Public Utilities Commission of the State of California

Public Agenda 3036 Thursday, April 6, 2000, 10 a.m. San Francisco, California

Commissioners
Loretta M. Lynch, President
Henry M. Duque
Josiah L. Neeper
Richard A. Bilas
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	Auditorium
(1:30 p.m.)	(10 a.m.)
Closed to the Public	Open to the Public
✓Monday, April 3	Thursday, April 6
✓Monday, April 17	Thursday, April 20
Monday, May 1	Thursday, May 4
Monday, May 15	Thursday, May 18
Monday, June 5	Thursday, June 8

^{*}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@epuc.ca.gov



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PUBLIC COMMENT

The following items are not subject to public comment:

- All items on the closed session agenda; these are HEX and EX items.
- CA-52

CONSENT AGENDA

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

ORDERS AND RESOLUTIONS

- **CA-1 Res TL-18924 -** Resolution approving issuance of charter-party carrier certificates pursuant to Section 5374(b) of the Public Utilities Code.
- **CA-2** Res ALJ-176-3036 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 R98-12-015 Rulemaking on the Commission's own motion to solicit comments and proposals on distributed generation and competition in electric distribution service.

This decision denies the appeal and protest of the Solar Development Cooperative (SDC) to the October 13, 1999 Administrative Law Judge's (ALJ) ruling which ruled that SDC and its President were ineligible to claim intervenor compensation in this proceeding. The ALJ's ruling is affirmed. This proceeding is closed.

(Com Duque - ALJ Wong) (Section 311(g)(1))

CA-4 C8209 - Commission Investigation into Tariff Schedules, etc. of all Electric and Communications Public Utilities.

Petition for Modification of Tariff Rule 20A and D73078 filed by San Joaquin County is dismissed without prejudice. This proceeding is closed. (Com Duque - ALJ Brown) (Section 311(g)(1))

CA-5

198-02-025 - Investigation on the Commission's own motion into the operations, marketing and sales practices of GTC California to determine whether the Commission was misled or supplied incomplete information in connection with assessing the extent of abusive marketing by GTE California's Foreign Language Assistance Center, whether any rules, regulations or statutes enforced by the Commission have been violated by GTE California; and to review whether previously ordered redress to consumer and other corrective measures for prior marketing abuses were adequate.

This decision grants the Greenlining Institute and Latino Issues Forum an award of \$97,454.91 in compensation for contributions to D98-12-084. This proceeding is closed.

(Com Neeper - ALJ Maloney) (Section 311(g)(1)

CA-6 C99-09-024 - California Personnel Resources and Clarence A. Hunt, Jr., vs. Pacific Gas and Electric Company (PG&E).

The motion of PG&E to dismiss this complaint is granted. This proceeding is closed.

(Com Neeper - ALJ DeUlloa) (Section 311(g)(1)

CA-7 Res T-16400 - Northpoint Communications, Inc.

This resolution approves Northpoint Communications, Inc.'s request for voluntary cancellation of its U-5861-C.

CA-8 Res T-16401 - Telemac Corporation.

This resolution revokes Telemac Corporation's Wireless Registration Identification as requested by the company.

CA-9 A99-12-033 - Cities of Coachella and Indio (Cities).

This decision grants Cities' request to construct a vehicular overcrossing of Dillon Road at separated grades above two existing main line tracks of the Union Pacific Railroad Company in Coachella and Indio, Riverside County. This proceeding is closed.

(Exam Koss)

CA-10 C99-04-037 - George M. Sawaya vs. Pacific Bell (Pacific) and Sprint Communications Company.

This decision orders Pacific to comply with Public Utilities Code § 2890. Pursuant to Public Utilities Code § 2107, Pacific is ordered to pay a penalty of \$2,500 for five distinct violations of Public Utilities Code § 2890. This proceeding is closed.

(Com Duque - ALJ DeUlloa) (Section 311(g)(1))

CA-11 R98-01-011 - Rulemaking on the Commission's Own Motion to Assess and Revise the Regulatory Structure Governing California's Natural Gas Industry.

This decision grants The Utility Reform Network an award of \$74,365.55 in compensation for its contribution to D99-07-015. This proceeding is closed.

(Com Bilas - ALJ Biren) (Section 311(g)(1))

CA-12 R98-01-011 - Rulemaking on the Commission's own motion to assess and revise the regulatory structure governing California's natural gas industry.

This decision grants James Weil an award of \$30,737.45 in compensation for his contribution to D99-07-015. This proceeding is closed.

(Com Bilas - ALJ Biren) (Section 311 (g)(1))

CA-13 A99-10-023 - Southern California Edison Company (SCE).

For authority to sell its interest in the Mohave Generation Station. This decision grants SCE's request subject to a review of the adequacy of the purchase price.

(Com Bilas - ALJ Barnett) (Section 311(g)(1))

CA-14 A99-10-007 - State of California, Department of Transportation (Caltrans).

This decision grants Caltrans' request to construct a crossing of State Route 29 under Napa Valley Wine Train Company's track, to construct a temporary detour track (shoofly), and to reconstruct existing PUC crossing No. 87-71.80 in the City of Napa, Napa County. This proceeding is closed. (Exam Koss)

CA-15 R98-12-015 - Rulemaking on the Commission's own motion to solicit comments and proposals on distributed generation and competition in electric distribution service.

This decision grants Greenlining Institute and Latino Issues Forum jointly an award of \$15,030.45 in compensation for their contribution to D99-10-065. This proceeding is closed.

(Com Duque - ALJ Cooke) (Section 311(g)(1))

CA-16 I99-06-035 – Investigation on the Commission's own motion into the operations, practices, and conduct of ACI Communications, Inc. (ACI), and Larry Cornwell, in his capacity as receiver for ACI, to determine whether ACI has violated the laws, rules, and regulations governing the manner in which California consumers are switched from one long distance carrier to another.

This order revokes the certificate of public convenience and necessity of ACI and orders ACI to pay restitution. This proceeding is closed. (Com Wood - ALJ DeUlloa) (Section 311(g)(1))

CA-17 Res T-16402. - Pacific Bell (Pacific).

This resolution authorizes Pacific's request to extend the provisional offering of ATM Cell Relay Service and Frame Relay Service until after Pacific and SBC Advanced Solutions, Inc. obtain all of the Commission approvals required under the SBC Communications, Inc. and Ameritech Corporation Merger.

(Section 311(g)(1))

(Advice Letter 20993, filed January 31, 2000)

CA-18 C99-02-030 - Cynthia A. McKean (Complainant) vs. El Portal Mobile Estates/Evans Management Services (Defendants).

The Settlement Agreement proposed by Complainant and Defendants is approved as being reasonable in light of the whole record, consistent with the law, and in the public interest. This proceeding is closed.

(Com Duque - ALJ DeUlloa)

(Section 311(g)(1))

CA-19 A00-01-006 - HTC Communications, LLC (HTC Communications).

For approval Nunc Pro Tunc to transfer control to Pointe Communications Corporation and for other related transactions. This application seeks retroactive approval under Sections 852 and 854 of the Public Utilities Code of a merger and transfer of control of HTC Communications, a non-dominant telecommunications carrier. Granted. The application is unopposed. This proceeding is closed.

(Com Lynch - ALJ Walker)

CA-20 A99-01-016 - Pacific Gas and Electric Company.

For authority to establish Post-Transition Period Electric Ratemaking Mechanisms. This decision grants James Weil an award of \$6,895.51 in compensation for his contribution to Phase 1 of this proceeding which resulted in D99-10-057.

(Com Duque - ALJ Brown)

(Section 311(g)(1))

CA-21 A99-09-043 - Rosella Water Company (Rosella).

For authority to sell Water System in Tulare County. This decision authorizes Rosella to sell and Ponderosa Community Services District to purchase the Rosella water system. This proceeding is closed. (Com Neeper – ALJ McVicar) (Section 311(g)(1))

CA-22 A99-11-007 - Pacific Gas and Electric Company.

For authority to sell and convey to Southern Energy, Inc., certain Emission Reduction Credits issued by the "Bay Area Air Quality Management District" or "Monterey Bay Unified Air Pollution Control District" or "Monterey Bay Unified Air Pollution Control District" pursuant to Public Utilities Code § 851. Granted. This proceeding is closed. (Com Duque - ALJ Brown)

CA-23 A99-11-008 - Pacific Gas and Electric Company.

For authority to sell and convey to Calpine Corporation, certain Emission Reduction Credits issued by the "Bay Area Air Quality Management District" or "Monterey Bay Unified Air Pollution Control district" pursuant to Public Utilities Code § 851. Granted. This proceeding is closed. (Com Duque - ALJ Brown)

CA-24 A99-11-006 - Pacific Gas and Electric Company.

For authority to sell and convey to Duke Energy Moss Landing, LLC, certain Emission Reduction Credits issued by the "Bay Area Air Quality Management District" or "Monterey Bay Unified Air Pollution Control District" pursuant to Public Utilities Code § 851. Granted. This proceeding is closed.

(Com Duque - ALJ Brown)

CA-25 A97-10-024 - Southern California Edison Company.

For authority to recover capital additions to its Fossil Generating Facilities made between January 1, 1996 and December 31, 1999 and related substantive and procedural relief. This decision grants The Utility Reform Network an award of \$7,892.67 in compensation for its contribution to D99-10-060. This proceeding is closed.

(Com Bilas – ALJ Bytof)

CA-26 Res T-16344 - FirstWorld SGV (FirstWorld).

This resolution approves FirstWorld's request for voluntary revocation of certificates of public convenience and necessity, as requested by the company.

(Advice Letter No. 1, filed June 15, 1999)

CA-27 A97-10-069 - Jose Luis Ayala-Aroche, dba El Corree Caminos and Mark K. Sneed.

For authority to transfer a certificate of public convenience and necessity to operate as a passenger stage corporation and certain assets to Mark K. Sneed and Jose Luis Ayala-Aroche, a partnership dba El Corree Caminos. I98-07-039, A98-07-063 - Related matters. This decision grants El Corre Caminos' request for a permanent passenger stage corporation certificate. These proceedings are closed.

(Com Bilas - ALJ Rosenthal)

CA-28 A99-10-030 - Ranjit S. Rai and Kulwinder K. Rai (Applicants).

For authority to operate as a passenger stage corporation between points in the counties of San Francisco, Alameda, Contra Costa, and Santa Clara, and the airports of San Francisco, Oakland, and San Jose International Airports, and to establish a Zone of Rate Freedom. Granted. This proceeding is closed.

(Exam Koss)

CA-29 A99-12-036 - Central Coast Shuttle Services, Inc. (Applicant).

For authority to operate as a scheduled passenger stage corporation between points in the cities of Santa Maria and Buellton, and Los Angeles International Airport and to establish a Zone of Rate Freedom. Granted. This proceeding is closed. (Exam Koss)

CA-30 Res T-16408 - Telecom One, Inc.

This resolution revokes the certificate of public convenience and necessity held by Telecom One, Inc., as requested by the company.

CA-31 Res E-3661 - Southern California Edison Company (Edison).

This resolution approves Edison's request for revision of its tariffs to reflect an increase in the Santa Catalina Island Gas Cost Adjustment Billing Factors.

(Advice Letter 111-G, filed January 20, 2000)

CA-32 A99-12-027 - Pacific Gas and Electric Company (PG&E).

For authority to terminate a 1981 power purchase agreement with the East Bay Municipal District (EBMUD). Under the agreement, EBMUD would make payments estimated at \$7.6 million to be credited to PG&E ratepayers. No protests have been filed. The application is approved. This proceeding is closed.

(Com Wood - ALJ Walker)

CA-33 A99-06-023 - City of Oakland (City).

For authority to construct a track at-grade crossing across Middle Harbor Road in the City, County of Alameda to be identified as Middle Harbor Road, PUC Crossing 001A-5.2C. Granted. This proceeding is closed. (Exam Koss)

CA-34 A99-09-034 - City of Novato (City).

For authority to construct one at-grade crossing over the track of the Golden Gate Bridge, Highway, and Transportation District in City of Novato, Marin County to be identified as CPUC Crossing No. 1085-23.96. Granted. This proceeding is closed. (Exam Koss)

CA-35 A99-11-011 - Kern County.

For authority to convert the existing private at-grade crossing to a public at-grade crossing at Tracy Avenue across Union Pacific Railroad Company's Buttonwillow Branch Line track at the Bowerbank Station, in Kern County. Granted. This proceeding is closed.

(Exam Koss)

CA-36 A99-10-012 - Mineral City Water System (Mineral City).

This decision authorizes Mineral City to sell and Del Oro Water Company, Inc., to purchase Mineral City's water system. Upon consummation, Del Oro would assume Mineral City's public utility obligations and provide water service with no change in rates. Further, Del Oro is authorized to execute a promissory note and encumber utility property in connection with the purchase as set forth in the application. This proceeding is closed. (Com Duque - ALJ McVicar)

CA-37 C99-07-005 - Samuel Anderson, PRO Engineering and Oasis Nuclear, Inc., vs. Pacific Gas and Electric Company.

This decision dismisses the complaint for failure to state a claim upon which relief may be granted. This proceeding is closed.

(Com Wood - ALJ Bushey) (Section 311(g)(1))

(Agenda 3035, Item CA-5, 3/16/00; Req - Commission)

CA-38 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. (Agenda 3035, Item CA-9, 3/16/00; Req - Commission)

CA-39 Res T-16383 - DeltaTel, Inc.

This resolution revokes the certificate of public convenience and necessity held by DeltaTel, Inc., as requested by the company. (Agenda 3035, Item CA-11, 3/16/00; Req - Commission)

CA-40 Res T-16384 - Peak Communications.

This resolution revokes the certificate of public convenience and necessity held by Peak Communications, as requested by the company. (Agenda 3035, Item CA-12, 3/16/00; Req - Commission)

CA-41 Res **T-16386** - **Premio**, **Inc.**

This resolution revokes the certificate of public convenience and necessity held by Premio, Inc., as requested by the company. (Agenda 3035, Item CA-13, 3/16/00; Req - Commission)

CA-42 Res T-16322 - Intouch America.

This resolution revokes the certificate of public convenience and necessity held by Intouch America, as requested by the company. (Agenda 3035, Item CA-18, 3/16/00; Req - Commission)

CA-43 Res T-16323 - Encino Cellular, Inc.

This resolution revokes the certificate of public convenience and necessity held by Encino Cellular, Inc., as requested by the company. (Agenda 3035, Item CA-19, 3/16/00; Req - Commission)

CA-44 Res T-16324 - All Pacific Cellular, Inc.

This resolution revokes the certificate of public convenience and necessity held by All Pacific Cellular, Inc., as requested by the company. (Agenda 3035, Item CA-20, 3/16/00; Req - Commission)

CA-45 Res T-16325 - Capital Cellular.

This resolution revokes the wireless registration identification of Capital Cellular, as requested by the company. (Agenda 3035, Item CA-21, 3/16/00; Req - Commission)

CA-46 R92-03-050 - Order Instituting Rulemaking on the Commission's own motion to consider the line extension rules of electric and gas utilities. A91-06-016 - Related matter.

This decision denies three requests filed by Utility Design, Inc. (UDI) for awards of compensation for its participation in R92-03-050 and A91-06-016. The three requests are as follows: 1) June 9, 1997, for an award of compensation for contribution to D94-12-026; 2) February 17, 1998, for an award of compensation for contributions to D95-12-013 and D97-12-099; 3) August 23, 1999, for an award of compensation for contribution to D99-06-079. A91-06-016 is closed.

(Com Duque - ALJ DeUlloa)

(Section 311(g)(1))

(Agenda 3033, Item CA-7, 2/17/00; Agenda 3034, Item CA-22, 3/2/00; Agenda 3035, Item CA-33, 3/16/00; Req - Commission)

CA-47

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)(1))

(Agenda 3032, Item CA-6, 2/3/00; Agenda 3033, Item CA-27, 2/17/00; Agenda 3034, Item CA-23, 3/2/00; Agenda 3035, Item 34, 3/16/00; Req - Commission)

CA-48 A99-11-037 - Darshan Singh dba Bay Area Airporter (Applicant).

For authority to operate as a passenger stage corporation between points in the counties of San Francisco, Alameda, Solano, and Contra Costa, and the San Francisco and Oakland International Airports and to establish a Zone of Rate Freedom. Granted. This proceeding is closed. (Exam Koss)

CA-49 Res E-3659 - Pacific Gas and Electric (PG&E).

This resolution conditionally approves PG&E's request for a deviation from California Public Utilities Code § 320 along Highway 50 in El Dorado County.

CA-50 Res T-16406 - Pacific Bell (Pacific).

This resolution authorizes Pacific's request for one CMRS Interconnection Agreement between Pacific and Alpine PCS Operating, LLC, submitted under provisions of Resolution ALJ-174, and G.O. 96-A. (Advice Letter No. 20951, filed January 12, 2000)

CA-51 Res T-16407 - Pacific Bell (Pacific).

This resolution authorizes Pacific's request for an Interconnection Agreement between Pacific and Prism California Operations, LLC (U-6244-C), submitted under provisions of Resolution ALJ-174 and G.O. 96-A.

(Advice Letter No. 20979, filed January 21, 2000)

◆CA-52 C98-11-027 - Reuben Bercovitch and Blanche Bercovitch (Complainants) vs. San Diego Gas and Electric Company (SDG&E).

This decision finds that SDG&E took inappropriate steps in deeming as abandoned the lines to Complainants' property and orders SDG&E to restore the lines that it removed. This proceeding is closed. (Com Neeper - ALJ DeUlloa)

CA-53 Res SX-31. This resolution authorizes rule change to General Order No. 75-C, regulations governing the protection of crossings at grade of roads, highways and streets with railroads in the State of California.

CA-54 A98-04-007 – Pacific Gas and ElectricCompany and Regents of the University of California.

For authority to sell and convey certain electric distribution facilities pursuant to Section 851 of the Public utilities Code. Decision 98-07-066 modified to extend time for completion of authorized sale of land to July 23, 2000.

(Com Wood – ALJ Wright)

CA-55 A99-08-054 - Pacificorp (Seller).

For an order approving the sale of its interest in (1) the Centralia Steam Electric Generating Plan, (2) the Ratebased Portion of the Centralia Coal Mine, and (3) related facilities, and for an WEG Determination. This order grants the Joint Motion of Seller, TransAlta Corporation (on behalf of the Buyers), and the Office of ratepayer Advocates (ORA) for Adoption of Settlement Agreement which approves the sale of Seller's Centralia Steam Electric Generating Plant and ratebased portion of its Centralia Coal Mine located in Washington State to Buyers. The agreement provides that the Seller shall provide a gross amount of \$1.5 million of the net gain realized from the sale to its Northern California customers. This proceeding is closed.

(Com Wood – ALJ Wright)

- CA-56

 I99-04-020 Investigation on the Commission's own motion into the operations, practices, and conduct of Vista Group International, Inc., (U-5650), doing business as Vista Communications (Vista), Thomas Coughlin, Chief Executive Officer of Vista, and Philip Bethune, President of vista, to determine whether they have violated the laws, rules, and regulations governing the manner in which California consumers are switched from one long distance carrier to another. This order extends the statutory deadline due to overlapping issues in A99-09-038 filed after evidentiary hearings in this investigation began. (Com Bilas ALJ Bennett)
- CA-57 R95-01-020 Rulemaking on the Commission's own motion into Universal service and to comply with the mandates of Assembly Bill 3643. I95-01-021 Related matter.

This decision grants The Utility Reform Network an award of \$7,681.48 in compensation for contributions to D98-01-023, D98-04-068, and D99-05-013.

(Com Neeper - ALJ Maloney)

CA-58 A00-02-020 - Sempra Communications (SC).

For authority to provide competitive local exchange and interexchange services. This decision grants the application of SC for limited facilities-based authority, as a competitive local carriers. SC is bound by the same requirements and subject to the same exemptions as were applied to facilities-based carriers in D99-12-048. The joint motion of SC and the office of Ratepayer Advocates is also granted, including the two conditions proposed therein. This proceeding is closed. (Com Bilas - ALJ Pulsifer)

REGULAR AGENDA

UTILITY AND TRANSPORTATION ORDERS

ORDERS HELD OVER

H-1

I98-03-013 - Investigation on the Commission's own motion into whether existing standards policies of the Commission regarding drinking water quality adequately protect the public health and safety with respect to contaminants such as Volatile Organic Compounds, Perchlorate, MTBE, and whether those Standards and policies are being Uniformly compiled with by Commission regulated utilities. This final order in this investigation of water quality finds state requirements adequate and closes this docket. Suggestions in this proceeding for supplemental water quality rules will be the subject of new OIR if workshops fail and further investigation of compliance of one utility is possible. This proceeding is closed.

(Com Duque - ALJ Bennett)

(Section 311(g)(1))

(Agenda 3034, Item 2, 3/2/00; Req - Commission)

H-2 R97-10-049 - Order Instituting Rulemaking on the Commission's own motion to set rules and to provide guidelines for the privatization and excess capacity as its relates to investor owned water companies.

This decision holds that the gross revenue sharing proposal put forward by California Water Association fails to sufficiently protect ratepayers. It allows water utilities to submit advice letters to obtain Commission approval of accounting for sales of non-tariffed goods and services. This proceeding is closed.

(Coms Duque/Neeper - ALJ Bushey) (Section 311(g)(1)) (Agenda 3034, Item 3, 3/2/00; Req - Commission)

H-3 R95-04-043 - Order Instituting Rulemaking on the Commission's own motion into competition for local exchange service. 195-04-044 - 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)(1))

(Agenda 3030, Item 2, 1/6/00; Agenda 3031, Item H-16, 1/20/00; Agenda 3032, Item H-14, 2/3/00; Agenda 3033, Item H-10, 2/17/00; Agenda 3034, Item H-4, 3/2/00; Agenda 3035, Item H-2, 3/16/00; Req - Commission)

H-4 A98-10-012 - Southern California Gas Company (SoCalGas).

For authority to revise its rates effective August 1, 1999, in its Biennial Cost Allocation Proceeding (BCAP). A98-10-031 - Related matter. This decision approves a Joint Recommendation sponsored by SoCalGas, Office of Ratepayer Advocates (ORA) and others which adopts, among other issues: (1) a three-year BCAP period, (2) a throughput forecast of 950.3 MMdth, (3) 75/25 balancing account protection for noncore throughput variation, (4) a transmission resource plan of \$32.5 million, (5) the new customer only (NCO) marginal cost method, (6) 50/50 balancing account protection for storage, and (7) a delay in core deaveraging. Rates are reduced by \$158.9 million for the core and \$50.7 million for the noncore. It also approves a Joint Recommendation sponsored by San Diego Gas & Electric Company (SDG&E), ORA, and UCAN which adopts, among other issues: (1) a throughput forecast of 480 million therms for former UEG customers, (2) a \$31 million gas transmission resource plan, (3) the NCO marginal cost method for customer costs, (4) a single tariff schedule for core commercial and industrial customers, and (5) elimination of schedule XGTS. Core rates are reduced \$18 million; noncore rates are reduced \$18.7 million. The interstate transition cost surcharge is found to be \$59.894 million and allocated \$11.559 million to the core and \$48.335 million to the noncore. The core fixed cost account is found to be overcollected by \$132 million, to be amortized in rates over a one-year period. (This \$132 million is included in the overall \$159.5 million core rate reduction.) It finds that it is in the public interest to adopt a Sempra-wide electric generation (EG) tariff, that is, one that is the same for SoCalGas' EG customers and SDG&E's EG customers. The Sempra-wide EG tariff is segmented by level of customer volumes. This decision continues in effect SoCalGas' residual load service tariff for not more than one year. These proceedings are closed. The Commission's President at the February 17, 2000 Commission Meeting, announced that this matter should be removed from the Ratesetting Deliberative Agenda.

(Com Duque - ALJ Barnett)

(Section 311(d))

(Agenda 3033, Item 3, 2/17/00; Agenda 3034, Item H-6, 3/2/00; Agenda 3035, Item H-3, 3/16/00; Req - Commission)

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

(**Rev.**) (3/30/00)

H-4a ALTERNATE PAGES TO ITEM H-4. These alternate pages would not adopt the proposed Sempra-wide EG rate.

The Commission's President at the February 17, 2000 Commission Meeting, announced that this matter should be removed from the Ratesetting Deliberative Agenda.

(Com Neeper)

(Agenda 3035, Item H-3a, 3/16/00; Req – Commission)

H-4b ALTERNATE PAGES TO ITEM H-4. These alternate pages modify language regarding the RLS tariff to: 1) defer opinion on whether the RLS tariff should be market-based or cost-based, and 2) to provide additional flexibility regarding the timing of eliminating the tariff.

The Commission's President at the February 17, 2000 Commission Meeting, announced that this matter should be removed from the Ratesetting Deliberative Agenda.

(Com Bilas)

H-4c ALTERNATE PAGES TO ITEM H-4. These alternate pages do not adopt the segmented EG rate for SoCalGas and SDG&E.

The Commission's President at the February 17, 2000 Commission Meeting, announced that this matter should be removed from the Ratesetting Deliberative Agenda.

(Com Wood)

H-5 R98-09-005 - Order Instituting Rulemaking on the Commission's own motion to consider modifications to the Universal Lifeline Telephone Service (ULTS) Program and General Order (GO) 153.

This decision adopts the following revisions to the ULTS program and GO 153. First, GO 153 is revised to incorporate all changes to the ULTS program that have occurred since GO 153 was issued in 1984. Second, the ULTS program is revised to conform with specific aspects of the Federal Lifeline and Link Up programs. Third, ULTS program benefits are expanded to provide more low-income households with access to affordable basic telephone service. Finally, ULTS program administrative procedures are revised to make the program more efficient and effective. This decision also orders the Telecommunications Division to convene a workshop to develop a comprehensive proposal for using CMRS to provide ULTS. This proceeding is closed.

(Com Neeper - ALJ Kenney)

(Section 311(g)(1))

(Agenda 3033, Item 5, 2/17/00; Agenda 3034, Item H-7, 3/2/00; Agenda 3035, Item H-4, 3/16/00; Req - Commission)

H-6 R95-04-043 - Order Instituting Rulemaking on the Commission's own motion into competition for local exchange service. 195-04-044 - Related matter.

This decision denies the Petition to modify D98-10-058 filed by the California Cable Television Association and Daniels Cablevision Inc. D98-10-058 adopted rules for the nondiscriminatory access to utility poles, ducts, conduits, and rights-of-way (ROW) applicable to competitive local carriers and cable television corporations. D98-10-058 excluded transmission facilities from the scope of the adopted ROW rules due to unresolved concerns in terms of logistics, system reliability, and safety associated with mandatory access to transmission facilities. The Petition seeks to extend the Commission's regulation of transmission facilities but fails to provide adequate support for generic modifications.

(Com Bilas - ALJ Pulsifer)

(Section 311(g)(1))

(Agenda 3034, Item 1, 3/2/00; Agenda 3035, Item H-5, 3/16/00;

Req - Commission)

H-6a

ALTERNATE ORDER TO ITEM H-6. This alternate draft decision grants in part the Petition to Modify D98-10-058. D98-10-058 is modified to clarify that the Commission did not carve out a regulatory exemption for transmission poles. This alternate draft decision further reaffirms the Commission's commitment to ensuring non-discriminatory access to poles, ducts, conduits and ROWs for both CLCs and cable television corporations. (Com Duque)

(Section 311(g)(1))

H-7 R95-04-043 - Order Instituting Rulemaking on the Commission's own motion into competition for local exchange service. 195-04-044 - Related matter.

This decision orders the implementation of number conservation measures to address the exhaustion of numbers in the 925 area code (or "Numbering Plan Area (NPA)"). As a backup plan for these area code relief measures, the Commission adopts the geographic split proposed as Alternate 3A by the North American Numbering Plan Administrator. It defers adopting an implementation date for the 925 NPA split until and unless the Commission determines that number conservation measures have failed to provide enough number resources to prevent code exhaustion in the 925 area. (Com Wood - ALJ Pulsifer)

(Section 311(g)(1))

(Agenda 3034, Item 4, 3/2/00; Agenda 3035, Item H-6, 3/16/00; Req - Commission)

H-8 A99-02-004 - California Water Service Company, Dominguez Water Company, Kern River Valley Water Company, and Antelope Valley Water Company.

For approval of a Plan of Merger of CWS, Dominguez, Kern River, and Antelope. This decision concludes the merger, as revised by applicants' "enhanced guarantee," and subject to other conditions in the Ordering Paragraphs is not adverse to the public interest. The decision authorizes the transfer of control. This proceeding is closed.

The Commission's President at the March 16, 2000 Commission Meeting, announced that this matter should be removed from the Ratesetting Deliberative Agenda.

(Com Duque - ALJ Vieth) (Section 311(d)) (Agenda 3035, Item 3, 3/16/00; Req - Commission)

ORDERS

NOTE:

Ex Parte Communications are prohibited on Items 1, 3 and 5 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)).

✓ A98-11-012 - Lodi Gas Storage, LLC (LGS).

By this application LGS seeks a certificate of public convenience and necessity to develop, construct, and operate an underground natural gas storage facility and ancillary pipeline and to provide firm and interruptible storage services at market-based rates. This decision certifies the Environmental Impact Report for LGS's project. It also denies this application after weighing the need for the project against the factors set forth in Public Utilities Code § 1002. This proceeding is closed. (Com Bilas - ALJ Econome) (Section 311(d))

2 C95-08-039 - Bayside Village, The Fillmore Center and North Point Apartments vs. Pacific Bell (Pacific).

This decision orders Pacific to refile its implementation proposal in the local competition docket for resolution of generic issues regarding control of cross connects. Pacific has regained control of cross connects at complainants' buildings. This proceeding is closed.

(Com Neeper - ALJ Bushey) (Section 311(g)(1))

✓3 A99-05-002 - San Diego Gas & Electric Company.

For authority to increase its gas and electric revenue requirements to reflect its accomplishments for Demand-Side Management Program Years (PY) 1994 and 1997, Energy Efficiency PY 1998, Low Income PY 1998, and to address policy and procedural issues for future PY 1999 through PY 2001 in the 1999 Annual Earning Assessment Proceeding.

A99-05-005, A99-05-007, A99-05-008 - Related matters.

This interim decision adopts a performance incentive cap at 7% of the energy efficiency program budget for each of Program Year (PY) 2000 and PY 2001. These incentives for electric programs will continue to be funded from public goods charges, while those for gas programs will continue to be funded through rates. The Joint Recommendations of many of the parties are approved in concept, setting market assessment and evaluation budget amounts, and associated requirements. A California Measurement Advisory Council will be developed to oversee measuring and evaluating costs and benefits from energy efficiency programs.

(Com Neeper - ALJ Stalder) (Section 311(d))

4 C97-09-032 - Complaint of MFS Intelnet of California, Inc. (MFS) against Pacific Bell (Pacific) and Request for Temporary Restraining Order and Preliminary Injunction.

This decision concludes that MFS has established that, under the terms of the applicable co-carrier agreement, Pacific must pay MFS reciprocal compensation for calls routed to MFS' ISP customers. The decision grants MFS summary adjudication on this issue and dismisses the second and third counts of the complaint. This proceeding is closed.

(Com Bilas - ALJ Vieth) (Section 311(g)(1))

✓5 A98-07-020 - Pacific Bell (Pacific).

For authority to categorize Centrex as a Category III Service.

A98-07-029 - Related matter. This decision authorizes Pacific to move its

(**Rev.**) Category II Basic Centrex Line, Centrex Basic Features, Centrex Optional (4/5/00) Station Features, Centrex Optional System Features, Toll-Free, and

Station Features, Centrex Optional System Features, Toll-Free, and Business MTS IntraLATA Toll Services services to Category III. The

ceiling rate for these Centrex services may be increased up to ten percent of the currently effective ceiling rate. All services being moved from Category

II to Category III shall continue to be accounted for as above-the-line services for ratemaking purposes. These proceedings are closed.

(Com Duque - ALJ Galvin)

(Section 311(d))

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

6 R97-10-016 - Order Instituting Rulemaking on the Commission's own motion into monitoring performance of Operations Support Systems (OSS). 197-10-017 – Related matter.

Pursuant to the Federal Communications Commission's December 9, 1999 Line Sharing Order and California Assembly Bill (AB) 991, this decision adopts interim line sharing OSS performance measures. These OSS performance measures will ensure that the Commission and competitors can immediately begin to assess the service quality and timeliness of Pacific Bell's and GTE California Incorporated's provision of unbundled access to the high frequency portion of their local telephone loops.

(Com Bilas - ALJ Walwyn)

(Section 311(g)(1))

UTILITIES RESOLUTIONS

ENERGY MATTERS

E-1 Res E-3660 - Southern California Edison Company (Edison).

This resolution denies Edison's request to offer customer premises electrical repair service (Edison OnCall) on a nontariffed basis without prejudice, and allows the utility to file an application with the Commission if it wishes to provide this service.

(Advice Letter 1425-E, filed December 16, 1999) (Section 311(g)(1))

E-2 Res E-3656 - Southern California Edison Company (SCE).

This resolution approves SCE's Performance-Based Rate Making Base Rate Mechanism Final Report for 1997, which details revenue sharing calculations and performance rewards and penalties for the subject year. (Advice Letter (AL) 1302-E, filed March 31, 1998; AL 1302-E-A, filed June 1, 1999; AL 1302-E-B, filed July 16, 1999) (Section 311(g)(1))

(Agenda 3035, Item E-1, 3/16/00; Req – Commission)

E-3 Res E-3650 - Pacific Gas and Electric Company (PG&E) and Southern California Edison Company (SCE).

This resolution approves, with modification, PG&E and SCE's request to offer new demand responsiveness programs to pay large customers to curtail energy use during periods of high energy prices.

(SCE Advice Letter (AL) 1418-E, filed November 8, 1999; PG&E AL 1934-E filed November 10, 1999)

(Section 311(g)(1))

(Agenda 3035, Item E-3, 3/16/00; Req – Commission)

E-3a ALTERNATE RESOLUTION TO ITEM E-3. This alternate resolution authorizes with modifications the requests of PG&E and SCE to offer new demand responsiveness programs to pay large customers to curtail energy use during periods of high energy prices. The alternate would allow interruptible customers to be included in the program and invites the utilities to file demand responsiveness programs for the summer of 2001 but only if the Commission has not reached a decision in its Post-Transition Ratemaking proceeding by December 31, 2000.

(Com Bilas)

(Section 311(g)(1))

(Agenda 3035, Item E-3a, 3/16/00; Req – Commission)

E-3b ALTERNATE RESOLUTION TO ITEM E-3. This alternate resolution authorizes with modifications the requests of Pacific Gas and Electric and Southern California Edison Company to offer new demand responsiveness programs to pay large customers to curtail energy use during periods of high energy prices. The alternate 1) addresses the applicability of Public Utilities Code § 743.1 to the utilities' proposed programs and 2) would allow interruptible customers to be included in the program but they would be paid at 50% of the PX-day-ahead price.

(Com Wood)

TELECOMMUNICATIONS MATTERS

C-1 Res T-16362 – This resolution adopts a budget of \$1,228,318 for the TDD Interim Placement Committee for year 2000 and reduces the incremental surcharge from 0.012% to 0.005%.

(Section 311(g)(1))

(Agenda 3033, Item C-1, 2/17/00; Agenda 3034, Item C-2, 3/2/00; Agenda 3035, Item C-1, 3/16/00; Req - Commission)

C-2 Res T-16379 - The Deaf and Disabled Telecommunications Program (DDPT) Administrative Committee.

This resolution adopts an interim annual budget for 2000 of \$57,802,130 for the DDPT pursuant to Public Utilities Code § 2881. This amount is about \$4.3 million more than the adopted budget for 1999. The surcharge will increase from the current 0.18% to 0.28%.

(Section 311(g)(1))

(Agenda 3033, Item C-2, 2/17/00; Agenda 3034, Item C-3, 3/2/00; Agenda 3035, Item C-2, 3/16/00; Req - Commission)

C-2a ALTERNATE RESOLUTION TO ITEM C-2. This resolution adopts the organization structure proposed by the DDPT in comments responding to the draft resolution and clarifies that salary ranges are set by the DDTPAC.

(Com Duque)

C-3 Res T-16388 - Greenlining Institute (Greenlining), GTE-California (GTEC), Latino Issues Forum (LIF), and the Consumer Services Division (CSD).

This resolution addresses a set of proposed bylaws filed by the Greenlining, GTEC, LIF and the CSD (collectively referred to as "Parties" or "settling parties") to implement a Telecommunications Consumer Protection Fund (Fund). The Fund is to be established for the benefit of limited-English and non-English speaking customers in the service areas most affected by the allegedly abusive marketing practices of GTEC.

(Section 311(g)(1))

(Agenda 3034, Item C-4, 3/2/00; Agenda 3035, Item C-3, 3/16/00; Req - Commission)

LEGAL DIVISION MATTERS

LEGISLATIVE MATTERS

- **LEG-1 AB 2757** (Committee on Utilities and Commerce), to amend Sections 278 and 2881 of the Public Utilities Code, relating to telecommunications: telephonic reading system.
- **LEG-2 SB 1712** (Polanco), to amend Sections 871, 873, 874, 875, 876, and 878 of, to add Section 883 to, to repeal and add Section 871.5 of, and to amend the heading of Article 8 of Chapter 4 of part 1 of Division 1 of, the Public Utilities Code, relating to Universal Telephone Service.
- **LEG-3 SB 1491** (Leslie), to amend Sections 7604 and 7678 of the Public Utilities Code, relating to railroad crossings: automated warning devices.
- **LEG-4 SB 1973** (Perata), to add Chapter 8.3 (commencing with Section 1450) to Part of Division 1 of the Public Utilities Code, relating to water conveyance: fair compensation.
- LEG-5 AB 995 (Wright) and SB 1194 (Sher), reliable electric service through (3/31/00) Prudent Investments in the electric distribution grid, energy efficiency, renewable energy, and new technology.

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

COMMISSIONERS' REPORTS

President Lynch

Commissioner Duque

- Water Matters
- Legislative Matters

Commissioner Neeper

- Telecommunications Matters
- Legal/Administrative Law Judge Matters

Commissioner Bilas

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

Commissioner Wood

- Consumer Protection Matters
- Legislative Matters
- Electric 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, 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

I98-08-004 - Disposition of Application for Rehearing of D99-08-017 (in I98-08-004, an investigation into allegations of cramming by Coral Communications, Inc. (Coral)) filed by OAN, Services, Inc. (OAN) and Telephone Billing Services, Inc. (TBS). In this decision, the Commission ordered five billing agents, including OAN and TBS, to submit an accounting of all amounts billed for Coral, and to turn over to the Commission, or provide security for, funds in their possession that they had collected on behalf of Coral. OAN and TBS contend that the Commission lacks authority under recently enacted Public Utilities Code §§ 2889.9 and 2890 to require billing agents to make payments or to provide financial security to the Commission. They contend also that the portions of the order directed at OAN and TBS are not supported by adequate findings and subject them to an unreasonable search and seizure and a taking of property without due process of law, in violation of the Fourth and Fifth Amendments to the U.S. Constitution.

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

(Agenda 3033, Item EX-5, 2/17/00; Agenda 3034, Item HEX-3, 3/2/00;

Req - Commission)

HEX-2 Conference with Legal Counsel - Application for Rehearing

A98-07-062 - Disposition of Application for Rehearing of D99-11-020 filed by Ray and Juanita Fox. D99-11-020 resolved an application of the Ponderosa Community Services District and declared a 1991 deed of trust held by the Foxes to be void regarding the property of Rosella Water Company. The Foxes allege that the evidence does not support the conclusion that the assets in question were transferred to Rosella prior to the Foxes' encumbrance. In addition, the Foxes request that an earlier deed of trust be reinstated if the 1991 deed of trust is void.

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

(Agenda 3035, Item EX-6, 3/16/00; 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 - Applications for Rehearing

R94-04-031, I94-04-032 – Disposition of application for Rehearing of D99-11-025 filed by Fairhaven Power Company. The decision approved short-run avoided cost energy payments based on the Power Exchange market-clearing price for those QFs that voluntarily elect such an option under Public Utilities Code § 309(c). (Gov. Code Sec. 11126(e)(2)(B)(i).)

EX-5 Conference with Legal Counsel - Initiation of Enforcement Proceeding.

Deliberation on institution of proceeding or disciplinary actions against person 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 and disclosure could also jeopardize the ability to effect personal service on the Respondent.)

(Gov. Code Secs. 11126(d)(2), 11126(e)(2)(C)(i).)

EX-6 Conference with Legal Counsel – Application for Rehearing

C98-06-037 - Disposition of Application for Rehearing of D00-02-010, filed by complainant, William A. Kent. Among other things, this decision addresses whether or not Southern California Edison Company (Edison) overcharged Kent for electricity over a period commencing in 1994. D00-02-010 also addresses the procedures Edison should follow when it disconnects customers.

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

FEDERAL ITEMS

FEX-1 Conference with Legal Counsel - Initiation of Litigation.

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

FEX-2 Conference with Legal Counsel - Existing Litigation.

FCC Docket No. 98-141 - SBC-Ameritech Merger.

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

FEX-3 Conference with Legal Counsel - Existing Litigation.

(3/29/00) **FERC Docket Nos. ER98-496-000; ER98-2160-000** - San Diego Gas and

Electric Company.

(Gov. Code Secs. 11126(e)(2)(A), 111263(d).)

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

Thursday, April 6, 2000

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