

Public Utilities Commission of the State of California

**Public Agenda 3006
Thursday, December 17, 1998, 9 a.m.*
San Francisco, California**

**This meeting will be at 9 a.m. rather than 10 a.m. If necessary to complete consideration of matters listed on the December 17 Agenda, the meeting may be continued to December 18 at 10:30 a.m.*

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** Room 5305 (1:30 p.m.) Closed to the Public</i>	<i>Commission Meeting Auditorium (10 a.m.) Open to the Public</i>
✓ Tuesday, December 15 (10-11am)	Thursday, December 17
Monday, January 4, 1999	Thursday, January 7, 1999
Tuesday, January 19	Wednesday, January 20
Monday, February 1	Thursday, February 4

***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.*

A "◆" next to the item number on the Agenda indicates that the matter may be considered during Closed Session pursuant to Public Utilities Code Section 1701.2(c); thereafter the Commissioners will reconvene in Public Session to vote on the item.

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
(415) 703-2074 E-mail: public.advisor@cpuc.ca.gov



This location is accessible to people with disabilities. If specialized accommodations for the disabled are needed, e.g. sign language interpreters, please call the Public Advisor at (415) 703-2074 or TDD# (415) 703-2032 five working days in advance of the meeting.

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-24, H-20

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-18874** - Resolution approving issuance of charter-party carrier certificates pursuant to Section 5374(b) of the Public Utilities Code.
- CA-2** **A96-07-009 - Southern California Edison Company.**
To adopt the California Based Ratemaking and Incentive Based Ratemaking Mechanisms Specified in D95-12-063, as modified by D96-01-009, and related changes. A96-07-018 - Related matter. This decision grants James Weil, Ray Czahar, and Ronald Knecht, an award of \$29,429.25, \$3,323.75 and \$5,036.75, respectively, in compensation for their contribution to D97-12-096. These proceedings are closed.
(Com Duque - ALJ DeUlloa)
- CA-3** **A98-01-014 - San Diego Gas & Electric Company (SDG&E).**
In this interim decision of SDG&E's application for authority to implement a distribution Performance-Based Ratemaking (PBR) mechanism, we adopt the all-party settlement agreement resolving cost of service issues as the starting point for SDG&E's distribution PBR mechanism. Issues regarding the distribution PBR mechanism itself, including design and performance indicators, will be addressed in a forthcoming decision.
(Com Neeper - ALJ Minkin)

- CA-4 Res E-3550 - Pacific Gas and Electric Company (PG&E).**
This resolution approves PG&E's requests of a two-phase reorganization of its research, development and demonstration program.
(Advice letter (AL) 2076-G/1759-E, filed April 1, 1998;
Supplemental AL 2076-G-A/1759-E-A, filed November 16, 1998)
- CA-5 A98-07-053 - Mamdouh F. Hassan, dba Bay Transit Airporter
(applicant).** This decision authorizes applicant to operate as a passenger stage corporation: (1) between points in the Counties of San Francisco, Alameda and Contra Costa, and Oakland and San Francisco International Airports; and (2) establish a Zone of Rate Freedom. This proceeding is closed.
(Exam Koss)
- CA-6 A98-08-037 - Antonio Luna and Jeffrey Rhodes, dba Bay Area Shuttle
(applicants).** This decision authorizes applicants to establish a Zone of Rate Freedom of \$10 above and below their authorized published fares filed with the Commission. This proceeding is closed.
(Exam Koss)
- CA-7 A98-06-039 - Pacific Gas and Electric Company.**
For a permit to construct the Northern Geysers Area Reinforcement Project, pursuant to General Order 131-D. Order approving Assigned Commissioner's Ruling changing the preliminary determination on need for hearing from yes to no.
(Com Neeper - ALJ Gottstein)
(Rule 6.5(b)).
- CA-8 A97-03-029 - Southern California Water Company (SCWC).**
For an order authorizing it to increase gross revenues by \$429,300, or 15.0%, in 1998; \$429,300, or 15.0%, in 1999; \$429,300, or 15.0%, in 2001, in the Bay Point District. A97-03-030, A97-03-031 - Related matters. This decision grants the petition jointly made by the Ratepayer Representation Branch of the Water Division and SCWC to modify D97-12-065 to correct what appears to be an inadvertent error in two ordering paragraphs regarding the procedure for step-rate increases in the years 1999 and 2000. These proceedings are closed.
(Com Neeper - ALJ Walker)

- CA-9** **A98-08-033 - Pacific Pipeline System, Inc. (PPSI) and Pacific Pipeline System LLC.** This decision grants the request for a change in PPSI's corporate structure via merger into a Delaware limited liability company. This proceeding is closed.
(Com Duque - ALJ Gottstein)
- CA-10** **Res - T-16249 - Pacific Bell (Pacific).**
This resolution approves one Resale Agreement between Pacific and Easy Cellular, Inc., submitted under provisions of Resolution ALJ-174 and G.O. 96-A.
(Advice Letter 19791, filed October 29, 1998)
- CA-11** **Res T-16257 - Universal Lifeline Telephone Service Marketing Board. (ULTSMB).** This resolution adopts a Request for Proposal (RFP) and draft contract for the ULTSMB. The ULTSMB submitted the RFP and draft contract for Commission approval on November 20, 1998 pursuant to D98-10-050. The RFP and draft contract will be used to solicit bids from advertising agencies to assist the ULTSMB develop multi-lingual and multi-cultural marketing campaigns in 1999 to increase ULTS program awareness for low income households in the state.
- CA-12** **Res T-16251 - GTE California (GTEC).**
This resolution approves an Interconnection Agreement between GTEC and U.S. Telepacific Corporation, submitted under provisions of Resolution ALJ-174 and G.O. 96-A.
(Advice Letter 8875, filed October 23, 1998)
- CA-13** **Res T-16250 - Pacific Bell (Pacific).**
This resolution approves two Interconnection Agreements between Pacific and CRL Network Services, and between Pacific and Dakota Services, LTD, submitted under provisions of Resolution ALJ-174 and G.O. 96-A.
(Advice Letter (AL) 19790, filed October 29, 1998; AL 19796, filed October 30, 1998)

- CA-14 Res T-16248 - Roseville Telephone Company (Roseville).**
This resolution authorizes Roseville to increase its annual revenue by \$792,843 effective January 1, 1999. Roseville's requested revenue change reflects cost adjustments associated with the Customer Notification and Education Plan, Universal Service Fund, Payphone Deregulation, Other Billing and Collection and Fiber to the Curb.
(Advice Letter (AL) 426, filed October 1, 1998; Supplemental AL 426-A, filed October 22, 1998)
- CA-15 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 end-user surcharges to recover the costs of interim number portability (INP), in accordance with the cost recovery approach adopted in D97-10-029. Pacific Bell and GTE California Incorporated are directed to file amended tariffs for their INP service within 30 days following issuance of this order, removing the tariff charges previously imposed for INP service. All terms and conditions of service other than rates prescribed in the respective INP tariffs shall remain unchanged as a result of this order. All other carriers which have previously concurred in the ILECs' INP tariffs on a reciprocal basis shall concurrently remove any tariff charges from their own INP tariffs.
(Com Conlon - ALJ Pulsifer)
- CA-16 Res TL-18877 - This resolution adopts General Order 160-A requiring private carriers and organizations that provide transportation services incidental to operation of a youth camp to provide and continue in effect adequate protection against liability.**
- CA-17 A98-06-050 - Pacific Bell (Pacific).**
For authority to permit netting of intellectual property and proprietary assets between Pacific and affiliates and to allow the use of fully distributed costs for pricing service to SBC Communications and centralized support service organizations of Pacific. Granted, with conditions. This proceeding is closed.
(Com Conlon - ALJ Rosenthal)

- CA-18 A98-08-015 - NET-tel Corporation (applicant).**
This decision grants applicant a certificate of public convenience and necessity to operate as a local exchange service reseller. This proceeding is closed.
(Com Knight - ALJ O'Donnell)
- CA-19 A98-06-019 - Pacific Gas and Electric Company (PG&E)
and George Majors.**
This decision authorizes PG&E to sell and transfer 118 acres of unimproved property in El Dorado and Amador Counties to George Majors pursuant to Public Utilities Code Section 851. This proceeding is closed.
(Com Conlon - ALJ Wright)
- CA-20 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 matters.**
This decision grants Greenlining Institute/Latino Issues Forum (GI/LIF) an award of \$125,158 in compensation for its contributions to Commission decisions issued in this docket, the electric industry restructuring rulemaking and investigation, since the filing of its initial request for compensation to D95-12-063, the Preferred Policy Decision, on February 14, 1996. We grant Utility Consumers' Action Network an award of \$20,160 in compensation for its contributions to D97-10-087 and D97-12-048. This decision also grants California/Nevada Community Action Association an award of \$12,314.36 in compensation for its contribution to D97-08-064.
(Com Conlon - ALJ Hale)
- CA-21 A98-06-015 - San Diego Gas & Electric Company (SDG&E).**
This decision approves a proposed settlement between the Office of Ratepayer Advocates and SDG&E, which sets forth the conditions under which Station A and the South Bay Service Center will be sold. The net proceeds of the sales will be allocated to reduce transition costs. This proceeding is closed.
(Com Conlon - ALJ Stalder)

- CA-22** **A96-04-013 - Island Navigation Company, Inc. dba Catalina Island Water Transportation Co., (VCC-43).**
To amend its certificate of public convenience and necessity and to extend its operating authority to include the transportation of persons and baggage by vessel between Dana Point and Long Beach, California, on the one hand and all points and places on Santa Catalina Island on the other hand. This decision grants petition for modification of D97-11-027. This proceeding is closed.
(Com Neeper - ALJ Ryerson)
- CA-23** **A95-06-002 - Southern California Gas Company (SoCalGas).**
To Adopt Performance Based Regulation (PBR) for Base Rates to be Effective January 1, 1997. This decision modifies D97-07-054 allowing SoCalGas to credit the rate base in this application in the amount of \$6,768,789.56. This modification is necessary to eliminate a conflict between D97-07-054 and D97-06-064 with respect to treatment of insurance proceeds for capital costs reimbursement and restoration of facilities after the Northridge earthquake. This proceeding is closed.
(Coms Neeper/Duque - ALJ Ryerson)
- CA-24** **C97-05-012 - Mr. and Mrs. Bob D. Cooke, and Mr. and Mrs. Weldom Bramlett vs. Arrowhead Manor Water Company.**
This decision requires Arrowhead Manor Water Company to transfer two of its customers to the Crestline Lake Arrowhead Water Agency. This proceeding is closed.
(Com Neeper - ALJ Garde)
- CA-25** **A97-05-011 - PacifiCorp.** For approval of PacifiCorp's transition plan. A97-06-046, A97-07-005, A97-08-064 - Related matters. This decision rejects Sierra Pacific Power Company's Petition to Modify D97-12-093. These proceedings are closed.
(Com Duque - ALJ Weissman)
(Rev.) (Agenda 3005, Item CA-22, 12/3/98; Req - Commission)
[This revision was not listed on the agenda distributed to the public.](#)

- CA-26** Moved to item 15 on the agenda.
[This revision was not listed on the agenda distributed to the public.](#)
- CA-27** **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 Utility Reform Network (TURN) an award of \$7,076 in compensation for its substantial contribution to D98-01-024. Pacific Bell, GTE California, Roseville, and Citizens are each directed to pay a portion of the award, plus interest. TURN's motion for an order excusing compliance with the D96-06-029 matrix requirement is granted. (Com Conlon - ALJ Hale)
- CA-28** **A98-08-009 - San Diego Metropolitan Transit Development Board (MTDB); City of El Cajon; and County of San Diego.**
This decision grants MTDB, City of El Cajon, and County of San Diego's request for authority to construct Marshall Avenue, at-grade, across the tracks of the MTDB's Orange Line (Santee Extension Segment), in the City of El Cajon, San Diego County. This proceeding is closed. (Exam Koss)

- CA-29** **C97-09-043 - The Utility Reform Network and Utility Consumers' Action Network vs. SBC Communications Inc., Pacific Telesis Group, and Pacific Bell.**
This decision extends the 12-month statutory deadline for resolution of this proceeding.
(Coms Conlon/Neeper - ALJ O'Donnell)
- CA-30** **A98-03-025 - Southern California Gas Company (SoCalGas).**
This decision grants the petition of SoCalGas to modify D98-07-068 to correct clerical errors. This proceeding is closed.
(Com Bilas - ALJ Vieth)
- CA-31** **A98-06-033 - Southern California Gas Company (SoCalGas).**
This decision awards SoCalGas \$2,039,913 in shareholder incentives for savings accrued under its Gas Cost Incentive Mechanism (GCIM) during Year 4, the 12-months ending March 31, 1998 and extends operation of the GCIM on an annual basis beyond March 31, 1999, the end of Year 5. This proceeding is closed.
(Com Duque - ALJ Veith)
- CA-32** **A96-10-038 - Pacific Enterprises, Enova Corporation, Mineral Energy Company, B Mineral Energy Sub and G Mineral Energy Sub.**
For approval of a Plan of Merger of Pacific Enterprises and Enova Corporation with and Into B Mineral Energy Sub ("Newco Pacific Sub") and G Mineral Energy Sub ("Newco Enova Sub"), the Wholly Owned Subsidiaries of a Newly Created Holding Company, Mineral Energy Company. This decision grants compensation for substantial contributions to D98-03-073 to the Greenlining Institute/the Latino Issues Forum, to The Utility Reform Network, and Utility Consumers Action Network. This proceeding is closed.
(Coms Duque/Neeper - ALJ Vieth)

- CA-33** **A98-05-037 - Island Navigation Company, Inc. (Island Navigation) dba Catalina Island Water Transportation Co.**
This decision authorizes Island Navigation to increase and restructure its Santa Catalina Island non-scheduled passenger vessel rates. Island Navigation may, on an interim basis pending further order in this proceeding, provide its ship tendering services at rates to be determined in negotiations with individual oceangoing ship companies. Revised tariffs to reflect these authorized changes, except contract tendering, may be made effective on less than 30 days' notice.
(Com Duque - ALJ McVicar)
- CA-34** **A98-08-048 - E. Spire Communications.**
This order dismisses E. Spire Communication's petition for arbitration for failure to prosecute the matter in a timely fashion. This proceeding is closed.
(Com Duque - ALJ Reed)
- CA-35** **A98-05-041 - San Diego Gas & Electric Company.**
To report assessments of materials and supplies inventories and to establish principles necessary to appraise retained assets. Order approving Assigned Commissioner's Ruling changing the preliminary determination on need for hearing from yes to no.
(Com Conlon - ALJ Patrick)
(Rule 6.5(b)).
- CA-36** **A98-05-030 - Blue Van Joint Venture.**
This decision authorizes Blue Van Joint Venture to operate an on-call passenger stage corporation between Los Angeles International Airport and all points in Los Angeles, Orange Riverside, San Bernardino, and Ventura Counties. This proceeding is closed.
(Exam Koss)
- CA-37** **C98-01-032 - Eric Diesel vs. Pacific Gas and Electric Company (PG&E).**
This adjudication proceeding cannot be resolved within the 12-month deadline (January 1, 1998), necessitating extension of the deadline until further notice to permit completion of the Presiding Officer's Decision and to allow time for Commission review.
(Com Duque - ALJ Weiss)

CA-38 **A95-05-030 - Roseville Telephone Company. To restructure intrastate rates and charges and to implement a new regulatory framework for telephone services furnished within the State of California. I95-09-001 - Related matter.** This decision clarifies calculations in D96-12-074, and modifies and supplements the findings of fact and rate orders as necessary. These proceedings are closed.
(Com Conlon - ALJ Mattson)
(Section 311)
(Agenda 3005, Item CA-3, 12/3/98; Req - Commission)
[This item appeared as H-1 on the agenda distributed to the public.](#)

REGULAR AGENDA

UTILITY AND TRANSPORTATION ORDERS

ORDERS HELD OVER

- H-1** Moved to item CA-38 on the agenda.
[This revision was not listed on the agenda distributed to the public.](#)
- H-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 approves the Electric Education Trust Administrative Committee's (EETAC) proposed education plan and community-based organization (CBO) outreach plan, subject to a further ruling regarding the kinds of non-CBO education efforts the EETAC plans to pursue. This decision also adopts some of the recommended changes to the EETAC's charter. D98-07-098 has been modified to reflect the changes.
(Coms Knight/Neeper - ALJ Wong)
(Agenda 3005, Item CA-26, 12/3/98; Req - Commission)

- H-3 C98-03-023 - Gina Guillamun DiResta vs. Esprit de Sol Apartments.**
This complaint is dismissed for lack of jurisdiction in situation where defendant apartment complex provides cold water at no charge, but charges for hot water it has heated, stored, and delivered only upon demand through a temperature triggered meter. This obviates tenant's need to pay a gas or electric utility for energy needed to operate an in-apartment hot water heater. PU Code § 2705.5 does not apply; the District supplying the apartment complex does not supply hot water. This proceeding is closed. (Com Neeper - ALJ Weiss)
(Agenda 3002, Item CA-14, 10/22/98; Agenda 3005, Item H-1, 12/3/98; Req - Commission)
- H-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 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; Agenda 3004, Item CA-43, 11/19; Agenda 3005, Item H-2, 12/3/98; Req - Commission)
- 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.**
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)
(Agenda 3004, Item CA-48, 11/19/98; Agenda 3005, Item H-3, 12/3/98; Req - Commission)

H-5a

ALTERNATE ORDER TO ITEM H-5 - This alternate order requires direct access customers with a demand between 20 and 50 kilowatts to install an interval meter.

(Com Conlon)

[This item was not listed on the agenda distributed to the public.](#)

- H-6** **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; Agenda 3004, Item H-3, 11/19/98; Agenda 3005, Item H-5, 12/3/98; Req - Commission)
- H-6a** **ALTERNATE ORDER TO ITEM H-6.** This alternate order adopts a seven-year time horizon in assessing the cost-effectiveness of Edison's fossil capital additions.
(Com Duque)
(Agenda 3005, Item H-5a, 12/3/98; Req - Commission)
- H-6b** **ALTERNATE PAGES TO ITEM H-6.** These alternate pages conclude that cost-effective conservation measures are necessary to maintain generating facilities and therefore meet the threshold requirement of Section 367 that capital additions be "necessary to maintain (utility) facilities through December 30, 2001."
(Com Conlon)
(Agenda 3005, Item H-5b, 12/3/98; Req - Commission)
- H-7** **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; Agenda 3004, Item H-5, 11/19/98; Agenda 3005, Item H-6, 12/3/98; Req - Commission)

- H-7a** **ALTERNATE ORDER TO ITEM H-7.** 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)
(Agenda 3004, Item H-5a, 11/19/98; Agenda 3005, Item H-6a, 12/3/98; Req - Commission)
- 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; Agenda 3004, Item H-8, 11/19/98; Agenda 3005, Item H-8, 12/3/98; 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; Agenda 3004, Item H-8a, 11/19/98; Agenda 3005, Item H-8a, 12/3/98; 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; Agenda 3004, Item H-8b, 11/19/98; Agenda 3005, Item H-8b, 12/3/98; Req - Commission)

H-9 **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 Neeper - ALJ Econome)
(Agenda 3004, Item 2, 11/19/98; Agenda 3005, Item H-10, 12/3/98; Req - Commission)

- H-10** **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 and a 1999 budget 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 an incremental 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 incremental surcharge rate shall be added to the Commission adopted D.E.A.F. surcharge rate to be applicable on and after January 1, 1999 for the year 1999.
(Com Duque - ALJ Galvin)
(Agenda 3004, Item 3, 11/19/98; Agenda 3005, Item H-11, 12/3/98;
Req - Commission)
- H-11** **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)
(Agenda 3004, Item 4, 11/19/98; Agenda 3005, Item H-12, 12/3/98;
Req - Commission)
- H-12** **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)
(Agenda 3004, Item 6, 11/19/98; Agenda 3005, Item H-13, 12/3/98;
Req - Commission)

H-12a **ALTERNATE PAGES TO ITEM H-12** - These alternate pages delete requirements that would prohibit Pacific Bell from deploying and offering to Californians xDSL services from end offices where the options for physical colocation by competitors are exhausted.

(Com Duque)

[This item was not listed on the agenda distributed to the public.](#)

H-12b **ALTERNATE PAGES TO ITEM H-12** - These alternate pages would permit Pacific Bell to reserve space in its buildings for up to ten years for additions to equipment termed “dissimilar,” which includes items such as switches, power supplies, cable faults, and frames.

(Com Duque)

[This item was not listed on the agenda distributed to the public.](#)

- ✓ **H-13** **A98-03-029 - Southern California Water Company (SCWC).**
For authority to increase rates by \$661,700 or 34.51% in 1999; by \$249,000 or 9.71% in 2000; and by \$258,000 or 9.19% in 2001 in Desert District. A98-03-030, A98-03-031, A98-03-032, A98-03-033, A98-03-034 - Related matters. Based on a stipulation reached between SCWC and Office of Ratepayer Advocates on all issues except rate of return, and based upon our conclusions with respect to rate of return, this decision authorizes increases in base rates for water service in six SCWC districts. These proceedings are closed.
(Com Duque - ALJ Walker)
(Section 311)
(Agenda 3005, Item 1, 12/3/98; Req - Commission)
- ✓ **H-14**
(Rev.) **A97-12-048 - Southern California Gas Company (SoCalGas).**
To unbundle core interstate pipeline transportation. This decision closes the proceeding, finding that the enactment of Senate Bill 1602 precludes the Commission from further action on issues raised in the proceeding until 2000.
(Com Knight - ALJ Malcolm)
(Section 311)
(Agenda 3005, Item 2, 12/3/98; Req - Commission)
[This revision was not listed on the agenda distributed to the public.](#)
- ✓ **H-14a** **ALTERNATE ORDER TO ITEM H-14.** This alternate order directs Southern California Gas Company (SoCalGas) to unbundle interstate transportation services for core customers as part of its core aggregation program. This alternate differs from the ALJ's proposed decision in that stranded costs which result from the unbundling are to be assumed equally by core customers on an equal cents per therm basis rather than by core and non-core customers.
(Com Knight)
(Agenda 3005, Item 2a, 12/3/98; Req - Commission)

- H-15** **A97-05-027 - Southern California Edison Company (Edison).**
This decision addresses Edison application requesting that the Commission approve as reasonable the package of settlements it has achieved with certain bidders in the Biennial Resource Plan Update (Update) auction. The cost of the total settlement package is \$92,142,163 (1997 net present value (NPV)). Based on the record, we cannot find that the settlement package, without modification, is reasonable or in the public interest. However, we believe that it is time to conclude issues dealing with Edison's Update, and wish to avoid yet another round of negotiations, based on the directions we set forth in this decision. Therefore, we will conditionally approve this application if Edison and all settling parties agree to reduce the amount of the full settlement package by 60% to \$36,856,865 (1997 NPV), and each individual settlement in turn by 60%.
(Com Conlon - ALJ Econome)
(Agenda 3005, Item 4, 12/3/98; Req - Commission)
- H-15a** **ALTERNATE PAGES TO ITEM H-15.** These alternate pages would approve a settlement of all outstanding Biennial Resource Plan Update claims if the winning bidders agree to reduce their settlement package by 40%. Winning bidders, should they choose to accept this modification, would receive 60% of the settlement package, or \$55,285,297 (1997 net present value).
(Com Conlon)
(Agenda 3005, Item 4a, 12/3/98; Req - Commission)
- H-15b** **ALTERNATE ORDER TO ITEM H-15.** This alternate order approves the settlement package that Southern Edison Company has achieved with certain bidders in the Biennial Resource Plan Update auction.
(Coms Bilas/Neeper)
- H-16** **I_____ - Order instituting investigation on the Commission's own motion into the activities of apartment owners and billing agents who charge tenants for water or sewer service and seeks to determine whether such activities are in violation of statutes which require that such services be provided by a public utility.**
(Agenda 3005, Item 5, 12/3/98; Req - Commission)

- H-17** **A97-10-081 - San Diego Gas & Electric Company (SDG&E).**
This decision addresses the application of SDG&E requesting that the Commission approve as reasonable the package of settlements it has achieved with three bidders in the Biennial Resource Plan Update (Update) auction. The cost of the total settlement package is \$5.095 million plus interest. This decision finds that the three settlements presented by SDG&E are reasonable and in the public interest and approve them. However, we defer consideration of SDG&E's request to terminate its Update solicitation at this time, and direct SDG&E and certain nonsettling bidders to engage in a further period of negotiation before we address SDG&E's request.
(Com Conlon - ALJ Econome)
(Agenda 3005, Item 6, 12/3/98; Req - Commission)
- H-18** **R98-04-009 - Rulemaking to establish rules for enforcement of the standards of conduct governing relationships between energy utilities and their affiliates adopted by the Commission in D97-12-088.**
In D97-12-088 we adopted rules governing transactions between energy utilities and their affiliates and deferred to this rulemaking an extension of those rules to define specific enforcement mechanisms. Here, we approve enforcement rules governing affiliate transactions. This proceeding is closed.
(Coms Bilas/Knight - ALJ Weissman)
(Agenda 3005, Item 7, 12/3/98; Req - Commission)
- H-18a** **ALTERNATE PAGES TO ITEM H-18.** These alternate pages leave the current dollar limits for penalties unchanged.
(Rev.) (Com Neeper)
This item was not listed on the agenda distributed to the public.
This revision was not listed on the agenda distributed to the public.
- H-18b** **ALTERNATE PAGES TO ITEM H-18.** These pages propose for comment a modified advice letter process for Commission consideration of clarifications to the affiliate transaction rules.
(Coms Bilas/Nepper)
This item was not listed on the agenda distributed to the public.

H-19 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 the motion of the Metropolitan Transportation Commission (MTC) for a Commission order directing that the Code Administrator reserve the 817 telephone number prefix in all new numbering plan areas (area codes) established in the nine-county Bay Area, and assign these numbers to the carrier(s) selected by MTC to provide it with telecommunications services used by MTC to provide its public traveler information service.

(Com Conlon - ALJ Pulsifer)

(Agenda 3005, Item 9, 12/3/98; Req - Commission)

◆H-20 C97-11-014 - Joanne Carey vs. Pacific Gas and Electric Company (PG&E).

This decision revises the Presiding Officer's Decision to adopt some of the revisions suggested in Commissioner Neeper's request for review, to make clarifying revisions in response to Consumer Services Division's Appeal and to dispose of PG&E's Appeal. This proceeding is closed.

(Com Bilas - ALJ Bennett)

(Agenda 3005, Item 10, 12/3/98; Req - Commission)

NOTE: Ex Parte Communications are prohibited on Items H-13, H-14 and H-14a from 12/11/98 through 12/17/98, or in the event of a Continuation Meeting on the item(s), through 12/18/98. (Rule 7 (c)(4).)

ORDERS

- 1** **A97-03-012 - MHC Acquisition One, L.L.C.**
This decision grants a certificate of public convenience and necessity to MHC Acquisition One, L.L.C., a new subsidiary of Manufactured Home Communities, Inc., for authorization to continue to operate the existing in-park water and sewer facilities as public utilities in the De Anza Santa Cruz Mobile Home Park, City of Santa Cruz, following separation of rent and utilities under provisions of Civ. Code § 798.41 and dedication of the facilities in accord with S. Edwards Associates v. Railroad Commission (1925) 196 C.62 at 70. This decision estimates Net Plant and Depreciation Reserve; determines Rate Base and Test Year expenses; and establishes water and sewer rates to apply to the 200 park residential units (privately owned) and the Park's service facilities. This proceeding is closed.
(Com Duque - ALJ Weiss)
(Section 311)
- ✓2** **A97-12-020 - PACIFIC GAS AND ELECTRIC COMPANY (PG&E)**
For authority, among other things, to increase rates and charges for electric and gas service effective on January 1, 1999. I97-11-026 - Related matter. This decision grants in part a request by PG&E for authority to increase its gas and electric revenue requirements on an interim basis, effective January 1, 1999. The authorization provides PG&E with an opportunity to later recover the authorized test year 1999 revenue requirements that the Commission will adopt in its final decision in this proceeding, now scheduled for issuance in late March 1999. It also protects the interests of PG&E's customers by ensuring that they are responsible for providing no more in revenues than the amount ultimately authorized by the Commission. The revenue requirement increases approved herein will be reflected in balancing account entries which PG&E is authorized to make. PG&E's rates are not immediately affected by this decision, although future rates could be affected.
(Com Bilas - ALJ Wetzell)
(Section 311)

3 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 decision takes a first step toward lowering the costs by adopting forward-looking nonrecurring costs which reflect access to the Pacific Bell (Pacific) and GTE California Incorporated (GTEC) networks using Operations Support System (OSS) gateways. OSS gateways, when fully operational, will provide competitors electronic linkups to the Pacific and GTEC networks that are comparable to the systems used by Pacific and GTEC retail customer representatives. Over the coming months, we will issue decisions in this proceeding that flow today's adopted costs into final prices.

(Com Bilas - ALJ Walwyn)

4 R98-06-029 - Order instituting rulemaking on the Commission's own motion into the service quality standards for all telecommunications carriers and revisions to General Order 133-B. This decision adopts revised General Order 133-C applicable primarily to incumbent local exchange carriers. This proceeding is closed.

(Com Conlon - ALJ O'Donnell)

5 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 denies the motion of the Association of Directory Publishers, to terminate further hearings on the issue of whether the provision of ILEC directory listings to third-party publishers is an essential service. The original determination set forth in D97-05-091 that parties should be given an opportunity to be heard on the issue of whether the provision of directory listings is an "essential service" has not been rendered moot by any subsequent Commission actions. We direct the assigned ALJ to issue a new ruling reinstating the previous determination that hearings are required, and setting a schedule for such hearings to be conducted.

(Com Conlon - ALJ Pulsifer)

- 6** **R_____ - Order instituting rulemaking on the Commission's own motion to solicit comments and proposals on distributed generation and competition in electric distribution service.**
This order opens a rulemaking proceeding to consider whether the Commission should pursue further reforms in the structure and regulatory framework governing electricity distribution service. The intent is primarily to solicit comments and proposals regarding the scope and substance of issues, possible policy options, and procedural steps the Commission could pursue in considering distributed generation and competition in electric distribution service.
(Com Duque - ALJ Wong)
- 7** **R95-01-020 - Order instituting rulemaking on the Commission's own motion into universal service and to comply with the mandates of Assembly Bill 3643. I95-01-021 - Related matter.** This decision denies intervenor compensation to Public Advocates, Inc. (PA) for failure to follow the Commission's intervenor compensation filing requirements. PA has been repeatedly admonished for such filings in the past but continues to make inadequate filings.
(Com Knight - ALJ O'Donnell)
- 8** **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 adopts permanent meter and meter data standards for electric meters. The decision also addresses the recommendations of the Permanent Standards Working Group, which was authorized in D97-12-048 to review the interim meter and meter data standards, and to recommend what permanent standards should be adopted.
(Coms Knight/Neeper - ALJ Wong)
- 9** **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 approves a final Public Education Plan (PEP) and budget for the 310/424 area code overlay and mandatory 1+10 digit dialing requirements. The PEP is approved pursuant to D98-05-021 and D98-07-093.
(Com Conlon - ALJ Pulsifer)

- 10** **A98-04-008 - Pacific Gas and Electric Company (PG&E).**
This decision grants conditional authority to PG&E to use natural gas-based financial instruments to manage price and revenue risks associated with its natural gas transmission and storage assets. PG&E is granted an exemption from the Commission’s Competitive Bidding Rules as set forth in Resolution F-616. This proceeding is closed.
(Com Conlon - ALJ Minkin)
- 11** **R_____ - Order Instituting Rulemaking on the Commission’s own motion regarding Commission policy on area code relief.**
By this order, the Commission institutes a rulemaking to consider and adopt one of the following policy options to relieve exhausting area codes throughout the State: (1) the use of geographic splits, (2) the use of overlays, or (3) some combination of two previous relieve options. Once a statewide policy for area code relief is adopted in this proceeding, the policy will be applied to all new area codes, including, if possible, any new area codes implemented before the year 2001.
(Com Neeper - ALJ Kenney)
- 12** **C97-12-044 - Airtouch Cellular (Airtouch) and its affiliates Los Angeles SMSA Limited Partnership, Sacramento-Valley Limited Partnership and Modoc RSA Limited Partnership vs. Pacific Bell (Pacific).** This decision dismisses the complaint filed by AirTouch following the refusal of Pacific to sell billing and collection services to AirTouch for use in the “Calling Party Pays” (CPP) market trial authorized in D97-06-109. The decision concludes that the term “wireless services” in the tariff at issue, Section 8.5 of Pacific’s Schedule 175-T, cannot be read as including billing and collection services for CPP, because (1) CPP was prohibited under Commission decisions at the time the tariff was filed, and (2) D97-06-109 authorized only a limited market trial of CPP under very restrictive conditions. Even if the tariff’s definition of “wireless services” could be considered ambiguous, AirTouch is not entitled to relief under the theory that tariff ambiguities should be construed against the utility filing the tariff. It is well-established Commission policy that this general rule of tariff construction applies only where an ambiguity is reasonable under the circumstances. In light of the limited market trial authorized in D.97-06-109, the ambiguity claimed by AirTouch cannot be considered reasonable. This proceeding is closed.
(Com Conlon - ALJ McKenzie)

- 13** **A98-06-052 - PDO Communications, Inc.**
This decision approves interconnection agreement arrived at through arbitration pursuant to Section 252 of the Telecommunications Act of 1996. This proceeding is closed.
(Com Duque - ALJ Weismehl)
- 14** **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 petitions for certificates of public convenience and necessity to operate as facilities-based competitive local carriers and to offer resold local exchange services within the territories of Pacific Bell, GTE California Incorporated, Roseville Telephone Company, and Citizens Telephone Company, for those petitioners as set forth in Appendix B of this decision, subject to the terms and conditions included herein. This decision also grant petitioners' requests for intrastate, inter-Local Access and Transport Areas (interLATA) and intraLATA authority on statewide basis as designated in Appendix B.
(Com Conlon - ALJ Pulsifer)
- 15** **I98-02-025 - Investigation on the Commission's own motion into the operations, marketing and sales practices of GTE California to determine whether the Commission was misled or supplied incomplete information in connection with assessing the extent of abusive marketing by GTE California's foreign Language Assistance Center; whether any rules, regulations or statutes enforced by the Commission have been violated by GTE California; and to review whether previously ordered redress to consumers and other corrective measures for prior marketing abuses were adequate.**
This decision modifies and conditionally approves an all-party settlement agreement for civil payment of \$13 million and certain other conditions. This proceeding is closed.
(Com Neeper - ALJ Bennett)
[This item appeared as CA-26 on the agenda distributed to the public.](#)

16 **I_____ - Order instituting investigation of the power outage which occurred in the San Francisco Bay Area on December 8, 1998 and Pacific Gas & Electric's response to the incident. This decision is included on the Commission's agenda on an emergency basis, pursuant to Government Code Section 11125.3(a)(2).**

(Com Bilas - ALJ O'Donnell)

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

NOTE: Ex Parte Communications are prohibited on Item 2 from the day of the Ratesetting Deliberative Meeting through the conclusion of the Business Meeting at which a vote on the Proposed Decision is scheduled. (Rule 7(c)(4)).

UTILITIES RESOLUTIONS

ENERGY MATTERS

- E-1 Res G-3246 - Southern California Gas Company (SoCalGas).**
This resolution approves with modification SoCalGas requests of revisions to its tariff schedules, rules, and forms applicable through its service territory.
(Advice Letter 2686, filed March 23, 1998)
- E-2 Res E-3542 - Southern California Edison Company (Edison).**
Seeks Commission approval of proposed revisions to its disputed Arizona Property Tax Memorandum Account to reflect changes pursuant to a settlement. Edison also seeks approval of the settlement. Edison shall record refund amounts which result from the settlement in its Electric Deferred Refund Account. We take no position on the settlement.
(Advice Letter 1230-E, filed April 4, 1997)
- E-2a ALTERNATE RESOLUTION TO E-2.**
Seeks Commission approval of proposed revisions to its disputed Arizona Property Tax Memorandum Account to reflect changes pursuant to a settlement. Southern California Edison Company (Edison) also seeks approval of the settlement. Edison's advice letter is approved.
(Advice Letter 1230-E, filed April 4, 1997)
- E-3 Res E-3532 - San Diego Gas & Electric Company (SDG&E).**
Seeks Commission approval of its plan to refund to customers electric rate overcollections through its Electric Deferred Refund Account. The total amount proposed to be refunded is approximately \$395,000 plus interest. SDG&E shall recalculate the amount of the refund.
(Advice Letter 1076-E, filed January 29, 1998)
- E-3a ALTERNATE RESOLUTION TO ITEM E-3 -** This resolution approves SDG&E's refund plan. It separates the issue of when a tariff becomes effective from the issue that there may be a defect in the tariff. It also clarifies how the refund should be made.
[This item was not listed on the agenda distributed to the public.](#)

E-4

Res E-3547 - Southern California Edison Company.

Requests approval to revise its rate components to reflect a Devers-Palo Verde 2 Surcharge and an equal credit to the Competition Transition Charge under its generation component to maintain the rate freeze mandated by Assembly Bill 1890. This resolution is approved.
(Advice Letter 1301-E, filed March 30, 1998)

- E-5 Res E-3562 - San Diego Gas & Electric Company (SDG&E).**
This resolution approves in part SDG&E's requests for approval of its Performance-Based Ratemaking Base Rate Mechanism Final Report for 1997, which details revenue sharing calculations and performance rewards and penalties for the subject year. SDG&E should recalculate the revenue sharing amounts.
(Advice Letter 1095-E/1097-G, filed May 15, 1998)
- E-6 Res G-3247 - Sempra Energy, on behalf of Southern California Gas Company (SoCalGas).** This resolution approves SoCalGas request to update regulatory account balances for the third period of D97-04-082, SoCalGas' 1996 Biennial Cost Allocation Proceeding.
(Advice Letter 2751, filed October 15, 1998)
- E-7 Res E-3579 - Southern California Edison Company (SCE), Pacific Gas and Electric Company (PG&E), Southern California Gas Company (SoCalGas) and San Diego Gas & Electric Company (SDG&E).** This resolution approves, as modified, interim administrative activities associated with 1998 programs and commitments for energy efficiency and demand-side management programs.
(SCE Advice Letter (AL) 1341-E; PG&E AL 1813-E/2107-G; SoCalGas AL 2752; SDG&E AL 1128-E/1122-G, all filed October 15, 1998)
- E-8 Res E-3583 - Low Income Governing Board (LIGB).**
This resolution conditionally approves proposed operating budget for the LIGB for 1999.
(Advice Letter 1G/1E, filed October 15, 1998)
- E-9 Res E-3581 - Pacific Gas and Electric Company (PG&E), San Diego Gas and Electric Company (SDG&E), Southern California Gas Company (SoCalGas), Southern California Edison Company (SCE).** This resolution approves request of up to two months of transition funding for 1999 energy efficiency and demand-side management programs in lieu of authorized 1999 program budgets.
(PG&E Advice Letter (AL) 1821-E/2118-G; SDG&E AL 1133-E/1125-G; SoCalGas AL 2766-G; SCE AL 1354-E; filed on November 19, 20, 25 and 30, 1998 respectively)

- E-10 Res E-3584 - Pacific Gas and Electric Company (PG&E).**
This resolution approves with modification PG&E's requests for approval of language to modify Preliminary Statement Part BB - Competition Transition Charge (CTC), responsibility for all customer and CTC procedure for departing loads to clarify the CTC responsibilities of customers that depart to take service from irrigation districts with exemptions described in Public Utilities Code Section 374(A)(1). Specifically, PG&E requests clarification on how the 50 percent agricultural pumping requirement of PU Code Section 374 (A)(1)(D) is to be applied and implemented.
(Advice Letter 1806-E, filed September 21, 1998)
- E-11 Res E-3580 - Pacific Gas and Electric Company (PG&E).**
This resolution denies PG&E's request to establish Reallocated Residual Administrative and General Memorandum Account for the period between July 1, 1998 and December 31, 1998.
(Advice Letter 1784-E, filed June 30, 1998)
- E-12 Res E-3582 - Pacific Gas and Electric Company (PG&E), Southern California Edison Company (SCE), and San Diego Gas & Electric Company (SDG&E).**
This resolution approves with modifications PG&E, SCE, and SDG&E's filed tariffs in response to ordering paragraph 2 of D98-09-070 to establish service fees applicable to Energy Service Providers offering consolidated billing.
(PG&E Advice Letter (AL) 1811-E, and SCE AL 1338-E, filed on October 7, 1998; SDG&E AL 1129-E, PG&E AL 1811-E-A, and SCE AL 1338-E-A, all filed on October 21, 1998)
- E-13 Res E-3585 - Pacific Gas and Electric Company (PG&E), Southern California Edison Company (SCE), San Diego Gas & Electric Company (SDG&E), and Southern California Gas Company (SoCalGas).**
This resolution conditionally approves PG&E, SCE, SDG&E and SoCalGas's request for the 1999 California Alternate Rates for Energy and the Low Income Energy Efficiency Programs.
(Advice Letters 2106-G/1089-E, 1337-E, 1124-E/1119-G, and 2748, respectively, filed October 1, 1998)

- E-13a** **ALTERNATE RESOLUTION TO ITEM E-13** - This resolution defers consideration of enrollment procedures (i.e. self-certification v. up-front verification).
This item was not listed on the agenda distributed to the public.

TELECOMMUNICATIONS MATTERS

- C-1 Res T-16247 - Pacific Bell (Pacific)**
This resolution grants Pacific's requests to permanently close public offices located in Santa Ana, Van Nuys, East Vernon (Los Angeles), San Diego, Riverside, and Huntington park, respectively; and to replace them with authorized payment locations.
(Advice Letter (AL) Nos. 19672, 19673, 19674, and 19675, all filed September 4, 1998; AL 19684, and AL 19696, filed September 10, and 18, 1998 respectively)
- C-2 Res T-16123 - GTE California, Incorporated (GTEC).**
For authority to add services to GTEC's resale tariff in compliance with D97-08-059. This filing has been protested.
(Advice Letter (AL) 8561, AL 8561-A, AL 8561-B, filed September 24, October 30, and December 10, 1997 respectively)
- C-3 Res T-16254 - Pacific Bell (Pacific).**
For authority under provisions of General Order No. 96-A to revise Schedule California Public Utilities Code No. A5, Exchange Services, 5.7 Directory Services, 5.7.3 Foreign Telephone Directory Service, to eliminate the reference "yellow pages included". The yellow page directories were previously referenced because they were co-bound and provided with the white page directory at no additional cost. Pacific indicates that there are no revenue impacts associated with its Advice Letter (AL) 19727 filing, nor will it increase any rate or charge, cause the withdrawal of service, or conflict with other schedules or rules. Office of Ratepayer Advocates and The Utility Reform Network filed protests to AL 19727 effectively challenging the revenue neutrality of Pacific's filing. This resolution rejects Pacific's AL 19727 request. Pacific may, should it desire to do so, file an application to request changes to its Foreign Telephone Directory Service.
(Advice Letter 19727, filed October 2, 1998)

- C-4 Res T-16259 - Citizens Telecommunications Company of California, Inc. (CTC-California).**
This resolution authorizes CTC-California to increase its annual revenue by \$1,558,170 effective January 1, 1999. This increase implements CTC-California's 1999 annual price cap index filing in Advice Letter 633, as adjusted by supplemental workpapers.
(Advice Letter 633, filed October 1, 1998, and Supplemented by workpapers on October 26, 1998)
- C-5 Res T-16213 - Pacific Bell (Pacific).**
This resolution denies Pacific's requests to separately apply the \$1.50 surcharge on measured rate payphone service ordered by D90-06-018. Pacific asserts that this surcharge was omitted from the payphone line rate calculations in the Implementation Rate Design Decision. The California Payphone Association filed a timely protest to this advice letter. The Telecommunications Division recommends that an advice letter filing is not the appropriate process to address this issue.
(Advice Letter (AL) 19455, AL 19455-A, AL 19455-B, AL 19455-C, filed July 10, August 10, September 1, and October 9, 1998 respectively)
- C-6 Res T-16234 -** This resolution approves an interim 1999 budget for the Deaf and Disabled telecommunications Program. The surcharge for the program is reduced from the current level of 0.25% to 0.18% effective January 1, 1999.
- C-7 Res T-16262 - Deaf and Disabled Telecommunications Program Administrative Committee and MCI.**
This resolution approves a request to amend the contract for California Relay Service. Among other things it would raise the rate of remuneration to \$1.09 per conversation minute for MCI effective October 22, 1998. This amount and effective date extend to MCI the contract terms authorized for Sprint in Resolution T-16209.

- C-8** **Res T-16260 - Pacific Bell (Pacific)**
This resolution rejects Pacific's Advice Letter (AL) 19765 as not being in compliance with D98-07-033. Pacific requests to reduce local usage and zone usage measurement rates by \$13,873,000. The effect of this request is to increase the adopted revenue effects of the rate changes ordered by D98-07-033, by \$33,100,000. This filing is protested by Office of Ratepayer Advocates and The Utility Reform Network.
- C-8a** **ALTERNATE RESOLUTION TO ITEM C-8** - This resolution approves Pacific's AL 19765 request to reduce local usage and zone usage measurement rates by \$13,873,000. The effect of this resolution is to increase the adopted revenue effects of the rate changes ordered by D98-07-033, by \$33,100,000. This resolution denies the protests of Office of Ratepayer Advocates and The Utility Reform Network.

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;
Agenda 3004, Item W-1, 11/19/98; Agenda 3005, Item W-1, 12/3/98;
Req - Commission)
- W-1a** **ALTERNATE RESOLUTION TO W-1.** This alternate order denies a service area extension.
(Agenda 3005, Item W-1a, 12/3/98; Req - Commission)

RAIL SAFETY AND CARRIERS RESOLUTIONS

- T-1** **Res ST-40** - This resolution grants a final report of an on-site safety audit of the Santa Clara Valley Transportation Authority performed by the Rail Transit Safety Section of the Commission's Rail Safety and Carriers Division.
- T-2** **Res TL-18875** - This resolution authorizes passenger stage corporations to use the Advice Letter process to obtain Commission approval of certain transactions subject to Public Utilities Code Section 851-854.

ADMINISTRATIVE LAW JUDGE DIVISION RESOLUTIONS

- ALJ-1** **Res ALJ-176-3006** - 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

RESOLUTIONS AND MEMORANDUMS

- L-1** **Res - L-275** - This resolution directs the release of documents pursuant to Public Records Act request by Lawrence J. Winking, counsel on behalf of Sabrina Lopez. The request seeks the release of Consumer Services Division's investigative report of the electrocution of Benjamin Lopez.
- L-2** **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; Agenda 3004, Item L-1, 11/19/98; Agenda 3005, Item L-1, 12/3/98; Req - Commission)
- L-2a** **ALTERNATE RESOLUTION TO ITEM L-2.** 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.
(Agenda 3004, Item L-1a, 11/19/98; Agenda 3005, Item L-1a, 12/3/98; Req - Commission)

L-2b

ALTERNATE ORDER TO RESOLUTION TO ITEM L-2. This alternate resolution orders electric utilities to determine whether accident victims and their immediate families object to public disclosure of their names and addresses. Utilities are ordered to send letters to past accident victims and their immediate families notifying them that if they do not respond with a written objection to the disclosure of such information within 30 days, such information will be disclosed to those who file Public Records Act requests seeking disclosure of unredacted accident reports. 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 be disclosed unless they object to disclosure within 30 days of the accident.

(Agenda 3005, Item L-1b, 12/3/98; Req Commission)

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

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; Agenda 3004, HEX-1, 11/19/98; Req - Commission)

- HEX-2** **A97-05-011, A97-06-046, A97-07-005, A97-08-064** - Disposition of applications for rehearing of D97-12-093 filed by Sierra Pacific Power Corporation and PacifiCorp. D97-12-093 addresses the application of AB 1890 to smaller and multi-jurisdictional utilities including such matters as direct access, bill unbundling, transition cost recovery, the operation of transmission and public purpose programs. The applications allege a number of errors including claims that rates are unreasonable and that AB 1890 and/or D97-12-093 do not meet constitutional requirements relating to confiscation and equal protection.
(Agenda 2992, Item EX-7, 5/7/98; Agenda 2993, Item HEX-1, 5/21/98; Agenda 2994, Item HEX-3, 6/4/98; Agenda 2995, Item HEX-2, 6/18/98; Agenda 2996, Item HEX-1, 7/2/98; Agenda 2997, Item HEX-1, 7/23/98; Agenda 2998, Item HEX-1, 8/6/98; Agenda 3001, Item HEX-1, 10/8/98; Agenda 3003, Item HEX-1, 11/5/98; Agenda 3005, Item HEX-1, 12/3/98; Req - Commission)
- HEX-3** **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.
(Agenda 3004, Item EX-4, 11/19/98; Agenda 3005, Item HEX-2, 12/3/98; Req - Commission)
- HEX-4** **R97-04-011, I97-04-012** - Disposition of applications for rehearing of D97-12-088, which set forth the affiliate transaction rules for energy utilities. Applications were filed by Southern California Gas Company and San Diego Gas and Electric Company (jointly, "SoCalGas/SDG&E") and Edison Electric Institute. Both applications raise First Amendment challenges. SoCalGas/SDG&E's joint application also alleges that the Commission should have held evidentiary hearings; D97-12-088 does not contain legally sufficient findings of fact and conclusions of law; and the decision restricts the ability of the directors and officers of the parent holding companies of SoCalGas and SDG&E from obtaining all material information necessary to fulfill their fiduciary duties and legally mandated responsibilities to shareholders.
(Agenda 3005, Item EX-5, 12/3/98; Req - Commission)

HEX-5 **R94-04-031, I94-04-032** - Disposition of the application for rehearing of D97-08-064 filed by Public Media Center (PMC). In D97-08-064, the Commission approved a consumer education plan for the restructuring of the electric utility industry. PMC alleges the following legal errors: (1) The Commission failed to develop an adequate factual record on which to base its decision; (2) The Commission's findings are inconsistent with AB 1890 and the general statutory mandate in the Public Utilities Code; (3) The findings are not supported by any factual basis in the record; and (4) The Commission failed to comply with the requirements of the California Environmental Quality Act.
(Agenda 3005, Item EX-6, 12/3/98; 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** **I87-11-033, A85-01-034, A87-01-002, I85-03-078, C86-11-028, I87-02-025, C87-07-024** - Disposes of application for rehearing of D96-03-021 by the California Association of Long Distance Telephone Companies alleging violations of Sections 453, 1705 and 1708 of the Public Utilities Code.
- EX-3** **A91-08-061** - Disposition of application for rehearing of D96-09-037 filed by Toward Utility Rate Normalization (TURN). In D96-09-037, the Commission granted a joint motion by Pacific Gas and Electric Company (PG&E) and the Division of Ratepayer Advocates for adoption of a proposed settlement of PG&E's request to increase electric rates to recover remaining capital costs for the Helms Pumped Storage Project and the undercollection balance in the Helms Adjustment Account. Turn alleges the following legal errors: (1) the Commission improperly denied party status to TURN for purposes of the settlement; (2) the settlement fails to satisfy all of the Commission's criteria for adoption of an all-party settlement; and (3) the decision relies on information that is not part of the record in this proceeding.
- EX-4** **A97-12-043** - This decision decides the application filed by Southern California Gas Company (SoCalGas) for rehearing of D98-09-073 in which the Commission approved the buyout and termination of a power purchase agreement between Southern California Edison Company and Harbor Cogeneration Company. SoCalGas has alleged in its application for rehearing that D98-09-073 contains factual errors and omissions of findings of fact.

- EX-5** **R94-04-031, I.94-04-032** - Disposition of application for rehearing of D96-12-077 filed by The Utility Reform Network (TURN). In D96-12-077 the Commission reviewed the cost recovery plans of Pacific Gas & Electric Company (PG&E), Southern California Edison Company (Edison), and San Diego Gas & Electric Company (SDG&E). Pursuant to Public Utilities Code Section 368, enacted as part of Assembly Bill 1890, the utilities were instructed to propose in their plans a framework for the utilities' recovery of certain costs that would otherwise be rendered unrecoverable by the move from regulation to competition in the electric utility industry. TURN claims that the decision misapplied Section 368 as it applies to PG&E. TURN also seeks clarification of the decision to ensure that any base revenue increase not be used to fund existing activities funded under each utility's General Rate Case.
- EX-6** **A93-11-008** - Disposes of application for rehearing by Southern Pacific Transportation Company of D95-04-070, which authorized the application by the City of Morgan Hill for a pedestrian grade crossing project across the siding and single main tracks of the Southern Pacific Transportation Company's (now the Union Pacific Railroad Company's) Coast main line in Morgan Hill, to provide access between the Downtown Transit Center and the Caltrain Park and Ride station platform.
- EX-7** **A94-12-005, I95-02-015** - Disposes of application for rehearing by Pacific Gas and Electric Company (PG&E) of D95-12-055, which resolved revenue requirements issues in Phase I of PG&E's general rate case for test year 1996.

EX-8 **A93-12-017** - Disposition of applications for rehearing of D95-07-046, which granted, with some modification, the proposal of Southern California Gas Company (SoCalGas) to implement a load specific flexible rate design for noncore customers who choose to partially bypass SoCalGas' transportation system. These applications were filed by (1) Southern California Edison Company, (2) California Industrial Group and California Manufacturers Association, (3) Mojave Pipeline Company, (4) Kern River Gas Transmission Company, and (5) Southern California Utility Power Pool and Imperial Irrigation District. In sum, these applicants in their various applications mainly argue that the decision is unsupported by the record and contrary to Commission policy; interprets Public Utilities Code Section 454.4 in a manner inconsistent with the statute and previous Commission decision; is unduly discriminatory; fails to consider anticompetitive effects; and calculates the rate in an unlawfully vague and ambiguous way.

(Rev.)

[This revision was not listed on the agenda distributed to the public.](#)

EX-9 **R91-10-028, I91-10-029** - Disposes of applications for rehearing in D95-11-035 filed by Pacific Gas & Electric Company and the Energy Commission alleging that the decision was unlawful because unsupported by the record and in violation of the Public Utilities Code and that inclusion of the Low Emission Vehicle program should be continued because it is not anti-competitive.

(This matter was added to the agenda pursuant to Govt. Code Section 11125.3(a)(2).)

[This item was not listed on the agenda distributed to the public.](#)

FEDERAL SECTION ITEMS

- HFEX-1** **FERC Docket Nos. ER98-441-000, et al;** - Update on Reliability Must-Run settlement negotiations.
(Agenda 3005, Item FEX-1, 12/3/98; Req - Commission)
- 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** The Federal Trade Commission (FTC) seeks comments on its rulemaking proposal to revise its 900 rule to include new protections designed to reduce cramming. The FTC proposal includes: requiring express authorization of the person to be billed for the purchase of any telephone-billed purchases that cannot be blocked by the 900-number blocking, prohibiting vendors from billing for recurring charges for pay-per-call services without a presubscription agreement, giving consumers legal recourse to dispute unauthorized charges, and imposing liability on vendors, billing entities, and service bureaus when they know or should have known that a telephone-billed purchase has not been expressly authorized by the person responsible for paying the phone bill . Comments are due on January 8, and Workshops will be held on February 25-26. Staff requests authority from the Commission to prepare for filing comments to the FTC on this docket. We also request that the Commission delegate to one Commissioner review of the documents to be filed with the FTC.

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