions.
- 2. Pacific gas & Electric Company is ordered to file replacement tariff sheets for Advice Letter 1625-G/1334-E to show a revised new Form 79-875, "Rule 13 Temporary Service Agreement" in both Gas and Electric Tariffs in accordance with the directions of this resolution within ten (10) days of this Resolution.
- 3. Five days after filing these revised tariff sheets Pacific Gas & Electric Company is authorized to use the revised Form 79-875 for all future gas and/or electric service agreements involving temporary service.
- 4. These Supplemental Tariff Sheets shall be marked to show that they were accepted by Resolution G-2942.
- 5. This Resolution is effective today.

I hereby certify that this Resolution was adopted by the Public Utilities Commission at its regular meeting on May 8, 1991. The following Commissioners approved it:

VNEAL J. SHULMAN Executive Director

PATRICIA M. ECKERT

President
G. MITCHELL WILK
JOHN B. OHANIAN
DANEL Wm. FESSLER
NORMAN D. SHUMWAY
Commissioners