

Public Utilities Commission of the State of California

*Public Agenda 3004**
Thursday, November 19, 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
505 Van Ness Avenue, San Francisco

<i>Ratesetting Deliberative Meeting*</i> Room 5305 (1:30 p.m.) <i>Closed to the Public</i>	<i>Commission Meeting</i> Auditorium (10 a.m.) <i>Open to the Public</i>
Monday, November 16	Thursday, November 19
✓ Monday, November 30	Thursday, December 3
Monday, December 14	Thursday, December 17
Monday, January 4	Thursday, January 7
(Rev.) Tuesday, January 19	(Rev.) Wednesday, January 20

**Ratesetting Deliberative Meeting dates are reserved as noted but will be held only if there are ratesetting matters to be considered. A "✓" next to the date indicates that the meeting will be held. A "✓" next to the item number on the Agenda indicates that the matter will be considered during the Ratesetting Deliberative Meeting.*

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.

For further information contact the Public Advisor
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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.

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.

ORDERS AND RESOLUTIONS

- CA-1** **Res TL-18870** - Resolution approving issuance of charter-party carrier certificates pursuant to Section 5374(b) of the Public Utilities Code.
- CA-2** **Res T-16240 - Pacific Bell (Pacific).**
This resolution approves Pacific's request to revise its tariff provision to provide that it will discontinue accepting customer checks that are drawn or payable from banks outside the United States and Canada.
(Advice Letter (AL) 19321, as supplemented by AL 19321-A, filed March 16, and April 25, 1998, respectively)
- CA-3** **C98-06-032 - Shannon Lightfoot vs. Pacific Gas and Electric Company.**
This complaint is dismissed with prejudice for lack of jurisdiction. This proceeding is closed.
(Com Duque - ALJ Ryerson)

- CA-4 A95-12-043 - Pacific Bell (Pacific).**
For authority to increase and restructure certain rates of its integrated services digital network services. C96-02-002 - Related matter. This decision grants Utility Consumers' Action Network an award of \$18,691.68 in compensation for its contributions to D98-09-071 which found that Pacific failed to submit timely and correct information regarding its Integrated Services Digital Network service quality and to present a witness to explain why the information was filed late. These proceedings are closed. (Com Duque - ALJ Malcolm)
- CA-5 Res T-16210 - Starways Telecommunications, Inc.**
This resolution grants the voluntary revocation of the certificate of public convenience and necessity of Starways Telecommunications, Inc.
- CA-6 Res T-16211 - Suntel Communications, Inc.**
This resolution grants the voluntary revocation of the certificate of public convenience and necessity of Suntel Communications, Inc. (Advice Letter 3, filed August 18, 1998)
- CA-7 Res T-16212 - Catholic Telecom, Inc.**
This resolution grants the voluntary revocation of the certificate of public convenience and necessity of Catholic Telecom, Inc.
- CA-8 Res T-16214 - Switched Services Communications, Inc.**
This resolution grants the voluntary revocation of the certificate of public convenience and necessity of Switched Services Communications, Inc. (Advice Letter 2, filed July 9, 1998)
- CA-9 Res T-16215 - Inter Continental Telephone Corp.**
This resolution grants the voluntary revocation of the certificate of public convenience and necessity of Inter Continental Telephone Corp. (Advice Letter 8, filed July 22, 1998)
- CA-10 Res T-16216 - Tele Tower, Inc.**
This resolution grants the voluntary revocation of the certificate of public convenience and necessity of Tele Tower, Inc.

CA-11 Res T-16220 - HLC-Internet Incorporated (dba Epoch Networks, Inc).
This resolution grants the voluntary revocation of the certificate of public convenience and necessity HLC-Internet Incorporated (dba Epoch Networks, Inc).

CA-12 Res T-16221 - Shared Technologies, Inc.
This resolution grants the voluntary revocation of the certificate of public convenience and necessity Shared Technologies, Inc.

CA-13 Res T-16222 - Telenational Communications Limited Partnership.
This resolution grants the voluntary revocation of the certificate of public convenience and necessity of Telenational Communications Limited Partnership.

CA-14 Res T-16224 - Premier Billing Services, Inc.
This resolution grants the voluntary revocation of the certificate of public convenience and necessity of Premier Billing Services, Inc.

CA-15 A98-09-004 - Megsinet-CLEC, Inc.
This decision grants applicant a certificate of public convenience and necessity to provide resold local exchange telecommunications as a competitive local carrier. This proceeding is closed.
(Com Knight - ALJ Reed)

CA-16 A98-08-043 - NOS Communications, Inc.
This decision grants applicant a certificate of public convenience and necessity to operate as a resale local exchange carrier. This proceeding is closed.
(Com Knight - ALJ O'Donnell)

- CA-17** **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 workshop report concerning the universal node identifier system (UNIS). A UNIS is adopted for Pacific Gas and Electric Company, San Diego Gas & Electric Company and Southern California Edison Company. These utility distribution companies (UDCs) shall develop and assign service delivery point (SDP) numbers to each direct access SDP within 180 days, and include the SDP numbers in all direct access service request - related and meter data management-related information exchanges. All electric service providers and meter data management agents are ordered to include the SDP number in their information exchanges with each other and with the UDCs.
(Coms Knight/Neeper - ALJ Wong)
- CA-18** **R84-12-028 - Rulemaking on the Commission's own motion for purposes of compiling the Commission's rules of procedure in accordance with Public Utilities Code Section 322 and considering changes in the Commission's Rules of Practice and Procedure.**
This decision awards The Utility Reform Network (TURN) \$9,474 for its substantial contributions to D97-11-021 and D97-12-043. Pacific Bell, GTE California Inc., Pacific Gas and Electric Company, Southern California Gas Company, Southern California Edison Company, and San Diego Gas and Electric Company, are each directed to pay TURN an equal share of the award, plus interest. This proceeding is closed.
(Com Neeper - ALJ Hale)
- CA-19** **Res O-0029 - Mobil Pacific Pipeline Company (MPPL).**
This resolution approves MPPL's request to remove its San Ardo Crude/Cutter System from common carrier service.
(Advice Letter 7, filed July 29, 1998)
- CA-20** **A98-08-027 - Ernest Communications, Inc.**
This decision grants applicant a certificate of public convenience and necessity to operate as a local exchange reseller. This proceeding is closed.
(Com Knight - ALJ O'Donnell)

- CA-21 A98-08-039 - State Communications, Inc.**
This decision grants applicant a certificate of public convenience and necessity to operate as a resale local exchange reseller. This proceeding is closed.
(Com Knight - ALJ O'Donnell)
- CA-22 A98-06-011 - Sorsoli Family Residual Trust and Sorsoli Family Survivors Trust (the Trusts) Sole Owners Shares of Sorsoli Water Co., Inc., dba Sorsoli Water Co., Inc. (the Company) and Indian Valley Community Services District (District).**
This decision authorizes the Trusts owning the Company to sell all the 500 issued and outstanding shares of stock to District. District has access to financial resources needed to upgrade the aging system, and will also acquire the outstanding balance of the Department of Water Resources loan. Sale price is 10% less than net book. This proceeding is closed.
(Com Duque - ALJ Weiss)
- CA-23 A97-10-026 - City of Santa Clarita (City).**
This decision grants request of the City to construct Via Princessa Road Overhead at separated grades over the tracks of the Southern California Regional Rail Authority's Valley Subdivision Main Line in Santa Clarita, Los Angeles County. The Via Princessa Road grade separation overhead will improve public access and traffic circulation in an area of growing residential and industrial development. This proceeding is closed.
(Exam Koss)
- CA-24 A98-04-022 - City of Los Angeles Harbor Department (City).**
This decision grants request of the City to reconstruct an existing at-grade crossing at Yang Ming Road near John S. Gibson Boulevard across the tracks of Union Pacific Railroad Company's San Pedro Branch Line, formerly owned by Southern Pacific Transportation Company, in Los Angeles, Los Angeles County. City proposed to construct two additional tracks at the existing Yang Ming Road at-grade crossing. The proposed at-grade crossing is part of the West Basin Intermodal Container Transfer Facility at Berths 122-131 at the Port of Los Angeles and will improve rail access to the terminal. A private at-grade crossing, located approximately 2,460 feet north of the proposed at-grade crossing, will be closed permanently and physically removed. This proceeding is closed.
(Exam Koss)

- CA-25 A98-07-010 - California Department of Transportation.**
This decision authorizes the applicant to construct the Salinas River Viaduct on State Route 41 over the tracks of the Union Pacific Railroad Company at separated grades in Atascadero, San Luis Obispo County. This proceeding is closed.
(Exam Koss)
- CA-26 Res W-4121 - North Gualala Water Company (NGWC).**
This resolution grants in part and dismisses in part the request of NGWC to increase the service fee for projects funded by the Safe Drinking Water Bond Act chargeable to customers requesting future services to undeveloped lots; to expand the applicability of the service fee to undeveloped lots to include services to customers with inactive meters, inactive services, and any meter installations; and to add a new condition for resumption of service under Tariff Rule No. 11.
- CA-27 Res T-16235 - All Telecommunications Carriers.**
This resolution approves the 1999 Budget of \$23.8 million for the California Teleconnect Fund program.
- CA-28 Res T-16237 - Roseville Telephone Company (Roseville).**
This resolution approves on a provisional basis the permanent California High Cost Fund-B (CHCF-B) surcredit of 0.8271% pending the review of CHCF-B claims submitted by Roseville to the CHCF-B Administrative Committee.
(Advice Letter 425, filed September 21, 1998)
- CA-29 Res T-16238 - GTE California Incorporated (GTEC).**
This resolution approves on a provisional basis the permanent California High Cost Fund-B (CHCF-B) surcredit of 3.16% pending the review of CHCF-B claims submitted by GTEC to the CHCF-B Administrative Committee.
(Advice Letter 8838, filed September 21, 1998)

- CA-30 Res T-16239 - Citizens Telecommunications Company of California (Citizens).**
This resolution approves on a provisional basis the permanent California High Cost Fund-B (CHCF-B) surcredit of 3.07% pending the review of CHCF-B claims submitted by Citizens to the CHCF-B Administrative Committee.
(Advice Letter 632, filed September 22, 1998)
- CA-31 Res TL-18871 - Airporter, Inc. dba Santa Rosa Airporter (Airporter).**
This resolution grants Route Revision Docket #506 request by Airporter to add two new stops.
- CA-32 Res T-16229 - Pacific Bell (Pacific).**
This resolution approves three Interconnection Agreements between Pacific and Sattel Streamramp, LLC, between Pacific and Winstar Wireless of California, Inc., and between Pacific and U.S. TelePacific Corporation, submitted under provisions of Resolution ALJ-174 and General Order 96-A.
(Advice Letter (AL) 19647, filed August 27, 1998, AL 19648, filed August 27, 1998, AL 19711, filed September 28, 1998, and Supplement AL 19711A, filed October 19, 1998)
- CA-33 Res T-16228 - GTE California (GTEC).**
This resolution approves two Interconnection Agreements between GTEC and Dakota Services Limited, and between GTEC and NorthPoint Communications, Incorporated, submitted under provisions of Resolution ALJ-174 and General Order 96-A.
(Advice Letter (AL) 8817, filed August 27, 1998, and AL 8852, filed October 6, 1998)

- CA-34 Res T-16230 - Pacific Bell (Pacific).**
This resolution approves six Resale Agreements between Pacific and United States Telecommunication, Inc., between Pacific and Comm South Companies, between Pacific and Choctaw Communications, L.C. dba Smoke Signal Communications, between Pacific and Correctional Communications Corporation, between Pacific and OmniCall, Inc., and between Pacific and Max-Tel Communications, Inc., submitted under provisions of Resolution ALJ-174 and General Order 96-A.
(Advice Letter (AL) 19640, filed August 21, 1998, AL 19641, filed August 21, 1998, AL 19649, filed August 27, 1998, AL 19662, filed September 3, 1998, AL 19723, filed October 2, 1998 and AL 19735, filed October 6, 1998)
- CA-35 Res T-16241 - GTE California (GTEC).**
This resolution approves one Interconnection Agreement between GTEC and DigitCom Services, Inc., submitted under provisions of Resolution ALJ-174 and General Order 96-A.
(Advice Letter 8832, filed September 10, 1998)
- CA-36 Res W-4122 - Nish Water Company.**
This resolution authorizes an offset rate increase producing an additional annual revenue of \$5,900 or 5.7% and a one-time Department of Health Services Surcharge of \$2,389 or \$4.90 per customer.
(Advice Letter 26-W, filed October 1, 1998)
- CA-37 A98-02-039 - Pacific Gas and Electric Company (PG&E).**
For rehearing of Resolution E-3516 approving PG&E's request for its 1998 base revenue increase attributable to Public Utilities Code Sections 368(e) and 381(c). This decision grants James Weil an award of \$12,246.07 in compensation for his contribution to Resolution E-3516 and D98-04-069. This proceeding is closed.
(Com Conlon - ALJ Vieth)
[This revision was not listed on the agenda distributed to the public.](#)
- CA-38 Res SX-19 - San Diego Metropolitan Transit Development Board (MTDB).**
This resolution grants request of MTDB for authority to deviate from the provisions of Section 7.2 of General Order 75-C by modifying the approach circuit at the Napa Street and Friars Road at-grade crossing, in the City of San Diego, San Diego County.

- CA-39** **A97-12-049 - Southern California Edison Company (Edison).**
This decision approves a Mitigated Negative Declaration and a Permit to Construct for a substation at the Six Flags Magic Mountain amusement park and for a 6,000 foot tap line connecting the substation to the Edison transmission grid. This proceeding is closed.
(Com Duque - ALJ Weissman)
- CA-40** **A94-05-042 - AT&T Communications of California, Inc. (AT&T).**
For authority to be designated a nondominant interexchange carrier. This decision awards The Utility Reform Network \$8,091 of the \$40,456 it requests for its substantial contribution to D97-08-060. AT&T is directed to pay the award, with interest. This proceeding is closed.
(Com Knight - ALJ Hale)
- CA-41** **I90-09-050 - Order instituting investigation on the Commission's own motion to develop a policy of nondiscriminatory access to electricity transmission services for non-utility power producers.**
This decision transfers the remaining outstanding issues in this investigation to I89-07-004. This proceeding is closed.
(Com Conlon - ALJ Econome)
- CA-42** **A96-05-012 - Antone Sylvester Tug Service, Inc.**
For a certificate of public convenience and necessity as a common carrier by vessel between points in the Los Angeles, Long Beach, and Redondo Beach harbor areas and points offshore of Los Angeles County. Petition of applicant to amend Section I of Appendix VCC-75 of D96-09-029 by adding two vessels and a barge is granted. This proceeding is closed.
(Com Neeper - ALJ Ryerson)
- CA-43** **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 denies Public Media Center's (PMC) motion for determination of procedure for accepting notice of intent to claim compensation. PMC failed to timely identify the issues that it participated in and failed to timely file its motion requesting what procedure PMC should follow for filing its notice of intent.
(Coms Knight/Neeper - ALJ Wong)
(Agenda 3003, Item CA-23, 11/5/98; Req - Commission)

- CA-44 A97-01-012 - MCI Communications Corporation (MCIC) and British Telecommunications (BT).**
For all approvals required for the change in control of MCIC's California Certificated subsidiaries that will occur indirectly as a result of the merger of MCIC and BT. Greelining Institute and Latino Issues Forum's petition to modify D97-05-092 to make nonsubstantive changes is granted. This proceeding is closed.
(Coms Conlon/Knight - ALJ DeUlloa)
- CA-45 A98-08-028 - Jeffrey Rhodes and Antonio Luna dba East Bay Airporter.**
This decision grants East Bay Airporter authority to transfer its passenger stage certificate to Jeffrey Rhodes. This proceeding is closed.
(Com Duque - ALJ DeUlloa)
- CA-46 A98-04-030 - SuperShuttle International, Inc.**
This decision grants applicant authority to acquire Preferred Transportation, Inc. and Tamarack Transportation, Inc. A request to have this order made *nunc pro tunc* denied. Staff ordered to investigate possible violations of Public Utilities Code Sections 851-854 and Rule 1 of the Commission's Rules of Practice and Procedure and report to the Assigned Commissioner, Administrative Law Judge, and Commission. This proceeding is closed.
(Com Conlon - ALJ Rosenthal)
- CA-47 A98-10-003 - Pacific Gas and Electric Company (PG&E).**
Pursuant to § 372(c), PG&E, Central Valley YMCA, City of Willits, Fetzer Vineyards, Piedmont Gardens, and Graphics Communications Union Retirement Center filed a joint application on October 2, 1998 seeking approval of the exemption from competition transition charges (CTC), as provided under § 372(c) (1) for on-site load served by cogeneration. This decision approves the request for exemption from CTC. This proceeding is closed.
(Com Bilas - ALJ Malcolm)

CA-48 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 meter exemption for direct access customers with a demand between 20 and 50 kilowatts is extended until March 31, 2002. Those customers shall be permitted to continue using load profiles until that date. A workshop will be held in the year 2000 to reevaluate these issues.
(Coms Neeper/Knight - ALJ Wong)

CA-49 C97-04-065 - Southern California Edison Company (Edison) vs. California Cable Television Association.

Complaint of Edison against CCTA is dismissed for failure to state a cause of action. This proceeding is closed.

(Com Duque - ALJ Wright)

(Rev.) (Agenda 3001, Item CA-26, 10/8/98; Agenda 3003, Item CA-7, 11/5/98; Req - Commission)

[This item appeared as H-2 on the agenda distributed to the public.](#)

REGULAR AGENDA

UTILITY AND TRANSPORTATION ORDERS

ORDERS HELD OVER

- H-1** **C96-01-019 - City of Vernon (Vernon) vs. The Atchison, Topeka and Santa Fe Railway (Santa Fe).**
Vernon has failed to prove that implementation of Santa Fe's plans of expansion unnecessarily creates avoidable adverse environmental effects so as to make the expansion of the Hobart Yard unreasonable, in light of economically feasible alternatives. The complaint is denied. This proceeding is closed.
(Com Neeper - ALJ Careaga)
(Section 311)
(Agenda 3002, Item CA-3, 10/22/98; Req - Commission)
- H-2** Moved to CA-49 on the agenda.
[This revision was not listed on the agenda distributed to the public.](#)
- H-3** **A97-10-024 - Southern California Edison Company (Edison).**
This decision adopts revenue requirements for non-nuclear capital additions added to rate base in 1996 by Edison. The amounts adopted in this decision for capital additions will be included in Edison's Transition Cost Balancing Account for recovery pursuant to Public Utilities Code Section 367. This proceeding is closed.
(Coms Bilas/Conlon - ALJ Malcolm)
(Section 311)
(Agenda 3002, Item 2, 10/22/98; Agenda 3003, Item H-9, 11/5/98; Req - Commission)

H-4 C97-02-027 - Pacific Bell (Pacific) vs. MCI Telecommunications Corporation (MCI).

This decision grants the complaint of Pacific against MCI regarding MCI's alleged failure to remit the Pay Station Service Charge (PSSC) as required by Pacific's tariff and Resolution T-15782. MCI is ordered to pay the PSSC to Pacific in the amount of \$2,097,432 for the period of April 12, 1996, through June 9, 1997. MCI is also ordered to pay the PSSC to the Intervenors in the amount of \$24.63 for each payphone the Intervenors had in service for the period of April 12, 1996 through November 6, 1996. In addition, this decision orders MCI to pay interest to Pacific and the Intervenors assessed in accordance with Pacific's tariffs. Finally, MCI is ordered to file a new PSSC tariff within 30 days. This proceeding is closed. (Com Bilas - ALJ Kenney)

(Section 311)

(Agenda 2997, Item CA-3, 7/23/98; Agenda 2998, Item H-2, 8/6/98; Agenda 3000, Item H-2, 9/17/98; Agenda 3001, Item H-1, 10/8/98; Agenda 3003, Item H-1, 11/5/98; Req - Commission)

H-4a ALTERNATE PAGES TO H-4. These alternate pages would impose a penalty on MCI for its failure to comply with Resolution T-15782.

(Com Duque)

(Agenda 3000, Item H-2a, 9/17/98; Agenda 3001, Item H-1a, 10/8/98; Agenda 3003, Item H-1a, 11/5/98; Req - Commission)

H-4b ALTERNATE ORDER TO ITEM H-4. This alternate order dismisses the complaint filed by Pacific Bell alleging that MCI Telecommunications Corporation (MCI) failed to comply with Resolution 15782, which required MCI to bill, collect and remit pay station service charges to payphone owners for the use of their equipment to originate non-coin intraLATA calls carried by MCI.

(Com Neeper)

H-5 **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 Qualifying Facility Restructuring Reasonableness Letter (QFRRL) proposal made by six parties to this proceeding. This decision adopts the QFRRL proposal with the minor modifications and clarifications set forth in this decision.
(Com Neeper - ALJ Econome)
(Agenda 3001, Item 4, 10/8/98; Agenda 3003, Item H-2, 11/5/98; Req - Commission)

H-5a **ALTERNATE ORDER TO ITEM H-5.** This alternate order would approve a modified version of an Advice Letter process for filing certain Qualifying Facility (QF) contract modifications which are jointly supported by the affected utility and QF, as well as Office of Ratepayer Advocates.
(Com Neeper)
[This item was not listed on the agenda distributed to the public.](#)

H-6 **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 denies the petition to modify D97-05-039 filed on May 4, 1998 by School Project for Utility Rate Reduction and Regional Energy Management Coalition (jointly, SPURR/REMAC) to permit customers who do not purchase electric service from utility competitors to have the choice of subscribing to metering services of utility competitors. We grant a related proposal filed by San Diego Gas & Electric, SPURR/REMAC, Cellnet, Itron, Southern California Edison Company, Pacific Gas & Electric Company, and Coalition of California Utility Employees.
(Com Duque - ALJ Malcolm)
(Agenda 3001, Item CA-32, 10/8/98; Agenda 3002, Item CA-25, 10/22/98; Agenda 3003, Item H-3, 11/5/98; Req - Commission)

H-6a **ALTERNATE ORDER TO ITEM H-6.** This decision denies the petition to modify D97-05-039 filed on May 4, 1998 by School Project for Utility Rate Reduction and Regional Energy Management Coalition (jointly, SPURR/REMAC) to permit customers who do not purchase electric service from utility competitors to have the choice of subscribing to metering services of utility competitors. We deny a related proposal filed by San Diego Gas & Electric, SPURR/REMAC, Cellnet, Itron, Southern California Edison Company, Pacific Gas & Electric Company and Coalition of California Utility Employees.
(Com Knight)
(Agenda 3003, Item H-3a, 11/5/98; Req - Commission)

- H-7** **A97-07-008 - Landmark Communications, Inc. (Landmark).**
On rehearing (D98-02-115) from D97-11-056. This decision finds Landmark and William Kettle, its alter ego, unfit to be awarded a Certificate of Public Convenience and Necessity. This proceeding is closed.
(Com Bilas - ALJ Ramsey)
(Section 311)
(Agenda 3001, Item 1, 10/8/98; Agenda 3002, Item H-3, 10/22/98; Agenda 3003, Item H-6, 11/5/98; Req - Commission)
- H-7a** **ALTERNATE ORDER TO ITEM H-7.** Application of Landmark Communications, Inc. for a certificate of public convenience and necessity is granted with specific conditions.
(Com Knight)
- H-8** **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, A96-06-08-072 - Related matters. This decision addresses the issue of how the competition transition charge is applied to new customer load, where that load is served by a direct transaction that does not otherwise require the use of transmission or distribution facilities owned by PG&E, Southern California Edison Company, and San Diego Gas & Electric.
(Coms Conlon/Bilas - ALJ Minkin)
(Section 311)
(Agenda 3001, Item 2, 10/8/98; Agenda 3002, Item H-4, 10/22/98; Agenda 3003, Item H-7, 11/5/98; Req - Commission)
- H-8a** **ALTERNATE ORDER TO ITEM H-8.** This alternate order concludes that new customer load which is connected to the utility's transmission and distribution system for any purpose, including standby service, is not exempt from the competition transition charge collection related to that load.
(Com Conlon)
(Agenda 3001, Item 2a, 10/8/98; Agenda 3002, Item H-4a, 10/22/98; Agenda 3003, Item H-7a, 11/5/98; Req - Commission)

H-8b

ALTERNATE ORDER TO ITEM H-8. This alternate order finds that new customer load served by a direct transaction that does not require use of the utilities' transmission and distribution systems may be connected for standby service and still be exempt from competition transition charge collection related to the new load served by the direct transaction. This alternate defines a physical test to determine whether a direct transaction requires use of the utilities' transmission and distribution systems.

(Coms Duque/Bilas)

(Agenda 3002, Item H-4b, 10/22/98; Agenda 3003, Item H-7b, 11/5/98;

Req - Commission)

ORDERS

- 1 A97-03-015 - Southern California Gas Company (SoCalGas).**
SoCalGas requests Commission approval of its long-term gas transmission service contract with Distribudora de Gas Natural de Mexicali, S. de R.L. de C.V. (DGN). SoCalGas also requests that the Commission not allocate the cost of exclusions, as defined in its Performance-Based Ratemaking (PBR) filing A95-06-002 to the DGN contract in cost allocation proceedings subsequent to the expiration of the Global Settlement term and continuing to the expiration date of the contract. And SoCalGas requests that the Commission exempt the contract from the provision of Section X of General Order (GO) 96-A that otherwise makes the contract subject to modification by the Commission during its term. This decision: grants Commission approval of the DGN transmission service contract; denies SoCalGas' request for special treatment of the cost of exclusions; and, grants SoCalGas' request for exemption of the contract from Section X of GO 96-A. This proceeding is closed.
(Com Bilas - ALJ Patrick)
(Section 311)
- 2 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 rejects the June 10, 1998 joint motion of Southern California Edison Company (Edison), Pacific Gas and Electric Company, San Diego Gas & Electric Company, Independent Energy Producers Association, California Cogeneration Council, NRG Energy, Inc., and Enron Capital & Trade Resources (Enron) proposing the adoption of a settlement agreement on qualifying facility (QF) contract restructuring and modification issues. This decision also individually addresses the issues of (1) the standard of reasonableness for the Commission to apply to a QF contract restructuring or modification; (2) whether QF contract restructurings should be voluntary for both the utility and the QF; (3) whether a utility's decisions in QF contract restructuring negotiations should be subject to reasonableness review; (4) whether to retain and how to implement the 10% shareholder incentive to renegotiate QF contracts, as well as other QF-related issues raised by the parties. This decision also denies the Office of Ratepayer Advocates' Petition for Modification of D96-12-077, and dismisses without prejudice Enron's Motion Requesting an Order to Show Cause Against Edison, dated July 22, 1997.
(Com Neepser - ALJ Econome)

- 3** **R97-10-018 - Order Instituting Rulemaking on the Commission's own motion to design and implement a program that provides for publicly available telecommunications devices capable of servicing the needs of the deaf or hearing impaired (TDD) in existing buildings, structures, facilities, and public accommodations. I97-10-019 - Related matter.**
This decision adopts a 1998 budget of \$99,050 and a 1999 budget of \$1,651,000 for the TDD Placement Interim Committee for the administration of a new telecommunications program providing for the placement of telecommunications devices capable of serving the needs of the deaf or hearing impaired in existing buildings and public accommodations. This decision also adopts a .00011% Deaf Equipment Acquisition Fund (D.E.A.F.) surcharge rate for billing cycles beginning January 1, 1999 to fund the TDD Placement Interim Committee activities. This surcharge shall be added to the current D.E.A.F. surcharge rate in effect.
(Com Duque - ALJ Galvin)
- 4** **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 adopts rules governing the processing of requests for collocation space by competitive local carriers.
(Com Conlon - ALJ Pulsifer)
- 5** **A98-01-008 - Pacific Gas and Electric Company (PG&E).**
In D98-07-092, the Commission allowed PG&E to continue an auction of the Potrero Power Plant, Pittsburg Power Plant, Contra Costa Power Plant, Sonoma County Geysers units, and Lake County Geysers units, but prohibited PG&E from accepting final bids until further order of the Commission. The Commission expressed its intention for the further order to include the certification of an Environmental Impact Report (EIR) on the divestiture of the plants. This order address the certification of the EIR after reviewing the content of the Final EIR as well as reviewing all of the comments on the draft EIR and responses to those comments.
(Coms Bilas/Conlon - ALJ Weissman)

- 6** **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, R95-04-043, I95-04-044 - Related matters.**
This decision addresses the Pacific Bell Draft 271 Application for authorization to provide in-region interLATA telecommunication services submitted to the California Public Utilities Commission, and sets out what Pacific Bell needs to do to demonstrate compliance with Section 271 of the Federal Telecommunications Act of 1996.
(Com Knight - ALJ Reed)
- 7** **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 adopts a 408 area code relief plan which will create a new area code in the form of a single comprehensive overlay. The plan also calls for mandatory 1+10-digit dialing within the 408 area code and orders a public education program to be initiated.
(Com Conlon - ALJ Pulsifer)
- 8** **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 addresses issues related to the recovery of implementation costs related to local exchange competition. D96-03-020 authorized Pacific Bell and GTE California to establish memorandum accounts to record implementation costs incurred on or after January 1, 1996, for later disposition.
(Com Conlon - ALJ Pulsifer)

UTILITIES RESOLUTIONS

ENERGY MATTERS

- E-1** **Res E-3527** - This resolution adopts changes to Resolution E-3514 to comply with state law. Only credit balances in the Transition Revenue Account (TRA) may be transferred to the Transition Cost Balancing Accounts (TCBA). Debit balances may be carried over in the TRA from month-to-month, but may not be transferred to the TCBA.
- E-2** **Res G-3245 - Southern California Gas Company (SoCalGas).**
This resolution conditionally approves SoCalGas' request for approval to competitively bid the weatherization portion of its 1999 low-income program.
(Advice Letter 2731, filed August 4, 1998)
(Agenda 3002, Item E-4, 10/22/98; Agenda 3003, Item E-3, 11/5/98;
Req - Commission)
- E-3** **Res G-3243 - Southern California Gas Company (SoCalGas).**
This resolution denies SoCalGas' request for authorization to adjust its cogeneration default rates due to the sale of a utility generating facility.
(Advice Letter 2701, filed April 20, 1998)
(Agenda 3002, Item E-5, 10/22/98; Agenda 3003, Item E-4, 11/5/98;
Req - Commission)
- E-4** **Res G-3242 - Southern California Gas Company (SoCalGas).**
This resolution approves authorization to establish a single customer class for all electricity generators in its service territory. This resolution also denies request to eliminate the collateral discount rule and the cogeneration gas allowance.
(Advice Letter 2709, filed May 5, 1998)
(Agenda 3002, Item E-6, 10/22/98; Agenda 3003, Item E-5, 11/5/98;
Req - Commission)

TELECOMMUNICATIONS MATTERS

C-1 Res T-16130 - Pacific Bell (Pacific).

For authority to revise Schedule Cal P.U.C. No. A-20 regarding the competitive local carrier services, 20.1 directory number call forwarding. This resolution approves, in part, Pacific's request to revise certain sections of its tariff Schedule Cal. P.U.C. No. A-20. Pacific's request to limit Directory Number Call Forwarding to facilities-based carriers, and to restrict customers from migrating to another service provider are denied. (Advice Letter (AL) 18992, filed August 25, 1997, and supplemented by AL 18992-A, filed September 12, 1997)

WATER MATTERS

W-1

Res W-4119 - Great Oaks Water Company, Inc. (GOWC).

This resolution authorizes GOWC to serve the Coyote Valley, southeast of San Jose, California.

(Advice Letter 147, filed June 5, 1998)

(Agenda 3002, Item W-1, 10/22/98; Agenda 3003, Item W-1, 11/5/98;

Req - Commission)

ADMINISTRATIVE LAW JUDGE DIVISION RESOLUTIONS

- ALJ-1** **Res ALJ-176-3004** - 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.)

MANAGEMENT RESOLUTIONS

- M-1** **Res M-4792** - This resolution requires utilities to provide information to the Commission regarding their efforts to achieve compliance with the Year 2000 problem, to certify that they are compliant by November 1, 1999, and to develop contingency plans to address Year 2000 problems which may nonetheless result. This resolution also requires certain utilities to participate in industry-wide Year 2000 efforts and to provide information submitted to industry groups and/or to the Securities and Exchange Commission.
(Agenda 3003, Item M-1, 11/5/98; Req - Commission)

RESOLUTIONS AND MEMORANDUMS

- L-1** **Res L-272** - This resolution responds to Public Records Act request by Rebecca Smith for disclosure of all electric incident reports filed by electric utilities during the past ten years, in an unredacted form which reveals the names and addresses of electric incident victims and witnesses, rather than in the redacted form released pursuant to Resolution L-265. Resolution also responds to Public Record Act request by the Los Angeles Times and Times Staff Writer Michael Wagner for disclosure of unredacted electric incident reports filed by electric utilities, accident investigation reports prepared by the Commission, and correspondence related to such accident reports and investigative reports.
(Agenda 3003, Item L-1, 11/5/98; Req - Commission)

- L-1a** **ALTERNATE ORDER TO RESOLUTION L-1.** This alternate resolution orders electric utilities to determine whether accident victims and their immediate families consent to public disclosure of their names and addresses. The Utilities Safety Branch is directed to develop new accident reporting procedures that will inform accident victims and their immediate families that personal information will not be disclosed without their consent and to record their choice regarding public disclosure.
[This item was not listed on the agenda distributed to the public.](#)

COMMISSIONERS' REPORTS

Commissioner Conlon

- Electric Matters
- Transportation Matters

Commissioner Knight

- Telecommunications Matters

Commissioner Duque

- Water Matters
- Administrative Matters

Commissioner Neeper

- Consumer Protection Matters

President Bilas

- Natural Gas Matters

EXECUTIVE DIRECTOR'S REPORT

Wesley M. Franklin, Executive Director

Approval of the 1998/1999 Commission Business Plan

GENERAL COUNSEL'S REPORT

Peter Arth, Jr., General Counsel

DIRECTORS' 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 **R95-01-020, I95-01-021** - Disposes of applications for rehearing of D96-10-066 filed by Pacific Bell, GTE of California Incorporated, The Utility Reform Network (TURN), and Roseville Telephone Company. D96-10-066 adopts universal service rules for basic residential local telephone service. Rehearing applicants take issue with the size of the California High Cost Fund B (CHCF- B) and with various calculations and assumptions which form the basis for determining the universal service subsidies. TURN also claims that the use of an end-user surcharge to fund the CHCF-B is in error.
(Agenda 3000, Item EX-6, 9/17/98; Agenda 3002, Item HEX-1, 10/22/98; Req - Commission)

HEX-2 **A96-03-054** - Disposition of applications for rehearing of D97-05-088 filed by: The Utility Reform Network ; Pacific Gas and Electric Company; The San Luis Obispo Mothers for Peace, Rochelle Becker and Life on Planet Earth; and San Luis Obispo County and San Luis Coastal Unified School District. In the context of electric restructuring, D97-05-088 established a revenue requirement for the Diablo Canyon Nuclear Power Plant by determining the amount of sunk costs and by instituting an incremental cost incentive price. Other matters, e.g. issues relating to safety and local tax revenue, were also decided.
(Agenda 3002, Item EX-3, 10/22/98; Agenda 3003, Item HEX-2, 11/5/98; Req - Commission)

HEX-3 Discussion of legal issues in Adler et al. vs. Southern California Water
(Rev.) Company (Los Angeles County Superior Court No. BC 169892) and related
cases.
(Agenda 3003, Item EX-5, 11/5/98; Req - Commission)

ORDERS

EX-1 Compilation of Applications for Rehearing filed with the Commission and Petitions filed with the California courts since the last Commission Meeting and a summary of recent developments in state courts and state agencies in cases in which the California Public Utilities Commission is a party or intervenor or intends to intervene.

EX-2 **R93-04-003, I93-04-002** - Disposition of applications for rehearing of D96-08-021 by GTE California (GTEC), MCI Telecommunications (MCI) and The Utility Reform Network (TURN). GTEC claimed that it would be forced to sell services below the cost of unbundling basic network elements (BNFs) by using mandated next Generation Digital Loop Carrier methodology which does not include all of its unbundling cost and therefore violates the takings clause of the state and Federal constitutions. MCI claimed that the Federal Communication Commission (FCC) First Implementation Order for the Telecommunications Act of 1996 requires additional hearings to conform the Commission adopted Total Service Long Run incremental cost with the FCC adopted Total Element Long Run Incremental Cost and that it was denied due process by not having sufficient notice and time to review all the data considered by the Commission. TURN objects to the determination that the local loop cost is not a shared cost at the retail level.

EX-3 **C94-09-038** - Disposition of application for rehearing of D98-03-078 filed by Larkfield Water Company (Larkfield). In this decision, the Commission ordered Larkfield to bear the \$16,500 in costs for the installation of water backflow prevention devices (BFPDs) on the complainant's property. The Commission further precluded Larkfield from passing on the BFPD installation costs to its ratepayers. Larkfield alleges the following legal errors: (1) the Commission unlawfully waived or ignored Larkfield's tariff; (2) the Commission imposed a penalty without following the procedural safeguards afforded under Public Utilities Code section 2100, et seq.; (3) Finding of Fact Nos. 8 and 13(b) are not supported by the record; (4) the decision effects an unconstitutional taking; and (5) the Commission erroneously granted the complainant a preference in violation of Public Utilities Code section 453(a).

- EX-4** **R97-01-009, I97-01-010** - Disposes of applications for rehearing by the Consumers Alliance for Utility Safety and Education, et al., and the California Association of Competitive Telecommunications Companies/MCI, of D98-04-059, which adopted revisions to the Commission's intervenor compensation program.
- EX-5** **A94-11-015** - Disposes of applications for rehearing filed by Pacific Gas and Electric Company (PG&E), The Utility Reform Network, California Industrial Group, and California Manufacturers' Association. The Decision ordered changes in revenues for PG&E's BCAP. The applications allege error in the allocation of marginal costs, DSM expenses and procedural violations.
- EX-6** **A96-07-001** - Disposition of application for rehearing of D97-12-042 in A96-07-001 filed jointly by California Manufacturers Association, California Large Energy Consumers Association, California Industrial Users, California Farm Bureau Federation, Energy Producers and Users Coalition, and Cogeneration Association of California. D97-12-042 addressed issues relating to the application of Public Utilities Code section 376 to certain costs related to the Independent System Operator and the Power Exchange.

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.

FEX-2 FERC Docket Nos. ER98-2843-001, et al; and ER98-4497-000, et al. Discussion of position to take with respect to potential application(s) for rehearing of AES Redondo Beach, et al., 85 FERC ¶ 61,123(1998), and Sempra Energy Trading Corp., 85 FERC ¶ 61,122 (1998), The decisions give market-based rate authority to all three of the large California IOUs, extend the ISO's interim authority to limit the prices it will pay for Ancillary Services, and direct the ISO to submit a proposal for redesigning the Ancillary Services markets.

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