### Public Utilities Commission of the State of California

Public Agenda 3026 Thursday, November 4, 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

Ratesetting Deliberative Meeting*	Commission Meeting		
Room 5305	n 5305 Auditorium		
(1:30 p.m.)	(10 a.m.)		
Closed to the Public	Open to the Public		
✓Monday, November 1	Thursday, November 4		
✓Monday, November 15	Thursday, November 18		
Monday, November 29	Thursday, December 2		
Monday, December 13	Thursday, December 16		

<sup>\*</sup>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



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

### PUBLIC COMMENT

The following items are not subject to public comment:

- All items on the closed session agenda; these are HEX and EX items.
- CA-25

### **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 Item CA-7 from the day of the Ratesetting Deliberative Meeting through the conclusion of the Business Meeting at which a vote on the Proposed Decision is
  - scheduled. (Rule 7(c)(4)).
- **CA-1 Res TL-18906 -** Resolution approving issuance of charter-party carrier certificates pursuant to Section 5374(b) of the Public Utilities Code.
- **CA-2 Res ALJ-176-3026** 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 CSD-5** - This resolution delegates to the Director of the Consumer Services Division the authority to require all utilities and other entities under the jurisdiction of the Commission to make changes to information on their billing, tariff rules, promotional and advertising materials or any other written materials that provide consumers with information on how to contact the Consumer Affairs Branch for purposes of bringing complaints and/or inquiries to the attention of the Commission. (Section 311(g))

### CA-4 Res SR-104 - North County Transit District (NCTD).

This resolution grants NCTD's request for construction of passenger canopy at side clearance dimensions applicable to tangent track for slightly curved track.

(Section 311(g))

### CA-5 A99-07-013 - Alliance Network, Inc.

Alliance Network, Inc., a Delaware corporation, doing business in California as "C2K, Inc." or "C2K," seeks a certificate of public convenience and necessity under Public Utilities Code Section 1001 for authority to provide resold interexchange telecommunications services in California as a non-dominant interexchange carrier. There has been one protest to the application. By this decision, the Commission grants the authority requested, subject to the terms and conditions set forth herein. This proceeding is closed.

(Com Wood - ALJ Walker) (Section 311(g))

### CA-6 C99-01-014 - Sigma Systems (Sigma) vs. Pacific Bell.

This decision dismisses Sigma's complaint with prejudice. This proceeding is closed.

(Com Neeper - ALJ DeUlloa) (Section 311(g))

#### **∠**CA-7 A99-01-016 - Pacific Gas and Electric Company.

For authority to establish post-transition period electric ratemaking mechanisms. A99-01-019, A99-01-034, A99-02-029 - Related matters. This

(Rev.) decision finds that the primary at substation rate proposal by San Diego Gas (10/28/99)& Electric Company (SDG&E) should not be considered in isolation in this proceeding, but should be addressed in SDG&E's next Rate Design

Window application.

(Com Duque - ALJ Minkin)

(*Section 311(d*))

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

#### **CA-8** A93-10-038 - Todd Luedtke, dba CRS Refrigerated Services, Inc. (CRS).

Application for hearing before the Commission regarding the revocation of operating authority of Todd Luedtke, dba CRS Refrigerated Services, Inc. This decision dismisses the application since the Commission no longer has authority over motor carriers of property. This proceeding is closed. (Com Duque - ALJ Stalder) (Section 311(g))

#### **CA-9** A98-05-014 - Southern California Edison Company (Edison).

For authority to report on the valuation process for certain generationrelated assets pursuant to D97-11-074. This decision orders Edison to file, by December 1, 1999, an application to value remaining generation and generation related assets pursuant to Sections 216(h) and 377 of the Public Utilities Code. This proceeding is closed.

(Com Duque - ALJ Patrick)

(Section 311(g))

#### **CA-10** A98-01-014 - San Diego Gas & Electric Company.

For authority to implement a distribution performance-based ratemaking mechanism. This decision grants the Utility Consumers Action Network an award of \$249,895 in compensation for its contribution to D98-12-038 and D99-05-030 and the National Resources Defense Council an award of \$61,726 in compensation for its contribution to D99-05-030.

(Com Neeper - ALJ Minkin)

(Section 311(g))

## CA-11 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 adopts four revisions to the electronic data interchange (EDI) protocols that were originally adopted in D99-07-007. The four revisions are a result of the Meter Usage Data Task Group's review of the comments that Enron raised in connection with the EDI protocols.

(Com Neeper - ALJ Wong) (Section 311(g))

### CA-12 A97-11-004 - Pacific Gas and Electric Company (PG&E).

For authority to identify cost savings for revenue cycle services provided by other entities and to propose credits for end-use customers in such circumstances for implementation no later than January 1, 1999. A97-11-011, A97-12-012 - Related matters. This decision denies the petition for modification of D98-07-032 that was filed by PG&E, San Diego Gas & Electric Company and Southern California Edison Company. The utility distribution companies shall have until January 14, 2000 to comply with Ordering Paragraph 4 of D98-07-032.

These proceedings are closed. (Com Duque - ALJ Wong) (Section 311(g))

### **CA-13 A99-07-021 - Blue Bird Bus Co., L.L.C.**

For authority to amend the type of passenger stage authority from scheduled service to an on-call, inter-city, passenger stage service, and to extend service between points in the counties of San Diego, Orange and Los Angeles, on the one hand, and between points in the counties of San Diego, Riverside, San Bernardino and Los Angeles, described in the Application, on the other hand, pursuant to Section 1031, et. eq., of the California Public Utilities Code. Granted. This proceeding is closed.

(Com Wood - ALJ Rosenthal) (Section 311(g))

### CA-14 A99-08-044 - Ionex Telecommunications, Inc., Telecom Resources, Inc., and Advanced Communications Group, Inc.

This application seeks approval under Section 854 of the Public Utilities Code of a transfer of control of Telecom Resources, Inc., a non-dominant telecommunications carrier, to Ionex Telecommunications, Inc. The application is unopposed. The application is granted. As part of today's order, the Commission also modifies D99-02-037 to give retroactive approval to an earlier transfer of control. This proceeding is closed. (Com Wood - ALJ Walker) (Section 311(g))

### CA-15 A99-01-026 - Narjes Khanian, dba A Royal Shuttle.

This decision grants Narjes Khanian's request to operates as a passenger stage corporation between points in the county of Orange and John Wayne Airport. This proceeding is closed.

(Exam Koss) (Section 311(g))

### CA-16 A99-08-038 - Jose Luis Ayala-Aroche, dba El Corre Caminos.

This decision grants Jose Luis Ayala-Aroche's request to establish a Zone of Rate Freedom of 25% above and 15% below the present fares filed with the Commission. This proceeding is closed.

(Exam Koss) (Section 311(g))

### CA-17 A99-08-007 - Akroush Enterprises, LLC.

This decision grants Akroush Enterprises, LLC's request to operate as a passenger stage corporation between points and places in the counties of Los Angeles and Ventura, on the one hand, and Los Angeles International Airport, Burbank Airport, Los Angeles/Long Beach Harbors, Los Angeles Amtrak/Union Station, Downtown Los Angeles and Westchester-Los Angeles, on the other hand. This proceeding is closed. (Exam Koss)

(Section 311(g))

### CA-18 A99-07-018 - CAT Communications International, Inc.

This decision grants CAT Communications International, Inc. a certificate of public convenience and necessity to resell local exchange telecommunications services. This proceeding is closed. (Com Hyatt - ALJ O'Donnell) (Section 311(g))

### CA-19 A99-08-003 - Alliance Network, Inc.

This decision grants Alliance Network, Inc. a certificate of public convenience and necessity to resell local exchange telecommunications services. This proceeding is closed.

(Com Wood - ALJ O'Donnell) (Section 311(g))

### CA-20 A99-08-031 - Southwest Gas Corporation (Southwest Gas).

By this unopposed application, this decision grants Southwest Gas's request for a limited exemption from the Commission's Affiliate Transaction Rules, adopted in D97-12-088, and modified in D98-08-035. This proceeding is closed.

(Com Bilas - ALJ Econome) (Section 311(g))

### CA-21 Res E-3638 - San Diego Gas & Electric Company (SDG&E).

This resolution approves SDG&E's Performance-Based Ratemaking Base Rate Final Report for 1998, which details revenue sharing calculations and performance rewards and penalties for 1998.

(Advice Letter 1166-E/1148-G, filed May 14, 1999) (Section 311(g))

### CA-22 A99-08-015 - Coronado Livery, Inc.

For authority to transfer control of its passenger stage certificate (PSC-0914) to its subsidiary San Diego Direct Transportation Services LLC, under Section 851, et seq., of the Public Utilities (PU) Code on the one hand, and to establish a zone-of-rate-freedom under Section 454.2 of the PU Code, on the other hand. Granted. This proceeding is closed. (Com Bilas - ALJ Rosenthal) (Section 311(g))

### **CA-23 A99-07-034** – City of Davis (Davis).

For authority to construct Putah Creek pedestrian/bicycle underpass under the tracks and right of way of the Union Pacific Transportation Company's main line track located in Davis, Yolo County. Granted. This proceeding is closed.

(Exam Koss) (Section 311(g))

### CA-24 Res E-3645 - Southern California Edison Company (SCE).

This resolution approves SCE's request for authorization and determination of reasonableness for restructuring of a Qualifying Facility Contract with Delano Energy Company, Inc.

(Advice Letter 1390-E, filed July 7, 1999) (Section 311(g))

### CA-25 (ECP) C99-07-038 - Freda D. Pechner vs. Pacific Gas and Electric Company.

This expedited complaint alleging an erroneous retroactive bill is denied because there is sufficient evidence to show meter tampering and the back bill calculation is reasonable. This proceeding is closed.

(Com Wood - ALJ Bennett)

(Agenda 3025, Item CA-19, 10/21/99; Req -Commission)

## CA-26 C98-11-027 - Rueben Bercovitch and Blanche Bercovitch vs. San Diego Gas & Electric Company.

This decision extends the 12-month statutory deadline, November 8, 1999, until further notice.

(Com Neeper - ALJ DeUlloa) (Section 311(g))

### **REGULAR AGENDA**

### UTILITY AND TRANSPORTATION ORDERS

### ORDERS HELD OVER

### H-1 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;

Agenda 3023, Item H-6, 9/16/99; Agenda 3024, Item H-4, 10/7/99; Req - Commission)

## H-2 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 grants in part the Petition to Modify D96-03-020 filed by GTE California Incorporated (GTEC). The modification lifts the restriction on Category II pricing flexibility until price floors are adopted for GTEC in Open Access and Network Architecture Development (OANAD). GTEC is authorized to file an advice letter to establish interim Category II price floors for particular services using its cost studies filed in OANAD. (Com Duque - ALJ Pulsifer)

(Section 311(g))

(Agenda 3024, Item 7, 10/7/99; Agenda 3025, Item H-4, 10/21/99;

Req - Commission)

### H-3 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 Neeper - ALJ Hale)

(Section 311(g))

(Agenda 3022, Item CA-5, 9/2/99; Agenda 3023, Item H-12, 9/16/99; Agenda 3024, Item H-7, 10/7/99; Agenda 3025, Item H-6, 10/21/99; Req - Commission)

H-3a ALTERNATE ORDER TO ITEM H-3. This alternate rejects the April 1998 proposal for determining the responsibility of certain utilities for payment of intervenor compensation awards. Instead, in quasi-legislative rulemaking proceedings affecting an industry or multiple industries, this alternate requires all energy, telecommunications and water utilities in the affected industry to pay any compensation award, regardless of whether that utility participated in the proceeding. It states an intent to establish an intervenor compensation program fund from which awards in quasi-legislative rulemaking proceedings where no specific respondents are named will be paid. The program will be funded through the fees collected on an annual basis from regulated energy, telecommunications, and water utilities under Public Utilities Section 401 et seq. D98-04-059 is modified to remove the requirement that utilities file a revenue report with the Public Advisor.

(Com Neeper)

(Agenda 3023, Item H-12a, 9/16/99; Agenda 3024, Item H-7a, 10/7/99; Agenda 3025, Item H-6a, 10/21/99; Req - Commission)

### H-4 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 \$0.46, and ceiling rate to \$0.46. 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*))

(Agenda 3023, Item 5, 9/16/99; Agenda 3024, Item H-10, 10/7/99; Agenda 3025, Item H-7, 10/21/99; Req - Commission)

### H-4a

ALTERNATE TO ITEM H-4. This alternate order authorizes Pacific Bell to establish a Local Directory Assistance (DA) price floor of \$0.35, and to increase its DA tariff price and ceiling rate from \$0.25 to \$0.35. Pacific Bell's monthly DA call allowance for residential customers remains at five. The monthly DA call allowance 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 \$1.25 for EI. Concurrent with the above mentioned changes, Pacific Bell is authorized to change its DA, BLV, EI and four Centrex Optional Features resale prices to maintain a 17% margin between its retail and resale prices for these services.

(Com Wood)

# H-5 R98-07-037 - Order Instituting Rulemaking on the Commission's proposed policies and programs governing energy efficiency, low-income assistance, renewable energy and research development and demonstration.

This decision addresses the structure and operating procedures of the California Board for Energy Efficiency and the Low-Income Governing Board.

(Com Neeper - ALJ Gottstein) (Section 311(g)) (Agenda 3024, Item 6, 10/7/99; Agenda 3025, Item H-11, 10/21/99; Req - Commission)

# H-6 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. 193-04-002 - 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; Agenda 3023, Item H-4, 9/16/99; Agenda 3024, Item H-3, 10/7/99; Agenda 3025, Item H-12, 10/21/99; Req - Commission)

### H-7 A98-05-014 - Southern California Edison Company (Edison).

To report on the valuation process for certain generation-related assets pursuant to D97-11-074. A98-05-022 - Related matter.

This decision orders Pacific Gas and Electric Company to file, by November 15, 1999, an application to value remaining generation and generation related assets pursuant to Sections 216(h) and 377 of the Public Utilities Code. A98-05-022 is closed.

(Com Duque - ALJ Patrick)

(Section 311(g))

(Agenda 3025, Item 1, 10/21/99; Req - Commission)

### H-8 A96-03-031 - Southern California Gas Company (SoCalGas).

For authority to review its rates effective January 1, 1997, in its Biennial Cost Allocation Proceeding. A96-04-030 - Related matter.

This decision corrects the allocation of pipeline surcharges among SoCalGas's customers in a limited rehearing of D97-04-082. It allocates the \$162 million in surcharges as follows: 24.5% of the surcharge amounts associated with step-downs on El Paso pipeline will be allocated to SoCal's noncore customers. 75.5% of the surcharge amounts associated with step-downs on El Paso pipeline will be allocated to the core and noncore on an equal cents per therm basis. 100% of the surcharge amounts associated with step-downs on Transwestern pipeline will be allocated to SoCal's noncore customers. This allocation results in a reduction to the Core Fixed Cost Account of \$88.1 million and a corresponding increase to the Interstate Transition Cost Surcharge account that will be paid by the noncore. The \$88.1 increase in noncore cost responsibility will be amortized over a 4-year period. These proceedings are closed.

(Com Duque - ALJ Gottstein)

(*Section 311(d*))

(Agenda 3025, Item 2, 10/21/99; Req - Commission)

**H-8a ALTERNATE ORDER TO ITEM H-8.** This alternate order would allocate SoCalGas' surcharges attributable to the step-downs of PG&E and others based on a pro rata share of SoCalGas' total pipeline capacity reservations.

(Com Neeper)

(**Rev.**) (10/28/99)

### H-9 A98-05-053 - Southern California Edison Company (Edison).

For authority to review the reasonableness of SCE's operations during the period from April 1, 1997 through December 31, 1997; recovery of cost tracked in the Independent System Operator/Power Exchange Implementation Delay Memorandum Account; reasonableness review of special contracts administration; and Electric Vehicles Program costs for the period from January 1, 1998 through April 30, 1998. This decision finds that all Edison's operations during the record period April 1, 1997 through April 30, 1998 were reasonable except that Edison erred in failing to transfer \$4.106 million from its Electric Revenue Adjustment Mechanism balancing account to its Transition Cost Balancing Account. Edison is ordered to make the transfer. This proceeding is closed.

(Com Neeper - ALJ Barnett)

(*Section 311(d*))

(Agenda 3025, Item 3, 10/21/99; Req - Commission)

### H-10 A99-04-010 - Western Gas Resources-California, Inc. (WGRC).

For a certificate of public convenience and necessity to provide public utility gas transmission and distribution services through the use of certain existing facilities and to construct additional interconnection facilities. This decision dismisses without prejudice WGRC's application refiling at this time after substantial amendment so that the request conforms to current Commission policy, or its refiling at a later date if the Commission's ongoing investigation into restructuring the natural gas industry reaches a conclusion with regard to local transmission and distribution competition that would allow the type of competition in which WGRC wishes to engage. This proceeding is closed.

(Com Bilas - ALJ Biren)

(Section 311(g))

(Agenda 3024, Item 1, 10/7/99; Agenda 3025, Item H-8, 10/21/99;

Req - Commission)

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

H-10a ALTERNATE ORDER TO ITEM H-10. This alternate order would deny the Motion to Dismiss of Pacific Gas and Electric Company and send this matter to hearings.

(Coms Hyatt/Neeper)

(Agenda 3025, Item H-8, 10/21/99; Req - Commission)

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### H-11 C99-04-004 - Western Gas Resources-California, Inc. vs. Pacific Gas and Electric Company (PG&E).

This decision dismisses the complaint as moot. A companion application for a certificate of public convenience and necessity is also dismissed, which makes this complaint regarding PG&E's alleged anti-competitive activity moot. This proceeding is closed.

(Com Bilas - ALJ Biren)

(Section 311(g))

(Agenda 3024, Item 2, 10/7/99; Agenda 3025, Item H-9, 10/21/99;

Req - Commission)

## H-12 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 grants the motion of Independent Energy Producers Association, et al., on an interim basis and subject to true-up, regarding the election by Qualifying Facilities to receive energy payments based on the Power Exchange market-clearing price.

(Com Neeper - ALJ Minkin)

(Section 311(g))

(Agenda 3024, Item 4, 10/7/99; Agenda 3025, Item H-13, 10/21/99;

Req - Commission)

## H-13 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; Agenda 3023, Item H-7, 9/16/99;

Agenda 3024, Item H-5, 10/7/99; Req - Commission)

H-13a ALTERNATE ORDER TO ITEM H-13. The modified alternate adds further proposals beyond the three changes in the original alternate. The further substantive proposals are: (1) commenters may provide a "redlined" version of the decision to which their comments relate; (2) changes to a decision, even if substantive, would not be subject to public review and comment if the changes merely incorporate commenters' suggestion or language that previously had been subject to public review and comment; (3) parties may reduce or waive the comment period on an alternate if all parties so stipulate; (4) absent such stipulation, the Commission may reduce (but <u>not</u> waive) the comment period on an alternate; and (5) the

(Coms Bilas/Neeper) (Agenda 3022, Item 1a, 9/2/99; Agenda 3023, Item H-7a, 9/16/99; Agenda 3024, Item H-5a, 10/7/99; Agenda 3025, Item H-5a, 10/21/99; Req - Commission)

"public necessity" (as defined) requires such reduction or waiver.

Commission may reduce or waive the comment period on a draft decision if

H-13b ALTERNATE ORDER TO ITEM H-13. This alternate is consistent with the Alternate of Commissioners Bilas and Neeper, except with respect to the issue of redlining. This alternate makes clear that redlined decisions are not acceptable as part of comments or ex parte material. (Com Duque)

(Agenda 3025, Item H-5b, 10/21/99; Req - Commission)

### **ORDERS**

1 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 approves, with qualification, two joint settlement agreements on change management principles applicable to the operation support systems offered by Pacific Bell and GTE California Incorporated to competitive local exchange carriers in California.

(Com Bilas - ALJ Reed) (Section 311(g))

2 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 grants, in part, the petition of Media One Telecommunications of California, Inc. and others for emergency allocation procedures for NXX code assignments in the 310 Numbering Plan Area (NPA). The decision adopts priority criteria for assignment of NXX codes and establishes a separate pool of codes in the 310 NPA for carriers previously assigned a code for the 424 NPA.

(Com Hyatt - ALJ Pulsifer) (Section 311(g))

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 resolves the issue of how Foreign Number Plan Area Directory Assistance calls should be routed in the wake of the implementation of intraLocal Access Transport Area presubscription in Pacific Bell's service territory.

(Com Neeper - ALJ Reed) (Section 311(g))

### **UTILITIES RESOLUTIONS**

### **ENERGY MATTERS**

### E-1 Res E-3627 - Metropolitan Education District (MED).

This resolution approves MED's request for a deviation from Pacific Gas and Electric Company's Tariff Rule 2.D.3.f. (Section 311(g))

### E-2 Res E-3636 - Pacific Gas and Electric Company (PG&E).

This resolution denies without prejudice PG&E's request to modify its Generating Facility Operations and Maintenance Account. (Advice Letter 1849-E, filed February 16, 1999) (Section 311(g))

### E-3 Res E-3633 - Southern California Edison Company (Edison).

Edison seeks revisions to its Divestiture of Fossil Generation Memorandum Account to include expenses associated with the divestiture market valuation of its fossil-fueled and hydroelectric generation assets and to rename the account the Divestiture and Market Valuation of Fossil-Fueled and Hydroelectric Generation Account. Denied. (Advice Letter 1262-E, filed November 8, 1997) (Section 311(g))

### **MANAGEMENT**

**M-1 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))

(Agenda 3023, Item CA-36, 9/16/99; Agenda 3024, Item M-1, 10/7/99; Agenda 3025, Item M-1, 10/21/99; Req - Commission)

M-1a ALTERNATE RESOLUTION TO ITEM M-1. An annual fee of \$1,000 for registered electric service providers is adopted pursuant to Public Utilities Code Section 394.3(b) and Ordering Paragraph 17 of D98-03-072. (Com Wood)

### ADMINISTRATIVE LAW JUDGE DIVISION RESOLUTIONS

**ALJ-1 Res ALJ-178 -** Revises Resolution ALJ-174 to implement Section 252(i) of the Telecommunications Act of 1996 concerning the adoption by a carrier of an interconnection agreement previously approved by the Commission. (Section 311(g))

### **COMMISSIONERS' REPORTS**

### Commissioner Duque

- Electric Matters
- Water Matters
- Legislative Matters

### Commissioner Neeper

- Telecommunications Matters
- Legal/Administrative Law Judge Matters

### President Bilas

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

Advocates Trust Fund action memo changing the Trustee Bank (Agenda 3023, 9/16/99; Agenda 3024, 10/7/99; Agenda 3025, 10/21/99; Req - Commission)

### **Commissioner Hyatt**

- Administrative Matters
- Strategic Planning Matters

### Commissioner Wood

- Consumer Protection Matters
- Legislative Matters

### **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
  - **A98-01-014** Disposition of Application for Rehearing of D99-05-030 filed
- (Rev.) by the Natural 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).)

(Agenda 3021, Item EX-4, 8/5/99; Agenda 3022, Item HEX-2, 9/2/99; Agenda 3024, Item HEX-2, 10/7/99; Req - Commission)

### **HEX-2** Conference with Legal Counsel - Application for Rehearing

**R.95-04-043, I.95-04-044** - Disposition of Application for Rehearing of California Cable Television Association 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).)

(Agenda 3023, Item EX-4, 9/16/99; Agenda 3025, Item HEX-1, 10/21/99; Req - Commission)

### HEX-3 Conference with Legal Counsel - Application for Rehearing

R95-04-043, I95-04-044 - Disposition of Applications for Rehearing of D98-10-058 filed by Building Owners Managers Association of California, Real Estate Coalition, League of California Cities, et al., GTE California Incorporated, Pacific Gas and Electric Company, and the California Cable Television Association, and petition for modification filed by Cox California Telcom, L.L.C. D98-10-058 adopted rules governing nondiscriminatory access to poles, ducts, conduits, and rights-of-way applicable to competitive local carriers competing in the service territories of the large and mid-sized incumbent local exchange carriers. (Gov. Code Sec. 11126(e)(2)(B)(i).)

(Agenda 3013, Item EX-7, 4/1/99; Agenda 3014, Item HEX-3, 4/22/99; Agenda 3016, Item HEX-1, 5/27/99; Agenda 3018, Item HEX-1, 6/24/99; Agenda 3020, Item HEX-1, 7/22/99; Agenda 3024, Item HEX-1, 10/7/99; Agenda 3025, Item HEX-2, 10/21/99; Req - Commission)

### HEX-4 Conference with Legal Counsel - Application for Rehearing

**198-04-033** - Disposition of Application for the Rehearing of D99-06-055 filed by FutureNet Online, Inc. 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).)

(Agenda 3023, Item EX-5, 9/16/99; Agenda 3024, Item HEX-3, 10/7/99; Agenda 3025, Item HEX-4, 10/21/99; Req - Commission)

### HEX-5 Conference with Legal Counsel - Initiation of Enforcement Proceeding

I\_\_\_\_\_\_ - Order Instituting Investigation into whether Commonwealth Energy Corporation supplied false information in its application for registration as an Electric Service Provider. (Gov. Code Secs. 11126(d)(2), 11126(e)(2)(C)(i).) (Agenda 3024, Item EX-4, 10/7/99; Agenda 3025, Item HEX-5, 10/21/99; Req - Commission)

### HEX-6 Conference with Legal Counsel - Application for Rehearing

**A99-08-051** - Disposition of Application for Rehearing filed by the Sierra Club (Angeles chapter) of Resolution W-4154, which approves Advice Letters 84 and 85 expanding the service area of the Valencia Water Company.

(Gov. Code Sec. 11126(e)(2)(B)(i).) (Agenda 3025, Item EX-4, 10/21/99; Req - Commission)

### **HEX-7** Conference with Legal Counsel - Initiation of Enforcement Proceeding

Deliberation on institution of proceedings or disciplinary actions against persons or entities under the Commission's jurisdiction. Disclosure of case name would fail to protect the private economic or business reputation of the person or entity if the proceeding or disciplinary action is not commenced.

(Gov. Code Secs. 11126(d)(2), 11126(e)(2)(C)(i).) (Agenda 3025, Item EX-6, 10/21/99; 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

(**Rev.**) (10/28/99)

**C87-12-022** - Disposition of Application for Rehearing of D99-05-032, filed by Pacific Gas and Electric Company (PG&E). The decision resolves a complaint, filed by Independent Energy Producers Association, California Manufacturers Association, and Toward Utility Rate Normalization, alleging that PG&E had violated Public Utilities Code Section 453(d), which prohibits a utility from using billing envelopes for political advocacy. In D99-05-032, the Commission determined that PG&E had violated this statutory provision, and ordered a refund, plus interest from April 1, 1998 and until the refund is made to the ratepayers.

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

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

### EX-5 Conference with Legal Counsel - Application for Rehearing

**I.95-02-015, A.94-12-005** - Disposition of Applications for Rehearing of D99-06-080 filed by Pacific Gas & Electric Company (PG&E). In D99-06-080, the Commission investigated PG&E's response to severe storms of December 1995. The Commission fined PG&E \$85,000 and ordered PG&E to cancel Note 7 of its internal construction standard for wood poles. PG&E alleges that the Commission erred in ordering the Note 7 cancellation and imposing the \$85,000 fine. In addition, PG&E alleges that the Commission erred in excluding the December 1995 storm claims payments from PG&E's 1999 General Rate Case forecast.

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

- **EX-6** Conference with Legal Counsel Applications for Rehearing R95-04-043, I95-04-044 Disposes of Application for Rehearing, filed by Cellular Carriers' Association of California and AT&T Communications of California, Inc. of D99-06-091, which approves a temporary suspension of the implementation of the 424 overlay in the 310 NPA, pending the Commission's consideration of the remaining issues raised in the Petition to Modify D98-05-021. (Gov. Code Sec. 11126(e)(2)(B)(i).)
- **EX-7** Conference with Legal Counsel Applications for Rehearing C99-01-020 Disposition of Application for Rehearing of D99-08-018 filed by City of St. Helena. D99-08-018 dismissed St. Helena's complaint, which alleged that Napa Valley Wine Train is not a public utility, on the ground that the complaint did not state a cause of action, but rather sought an advisory opinion. (Gov. Code Sec. 11126(e)(2)(B)(i).)
- EX-8 Conference with Legal Counsel Applications for Rehearing R.95-01-020/I.95-01-021 Application for rehearing of D99-07-046 by Public Advocates, representing the Southern Christian Leadership Conference, National Council of La Raza, Korean Youth and Community Center, Filipinos for Affirmative Action, and Filipino Civil Rights Advocates. D99-07-046 granted intervenor compensation to Public Advocates on behalf of the above organizations in the amount of \$75,236 for its contributions to D96-10-066, which adopted final rules for universal telephone service. (Gov. Code Sec. 11126(e)(2)(B)(i).)

### FEDERAL ITEMS

### FEX-1 Conference with Legal Counsel – Initiation of Litigation

Consideration of possible Commission initiation of, or intervention in, federal agency or court proceedings. (Gov. Code Sec. 11126(e)(2)(C)(i).)

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