

Decision \_\_\_\_\_

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

Chris Mathys,

Complainant,

vs.

Pacific Gas and Electric Company,

Defendant.

Case 05-12-017  
(Filed December 15, 2005)

**DECISION ADOPTING SETTLEMENT**

**1. Summary**

In 1981, a privately owned underground electric line approximately 1.25 miles long was constructed by or on behalf of Mrs. Carolyn G. Peck (Peck), for the purpose of providing electricity to seven parcels of property she owned in rural Fresno County. At that time, Pacific Gas and Electric Company (PG&E) entered into a Memorandum of Agreement (1981 Agreement) with Peck that specified that electric service through the Peck line would not be made available to other customers without her written consent but also provided that the rights and obligations under the 1981 Agreement inured to the benefit of the parties, their successors and assigns.

In 2002, Complainant Chris Mathys (Mathys) purchased a 20-acre portion of one of the seven parcels of property specified in the 1981 Agreement. He subdivided the 20-acre purchase into four new parcels. On December 15, 2005

Mathys filed this action asking the Commission to require PG&E to extend electric service to these parcels through the Peck line. PG&E denied that it had any obligation under the 1981 Agreement to provide electric service to Mathys.

After extensive negotiations, the parties reached agreement on the terms of a settlement agreement (Settlement) and submitted it to the Commission with a motion for its approval without modification. Pursuant to the Settlement,

- PG&E will provide electric service to Mathys' four parcels,
- Mathys will release PG&E from any additional liability to himself, and
- PG&E will deliver electric service to Mathys upon receipt of all of the following:
  1. Proof of Mathys' legal ownership of the parcels;
  2. A Commission vote approving the Settlement without changes;
  3. Any necessary real property easements from Mathys;
  4. A recorded copy of the Settlement; and
  5. An indemnity from Mathys to PG&E holding PG&E harmless from any liability to Peck or any third persons for claims that arise directly from PG&E's extension of electrical service to the four parcels owned by Mathys, specifically excluding claims based on independent rights of third parties to electrical connection through the Peck line.

## **2. Discussion**

Rule 12.1(d) of the Commission's Rules of Practice and Procedure (Rules) requires us to find that a proposed settlement is reasonable in the light of the whole record, consistent with law, and in the public interest before approving it.

We conclude that the Settlement reflects a reasonable compromise of the conflicting interests of the parties, providing the requested electric service to Complainant while preserving the legal position of the utility. The Settlement is consistent with applicable law. PG&E is not obligated by its tariffs or our statute to provide electric service to the owner of a private line but may do so through a negotiated agreement such as the one in dispute in this case. Finally, the Settlement resolves a contentious matter without adversely affecting any third parties. Accordingly, we conclude that it is in the public interest.

### **3. Comments on Proposed Decision**

This is an uncontested matter in which the decision grants the relief requested. Accordingly, pursuant to Pub. Util. Code § 311(g)(2) and Rule 14.6(c)(2), the otherwise applicable 30-day period for public review and comment is waived.

### **4. Assignment of Proceeding**

Dian M. Grueneich is the assigned Commissioner and Karl Bemesderfer is the assigned Administrative Law Judge in this proceeding.

### **Findings of Fact**

1. In 1981, Peck built a 1.25-mile long private electric line in rural Fresno County to provide electricity to seven parcels she owned.
2. PG&E and Peck entered into the 1981 Agreement pursuant to which PG&E agreed to provide electricity via the Peck line only to Peck or persons approved in writing by Peck.
3. The 1981 Agreement inured to the benefit of Peck's successors and assigns.
4. Mathys purchased a portion of the Peck property in 2002 and subdivided it into four smaller parcels.

5. PG&E refused to provide electric service via the Peck line to Mathys' four parcels.

6. Mathys brought this action against PG&E in 2005 to compel PG&E to provide electric service to his properties.

7. PG&E and Mathys have settled their dispute and entered into the Settlement.

### **Conclusions of Law**

1. The Settlement is reasonable in the light of the record as a whole.
2. The Settlement is consistent with law.
3. The Settlement is in the public interest.

## **O R D E R**

**IT IS ORDERED** that:

1. The Settlement Agreement between Chris Mathys and Pacific Gas and Electric Company dated June 4, 2007, a copy of which is attached as Attachment A to this decision, is approved.

2. The hearing's determination in this proceeding is changed. Evidentiary hearings are not required.

3. Case 05-12-017 is closed.

This order is effective today.

Dated \_\_\_\_\_, at San Francisco, California.

# **ATTACHMENT A**

## **Settlement Agreement**