
Public Utilities Commission of the State of California

***Public Agenda 3023
Thursday, September 16, 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, September 13	Thursday, September 16
Monday, October 4	Thursday, October 7 **
Monday, October 18	Thursday, October 21
Monday, November 1	Thursday, November 4

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

A "◆" next to the item number on the Agenda indicates that the matter 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.

***Will be held at Junipero Serra State Building at 320 West 4th Street, First Floor Auditorium, Los Angeles, CA 90013.*

Matters of Public Interest

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

For further information contact the Public Advisor
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This location is accessible to people with disabilities. If specialized accommodations for the disabled are needed, e.g. sign language interpreters, please call the Public Advisor at (415) 703-2074 or TDD# (415) 703-2032 five working days in advance of the meeting.

PUBLIC COMMENT

The following items are not subject to public comment:

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

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

NOTE: Ex Parte Communications are prohibited on CA-28, H-8, H-8a, H-11, (Rev.) Items 4 and 5 from midnight September 12, 1999, through the (9/9/99) conclusion of the Business Meeting at which a vote on the Proposed Decisions is scheduled. (Rule 7(c)(4)).

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

CA-1 **Res TL-18902** - Resolution approving issuance of charter-party carrier certificates pursuant to Section 5374(b) of the Public Utilities Code.

CA-2 **Res ALJ-176-3023** - 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 **Res SX-25** - This resolution recommends that the California Transportation Commission increase the funding set aside for maintaining automatic grade-crossing protection devices under Public Utilities Code Section 1231.1. (Section 311(g))

- CA-4 Res T-16332 - ConnectOne Communications Corporation.**
This resolution revokes the certificate of public convenience and necessity of ConnectOne Communications Corporation, as requested by the company.
(Section 311(g))
- CA-5 Res T-16333 - Bittel Telecommunications Corp.**
This resolution revokes the certificate of public convenience and necessity of Bittel Telecommunications Corp., as requested by the company.
(Advice Letter 10, filed June 30, 1999)
(Section 311(g))
- CA-6 Res T-16334 - ALD Communications, Inc.**
This resolution revokes the certificate of public convenience and necessity of ALD Communications, Inc., as requested by the company.
(Advice Letter 5, filed June 30, 1999)
(Section 311(g))
- CA-7 Res T-16335 - Brooks Fiber Communications LD, Inc.**
This resolution revokes the certificate of public convenience and necessity of Brooks Fiber Communications LD, Inc., as requested by the company.
(Advice Letter 9, filed June 28, 1999)
(Section 311(g))
- CA-8 Res T-16336 - Telmex/Spring Communications, LLC.**
This resolution revokes the certificate of public convenience and necessity of Telmex/Spring Communications, LLC, as requested by the company.
(Advice Letter 5, filed July 12, 1999)
(Section 311(g))
- CA-9 Res T-16337 - Diversified Solutions, Inc.**
This resolution revokes the certificate of public convenience and necessity of Diversified Solutions, Inc., as requested by the company.
(Section 311(g))

- CA-10** **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 denies the petition to modify D95-12-056, Ordering Paragraph 52 relating to reporting requirements for Intercompany Interconnection Held Service Orders, as filed by Cox California Telecom, Inc.
(Com Duque - ALJ Pulsifer)
(Section 311(g))
- CA-11** **C99-04-038 - St. Paul Associates, Ltd. (St. Paul) vs. Pacific Gas and Electric Company (PG&E).**
This decision denies the complaint because the development proposed by St. Paul does not qualify for the undergrounding of existing overhead electric facilities under PG&E's tariff Rule 20.B. This proceeding is closed.
(Com Bilas - ALJ Vieth)
(Section 311(g))
- CA-12** **C99-03-069 - Paul Betouliere vs. GTE California Incorporated.**
This decision dismisses the complaint for failure to state a cause of action for which relief can be granted. This proceeding is closed.
(Com Duque - ALJ Walker)
(Section 311(g))
- CA-13** **A99-06-014 - Antelope Valley Airport Express, Inc. (Applicant).**
For authority to establish a Zone of Rate Freedom (ZORF) and individual fares for passenger stage service between points in authorized service area and Los Angeles International Airport. This decision grants Applicant's request to establish a ZORF of \$10 above and below its present published fares filed with this Commission. This proceeding is closed.
(Exam Koss)
(Section 311(g))

- CA-14** **A97-10-014 - Pacific Gas and Electric Company (PG&E).**
For authority to recover 1996 Non-Nuclear Generation Capital Additions
(Rev.) Costs. A97-10-015, A97-10-024 - Related matters. This decision grants The
(9/14/99) Utility Reform Network an award of \$83,649.31 in compensation for its
contribution to D98-05-059 and D99-03-055.
(Com Bilas - ALJ DeUlloa)
(Section 311(g))
This revision was not listed on the agenda distributed to the public.
- CA-15** **A99-03-050 - Department of Transportation State California**
(Caltrans).
This decision grants Caltrans' request to relocate and widen the existing
grade crossing of Telegraph Road (State Route 126), also known as the East
Fillmore Grade Crossing, across the Santa Paula Branch Line track of the
Ventura County Transportation Commission, located in the City of
Fillmore, Ventura County. This proceeding is closed.
(Exam Koss)
(Section 311(g))
- CA-16** **Res T-16339 - Pacific Bell (Pacific).**
This resolution approves a Resale Agreement between Pacific and
Convergent Communications Services, Inc., submitted under provisions of
Resolution ALJ-174, and General Order 96-A.
(Advice Letter 20406, filed July 6, 1999)
(Section 311(g))
- CA-17** **Res T-16340 - Pacific Bell (Pacific).**
This resolution approves three Conformed Paging Interconnection
Agreements between Pacific and Cal Autofone; between Pacific and
Nationwide Paging; and between Pacific and Network Services, Inc.,
submitted under provisions of Resolution ALJ-174, and General
Order 96-A.
(Advice Letters 20391, 20392, 20393, all filed June 29, 1999)
(Section 311(g))

- CA-18 Res T-16346 - Pacific Bell (Pacific).**
This resolution approves three Conformed Paging Interconnection Agreements between Pacific and Radio Electronic Products Company; between Pacific and Star Page, Inc.; and between Pacific and Tadlock's Communications, submitted under provisions of Resolution ALJ-174, and General Order 96-A.
(Advice Letters 20394, 20395, 20396, all filed June 29, 1999)
(Section 311(g))
- CA-19 (ECP) C98-12-034 - William H. Maple vs. Arrow Head Manor Water Company.**
This decision orders Arrow Head Manor Water Company to repair a leak in its water pipe at 29225 Lake Brook, Cedar Glen, and to repair the street damaged by its leaking pipe. This proceeding is closed.
(Com Duque - ALJ Wright)
- CA-20 A99-06-043 - Diversified Paratransit, Inc. dba Inland Express.**
For authority to establish a Zone of Rate Freedom (ZORF) for passenger stage corporation service authorized under PSC-4077. This decision authorizes Diversified Paratransit Inc.'s request to establish a ZORF of \$10 above and below its present published fares filed with this Commission.
This proceeding is closed.
(Exam Koss)
(Section 311(g))
- CA-21 A98-12-023 - San Diego Gas & Electric Company (SDG&E).**
For authority to construct an electric facility: Pico Substation Project. This decision adopts the Mitigated Negative Declaration for this project and grants SDG&E a permit to construct a substation in the Talega Town Center and Business Park in Orange County near the City of San Clemente. This proceeding is closed.
(Com Neeper - ALJ Minkin)
(Section 311(g))

- CA-22 A99-03-003 - City of Richmond (City).**
For a variance to General Order 135 to further limit the time permitted for blocking the public streets with crossings at Richmond Avenue and Marina Bay Parkway in the City, Contra Costa County. This decision dismisses the application without prejudice at the request of the City. This proceeding is closed.
(Com Bilas - ALJ Ryerson)
(Section 311(g))
- CA-23 Res T-16345 - Access Communications, Inc. dba Access Long Distance.**
This resolution revokes Access Communications, Inc.'s certificate of public convenience and necessity, as requested by the company.
(Section 311(g))
- CA-24 Res T-16344 - FirstWorld SGV.**
This resolution revokes FirstWorld SGV's certificate of public convenience and necessity, as requested by the company.
(Advice Letter 1, filed June 15, 1999)
(Section 311(g))
- CA-25 Res T-16348 – Deaf and Disabled Telecommunications Program Administrative Committee (DDTPAC).**
This resolution approves DDTPAC's request for MCI WorldCom Network Services, Inc. (MCI) to continue to provide Speech-to-Speech Service as a part of the California Relay Service under the current Master Agreement between DDTPAC and MCI.
- CA-26 Res T-16341 - GTE California (GTE).**
This resolution approves three Interconnection Agreements between GTE and FirstWorld Communications; between GTE and Time Warner Telecom of California, L.P.; and between GTE and Fiber Communications, Inc., submitted under provisions of Resoution ALJ-174, and General Order 96.A. (Advice Letter (AL) 9071, filed June 23, 1999; AL 9072, filed June 23, 1999; AL 9077, filed June 28, 1999)
(Section 311(g))

CA-27 Res G-3266 - Pacific Gas and Electric Company (PG&E).

This resolution approves PG&E's requests to deviate from its gas tariff Preliminary Statement Section C.11.b, and defer its 1999 Annual True-Up of gas balancing accounts until after a decision is issued in PG&E's 1999 General Rate Case (GRC); and to implement the True-Up gas rate changes with the gas rate changes associated with the GRC and its 1998 Annual Earnings Assessment and 1999 Cost of Capital proceedings.

(Advice Letter 2168-G, filed July 16, 1999)

(Section 311(g))

✓CA-28 A98-12-028 - Elk Grove Water Works (EGWW).

For authority to increase rates for water service for its total service area, and approving its planned water filtration plant installation. Based on a settlement reached between EGWW and the Ratepayer Representation Branch of the Water Division, this decision authorizes an increase in rates for EGWW of \$183,697, or 13.73%, beginning immediately, with no increase in rates to offset attrition in the years 2000, 2001 or 2002. The average metered residential customer in Tariff Area 1 will see a monthly bill increase from \$10.52 to \$12.36, or 17.5%. The average metered residential customer in Tariff Area 2, which is served with more expensive county water, will see a monthly bill increase from \$22.73 to \$23.82, or 4.8%. The average unmetered residential customer will see a monthly bill increase from \$14.14 to \$16.03, or 13.4%. This decision also authorizes the installation of two water treatment plants to combat severe iron and manganese problems, with an authorized increased return on rate base when those plants go into service. These increases are based on a rate of return on rate base of 9.40%, with a corresponding rate of return on common equity of 9.40%. Following installation of the first treatment plant, the return on equity will increase to 9.90%, with a return on rate base of approximately 9.53%. If and when the second plant is installed, return on equity would increase to 10.40%, with a return on rate base of approximately 9.59%. This proceeding is closed.

(Com Duque - ALJ Walker)

(Section 311(d))

- CA-29** **A97-09-028 - Sierra Pacific Power Company (Sierra).**
For authority to issue Unsecured Promissory Notes in an aggregate amount not to exceed \$200,000,000 payable to Banks and Purchasers of Commercial Paper during 1998-2000. This decision grants Sierra's Petition for Modification of D97-12-111, as modified by D98-03-058, to extend the period of authorization to December 31, 2002, without a requirement to reduce short-term debt to 5% of the par value of other securities at least once every twelve months. This proceeding is closed.
(Exam Clanon)
(Section 311(g))
- CA-30** **C99-03-005 - Nurseryman's Power Cooperative, Inc. vs. Southern California Gas Company (SoCalGas).**
This decision concludes that Nurseryman's Power Cooperative, Inc. does not meet the single premises requirement for gas transportation service under the SoCalGas Tariff Schedule GT-F, Section 30 and denies the complaint. This proceeding is closed.
(Com Bilas - ALJ Vieth)
(Section 311(g))
(Agenda 3022, Item CA-31, 9/2/99; Req - Commission)
- CA-31** **A99-08-009 - Pacific Gas and Electric Company (PG&E), the Eureka Hotel Company, and DT Management, Inc., dba the Beverly Heritage Hotel.**
This decision grants the joint application of PG&E, the Eureka Hotel Company and DT Management, Inc.'s request for an exemption from competition transition costs pursuant to Public Utilities Code Section 372(c)(1) for on-site load served by cogeneration. This proceeding is closed.
(Com Duque - ALJ Bytof)
(Section 311(g))
- CA-32** **Res T-16325 - Capital Cellular.**
This resolution revokes the Wireless Registration Identification of Capital Cellular, as requested by the company.
(Section 311(g))
(Agenda 3022, Item CA-7, 9/2/99; Req - Commission)

- CA-33** **Res T-16324 - All Pacific Cellular, Inc.**
This resolution revokes the certificate of public convenience and necessity of All Pacific Cellular, Inc., as requested by the company.
(Section 311(g))
(Agenda 3022, Item CA-8, 9/2/99; Req - Commission)
- CA-34** **Res T-16323 - Encino Cellular, Inc.**
This resolution revokes the certificate of public convenience and necessity of Encino Cellular, Inc., as requested by the company.
(Section 311(g))
(Agenda 3022, Item CA-9, 9/2/99; Req - Commission)
- CA-35** **Res T-16322 - Intouch America.**
This resolution revokes the certificate of public convenience and necessity of Intouch America, as requested by the company.
(Section 311(g))
(Agenda 3022, Item CA-10, 9/2/99; Req - Commission)
- CA-36** **Res M-4797 -** This resolution approves an annual fee of \$100 for registered Electric Service Providers for the year beginning September 1, 1999.
(Section 311(g))

REGULAR AGENDA

UTILITY AND TRANSPORTATION ORDERS

ORDERS HELD OVER

- H-1 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;
Agenda 3017, Item H-8, 6/10/99; Agenda 3018, Item H-3, 6/24/99;
Agenda 3020, Item H-1, 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, 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; Agenda 3021, Item CA-24, 8/5/99;
Req - Commission)

H-3

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))

(Agenda 3021, Item 9, 8/5/99; Req - Commission)

- H-4** **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; Agenda 3021, Item H-2, 8/5/99; Agenda 3022, Item H-3, 9/2/99; Req - Commission)

- H-5** **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))
(Agenda 3021, Item 3, 8/5/99; Agenda 3022, Item H-5, 9/2/99;
Req - Commission)
- H-6** **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))
(Agenda 3021, Item 8, 8/5/99; Agenda 3022, Item H-7, 9/2/99;
Req - Commission)
- H-7** **R99-02-001 - Rulemaking for purposes of implementing certain statutory requirements regarding public review and comments for specified Commission decisions.**
This decision adopts Rules of Practice and Procedure to implement certain statutory requirements, enacted in Senate Bill 779 (Calderon), regarding public review and comment for specified Commission decisions. This proceeding is closed.
(Com Neeper - ALJ Kotz)
(Section 311(g))
(Agenda 3022, Item 1, 9/2/99; Req - Commission)
- H-7a** **ALTERNATE ORDER TO ITEM H-7.** This alternate order proposes two changes to the Commission's original proposal for rules implementing SB 779.
(Com Neeper)
(Agenda 3022, Item 1a, 9/2/99; Req - Commission)

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- ✓H-8** **A98-04-016 - Pacific Gas and Electric Company (PG&E).**
This decision approves the sale of PG&E's El Dorado Hydroelectric Project (El Dorado Project) to the El Dorado Irrigation District (EID). The El Dorado Project is currently inoperable due to severe storm damage. PG&E has offered to pay to EID \$17 million to take the project and assume decommissioning costs of about \$11.7 million. PG&E asks that the \$17 million be a charge against ratepayers. Held: a payment of \$15 million to be charged against ratepayers is reasonable. This decision also settles a water rate dispute and relieves PG&E from public utility water obligations in relation to the assets being sold. This proceeding is closed.
(Com Duque - ALJ Barnett)
(Section 311(d))
(Agenda 3022, Item 3, 9/2/99; Req - Commission)
- ✓H-8a** **ALTERNATE PAGES TO ITEM H-8.** These alternate pages authorizes \$17 million as a transfer payment by PG&E to EID which may be recovered from ratepayers through the Transition Cost Balancing Account. This proceeding is closed.
(Com Duque)
(Agenda 3022, Item 3a, 9/2/99; 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 an area code split for the 818 Numbering Plan Area to relieve NXX code exhaustion. The schedule for the split will be determined at a later date.
(Com Duque - ALJ Pulsifer)
(Section 311(g))
(Agenda 3022, Item 4, 9/2/99; Req - Commission)
- H-9a** **ALTERNATE ORDER TO ITEM H-9.** This alternate order approves an area code overlay for the 818 Numbering Plan Area to relieve NXX code exhaustion. The schedule for the overlay will be determined at a later date.
(Com Neeper)
(Agenda 3022, Item 4a, 9/2/99; Req - Commission)

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- H-10** **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 denies the Petition to Modify D98-05-021 which approved an overlay of the 310 Numbering Plan Area. The temporary suspension of the overlay granted in D99-06-091 shall be lifted effective October 16, 1999.
(Com Duque - ALJ Pulsifer)
(Section 311(g))
(Agenda 3022, Item 6, 9/2/99; Req - Commission)
- H-10a** **ALTERNATE ORDER TO ITEM H-10.** This alternate order grants the petition to modify D98-05-021 filed by Assemblyman Wally Knox and others, seeking to reverse the requirement that Pacific Bell implement an area code overlay in the 310 area code, among other things. The alternate order would begin a process of implementing number conservation measures subject to a grant of authority by the Federal Communications Commission.
(Com Hyatt)
- ✓H-11** **A98-01-015 - Southern California Gas Company (SoCalGas).**
For authority pursuant to Public Utilities Code Section 851 to sell its storage field in Montebello, California. This decision dismisses without prejudice SoCalGas' application. This proceeding is closed.
(Com Duque - ALJ Stalder)
(Section 311(d))
(Agenda 3022, Item CA-4, 9/2/99; Req - Commission)
- H-12** **R97-01-009 - Order Instituting Rulemaking on the Commission's intervenor compensation program. I97-01-010 - Related matter.**
This decision adopts, with two changes, the Commission's proposal for determining responsibility of certain utilities for payment of intervenor compensation awards in quasi-legislative or rulemaking proceedings, first announced in D98-04-059. Specifically, when participation of California-jurisdictional utilities occurs through an association, the Commission will direct the association - and not the member utilities - to pay any award. Second, the Commission modifies D98-04-059 to remove the requirement that utilities file a revenue report with the Public Advisor.
(Com Bilas - ALJ Hale)
(Section 311(g))
(Agenda 3022, Item CA-5, 9/2/99; Req - Commission)
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H-12a **ALTERNATE ORDER TO ITEM H-12.** This alternate adopts, with two changes, the Commission's proposal for determining responsibility of certain utilities for payment of intervenor compensation awards in quasi-legislative or rulemaking proceedings, first announced in D98-04-059. Specifically, when participation of California-jurisdictional utilities occurs through an association, the Commission will direct only those California-jurisdictional member utilities that support the association position taken in the proceeding to pay any award. It also modifies D98-04-059 to remove the requirement that utilities file a revenue report with the Public Advisor.
(9/13/99)
(Com Neeper)
This item was not listed on the agenda distributed to the public.

H-13 **A99-03-047 - Pacific Bell.**
This decision approves an interconnection agreement between Pacific Bell and MFS/WorldCom pursuant to Section 252 of the Telecommunications Act of 1996. The agreement was filed with the Commission pursuant to an Arbitrator's Report issued on August 4, 1999. This proceeding is closed.
(Com Duque - ALJ Pulsifer)
(Section 311(g))
(Agenda 3022, Item 7, 9/2/99; Req - Commission)

H-13a **ALTERNATE PAGES TO ITEM H-13.** These alternate pages provide compensation for tandem switches and common transport in addition to the compensation for end-office switches which is provided for in the Final Arbitrator's Report. This proceeding is closed.
(Com Bilas)
(Agenda 3022, Item 7a, 9/2/99; Req - Commission)

ORDERS

- 1 C95-01-038 - Strawberry Property Owners Association vs. Conlin-Strawberry Water Company, Inc.**
This decision assesses Conlin-Strawberry Water Company, Inc. a fine totaling \$400,000 for failure to comply with past Commission orders. The total fine or a portion thereof may be stayed if past orders for system repairs and improvement are completed. This proceeding is closed.
(Com Neeper - ALJ Bennett)
(Section 311(g))
- 2 A97-06-021 - Southern California Edison Company (Edison).**
For authority to adopt a revenue-sharing mechanism for certain other operating revenues. The draft decision conditionally adopted a settlement between Edison and the Office of Ratepayer Advocates (ORA) concerning Edison's application for authority to adopt a revenue sharing mechanism for certain other operating revenues, provided that Edison and ORA agree to the modification and clarifications set forth in this decision. The principal modification the Commission makes to the settlement so that it is consistent with the law is to change the sharing allocation between shareholders and ratepayers for "passive" products and services from 70:30 (shareholder/ratepayer) to 60:40 of gross revenues. This draft decision also clarified the circumstances by which Edison can change the designation of a category of products and services from "passive" to "active," and certain other procedural matters addressed by the settlement. In their comments to the draft decision, Edison and ORA notified the Commission that they did not accept the Commission's modification and clarifications of the settlement. Therefore, the Commission rejects the settlement. This proceeding is closed.
(Com Bilas - ALJ Econome)
(Section 311(g))
This revision was not listed on the agenda distributed to the public.
- (Rev.)**
(9/16/99)

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- 2a** **ALTERNATE ORDER TO ITEM 2.** This alternate order adopts conditionally the settlement between Edison and ORA if the settling parties accept the clarifications set forth in the decision. This alternate order approves the revenue sharing percentages agreed to by the settling parties for both active and passive products and services and directs staff to accept the categorizations in Attachment A to the settlement when assessing Edison's Advice Letter 1286-E. This proceeding is closed.
(Com Bilas)
(Section 311(g))
- 3** **A98-12-038 - Southern California Edison Company (Edison).**
For approval of power purchase agreement between Edison and Colmac Energy, Inc. This decision approves Edison's proposed buyout and termination of a 1985 power purchase agreement with Colmac Energy, Inc. Expected customer benefits from the buyout are \$58.8 million in net present value. This proceeding is closed.
(Com Neeper - ALJ Gottstein)
(Section 311(g))
- ✓4** **A98-07-005 - San Diego Gas & Electric Company (SDG&E).**
For authority to approve gas transmission service tariff. A98-10-012, A98-10-031 - Related matters. This decision denies Applicants' request for a special border tariff for gas service at discounted rates to applicants' affiliates in Mexico. Applicants' claim that the discount border tariff is necessary because of a competitive threat is without merit. Applicants' affiliates should take service at the rates provided in SDG&E's electric generation tariff. Application 98-07-005 is closed.
(Rev.)
(9/15/99)
(Com Duque - ALJ Barnett)
(Section 311(d))
This revision was not listed on the agenda distributed to the public.

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A98-05-038 - Pacific Bell.

For authority for pricing flexibility and to increase prices of certain operator services, to reduce the number of monthly Directory Assistance (DA) call allowances, and adjust prices for four Centrex optional features. This decision authorizes Pacific Bell to increase its DA price floor from \$0.25 to \$0.35, tariff price from \$0.25 to \$0.50, and ceiling rate to \$0.50. Pacific Bell's monthly DA allowance call for residential customers is decreased from five to three calls, for business customers is decreased from two to zero, and Centrex business customers is decreased from one to zero. Pacific Bell's Busy Line Verification (BLV) and Emergency Interrupt (EI) service price floors are increased to cover costs as set forth in sealed Exhibit G. The tariff price is increased from \$0.50 to \$1.20 for BLV and from \$1.00 to \$1.25 for EI. The ceiling rate is capped at \$1.20 for BLV and at \$1.25 for EI. Concurrent with the above-mentioned changes, Pacific Bell is authorized to change its DA, BLV, and EI resale prices to maintain a 17% margin between its retail and resale prices for these services. This proceeding is closed.

(Com Duque - ALJ Galvin)

(Section 311(d))

UTILITIES RESOLUTIONS

ENERGY MATTERS

- E-1** **Res E-3591 - San Diego Gas & Electric Company (SDG&E).**
This resolution denies without prejudice SDG&E's request to add to its list of sample forms two Summary Bill Forms which allow customers with multiple accounts at multiple service addresses to receive one bill instead of individual bills for each account.
(Advice Letter 1140-E/1129-G, filed December 16, 1998)
(Section 311(g))
(Agenda 3022, Item E-3, 9/2/99; Req - Commission)
- E-2** **Res E-3629 - Mountain Utilities (MU).**
(Rev.) This resolution approves with conditions MU's request for a Methyl
(9/10/99) Tertiary Butyl Ether Response Memorandum Account.
(Advice Letter 10, filed June 28, 1999)
(Section 311(g))
(Agenda 3022, Item E-5, 9/2/99; Req - Commission)
This revision was not listed on the agenda distributed to the public.

WATER MATTERS

W-1 Res W-4165 - Citizens Utilities Company (Citizens) and San Jose Water Company (SJWC).

This resolution denies Citizens and SJWC's request to establish memorandum accounts for recording costs resulting from the mitigation efforts in respect to the year 2000 computer problems, but allows a process to seek recovery prospectively.

(Citizens Advice Letter (AL) 325-W, filed March 1, 1999; SJWC AL 312, filed March 16, 1999)

(Agenda 3021, Item W-1, 8/5/99; Agenda 3022, Item W-1, 9/2/99;
Req - Commission)

W-1a ALTERNATE RESOLUTION TO ITEM W-1. This alternate authorizes

(9/13/99)

all regulated water utilities to create memorandum accounts for unanticipated Y2K expenses and book qualifying expenses and carrying costs to that account, and to file by application or Advice Letter to request recovery of any balance.

(Com Neeper)

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

LEGAL DIVISION MATTERS

LEGISLATIVE MATTERS

- HLEG-1** **SB 1063 (Bowen), SB 1095 (Bowen)**, and any related bills, to amend the Public Utilities Code, relating to electric restructuring: hydroelectric facilities.
(Agenda 3021, Item LEG-5, 8/5/99; Agenda 3022, Item HLEG-2, 9/2/99; Req - Commission)

MANAGEMENT RESOLUTIONS

- M-1** The agenda item released for public review and comment (Pub. Util. Code Section 311(g)) as M-1 now appears on the agenda as item CA-36.

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

Advocates Trust Fund action memo changing the Trustee Bank

Commissioner Hyatt

- Administrative Matters
- Strategic Planning Matters

Commissioner Wood

- Consumer Protection Matters
- Legislative

EXECUTIVE DIRECTOR'S REPORT

Wesley M. Franklin, Executive Director

Approval of the 1999-2000 Commission Business Plan

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**
C98-08-040 - Disposition of Application for Rehearing by Complainant Donna Matthews of D99-07-008 in which the Commission dismissed the complaint against Meadows Management Company, dba Plantation on the Lake Mobilehome Park. The complaint alleged that the water rates charged the tenants of the park are unreasonable. The complaint was dismissed without an evidentiary hearing on a motion by the Defendant.
(Gov. Code Sec. 11126(e)(2)(B)(i).)
(Agenda 3022, Item EX-5, 9/2/99; Req - Commission)
- HEX-2** **Conference with Legal Counsel - Application for Rehearing**
I98-03-013 - Disposition of Application for Rehearing of D99-06-054 filed jointly by Engstrom, Lipscomb & Lack, Girardi & Keese, and Dewitt, Algorri & Algorri. D99-06-054 denied motions challenging the Commission's jurisdiction to conduct I98-03-013, an inquiry into the safety of drinking water service provided by Commission-regulated public utilities. (Gov. Code Sec. 11126(e)(2)(B)(i).)
(Agenda 3022, Item EX-11, 9/2/99; 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**
R.95-04-043, I.95-04-044 - Disposition of Application for Rehearing of TURN of D98-07-091, which clarified D96-03-020 with regard to the calculation of imputation costs related to Universal Service, but provided that this clarification would sunset with the issuance of the Commission's OANAD Proceeding. (Gov. Code Sec. 11126(e)(2)(B)(i).)
- EX-5 Conference with Legal Counsel – Application for Rehearing**
I98-04-033 - Disposition of Application for the Rehearing of D99-06-055 filed by Futurenent Online, Inc. (FutureNet) and Alan J. Setlin. That decision required that appellants pay a fine for offering electrical service to the public without first registering with the Commission as an Energy Service Provider as required by Public Utilities Code Sections 394-396. (Gov. Code Sec. 11126(e)(2)(B)(i).)
- EX-6 Conference with Legal Counsel – Existing Litigation**
Pacific Gas and Electric Company v. California Public Utilities Commission, California Court of Appeal, A.086522 and California Supreme Court, S.078004.
(Gov. Code Sec. 11126(e)(2)(A).)

FEDERAL ITEMS

- HFEX-1** **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).)
(Agenda 3019, Item FEX-7, 7/8/99; Agenda 3020, Item HFEX-1, 7/22/99; Agenda 3022, Item HFEX-1, 9/2/99; Req - Commission)
- 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**
FERC Docket Nos. RP97-287-019, et al. - El Paso Natural Gas Company.
(Gov. Code Sec. 11126(e)(2)(A).)
- FEX-3** **Conference with Legal Counsel – Existing Litigation**
FERC Docket Nos. ER98-441-000, et al. - Southern California Edison Company.
(Gov. Code Sec. 11126(e)(2)(A).)
- FEX-4** **Conference with Legal Counsel – Existing Litigation**
Case No. C99-03973 - GTE California Inc. v. California Public Utilities Commission, et al., U.S. District Court, N.D. CA.
(Gov. Code Sec. 11126(e)(2)(A).)
- FEX-5** **Conference with Legal Counsel – Existing Litigation**
FCC WT Docket No. 97-207 - Filing by CPUC in Calling Party Pays Service Offering in the Commercial Mobile Radio Services.
(Gov. Code Sec. 11126(e)(2)(A).)

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