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MAIL DATE

1/13/98

Decision 98-01-026

January 7, 1998

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

Application of PACIFIC GAS AND ELECTRIC COMPANY for an order pursuant to Section 1005.5(b) of the Public Utilities Code to Increase the Maximum Cost specified in PG&E's Certificate of Public convenience and Necessity to Construct the California Portion of the Expansion of Its Natural Gas Pipeline

(U 39 G)

ORIGINAL

A.92-12-043

A.93-08-038

A.94-05-035

A.94-06-034

**ORDER DENYING APPLICATIONS OF TOWARD UTILITY RATE
NORMALIZATION AND EL PASO NATURAL GAS COMPANY
FOR REHEARING OF D.94-12-058**

Toward Utility Rate Normalization ("TURN")¹ and El Paso Natural Gas Company ("El Paso") filed separate applications for rehearing of our Decision D.94-12-058 regarding the reasonableness of the costs associated with the construction of Line 401 Expansion Project by Pacific Gas and Electric Company ("PG&E").

TURN did not specify the presumed legal errors in our decision. TURN only asserted that it wanted to give the Commission one last opportunity to correct its legal errors prior to consideration of the matter by the State Supreme Court, and attached to its application, without analysis or specific reference, copies of the opinions dissenting from D.94-12-058 as filed by Commissioner

¹ TURN's name has since been changed to The Utility Reform Network.

Jessie J. Knight, Jr., and then Commissioner Daniel Wm. Fessler. The vagueness of the application is obviously a fatal flaw.

El Paso's application for rehearing concerns:

1. The dismissal of El Paso's Application 94-06-034 which sought rehearing of Resolution G-3122 regarding PG&E's authority to award "backbone credits," and

2. The Commission's finding in D.94-12-058 that construction of the Line 401 Expansion Project by Pacific Gas and Electric Company ("PG&E") was reasonable.

The issues raised by El Paso and TURN's vague, general opposition to D.94-12-058 regarding the reasonableness of the Expansion Project have been mooted by our recent approval in D.97-08-055 of PG&E's "Gas Accord," by which several issues concerning the Line 401 Expansion Project were settled and resolved.

IT IS THEREFORE ORDERED that:

1. TURN's application for rehearing of D.94-12-058 is dismissed as moot.
2. El Paso's application for rehearing of D.94-12-058 is dismissed as moot.

This order is effective today.

Dated January 7, 1998, at San Francisco, California.

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