
Public Utilities Commission of the State of California

***Public Agenda 3019
Thursday, July 8, 1999, 10 a.m.
San Francisco, California***

**Commissioners
Richard A. Bilas, President
Henry M. Duque
Josiah L. Neeper
Joel Z. Hyatt
Carl W. Wood**

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> <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> |
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| Tuesday, July 6 | Thursday, July 8 |
| Monday, July 19 | Thursday, July 22 |
| Monday, August 2 | Thursday, August 5 |
| Monday, August 30 | Thursday, September 2 |
| Monday, September 13 | Thursday, September 16 |

**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



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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.
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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-18895** - Resolution approving issuance of charter-party carrier certificates pursuant to Section 5374(b) of the Public Utilities Code.
- CA-2** **Res ALJ-176-3019** - 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** **A97-10-024 - Southern California Edison Company (Edison).**
For authority to recover capital additions to its Fossil Generating Facilities made between January 1, 1996 and December 31, 1996 and related substantive and procedural relief. This decision grants Edison's petition for modification of D99-03-055 to include \$3,080,000 in costs associated with the Green Lights Program to Table 1.
(Com Bilas - ALJ Bytof)
(Section 311(g))

- CA-4** **R94-04-031 - Order Instituting Rulemaking on the Commission's proposed policies governing restructuring California's electric services industry and reforming regulation. I94-04-032 - Related matter.**
This decision denies as moot Pacific Gas and Electric Company's petition for modification of D97-12-048 to allow it to use existing monthly validating, editing, and estimating (VEE) procedures instead of the interim VEE standards adopted in D97-12-048. Permanent VEE standards were adopted in D98-12-080.
(Com Neeper - ALJ Wong)
(Section 311(g))
- CA-5** **R94-04-031 - Order Instituting Rulemaking on the Commission's proposed policies governing restructuring California's electric services industry and reforming regulation. I94-04-032 - Related matter.**
This decision approves the proposed electronic data interchange (EDI) protocols set forth in the April 2, 1999 implementation guide filed by the Permanent Standards Working Group. The adopted EDI protocols are subject to further change if the Meter Usage Data Task Group determines that Enron's comments should be incorporated into the protocols.
(Com Neeper - ALJ Wong)
(Section 311(g))
- CA-6** **C98-11-004 - Pacific Bell (Pacific) vs. AT&T Communications of California, Inc.**
This decision dismisses Pacific's complaint without prejudice. This proceeding is closed.
(Com Neeper - ALJ DeUlloa)
(Section 311(g))
- CA-7** **C98-08-040 - Donna Matthews vs. Meadows Management Company (Meadows), a partnership, James K. Kruger and Rondell B. Hanson, its partners and any does of interest, all dba Plantation on the Lake Mobilehome Park.**
This decision grants Meadows' motion for dismissal. This proceeding is closed.
(Com Neeper - ALJ Ryerson)
(Section 311(g))

CA-8 R95-04-043 - Order Instituting Rulemaking on the Commission's own motion into competition for local exchange service.

I95-04-044 - Related matter.

This decision approves a budget for funding the 408/669 Numbering Plan Area Overlay Public Education Plan pursuant to D98-11-065. The industry proposed budget of \$340,000 is adopted to fund the program elements set forth in Appendix A.

(Com Duque - ALJ Pulsifer)

(Section 311(g))

CA-9 Res W-4156 - Metropolitan Water Company (MWC).

This resolution authorizes MWC's request for a rate surcharge for recovery of unanticipated expenses generating \$1,233 in additional revenue.

CA-10 A99-03-059 - Mahnaz Fereidouni and Nassar Fraydouni.

For authority to jointly control Advanced Airporter, Inc. This decision grants Nassar Fraydouni's request to sell 50% of shares of Advanced Airporter, Inc. to Mahnaz Fereidouni. This proceeding is closed.

(Com Bilas - ALJ Rosenthal)

(Section 311(g))

CA-11 A99-04-039 - Avista Corporation (Avista).

This decision grants Avista's request to issue, sell, deliver, and/or guarantee Debt Securities, in one or more series, with an aggregate stated value of up to and including \$400,000,000. This proceeding is closed.

(Exam Evans)

(Section 311(g))

CA-12 A99-03-042 - Arik Sharabi (Transferor) dba Airport Express and California Mini Bus, Inc.

For authority to transfer certificate of public convenience and necessity and all other assets to A.J. California Mini Bus, Inc. pursuant to Section 851 and Section 1036 of the California Public Utilities Code. This decision grants Transferor's request to transfer its airport shuttle passenger stage certificate from Airport Express and California Mini Bus, Inc. to A.J. California Mini Bus, Inc. This proceeding is closed.

(Com Bilas - ALJ Rosenthal)

(Section 311(g))

- CA-13 Res ST-42 - Sacramento Regional Transit District (SRTD).**
This resolution grants SRTD's request for a variance from Rule 37, Table 1, Case 3 of General Order 95 requiring 19 feet minimum vertical clearance of light rail contact wires above thoroughfares.
(Section 311(g))
- CA-14 Res W-4157 - Lake Alpine Water Company (LAWC).**
This resolution grants LAWC's request for a general rate increase producing \$16,767 or 7.01% additional annual revenue.
- CA-15 Res W-4158 - Agate Bay Water Company (ABWC).**
This resolution grants ABWC's request for an offset rate increase producing an additional annual revenue of \$51,707 or 36.62%.
- CA-16 Res W-4159 - EPTCO Water System (EPTCO).**
This resolution grants EPTCO's request for a general rate increase producing \$8,744 or 18.2% additional annual revenue.
- CA-17 Res TL-18896 - Chung Ming Chiu, dba Metro Airport Shuttle.**
This resolution grants a voluntary suspension of the certificate of public convenience and necessity to operate as a passenger stage corporation held by Chung Ming Chiu.
(Section 311(g))
- CA-18 C98-12-011 - Mark K. Sneed and Jose Luis Ayala-Aricge, dba El Corre Caminos vs Laura P. Acevedo and Jose F. Acevedo, dba Executive Lines.**
This decision approves the parties' agreement to a Cease and Desist Order and their agreement not to oppose any application of the other party filed within five years of the date of this order. This proceeding is closed.
(Com Neeper - ALJ Rosenthal)
(Section 311(g))

- CA-19** **C98-07-031 - Wesley Crawford Muhammad and Shontelle Crawford Muhammad vs. Pacific Gas and Electric Company.**
This decision extends the 12-month statutory deadline imposed by Public Utilities Code Section 1701.2(d).
(Com Neeper - ALJ Stalder)
(Section 311(g))
- CA-20** **C99-02-021 - USDA Forest Service (Forest Service) vs. Lukins Brothers Water Company, Inc.**
This decision dismisses Forest Service's complaint for lack of jurisdiction over the dispute between the parties. This proceeding is closed.
(Com Neeper - ALJ Vieth)
(Section 311(g))
(Agenda 3018, Item CA-5, 6/24/99; Req - Commission)
- CA-21** **A99-06-004 - Evans Telephone Company, Happy Valley Telephone Company, Hornitos Telephone Company, Kerman Telephone Co., Pinnacles Telephone Company, The Siskiyou Telephone Company, and The Volcano Telephone Company.**
For authority under Section 251(f)(2) of the Telecommunications Act of 1996 granting a limited suspension of IntraLATA Presubscription Requirements. A99-06-009 - Related matter. This interim order grants a temporary suspension of the requirement that applicants, all small local exchange telephone companies, implement dialing parity for local toll calls by July 22, 1999. Meanwhile, we will consider applicants' petitions for an order delaying dialing parity in their service areas while they negotiate with Pacific Bell to terminate financial pooling arrangements for local toll calls.
(Com Hyatt - ALJ Walker)
(Section 311(g))

- CA-22** **I _____ - Order Instituting Investigation for the purpose of establishing a list for the fiscal years 2000-2001 and 2001-2002 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.**
(Com Wood - ALJ Bennett)

REGULAR AGENDA

UTILITY AND TRANSPORTATION ORDERS

ORDERS HELD OVER

- H-1** **R98-01-011 – Rulemaking on the Commission’s own motion to assess and revise the regulatory structure governing California’s natural gas industry.** This decision identifies the most promising options for changing the regulatory structure for the natural gas industry in California. Closes this docket and opens a new rulemaking proceeding to consider the cost/benefit implications of each of the options identified in the decision. Encourages parties to develop a plan for improving the flow of information about transmission and storage systems and transactions. This decision also encourages all parties to pursue a comprehensive settlement consistent with the options the Commission has identified. Finally, it confirms the Commission plans to report to the Legislature on the need for enhanced consumer protection rules to govern the conduct of gas service providers in a manner consistent with the Commission’s rules for electric service providers. This proceeding is closed.
(Com Bilas – ALJ Weissman)
(Section 311(d))
(Agenda 3018, Item 1, 6/24/99; Req – Commission)
- H-2** **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; Agenda 3017, Item H-1; 6/10/99; Agenda 3018, Item H-1, 6/24/99; Req – Commission)

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- H-2a** **ALTERNATE ORDER TO ITEM H-2.** 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)
(Agenda 3017, Item H-1a, 6/10/99; Agenda 3018, item H-1a, 6/24/99; Req – Commission)
- H-3** **R93-04-003 – Rulemaking on the Commission’s own motion to govern open access to bottleneck services and establish a framework for network architecture development of dominant carrier networks.**
I93-04-002 – Related matter. This decision 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))
(Agenda 3017, Item 1, 6/10/99; Agenda 3018, Item H-6, 6/24/99; Req – Commission)
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H-4 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 concerning the California Alternate Rates for Energy (CARE) program and the Universal Lifeline Telephone Service (ULTS) program. First, this decision specifies what income from self-employment will be used to determine eligibility for the CARE and ULTS programs. Second, liquid assets will not be used to screen applicants for the CARE and ULTS programs. Third, customers will not be admitted into the CARE and ULTS programs by showing proof of participation in another social program. Finally, all customers participating in the CARE and ULTS programs will be required to provide upon enrollment in these programs, and periodically thereafter, a signed statement indicating that the utility may verify the customer's eligibility to participate in the program, and if the verification establishes that the customer is ineligible, the customer will be removed from the program and may be billed for discounts which the customer should not have received. This proceeding is closed.

(Com Neeper – 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; Agenda 3017, Item H-7, 6/10/99; Agenda 3018, Item H-8, 6/24/99; Req – Commission)

H-4a ALTERNATE ORDER TO ITEM H-4. 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; Agenda 3017, Item H-7a, 6/10/99; Agenda 3018, Item H-8a, 6/24/99; Req – Commission)

H-4b **ALTERNATE ORDER TO ITEM H-4.** 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; Agenda 3017, Item H-7b, 6/10/99; Agenda 3018, Item H-8b, 6/24/99; Req – Commission)

H-4c **ALTERNATE ORDER TO ITEM H-4.** This alternate order rejects the use of a "substantial liquid assets" criteria for eligibility for CARE and ULTS. It clarifies that the previous Commission decisions in complaint cases were based on specific facts in individual complaints and did not reflect a broad policy review. It also clarifies that loans should not be considered income nor should funds transferred from one account to another. However, the decision clarifies that gain from the sale of an asset would be counted as income. In all other aspect, this alternate is the same as the ALJ's proposed decision.

(Coms Hyatt/Bilas)

(Agenda 3018, Item H-8c, 6/24/99; Req – Commission)

ORDERS

- 1** **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 two-way geographic split of 760 Numbering Plan Area (Alternative 6B) to relieve NXX code exhaustion. Mandatory dialing of the new area code will begin April 14, 2001. The new area code will be assigned to 13 rate areas in northern San Diego County.
(Com Duque – ALJ Pulsifer)
(Section 311(g))
- 2** **I98-12-013 – Order Instituting into the power outage which occurred on December 8, 1998 on Pacific Gas & Electric Company system.**
This decision closes the investigation. There is no need for an adjudicatory proceeding. The California Independent System Operator (CAISO) has the benefit of the reports generated in this investigation. The Commission will monitor the CAISO’s efforts toward reliability improvement, and will consider further action in the future if needed. This proceeding is closed.
(Com Bilas - ALJ O’Donnell)
(Section 311(g))
- 2a** **ALTERNATE ORDER TO ITEM 2.** This alternate would order Energy Division to convene a public forum for parties to develop any solutions and recommendations regarding the December 8, 1998 outage for reliability, safety, managerial and procedural solutions that pertain to the distribution system, or are corollary to distribution. Transmission issues will be considered by CAISO, and we will monitor their efforts. This proceeding is closed.
(Com Neeper)
(Section 311(g))
- 3** **A99-03-062 - Southern California Edison Company (Edison).**
For authority to establish a pilot program for reselling bilateral forward purchases into the Power Exchange (PX) and Independent System Operator. This decision dismisses without prejudice Edison’s request to procure power from entities other than the PX in conflict with the “buy/sell requirement” adopted in D95-12-063, as modified by D96-01-009. This proceeding is closed.
(Com Bilas - ALJ Hale)
(Section 311(g))

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- 4 I _____ - Investigation on the Commission's own motion to consider the costs and benefits of various promising revisions to the regulatory and market structure governing California's natural gas industry and to report to the California Legislature on the Commission's findings.**

UTILITIES RESOLUTIONS

ENERGY MATTERS

- E-1 Res E-3612 - San Diego Gas & Electric Company (SDG&E).**
This resolution denies SDG&E's request to modify definitions in Tariff Rule 1 which are applicable to Schedules A-V1, A-V2, and A-V3, RTP-1, RTP-2, and I-2 and Special Conditions 13 and 14 of Schedules RTP-1 and RTP-2.
(Advice Letter 1146-E, filed January 20, 1999)
(Section 311(g))
- E-2 Res E-3619 - Pacific Gas and Electric Company (PG&E).**
This resolution approved as modified PG&E's request for an Experimental Price Responsiveness Program, Schedule E-BID, associated contract, and modifications to the transition revenue account.
(Advice Letter 1865-E, filed April 22, 1999)
(Section 311(g))
- E-3 Res E-3603 - San Diego Gas & Electric Company (SDG&E).**
This resolution adopts as modified SDG&E's plan to refund to customers electric rate overcollections through its electric deferred refund account. The total amount proposed to be refunded is approximately \$2,463,135 plus interest.
(Advice Letter 1149-E, filed February 1, 1999)
(Section 311(g))
- E-4 Res E-3618 - Southern California Edison Company (Edison) and Pacific Gas and Electric Company (PG&E).**
This resolution approves with modification Edison and PG&E's proposed tariff revisions to their power exchange energy cost rate schedules. The requested changes would permit Edison and PG&E to recover the costs of power purchased through a new block-forward market offered by the California Power Exchange.
(Edison Advice Letter (AL) 1377-E, filed April 19, 1999;
PG&E AL 1866-E, filed April 22, 1999)
(Section 311(g))

E-5

Res E-3606 - Southern California Edison Company (Edison).

This resolution grants with modifications Edison's request to establish a Fuel Oil Inventory Memorandum Account to record fuel oil inventory carrying costs, and gains and losses on the sale of fuel oil inventory.

(Advice Letter 1351-E, filed November 20, 1998)

(Section 311(g))

(Agenda 3018, Item E-2, 6/24/99; Req - Commission)

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; Agenda 3017, Item C-1, 6/10/99; Agenda 3018, Item C-2, 6/24/99; 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; Agenda 3017, Item C-1a, 6/10/99; Agenda 3018, Item C-2a, 6/24/99; Req - Commission)

- C-2** **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; Agenda 3017, Item C-3, 6/10/99;
Agenda 3018, Item C-3, 6/24/99; Req - Commission)
- C-2a** **ALTERNATE RESOLUTION TO ITEM C-2.** 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; Agenda 3017, Item C-3a, 6/10/99;
Agenda 3018, Item C-3a, 6/24/99; Req - Commission)
- C-3** **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; Agenda 3017, Item C-2, 6/10/99;
Agenda 3018, Item C-4, 6/24/99; Req - Commission)

- C-3a** **ALTERNATE RESOLUTION TO ITEM C-3.** 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; Agenda 3017, Item C-2a, 6/10/99; Agenda 3018, Item C-4a, 6/24/99; Req - Commission)

WATER MATTERS

W-1

Res W-4154 - Valencia Water Company (VWC).

This resolution authorizes VWC's request for expansion of service area and orders it to file an application for approval of water management program.

(Advice Letter (AL) 84, filed March 11, 1999; AL 85, filed April 6, 1999)

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; Agenda 3017, Item HLEG-1, 6/10/99; Agenda 3018, Item HLEG-1, 6/24/99; 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; Agenda 3017, Item HLEG-2, 6/10/99; Agenda 3018, Item HLEG-2, 6/24/99; 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; Agenda 3017, Item HLEG-3, 6/10/99; Agenda 3018, Item HLEG-3, 6/24/99; 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; Agenda 3017, Item HLEG-4, 6/10/99; Agenda 3018, Item HLEG-4, 6/24/99; 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; Agenda 3017, Item HLEG-5, 6/10/99; Agenda 3018, Item HLEG-5, 6/24/99; 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; Agenda 3017, Item HLEG-6, 6/10/99; Agenda 3018, Item HLEG-6, 6/24/99; 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; Agenda 3017, Item HLEG-7, 6/10/99; Agenda 3018, Item HLEG-7, 6/24/99; Req - Commission)
- HLEG-8** **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; Agenda 3017, Item HLEG-9, 6/10/99; Agenda 3018, Item HLEG-8, 6/24/99; Req - Commission)
- HLEG-9** **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; Agenda 3017, Item HLEG-10, 6/10/99; Agenda 3018, Item HLEG-9, 6/24/99; Req - Commission)

RESOLUTIONS AND MEMORANDUMS

- L-1** **Res L-280** - This resolution authorizes disclosure of records concerning the investigation of a May 8, 1998 accident that occurred at 1440 Wedgeworth Drive in Hacienda Heights, California, when an aluminum harvesting pole Mr. Kimball was using to harvest avocados made contact with an overhead 12 kV line that is part of the Southern California Edison Company distribution system.
(Section 311(g))
- L-2** **Res L-279** - This resolution authorizes disclosure of investigative records pertaining to an accident involving injury to Rafael Rodriguez, which occurred on May 27, 1998, while Mr. Rodriguez, an employee of Tri-County Landscape, was doing maintenance work on the electrical transformer for Southern California Edison Company.
(Section 311(g))
(Agenda 3018, Item L-1, 6/24/99; Req - Commission)

MANAGEMENT RESOLUTIONS

M-1 **M-4794** - Level of Public Utilities Commission Transportation Reimbursement Account Fees to be imposed for fiscal year 1999-2000.
(Section 311(g))

M-2 **M-4795** - Level of Transportation Rate Fund Fee to be imposed for fiscal year 1999-2000.
(Section 311(g))

M-3 **M-4796** - Level of Public Utilities Commission Utilities Reimbursement Account Fees to be imposed for fiscal year 1999-2000.
(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
- Strategic Planning Matters

Commissioner Hyatt

Commissioner Wood

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

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**
C98-02-020 - Disposes of Application for Rehearing of D98-12-023 filed by Pacific Bell. D98-12-023 grants Irvine Apartment Communities, Inc., (IAC) and Cox California Telecom, Inc.'s complaint against Pacific Bell for refusing to reconfigure certain network cable in responses to IAC's request. Also disposes of Optel Telecom, Inc.'s Petition to Intervene in the proceeding. (Gov. Code Sec. 11126(e)(2)(B)(i).)
(Agenda 3015, Item EX-7, 5/13/99; Agenda 3016, Item HEX-5, 5/27/99; Agenda 3018, Item HEX-2, 6/24/99; Req - Commission)
- HEX-2 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; Agenda 3017, Item HEX-3, 6/10/99; Agenda 3018, Item HEX-4, 6/24/99; Req - Commission)

- HEX-3** **Conference with Legal Counsel - Applications 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; Agenda 3017, Item HEX-4, 6/10/99; Agenda 3018, Item HEX-5, 6/24/99; Req - Commission)
- HEX-4** **Conference with Legal Counsel - Applications for Rehearing**
R97-04-011, I97-04-012 - Disposition of Applications for Rehearing of D98-11-027, filed jointly by Southern California Gas Company and San Diego Gas and Electric Company (Applicants), concerning the tag line: A Sempra Energy Company. D98-11-027 denied the Applicants' petition for modification of the disclaimer requirement set forth in the Affiliate Transaction Rules, which were adopted by D97-12-088. (Gov. Code Sec 11126(e)(2)(B)(i).) (Agenda 3018, Item EX-8, 6/24/99; Req - Commission)
- HEX-5** **Conference with Legal Counsel - Applications for Rehearing**
R95-04-043, I 95-04-044 - Applications for Rehearing of The Utility Reform Network, the Office of Ratepayer Advocates, The California Telecommunications Coalition, and GST Telecom California/GST Pacific Lightwave for D98-11-066 in which the Commission ordered an interim surcharge on customer billings, subject to refund and a reasonableness review, to allow Pacific Bell and GTE California, Inc. interim relief for certain local competition implementation costs that have accrued in 1996 memorandum accounts. (Gov. Code Sec. 11126(e)(2)(B)(i).) (Agenda 3018, Item EX-11, 6/24/99; 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 - Application for Rehearing**
I87-11-033 - Disposes of Application for Rehearing filed by Pacific Bell (Pacific) of D99-04-071, which directed Pacific to comply with Federal Communications Commission (FCC) order to implement dialing parity no later than May 7, 1999, unless otherwise directed by the FCC or appropriate court order. (Gov. Code Sec. 11126(e)(2)(B)(i).)
- EX-5 Conference with Legal Counsel - Application for Rehearing**
C98-04-037 - Disposes of Application for Rehearing of D99-03-023 filed by Universal Studios, Inc. In that decision, the Commission determined that Universal Studios, Inc. did not meet the statutory exemption from the nonbypassable competition transition charge in seeking to obtain electricity from a provider of electricity other than Southern California Edison Company. (Gov. Code Sec. 11126(e)(2)(B)(i).)
- EX-6 Conference with Legal Counsel - Application for Rehearing**
C99-01-040 - Application of Sprint PCS for rehearing of D99-05-021 in which the Commission granted a complaint filed by Rodney George. The rehearing application alleges: 1) that the Commission does not have jurisdiction in this consumer complaint case because it involves the rates charged by Sprint PCS, and 2) that the decision relies on a mischaracterization of the company's service agreement with Mr. George. (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).)
- FEX-2** **Conference with Legal Counsel - Existing Litigation**
NSD File No. L-97-42, CC Docket No. 96-98 - Petition of the California Public Utilities Commission and of the people of the State of California for delegation of additional authority, and in the matter of Numbering Resource Optimization, et al., Notice of Proposed Rulemaking, CC Docket No. 99-200, RM No. 9528; NSD File No. L-99-17, and NSD File No. L-99-36. (Gov. Code Sec. 11126(e)(2)(A).)
- FEX-3** **Conference with Legal Counsel - Existing Litigation**
CC Docket Nos. 96-45 and 96-262 - In the matter of Federal-State Joint Board on Universal Service, Access Charge Reform.
(Gov. Code Sec. 11126(e)(2)(A).)
- FEX-4** **Conference with Legal Counsel - Existing Litigation**
Southern California Edison Company, et al., FERC Docket Nos. ER98-441-000, et al. (Gov. Code Sec. 11126(e)(2)(A).)
- FEX-5** **Conference with Legal Counsel - Existing Litigation**
California Independent System Operator, FERC Docket Nos. ER98-997-000, ER98-1309-000. (Gov. Code Sec. 11126(e)(2)(A).)
- FEX-6** **Conference with Legal Counsel - Existing Litigation**
California Independent System Operator, FERC Docket Nos. ER98-1499-000, et al. (Gov. Code Sec. 11126(e)(2)(A).)

FEX-7 **Conference with Legal Counsel - Existing Litigation**
AT&T Communications of California, Inc. v. Pacific Bell, et al., C-97-0800; MCI Telecommunications Corp., et al. v. Pacific Bell, et al., C-97-0670; GTE California, Inc. v. P. Gregory Conlon, AT&T Communications of California, et al., C-97-1756; and GTE California, Inc. v. P. Gregory Conlon, MCI Telecommunications Corp., et al., C97-1757. (Gov. Code Sec. 11126(e)(2)(A).)

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