
Public Utilities Commission of the State of California

***Public Agenda 3021
Thursday, August 5, 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> Room 5305 (1:30 p.m.) <i>Closed to the Public</i>	<i>Commission Meeting</i> Auditorium (10 a.m.) <i>Open to the Public</i>
✓Monday, August 2	Thursday, August 5
Monday, August 30	Thursday, September 2
Monday, September 13	Thursday, September 16
Monday, October 4	Thursday, October 7
Monday, October 18	Thursday, October 21

**Ratesetting Deliberative Meeting dates are reserved as noted but will be held only if there are ratesetting matters to be considered. A "✓" next to the date indicates that the meeting will be held. A "✓" next to the item number on the Agenda indicates that the matter will be considered during the Ratesetting Deliberative Meeting.*

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

Matters of Public Interest

For the convenience of the public and media representatives, items of widespread public interest will be taken up at the beginning of the meeting.

For further information contact the Public Advisor
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PUBLIC COMMENT

The following items are not subject to public comment:

- All items on the closed session agenda; these are HEX and EX items.

CONSENT AGENDA

Items shown on the Consent Agenda will be taken up and voted on as a group in one of the first items of business of each Commission meeting. Items may be removed from the Consent Agenda for discussion on the Regular Agenda at the request of any Commissioner prior to the meeting.

ORDERS AND RESOLUTIONS

- CA-1** **Res TL-18898** - Resolution approving issuance of charter-party carrier certificates pursuant to Section 5374(b) of the Public Utilities Code.
- CA-2** **Res ALJ-176-3021** - 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** **A97-03-002-Pacific Gas and Electric Company (PG&E).**
For authority to adjust its gas rates and tariffs to be effective January 1, 1998, pursuant to D89-01-040, D90-09-089, D91-05-029, D93-12-058, D94-07-024 and D95-12-053. This decision grants The Utility Reform Network an award of \$57,117.72 in compensation for its contribution to D98-06-073. Further, James Weil is granted an award of \$13,018.22 in compensation for his contribution to D98-06-073. This proceeding is closed.
(Com Bilas - ALJ DeUlloa)
(Section 311(g))

- CA-4 C99-01-015 - Martin Davenport vs. AT&T Communications of California, Inc. (AT&T).**
This decision grants without prejudice AT&T's motion to dismiss the complaint of Martin Davenport. This proceeding is closed.
(Com Neeper - ALJ DeUlloa)
(Section 311(g))
- CA-5 A93-11-031 - Pacific Bell and Pacific Bell Information Services.**
For authority to enter the electronic publishing services market. This decision grants The Utility Reform Network an award of \$36,334.12 in compensation for contributions to D98-12-018. That decision addressed the application of Pacific Bell and Pacific Bell Information Services for approval of their plan to enter into electronic publishing services markets. This proceeding is closed.
(Com Neeper - ALJ Malcolm)
(Section 311(g))
- CA-6 Res T-16316 - SmarTalk Teleservices, Inc.**
This resolution grants the voluntary revocation of the certificate of public convenience and necessity held by SmarTalk Teleservices, Inc.
(Section 311(g))
- CA-7 Res T-16315 - Whole Earth Networks LLC.**
This resolution grants the voluntary revocation of the certificate of public convenience and necessity held by Whole Earth Networks LLC.
(Section 311(g))
- CA-8 Res T-16318 - McLeodUSA Telecommunications Services, Inc.**
This resolution grants the voluntary revocation of the certificate of public convenience and necessity held by McLeodUSA Telecommunications Services, Inc.
(Section 311(g))
- CA-9 Res T-16317 - U.S. Osiris Corporation.**
This resolution grants the voluntary revocation of the certificate of public convenience and necessity held by U.S. Osiris Corporation.
(Section 311(g))

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- CA-10** **A99-01-005 - Pacific Gas and Electric Company.**
For modification of Resolution E-3423 to bring ratemaking treatment for the Exxon Agreement into conformance with Public Utility Code Section 372(b)(3). This decision approves 100% ratepayer funding of the discount for Exxon cogeneration deferral agreement, effective upon approval of the Commission. General Order 96-A, Section X is exercised, with termination of the contract effective December 31, 2001, or upon the end of the rate freeze, whichever date is earlier. This proceeding is closed.
(Exam - Clanon)
(Section 311(g))
- CA-11** **A99-03-043 - Koch Pipeline Company, Limited Partnership (Koch) and EOTT Energy Pipeline Limited Partnership (EOTT).**
For authority under Section 851 to sell crude oil pipelines and related assets, located in Kern County. This decision retroactively grants Koch's sale of the Elk Hills Pipeline and related assets to EOTT and of EOTT's operation of this facility and assumption of Koch's filed tariffs, pursuant to Section 851. The Commission determines that approval of the pipeline acquisition is not necessary pursuant to Section 854. Because joint applicants violated Section 851 by failing to seek preapproval of this transaction, the Commission imposes a fine of \$8,000.00. This decision also grants the motion for limited protective order. The Commission's retroactive approval of this transaction should not be considered precedent because it is limited to the facts set forth herein. This proceeding is closed.
(Com Bilas - ALJ Bytof)
(Section 311(g))
- CA-12** **A99-05-006 - Southern California Edison Company (SCE).**
For authority to approve agreements restructuring the negotiated power purchase agreement between SCE and AES Placerita, Inc (AES). This decision approves SCE's proposed buyout of a 1984 power purchase agreement with AES, a qualifying facility. Expected ratepayer benefit from the buyout is \$32.5 million net present value and the shareholder incentive reward for negotiating the buyout is \$3.25 million. This proceeding is closed.
(Com Neeper - ALJ Patrick)
(Section 311(g))

- CA-13 Res T-16328 - Ameritech Communications, Inc.**
This resolution grants the voluntary revocation of the certificate of public convenience and necessity held by Ameritech Communications International, Inc.
(Advice Letter 13, filed July 2, 1999)
(Section 311(g))
- CA-14 A99-04-001 - Ehab Elsayed, dba West Coast Shuttle & Limo.**
For authority to operate as a passenger stage corporation between points in San Francisco, Alameda, Solano and Contra Costa Counties and the San Francisco, Oakland and San Jose International Airports and to Establish a Zone of Freedom. This decision grants Ehab Elsayed's request for a passenger stage certificate to operate an airport shuttle in the San Francisco Bay Area. This proceeding is closed.
(Com Bilas - ALJ Rosenthal)
(Section 311(g))
- CA-15 Res W-4162 - Ambler Park Water Utility (APWU).**
This resolution authorizes APWU's request to record in a memorandum account the carrying costs of and depreciation on investment for the replacement of a production well and for APWU or California-American Water Company to file for recovery in 2002.
- CA-16 A99-05-027 - City of Roseville (City).**
For authority to construct Roseville Parkway Overcrossing over the tracks and right of way of the Union Pacific Railroad Company in the City, Placer County, State of California. This decision authorizes the City to construct the Roseville Parkway Overcrossing, at separated grade above the mainline tracks of the Union Pacific A-line, in Roseville, Placer County. This proceeding is closed.
(Exam - Koss)
(Section 311(g))

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- CA-17 Res T-16314 - Pacific Bell (Pacific).**
This resolution approves two conformed Paging Interconnection Agreements between Pacific and Map Mobile Communications, Inc., and between Pacific and Beeper Depot, and one Personal Communications Services Interconnection Agreement between Pacific and West Coast PCS LLC, dba RCS Wireless, pursuant to Section 252 of the Telecommunications Act of 1996.
(Advice Letter (AL) 20273, filed May 19, 1999, AL 20301, filed May 27, 1999, and AL 20325, filed June 3, 1999)
(Section 311(g))
- CA-18 A99-03-007 - City of South San Francisco (City).**
For authority to construct a new grade separated crossing, known as the Oyster Point Flyover, over the tracks of the Peninsula Corridor Joint Powers Board (PCJPB) at Mile Post 8.70 in the City. This decision authorizes the City to construct the Oyster Point Flyover at separated grade over the mainline and house tracks of the PCJPB in South San Francisco, San Mateo County. Flyover will provide a direct connection between southbound US 101 and eastbound Oyster Point Boulevard. This proceeding is closed.
(Exam - Koss)
(Section 311(g))
- CA-19 A99-02-033 - San Diego Metropolitan Transit Development Board (MTDB) and City of Santee (City).**
For authority to construct two at-grade crossings and one at-grade pedestrian crossing on light rail vehicle track at Santee Trolley Square Center Development in the City, San Diego County. This decision grants MTDB and City's request for authority to construct two at-grade vehicular crossings and one at-grade pedestrian crossing across the tracks of the MTDB's Orange Line (Santee Extension Segment), in the City, San Diego County. The proposed at-grade crossings are essential to the development of Santee's 700-acre Town Center Specific Plan Area and the future economic viability of the Santee community. The Town Center Specific Plan includes residential development, which will increase residential uses in the central portion of Santee. In addition, the development of commercial, office, business, and institutional land uses would increase employment opportunities for the Santee residents. This proceeding is closed.
(Exam - Koss)
(Section 311(g))

- CA-20 Res T-16327 - Pacific Bell (Pacific).**
This resolution approves three Resale Interconnection Agreements between Pacific and Pre-Paid Phones, Inc., Pacific and Total Media Technologies, and Pacific and Affinity Network, Inc., submitted under provisions of Resolution ALJ-174, and General Order 96-A.
(Advice Letter (AL) 20251, filed May 11, 1999; AL 20285, filed May 21, 1999; AL 20314, filed June 1, 1999)
(Section 311(g))
- CA-21 Res T16328 - Pacific Bell (Pacific).**
This resolution approves an Interconnection Agreement between Pacific and Computer Business Sciences, Inc., submitted under provisions of Resolution ALJ-174, and General Order 96-A.
(Advice Letter 20241, filed May 7, 1999)
(Section 311(g))
- CA-22 Res W-4164 - Erskine Creek Water Company (ECWC).**
This resolution grants ECWC's request for a general rate increase in rates producing \$33,854 or 11.62% additional annual revenue.
- CA-23 Res G-3260 - Southern California Gas Company (SoCalGas).**
This resolution approves SoCalGas' request to terminate the old long term Gas Transportation Service Contract and the new Ten Year Tariff Agreement between SoCalGas and AES Placerita, Inc.
(Advice Letter 2806, filed May 5, 1999)
(Section 311(g))
- CA-24 R93-04-003 - Rulemaking on the Commission's own motion to govern open access to bottleneck services and establish a framework for network architecture development of dominant carrier networks. I93-04-002, R95-04-043, I95-04-044 - Related matters.**
This decision denies The Utility Reform Network's request for compensation for its contribution to D98-12-069.
(Com Neeper - ALJ Maloney)
(Section 311(g))
(Agenda 3020, Item CA-7, 7/22/99; Req - Commission)

CA-25 **(ECP) C99-06-024 - Ron Baker vs. San Diego Gas & Electric Company.**
This decision dismisses complaint for failure to appear at the hearing. This proceeding is closed.
(Com Wood - ALJ Barnett)

CA-26 **A98-05-014 - Southern California Edison Company (Edison).**
For authority to report on the valuation process for certain generation-related assets pursuant to D97-11-074. Conclusion of Law 5 in D99-06-078 erroneously requires Edison to file a Public Utilities Code Section 851 application and seek Commission approval for the sale and transfer of the residual lands at issue in this proceeding. As stated at p. 9, fn. 4 of the decision, a Section 851 filing is not required because these lands were previously removed from rate base by the Commission (D97-11-074). D99-06-078 is corrected accordingly.
(Com Duque - ALJ Patrick)
(Section 311(g))

REGULAR AGENDA

UTILITY AND TRANSPORTATION ORDERS

ORDERS HELD OVER

- H-1** **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))
(Agenda 3019, Item CA-6, 7/8/99; Agenda 3020, Item CA-26, 7/22/99;
Req - Commission)

- H-2** **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; Agenda 3019, Item H-3, 7/8/99; Agenda 3020, Item H-2, 7/22/99;
Req - Commission)

H-3 **198-12-013 - 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))

(Agenda 3019, Item 2, 7/8/99; Agenda 3020, Item H-3, 7/22/99;

Req - Commission)

H-3a **ALTERNATE ORDER TO ITEM H-3.** 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, communications 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))

(Agenda 3019, Item 2a, 7/8/99; Agenda 3020, Item H-3a, 7/22/99;

Req - Commission)

H-4**A95-06-024 - McCanna Ranch Water Company (Ranch).**

For a certificate of public convenience and necessity to construct a public utility water system in the unincorporated area of Riverside County, in or near Perris, California and to establish rates for service and to issue stock. This decision, following the caveat of Oro Electric ((1913) 2 CRRC 748) to PG&E v. Great Western Power ((1912) 1 CRRC 203) that where a newcomer by reason of superior natural advantage can give service as good as the existing utility at materially lower rates, the public interest must be deemed paramount and the new utility be given opportunity to serve, and meeting the Bakman Water Co. ((1979) 1 CPUC 2d 364) tests, finds Commission Resolution M-4708 inapplicable, to this proposed 1356 unit subdivision to be constructed by Barrett American Incorporated (Barrett) near the City of Perris, and authorizes service thru "levelized" rates by Ranch (Barrett's progeny), in a 555 square mile area where Eastern Municipal Water District offers wholesale service (exclusive, supplemental, and emergency) to numerous water purveyors, both public and private. Barrett's parent guarantees the economic viability of Ranch. This proceeding is closed.

(Com Duque - ALJ Weiss)

(Section 311(d))

(Agenda 3020, Item 1, 7/22/99; Req - Commission)

H-5

I98-08-004 - Investigation on the Commission's own motion into the operations, practices, and conduct of Coral Communications, Inc. (Coral) and Michael Tinari, President of Coral; William Gallo, Senior Vice President of Coral; Devon Porcella, Vice President of Sales and Operations of Coral; Neal Deleo; Vice President Finance and MIS of Coral to determine whether the corporation or its principals have operated within California without having a certificate to operate from the Commission and whether they have charged California subscribers for telecommunications services the subscribers never authorized.

This decision directs billing agents, Telephone Billing Services, ITA, Accutel, and CCPI to submit an accounting of all transactions with Coral and/or Easy Access, Inc. and to remit any funds on deposit as well as all fees charged for the wrongful billing.

(Com Duque - ALJ Bushey)

(Section 311(g))

(Agenda 3020, Item 2, 7/22/99; Req - Commission)

H-6 C99-01-020 - The City of St. Helena (St. Helena) vs. Napa Valley Wine Train, Inc. (Wine Train).

This decision denies St. Helena's motion for an order to show cause, grants Wine Train's motion to dismiss and dismisses the complaint, which seeks an advisory opinion. This proceeding is closed.

(Com Bilas - ALJ Vieth)

(Section 311(g))

(Agenda 3020, Item CA-9, 7/22/99; Req - Commission)

ORDERS

NOTE: **Ex Parte Communications are prohibited on Items 6 and 9 from the day of the Ratesetting Deliberative Meeting through the conclusion of the Business Meeting at which a vote on the Proposed Decisions are scheduled. (Rule 7(c)(4)).**

- 1** **A98-05-004 - Pacific Gas and Electric Company (PG&E).**
For authority to establish the eligibility and seek recovery of certain electric industry restructuring implementation costs as provided for in Public Utilities Code Section 376. A98-05-006, A98-05-015 - Related matters. This decision grants San Diego Gas & Electric Company's petition to modify D99-05-031. Eligible electric restructuring implementation costs incurred in 1997 – 1999 will be recovered over a period of four years, rather than being amortized over one-year. These proceedings are closed.
(Com Bilas - ALJ Minkin)
(Section 311(g))
- 2** **R97-10-016 - Order Instituting Rulemaking on the Commission's own motion into monitoring performance of operations support systems. I97-10-017 - Related matter.**
This decision adopts a comprehensive framework of performance measurements, standards, and related procedures that will provide the Commission with the information necessary to ensure that Pacific Bell and GTE California, Inc., California's two major incumbent local exchange carriers, provide their competitors, the competitive local exchange carriers, nondiscriminatory access to their network ordering systems, known as Operations Support Systems.
(Com Bilas - ALJ Walwyn)
(Section 311(g))
- 3** **A93-12-025 - Southern California Edison Company (SCE).**
For authority to increase its authorized level of base rate revenue under the electric revenue adjustment mechanism for service rendered beginning January 1, 1995 and to reflect this increase in rates. I94-02-002 - Related matter. This decision denies SCE's petition for modification of D96-08-025 and finds that SCE's petition is deficient on both substantive and procedural grounds. These proceedings are closed.
(Com Duque - ALJ Gottstein)
(Section 311(g))

- 4 R98-07-037 - Order Instituting Rulemaking on the Commission's proposed policies and programs governing energy efficiency, low-income assistance, renewable energy and research development and demonstration.**
- This decision adopts selected policy, program and funding modifications to energy efficiency programs funded through the public goods charge, consistent with the recommendations of the California Board for Energy Efficiency. Pacific Gas and Electric Company, Southern California Gas Company, San Diego Gas & Electric Company, and Southern California Edison Company, collectively referred to as "the utilities," are directed to file compliance applications for program year 2000 and 2001 consistent with today's decision. These applications should be filed within 30 days and should be served on the service list in this proceeding.
(Com Neeper - ALJ Gottstein)
(Section 311(g))
- 5 R95-04-043 - Order Instituting Rulemaking on the Commission's own motion into competition for local exchange service. I95-04-044 - Related matter.**
- This decision addresses Commission policy concerning the manner in which NXX prefixes may be assigned to end-use customers located in foreign exchanges, and the resulting treatment of call rating and intercarrier compensation. These issues were first brought to the Commission's attention through a complaint filed by Pac-West Telecom, Inc. involving the propriety of certain call rating and routing practices (C96-10-018) in connection with its offering of local exchange service. D97-12-094 determined that the disputed issues raised in that complaint had implications for the industry as a whole, and directed that those issues be examined on a generic basis in this rulemaking proceeding.
(Com Duque - ALJ Pulsifer)
(Section 311(g))

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A98-04-003 - Pacific Gas & Electric Company (PG&E).

For authority to find that its electric operations during the reasonableness period from January 1, 1997 to December 31, 1997, as well as certain of its gas operations during the reasonableness periods from January 1, 1996 to December 31, 1996 and January 1, 1997 to December 31, 1997, were prudent. This decision orders PG&E to reduce its revenue requirement by \$5.8 million to eliminate double-counting, to credit the Electric Deferred Refund Account (EDRA) with \$42,380 due to hydro spill during reduced generation under backdown rules, credit \$848,000 to EDRA due to operating Diablo Canyon during hydro spill conditions, and to reduce the shareholder incentive for the Crockett Cogeneration Bridging Agreement by \$10,644. In all other respects, PG&E's electric operations and gas operations during the reasonableness review periods are found reasonable. Southern California Gas Company's request for compensation due to the effect of the Midsun termination agreement is denied. This proceeding is closed.

(Com Duque - ALJ Stalder)

(Section 311(d))

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A98-06-001 - Pacific Gas & Electric Company (PG&E).

For authority to construct an electric substation, the Nortech Substation, and associated power lines, known as the North San Jose Capacity Project. PG&E has proposed to build a new electric substation and associated power lines and refers to this as the North San Jose Capacity Project and has filed this application seeking a Permit to Construct pursuant to General Order (GO) 131-D. The Commission staff has prepared a Mitigated Negative Declaration for this proposed project. This document, if approved, would comprise the information concerning potential environmental impacts from the proposed project that the Commission would consider when deciding whether or not to grant a permit to construct. In this order, the Commission declines to approve the Mitigated Negative Declaration. This decision also closes this docket and advises PG&E to resubmit its application. PG&E's new application should include the electric and magnetic field reduction analysis that is required under GO 131-D, but was not provided, initially, in the current application. It directs the staff to prepare an Environmental Impact Report (EIR) in response to the new application. Because of the staff's familiarity with this project and because of the work it has already done, it is anticipated that preparation of an EIR will be expedited. This proceeding is closed.

(Com Duque - ALJ Weissman)

(Section 311(g))

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- 7a** **ALTERNATE ORDER TO ITEM 7.** PG&E seeks authority to construct a substation and related transmission facilities in the North San Jose area. The substation is needed to meet anticipated customer-driven peak electrical load growth by July 2000 and to prevent potential outages. This order adopts the Final Mitigated Negative Declaration prepared for this proposed project, as modified by staff-proposed mitigation measures, and grants the permit to construct. This proceeding is closed.
(Com Duque)
- 8** **A98-07-062 - Ponderosa Community Services District.**
This decision grants applicant's request to declare purported transfer of well and related facilities void pursuant to Section 851. This proceeding is closed.
(Com Duque - ALJ Bushey)
(Section 311(g))
- 9** **A98-05-004 - Pacific Gas & Electric Company, San Diego Gas & Electric Company and Southern California Edison Company (Edison).**
For authority to establish the eligibility and seek recovery of certain electric industry restructuring implementation costs as provided for in Public Utilities Code Section 376. A98-05-006 and A98-05-015 - Related matters. This decision considers and approves a proposed settlement regarding issues related to Edison's electric restructuring implementation costs to which Public Utilities Code Section 376 applies. Joining Edison in the settlement are Office of Ratepayer Advocates, California Association of Cogenerators, Energy Producers and Users Coalition, California Large Energy Consumers Association, California Manufacturers Association, California Industrial Users, The Utility Reform Network, Farm Bureau, University of California, and California State University. Enron opposes the settlement. These proceedings are closed.
(Com Bilas - ALJ Minkin)
(Section 311(d))

10 R94-04-031 - Order Instituting Rulemaking on the Commission's proposed policies governing restructuring California's electric services industry and reforming regulation. I94-04-032 – Related matter.

This decision addresses the April 27, 1999 motion of the Consumer Services Division (CSD) for additional funding. An additional \$635,000 is authorized to fund the Electric Education Call Center through the end of 1999. An additional \$600,000 is authorized to pay for the outstanding bills associated with CSD's near-term efforts. CSD's request to fund additional outreach to small businesses and for post-education research are denied.

(Com Neeper - ALJ Wong)

(Section 311(g))

UTILITIES RESOLUTIONS

ENERGY MATTERS

- E-1 Res E-3608 - Pacific Gas and Electric Company (PG&E).**
This resolution grants with a proviso PG&E's request for an increase in compensation for the members of its Diablo Canyon Independent Safety Committee.
(Advice Letter 1857-E, filed April 1, 1999)
(Section 311(g))
- E-2 Res G-3257 - Sempra Energy (Sempra) on behalf of Southern California Gas Company (SoCal Gas).**
This resolution approves Sempra's request on behalf of SoCal Gas to adopt a gas meter testing methodology according to Section 14 of General Order 58-A, Standards for Gas Service in the State of California. The Commission authorizes SoCal Gas to test and confirm rotary gas meter accuracy using the differential pressure testing method but requires SoCal Gas to use transfer provers to comply with the ten year retest requirement.
(Section 311(g))
- E-3 Res E-3623 - Pacific Gas & Electric Company (PG&E).**
This resolution approves PG&E's request to revise transmission rates, delay the effective date of the transmission rates, and revise Preliminary Statement PW. This resolution denies PG&E's request to make a billing adjustment.
(Advice Letter (AL)1757-E, filed March 30, 1998, and AL 1757-E-A, filed October 5, 1998)
(Section 311(g))
- E-4 Res E-3624 - Southern California Edison Company (SCE).**
This resolution denies SCE's request for an experimental voluntary energy curtailment program, Schedule General Service-Energy Curtailment and associated contract.
(Advice Letter 1371-E, filed March 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; Agenda 3019, Item E-5, 7/8/99;
Agenda 3020, Item E-3, 7/22/99; Req - Commission)
- E-5a ALTERNATE RESOLUTION TO ITEM E-5.** This alternate resolution allows Edison to receive interest from January 1, 1999 on its FOIMA, instead of the effective date of the Resolution as Item E-3 does.
(Com Neeper)
(Section 311(g))
(Agenda 3020, Item E-3a, 7/22/99; Req - Commission)
- E-6 Res E-3625 - Pacific Gas and Electric Company (PG&E).**
This resolution approves PG&E's request for two new standard form agreements to be made available to power producers operating Qualifying Facilities.
(Advice Letter 1870-E, filed May 3, 1999)
(Section 311(g))
(Agenda 3020, Item CA-22, 7/22/99; Req - Commission)

WATER MATTERS

- W-1** **Res W-4165** - This resolution authorizes all regulated water utilities to establish memorandum accounts for recording investment resulting from the mitigation efforts in respect to the year 2000 computer problems; and to seek recovery for such investment.
- W-2** **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)
(Agenda 3019, Item W-1, 7/8/99; Agenda 3020, Item W-1, 7/22/99;
Req - Commission)

LEGAL DIVISION MATTERS

LEGISLATIVE MATTERS

- HLEG-1** **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; Agenda 3019, Item HLEG-2, 7/8/99; Agenda 3020, Item HLEG-1, 7/22/99; Req - Commission)
- HLEG-2** **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; Agenda 3019, Item HLEG-4, 7/8/99; Agenda 3020, Item HLEG-2, 7/22/99; Req - Commission)
- HLEG-3** **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; Agenda 3019, Item HLEG-5, 7/8/99; Agenda 3020, Item HLEG-3, 7/22/99; Req - Commission)
- HLEG-4** **AB 811 (Keeley)**, an act to add Section 367.5 to the Public Utilities Code, relating to Public Utilities.
(Agenda 3020, Item LEG-1, 7/22/99; Req - Commission)

- LEG-1** **AB 301 (Wright)**, to add Section 1708.5 to the Public Utilities Code, relating to the Public Utilities Commission: petitions to adopt, amend or repeal a regulation.
- LEG-2** **SB 110 (Peace)**, to amend and add specified Sections to the Public Utilities Resources Code and the Public Utilities Code, relating to energy conservation: power facility and site certification.
- LEG-3** **SB 418 (Polanco)**, to add Section 739.10 to the Public Utilities Code, to require the Public Utilities Commission to authorize a public utility gas corporation to impose a tariff for gas transportation service on international customers, as specified.
- LEG-4** **AB 818 (Knox)**, to add Sections 7934, 7935, 7936, 7937, 7938, 7939, and 7940 to the Public Utilities Code, relating to telecommunications: new area codes.
- LEG-5** **SB 1063 (Bowen), SB 1095 (Bowen)**, and any related bills, to amend the Public Utilities Code, relating to electric restructuring: hydroelectric facilities.
- LEG-6** **H.R. 2439 (Kucinich)**, introduced in the United States House of Representatives, relating to the efficient allocation of telephone numbers.

COMMISSIONERS' REPORTS

Commissioner Duque

- Electric Matters
- Water Matters
- Legislative

Commissioner Neeper

- Telecommunications Matters
- Legal/Administrative Law Judge

President Bilas

- Administrative Matters
- Natural Gas Matters
- Transportation Matters
- Strategic Planning Matters
- Legislative

Commissioner Hyatt

- Administrative Matters
- Strategic Planning Matters

Commissioner Wood

- Consumer Protection Matters

EXECUTIVE DIRECTOR'S REPORT

Wesley M. Franklin, Executive Director

GENERAL COUNSEL'S REPORT

Peter Arth, Jr., General Counsel

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William Schulte, Director
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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 - Applications For Rehearing**
A94-12-005, I95-02-015 - Disposition of Applications 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).)
(Agenda 3017, Item EX-5, 6/10/99; Agenda 3018, Item HEX-6, 6/24/99; Agenda 3020, Item HEX-2, 7/22/99; Req - Commission)
- HEX-2** **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; Agenda 3019, Item HEX-1, 7/8/99; Agenda 3020, Item HEX-3, 7/22/99; 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; Agenda 3017, Item HEX-3, 6/10/99; Agenda 3018, Item HEX-4, 6/24/99; Agenda 3019, Item HEX-2, 7/8/99; Agenda 3020, Item HEX-4, 7/22/99; 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; Agenda 3019, Item HEX-4, 7/8/99; Agenda 3020, Item HEX-6, 7/22/99; Req – Commission)
- HEX-5 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).)
(Agenda 3019, Item EX-6, 7/8/99; Agenda 3020, Item HEX-8, 7/22/99; Req - Commission)
- HEX-6 Conference with Legal Counsel - Application for Rehearing**
A99-05-041 - Disposition of Application for Rehearing of Resolution T-16288 filed by MCI Worldcom, Inc. (MCI). In Resolution T-16288, the Commission approved an advice letter filing by Pacific Bell which sought authority to provide a nationwide directory assistance service. MCI alleges that the Commission erred in not conditioning approval on Pacific Bell providing competitors access to its California directory listing database. (Gov. Code Sec. 11126(e)(2)(B)(i).)
(Agenda 3020, Item EX-4, 7/22/99; 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**
A98-01-014 - Disposition of Application for Rehearing of D99-05-030 filed by the National Resources Defense Council and Utility Consumers Action Network in which the Commission adopted a revised performance-based ratemaking mechanism for the electricity and natural gas distribution services of San Diego Gas & Electric Company.
(Gov. Code Sec. 11126(e)(2)(B)(i).)
- EX-5 Conference with Legal Counsel - Application for Rehearing**
R95-01-020, I95-01-021 - Disposition of Applications for Rehearing of D99-05-013 filed by AT&T Communications of California and Cellular Carriers Association of California. This decision orders telecommunications carriers to remit to the California High Cost Fund-B (CHCF-B) and the California Teleconnect Fund (CTF) any interest they may have earned on CHCF-B and CTF surcharge revenues prior to the effective date of D98-01-023. (Gov. Code Sec. 11126(e)(2)(B)(i).)
- EX-6 Conference with Legal Counsel - Application for Rehearing**
C98-03-008 - Disposition of Application for Rehearing of D99-04-055 filed by complainant Michael Monasky. D99-04-055 dismissed the complaint on grounds that it did not allege that the defendant Citizens. Telecommunications Company of California was violating any specific law, or rule or order of the Commission, nor did the complaint indicate a rationale for why previously approved rates should be re-examined.
(Gov. Code Sec. 11126(e)(2)(B)(i).)

EX-7

Conference with Legal Counsel - Application for Rehearing

A99-03-028 - Disposition of Application for Rehearing by Pacific Gas and Electric Company (PG&E) of Resolution E-3580. This resolution denied a request by PG&E to establish an account referred to as a "RRAGMA" on the basis that the establishment of the RRAGAMA would have been inconsistent with D97-08-056. PG&E had sought to establish the RRAGAMA to record certain administrative and general costs associated with divested generation facilities so PG&E subsequently could seek recovery of those costs.

(Gov. Code Sec. 11126(e)(2)(B)(i).)

EX-8

Conference with Legal Counsel – Application for Rehearing

A99-05-004 - Disposition of Application for Rehearing by Pacific Gas and Electric Company (PG&E) of Resolution E-3592, which approved as modified the California Board for Energy Efficiency's recommendations regarding 1999 program year energy efficiency and demand side management institutional and transitional issues, policy rules, utility performance incentives, market assessment and evaluation, budgets, and program area descriptions; and motion of PG&E and the California Energy Commission to accept agreement for the transfer of data and dismiss application for rehearing. (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**
Southern California Edison Company, **FERC Docket Nos. ER98-441-000,**
et al. (Gov. Code Sec. 11126(e)(2)(A).)

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