ALJ/BTC/pc

Decision 89 05 064 MAY 26 1989

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

ORIGINAL

Application of PACIFIC GAS AND ELECTRIC COMPANY for Commission order finding that PG&E's gas and electric operations during the reasonableness review period from February 1, 1987 to January 31, 1988, were prudent.	Application 88-04-020 (Filed April 7, 1988)
Application of PACIFIC GAS AND ELECTRIC COMPANY for authority to adjust its electric rates effective August 1, 1988.	Application 88-04-057 (Filed April 21, 1988)

(See Decision 88-11-052 for appearances.)

O P I N I O N

On April 7, 1988, Pacific Gas and Electric Company (PG&E) filed Application (A.) 88-04-020, which asked the Commission to find that PG&E's gas and electric operations during the 1987-88 record period were reasonable. This application was consolidated with A.88-04-057, which developed rates reflecting a one-year forecast of PG&E's costs associated with its Energy Cost Adjustment Clause.

Previous decisions in the consolidated proceeding addressed the forecast, the revenue requirement resulting from the forecast, and revisions to rate design.

Hearings on the reasonableness phase began on January 6, 1989, and continued on January 30. Only two parties, PG&E and the Commission's Division of Ratepayer Advocates (DRA), actively participated in the reasonableness phase. In contrast to the forecast phase, few disputes arose between these two parties, and many differences were resolved before or during hearings.

As a consequence, this decision will address only a few aspects of PG&E's request. Some of the parties' joint recommendations require future action, and we will clarify our requirements based on those recommendations. We will also resolve the few remaining disputes.

The procedures of Public Utilities Code § 311(d) were followed in developing this decision. The proposed decision of the administrative law judge was issued on April 17, 1989. PG&E and DRA filed comments on the proposed decision. We have reviewed and carefully considered the comments and have incorporated appropriate changes in this decision.

A. Gas Operations

In general, DRA agrees with PG&E that PG&E's gas operations during the record period were reasonable. Two items require further discussion.

1. Contracts with Producers

DRA recommends that PG&E consider the possibility of contracting for long-term supplies directly with producers from the Southwest. If such agreements prove feasible, they should be included as competitive alternatives in negotiations with Canadian producers in future price redeterminations. PG&E accepts this recommendation.

2. Mutual Assistance Payments

The sole directly contested issue in this phase had to do with DRA's recommendation that PG&E should refund $127,000 to Southern California Gas Company (SoCal).

The proposed refund arose out of transactions under the mutual assistance agreement (MAA) between PG&E and SoCal. The two utilities originally entered into the MAA in 1979. The agreement arranged for mutual assistance when one utility was unable to secure enough gas to meet the needs of its high priority customers. Under the original agreement, one utility would supply gas during these times, and the other utility would either pay the supplying

utility's costs for the gas or would later return an equal quantity of gas to the supplying utility.

The incident in question here took place in December 1987 and January 1988. According to PG&E SoCal needed gas to meet its high priority customers' consumption, and PG&E could supply the necessary gas if it burned oil, rather than gas, in its power plants. However, because oil was more expensive than gas at the time, PG&E would lose money in supplying gas under the terms of the MAA, which did not contemplate this precise type of assistance. PG&E exercised its right under the MAA to suspend the agreement because of "undue financial detriment." The parties quickly negotiated an amendment to the MAA to cover the new situation, and we approved the amendment in Resolution G-2774.

The amendment required SoCal to pay PG&E a price that, depending on the quantities of assistance gas, was a mixture of fixed prices and PG&E's estimates of its future costs for oil. As it turned out, those estimates were very accurate, but actual shipment and transfer charges were less than expected. PG&E received $127,000 more from SoCal under the amended agreement than the costs PG&E actually incurred.

DRA recommends that this amount be refunded to SoCal. DRA believes that, although the amount is relatively small, the Commission should order the refund to uphold the principle that no party should gain a windfall from supplying emergency assistance. DRA points out that PG&E's shareholders also gain from this windfall by the operation of the Annual Energy Rate.

PG&E resists DRA's recommendation. It believes that its estimates were made in good faith, were agreed to by both parties in arm's-length negotiations, and proved to be extremely accurate. The amount of the overcollection was just $127,000 out of a $16.5 million transaction. SoCal, the other party to the contract, has not objected to the charges, nor did it invoke its right under the MAA to request an audit of the transaction. Since the price was

reasonable under the circumstances, there is no basis for ordering a refund, PG&E argues.

We agree with the substance of both parties' arguments. PG&E is correct in pointing out that the underlying estimates for part of the price were very accurate and that the resulting price was reasonable under the circumstances. But we also agree with DRA that all parties should remain economically indifferent to transactions under the MAA. In this particular case, we suspect that only the urgency of the situation resulted in an amendment to the MAA that did not include a provision for refunding any overcollection (or recovering any undercollection) that resulted from the assistance.

Although the amount of the overcollection is relatively small in this case, we will order PG&E to refund the overcollection, with interest as provided for in the original MAA, to SoCal. In approving the amendment to the MAA, we noted that our staff had not had much time to review the amendment, and we reserved the right to reevaluate the amendment. We further expressly made the payments under the amended agreement subject to refund. We believe that these reservations give us authority to order the refund of the $127,000, even though we do not find that the specific payment was unreasonable.

Any further amendments to the MAA should include provisions for refunding overcollections and recovering undercollections to preserve the economic indifference of all parties to these assistance transactions.

B. Electric Operations

DRA agrees with PG&E that its electric operations were reasonable during the record period, with one reservation. Generation from the Geysers geothermal units has been curtailed since February 1987 because of insufficient steam. At this time, the reason for the insufficient steam is unknown. DRA is therefore unable to make an assessment of the reasonableness of PG&E's

actions in response to the steam supply problems at its Geysers plants, and DRA requests the Commission to defer its finding of reasonableness on this issue.

PG&E believes that its operations were reasonable and that the Commission should defer its ruling on only the limited issue of the reasonableness of PG&E's actions in response to the steam supply situation.

On this point, we agree with DRA that any ruling on the reasonableness of PG&E's response to the steam supply problems at the Geysers plants should be deferred until more information is available on the source and nature of the interruptions in steam supply.

DRA further requests that we order PG&E to provide a quarterly written report to DRA and to meet with DRA quarterly to explain the progress in reestablishing the steam supply and the status of PG&E's litigation with the steam supplier. PG&E agrees with this recommendation and suggests that DRA and PG&E report back to the Commission either when the parties feel comfortable with the conclusions on the steam supply problems or in the first reasonableness application following the conclusion of PG&E's litigation against its steam supplier.

We agree that quarterly reports on the extent of the steam curtailments, the status of related litigation, and progress in reestablishing the steam supply and meetings elaborating on these topics are in order. The first quarterly report will be due on July 1, 1989. We will set a two-year limit on the requirement for the meetings and reports, however, and we will ask both parties to address the status of the steam supply problem and the litigation in their testimony for PG&E's reasonableness review for the 1990 record period. The testimony should address the reasonableness of PG&E's responses to the steam supply problem from February 1987 through December 1990. We will then reconsider if additional reports or meetings are useful. The parties may also

report back to the Commission in an earlier proceeding if enough information is available.

C. **Adjustments to the Conservation Financing Adjustment Balancing Account**

The Conservation Financing Adjustment (CFA) balancing account was set up to track the balances of several loan programs for conservation items. The account includes, among other things, an Allowance for Doubtful Accounts, which compensates for bad or delinquent loans. However, borrowers have been repaying these loans at a higher rate than expected, and DRA therefore recommends reducing the provision for doubtful accounts rate from 9% to 5.4%. Because of an overaccrual in that account, PG&E had suspended further accumulations for doubtful accounts in September 1988. DRA recommends that accruals begin again at the 5.4% rate.

In addition, DRA recommends that 11% or $448,386, of the current overaccrual should be credited to the electric CFA Debt Service Balancing Account. DRA notes that 89% of the overaccrual, or $3,627,849 was proposed to be credited to the gas CFA Debt Service Balancing Account in PG&E's recent Annual Cost Allocation Proceeding (A.88-09-032).

PG&E concurs with these recommendations, and we will adopt them.

In a related matter, DRA agrees with PG&E that the overcollection in the electric CFA balancing account should be closed out and transferred to the Electric Revenue Adjustment Mechanism (ERAM) balancing account. As of October 31, 1988, this overcollection amounted to about $12.5 million.

D. Changes to PG&E's Preliminary Statement

During the course of the hearings, PG&E and DRA agreed to changes in the preliminary statement to PG&E's tariffs to reflect the Commission's current method of calculating fuel oil inventory carrying costs, as determined in D.83-08-048. We will authorize these changes.

Findings of Fact

1. PG&E should consider the possibility of contracting for long-term supplies directly with producers from the Southwest. If such agreements are feasible, they should be included as competitive alternatives in negotiations with Canadian producers in future price redeterminations.

2. PG&E collected $127,000 more than its actual costs in connection with a transaction with SoCal Gas under the MAA.

3. PG&E's Geysers geothermal generating units were curtailed during the record period because of insufficient steam supply. At this time, the reason for the decline in the steam supply is unknown.

4. Because borrowers have been repaying loans for conservation devices at a higher rate than expected, the Allowance for Doubtful Accounts of the CFA has an overaccrual of $4,076,235.

5. PG&E's current preliminary statement does not reflect the Commission's current method of calculating fuel inventory carrying costs.

Conclusions of Law

1. The parties to transactions under the MAA should neither lose or gain financially from the transaction.

2. PG&E should refund the $127,000 overcollection it received from SoCal in connection with the transaction that occurred in December 1987 and January 1988.

3. PG&E's gas operations during the record period were reasonable.

4. With the exception of its actions in response to the steam supply problems at the Geysers geothermal generating units, PG&E's electric operations during the record period were reasonable.

5. The reasonableness of PG&E's actions in response to the steam supply problems at its Geysers geothermal generating units should be reviewed after better information is available about the

reasons for the decline in the steam supply. For two years from the effective date of this decision, PG&E should provide DRA with quarterly written reports on the extent of the steam curtailment, the status of related litigation, and progress in reestablishing the steam supply and should elaborate on these topics in quarterly meetings with DRA. PG&E and DRA should address the status of the steam supply and related litigation in their testimony for PG&E's reasonableness review for the 1990 record period, or in an earlier proceeding if sufficient information is available.

6. Accruals for the Allowance for Doubtful Accounts of the CFA should begin again at a rate of 5.4%.

7. The electric CFA Debt Service Balancing Accounts should be credited in the amount of $448,386, the overaccrual in the electric portion of the Allowance for Doubtful Accounts. The remaining overcollected balance in the electric CFA balancing account at the end of the month in which this decision is effective should be transferred from PG&E's subsidiary, Pacific Conservation Services Corporation, to PG&E's ERAM balancing account.

8. PG&E's preliminary statement should be amended as agreed to by PG&E and DRA.

O R D E R

Therefore, IT IS ORDERED that:

1. Pacific Gas and Electric Company (PG&E) should refund the $127,000 overcollection it received from Southern California Gas Company in connection with the transaction under the Mutual Assistance Agreement (MAA) that occurred in December 1987 and January 1988, together with interest as called for under the MAA.

2. The reasonableness of PG&E's actions in response to the steam supply problems at its Geysers geothermal generating units shall be reviewed after better information is available about the

reasons for the decline in the steam supply. For two years from the effective date of this decision, PG&E shall provide the Commission's Division of Ratepayer Advocates (DRA), or its successor, with quarterly written reports on the extent of the steam curtailment, the status of related litigation, and progress in reestablishing the steam supply. The first quarterly report is due on July 1, 1989. PG&E shall elaborate on these topics in quarterly meetings with DRA. PG&E and DRA shall address the status of the steam supply and related litigation in their testimony for PG&E's reasonableness review for the 1990 record period, or in an earlier proceeding if sufficient information is available.

3. Accruals for the Allowance for Doubtful Accounts of the Conservation Financing Adjustment (CFA) shall begin again at a rate of 5.4%.

4. The electric CFA Debt Service Balancing Account shall be credited in the amount of $448,386, the overaccrual in the electric portion of the Allowance for Doubtful Accounts. The remaining overcollected balance in the electric CFA balancing account at the end of the month in which this decision is effective shall be transferred from PG&E's subsidiary, Pacific Conservation Services Corporation, to PG&E's Electric Revenue Adjustment Mechanism balancing account.

5. PG&E's preliminary statement shall be amended as follows:

Part B.6.a(5) shall be changed to:

> "Plus: The carrying costs on fuel oil in inventory at the rate equal to 1/12 of the interest rate on banker's acceptances (top-rated, three months) for the previous month as published in the Federal Reserve Statistical Release, G.13, or its successor publication applied to the adopted inventory level at the adopted price per barrel;"

The statement at Part B.6.c. shall be changed to the following:

"A debit entry equal to 91 percent of the product of 1/12 of the balancing account interest rate and the recorded inventory level in excess of (or below) the adopted inventory level at the adopted price per barrel;"

The statement at Part B.6.d. shall be changed to the following:

"A debit entry equal to 91 percent of the product of 1/12 of the balancing account interest rate and the difference between the average inventory value per barrel and the adopted price per barrel multiplied by the number of barrels in inventory;"

6. Applications 88-04-020 and 88-04-057 are closed.

This order becomes effective 30 days from today.

Dated May 26, 1989, at San Francisco, California.

G. MITCHELL WILK
President
FREDERICK R. DUDA
STANLEY W. HULETT
JOHN B. OHANIAN
PATRICIA M. ECKERT
Commissioners

I CERTIFY THAT THIS DECISION WAS APPROVED BY THE ABOVE COMMISSIONERS TODAY.

Victor Weisser, Executive Director

As a consequence, this decision will address only a few aspects of PG&E's request. Some of the parties' joint recommendations require future action, and we will clarify our requirements based on those recommendations. We will also resolve the few remaining disputes.

A. Gas Operations

In general, DRA agrees with PG&E that PG&E's gas operations during the record period were reasonable. Two items require further discussion.

1. Contracts with Producers

DRA recommends that PG&E consider the possibility of contracting for long-term supplies directly with producers from the Southwest. If such agreements prove feasible, they should be included as competitive alternatives in negotiations with Canadian producers in future price redeterminations. PG&E accepts this recommendation.

2. Mutual Assistance Payments

The sole directly contested issue in this phase had to do with DRA's recommendation that PG&E should refund $127,000 to Southern California Gas Company (SoCal).

The proposed refund arose out of transactions under the mutual assistance agreement (MAA) between PG&E and SoCal. The two utilities originally entered into the MAA in 1979. The agreement arranged for mutual assistance when one utility was unable to secure enough gas to meet the needs of its high priority customers. Under the original agreement, one utility would supply gas during these times, and the other utility would either pay the supplying utility's costs for the gas or would later return an equal quantity of gas to the supplying utility.

The incident in question here took place in December 1987 and January 1988. SoCal needed gas to meet its high priority customers' consumption, and PG&E could supply the necessary gas if it burned oil, rather than gas, in its power plants. However,

because oil was more expensive than gas at the time, PG&E would lose money in supplying gas under the terms of the MAA, which did not contemplate this precise type of assistance. PG&E exercised its right under the MAA to suspend the agreement because of "undue financial detriment." The parties quickly negotiated an amendment to the MAA to cover the new situation, and we approved the amendment in Resolution G-2774.

The amendment required SoCal to pay PG&E a price that, depending on the quantities of assistance gas, was a mixture of fixed prices and PG&E's estimates of its future costs for oil. As it turned out, those estimates were very accurate, but actual shipment and transfer charges were less than expected. PG&E received $127,000 more from SoCal under the amended agreement than the costs PG&E actually incurred.

DRA recommends that this amount be refunded to SoCal. DRA believes that, although the amount is relatively small, the Commission should order the refund to uphold the principle that no party should gain a windfall from supplying emergency assistance. DRA points out that PG&E's shareholders also gain from this windfall by the operation of the Annual Energy Rate.

PG&E resists DRA's recommendation. It believes that its estimates were made in good faith, were agreed to by both parties in arm's-length negotiations, and proved to be extremely accurate. The amount of the overcollection was just $127,000 out of a $16.5 million transaction. SoCal, the other party to the contract, has not objected to the charges, nor did it invoke its right under the MAA to request an audit of the transaction. Since the price was reasonable under the circumstances, there is no basis for ordering a refund, PG&E argues.

We agree with the substance of both parties' arguments. PG&E is correct in pointing out that the underlying estimates for part of the price were very accurate and that the resulting price was reasonable under the circumstances. But we also agree with DRA

utility's costs for the gas or would later return an equal quantity of gas to the supplying utility.

The incident in question here took place in December 1987 and January 1988. SoCal needed gas to meet its high priority customers' consumption, and PG&E could supply the necessary gas if it burned oil, rather than gas, in its power plants. However, because oil was more expensive than gas at the time, PG&E would lose money in supplying gas under the terms of the MAA, which did not contemplate this precise type of assistance. PG&E exercised its right under the MAA to suspend the agreement because of "undue financial detriment." The parties quickly negotiated an amendment to the MAA to cover the new situation, and we approved the amendment in Resolution G-2774.

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that all parties should remain economically indifferent to transactions under the MAA. In this particular case, we suspect that only the urgency of the situation resulted in an amendment to the MAA that did not include a provision for refunding any overcollection (or recovering any undercollection) that resulted from the assistance.

Although the amount of the overcollection is relatively small in this case, we will order PG&E to refund the overcollection, with interest as provided for in the original MAA, to SoCal. In approving the amendment to the MAA, we noted that our staff had not had much time to review the amendment, and we reserved the right to reevaluate the amendment. We further expressly made the payments under the amended agreement subject to refund. We believe that these reservations give us authority to order the refund of the $127,000, even though we do not find that the specific payment was unreasonable.

Any further amendments to the MAA should include provisions for refunding overcollections and recovering undercollections to preserve the economic indifference of all parties to these assistance transactions.

B. Electric Operations

DRA agrees with PG&E that its electric operations were reasonable during the record period, with one reservation. Generation from the Geysers geothermal units has been curtailed since February 1987 because of insufficient steam. At this time, the reason for the insufficient steam is unknown. DRA is therefore unable to make an assessment of the reasonableness of PG&E's operation of its Geysers plants, and DRA requests the Commission to defer its finding of reasonableness on this issue.

PG&E believes that its operations were reasonable and that the Commission should not defer its finding that all of PG&E's operations were reasonable.

On this point, we agree with DRA that any ruling on the reasonableness of PG&E's operations of the Geysers plants should be deferred until more information is available on the source and nature of the interruptions in steam supply.

DRA further requests that we order PG&E to provide a quarterly written report to DRA and to meet with DRA quarterly to explain the progress in reestablishing the steam supply and the status of PG&E's litigation with the steam supplier. PG&E agrees with this recommendation and suggests that DRA and PG&E report back to the Commission either when the parties feel comfortable with the conclusions on the steam supply problems or in the first reasonableness application following the conclusion of PG&E's litigation against its steam supplier.

We agree that quarterly reports on the extent of the steam curtailments, the status of related litigation, and progress in reestablishing the steam supply and meetings elaborating on these topics are in order. We will set a two-year limit on the requirement for the meetings and reports, however, and we will ask both parties to address the status of the steam supply problem and the litigation in their testimony for PG&E's reasonableness review for the 1989-90 record period. We will then reconsider if additional reports or meetings are useful. The parties may also report back to the Commission in an earlier proceeding if enough information is available.

C. **Adjustments to the Conservation Financing Adjustment Balancing Account**

The Conservation Financing Adjustment (CFA) balancing account was set up to track the balances of several loan programs for conservation items. The account includes, among other things, an Allowance for Doubtful Accounts, which compensates for bad or delinquent loans. However, borrowers have been repaying these loans at a higher rate than expected, and DRA therefore recommends reducing the provision for doubtful accounts rate from 9% to 5.4%.

Because of an overaccrual in that account, PG&E had suspended further accumulations for doubtful accounts in September 1988. DRA recommends that accruals begin again at the 5.4% rate.

In addition, DRA recommends that 11% or $448,386, of the current overaccrual should be debited to the electric CFA Debt Service Balancing Account. DRA notes that 89% of the overaccrual, or $3,627,849 was credited to the gas CFA Debt Service Balancing Account in PG&E's recent Annual Cost Allocation Proceeding (Decision (D.) 89-__-___).

PG&E concurs with these recommendations, and we will adopt them.

In a related matter, DRA agrees with PG&E that the overcollection in the CFA balancing account should be closed out and transferred to the Electric Revenue Adjustment Mechanism (ERAM) balancing account. As of October 31, 1988, this overcollection amounted to about $12.5 million.

D. Changes to PG&E's Preliminary Statement

During the course of the hearings, PG&E and DRA agreed to changes in the preliminary statement to PG&E's tariffs to reflect the Commission's current method of calculating fuel oil inventory carrying costs, as determined in D.83-08-048. We will authorize these changes.

Findings of Fact

1. PG&E should consider the possibility of contracting for long-term supplies directly with producers from the Southwest. If such agreements are feasible, they should be included as competitive alternatives in negotiations with Canadian producers in future price redeterminations.

2. PG&E collected $127,000 more than its actual costs in connection with a transaction with SoCal Gas under the MAA.

3. PG&E's Geysers geothermal generating units were curtailed during the record period because of insufficient steam supply. At

this time, the reason for the decline in the steam supply is unknown.

4. Because borrowers have been repaying loans for conservation devices at a higher rate than expected, the Allowance for Doubtful Accounts of the CFA has an overaccrual of $4,076,235.

5. PG&E's current preliminary statement does not reflect the Commission's current method of calculating fuel inventory carrying costs.

Conclusions of Law

1. The parties to transactions under the MAA should neither lose or gain financially from the transaction.

2. PG&E should refund the $127,000 overcollection it received from SoCal in connection with the transaction that occurred in December 1987 and January 1988.

3. PG&E's gas operations during the record period were reasonable.

4. With the exception of its operation of the Geysers geothermal generating units, PG&E's electric operations during the record period were reasonable.

5. The reasonableness of PG&E's operation of its Geysers geothermal generating units should be reviewed after better information is available about the reasons for the decline in the steam supply. For two years from the effective date of this decision, PG&E should provide DRA with quarterly written reports on the extent of the steam curtailment, the status of related litigation, and progress in reestablishing the steam supply and should elaborate on these topics in quarterly meetings with DRA. PG&E and DRA should address the status of the steam supply and related litigation in their testimony for PG&E's reasonableness review for the 1989-90 record period, or in an earlier proceeding if sufficient information is available.

6. Accruals for the Allowance for Doubtful Accounts of the CFA should begin again at a rate of 5.4%.

7. The electric CFA Debt Service Balancing Accounts should be credited in the amount of $448,386, the overaccrual in the electric portion of the Allowance for Doubtful Accounts. The remaining overcollected balance in the CFA balancing account should be transferred from PG&E's subsidiary, Pacific Conservation Services Corporation, to PG&E's ERAM balancing account at the end of the month in which this decision is effective.

8. PG&E's preliminary statement should be amended as agreed to by PG&E and DRA.

O R D E R

Therefore, IT IS ORDERED that:

1. Pacific Gas and Electric Company (PG&E) should refund the $127,000 overcollection it received from Southern California Gas Company in connection with the transaction under the Mutual Assistance Agreement (MAA) that occurred in December 1987 and January 1988, together with interest as called for under the MAA.

2. The reasonableness of PG&E's operation of its Geysers geothermal generating units shall be reviewed after better information is available about the reasons for the decline in the steam supply. For two years from the effective date of this decision, PG&E shall provide the Commission's Division of Ratepayer Advocates (DRA), or its successor, with quarterly written reports on the extent of the steam curtailment, the status of related litigation, and progress in reestablishing the steam supply. PG&E shall elaborate on these topics in quarterly meetings with DRA. PG&E and DRA shall address the status of the steam supply and related litigation in their testimony for PG&E's reasonableness review for the 1989-90 record period, or in an earlier proceeding if sufficient information is available.

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5. PG&E's preliminary statement shall be amended as follows:

Part B.6.a(5) shall be changed to:

> "Plus: The carrying costs on fuel oil in inventory at the rate equal to 1/12 of the interest rate on banker's acceptances (top-rated, three months) for the previous month as published in the Federal Reserve Statistical Release, G.13, or its successor publication applied to the adopted inventory level at the adopted price per barrel;"

The statement at Part B.6.c. shall be changed to the following:

> "A debit entry equal to 91 percent of the product of 1/12 of the balancing account interest rate and the recorded inventory level in excess of (or below) the adopted inventory level at the adopted price per barrel;"

The statement at Part B.6.d. shall be changed to the following:

> "A debit entry equal to 91 percent of the product of 1/12 of the balancing account interest rate and the difference between the average inventory value per barrel and the adopted price per barrel multiplied by the number of barrels in inventory;"

6. Applications 88-04-020 and 88-04-057 are closed. This order becomes effective 30 days from today. Dated _____, at San Francisco, California.