
Public Utilities Commission of the State of California

***Public Agenda 2986
Wednesday, February 4, 1998, 10 a.m.
San Francisco, California***

**Commissioners
Richard A. Bilas, President
P. Gregory Conlon,
Jessie J. Knight, Jr.
Henry M. Duque
Josiah L. Neeper**

For each agenda item, a summary of the proposed action is included; the Commission's decision may, however, differ from that proposed.

Website: <http://www.cpuc.ca.gov>

**Scheduled Commission Meetings
AUDITORIUM
505 Van Ness Avenue, San Francisco**

Thursday, February 19

Matters of Public Interest

For the convenience of the public and media representatives, items of widespread public interest will be taken up at the beginning of the meeting.



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PUBLIC COMMENT

The following items are not subject to public comment:

- All items on the closed session agenda; these are HEX and EX items.
- CA-4, H-2

CONSENT AGENDA

Items shown on the Consent Agenda will be taken up and voted on as a group in one of the first items of business of each Commission meeting. Items may be removed from the Consent Agenda for discussion on the Regular Agenda at the request of any Commissioner prior to the meeting.

- CA-1** **Res TL-18834** - Resolution approving issuance of charter-party carrier certificates pursuant to Section 5374(b) of the Public Utilities Code.
- CA-2** **Res TL-18835** - Resolution denying issuance of charter-party authority or household goods carrier authority for failure to satisfy statutory provisions of the Public Utilities Code and Commission general orders.
- CA-3** **A96-12-048 - Arcadia Transit, Inc. dba SuperShuttle of San Fernando Valley.**
For a certificate of public convenience and necessity to extend its authority to operate as a passenger stage corporation to include certain portions of Ventura and Santa Barbara Counties, pursuant to Public Utilities Code § 1031. Granted. This proceeding is closed.
(Com Neeper - ALJ Garde)
(Section 311)

- CA-4** **I96-12-041 - Investigation on the Commission's own motion into the operations and practices of Harjit Singh, doing business as Herry Bros. Trucking.**
Respondent is fined \$4,000 for conducting for-hire dump truck operations while his operating authority was suspended for failure to have liability insurance on file with the Commission.
(Com Knight - ALJ Wright)
SB 960 Experiment: Adjudicatory Category
(Section 311)
- CA-5** **I96-10-033 - Investigation on the Commission's own motion and order to show cause to determine if PG&E should be held in violation of Gas Tariff Rule 16 for failure to provide trenching at no cost within the allowance of 100 feet.**
This decision modifies D97-10-030 to remove asserted ambiguities. This proceeding is closed.
(Com Conlon - ALJ Rosenthal)
- CA-6** **A95-04-025 - Long Distance Direct, Inc. (LDDI).**
For a certificate of public convenience and necessity to operate as a reseller of interexchange telecommunications services. This decision approves an amended settlement agreement between LDDI and the Consumer Services Division. Under the settlement, LDDI agrees, among other things, to pay a \$45,000 fee to an established trust fund devoted to investigation and enforcement of consumer protection actions in California. This proceeding is closed.
(Com Conlon - ALJ Walker)
- CA-7** **A97-10-029 - Pacific Bell (Pacific).**
For approval, pursuant to Public Utilities Code § 851, to lease or transfer assets to affiliate corporations which will perform administrative support functions for Pacific. Pacific states that the lease and transfer arrangements comply with affiliate transaction rules of this Commission and of the federal government. The Office of Ratepayer Advocates has examined the application and has no objection to Pacific's request. Granted. This proceeding is closed.
(Com Duque - ALJ Walker)
This revision was not listed on the agenda distributed to the public.
- (Rev.)**

CA-8 R87-11-012 - Order instituting rulemaking to revise the time schedules for the rate case plan and fuel offset proceedings.

The petition of Southern California Edison Company not to file a forecast of operations report in its 1998 Energy Cost Adjustment Clause (ECAC) application and in subsequent annual ECAC application is dismissed as moot.

(Com Neeper - ALJ Stalder)

CA-9 A97-05-015 - Parviz Karmozd.

For authority to acquire and Executive Ride, Inc. to transfer a passenger stage certificate of public convenience and necessity and certain other assets, pursuant to Section 851 et seq. of the California Public Utilities Code. Granted. This proceeding is closed.

(Com Neeper - ALJ Rosenthal)

CA-10 Res W-4090 - Del Oro Water Company, Ferndale District.

Order authorizing a general rate increase producing \$20,833 or 5.74% additional annual revenue. Granted.

CA-11 A97-07-042 - Red & White Ferries, Inc. (Red & White).

For a certificate of public convenience and necessity (CPCN) to establish and operate unscheduled vessel common carrier service between navigable points on the San Francisco Bay, San Pablo Bay, the Oakland Estuary, Suisun Bay and all navigable tributaries up to the Sacramento and Stockton areas and for interim operating authority. A97-10-020 - Related matter. This interim decision grants Red & White's request for a CPCN to operate vessel common carrier service for the unscheduled transportation of passengers and their baggage between navigable points on San Francisco Bay, San Pablo Bay, the Oakland Estuary, Suisun Bay and all navigable tributaries up to the Sacramento and Stockton areas; and for scheduled service between Richmond, on the one hand and San Francisco Ferry Building Pier ½ and Fisherman's Wharf Ferry Terminal Pier 43½, on the other hand. Red & White's request for a vessel common carrier certificate to transport passengers and their baggage to, from and between berthed or anchored vessels, and to transport property, is not granted *ex parte*, but will be set for hearing. Red & White's amendment seeking interim operating authority during the Bay Area Rapid Transit District strike is dismissed as moot.

(Com Duque - ALJ McVicar)

- CA-12** **I92-07-031 - In the matter of the investigation on the Commission's own motion of whether Camp Meeker Water System, Inc. (CMWS) has complied with Ordering Paragraphs No. 5 and 6 of D89-10-033, relating to the filing of a Notice of Intent to Preserve Easements.**
This decision dismisses the investigation into CMWS since it is no longer a functioning public utility. This proceeding is closed.
(Com Conlon - ALJ Stalder)
- CA-13** **R92-03-050 - Order instituting rulemaking on the Commission's own motion to consider the line extension rules of electric and gas utilities.**
The Utility Reform Network and Utility Consumers' Action Network are awarded compensation of \$72,638.54 for their substantial contribution to D94-12-026, D95-12-013 and D96-06-031. These decisions address gas and electric utility line extension issues in this rulemaking proceeding.
(Com Conlon - ALJ Patrick)
- CA-14** **I87-03-036 - Order instituting investigation into procurement and system reliability issues deferred from D86-12-010. A92-03-038 - Related matters.**
This decision grants The Utility Reform Network an award of \$100,123 in compensation for its contributions to D88-11-034, D89-01-017, D93-02-013, D93-09-090, D94-12-057, and D97-04-005.
(Com Conlon - ALJ O'Donnell)
- CA-15** **A96-03-031 - Southern California Gas Company.**
For authority to revise its rates effective January 1, 1997, in its biennial cost allocation proceeding. A96-04-030 - Related matter.
This decision grants the Save Our Services Coalition \$56,874.71 in intervenor compensation for its contribution to D97-04-082.
(Com Conlon - ALJ O'Donnell)

- CA-16 A93-11-018 - Sierra Pacific Power Company (Sierra).**
For a certificate of public convenience and necessity to construct and operate the Alturas transmission line project. This decision adjusts the construction cost cap (from \$103,405,937 to \$119,730,000) for a 345 kilovolt transmission line project from a point near Alturas, California to a point near the California-Nevada border near Reno, Nevada (Project) of Sierra as approved by the Commission in decisions D96-01-012 and D96-04-068, to reflect the showing by Sierra of the cost of Project telecommunication system and the adequacy of the cost control system that Sierra proposes. This decision denies, without prejudice, Sierra's request for a further increase in the construction cost cap to reflect events arising after the issuance of the certificate of public convenience and necessity in D96-01-012. This proceeding is closed.
(Com Knight - ALJ Careaga)
- CA-17**Moved to Item 6 on the agenda.
This revision was not listed on the agenda distributed to the public
- CA-18 A97-04-024 - Roseville Telephone Company (Roseville).**
The decision grants Roseville's request to modify Resolution T-15987, and authorizes Roseville to draw \$300,292, plus interest, from the California High Cost Fund A for the month of January 1997. This proceeding is closed.
(Com Knight - ALJ Mattson)
- CA-19 A97-10-068 - EZ Talk Communications, L.L.C.**
For a certificate of public convenience and necessity to offer resold local exchange and interexchange telecommunications services. Granted. This proceeding is closed.
(Com Knight - ALJ O'Donnell)

- CA-20 A97-08-034 - M & M Luxury Shuttle, Inc.**
For authority to establish a Zone of Rate Freedom fares of \$7 above and \$5 below its present fares. Granted. This proceeding is closed.
(Exam Koss)
- CA-21 A97-10-072 - TotalTel, Inc.**
For a certificate of public convenience and necessity to operate as a nonfacilities based reseller of local exchange telecommunications services within California. Granted. This proceeding is closed.
(Com Knight - ALJ O'Donnell)
- CA-22 A97-05-010 - Southern California Edison Company and Southern California Water Company.**
For authority to modify the boundary line separating their respective service areas in San Bernardino County. Granted. This proceeding is closed.
(Com Duque - ALJ Wright)
- CA-23 A97-03-032 - Park Water Company.**
For a general rate increase in its Central Basin Division requesting revenue increase: in 1998 of \$1,385,807 or 9.7% above revenues generated by present rates in 1999 of \$609,600 or 3.9% above the revenues generated by the rates proposed for 1998, in 2000 of \$670,115 or 4.1% above the 1999 revenue requirements. This decision grants petition to modify D97-11-061 to correct calculation error and add advice letter authorization. This proceeding is closed.
(Com Duque - ALJ Bushey)
- CA-24 A97-11-019 - Ronald A. Larson dba Larson's Van Service.**
For authority to extend his passenger stage service between the City of Sacramento and Sacramento Metropolitan Airport. Granted. This proceeding is closed.
(Exam Koss)
- CA-25 A97-08-039 - U.S. Telco, Inc.**
For a certificate of public convenience and necessity to operate as a nonfacilities-based reseller of local and interexchange telecommunications services. Granted. This proceeding is closed.
(Com Knight - ALJ O'Donnell)

- CA-26 A97-11-003 - TriTel Communications, L.L.C.**
For a certificate of public convenience and necessity to operate as a reseller of local exchange telecommunications services within California. Granted. This proceeding is closed.
(Com Knight - ALJ O'Donnell)
- CA-27 A97-10-070 - Group Long Distance, Inc.**
For a certificate of public convenience and necessity to operate as a reseller of local exchange telecommunications services within California. Granted. This proceeding is closed.
(Com Knight - ALJ O'Donnell)
- CA-28 A97-11-016 - Saeid Vakili dba Atlas Express and Charter, Limousine and Towncar Service.**
For authority to operate an on-call passenger stage between certain points in the Counties of Alameda, San Mateo, and Santa Clara, on the one hand, and Oakland, San Francisco, and San Jose International Airports, on the other hand. Granted. This proceeding is closed.
(Exam Koss)
- CA-29 A97-05-007 - Pacific Gas and Electric Company (PG&E) and the City of Cupertino (City).**
PG&E is authorized to sell and convey streetlight system in the City of Cupertino to the City. This proceeding is closed.
(Com Bilas - ALJ Wright)
- CA-30 C96-10-015 - Richard K. Parry (Parry) vs. Southern California Edison Company (Edison).**
Parry, a subdivider, requests that the Commission issue an order requiring Edison to relinquish his subdivision to Valley Electric Association of Nevada (Valley Electric). The subdivision is located on the California-Nevada border. He contends that occupants of his subdivision pay Edison more than double the rate that Valley Electric charges its customers. Valley Electric serves customers a short distance away in Nevada. This complaint is denied. This proceeding is closed.
(Com Duque - ALJ Patrick)

- CA-31 A96-12-047 - GTE Card Services Incorporated (applicant).**
For authority to expand its certificate of public convenience and necessity to include provisions of facilities-based local exchange service within the State of California. This decision grants applicant's motion to withdraw portion of application requesting facilities based local exchange carrier authority in GTE California Inc.'s service territory which was remanded to administrative law judge for comments. This proceeding is closed.
(Com Conlon - ALJ Watson)
- CA-32 C96-10-023 - Sonia L. Gill, et al. vs. Pacific Bell (Pacific).**
Complainants, 39 residents of the northern California town of Yorkville in the hills of Anderson Valley, complain that they are required to pay toll rates on calls to Boonville, the central town of Anderson Valley. They seek to have their local calling area extended to Boonville, where complainants say that they conduct most of their shopping, school and employment business. The complaint is dismissed for failure to show that Pacific's rates are unjust or unreasonable. This proceeding is closed.
(Com Duque - ALJ Walker)
- CA-33 R94-04-031 - Order instituting rulemaking on the Commission's proposed policies governing restructuring California's electric services industry and reforming regulation. I94-04-032 - Related matter.**
The joint petition to modify Section P.(1) (b) of Appendix A of D97-10-087, filed by Southern California Edison Company and San Diego Gas & Electric Company, is granted. The text of Section P.(1) (b) shall be modified as suggested by the petitioners.
(Coms Knight/Neeper - ALJ Wong)
- CA-34 A97-06-044 - Pacific Gas and Electric Company (PG&E) and Westel-Oviatt Lumber Company (Buyer).**
This decision approves the sale by PG&E of approximately 115 acres of unimproved land located in Placer County to Buyer, and the ratemaking treatment requested by applicant for this transfer. This proceeding is closed.
(Com Bilas - ALJ Careaga)

- CA-35 A97-10-033 - Pacific Gas and Electric Company (PG&E) and Sierra Pacific Holding Company (Buyer).**
This decision approves the sale by PG&E of approximately 320 acres of unimproved property located in Shasta County to Buyer, and the ratemaking treatment requested by PG&E for this transfer. This proceeding is closed.
(Coms Conlon/Bilas - ALJ Careaga)
- CA-36 A97-10-064 - Pacific Gas and Electric Company (PG&E) and Sierra Pacific Holding Company (Sierra).**
This decision approves the sale by PG&E of approximately 3,092 acres of land located in Butte and Plumas Counties to Sierra, California corporation, and the ratemaking treatment requested by PG&E for this transfer. This proceeding is closed.
(Coms Conlon/Bilas - ALJ Careaga)
- CA-37 A97-09-015 - Pacific Gas and Electric Company (PG&E) and Scott Leonhard, Philip N. Lester, and Pat Browning (Buyers).**
This decision approves the sale by PG&E of approximately 2,655 acres of land located in Nevada and Yuba Counties to Buyers, and the ratemaking treatment requested by applicant for this transfer. This proceeding is closed.
(Coms Conlon/Bilas - ALJ Careaga)
- CA-38 A97-04-015 - Pacific Gas and Electric Company (applicant) and Fred Ryness and Associates (Buyer).**
For an order authorizing the former to sell and convey to the latter a certain parcel of land in Shasta County. Applicant may transfer to Buyer the real property (Property) described in the application, and shall remove from rate base the depreciable portion of the Property, and book the net-of-tax proceeds for both the depreciable and non-depreciable portions of the Property to the memorandum account named the Real Property Sales Memorandum Account, approved in D97-07-019. Following establishment of a Competition Transition Charge (CTC) Revenue Account proposed in A96-08-070, applicant shall transfer the balance in the Real Property Sales Memorandum Account to the CTC Revenue Account. Applicant shall provide notice to the Commission and the Office of Ratepayer Advocates of the recordation of the instrument of transfer of the Property, within ten days of the date of recordation, and shall provide a conformed copy of the instrument effecting such transfer. A97-04-015 is closed. This proceeding is closed.
(Com Bilas - ALJ Careaga)

CA-39 A95-09-070 - Caribbean Telephone and Telegraph, Inc. aka The Long-Distance Company.

For a certificate of public convenience and necessity to provide competitive local exchange service within the territories of Pacific Bell and GTE California, Inc. This application is denied without prejudice for lack of prosecution and failure to comply with tariff deficiency notice within a reasonable time period. This proceeding is closed.
(Com Conlon - ALJ Pulsifer)

CA-40 A95-09-071 - Venture Technologies Group, Inc. aka Allegro Communications.

For a certificate of public convenience and necessity to provide competitive local exchange service within the territories of Pacific Bell and GTE California, Inc. This application is denied without prejudice for lack of prosecution and failure to comply with tariff deficiency notice within a reasonable time period. This proceeding is closed.
(Com Conlon - ALJ Pulsifer)

CA-41 R95-04-043 - Order instituting rulemaking on the Commission's own motion into competition for local exchange service. I95-04-044 - Related matter.

This decision grants the Petition for Modification of D97-09-110 filed by Accelerated Connections, Inc. to expand its previously granted authority for local exchange service to also include authority to provide interexchange facilities-based service.
(Com Conlon - ALJ Pulsifer)

CA-42 A97-08-040 - Pacific Gas and Electric Company (PG&E) Westel-Oviatt Lumber Company (Buyer).

This decision approves the sale by PG&E of approximately 430 acres of unimproved land located in Butte County to Buyer, and the ratemaking treatment requested by PG&E for this transfer. This proceeding is closed.
(Coms Conlon/Bilas - ALJ Careaga)

REGULAR AGENDA

UTILITY AND TRANSPORTATION ORDERS

ORDERS HELD OVER

- H-1 A97-01-052 - Southern California Edison Company.**
Application to buyout a thermal power purchase agreement with Mammoth-Pacific, L.P. in Mono County. Denied. This proceeding is closed.
(Com Duque - ALJ Wright)
(Agenda 2984, Item 6, 1/7/98; Req - Commission)
- H-2 C96-02-040 - Leon Selva and Norman Selva vs. Southern Pacific
Transporation Company (Los Angeles District Office).**
This order grants, in part, request to reopen private railroad crossing, subject to execution of appropriate licensing agreement, which would include provisions for crossing control and complainants' assumption of liability for risks associated with their tenant's use of the reopened crossing. Alternatively, defendant's proposal to upgrade another crossing to provide access to defendant's farm may be implemented. This proceeding is closed.
(Com Duque - ALJ Kotz)
(Section 311)
(Agenda 2985, Item CA-3, 1/21/98; Req - Commission)
- H-3 C96-05-015 - Comtech Mobile Telephone Company (Comtech) vs.
Sprint Communications Company L.P. (Sprint).**
This decision grants the motion of Comtech to withdraw its motion against Sprint. The Commission disburses to Comtech amounts Comtech deposited with the Commission pending resolution of its complaint.
(Com Neeper - ALJ Malcolm)
(Agenda 2981, Item 10, 12/3/97; Agenda 2982, Item H-6, 12/16/97; Agenda 2984, Item H-1, 1/7/98; Agenda 2985, Item H-1; 1/21/98; Req - Commission)

H-3a

ALTERNATE ORDER TO ITEM H-3.

This decision grants the motion of Comtech Mobile Telephone Company (Comtech) for dismissal of its complaint against Sprint Communications Company L.P. (Sprint). This order provides Sprint an opportunity to pursue its claims against Comtech in civil court. In the interim, we retain funds deposited with the Commission by Comtech.

(Com Neeper)

(Agenda 2981, Item 10a, 12/3/97; Agenda 2982, Item H-6a, 12/16/97; Agenda 2984, Item H-1a, 1/7/98; Agenda 2985, Item H-1a, 1/21/98; Req - Commission)

H-4

A96-08-001 - Pacific Gas and Electric Company (PG&E).

For approval of valuation and categorization of non-nuclear generation-related sunk costs eligible for recovery in the competition transition charge. A96-08-006, A96-08-007, A96-08-070, A96-08-071, A96-08-072 - Related matters. This decision determines how new customer load, where the load is being met through a direct transaction and the transaction does not otherwise require the use of transmission or distribution facilities owned by the utility, as described in Section 369, will be treated in terms of applying the competition transition charge, if that customer is paying standby charges. These proceedings are closed.

(Coms Conlon/Bilas - ALJ Minkin)

(Agenda 2982, Item 21, 12/16/97; Agenda 2984, Item H-5, 1/7/98; Agenda 2985, Item H-3, 1/21/98; Req - Commission)

H-5 R93-04-003 - Rulemaking on the Commission's own motion to govern open access to Bottleneck Services and establish a framework for Network Architecture Development of Dominant Carrier Networks. I93-04-002 - Related matter.

This interim decision resolves issues regarding the system costs of Pacific Bell (Pacific), which costs will serve as the basis for setting prices for unbundled network elements (UNEs) to be offered by Pacific. First, the decision concludes that for a variety of reasons, the Total Element Long Run Incremental Cost (TELRIC) methodology described in the First Report and Order of the Federal Communications Commission (FCC) is preferable to the Total Service Long Run Incremental Cost (TSLRIC) methodology previously approved by this Commission, although the version of TELRIC that this Commission will employ is likely to differ somewhat from the version approved by the FCC. Second, the decision concludes that the costs for Pacific's system should be determined using the cost studies submitted by Pacific on January 13, 1997, rather than on the basis of Version 2.2.2 of the Hatfield Model, a computer model that has too many structural and input flaws to be useful here. Third, the decision concludes that approximately \$685 million in adjustments should be made to Pacific's January 13 cost studies, including the elimination of \$80 million in switching investment, the spreading of \$75 million in software licensing fees across all switching functions, the elimination of \$63 million in retail costs, and the elimination of \$35 million in spare capacity costs caused by Pacific's unrealistically-low assumption about the "fill factor" for fiber feeder. Finally, the decision concludes that neither Pacific nor any other party has offered a realistic proposal for the geographic deaveraging of UNE prices, so that the UNE prices to be adopted for Pacific after supplementary pricing hearings should be statewide-average prices.

(Com Duque - ALJ McKenzie)

(Agenda 2985, Item 1, 1/21/98; Req - Commission)

ORDERS

- 1** **R97-08-001 - Rulemaking on the Commission's own motion to consider adoption of rules applicable to interexchange carriers for the transfer of customers including establishing penalties for unauthorized transfer. I97-08-002 - Related matter.**
This decision adopts Public Utilities Code Section 2889.5 compliance questionnaire for interchange carriers and sets out penalties for late or no response.
(Com Neeper - ALJ Bushey)
- 2** **A97-02-035 - AirTouch Cellular and its affiliates (AirTouch).**
For an exemption from the reporting requirements of General Order (GO) 104-A, Section 1, and GO 77-K. This decision grants the request by
(Rev.) AirTouch for an exemption from GO 77-K and GO 104-A, Section 1. This decision also instructs our staff to prepare for our consideration an order instituting rulemaking to examine whether all Commercial Mobile Radio Service providers should be exempt from GO 77-K and GO 104-A, Section 1. This proceeding is closed.
(Com Duque - ALJ Kenney)
This revision was not listed on the agenda distributed to the public.
- 3** **I97-09-001 - Investigation on the Commission's own motion into the operations, practices, and conduct of National Telephone & Communications, Inc. to determine whether it has violated the laws, rules, and regulations governing the manner in which California consumers are switched from one long distance carrier to another.**
This decision approves settlement agreement between the Commission's Consumer Services Division and respondent resolving slamming allegations by requiring respondent to pay \$20 to each customer wrongfully transferred and up to \$1,000 to each customer whose signature was forged. This
(Rev.) proceeding is closed.
(Com Bilas - ALJ Bushey)
This revision was not listed on the agenda distributed to the public.

4 R94-04-031 - Order instituting rulemaking on the Commission’s proposed policies governing restructuring California’s electric services industry and reforming regulation. I94-04-032 - Related matter.

This decision addresses the compliance filings of the California Board for Energy Efficiency and Low-Income Governing Board, collectively referred to as “the Boards,” required by D97-09-117, Ordering Paragraph 21. This decision adopts the revised bylaws, per diem, reimbursement and conflict of interest rules with minor modifications to improve their clarity and ensure conformance with D97-09-117. With respect to the proposed trust agreements, this decision finds it necessary to make language revisions that 1) improve the consistency with one another and in relation to advisory board trusts which have previously received federal income tax exempt status 2) clarify the Commission’s control over the Boards and the funds governed by the agreement, 3) clarify the dedication of funds to the beneficiaries of the trust and 4) bring the documents into conformity with a more standardized format. The approved start-up documents, as revised by this decision, are presented in Attachments 1 to 5.

(Com Neeper - ALJ Gottstein)

5 R97-10-050 - Order instituting rulemaking on the Commission’s own motion into the regulation of containerized shipments of used household goods and personal effects transported to and from self-service storage facilities.

This decision concerns modification of Commission’s household goods regulatory program in relation to pending Senate Bill No. 1086. This decision also determines whether modifications to the program are necessary or appropriate to promote the efficient movement of containerized used household goods shipments to and from storage facilities while maintaining necessary consumer protections. This proceeding is closed.

(Coms Conlon/Bilas - ALJ Ryerson)

6 R90-02-008 - Order instituting rulemaking on the Commission's own motion to change the structure of gas utilities' procurement practices and to propose refinements to the regulatory framework for gas utilities.

This decision grants with minor modifications the petition to modify D95-07-048 filed by Enron Corporation on November 17, 1997. The petition to modify asks the Commission to change the rules established for the gas core aggregation program to permit an easier process by which customers could switch their natural gas providers.

(Com Knight - ALJ Malcolm)

This item appeared as CA-17 on the agenda distributed to the public.

UTILITIES RESOLUTIONS

ENERGY MATTERS

- E-1 Res E-3521 - Southern California Edison Company (Edison).**
Request authority to revise electric vehicle charging schedules TOU-EV-1, TOU-EV-2, and TOU-EV-3 to incorporate revisions adopted in the phase 2A 1995 general rate case decision, and to demonstrate revenue-neutrality. Denied.
(Advice Letter 1182-E, filed September 3, 1996)

TELECOMMUNICATION MATTERS

- C-1 Res T-16115 - Pacific Bell (Pacific).**
Request to add services to its resale tariff as required by D97-08-059.
Approved, but orders Pacific to modify its resale tariff to include FRS Port Change Charge to be offered at a resale rate of \$30.00 per port charge on an interim basis until an appropriate rate is determined in the Open Access and Network Architecture Development proceeding, R93-04-003/I93-04-002. (Advice Letter (AL) 19020, filed September 10, 1997, supplemented by AL 19020-A, filed October 6, 1997, and AL 19020-B, filed October 17, 1997)
- C-2 Res T-16116 - Pacific Bell (Pacific).**
Request to run 90 day promotion to waive the nonrecurring service charge to customers who choose to convert their existing residence local service back to Pacific. Approved.
(Advice Letter 18942, filed July 25, 1997)
- C-3 Res T-16118 - All Telecommunications Utilities.**
To realign the discounts for intrastate services provided to schools and libraries under the California Teleconnect Fund with the Federal Communications Commission's discount program pursuant to its report and order (FCC 97-157) in the matter of Federal-State joint board on Universal Service (CC Docket No. 96-45).

ADMINISTRATIVE LAW JUDGE DIVISION RESOLUTIONS

HALJ-1 Res ALJ-175 - To establish a protocol for implementing the new authority for closed session discussion SB 960 provides in certain ratesetting and adjudicatory proceedings.

(Agenda 2981, ALJ-1, 12/3/97; Agenda 2984, Item HALJ-1, 1/7/98; Agenda 2985, Item HALJ-1, 1/21/98; Req - Commission)

HALJ-1a ALTERNATE PAGES TO RES HALJ-1.

When a proposed decision in a ratesetting proceeding is released for comments pursuant to Article 19 of the Commission's Rules, the matter will be placed on the business meeting agenda which occurs 30 days or more from the day of issuance (as opposed to 45 days or more in Resolution ALJ-1). The Ratesetting Deliberative Meetings would generally be scheduled on the Monday of the week preceding each Business Meeting (unless that Monday is a state holiday, in which case the Deliberative Meeting would be scheduled on Tuesday), rather than the Thursday following each Business Meeting

(Com Duque)

(Agenda 2981, ALJ-1a, 12/3/97; Agenda 2984, Item HALJ-1a, 1/7/98; Agenda 2985, Item HALJ-1a, 1/21/98; Req - Commission)

HALJ-1b ALTERNATE PAGES TO RES HALJ-1.

The Commission's protocol for complying with the ex parte prohibitions associated with closed session discussion of ratesetting proceedings will be determined on a proceeding specific basis, by Commission resolution. There will be no predetermined approach.

(Agenda 2985, Item HALJ-1b, 1/21/98; Req - Commission)

HALJ-1c ALTERNATE PAGES TO RES HALJ-1.

The regularly scheduled Ratesetting Deliberative Meeting will occur the afternoon of the Monday preceding each Business Meeting, creating a 3 to 4 day ban on communications; there will be no presumption to hold or not hold closed session deliberation of proposed decisions filed and served in ratesetting proceedings; and the Commission, by resolution, will determine whether to hold closed session deliberation.

(Agenda 2985, Item HALJ-1c, 1/21/98; Req - Commission)

HALJ-1d ALTERNATE PAGES TO RES HALJ-1.

When a proposed decision in a ratesetting proceeding is released for comments pursuant to Article 19 of the Commission's Rules, the matter will be placed on the business meeting agenda which occurs 30 days or more from the day of issuance (as opposed to 45 days or more in Resolution HALJ-1); the regularly scheduled Ratesetting Deliberative Meeting will occur the afternoon of the Monday preceding each Business Meeting, creating a 3 to 4 day ban on communications (as described in HALJ-1c); and we presume that we will hold closed session deliberation of all proposed decisions filed and served in ratesetting proceedings.

This item was not listed on the agenda distributed to the public.

ALJ-1 Res ALJ-176-2986 - Ratification of preliminary determinations of category for proceedings initiated by application. The preliminary determinations are pursuant to Article 2.5, Rules 4 and 6.1 of the Commission's Rules of Practice and Procedure. (See also Rule 63.2(c) regarding notice of assignment.)

LEGAL DIVISION MATTERS

Legislative Matters

- HLEG-1** This bill would propose changes to Sections 2887, 7930 and 7931 of the Public Utilities Code to codify standard industry practices related to the implementation of new area codes in California, to align state law with changes in federal numbering administration requirements, and to accommodate changes required by the competitive and rapidly expanding telecommunications market in California.
(Agenda 2980, Item LEG-1, 1/7/98; Agenda 2985, Item HLEG-1, 1/21/98; Req - Commission)
- HLEG-2** AB 1424 (Martinez) as proposed to be amended, this bill would require every entity offering prepaid debit cards for telephone calls to register with the Commission and enacts enforcement authority regarding use of such cards.
(Agenda 2985, Item LEG-1, 1/21/98; Req - Commission)
- HLEG-3** Status report on Commission-sponsored supplemental advisory board legislation.
(Agenda 2985, Item LEG-4, 1/21/98; Req - Commission)

COMMISSIONERS' REPORTS

- Status/Coordination: Telecommunications Infrastructure Proceedings (D94-12-053).
- Status/Coordination: Electric Restructuring Proceedings (R94-04-031 and I94-04-032).

EXECUTIVE DIRECTOR'S REPORT

Wesley M. Franklin, Executive Director

GENERAL COUNSEL'S REPORT

Peter Arth, Jr., General Counsel

MANAGEMENT REPORTS

Lynn T. Carew, Chief
Administrative Law Judge Division

Paul Clanon, Director
Energy Division

Jack Leutza, Director
Telecommunications Division

Dean J. Evans, Director
Water Division

Kenneth L. Koss, Director
Rail Safety and Carriers Division

William Meyer, Director
Strategic Planning Division

Elena Schmid, Director

Office of Ratepayer Advocates

William Schulte, Director
Consumer Services Division

Michael A. Doyle, Representative
Southern California

Robert T. Feraru
Public Advisor

CLOSED SESSION

This notice is furnished under Government Code Section 11126.3. The Commission will meet in Closed Session following the Public Session of its regularly scheduled meeting. In the Closed Session, the Commission may consider institution of proceedings and pending litigation as provided under Government Code Section 11126(p) and (q), and personnel matters as provided under Government Code Section 11126(a). Items to be considered under Government Code Section 11126(p), 11126(q)(2) and (3) and 11126(a) are not required to be made public. The list of items on the following pages, to be considered under Government Code Section 11126(q) (1), are required by the Government Code to be made public. If in Closed Session the Commission votes to appoint, employ, or dismiss a public employee, the Commission will thereafter reconvene in Open Session to make the disclosures required by Government Code Section 11125.2 and 11126.3(f).

APPELLATE SECTION ITEMS

ORDERS HELD OVER

HEX-1 **R94-04-031, I94-04-032** - Disposes of application for rehearing and petition for modification by the Low Income Governing Board of D97-09-117, which established certain start-up procedures for the Low Income Governing Board and the California Board for Energy Efficiency, both advisory boards.
(Agenda 2982, Item EX-10, 12/16/97; Agenda 2984, Item HEX-6, 1/7/98; Agenda 2985, Item HEX-2, 1/21/98; Req - Commission)

HEX-2 Annual Performance Evaluation for Managers Reporting Directly to the Commission.

Wesley M. Franklin, Executive Director
Peter Arth, Jr., General Counsel
Lynn T. Carew, Chief Administrative Law Judge
William Meyer, Director of Strategic Planning Division
Rob Feraru, Public Advisor

(Agenda 2979, Item EX-4, 11/5/97; Agenda 2980, Item HEX-2, 11/19/97; Agenda 2981, Item HEX-2, 12/3/97; Agenda 2982, Item HEX-5, 12/16/97; Agenda 2984, Item HEX-4, 1/7/98; Agenda 2985, Item HEX-3, 1/21/98; Req - Commission)

HEX-3 **A96-03-031, A96-04-030** - Disposition of applications for rehearing of D97-04-082, filed by the City of Long Beach (Long Beach) and The Utility Reform Network (TURN). Long Beach claims legal error on the ground that D97-04-082 retroactively eliminates the core cap for Long Beach and changes the allocation of the Interstate Transition Cost Surcharge (ITCS). TURN argues that D97-04-082: (1) results in the allocation of most surcharges to the core and all benefits to noncore, and thus, the decision is arbitrary, unduly discriminatory, and unsupported by either the record or past Commission decisions; (2) is arbitrary and violates Public Utilities Code Section 451 because it fails to require tracking of excess core procurement costs; and (3) adopts a core storage withdrawal reservation which is inconsistent with the record and within the decision itself.
(Agenda 2981, Item EX-2, 12/3/97; Agenda 2982, Item HEX-2, 12/16/97; Agenda 2984, Item HEX-2, 1/7/98; Agenda 2985, Item HEX-5, 1/21/98; Req - Commission)

ORDERS

- EX-1** Compilation of Applications for Rehearing filed with the Commission and Petitions filed with the California Supreme court since the last Commission Conference.
- EX-2** **A97-12-023** - Disposes of applications for rehearing of Res L-258A filed on December 10, 1997 by Southern California Edison Company, San Diego Gas & Electric, Pacific Bell, Southern California Gas Company and GTE California Inc.
- EX-3** **R95-04-043, I95-04-044** - Disposes of application for rehearing of D96-06-029 filed by Southern Christian Leadership Conference, National Council of La Raza, Korean Youth and Community Center, Filipinos for Affirmative Action, and Filipino Civil Rights Advocate (“Intervenors”). D96-06-29 awarded Intervenors compensation for their contribution to D95-07-024. Intervenors argue that D96-06-029 mistakenly reduced its award by ten percent based on a factual misunderstanding.
- EX-4** **R95-04-043, I95-04-044** - Disposition of the application filed by eight small incumbent local exchange carriers, Evans Telephone Co., Happy Valley Telephone Co., Hornitos Telephone Co., Kerman Telephone Co., Pinnacles Telephone Co., The Siskiyou Telephone Co., The Volcano Telephone Co., and Winterhaven Telephone Co. for rehearing of D97-11-024 wherein the Commission affirmed the obligations of telecommunications carriers to complete calls received from other carriers even where disputes may exist between carriers regarding compensation or interconnection arrangements.
- EX-5** Discussion of the legal issues regarding Adler, et al vs. Southern California Water Company (Los Angeles County Superior Court No. BC 169892) and related cases.

EX-6 **I _____** - Order institutes an investigation into the operations and practices of Boston-Finney, non-utility electric services provider number 1105, and its trustee, president, or managing officer, Christopher S. Mee, an individual, and the other listed “trustee” for the company, Richard MacFarlane, an individual. Consumer Services Division staff alleges that the respondents are violating P.U. Code §394.25, and should have their ESP registration suspended or revoked. This matter is an emergency under Govt. Code §11125.3(a)(1) of the California Govt. Code because there is evidence to show that thousands of Californians may be financially impacted by allegedly illegal practices, and measures must be ordered to initiate a prompt review of the respondents’ activity.
This item was not listed on the agenda distributed to the public.

FEDERAL SECTION ITEMS

- FEX-1** A monthly summary of recent developments in Federal Agency and Federal court Cases in which the California Public Utilities Commission is a party or has intervened.

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