
Public Utilities Commission of the State of California

*Public Agenda 3011
Thursday, March 4, 1999, 10 a.m.
San Francisco, California*

Commissioners
Richard A. Bilas, President
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, March 1	Thursday, March 4
✓ Monday, March 15	Thursday, March 18
Monday, March 29	Thursday, April 1
Monday, April 19	Thursday, April 22
Monday, May 10	Thursday, May 13

**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
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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-4

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-18884** - Resolution approving issuance of charter-party carrier certificates pursuant to Section 5374(b) of the Public Utilities Code.
(Section 311(g))
- CA-2** Moved to item 6 on the agenda.
This revision was not listed on the agenda distributed to the public
- CA-3** **C98-03-023 - Gina Guillamun DiResta vs. Esprit del Sol Apartments.**
This decision extends the 12-month deadline applicable to this adjudicatory proceeding in light of the stay ordered by I98-12-012.
(Com Neeper - ALJ Vieth)
(Section 311(g))

- CA-4 C96-09-035 - Michael A. Titell (Complainant) vs. GTE California Incorporated (GTE).**
This decision grants the complaint against GTE to the extent that Complainant seeks one-way extended area service (EAS) from the Trona Exchange to the Ridgecrest Exchange. This decision also authorizes GTE to seek recovery of its costs to implement the Trona EAS route, subject to the conditions specified in this decision. This proceeding is closed.
(Com Neeper - ALJ Kenney)
(Section 311(g))
- CA-5 C98-05-045 - Delores Guyot & Jessie A. Wheeler, et al. (Complainant) vs. Pacific Bell (Pacific).**
This decision denies the complaint against Pacific in which Complainant seeks one-way extended area service from the Bridgeville Exchange to the Eureka, Fortuna, and Hydesville Exchanges. This proceeding is closed.
(Com Duque - ALJ Kenney)
(Section 311(g))
- CA-6 Res W-4137 - Southern California Water Company, Calipatria-Niland District.**
This resolution authorizes substitution of service to the State of California, Department of Corrections, from tariff to provisions of General Order 96-A controlling service to governmental agencies.
(Advice Letter 1035-W-A, filed January 21, 1999)
- CA-7 Res G-3251 - Sempra Energy, on behalf of San Diego Gas & Electric Company.**
This resolution approves the request to revise Schedule G-IMB - Transportation Imbalance Service, to include a processing fee of \$14.14 to cover costs associated with processing of imbalance trades submitted by facsimile using the imbalance correction agreement.
(Advice Letter G-1107-G-A, filed September 1, 1998)
(Section 311(g))
- CA-8 (ECP) C98-03-055 - Rodney W. & La Donna M. Lucas vs. Southern California Gas Company.**
This decision dismisses complaint for failure to prosecute with reasonable diligence. This proceeding is closed.
(Com Conlon - ALJ Wright)

- CA-9 A98-06-005 - Southern California Water Company.**
For authority to assess a reservation fee for fire protection for persons occupying or owning property within the service territory of the Desert District. This decision grants the motion to dismiss. This proceeding is closed.
(Com Duque - ALJ Walker)
(Section 311(g))
- CA-10 Res W-4138 - Southern California Water Company, San Dimas District.**
This resolution authorizes a rate base offset revenue increase of \$69,410 or .61% additional annual revenue for 1999.
(Advice Letter 1059-W, filed February 1, 1999)
- CA-11 A98-10-020 - Red and White Ferries, Inc. (Red & White).**
This decision authorizes Red & White to establish and operate vessel common carrier service between San Francisco and Alcatraz Island, conditioned upon Red & White's obtaining corresponding authority from the United States Secretary of the Interior. This proceeding is closed.
(Com Duque - ALJ McVicar)
(Section 311(g))
- CA-12 C98-02-044 - Utility Audit Company, Inc. vs. Southern California Gas Company.**
This decision extends statutory deadline pursuant to Public Utilities Code Section 1701.2(d).
(Com Duque - ALJ Ryerson)
(Section 311(g))
- CA-13 Res W-4139 - Wendell Water Company.**
This resolution authorizes a general rate increase producing \$2,801 or 39.9% additional annual revenue.

- CA-14** **C95-06-065 - J. Roy Wittwer and Frae Wittwer, dba Sequoia Orchids vs. Industrial Freight System, Inc.** C95-08-025, C95-08-059, C95-08-067, C95-08-068, C95-10-045, C95-11-002, C95-12-017, C95-12-062, C96-05-032 - Related matters. Because the underlying Bankruptcy Court proceedings in these matters have been dismissed, this decision dismisses 10 cases filed with this Commission by shippers protesting claims for alleged tariff undercharges brought by the bankruptcy trustee for Industrial Freight System, Inc.. These proceedings are closed.
(Com Neeper - ALJ Walker)
(Section 311(g))
- CA-15** **A98-12-002 - Citizens Utilities Company, Citizens Newco Company, Citizens Telecommunications Company of California, Inc., Citizens Telecommunications Company of the Golden State, Citizens Telecommunications of Tuolumne, Citizens Telecommunications Company, and Electric Lightwave, Inc.**
For authority and approval of a transfer of control. Citizens Utilities Company seeks approval of a reorganization plan that would establish two separate, independent holding companies, one of them for telecommunications and the other for electric, gas, water, and wastewater services. The application is unopposed. The application is granted. This proceeding is closed.
(Com Duque - ALJ Walker)
(Section 311(g))
- CA-16** **Res ALJ-176-3011** - 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.)

- CA-17** Moved to item 7 on the agenda.
This revision was not listed on the agenda distributed to the public
- CA-18** **A97-12-039 - San Diego Gas & Electric (SDG&E).**
For authority to sell electrical generation facilities and power contracts.
This decision approves the sale and donation of SDG&E's South Bay Power plant to the San Diego Unified Port District (Port District). Pursuant to the agreements, the Port District will pay SDG&E \$110 million for the South Bay plant facilities, and SDG&E will provide the Port District with a charitable donation of the main plant site land, plus 49 other acres, and the value of the South Bay plant facilities which exceeds \$110 million.
(Com Bilas - ALJ Barnett)
(Section 311(g))
- CA-19** **A98-05-034 - Southern California Edison Company (Edison).**
This decision authorizes Edison to lease three separate sites on transmission line rights of way to Everest Storage, LLC to be developed as self-storage facilities. This proceeding is closed.
(Com Duque - ALJ Wright)
(Section 311(g))
- CA-20** **A98-12-016 - Pre-Paid Phones, Ltd.**
This decision grants a certificate of public convenience and necessity to operate as a local and interexchange reseller. This proceeding is closed.
(Com Neeper - ALJ O'Donnell)
(Section 311(g))

CA-21 I98-02-026 - Order Instituting Investigation on the Commission's own motion into the operations and practices of Paradise Movers LLC, and its Chief Executive Officer, James Shiloh.

This decision extends statutory deadline pursuant to Public Utilities Code Section 1701.2(d).

(Com Bilas - ALJ Ryerson)

(Section 311(g))

CA-22 A98-09-039 - AT&T Corp. (AT&T), Italy Merger Corp. and Tele-Communications, Inc. (TCI).

This decision approves the proposed merger of AT&T and TCI. The decision concludes that the merger, which would enable AT&T to enter the residential local exchange market through the acquisition of TCI's cable system (which AT&T plans to upgrade), is in the public interest and should be approved pursuant to Section 854(a) of the Public Utilities Code. This decision also concludes that even though the total revenues of AT&T's California utility subsidiaries cross the \$500 million threshold that would ordinarily trigger review under Sections (§§) 854(b) and (c) of the Public Utilities Code, it is appropriate – as it was found to be in

D97-07-060, 98-05-022 and 98-08-068 -- for the Commission to exercise its powers under §§ 854(a) and 853(b) and exempt the transaction from review under §§ 854(b) and (c). This proceeding is closed.

(Com Neeper - ALJ McKenzie)

(Section 311(g))

REGULAR AGENDA

UTILITY AND TRANSPORTATION ORDERS

ORDERS HELD OVER

H-1 A98-06-018 - Pacific Gas and Electric Company (PG&E) and Roseburg Resources Company (Roseburg).

This decision authorizes PG&E to sell and transfer certain lands in Shasta County to Roseburg, an Oregon corporation, pursuant to Public Utilities Code Section 851. This proceeding is closed.

(Com Conlon - ALJ Wright)

(Section 311(g))

(Agenda 3009, Item CA-13, 2/4/99; Req - Commission)

H-2 R94-12-001 - Order Instituting Rulemaking into whether the current income-based criteria for the Low Income Ratepayer Assistance Program and for Universal Lifeline Telephone Service should be changed.

This decision makes the following clarifications concerning the eligibility criteria for participation in the California Alternative Rates for Energy (CARE) and Universal Lifeline Telephone Service (ULTS) programs. First, the income used to determine whether a self-employed person is eligible to participate in the CARE and ULTS programs shall be based on IRS Form 1040, Schedule C, Line 29. Second, liquid assets shall not be used as a criterion to screen all applicants for the CARE and ULTS programs.

However, if a utility discovers that a customer with more than \$10,000 in liquid assets seeks to or is participating in the CARE or ULTS programs, then the utility shall immediately disqualify that customer from participating in these programs. Liquid assets are defined by this decision as including cash, stocks, and bonds, but excluding tangible assets such as houses and vehicles. Finally, this decision finds that persons should not be allowed to participate in the CARE and ULTS programs merely by showing proof of participation in another social program. This proceeding is closed.

(Com Knight - ALJ Kenney)

(Section 311(g))

(Agenda 3010, Item CA-19, 2/18/99; Req - Commission)

- H-3 A98-08-025 - Pacific Gas and Electric Company (PG&E).**
This decision grants, subject to conditions, PG&E's request to lease available space on distribution poles and street light poles to Metricom, Inc., which would use the space to install low-power, packet-sized wireless radio equipment for its high-speed digital telecommunications services. The Office of Ratepayer Advocates recommends fiscal and reporting requirements to further safeguard ratepayer interests. This proceeding is closed.
(Com Knight - ALJ Walker)
(Section 311(g))
(Agenda 3009, Item CA-6, 2/4/99; Agenda 3010, Item H-5, 2/18/99;
Req - Commission)
- H-4 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; Agenda 3007, Item H-2, 1/7/99; Agenda 3008, Item H-6, 1/20/99; Agenda 3009, Item H-3, 2/4/99; Agenda 3010, Item H-8, 2/18/99; Req - Commission)
- H-4a ALTERNATE ORDER TO ITEM H-4.** 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; Agenda 3007, Item H-2a, 1/7/99; Agenda 3008, Item H-6a, 1/20/99; Agenda 3009, Item H-3a, 2/4/99; Agenda 3010, Item H-8a, 2/18/99; Req - Commission)

H-4b **ALTERNATE PAGES TO ITEM H-4.** 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; Agenda 3007, Item H-2b, 1/7/99; Agenda 3008, Item H-6b, 1/20/99; Agenda 3009, Item H-3b, 2/4/99; Agenda 3010, Item H-8b, 2/18/99; Req - Commission)

H-4c **ALTERNATE ORDER TO ITEM H-4.** This alternate order adopts \$82.4 million for capital additions at this time and reopens the case for further limited submittals regarding approximately \$12.5 million in capital additions which were not cost justified on the record to date.

(Rev.)

(Com Bilas)

(Agenda 3007, Item H-2c, 1/7/99; Agenda 3008, Item H-6c, 1/20/99; Agenda 3009, Item H-3c, 2/4/99; Agenda 3010, Item H-8c, 2/18/99; Req - Commission)

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

H-4d **ALTERNATE PAGES TO ITEM H-4.** These alternate pages would allow recovery for Edison's Green Lights program.

(Com Neeper)

(Agenda 3009, Item H-3d, 2/4/99; Agenda 3010, Item H-8d, 2/18/99; Req - Commission)

H-5 R98-07-037 - Order Instituting Rulemaking on the Commission's Proposed Policies and Programs Governing Energy Efficiency, Low-Income Assistance, Renewable Energy and Research Development and Demonstration.

This decision addresses the issue of how energy efficiency programs and low-income assistance programs should be administered (1) between now and the end of 2001 and (2) after 2001. We determine that energy efficiency and low-income assistance programs should continue to be administered by investor-owned utilities, subject to our oversight, through 2001. Beyond 2001, however, we are opposed to continuing with utility administration of energy efficiency programs and will actively pursue creating an organizational alternative for the administration of these programs. Our current preference is to establish a legislatively-mandated nonprofit organization, assuming that funding for energy efficiency is authorized beyond 2001. For the administration of low-income assistance programs after 2001, we will explore a variety of organizational options, including continuing with utility administration.

(Com Neeper - ALJ Gottstein)

(Section 311(g))

(Agenda 3008, Item 2, 1/20/99; Agenda 3009, Item H-4, 2/4/99; Agenda 3010, Item H-9, 2/18/99; Req - Commission)

H-6 A98-06-050 - Pacific Bell (Pacific).

To modify certain affiliate transaction rules as contained D92-07-072 and D86-01-026 to facilitate the post-merger consolidation of support services. This decision grants, with conditions, the 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. This proceeding is closed.

(Com Conlon - ALJ Rosenthal)

(Section 311(g))

(Agenda 3006, Item CA-17, 12/17/98; Agenda 3008, Item CA-3, 1/20/99; Agenda 3009, Item H-6, 2/4/99; Agenda 3010, Item H-10, 2/18/99; Req - Commission)

H-6a

ALTERNATE ORDER TO ITEM H-6.

This alternate grants the application of Pacific, with the clarifications proposed by Office of Ratepayer Advocates, and adopts additional safeguards to assure compliance with the procedures. However, this order declines to impose audits at this time because the safeguards proposed by Pacific provide adequate means of assuring compliance with the like-for-like netting procedures.

(Com Neeper)

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

H-7

A98-05-007 - Pacific Gas and Electric Company (PG&E).

For authority to adopt a revenue-sharing mechanism and other prerequisites for new non-tariffed products and services. In D97-12-088, the Commission approved affiliate transaction rules, governing the relationships between regulated energy utilities and their affiliates. Those rules were revised in D98-08-035. Rule VII.D. contains certain conditions precedent to a utility offering new non-tariffed products and services. The utility must first gain Commission approval of a mechanism to ensure the prevention of cross-subsidies, a mechanism for the treatment of any resulting benefits and revenues, a proposal for periodic reporting, and a proposal for periodic audits. In this application, PG&E seeks approval of its proposed approach for dealing with these issues. Here, we find that PG&E has yet to provide an acceptable proposal and direct the company to pursue certain revisions.

(Com Bilas - ALJ Weissman)

(Section 311(g))

(Agenda 3010, Item 4, 2/18/99; Req - Commission)

ORDERS

NOTE: **Ex Parte Communications are prohibited on Items 1 and 2 from the day of the Ratesetting Deliberative Meeting through the conclusion of the Business Meeting at which a vote on the Proposed Decisions are scheduled. (Rule 7(c)(4)).**

- ✓1 **A98-06-045 - San Diego Gas & Electric (SDG&E).**
For authority to revise line loss for energy payments to qualifying facilities. This decision denies SDG&E's request to modify transmission line loss adjustment factors at this time. SDG&E has not demonstrated that these factors no longer reflect avoided line losses on its system, or that the Independent System Operator's generator line loss multipliers are more appropriate to use for short-run avoided cost calculations. This decision approves SDG&E's proposal to modify its distribution line loss adjustment factors at this time. SDG&E's proposal is supported by the results of a study of distribution losses on its system. This proceeding is closed.
(Com Neeper - ALJ Gottstein)
(Section 311(d))
- ✓2 **A98-01-014 - San Diego Gas & Electric (SDG&E).**
For authority to implement a distribution performance-based ratemaking (PBR) mechanism. This decision approves an all-party settlement regarding PBR performance indicators and adopt a distribution PBR mechanism for SDG&E. The distribution PBR mechanism uses the starting point adopted in D98-12-038 and is modeled after the PBR mechanism adopted for Southern California Gas Company. The PBR mechanism uses a revenue-per-customer indexing methodology, a progressive sharing mechanism, and a productivity factor ranging from 1.62% in 1999 to 1.92% in 2002 on the electric side and from 1.38% in 1999 to 1.68% in 2002, on the gas side. This proceeding is closed.
(Com Neeper - ALJ Minkin)
(Section 311(d))
- 2a **ALTERNATE ORDER TO ITEM 2.** This alternate order adopts a rate indexing mechanism and adjusts the productivity and sharing mechanism.
(Com Bilas)
This item was not listed on the agenda distributed to the public.

- 3 A93-05-044 - Southern California Edison (Edison).**
For (1) authority to revise energy cost adjustment billing factor, California alternate rates for energy, and base rate levels effective January 1, 1994; (2) authority to revise the incremental energy rate, the energy reliability index and avoided capacity cost pricing; and (3) review of the reasonableness of Edison's operations during the period from April 1, 1992 through March 31, 1993. A94-05-044, A95-05-049, A96-05-045 and A97-05-050 - Related matters. Edison failed to enforce the terms of an original qualifying facility (QF) contract and renegotiated the contract so that over time Edison paid in excess of \$3.6 million. Edison argues it renegotiated the contract to prevent the QF from bankruptcy, following Commission policy which encouraged utilities to renegotiate contracts to prevent QFs from failing. Held - Edison acted reasonably in following Commission policy; no disallowance. Had Edison enforced the terms of the original contract the QF would have gone bankrupt. In D98-04-023, we found that Edison had acted unreasonably in administering its QF contract with Mojave Cogeneration. In furtherance, this decision disallows an additional \$16.3 million. These proceedings are closed. (Com Knight - ALJ Barnett)
(SB 960 Experiment: Ratesetting Category - A93-05-044, A95-05-049 and A96-05-045 only)
(Section 311(d))
- 4 R95-04-043 - Order Instituting Rulemaking on the Commission's own motion into competition for local exchange service.** I95-04-044 - Related matter. This decision adopts an area code overlay to relieve number exhaustion in the 714 area code located principally in Orange County. Mandatory 1+10-digit dialing within the 714 area code takes effect in October 2000, and the new overlay area code will open in February 2001. (Com Conlon - ALJ Pulsifer)
(Section 311(g))

- 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 adopts an area code relief plan for the 909 area code in the form of a two-phase split-and-subsequent-overlay plan (Alternative 17). Alternative 17 splits off the eastern geographic portion of the 909 NPA to a new area code and allows the western section to remain in 909. This plan also allows the western section to retain the 909 area code and one year later adds an additional area code using the overlay method. Mandatory 1+10-digit dialing will be required for the western section effective November 4, 2000. A customer education period will be included.
(Com Conlon - ALJ Pulsifer)
(Section 311(g))
- 6** **C98-04-037 - Universal Studios, Inc. (Universal) vs. Southern California Edison Company (Edison).**
This decision denies the complaint of Universal, to be exempted from competition transition changes in seeking to obtain electricity from the Los Angeles Department of Water and Power rather than Edison. This proceeding is closed.
(Com Conlon - ALJ Minkin)
(Section 311(g))
This item appeared as CA-2 on the agenda distributed to the public.
- 7** **I96-02-043 - Order Instituting Investigation into the operations, practices, and conduct of Communication Telesystems International (CTS) and Edward S. Soren, President of CTS to determine whether they have complied with the laws, rules, regulations and applicable tariff provisions governing the manner in which California consumers are switched from one long distance company to another, and other requirements for long distance carriers.**
This decision approves the partial settlement agreement between CTS and Greenlining Institute/Latino Issues Forum regarding intervenor compensation and escheat of unclaimed funds. This proceeding is closed.
(Com Neeper - ALJ Bushey)
(Section 311(g))
(Agenda 3010, Item CA-12, 2/18/99; Req - Commission)
This item appeared as CA-17 on the agenda distributed to the public.

8

A98-06-051 – A & M United Group, LLC.

To acquire, and Isam M. Alziq to transfer, a passenger stage certificate of public convenience and necessity and certain other assets, pursuant to Section 851, et seq., of the California Public Utilities Code. This decision suspends authority of EZ Shuttle and Charter Service and ordering its owner to show cause why he should not be held in contempt and/or his operating authority revoked. This matter is added to the agenda pursuant to Government Code Section 11125.3(a)(2) and Public Utilities Code Section 306(b).

(Com Duque – ALJ Rosenthal)

(Section 311(g))

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

UTILITIES RESOLUTIONS

ENERGY MATTERS

- E-1 Res G-3243 - Southern California Gas Company (SoCalGas).**
This resolution denies SoCalGas's request 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;
Agenda 3007, Item E-1, 1/7/99; Agenda 3009, Item E-3, 2/4/99;
Req - Commission)
- E-2 Res G-3242 - Southern California Gas Company (SoCalGas).**
This resolution authorizes SoCalGas 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;
Agenda 3007, Item E-2, 1/7/99; Agenda 3009, Item E-4, 2/4/99;
Req - Commission)
- E-3 Res E-3590 - This resolution grants an electrical energy payment deferral plan for citrus producers.**
(Section 311(g))
(Agenda 3010, Item E-4, 2/18/99; Req - Commission)

LEGAL DIVISION MATTERS

RESOLUTIONS AND MEMORANDUMS

- L-1** **Res L-277** - This resolution authorizes disclosure of confidential direct access data; specifically: 1) monthly data on numbers of direct access customers and estimated sales by service area and; 2) monthly data on numbers of direct access customers by electric service provider and by service area, to the California Energy Resources Conservation and Development Commission, pursuant to confidentiality agreements. (Section 311(g))
- L-2** **Res L-278** - This resolution recommends release of documents requested pursuant to Public Records Act Request by Margaret Turner, mother of Paul Turner, who was electrocuted and died on November 15, 1997 while working for Pacific Gas and Electric Company. Public Records Act Request seeks release of Commission Utility Safety Branch staff investigative records concerning the November 15, 1997 accident. (Section 311(g))

COMMISSIONERS' REPORTS

Commissioner Duque

- Electric Matters
- Water Matters
- Administrative Matters

Commissioner Neeper

- Consumer Protection Matters
- Telecommunications Matters

President Bilas

- Natural Gas Matters
- Transportation Matters

EXECUTIVE DIRECTOR'S REPORT

Wesley M. Franklin, Executive Director

GENERAL COUNSEL'S REPORT

Peter Arth, Jr., General Counsel

DIRECTORS' REPORTS

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William Meyer, Director
Strategic Planning Division

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** **R97-04-011, I97-04-012** - Disposition of Pacific Gas and Electric Company's (PG&E) application for rehearing of D98-11-026 which ordered PG&E to pay a penalty of \$1,680,000 for allowing its affiliate, PG&E Energy services, to issue a printed advertisement that did not comply with the Commission's eligibility requirements for disclaimers. PG&E alleged that the Commission erred by failing to categorize the enforcement action against PG&E as adjudicatory and by failing to provide the opportunity to appeal that categorization. PG&E also claims that the Commission lacks authority to directly impose a fine, and even if it has, the record does not support the penalty amount.
(Agenda 3010, Item EX-5, 2/18/99; Req - Commission)

HEX-2 **R95-04-043, I95-04-044** - Disposition of applications for rehearing of D97-08-059 (the local competition Phase III decision) filed by AT&T Communications of California Inc. (AT&T) and MCI Telecommunications Corporation (MCI), MFS Intelenet of California, Inc., and Business Telemangement, Inc. (BTI) and Frontier Telemangement, Inc. (Frontier). Applicants all protest the restriction preventing resellers from aggregating end user calling volumes to obtain volume discounts offered by incumbent local exchange carriers (LEC). In addition, AT&T/MCI argue that 1) the finding that an alternative supply of inside wire services is readily available to competitive local carriers is factual error, and 2) the Commission should expressly order that LEC promotions of less than ninety days' duration should be subject to resale at the promotional rate, rather than the wholesale discount. BTI/Frontier argue that the decision unlawfully prohibits resellers from selling Centrex service in any configuration other than as "a business system to single businesses."
(Agenda 3010, Item EX-7, 2/18/99; 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 **R.95-04-043, I. 95-04-044** - Application of Pacific Bell for rehearing of D98-11-065 in which the Commission required that incumbent local exchange carriers in the 408 area code must first assign a prefix number to telephone customers from a prefix set (NXX code) that has had more than 25% of its numerical possibilities assigned before assigning numbers from other NXX codes. This restriction was ordered in conjunction with a Commission decision to make more telephone numbers available by means of a new area code overlay of the region presently using the 408 area code.

EX-3 Discussion of Annual Performance Evaluation Process for Managers Reporting Directly to the Commission.

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

EX-4 **A96-03-031, A96-04-032** - Disposition of applications for rehearing of D98-07-100, filed by California Industrial Group and California Manufacturers Association (jointly); Southern California Gas Company (SoCalGas); Southern California Utility Power Pool and Imperial Irrigation District (jointly); and Southern California Edison Company. D98-07-100 involves the 1996 SoCalGas BCAP proceeding and the allocation of the stepdown costs resulting from the FERC settlements. This decision granted a limited rehearing on the stepdown issues raised by The Utility Reform Network, in its application for rehearing of D97-04-082.

FEDERAL SECTION ITEMS

- HFEX-1** **FERC Docket Nos. ER98-1057-000, et al.** - Responsible Participating Transmission Owner Agreements between the California Independent System Operator Corporation, Pacific Gas and Electric Company and Southern California Edison.
(Agenda 3010, Item FEX-4, 2/18/99; 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** **FERC Docket Nos. ER98-441-000, et al;** Update on Reliability Must-Run settlement negotiations.
- FEX-3** **FERC Docket No. EC99-30-000** - Assignment of San Diego Gas & Electric Company Reliability Must-Run Agreement to Duke Energy South Bay.

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