
Public Utilities Commission of the State of California

*Public Agenda 3007
Thursday, January 7, 1999, 10 a.m.
San Francisco, California*

Commissioners
Richard A. Bilas, President
P. Gregory Conlon
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, January 4, 1999	Thursday, January 7, 1999
Tuesday, January 19	Wednesday, January 20
Monday, February 1	Thursday, February 4
Tuesday, February 16	Thursday, February 18
Monday, March 1	Thursday, March 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 will 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



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.

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

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-18879** - Resolution approving issuance of charter-party carrier certificates pursuant to Section 5374(b) of the Public Utilities Code.
- CA-2** **A98-10-023 - Ross A. Vitalie and Irene F. Vitalie, dba Door-To-Door Airporter Shuttle Service.**
This decision grants the request to transfer certificate of public convenience and necessity to operate as a passenger stage corporation to Ross A. Vitalie. This proceeding is closed.
(Exam Koss)
- CA-3** **Res T-16231 - TC&IS, Inc. dba Continental Network Services.**
This resolution revokes the certificate of public convenience and necessity as requested by the company.
- CA-4** **Res T-16255 - Midcom Communications, Inc.**
This resolution revokes the certificate of public convenience and necessity as requested by the company.
(Advice Letter 28, filed September 15, 1998)

- CA-5 Res T-16233 - National Collegiate, Inc.**
This resolution revokes the certificate of public convenience and necessity as requested by the company.
- CA-6 A98-03-047 - Sierra Telephone Company, Inc. (Sierra Telephone).**
Order authorizes Sierra Telephone to issue notes in an amount not exceeding \$35,500,000, and to execute a related agreement and supplemental security instruments. This decision corrects the last paragraph of page five of D98-07-088 pursuant to Sierra Telephone's Petition for Modification of D98-07-088 filed November 16, 1998. This proceeding is closed.
(Exam Evans)
- CA-7 Res T-16225 - Earthcall Communications Corporation.**
This resolution revokes the certificate of public convenience and necessity as requested by the company.
- CA-8 A97-12-001 - City of Fullerton (City).**
This decision grants the City's request to construct Highland Avenue Underpass at separated grades under the tracks of the Burlington Northern and Santa Fe Railway Company's San Bernardino Subdivision main line tracks in the City of Fullerton, Orange County. This proceeding is closed.
(Exam Koss)
- CA-9 Res W-4127 - San Jose Water Company, Inc. (SJWC).**
This resolution denies SJWC's appeal of staff's rejection of Advice Letters 278 and 278-A and orders a rate decrease of \$44,000.
- CA-10 Res W-4128 - Southern California Water Company, Orange County District (SCWC).**
This resolution grants SCWC's request for a rate base offset revenue increase of \$417,906 or 1.93% additional annual revenue for 1999.
(Advice Letter 1046-W, filed December 9, 1998)

- CA-11 Res O-0030 - All American Pipeline Company (AAPL).**
This resolution approves AAPL's request to abandon its Pentland Station, Kern County to Mojave, Kern County pipeline service and cancel existing tariffs.
(Advice Letter 3, filed September 16, 1998)
- CA-12 A98-10-008 - Timothy A. Wyman and Julia E. Wyman (applicants).**
This decision grants applicants request for authority to establish and operate a scheduled passenger stage corporation between: (1) the International Airports of Oakland and San Francisco, on the one hand, and Sonora, Jamestown, Oakdale, Modesto, Manteca and Tracy, on the other hand, and (2) Sonora and Modesto, via Jamestown and Oakdale. This proceeding is closed.
(Exam Koss)
- CA-13 A97-11-024 - Pacific Gas & Electric Company (PG&E).**
This decision, pursuant to General Order (GO) 131-D, grants PG&E a permit to construct an electric substation. The proposed project is to upgrade the existing FMC Substation in the City of San Jose under the terms of Section III.B of GO 131-D and to construct a 115 kV power line. The permit is granted subject to PG&E undertaking certain mitigation measures described in the Final Mitigated Negative Declaration issued for this project.
(Com Bilas - ALJ Patrick)
- CA-14 I98-01-004 - Order Instituting Investigation into whether to revoke the operating authority issued to Felipa Garza Fuentes, an individual, doing business as Fuentes Tours (TCP 7591P).**
This order extends the statutory deadline of January 7, 1999 until further notice.
(Com Duque - ALJ Bennett)
- CA-15 A98-07-034 - Guerdon L. Churchill.**
This decision determines that Guerdon L. Churchill's proposed wastewater collection and treatment facilities for Toyon Business Park do not constitute a public utility and he does not require a certificate of public convenience and necessity to construct and operate them. The application is dismissed for lack of jurisdiction.
(Com Neeper - ALJ McVicar)

REGULAR AGENDA

UTILITY AND TRANSPORTATION ORDERS

ORDERS HELD OVER

- H-1** **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)
(Agenda 3006, Item 13, 12/17/98 - Req. Commission)
- H-2** **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(d)*)
(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; Agenda 3006, Item H-6, 12/17/98; Req - Commission)
- H-2a** **ALTERNATE ORDER TO ITEM H-2.** 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; Agenda 3006, Item H-6a, 12/17/98; Req - Commission)

H-2b **ALTERNATE PAGES TO ITEM H-2.** 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; Agenda 3006, Item H-6b, 12/17/98;
Req - Commission)

ORDERS

1 Not used.

2 A96-03-007 - Pacific Bell Communications (PB Com).

This order grants a motion by applicant for an amendment to its application to substitute Southwestern Bell Communication Services (SBCS) as the applicant in this proceeding, subject to the same commitments made by PB Com and the same obligations placed upon PB Com. This decision grants a certificate of public convenience and necessity to SBCS to provide long distance service in California upon attaining approval to do so from the Federal Communications Commission (FCC). This decision also grants applicant's request to withdraw that part of its application seeking authority to operate as a local exchange carrier in competition with Pacific Bell. Applicant also is granted authority to provide local toll service, with some restrictions on its request to be authorized to construct facilities for local toll service. While the FCC permits Bell operating companies to joint market the services of their long distance affiliates, our order today requires that joint marketing by Pacific Bell be done through a separate group of customer service representatives. This proceeding is closed.

(Com Neeper - ALJ Walker)

(Section 311(d))

UTILITIES RESOLUTIONS

ENERGY MATTERS

- E-1 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)
(Section 311(g))
(Agenda 3002, Item E-5, 10/22/98; Agenda 3003, Item E-4, 11/5/98; Agenda 3004, Item E-3, 11/19/98; Agenda 3005, Item E-2, 12/3/98; Req - Commission)
- E-2 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)
(Section 311(g))
(Agenda 3002, Item E-6, 10/22/98; Agenda 3003, Item E-5, 11/5/98; Agenda 3004, Item E-4, 11/19/98; Agenda 3005, Item E-3, 12/3/98; Req - Commission)

RAIL SAFETY AND CARRIERS RESOLUTIONS

- T-1** **Res ST-41** - This resolution adopts a joint report prepared by the Rail Safety and Carriers Division and the San Francisco Municipal Railway (SF Muni) establishing safety related improvements to be made to SF Muni light rail train operations.

ADMINISTRATIVE LAW JUDGE DIVISION RESOLUTIONS

- ALJ-1** **Res ALJ-176-3007** - Ratification of preliminary determinations of category for proceedings initiated by application. The preliminary determinations are pursuant to Article 2.5, Rules 4 and 6.1 of the Commission's Rules of Practice and Procedure. (See also Rule 63.2(c) regarding notice of assignment.)

LEGAL DIVISION MATTERS

LEGISLATIVE MATTERS

LEG-1 Proposal for 1999 CPUC-sponsored state legislation.

COMMISSIONERS' REPORTS

Commissioner Conlon

- Electric Matters
- Transportation Matters

Commissioner Neeper

- Telecommunications Matters
- Consumer Protection Matters

Commissioner Duque

- Water Matters
- Administrative 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 Sections 11125 and 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 personnel matters as provided under Government Code Section 11126(a), institution of proceedings or disciplinary actions against any person or entity under the jurisdiction of the Commission as provided under Government Code Sections 11126(d)(2) and 11126(e)(2)(C)(i), and pending litigation as provided under Government Code Section 11126(e). 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 Sections 11125.2 and 11126.3(f).

APPELLATE SECTION ITEMS**ORDERS HELD OVER**

- HEX-1** **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; Agenda 3006, Item HEX-3, 12/17/98; 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** **C97-02-015** - Disposition of application filed by Southern California Gas Company for rehearing of D98-09-061 in which the Commission granted the complaint of Utility Audit Company, Inc. This matter concerns errors in applying baseline allowances to natural gas bills of a large apartment complex with multiple master meters.
- EX-3** **R94-04-031, I94-04-032** - Disposition of application filed by Bay Area Rapid Transit District (BART) for rehearing of D97-10-087 regarding exemption of BART's purchases of preference federal power from direct access rules and regulations. Order responds to BART's subsequent request to withdraw application as moot.

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. ER98-441-000, et al;** - Update on Reliability Must-Run settlement negotiations.

FEX-3 Discussion of position in FERC rulemaking proceedings in Regulation of Short-Term Natural Gas Transportation Services, Docket No. RM98-10-000 and Regulation of Interstate Natural Gas Transportation Services, Docket No. RM98-12-000.

CLOSED SESSION - INTERNAL AGENDA

IMPORTANT NOTICE

The Closed Session - Internal Agenda is NOT mailed or available to the public. It is only distributed internally within the Commission. The contents of the Internal Agenda, the memoranda or discussion relating to these matters shall not be disclosed to anyone outside the Commission.

**SUBSCRIPTION NOTICE FOR AGENDA
AND
DRAFT AGENDA ITEMS**

If you wish to subscribe to the *agenda*, please send your request with a check payable to the Public Utilities Commission; Attention: Poly Arca, Room 1003; 505 Van Ness Avenue; San Francisco, CA 94102; or by calling (415) 703-1798. The cost for a one-year subscription to the agenda is \$75.

If you wish to receive *draft agenda items*, please send your request with a check payable to the Public Utilities Commission; Attention: Poly Arca, Room 1003; 505 Van Ness Avenue; San Francisco, CA 94102; or by calling (415) 703-1798. The cost for a one-year subscription to the entire public agenda package (which excludes Executive session materials) is \$1000. The cost for energy agenda items only or telecommunication agenda items only is \$500 per year. The package you receive via mail will include only those agenda items available at the time of the agenda distribution date, which is usually 10 to 12 days prior to the Commission meeting. If agenda items (including revisions) are not ready on the distribution date, they will be made available at no charge in the lobby outside the Commission Auditorium at 9:00 a.m. on the morning of the Commission meeting, but not earlier. In addition, the Commission will make draft agenda items available for viewing and photocopying (at 20 cents per page) at the Commission's Central Files Office (Room 2002), 505 Van Ness Avenue, San Francisco, and in the Commission offices in Los Angeles, San Diego, and the following field offices: El Centro, Sacramento, and San Bernardino. Since the agenda package will be mailed to these locations, it will be available at these locations a day or two after the distribution date. These locations will not receive agenda items that are not ready on the distribution date.

Those intervenors who have financial hardship determination pending or granted shall be eligible to receive draft agenda item packets at no charge.