
Public Utilities Commission of the State of California

***Public Agenda 3032
Thursday, February 3, 2000, 10 a.m.
San Francisco, California***

**Commissioners
Richard A. Bilas, President
Henry M. Duque
Josiah L. Neeper
Carl W. Wood
Loretta M. Lynch**

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, January 31	Thursday, February 3
✓Monday, February 14	Thursday, February 17
Monday, February 28	Thursday, March 2
Monday, March 13	Thursday, March 16
Monday, April 3	Thursday, April 6

**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.
- CA-4, CA-15

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-4 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-18918 - Resolution approving issuance of charter-party carrier certificates pursuant to Section 5374(b) of the Public Utilities Code.

CA-2 Res ALJ-176-3032 - 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 A96-03-031 - Southern California Gas Company (SoCal).
For authority to review its rates effective January 1, 1997, in its Biennial Cost Allocation proceeding. A96-04-030 - Related matter. This order grants SoCal's motion for leave to withdraw its petition for modification of D99-11-021. This proceeding is closed.
(Com Duque - ALJ Gottstein)
(Section 311(g))

- ✓CA-4 **A98-09-001 - Xpress Management Systems LLC (Xpress).**
For authority to provide on-call door-to-door passenger stage service to the extent required to enter into concessionaire agreement with Los Angeles International. This decision grants Xpress' request for permanent operating authority (currently has interim). This proceeding is closed.
(Com Duque - ALJ Bushey)
(Section 311(d))
- CA-5 **R97-01-009 - Order Instituting Rulemaking on the Commission's Intervenor Compensation Program. I97-01-010 - Related matter.**
This decision awards intervenor compensation for substantial contributions to D98-04-059, as modified by D99-02-039 as follows: CAUSE, \$5,498; CPI, \$3,086; Kim, \$9,000; SSCF, et al., \$20,657; Sawaya, \$8,289; TURN, \$51,724; and Weil, \$15,226. We direct the utilities participating in this rulemaking to pay the awards, including interest. These proceedings are closed.
(Com Neeper - ALJ Hale)
(Section 311(g))
- CA-6 **I96-02-043 – Investigation on the Commission's own motion into the operations, practices, and conduct of Communications TeleSystems International and Edward S. Soren, President of Communications TeleSystems International, to determine whether they have complied with the laws, rules, regulations and applicable tariff provisions governing the manner in which California consumers are switched from one long-distance carrier to another, and other requirements for long-distance carriers.**
This decision approves a settlement agreement provided that the amount remaining in the reparations fund be contributed to the Consumer Education Trust Fund established in D98-12-084. This proceeding is closed.
(Com Neeper - ALJ Bushey)
(Section 311(g))

- CA-7 A99-08-035 - Gold Tel Corporation.**
This decision grants Gold Tel Corporation's request for a certificate of public convenience and necessity to resell local exchange services. This proceeding is closed.
(Com Lynch - ALJ O'Donnell)
(Section 311(g))
- CA-8 A99-08-045 - CI², Inc. dba Computer Intelligence Squared.**
For authority to operate as a telecommunications carrier providing intraLATA resale, local exchange services, private line services, and foreign exchange service. This decision grants CI², Inc.'s request for a certificate of public convenience and necessity to resell local exchange and interexchange telecommunications services. This proceeding is closed.
(Com Lynch - ALJ O'Donnell)
(Section 311(g))
- CA-9 A99-11-023 – Southern California Edison Company (SCE) and Southern California Water Company (SCWC).**
This decision grants the joint request of SCE and SCWC, for effectuating a minor realignment to the boundary between the electric service areas of SCE and SCWC in the County of San Bernardino, California. Realignment of the boundary line will serve to maximize the economic efficiency of serving new customers locating in a geographically-remote area. This proceeding is closed.
(Com Duque - ALJ Patrick)
(Section 311(g))
- CA-10 A99-10-031 - Rajinder Singh Randhawa dba Green Bay Airport.**
This decision grants Randhawa's request to operate as a passenger stage corporation between points in the counties of San Francisco, Santa Clara, Alameda and San Mateo and the international airports of San Francisco, Oakland and San Jose. This proceeding is closed.
(Exam Koss)
(Section 311(g))

- CA-11 A99-09-021 - Mohinder Johal dba Bay Area Limo & Shuttle.**
This decision grants Johal's request to operate as a passenger stage corporation between points in the counties of San Francisco, Alameda, Contra Costa, Santa Clara, and San Mateo and the airports of San Francisco, Oakland, and San Jose and establish a Zone of Rate Freedom. This proceeding is closed.
(Exam Koss)
(Section 311(g))
- CA-12 A97-06-021 – Southern California Edison Company (SCE).**
In the matter of the application of SCE for authority to adopt a revenue-sharing mechanism for certain other operating revenues. This decision grants The Utility Reform Network's request for intervenor compensation of \$47,037.73 in proceeding considering proper accounting treatment of SCE's other operating revenue from non-tariffed products and services. This proceeding is closed.
(Com Bilas - ALJ Thomas)
(Section 311(g))
- CA-13 A99-10-006 – Antelope Valley Airport Express, Inc.**
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 Antelope Valley Airport Express, Inc.'s request to establish a ZORF of \$25 above and below its present fares. This proceeding is closed.
(Exam Koss)
(Section 311(g))
- CA-14 A99-09-030 – DialTek, LLC.**
This decision grants DialTek, LLC's request for a certificate of public convenience and necessity to operate as a facilities-based and resale provider of local and interexchange telecommunications services. This proceeding is closed.
(Com Lynch - ALJ O'Donnell)
(Section 311(g))

- ◆CA-15 **C98-06-037 – William A. Kent vs. Southern California Edison Company.**
This decision denies William A. Kent’s appeal of the presiding officer’s decision. This proceeding is closed.
(Com Duque - ALJ Ryerson)
- CA-16 **A99-10-026 - Voice Vision International, Inc.**
For authority to operate as a reseller of local exchange telecommunications services within California. This decision grants Voice Vision International, Inc. to resell local exchange service in the service territories of Pacific Bell, GTE California Incorporated, Roseville Telephone Company, and Citizens Telecommunications Company of California, Inc. This proceeding is closed.
(Com Wood - ALJ O’Donnell)
(Section 311(g))
- CA-17 **A99-11-005 - OnSite Access Local, LLC.**
For authority to provide resold local exchange service in California. Granted. This proceeding is closed.
(Com Wood - ALJ O’Donnell)
(Section 311(g))
- CA-18 **A99-11-010 - Intermedia Communications, Inc.**
For authority for reinstatement of its lapsed certificate of public convenience and necessity to operate as a facilities-based competitive local exchange carrier and to offer resale of local exchange services in the California. This decision grants Intermedia Communications, Inc. a certificate of public convenience and necessity to operate as a facilities-based competitive local exchange carrier. This proceeding is closed.
(Com Wood - ALJ O’Donnell)
(Section 311(g))

- CA-19** **Res T-16389 - Pacific Bell (Pacific).**
This resolution approves one CMRS Interconnection Agreement between Pacific and AirTouch Cellular, submitted under provisions of Resolution ALJ-174, and G.O. 96-A.
(Advice Letter 20738, filed November 16, 1999)
(Section 311(g))
- CA-20** **A99-11-014 - Lamar Brown and Nan Humbel.**
This decision grants Lamar Brown and Nan Humbel's request for an exemption from the Commission-imposed moratorium on new water connections in the Montara-Moss Beach District of Citizens Utilities Company of California in order to permit the utility to install a water service connection at their property. Essentially, the request involves substituting one connection for an existing one, and no increase in the use of water is contemplated. This proceeding is closed.
(Com Duque - ALJ Walker)
- CA-21** **Res W-4189 - Southern California Water Company (SCWC).**
This resolution authorizes SCWC to implement a pilot program to bill customers via the internet. This resolution will change SCWC's present rule No. 1 - Definitions; No. 9 - Rendering and Payment of Bills; and Form No. 3 - Bill for Service.
(Advice Letter 1073-W, filed December 16, 1999)
- CA-22** **C92-02-032 - W. Victor vs. GTE California Incorporated, GTE Corporation, and Does 2001 through 2010.**
Order correcting error in D99-10-061. This proceeding is closed.
(Com Duque - ALJ Walker)
(Section 311(g))
(Agenda 3031, Item CA-3, 1/20/00; Req - Commission)

- CA-23** **C99-11-013 - Ms. Dawn Van Buskirk vs. Arrowhead Manor Water Co.**
This decision orders dismissal of the complaint without prejudice to refile. Complainant alleged that Arrowhead Manor Water Co., serving residents in and around Cedar Glen, California, had failed for seven months to repair a leaking water line near her home and had failed to place the line underground to guard against freeze and damage. In its answer, the utility stated that it has now responded to the complaint, that it has repaired the leak in the line, that it has insulated and covered the exposed pipe, and that it plans to replace about 25 feet of galvanized steel pipe as soon as it has revenue for a final repair. In view of these developments, complainant agrees that her complaint may be withdrawn, provided that she may refile the complaint if final work on the pipe is not begun within a reasonable period of time. This proceeding is closed.
(Com Duque - ALJ Walker)
(Section 311(g))
- CA-24** **C99-02-030 - Cynthia A. McKean (homeowner representing tenants of El Portal M.H.P.) vs. El Portal Mobile Estates/Evans Management Services.**
This decision extends the 12-month statutory deadline in this proceeding from February 22, 2000, until further order.
(Com Neeper - ALJ DeUlloa)
(Section 311(g))
- CA-25** **R95-04-043 - Order Instituting Rulemaking on the Commission's Own Motion into Competition for Local Exchange Service. I95-04-044 Related matter.**
This decision approves a certificate of public convenience and necessity under prescribed terms to provide local exchange service to URJET Backbone Network, Inc. (URJET). The decision also grants the motion of URJET for expedited treatment of its petition.
(Com Bilas - ALJ - Pulsifer)
(Section 311(g))

CA-26 A97-06-002 – Pacific Gas and Electric Company (PG&E) and Richard L. Wills and Donna M. Wills.

For authority to grant PG&E and Richard L. Wills and Donna M. Will's request to sell and convey two parcels of land in Alameda County pursuant to Section 851 of the Public Utilities. Decision 99-02-033 is modified to extend time for completion of authorized sale of land to February 4, 2000. This proceeding is closed.
(Com Bilas - ALJ Wright)
(Section 311(g))

CA-27 A99-08-032 – Pacific Gas and Electric Company (PG&E) and the Cities of Antioch and Salinas.

For authority to grants PG&E's request to sell and convey streetlight systems in Antioch and Salinas to those cities. Granted. This proceeding is closed.
(Com Wood - ALJ Wright)
(Section 311(g))

REGULAR AGENDA

UTILITY AND TRANSPORTATION ORDERS

ORDERS HELD OVER

H-1 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; Agenda 3026, Item H-5, 11/4/99; Agenda 3027, Item H-6, 11/18/99; Agenda 3028, Item H-6, 12/2/99; Agenda 3029, Item H-3, 12/16/99; Agenda 3030, Item H-2, 1/6/00; Req - Commission)

H-1a ALTERNATE ORDER TO ITEM H-1. This alternate order restructures our regulatory oversight of public purpose programs to protect consumer and ratepayer interests. It dissolves the California Board for Energy Efficiency and the Low Income Governing Board in favor of processes that will promote participation by the widest range of individuals and organizations. This decision emphasizes our continuing need for substantial regulatory oversight of utility administrators to protect ratepayer interests and consumer interests. It identifies a number of mechanisms that the Commission will implement on a case-by-case basis, depending upon, which is the most effective and efficient mechanism to maximize public participation, develop a useful record, and promote due process.

(Com Duque)

(Agenda 3030, Item H-2a, 1/6/00; Req - Commission)

H-1b **ALTERNATE ORDER TO ITEM H-1.** This alternate order dissolves the California Board for Energy Efficiency in favor of processes that will promote improved participation by individuals and organizations. It retains the Low Income Governing Board because of its continuing role as liaison to low-income communities. It states an intention to work with low-income communities and others to develop improved processes for participation on low-income program issues in Public Utilities Commission proceedings. (Com Lynch)

H-2 **A97-12-020 - Pacific Gas and Electric Company (PG&E).**
For authority, among other things, to increase rates and charges for electric and gas service effective on January 1, 1999. I97-11-026, A94-12-005, I95-02-015 - Related matters. This decision authorizes PG&E's gas and electric revenue requirements for test year 1999. Authorized electric revenues are increased by \$180 million (9.4%). Gas revenues are increased by \$63 million (7.9%). PG&E's request for attrition rate adjustments for 2000 and 2001 is denied. Several ancillary requests re considered and resolved. The proceeding remains open pending disposition of ratemaking issues raised by the out-of-service status of PG&E's El Dorado Hydroelectric Project.

The Commission's President at the January 6, 2000 Commission Meeting, announced that this matter should be removed from the Ratesetting Deliberative Agenda.

(Com Bilas - ALJ Wetzell)

(Section 311(d))

(Agenda 3027, Item 5, 11/18/99; Agenda 3028, Item H-10, 12/2/99; Agenda 3031, Item H-2, 1/20/00; Req - Commission)

H-2a **ALTERNATE PAGES TO ITEM H-2.** These alternate pages, in conjunction with Administrative Law Judge Wetzell's proposed decision, authorize PG&E's gas and electric revenue requirements for test year 1999. The alternate pages authorize increases of \$202 million (10.5%) for electric service and \$63 million (7.9%) for gas service. The alternate pages grant PG&E's request to include \$20.384 million in the vegetation management forecast for a supplemental four-year tree removal/replacement program.

The Commission's President at the January 6, 2000 Commission Meeting, announced that this matter should be removed from the Ratesetting Deliberative Agenda.

(Com Bilas)

(Agenda 3027, Item 5a, 11/18/99; Agenda 3028, Item H-10a, 12/2/99; Agenda 3031, Item H-2a; 1/20/00; Req - Commission)

- H-2b** **ALTERNATE ORDER TO ITEM H-2.** This alternate order grants PG&E an increase in gas distribution revenues over levels authorized in 1996 of \$91.9 million (4.9%); grants an increase in electric distribution revenues over levels authorized in 1996 of \$361 million (18.9%) that is \$120 million (6.0%) over levels in effect on December 31, 1998; establishes a customer service program; and directs PG&E to prepare a 2002 Test Year General Rate Case. **The Commission's President at the January 6, 2000 Commission Meeting, announced that this matter should be removed from the Ratesetting Deliberative Agenda.**
(Com Wood)
(Agenda 3031, Item H-2b, 1/20/00; Req - Commission)
- H-3** **A99-03-065 - Southern California Water Company (SCWC).**
In the Matter of the Application of the Southern California Water Company (U 133 W) for an Order Authorizing it to Increase Rates For Water Service in its Wrightwood Customer Service Area. A99-03-066, A99-03-067, A99-03-068 - Related matters. This decision approves a settlement between SCWC and the active parties in this consolidated general rate case proceeding for the Wrightwood, Claremont, Barstow, and Calipatria-Niland districts. A significant part of the rate increase requested by SCWC for all four districts relates to proposed plant additions to meet water quality regulations. This decision defers recognition in rates of these costs pending issuance of new standards by United States Environmental Protection Agency and the California Department of Health Services for radon and arsenic. This proceeding is closed. **The Commission's President at the January 6, 2000 Commission Meeting, announced that this matter should be removed from the Ratesetting Deliberative Agenda.**
(Com Neeper - ALJ Patrick)
(Section 311(d))
(Agenda 3027, Item CA-6, 11/18/99; Agenda 3028, Item H-1, 12/2/99; Agenda 3029, Item H-1, 12/16/99; Agenda 3031, Item H-3, 1/20/00; Req - Commission)

- H-4 A98-09-040 - Southern California Water Company (SCWC).**
SCWC seeks authority to introduce single tariff pricing for eight water districts that comprise the company's Region III, located primarily in the Los Angeles area. The region-wide tariff would be phased in over three years and would replace stand-alone rates in the eight districts. The application is opposed by the Ratepayer Representation Branch of the Commission's Water Division as inimical to traditional ratemaking based on cost of service within a district. The proposal, if adopted, would constitute the first time that the Commission has permitted single tariff pricing for non-contiguous water districts. Based on the compelling need for rate relief in some of the smaller districts in the company's Region III, and on the demonstrated minimal impact of single tariff pricing in the other districts of Region III, as well as on the record as a whole, our order today grants the application. However, the Commission directs the Water Division to monitor this pricing practice and to make recommendations for change, if any, at the time of the next general rate case for this region. This proceeding is closed.

The Commission's President at the January 6, 2000 Commission Meeting, announced that this matter should be removed from the Ratesetting Deliberative Agenda.

(Com Duque - ALJ Walker)

(Section 311(d))

(Agenda 3027, Item 3, 11/18/99; Agenda 3028, Item H-8, 12/2/99;
Agenda 3029, Item H-5, 12/16/99; Agenda 3031, Item H-4; 1/20/00;
Req - Commission)

- H-5 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. This decision orders Edison to file 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))

(Agenda 3026, Item CA-9, 11/4/99; Agenda 3028, Item CA-9, 12/2/99;
Agenda 3029, Item CA-24, 12/16/99; Agenda 3030, Item CA-18, 1/6/00;
Agenda 3031, Item H-5, 1/20/00; Req - Commission)

- H-6** **A98-05-014 - Southern California Edison Company.**
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 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; Agenda 3026, Item H-7, 11/4/99; Agenda 3027, Item H-8, 11/18/99; Agenda 3028, Item H-7, 12/2/99; Agenda 3029, Item H-4, 12/16/99; Agenda 3030, Item H-3, 1/6/00; Agenda 3031, Item H-6, 1/20/00; Req - Commission)
- H-7** **A93-12-042 - Southwest Gas Corporation (Southwest).**
For a certificate of public convenience and necessity under Section 1001 of the California Public Utilities (PU) Code to extend its service area to provide natural gas service in Placer County, California and into portions of El Dorado and Nevada Counties, California, all of which are located contiguous to Southwest's existing certificated service area.
A94-01-021 - Related matter. Joint Petition of Southwest and Town of Truckee for Modification of D94-12-022 and D95-04-075 is denied. Commission staff is requested to investigate Southwest for evident violations of Commission orders, pursuant to PU Code Section 2107. These proceedings are closed.
(Com Wood - ALJ Wright)
(Section 311(g))
(Agenda 3028, Item 1, 12/2/99; Agenda 3029, Item H-7, 12/16/99; Agenda 3030, Item H-4, 1/6/00; Agenda 3031, Item H-7, 1/20/00; Req - Commission)
- H-7a** **ALTERNATE ORDER TO ITEM H-7.** This alternate order approves the joint petition by Southwest and The Town of Truckee, California to modify D94-12-072 and D95-04-075.
(Com Neeper)
(Agenda 3028, Item 1a, 12/2/99; Agenda 3029, Item H-7a, 12/16/99; Agenda 3030, Item H-4a, 1/6/00; Agenda 3031, Item H-7a, 1/20/00; Req - Commission)

- H-7b** **ALTERNATE ORDER TO ITEM H-7.** This alternate order grants the joint petition to modify D94-12-072 and D95-04-075 filed by Southwest and the Town of Truckee, provided all parties consent to modifications proposed therein. The proposed modifications clarify the construction completion dates and add a reporting requirement.
(Com Duque)
(Agenda 3031, Item H-7b, 1/20/00; Req - Commission)
- H-8** **R97-08-001 - Rulemaking on the Commission's own motion to consider adoption of rules applicable to interexchange carriers for the transfer of customers including establishing penalties for unauthorized transfer. I97-08-002 - Related matter.**
This decision prohibits disconnection of local telephone service for non-payment of long distance, requires all entities which bill through local exchange carriers to have unique identifier, requires all interexchange carriers to use U# in bills and customer transfers, requires presentation of customer transfer documents to local exchange carriers within 90 days, and adopts complaint reporting rules.
(Com Neeper - ALJ Bushey)
(Section 311(g))
(Agenda 3029, Item 5, 12/16/99; Agenda 3030, Item H-8, 1/6/00; Agenda 3031, Item H-10, 1/20/00; Req - Commission)
- H-9** **I_____ - Order Instituting Investigation on the Commission's own motion into the Total Element Long Run Incremental Costs for unbundled switching elements and for local call termination.**
This order institutes a formal investigation to accomplish two goals: 1) to implement lower rates for Pacific Bell's unbundled switching elements, which reflect current costs of switching investment, and 2) since local switching rates are also used for termination of local calls under reciprocal compensation arrangements, this will lead to a decrease in the rates paid for local traffic between Pacific's network and the networks of its competitors.
(Com Bilas - ALJ Kenney)
(Agenda 3029, Item 8, 12/16/99; Agenda 3030, Item H-9, 1/6/00; Agenda 3031, Item H-11, 1/20/00; Req - Commission)

H-10 R_____ - Order Instituting Rulemaking on the Commission's own motion into reciprocal compensation for telephone traffic transmitted to Internet Services Providers (ISP) modems.

This order institutes a rulemaking (OIR) into reciprocal compensation for telephone traffic originating from customers' telephone stations and transmitted to ISPs' modems. Current policy on reciprocal compensation adopted by the Commission in D98-10-057 as modified by D99-07-047 and D99-09-029 will continue to be in effect unaffected by this OIR until such time as the Commission determines otherwise. The OIR will examine several aspects of reciprocal compensation for ISP traffic including, but not limited to the following: (1) the basis and justification for reciprocal compensation, (2) alternative compensation arrangements such as bill and keep, (3) and if warranted, the level and make up of a proper reciprocal compensation for ISP bound traffic.

(Com Neeper)

(Agenda 3029, Item 9, 12/16/99; Agenda 3030, Item H- 10, 1/6/00; Agenda 3031, Item H-12, 1/20/00; Req - Commission)

H-11 R_____ - Order Instituting Rulemaking on the Commission's own motion to establish consumer rights and consumer protection rules applicable to all telecommunications utilities.

This order initiates a proceeding to establish rules for protecting consumer rights in today's competitive telecommunications services marketplace. Interested parties are invited to file comments on the analyses and recommendations contained in a report prepared by our Telecommunications Division, and to present alternative ideas and proposals they may have to promote consumer protection in the telecommunications industry

(Com Wood - ALJ McVicar)

(Agenda 3029, Item 10, 12/16/99; Agenda 3030, Item H-11, 1/6/00; Agenda 3031, Item H-13, 1/20/00; Req - Commission)

H-12 A99-03-047 - Pacific Bell (Pacific).

For arbitration of an Interconnection Agreement with MFS/Worldcom pursuant to Section 252(b) of the Telecommunications Act of 1996. This decision grants the motion of Pacific for a Commission order directing MFS Worldcom to identify and maintain a memorandum account of its ISP-bound traffic and associated reciprocal compensation payments received from Pacific pursuant to the Interconnection Agreement mandated by D99-09-069. Pacific is likewise directed to identify and maintain a similar memorandum account for its own ISP terminating traffic. Pacific is also directed to pay MFSW for reciprocal compensation for ISP traffic under its prior interconnection contract. This proceeding is closed.

(Com Duque - ALJ Pulsifer)

(Section 311(g))

(Agenda 3029, Item 11, 12/16/99; Agenda 3030, Item H-12, 1/6/00;

Agenda 3031, Item H-14, 1/20/00; Req - Commission)

H-12a ALTERNATE ORDER TO ITEM H-12. This alternate order grants the motion of Pacific for an order requiring MFS/Worldcom to establish and maintain a memorandum account for all disputed payments made by Pacific pursuant to the arbitrated interconnection agreement mandated by the Commission in D99-09-069. As a condition of granting Pacific's motion, Pacific is required to track traffic it terminates to ISPs and establish and maintain a memorandum account for the associated reciprocal compensation payments it receives from MFSW pursuant to the Interconnection Agreement mandated by D99-09-069. No other conditions are imposed.

(Com Neeper)

(Agenda 3030, Item H-12a, 1/6/00; Agenda 3031, Item H-14a, 1/20/00;

Req - Commission)

- H-13** **I87-11-033 - In the matter of Alternative Regulatory Frameworks of local exchange carriers.**
The June 10, 1999 Petition for Modification of D94-06-011 filed by Pacific Bell requesting reassignment of oversight responsibility for a compliance audit from the Office of Ratepayer Advocates (ORA) to the Telecommunications Division is granted. The Commission concurs with the assessment of the Executive Director's letter of August 6, 1999 that the scope of the audit proposed by ORA failed to comply with the orders in D96-05-036. The audit oversight responsibility is reassigned from the ORA to the Telecommunications Division. The Telecommunications Division is directed to ensure that the audit scope includes the modifications identified by the Executive Director's letter of August 6, 1999.
(Com Duque)
(Section 311(g))
(Agenda 3030, Item 1, 1/6/00; Agenda 3031, Item H-15, 1/20/00;
Req - Commission)
- H-13a** **ALTERNATE ORDER TO ITEM H-13.** This order denies the June 10, 1999 Petition for Modification of D94-06-011 filed by Pacific Bell as being untimely and presenting no basis on which a modification should be granted. The Office of Ratepayer Advocates is directed to modify some of the scope elements in its audit contract.
(ALJ Weismehl)
(Agenda 3030, Item 1a, 1/6/00; Agenda 3031, Item H-15a, 1/20/00;
Req - Commission)
- H-13b** **ALTERNATE ORDER TO ITEM H-13.** This alternate order denies Pacific Bell's petition to modify D94-06-011, filed June 10, 1999, to transfer responsibility of an audit from the Commission's Office of Ratepayer Advocates to the Commission's Telecommunications Division.
(Com Lynch)

H-14 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 adopts a back-up contingency plan to address the need for number resources in the 310 Numbering Plan Area pursuant to D99-09-067, and as required by the Federal Communications Commission. The Commission hereby adopts as the back-up plan Alternative 1A, the geographic split originally proposed by the industry as described in D98-05-021. It also adopts a contingency plan under which the implementation of the back-up plan would be triggered.

(Com Lynch - ALJ Pulsifer)

(Section 311(g))

(Agenda 3030, Item 2, 1/6/00; Agenda 3031, Item H-16, 1/20/00;

Req - Commission)

ORDERS

NOTE: Ex Parte Communications are prohibited on Item 1 from the day of the Ratesetting Deliberative Meeting through the conclusion of the Business Meeting at which a vote on the Proposed Decision is scheduled. (Rule 7(c)(4)).

- ✓1 **A98-12-005 - GTE Corporation (GTE) and Bell Atlantic Corporation (Bell Atlantic).**
 For authority to transfer control of GTE's California utility subsidiaries to Bell Atlantic, which will occur indirectly as a result of GTE's merger with Bell Atlantic. This decision approves the application. Net benefits of \$84.1 million (net present value) calculated over a five year long-term period shall be allocated to ratepayers, with \$19.8 million used to fund the Community Collaborative Agreement (CCA). GTE California Incorporated shall reduce revenues by \$19.0 million per year for five years, beginning with the first October 1 new regulatory framework price cap advice letter filing made after merger consummation. The billing base shall include the amount of both the California High Cost Fund-B and residential exchange service access charges. Applicants shall implement the CCA subject to several clarifications. Applicants shall file a report showing applicants' success in serving customers in San Francisco, Los Angeles, and San Diego. Applicants shall serve additional service quality reports. Applicants shall file written notices of their agreement with the terms of this order, and the date the merger is consummated. The authority to transfer control and merger expires in 365 days if not exercised. Applicants shall file a report within 30 days of any decision by another jurisdiction that materially changes the terms of the proposed merger, and the authority granted herein is suspended for 60 days. Eligible intervenors may file a request for an award of intervenor compensation. The order is effective immediately. The proceeding is closed.
 (Com Neeper - ALJ Mattson)
 (Section 311(d))

- 2 **R_____ - Order Instituting Rulemaking on the Commission's own motion into the programs, practices and policies related to implementation of the California Environmental Quality Act (CEQA) as it applies to jurisdictional telecommunications utilities.**
 This order initiates a rulemaking to address the Commission's enforcement of the CEQA as it applies to telecommunications companies in California.
 (Com Lynch)

UTILITIES RESOLUTIONS

ENERGY MATTERS

- E-1 Res E-3652 - Southern California Edison Company (SCE).**
This resolution approves SCE's request to revise Rule 21 to allow third-party non-qualifying facility generation sources to interconnect with SCE's system and establish Schedule S-2 for the new customers that are able to take service under SCE's revised rule 21. SCE's Rule 21 Revision is approved. SCE's Standby Rate Schedule, S-2, is denied without prejudice. (Advice Letter 1410-E, filed October 19, 1999)
(Section 311(g))
- E-2 Res G-3273 - Southern California Gas Company (SoCalGas).**
This resolution rejects SoCalGas' request to offer a newspaper subscription service. This resolution also rejects SoCalGas' Advice Letter 2812, filed 06/07/99, and requires SoCalGas to file a new advice letter and serve it on the newspaper and telemarketing industries should it desire to offer the service.
(Advice Letter 2812, filed June 7, 1999)
(Section 311(g))
- E-2a ALTERNATE RESOLUTION TO ITEM E-2.** This alternate resolution authorizes Southern California Gas Company (SoCalGas) to offer a newspaper subscription service. This resolution approves SoCalGas' Advice letter 2812, filed 06/07/99, given certain conditions, and requires SoCalGas to file an amendment to its advice letter.
(Com Bilas)
- E-3 Res E-3648 - Pacific Gas and Electric Company (PG&E).**
This resolution approves with modifications PG&E's request to record certain electric restructuring costs related to new, unanticipated programs in its Electric Restructuring Costs Account.
(Advice Letter 1919-E, filed September 28, 1999)
(Section 311(g))
(Agenda 3031, Item E-1, 1/20/00; Req - Commission)

TELECOMMUNICATIONS MATTERS

- C-1** **Res T-16364** - This resolution adopts the year 2000 budget and surcharge for the Public Policy Payphone Program.
(Section 311(g))
(Agenda 3029, Item C-2, 12/16/99; Agenda 3030, Item C-2, 1/6/00;
Agenda 3030, Item C-2, 1/6/00; Agenda 3031, Item C-6, 1/20/00;
Req - Commission)

WATER MATTERS

- W-1 Res W-4188 - California-American Water Company.**
This resolution grants California-American Water Company's request to establish a memorandum account for water conservation expenses.
- W-2 Res W-4180 - Suburban Water Systems (SWS).**
(Rev.) This resolution approves SWS's modified rates from those filed by Advice
(1/27/00) Letter (AL) 226-W for the area formerly served by West Covina's water system, and requires SWS to file a general rate application.
(Advice Letter 226-W, filed November 24, 1999)
(Agenda 3030, Item CA-23, 1/6/00; Agenda 3031, Item W-2, 1/20/00;
Req - Commission)
This revision was not listed on the agenda distributed to the public.
- W-3 Res W-4181 - Southern California Water Company (SCWC).**
This resolution grants SCWC's request to establish a memorandum account to record costs associated with two water contamination lawsuits recently filed by SCWC for its Arden-Cordova District.
(Advice Letter 1066-W, filed November 23, 1999)
(Agenda 3030, Item CA-24, 1/6/00; Agenda 3031, Item W-3, 1/20/00;
Req - Commission)

LEGAL DIVISION MATTERS

LEGISLATIVE MATTERS

LEG-1 Discussion of Deaf and Disabled Telecommunications Program surcharge.

COMMISSIONERS' REPORTS

Commissioner Duque

- 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

Commissioner Wood

- Consumer Protection Matters
- Legislative Matters
- Electric Matters

Commissioner Lynch

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, 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**
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; Agenda 3026, Item HEX-3, 11/4/99; Agenda 3027, Item HEX-1, 11/18/99; Agenda 3028, Item HEX-1, 12/2/99; Agenda 3029, Item HEX-1, 12/16/99; Agenda 3030, HEX-1, 1/6/00; Agenda 3031, Item HEX-1, 1/20/00; Req - Commission)

HEX-2 **Conference with Legal Counsel - Applications for Rehearing**
A98-01-015 - Disposition of Application for Rehearing by Southern California Gas Company (SoCalGas) of D99-09-068. That decision dismissed without prejudice SoCalGas' application to sell its Montebello Gas Storage Facility, because of the need to further consider the proposed sale, and to review information that may be brought forward in the Commission's Order Instituting Investigation 99-04-022.
(Gov. Code Sec. 11126(e)(2)(B)(i).)
(Agenda 3029, Item EX-7, 12/16/99; Agenda 3030, Item HEX-3, 1/6/00; Agenda 3031, Item HEX-2, 1/20/00; Req - Commission)

HEX-3 **Conference with Legal Counsel - Application for Rehearing**
C99-03-016 - Disposition of Application for Rehearing of D99-10-051 filed by Marcella Beagle (Complainant). This decision grants Pacific Bell's (Pacific) motion to dismiss two of three charges alleged by Complainant regarding a billing dispute, while ordering Pacific to adjust Complainant's account for one day she was without service.
(Gov. Code Sec. 11126(e)(2)(B)(i).)
(Agenda 3031, Item EX-5, 1/20/00; 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**
A98-05-019, A98-05-021 & A98-05-024 - Disposition of Application for Rehearing of D99-06-057 filed by Pacific Gas & Electric Company (PG&E) which established the authorized 1999 return on equity for PG&E and San Diego Gas & Electric Company electric and gas distribution operations at 10.6 percent.
(Gov. Code Sec. 11126(e)(2)(B)(i).)
- EX-5 Conference with Legal Counsel - Initiation of Enforcement Proceeding**
(1/31/00) **I_____** - This order institutes a formal investigation of whether Qwest Communications Inc. violated the California Environmental Quality Act or Commission rules and orders in the manner in which it constructed or installed telecommunications facilities in various locations around the state. (Advisory Note: The Commission will not discuss or act on this item on February 3, 2000)
(Gov. Code Secs. 11126(d)(2), 11126(e)(2)(C)(i).)
(Com Lynch-ALJ_____)
This item was not listed on the agenda distributed to the public.

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**
Case No. 99-1072, et al. - Celpage, Inc. v. FCC, GTE Service Corp. v.
FCC, AT&T Corp., MCI Telecommunications Corp., Sprint Corp. v.
Cincinnati Bell Telephone Company.
(Gov. Code Sec.11126 (e)(2)(A).)
- FEX-3 Conference with Legal Counsel - Existing Litigation**
FERC Docket No. ER00-555-001 - California Independent System
Operator Corp.
(Gov. Code Sec. 11126(e)(2)(A).)
- FEX-4 Conference with Legal Counsel - Existing Litigation**
FERC Docket No. RP97-287-041, et al. - El Paso Natural Gas Company
(Gov. Code Sec. 11126(e)(2)(A).)

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