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# *Public Utilities Commission of the State of California*

*Public Agenda 3017  
Thursday, June 10, 1999, 10 a.m.  
San Francisco, California*

**Commissioners**  
**Richard A. Bilas, President**  
**Henry M. Duque**  
**Josiah L. Neeper**  
**Loretta M. Lynch**  
**Tal C. Finney**

*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>*

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

<i>Ratesetting Deliberative Meeting*</i> <i>Room 5305</i> <i>(1:30 p.m.)</i> <i>Closed to the Public</i>	<i>Commission Meeting</i> <i>Auditorium</i> <i>(10 a.m.)</i> <i>Open to the Public</i>
Monday, June 7	Thursday, June 10
Monday, June 21	Thursday, June 24
Tuesday, July 6	Thursday, July 8
Monday, July 19	Thursday, July 22
Monday, August 2	Thursday, August 5

*\*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](mailto: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.

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## PUBLIC COMMENT

The following items are not subject to public comment:

- All items on the closed session agenda; these are HEX and EX items.
- CA-4, H-11

## 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-18892** - Resolution approving issuance of charter-party carrier certificates pursuant to Section 5374(b) of the Public Utilities Code.  
(Section 311(g))
- CA-2**      **Res ALJ-176-3017** - 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.
- CA-3**      **I89-11-003 - In the matter of the regulation of used household goods transportation by truck.**  
This decision denies Paula Karrison's motion for intervenor compensation.  
This proceeding is closed.  
(Com Duque -ALJ Mattson)  
(Section 311(g))

- CA-4 (ECP) C99-02-028 - Ms. Cheryl Duke vs. Pacific Bell (PacBell).**  
This decision denies the complaint; plaintiff has failed to establish that PacBell violated its tariffs or other applicable laws when it transferred the telephone service at issue. This proceeding is closed.  
(Com Neeper - ALJ Vieth)
- CA-5 R98-05-031 - Order Instituting Rulemaking on the Commission's own motion into the statewide expansion of public policy pay telephones.**  
This decision provides the Payphone Service Providers Committee with the responsibility to implement and administer a public policy payphone bidding process under the direction of the Commission's Telecommunications Division. This proceeding is closed.  
(Com Bilas - ALJ Galvin)  
(Section 311(g))
- CA-6 C97-03-034 - County of Riverside Department of Environmental Health vs. Spring Crest Water and Power Company (Spring Crest).**  
This decision grants the complaint. This decision also orders Spring Crest to file its Advice Letter requesting the rate increase for system operation and repairs. This proceeding is closed.  
(Com Neeper - ALJ Bennett)  
(Section 311(d))
- CA-7 A97-12-017 - Los Alamitos Race Course.**  
For authority to establish pedestrian-bikeway crossings at Grade at the track of the Union Pacific Railroad Company, in the City of Cypress. This decision dismisses the application for lack of jurisdiction, because the underlying railroad track has been abandoned. This proceeding is closed.  
(Com Duque - ALJ Ryerson)  
(Section 311(g))

**CA-8**            **I97-07-014 - Investigation for the purpose of establishing a list for the fiscal years 1998-1999 and 1999-2000 of existing and proposed crossings at grade of city streets, county roads, or state highways in need of separation, or projects effecting the elimination of grade crossings by removal or relocation of streets or railroad tracks, or existing separations in need of alterations or reconstruction in accordance with Section 2452 of the Streets and Highways Code.**

This decision establishes priority list for projects funded for fiscal year 1999-2000. This proceeding is closed.

(Com Bilas - ALJ Bennett)

(Section 311(g))

**CA-9**            **A98-11-031 – Red & White Ferries, Inc. (Red and White).**

This decision grants Red and White’s request for an exemption from Sections 816-830 and establishes modified procedure for compliance with Sections 851-854. This proceeding is closed.

(Com Duque - ALJ Bushey)

(Section 311(g))

**CA-10**           **A98-04-038 - USA Shuttle Services, Inc.**

This decision grants the applicant’s request to extend its passenger stage authority between points and places in Alameda, San Mateo and Santa Clara counties plus Tracy, Lathrop and Stockton in San Joaquin County, on the one hand, and the international airports of San Francisco, Oakland and San Jose, on the other hand. This proceeding is closed.

(Exam Koss)

(Section 311(g))

**CA-11**           **A98-10-026 - Pacific Gas and Electric Company (PG&E).**

This decision grants PG&E’s request to construct the Monta Vista/Wolfe/Stelling Looping Project pursuant to General Order 131-D. The project will create a new loop circuit between the Monta Vista and Wolfe substations in the City of Cupertino and would reconfigure two existing 115 kV circuits between the Ames substation in Mountain View and the Conta Vista substation in Cupertino. The permit is granted subject to PG&E undertaking certain mitigation measures described in the Final Mitigated Negative Declaration issued for this project. This proceeding is closed.

(Com Neeper - ALJ Gottstein)

(Section 311(g))

**CA-12**           **A99-02-007 - Thelma J. Ayala, dba Monarca Transportation Services.**

This decision grants applicant's request for a certificate of public convenience and necessity to operate as a scheduled passenger stage corporation between the cities of Victorville, San Bernardino, and Fontana, on the one hand, and San Ysidro, on the other hand; and San Bernardino and Fontana, on the one hand, and Victorville, on the other hand. This proceeding is closed.

(Exam Koss)

(Section 311(g))

**CA-13            A98-10-021 - Nabil Barsoum Fahmy and Therese Fahmy, dba Prince Airport Shuttle.**

This decision grants applicants' request to extend their passenger stage authority to operate as an on-call passenger stage corporation to transport passengers and their baggage between points and places in the counties of Los Angeles, Orange, and San Diego, on the one hand, and International Airports in Los Angeles (LA), Burbank, Ontario and Santa Ana, LA and Long Beach Harbors, LA Amtrak/Union Station, Downtown LA, Westchester LA, on the other hand. This proceeding is closed.

(Exam Koss)

(Section 311(g))

**CA-14            A98-10-019 - Okab S. Fayad, dba Superporter Express.**

This decision grants applicant's request to operate as a passenger stage corporation between points in San Francisco, Alameda and Contra Costa Counties, on one hand, and International Airports in Oakland and San Francisco, on the other hand, and to establish a Zone of Rate Freedom. This proceeding is closed.

(Exam Koss)

(Section 311(g))

**CA-15            A99-03-032 - Andre Planchon, dba Main Event Limousines.**

This decision grants applicant's request to operate as a scheduled passenger stage corporation commencing from the City of Monterey, then to Marina, Salinas, and International Airports in San Jose and San Francisco. This proceeding is closed.

(Exam Koss)

(Section 311(g))

- CA-16**      **A99-03-033 - Arthur F. Baisley, dba Arthur's Airport Transportation.**  
This decision grants applicant's request to operate as a passenger stage corporation between points in the counties of Nevada, Placer, Sutter, and Yuba, on the one hand, and Sacramento International Airport, on the other hand. This proceeding is closed.  
(Exam Koss)  
(Section 311(g))
- CA-17**      **A99-02-023 - Mohammed Saeed, Kamal Hamid Zeinelabdin, El Fatih Elyas Ahmed, and Izzelding Elyas Ahmed, a partnership, dba Horizon Airporter.**  
This decision grants applicants' request to operate as a passenger stage corporation between points in the counties of Alameda, Contra Costa and San Francisco. This proceeding is closed.  
(Exam Koss)  
(Section 311(g))
- CA-18**      **A98-10-011 - San Diego Gas & Electric Company (SDG&E).**  
For authority to construct an electric facility: Friars Substation Project. This decision grants SDG&E's request to construct a substation in the Mission Valley Heights Subdivision in the Mission Valley area of the City of San Diego. The substation is needed to meet anticipated customer-driven electrical load growth and to prevent potential outages. This decision also adopts the Mitigated Negative Declaration for this project. This proceeding is closed.  
(Com Neeper - ALJ Weissman)  
(Section 311(g))
- CA-19**      **Res E-3597 - Southern California Edison Company (Edison).**  
This resolution grants with modifications Edison's request to revise its air conditioning cycling tariffs to provide more flexibility in managing high loads.  
(Advice Letter 1352-E, filed November 30, 1998)  
(Section 311(g))

- CA-20      Res E-3614 - Southern California Edison Company (Edison).**  
This resolution grants Edison's request to deviate from Schedule GS-1 in a contract with Metricom, Inc. concerning unmetered electric service for radio repeaters.  
(Advice Letter 1335-E, filed September 29, 1998)  
(Section 311(g))
- CA-21      Res W-4152 - Rolling Green Utilities, Inc. (RGU), Sewer Division.**  
This resolution grants RGU's request for a general increase in rates producing \$10,395 or 22.86% additional annual revenue.
- CA-22      A59461 - Southern California Edison Company (Edison).**  
For authority to increase Edison's authorization to incur short-term obligations payable at periods of not more than twelve months after the date of issuance, by a principal amount of \$292,160,699 in excess of that authorized by the Public Utilities Code Section 823(c) and prior Commission authorization. This decision grants Edison's request to use short-term obligations up to an aggregate amount not to exceed \$441,288,502 beyond the amount authorized by Public Utilities Code Section 823(c) granted in D91433, as modified to be extended from June 30, 1999 to June 30, 2005.  
This proceeding is closed.  
(Exam Evans)  
(Section 311(g))
- CA-23      Res E-3616 - Pacific Gas and Electric Company (PG&E).**  
This resolution approves PG&E's request for a deviation from Public Utilities Code Section 320 in Sonoma County. PG&E proposes to relocate distribution pole facilities within the Highway 12 Scenic Corridor. This resolution also authorizes PG&E to use overhead facilities.  
(Section 311(g))

- CA-24**      **R92-03-050 - Order Instituting Rulemaking on the Commission's own motion to consider the line extension rules of electric and gas utilities.**  
Southern California Edison and Pacific Gas and Electric Company seek clarification as to whether any credits or debits realized under the bidding process allowed by the Applicant Design D97-12-099 should be subject to current ratemaking practices or subject to a separate ratemaking mechanism where the shareholders are at risk for any such debits or credits. This decision concludes that there is no record in this proceeding to support a change from current ratemaking practices. Accordingly, D97-12-099 is affirmed.  
(Com Duque - ALJ Patrick)  
(Section 311(g))  
(Agenda 3016, Item CA-10, 5/27/99; Req - Commission)
- CA-25**      **C98-06-037 - William Kent vs Southern California Edison Company.**  
This decision extends statutory deadline for resolving C98-06-037 pursuant to Public Utilities Code Section 1701.2(d).  
(Com Duque - ALJ Ryerson)
- CA-26**      **A99-01-036 - PacifiCorp and Scottish Power plc (Scottish Power).**  
This decision grants PacifiCorp and Scottish Power's request for an exemption under Public Utilities Code Section 853(b) from approval requirements of Public Utilities Code Section 854 for the merger of an indirect wholly owned subsidiary of Scottish Power with and into PacifiCorp and Scottish Power's subsequent exercise of control over PacifiCorp. This proceeding is closed.  
(Com Bilas - ALJ Barnett)  
(Section 311(g))



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## REGULAR AGENDA

### UTILITY AND TRANSPORTATION ORDERS

#### *ORDERS HELD OVER*

**NOTE:** Ex Parte Communications are prohibited on Items H-6 and H-6a from midnight of June 2, 1999 through June 10, 1999. (Rule 7(c)(4)).

**Ex Parte Communications are prohibited on Items H-13, H-13a and H-13b from of June 7, 1999 through June 10, 1999. (Rule 7(c)(4)).**  
This revision was not listed on the agenda distributed to the public.

**H-1** **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 Neeper - ALJ O'Donnell)  
(Section 311(g))  
(Agenda 3006, Item 7, 12/17/98; Agenda 3008, Item H-4, 1/20/99; Agenda 3010, Item H-1, 2/18/99; Agenda 3012, Item H-1, 3/18/99; Agenda 3014, Item H-1, 4/22/99; Agenda 3016, Item H-1, 5/27/99; Req - Commission)

**H-1a** **ALTERNATE ORDER TO ITEM H-1.** This alternate order grants intervenor compensation to PA on behalf of Southern Christian Leadership Conference, National Council of La Raza, Korean Youth and Community Center, Filipinos for Affirmative Action, and Filipino Civil Rights Advocates in the amount of \$62,541 for its contributions to D96-10-066.  
(Com Neeper)  
This item was not listed on the agenda distributed to the public.

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- H-2**            **A94-12-005 - Pacific Gas and Electric Company (PG&E).**  
For authority among other things, to decrease its rates and charges for electric and gas service, and increase rates and charges for pipe expansion service. I95-02-015 - Related matter. This decision finds PG&E's response to December 1995 storm to be unreasonable in three respects. First, PG&E was unreasonable regarding proper support and maintenance of its outage information systems and is fined \$20,000. Second, PG&E did not properly staff customer service representatives on December 12, 1995 and is fined \$5,000. Third, PG&E was unreasonable in processing storm damage claims and is fined \$60,000 and must record the claims of approximately \$500,000 below-the-line to shareholders due to its unreasonable conduct and the fact the claims arose from poor management of its outage information systems. PG&E is ordered to reform claims correspondence for use in major events and to work with the Public Advisor to modify wording on its monthly bill regarding the procedure for filing claims. This decision adopts in part certain agreements as to policy, technical, and procedural improvements made between the Office of Ratepayer Advocates, the Utilities Safety Branch of the Consumer Services Division, and PG&E.  
(Com Neeper - ALJ Watson)  
**(SB 960 Experiment: Ratesetting Category, A94-12-005 only)**  
(Section 311(d))  
(Agenda 3010, Item 2, 2/18/99; Agenda 3012, Item H-3, 3/18/99;  
Agenda 3013, Item H-3, 4/1/99; Agenda 3014, Item H-5, 4/22/99;  
Agenda 3016, Item H-2, 5/27/99; Req - Commission)
- H-2a**            **ALTERNATE PAGES TO ITEM H-2.** These alternate pages would impose a fine on PG&E of \$20,000 for staffing deficiencies and \$20,000 for unreasonable claims processing.  
(Com Neeper)  
(Agenda 3016, Item H-2a, 5/27/99; Req - Commission)
- H-3**            **C98-09-011 - Ralph Azevedo, Ronald Azevedo, and Albert Ferari vs. Union Pacific Railroad Company and California Northern Railroad Company.**  
This decision grants motion to dismiss due to lack of jurisdiction but notes continuing jurisdiction for public safety purposes. This proceeding is closed.  
(Com Neeper - ALJ Bushey)  
(Section 311(g))  
(Agenda 3015, Item CA-7, 5/13/99; Agenda 3016, Item H-3, 5/27/99;  
Req - Commission)
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**H-4**

**A95-05-030 - Roseville Telephone Company (Roseville).**

For authority 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, A95-05-031 - Related matters. This decision denies the appeal of Roseville of the October 26, 1998 Assigned Commissioner's Ruling (ACR) ordering an audit. Denies Roseville's motion for evidentiary hearing on the need for the audit. Orders immediate commencement of the audit based on a revised audit scope, with disputes regarding audit data requests resolved using the Commission's Law and Motion procedures. Denies the Office of Ratepayer Advocates (ORA) motion for an order by the Commission's President compelling Roseville's compliance with the ACR. Denies the ORA motion to consolidate these proceedings with Roseville's current new regulatory framework proceeding. Finally, declines to adopt a fine, but places Roseville on notice that the Commission will not tolerate any violations of Rule 1, any abuse of the process, and any contempt of the staff, Administrative Law Judge, Assigned Commissioner, and Commission. These proceedings are closed.

(Com Bilas - ALJ Mattson)

(Section 311(g))

(Agenda 3013, Item 5, 4/1/99; Agenda 3014, Item H-9, 4/22/99; Agenda 3015, Item H-4, 5/13/99; Agenda 3016, Item H-4, 5/27/99;

Req - Commission)

**H-5**            **A98-05-001 - Pacific Gas and Electric Company (PG&E).**  
For approval of demand-side management (DSM) shareholder incentives for 1997 program year accomplishments and second claim for incentives for 1996 program year accomplishments. A98-05-005, A98-05-013, A98-05-018 - Related matters. This decision addresses the earnings claims of PG&E, Southern California Edison Company, San Diego Gas & Electric Company and Southern California Gas Company, for DSM activities. During the course of this proceeding, the parties agreed on all earnings claims with the exception of PG&E's claim for its DSM contract with the National Park Service (NPS) in the Presidio. We find that PG&E's administration of the contract with NPS was unreasonable, and disallow all expenses and shareholder earnings associated with that contract. In particular, we find that PG&E should have known at the time it reviewed NPS' measurement and verification plan that the project would not be cost-effective due to dramatically declining occupancy at the Presidio. PG&E failed to approve the plan before authorizing installation of DSM measures, as required under the contract. We also adopt specific modifications to our measurement and evaluation protocols, as described in the decision.  
These proceedings are closed.

**The Commission's President has determined that this matter should be removed from the Ratesetting Deliberative Agenda. Consequently, there is no "quiet time". (Public Utilities Code Section 1701.3(c)).**

(Com Neeper - ALJ Gottstein)

*(Section 311(d))*

(Agenda 3014, Item 5, 4/22/99; Agenda 3015, Item H-7, 5/13/99;

Agenda 3016, Item H-6, 5/27/99; Req - Commission)

**H-5a**            **ALTERNATE DECISION TO ITEM H-5.** This alternate decision address the AEAP issues for each subject company, except for SDG&E.  
(Com Neeper)  
(Agenda 3016, Item H-6a, 5/27/99; Req - Commission)

**✓H-6           A98-02-017 - Pacific Bell.**

For authority to categorize Business Inside Wire Repair (BIWR), Interexchange Carrier Directory Assistance (IECDA), Operator Assistance Service and Inmate Call Control Service as Category III services. A98-04-048 - Related matter. This decision authorizes Pacific Bell to re-classify its IECDA and certain Operator Assistance Billing Alternatives (OASBA) services from Category II to Category III. The re-classified OASBA services are credit calling card, collect calls, bill-to-third number, and person-to-person service. Pacific Bell is also authorized to increase its IECDA ceiling rate to \$0.39 and its residential WirePro plan to \$1.00. We deny Pacific Bell's request to re-classify its BIWR and Residential Inside Wire Repair (RIWR) services from Category II to Category III. We also deny Pacific Bell's request to increase the ceiling rates for its OASBA and BIWR services. We also require Pacific Bell to discontinue its practice of bundling its WirePro Plus plan with its residential WirePro plan unless the services are clearly explained to its customers. These proceedings are closed.  
(Com Duque - ALJ Galvin)  
(Section 311(d))  
(Agenda 3015, Item 4, 5/13/99; Agenda 3016, Item H-9, 5/27/99;  
Req - Commission)

**✓H-6a**

**ALTERNATE ORDER TO ITEM H-6.** This alternate authorizes Pacific Bell to re-classify its IECDA, certain OASBA, BIWR and RIWR services from Category II to Category III. This alternate also authorizes Pacific Bell to increase its ceiling rate for IECDA to \$.39, for business WirePro to \$1.90 per month, and for residential WirePro \$1.20 per month. We deny Pacific Bell's request to increase the ceiling rates for its OASBA and BIWR services (other than business WirePro). We also require Pacific Bell to explain clearly that customers can choose between the residential WirePro plan and the residential WirePro Plus plan. These proceedings are closed.  
(Com Duque)  
(Agenda 3015, Item 4a, 5/13/99; Agenda 3016, Item H-9a, 5/27/99;  
Req - Commission)

**H-7 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 takes the following actions with respect to the California Alternative Rates for Energy (CARE) program and the Universal Lifeline Telephone Service (ULTS) program. First, this decision determines that customers shall not be admitted into the CARE and ULTS programs by showing proof of participation in another social program. Second, 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. Third, utilities are authorized, but not required, to conduct random, post-enrollment verification of customers' eligibility to participate in the CARE and ULTS programs. Finally, liquid assets shall not be used as a criterion to screen all applicants for the CARE and ULTS program. However, utilities that discover customers with substantial liquid assets are required to take steps to remove these customers from the CARE and ULTS programs. This decision defines "substantial liquid assets" as an amount in excess of the annual income used to determine a household's eligibility to participate in the CARE and ULTS programs. This proceeding is closed.

(Com Neepner - ALJ Kenney)

(Section 311(g))

(Agenda 3010, Item CA-19, 2/18/99; Agenda 3011, Item H-2, 3/4/99; Agenda 3012, Item H-5, 3/18/99; Agenda 3013, Item H-5, 4/1/99; Agenda 3014, Item H-6, 4/22/99; Agenda 3015, Item H-2, 5/13/99; Agenda 3016, Item H-12, 5/27/99; Req-Commission)

**H-7a ALTERNATE ORDER TO ITEM H-7.** This alternate order differs from the proposed decision on two issues. First, the liquid assets review is limited to the CARE program. Second, the post-enrollment verification process will be performed by the Low Income Governing Board (LIGB) for the CARE program and the Universal Lifeline Telephone Service Administrative Committee ULTS program. This proceeding is closed.

(Com Bilas)

(Agenda 3014, Item H-6a, 4/22/99; Agenda 3015, Item H-2a, 5/13/99; Agenda 3016, Item H-12a, 5/27/99; Req-Commission)

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- H-7b**      **ALTERNATE ORDER TO ITEM H-7.** This alternate order makes it clear that the level of a household's liquid assets is both a screening and qualifying criteria for participation in the CARE and ULTS programs. The alternate order confirms that oversight responsibility for these programs resides in the LIGB, the ULTS Administrative Committee (ULTSAC), and the Commission. It places responsibility for the implementation of a one-time verification programs with the LIGB and ULTSAC. It grants the LIGB and ULTSAC authority to conduct post-enrollment reviews and orders a one time LIGB and ULTSAC post-enrollment verification review to be conducted within two years of the effectiveness of this order. The alternate order permits, but does not require, telecommunications utilities to conduct post-enrollment verification reviews. This proceeding is closed.  
(Com Duque)  
(Agenda 3014, Item H-6b, 4/22/99; Agenda 3015, Item H-2b, 5/13/99; Agenda 3016, Item H-12b, 5/27/99; Req-Commission)
- H-8**      **A95-08-038 - San Jose Water Company (SJWC).**  
For authority to increase rates charged for water service. The stipulation between SJWC, California Water Service Company, and the Large Water Branch is adopted. SJWC is ordered to reduce its ratebase by a net amount of \$1,784,510. SJWC is authorized to record in ratebase 10% of the pre-1996 capitalized interest during construction in the memorandum account ordered by D96-07-036. This proceeding is closed.  
(Com Duque - ALJ Stalder)  
(Section 311(d))  
(Agenda 3015, Item CA-3, 5/13/99; Agenda 3016, Item H-13, 5/27/99; Req - Commission)
- H-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 proposed Public Education Plan regarding the 408/669 area code overlay and mandatory 1+10-digit dialing. The proposed plan was submitted by an industry task force on April 1, 1999, pursuant to D98-11-065 and subsequent Administrative Law Judge ruling.  
(Com Duque - ALJ Pulsifer)  
(Section 311(g))  
(Agenda 3016, Item 2, 5/27/99; Req - Commission)
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- H-10**            **I98-03-013 - Investigation on the Commission's own motion into whether existing standards and policies of the Commission regarding drinking water quality adequately protect the public health and safety with respect to contaminants such as Volatile Organic Compounds, Perchlorate, MTBEs, and whether those standards and policies are being uniformly complied with by Commission regulated utilities.**  
Interim order with final decision on two motions challenging Commission's jurisdiction to pursue issues of drinking water quality. Motions denied.  
(Com Duque - ALJ Bennett)  
(Section 311(g))  
(Agenda 3016, Item 3, 5/27/99; Req - Commission)
- ◆**H-11**            **I98-04-033 - Order Instituting Investigation on the Commission's own motion into the operations and practices of affiliated companies FutureNet, Inc., and FutureNet Online, Inc., dba Future Electric Networks (FutureNet), and individuals in control of operations: Alan Setlin and Larry Huff.**  
This decision imposes fine of \$1.3 million to FutureNet due to failure to register as an Electricity Service Provider.  
(Com Neeper - ALJ Bushey)  
(Agenda 3016, Item 4, 5/27/99; Req - Commission)
- H-12**            **A96-12-009 - Pacific Gas and Electric Company (PG&E).**  
For authority to identify and separate components of electric rates, effective January 1, 1998. A96-12-011, A96-12-019 - Related matters.  
**(Rev.)**            This decision addresses operational problems in the billing system of PG&E. It finds that PG&E has failed to comply with D98-03-050 and has failed to justify its failure to comply with that order and with the requirements of a previous order, D97-08-056. The Commission states an intent to determine at a late date whether PG&E should be fined or otherwise penalized. This decision also grants PG&E's petition to modify D97-08-056 and D98-03-050.  
(Com Duque - ALJ Malcolm)  
(Section 311(d))  
(Agenda 3015, Item 5, 5/13/99; Agenda 3016, Item H-10, 5/27/99; Req - Commission)  
This revision was not listed on the agenda distributed to the public.
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- ✓H-13**      **A98-05-019 - San Diego Gas & Electric Company (SDG&E).**  
For authority to increase its authorized return on common equity, to adjust its existing ratemaking capital structure, to adjust its authorized embedded costs of debt and preferred stock, to decrease its overall rate of return, and to revise its electric distribution and gas rates accordingly, and for related substantive and procedural relief. A98-05-021, A98-05-024 - Related matters. This proceeding addresses rate of return issues for the stand-alone electric and gas operations of Pacific Gas and Electric Company (PG&E), SDG&E, and Southern California Edison Company (Edison). We hold that for the electric utilities the divestiture of generation and the Federal Energy Regulatory Commission's regulation of transmission have not altered traditional methods of determining return on equity. We find that there is no need to have either a discount or a premium adjustment to the utility distribution companies return on equity. We find that Edison's 1996 Performance Based Ratemaking (PBR) decision does not preclude its rate of return from being determined in this proceeding. We find the return on equity for all utilities to be 10.60%, for both electric and gas. We find the rate of return for the utilities to be: PG&E - 8.74%; SDG&E - 8.75%; Edison - 8.93%. These proceedings are closed.  
(Com Duque - ALJ Barnett)  
(Section 311(d))  
(Agenda 3014, Item 7, 4/22/99; Agenda 3015, Item H-8, 5/13/99; Agenda, 3016, Item H-7, 5/27/99; Req - Commission)  
This item was not listed on the agenda distributed to the public.

- ✓H-13a**      **ALTERNATE ORDER TO ITEM H-13.** This alternate addresses rate of return issues for the electric and gas operations of PG&E, SDG&E, and Edison. We hold that for the electric utilities the unbundling of utility operations has not at this time altered traditional methods of determining return on equity. We find that no adjustment to the electric utility distribution company return on equity is needed as a result of unbundling. We find that Edison's 1996 PBR decision does not preclude its rate of return from being determined in this proceeding, however, because no adjustment in made as a result of unbundling, we will not disturb the operation of Edison's cost of capital trigger mechanism. We find the return on equity for PG&E and SDG&E to be 10.60% for both electric and gas, with no change in return on equity for Edison. These proceedings are closed.  
(Com Duque)  
(Agenda 3014, Item 7a, 4/22/99; Agenda 3015, Item H-8a, 5/13/99; Agenda 3016, Item H-7a, 5/27/99; Req - Commission)  
This item was not listed on the agenda distributed to the public.

- ✓H-13b**      **ALTERNATE ORDER TO ITEM H-13.** This alternate order adopts a

return on equity for PG&E and SDG&E of 10.8%. The order adjusts the financial models of the parties based on a comparison of April 1998 Treasury bond rate forecasts to the average of April to October 1998 Treasury bond rate. The alternate does not adjust electric utility distribution company return on equity as a result of unbundling, and does not disturb the operations of Edison's cost of capital trigger mechanism.

(Com Bilas)

(Agenda 3015, Item H-8b, 5/13/99; Agenda 3016, Item H-7b, 5/27/99;

Req - Commission)

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

#### **H-14**

##### **A98-07-006 - San Diego Gas & Electric Company (SDG&E).**

For approval of consolidated changes in 1999 authorized revenue and revised rate components; the Competition Transition Charge rate component and associated headroom calculations; RGTCOMA balances; Power Exchange credit computations; disposition of various balancing/memorandum accounts; and electric revenue allocation and rate design changes. A98-07-003, A98-07-026 - Related matters.

This decision resolves issues raised in the first revenue allocation proceeding for Pacific Gas and Electric Company, Southern California Edison Company, and SDG&E. The purpose of the proceeding is to review entries to electric utility accounts which have been established to effect the provisions of AB 1890 and previous Commission orders in pursuit of promoting competition in electric generation markets. These proceedings are closed.

(Com Bilas - ALJ Malcolm)

(Section 311(d))

(Agenda 3015, Item 3, 5/13/99; Agenda 3016, Item H-8, 5/27/99;

Req - Commission)

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

**H-15**                    **A98-11-024 Pacific Bell (Pacific).**

This decision approves Pacific's request for arbitrated Interconnection Agreement between Pacific and Pac-West Telecomm, Inc. The parties shall sign, file and serve the approved agreement within five days, and the date of Commission approval will be the date the signed agreement is filed. The parties shall, within 10 days, serve on the Director of the Telecommunication Division a copy of the approved agreement on an electronic disk in hypertext markup language format. This proceeding is closed.

(Com Neeper - ALJ Mattson)

(Agenda 3016, Item 5, 5/27/99; Req - Commission)

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

**H-15a**  
**(Rev.)**

**ALTERNATE ORDER TO ITEM H-15.** This alternate order adopts limited changes to the arbitrated Interconnection Agreement between Pacific and Pac-West Telecomm, Inc., and approves the arbitrated Interconnection Agreement as modified. The changes result in the continuation of provisions in the existing agreement for certain definitions, and compensation for termination of call setup per call and per minute of use. Parties shall sign and file the arbitrated Interconnection Agreement, once modified as ordered herein, within 5 days of today. This proceeding is closed.

(Com Neeper)

(Agenda 3016, Item 5a, 5/27/99; Req - Commission)

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

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

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**ORDERS**

**NOTE:** **Ex Parte Communications are prohibited on Item 3 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)).**

- 1 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 establishes prices for unbundled network elements (UNEs) offered by Pacific Bell (Pacific). Among other things, the decision (1) concludes that prices for all of Pacific’s UNEs should be set at the applicable Total Element Long Run Incremental Costs adopted in D98-02-106 plus a markup of 19% to cover shared and common costs, (2) rejects arguments by AT&T Communications of California, Inc. and MCI Telecommunications Corporation that Yellow Page revenues and Pacific’s draw from the California High Cost Fund-B should be used to lower UNE prices for residential loops, (3) requires Pacific to continue providing UNE combinations in accordance with the terms of existing interconnection agreements until the Federal Communications Commission has completed its work on the issues remanded to it by the Supreme Court in *AT&T Corp. v. Iowa Utilities Bd. (AT&T – Iowa)*, 119 S.Ct. 721 (1999), (4) concludes that Pacific should not be required to file tariffs applicable to UNEs, and (5) establishes price floors for the local exchange services specified in D96-03-020. The decision acknowledges that several issues related to UNE pricing remain unsettled in light of the Supreme Court’s decision in *AT&T – Iowa*, including the nature of the geographic deaveraging that will be required, and the identity of the network elements that Pacific and other incumbent local exchange carriers will ultimately be required to offer under the Telecommunications Act. The decision concludes that notwithstanding this uncertainty, the most appropriate course of action here is to set prices for the UNEs covered in existing interconnection agreements, and not to attempt to set geographically-deaveraged prices at this time.  
(Com Duque – ALJ McKenzie)  
(Section 311(d))

- 2**            **A97-04-001 – Pacific Gas and Electric Company (PG&E).**  
This decision finds that PG&E’s electric operations during the period from January 1, 1996 to December 31, 1996 were prudent, except for claimed incentive awards of \$2.47 million or ten percent of the benefits resulting from restructuring 25 Qualifying Facilities power purchase contracts during the 1996 Record Period and disallowances agreed to by the parties. This proceeding is closed.  
(Com Duque – ALJ Wright)  
(Section 311(d))
- ✓3**            **A98-06-051 – A & M United Group, L.L.C. and Isam M. Alziq (Alziq) dba EZ Shuttle and Charter Service (EZ).**  
For authority to acquire, and 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 denies the application. This decision also revokes the operating authority of EZ, and finds Alziq to have violated Rule 1 and Public Utilities Code Section 2114 by intentionally filing false verified documents with the intent to mislead the Commission. Alziq is prohibited from ever holding any interest in a business regulated by this Commission. EZ is directed to file corrected Public Utilities Commission Transportation Reimbursement Account fees. This proceeding is closed.  
(Com Duque – ALJ Rosenthal)  
(Section 311(d))

## **UTILITIES RESOLUTIONS**

### ***ENERGY MATTERS***

- E-1**            **Res G-3255** – This resolution approves a contract with Larkin & Associates to monitor, audit, and report to the Commission concerning several aspects of the combined operations of Southern California Gas Company and San Diego Gas & Electric Company, as required under D98-03-073, Ordering Paragraph number 7.  
(Section 311(g))
- E-2**            **Res E-3609 – Mountain Utilities (MU).**  
This resolution approves with modification MU's request for an electricity restructuring memorandum account.  
(Advice Letter 8, filed March 3, 1999)  
(Section 311(g))
- E-3**            **Res E-3598 – Pacific Bell (Pac Bell).**  
This resolution approves Pac Bell's request for a deviation from California Public Utilities Code Section 320 in Sierra County to maintain and upgrade existing overhead cables extending from Sierra City to approximately Carvin Creek. This site is within the Highway 49 Scenic Corridor.  
(Section 311(g))  
(Agenda 3015, Item CA-40, 5/13/99; Agenda 3016, Item E-2, 5/27/99;  
Req – Commission)

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**TELECOMMUNICATIONS MATTERS****C-1 Res T-16302 – Pacific Bell (Pacific).**

This resolution approves Pacific's request to offer Integrated Pathway Service (IPS) as a provisional Category II service on an interim basis. Pacific's request for Category III treatment for IPS cannot be granted at this time. Category II pricing flexibility for IPS will be allowed after price floor is approved. Subject to additional requirements that are ordered in this resolution, final categorization of Pacific's IPS will be determined at a later time. After IPS has been offered by Pacific for two years, Pacific may submit an advice letter filing seeking permanent Category III classification.  
(Advice Letter 19804, filed November 3, 1998)  
(Section 311(g))  
(Agenda 3016, Item C-1, 5/27/99; Req – Commission)

**C-1a ALTERNATE RESOLUTION TO ITEM C-1.** This alternate resolution approves Pacific's request to offer IPS a channelized (1.544 Mbps) high capacity service which delivers up to 24 channels of DS-0 (64 Kbps) level data/and or exchange voice connecting service. This alternate also grants Pacific's request to offer IPS as a Category III service in view of the fact that similar services have been available to consumers from a number of providers. We believe that allowing Pacific to offer IPS as Category III service will enable Pacific to compete with providers of IPS-type services who have already established themselves in the marketplace. In addition, the maximum pricing flexibility accorded to a Category III service will give Pacific the flexibility to offer competitive pricing strategies that will also benefit the consumers.  
(Section 311(g))  
(Agenda 3016, Item C-1a, 5/27/99; Req – Commission)

**C-2 Res T-16276 – Roseville Telephone Company (Roseville).**

This resolution rejects Roseville's request for a promotional discount on installation of multiple access lines. Price floors and ceilings have not yet been established for these services and current Commission rules prohibit a new regulatory framework (NRF) carrier from exercising pricing flexibility until it has done so.  
(Advice Letter 423, filed August 27, 1998)  
(Section 311(g))  
(Agenda 3014, Item C-3, 4/22/99; Agenda 3015, Item C-1, 5/13/99; Agenda 3016, Item C-2, 5/27/99; Req – Commission)

- C-2a**            **ALTERNATE RESOLUTION TO ITEM C-2.** This alternate resolution approves Roseville’s request for a promotional discount on installation of multiple access lines. Price floors and ceiling have not yet been established for these services, however, current Commission rules do not prohibit a NRF carrier from exercising promotional pricing.  
(Section 311(g))  
(Agenda 3016, Item C-2a, 5/27/99; Req – Commission)
- C-3**            **Res T-16217 – Pacific Bell (Pacific).**  
This resolution rejects Pacific’s request for approval of two promotional Primary Rate ISDN (PRI) services, and for promotional discounts on installation of multiple access lines. Price floors and ceilings have not yet been established for these services and current Commission rules prohibit a new regulatory framework carrier from exercising pricing flexibility until it has done so.  
(Advice Letters 19624, 19625, and 19626, filed August 13, 1998)  
(Section 311(g))  
(Agenda 3014, Item C-4, 4/22/99; Agenda 3015, Item C-2, 5/13/99;  
Agenda 3016, Item C-3, 5/27/99; Req – Commission)
- C-3a**            **ALTERNATE RESOLUTION TO ITEM C-3.** This alternate resolution approves Pacific’s request for two promotional PRI services and for promotional discounts on installation of multiple access lines. The Commission has previously granted Pacific authority for promotional pricing, subject to staff review for price-cost anti-competitive safeguards, and has not revoked that grant.  
(Section 311(g))  
(Agenda 3016, Item C-3a, 5/27/99; Req – Commission)



**LEGAL DIVISION MATTERS**

***LEGISLATIVE MATTERS***

**HLEG-1**      **SB 48 (Sher and Speier)**, to amend Sections 6255, 6258, and 6259 of, and to add Section 6257 to, the Government Code, relating to public records.  
(Agenda 3013, Item LEG-1, 4/1/99; Agenda 3014, Item HLEG-2, 4/22/99;  
Agenda 3015, Item HLEG-2, 5/13/99; Agenda 3016, Item HLEG-1, 5/27/99;  
Req - Commission)

**HLEG-2**      **SB 932 (Bowen)**, to add Section 2889.7 to the Public Utilities Code imposing specified requirements and prohibitions on telephone corporations relating to notice to subscribers of a new service or feature, requests for suspension of service, related charges, and reimbursement of charges for inadvertent or unauthorized use of telephone service features or services.  
(Agenda 3013, Item LEG-7, 4/1/99; Agenda 3014, Item HLEG-4, 4/22/99;  
Agenda 3015, Item HLEG-3, 5/13/99; Agenda 3016, Item HLEG-2, 5/27/99;  
Req - Commission)

**HLEG-3**      **AB 1002 (Wright)**, to add Article 10 (commencing with Section 890) to Chapter 4 Part 1 of Division 1 of the Public Utilities Code to require the Commission to impose a surcharge on all natural gas consumed in this state to fund certain public purpose programs including assistance to low-income customers, low-income weatherization, cost-effective energy efficiency and conservation activities, and public interest research and development, as prescribed.  
(Agenda 3013, Item LEG-10, 4/1/99; Agenda 3014, Item HLEG-6, 4/22/99;  
Agenda 3015, Item HLEG-5, 5/13/99; Agenda 3016, Item  
HLEG-3, 5/27/99; Req - Commission)

**HLEG-4**      **AB 651 (Wright)**, to add Section 710 to the Public Utilities Code regarding telecommunications providers and private property agreements.  
(Agenda 3014, Item LEG-1, 4/22/99; Agenda 3015, Item HLEG-8, 5/13/99;  
Agenda 3016, Item HLEG-4, 5/27/99; Req - Commission)

- HLEG-5**      **SB 177 (Peace)**, to add Sections 625 and 626 to, and to repeal and add Section 616 of the Public Utilities Code relating to public utilities: eminent domain.  
(Agenda 3015, Item LEG-1, 5/13/99; Agenda 3016, Item HLEG-5, 5/27/99; Req - Commission)
- HLEG-6**      **SB 427 (Peace)**, to add Section 8037.5 to the Public Utilities Code relating to electrical corporations: tree trimming programs.  
(Agenda 3015, Item LEG-2, 5/13/99; Agenda 3016, Item HLEG-6, 5/27/99; Req – Commission)
- HLEG-7**      **SB 476 (Chesbro)**, to add Section 798.44 to the Civil Code, relating to mobilehomes.  
(Agenda 3016, Item LEG-2, 5/27/99; Req - Commission)
- HLEG-8**      **SB 655 (Peace)**, to amend Section 801.5 of the Civil Code, to add Section 25260.92 to, and to add and repeal Sections 25619 and 25620.91 of the Public Resources Code, relating to the State Energy Resources Conservation and Development Commission: Grant program: solar energy systems.  
(Agenda 3016, Item LEG-3, 5/27/99; Req - Commission)
- HLEG-9**      **AB 818 (Knox)**, as amended, to add Sections 7934, 7935, 7936, 7938, 7939, and 7940 to the Public Utilities Code, relating to telecommunications: area code proliferation and telephone number conservation.  
(Agenda 3016, Item LEG-7, 5/27/99; Req - Commission)
- HLEG-10**     **SB 33 (Peace)**, to amend Section 307, 308, and 309.1 of, and to repeal and add Section 305, of the Public Utilities Code, relating to public utilities.  
(Agenda 3016, Item LEG-1, 5/27/99; Req - Commission)  
This item was not listed on the agenda distributed to the public.

## **COMMISSIONERS' REPORTS**

Commissioner Duque

- Electric Matters
- Water Matters
- Administrative Matters

Commissioner Neeper

- Consumer Protection Matters
- Telecommunications Matters

President Bilas

- Natural Gas Matters
- Transportation Matters
- Strategic Planning Matters

Commissioner Lynch

Commissioner Finney

## **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

Director  
Office of Ratepayer Advocates

William Schulte, Director  
Consumer Services Division

Maxine Harrison, Acting Representative  
Southern California

Robert T. Feraru  
Public Advisor

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## 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). Additional items may be added to the closed session agenda pursuant to Gov. Code Section 11126.3(d). 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).*

### NON-FEDERAL ITEMS

#### ORDERS HELD OVER

- HEX-1**            **Conference with Legal Counsel - Application for Rehearing**  
**R93-04-003, I93-04-002** - Order disposes of the applications of GTE California (GTE), of joint applicants MCI Telecommunications Corp/WorldCom Technologies/AT&T Communications; and of joint applicants Nextlink California/ ICG Telecommunications Group/California Cable Television Association for the rehearing of D98-12-079, whereby the Commission adopted forward-looking nonrecurring costs which reflect access to Pacific Bell's and GTE's networks using Operations Support System (OSS) gateways in the OSS/NRC phase of the OANAD proceeding. (Gov. Code Sec. 11126(e)(2)(B)(i).)  
 (Agenda 3012, Item EX-5, 3/18/99; Agenda 3015, Item HEX-1, 5/13/99; Agenda 3016, Item HEX-2, 5/27/99; Req - Commission)
- HEX-2**            **Conference with Legal Counsel - Application for Rehearing**  
**A99-01-025, A97-03-004** - Disposes of application for rehearing by The Utility Reform Network of Resolution T-16260. This resolution approved Pacific Bell's methodology for reconciling its draw on the California High Cost Fund-B with the rate reductions ordered by the Commission in D98-07-033. (Gov. Code Sec. 11126(e)(2)(B)(i).)  
 (Agenda 3014, Item EX-5, 4/22/99; Agenda 3015, Item HEX-2, 5/13/99; Agenda 3016, HEX-3, 5/27/99; Req - Commission)

- HEX-3**            **Conference with Legal Counsel - Application for Rehearing**  
**A98-10-024** - Disposition of Application for Rehearing of Resolution T-16191 filed by The California Telecommunications Coalition. The resolution approved Pacific's request to provide ADSL Service. (Gov. Code Sec. 11126(e)(2)(B)(i).)  
(Agenda 3015, Item EX-6, 5/13/99; Agenda 3016, Item HEX-4, 5/27/99; Req - Commission)
- HEX-4**            **Conference with Legal Counsel - Application for Rehearing**  
**R95-04-043, I95-04-044** - Disposes of Applications for Rehearing of D98-10-057 filed by Pacific Bell and GTE California Inc. This decision addressed the jurisdictional nature of telephone traffic between end users and Internet Service Providers and determined that such calls are subject to the bill-and-keep or reciprocal compensation provisions of applicable interconnection agreements. (Gov. Code Sec. 11126(e)(2)(B)(i).)  
(Agenda 3016, Item EX-4, 5/27/99; Req - Commission)
- HEX-5**            **Conference with Legal Counsel - Application for Rehearing**  
**C98-08-038** - Disposes of Application for Rehearing by Edwin F. de la Torre of D99-02-060 which dismissed the complaint by Edwin F. de la Torre against Southern California Edison Company for failure to provide notice regarding a hazardous and unsafe condition on a lateral electric service line, and negligent inspection and maintenance. (Gov. Code Sec. 11126(e)(2)(B)(i).)  
(Agenda 3016, Item EX-5, 5/27/99; Req - Commission)

**ORDERS**

- EX-1            Conference with Legal Counsel - Applications for Rehearing**  
Compilation of applications for rehearing recently filed with the Commission. (Gov. Code Sec. 11126(e)(2)(B)(i).)
- EX-2            Conference with Legal Counsel - Threatened Litigation**  
Significant exposure to litigation. (Gov. Code Sec. 11126(e)(2)(B).)
- EX-3            Conference with Legal Counsel - Initiation of Litigation**  
Consideration of possible Commission initiation of, or intervention in, litigation. (Gov. Code Sec. 11126(e)(2)(C)(i).)
- EX-4            Conference with Legal Counsel - Applications for Rehearing**  
**A97-11-004, A97-11-011, A97-12-012** - Disposition of Applications for Rehearing of D98-09-070 filed by Commonwealth Energy Corporation, and jointly by Enron Corp. and New Energy Ventures. This decision involves the recovery of billing offsets from energy service providers for Revenue Cycle Services and the adoption of partial consolidated billing credits for utility distribution companies. (Gov. Code Sec. 11126(e)(2)(B)(i).)
- EX-5            Conference With Legal Counsel - Application For Rehearing**  
**A94-12-005, I95-02-015** - Disposition of Application for Rehearing by Pacific Gas and Electric Company (PG&E) of D98-12-096, which granted limited rehearing of and modified D95-12-055, which in turn resolved revenue requirements issues in Phase I of PG&E's 1996 test year general rate case. (Gov. Code Sec. 11126(e)(2)(B)(i).)

**EX-6**

**Conference with Legal Counsel - Application for Rehearing**

**C98-01-008** - Disposes of Application for Rehearing of D99-04-026 filed by Driftwood Marina. D99-04-026 authorizes PG&E to sell its Potrero, Pittsburg, Contra Costa, and Geysers generation plants. Driftwood Marina challenges the Commission's approval of the transfer of the Pittsburg and Contra Costa plants to Southern Energy, Inc., alleging, among other things, that the mitigation monitoring plan is inadequate as it relates to fallout type particles (FTP) generated by the power plants.  
(Gov. Code Sec. 11126(e)(2)(B)(i).)



**FEDERAL ITEMS**

- FEX-1**      **Conference with Legal Counsel - Initiation of Litigation**  
Consideration of possible Commission initiation of, or intervention in,  
federal agency or court proceedings. (Gov. Code Sec. 11126(e)(2)(C)(i).)

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