
Public Utilities Commission of the State of California

Results of Public Agenda 3176

Meeting Held on Thursday, July 20, 2006 10:00 a.m.

San Francisco, California

Commissioners

Michael R. Peevey, President

John A. Bohn

Geoffrey F. Brown

Rachelle B. Chong

Dian M. Grueneich

Website: <http://www.cpuc.ca.gov>

Scheduled Commission Meetings

505 Van Ness Avenue, San Francisco

<i>Ratesetting Deliberative Meeting*</i> Room 5305 (1:30 p.m.) <i>Closed to the Public</i>	<i>Commission Meeting</i> Auditorium (10 a.m.) <i>Open to the Public</i>
Monday, August 21, 2006 (San Francisco)	Thursday, August 24, 2006 (San Francisco)
Tuesday, September 05, 2006 (San Francisco)	Thursday, September 07, 2006 (San Francisco)
Monday, September 18, 2006 (San Francisco)	Thursday, September 21, 2006 (San Francisco)
Monday, October 02, 2006 (San Francisco)	Thursday, October 05, 2006 (San Francisco)
Monday, October 16, 2006 (San Francisco)	Thursday, October 19, 2006 (San Francisco)

**Ratesetting Deliberative Meeting dates are reserved as noted but will be held only if there are ratesetting matters to be considered and a Commissioner has requested that a Ratesetting Deliberative Meeting be held.*

For further information contact the Public Advisor
(415) 703-2074 E-mail: public.advisor@cpuc.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.**
-

Public Comment:

Re 41: Robert E. Sherbourne, San Leandro, CA

Re 59:

Daniel Romero, Keene, CA

Jasper N. Sweat, Bakersfield, CA

Linda Fleming, Keene, CA

Mike Dexter, Keene, CA

Nancy Jean Romero, Keene, CA

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

1

A05-06-026 - Sea Planes, Incorporated.

[5715]

For expansion of its certificate of public convenience and necessity to include non-scheduled service to and from all navigable harbors and coves on Catalina Island to and from Marina Del Rey, Avalon and Two Harbors, all of which points are either along existing authorized routes or within a mile or two. The petition of Pacific Adventure Cruises, Inc. to modify Decision 06-01-008 is denied. This proceeding is closed.

(Comr Bohn - ALJ Walker)

Outcome Signed

[D06-07-004](#)

Yes: (Bohn, Brown, Chong, Grueneich, Peevey)

No: (none)

Abstain: (none)

Absent: (none)

- 2**
[5781] **Res ALJ 176-3176**
Ratification of preliminary determination 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.

Outcome Approved

[Res ALJ 176-3176](#)

Yes: (Bohn, Brown, Chong, Grueneich, Peevey)

No: (none)

Abstain: (none)

Absent: (none)

- 3**
[5766] **Res T-17046**
This resolution adopts a budget of \$25,057,000 for fiscal year 2007-08 effective August 1, 2006 for California Teleconnect Fund Administrative Committee Fund.

Outcome Approved

[Res T-17046](#)

Yes: (Bohn, Brown, Chong, Grueneich, Peevey)

No: (none)

Abstain: (none)

Absent: (none)

- 4**
[5720] **C92-07-045 - Westcom Long Distance, Inc. vs. Pacific Bell; Execuline of Sacramento Inc., aka North Valley Consultants, Sierra Telecom, Call America (Chico), Chico Telecom, AA TeleCom, Toll Communication; CAS Network of Fresno; American ShareCom, Inc.; Americall Corporation, aka Page U, Cal Page, Pac West Telecom, Inc., Strategic Products Corp., Keith's Telephone Supply, Bell's Answering Service, Cal Net Paging, Masterson Communications; Teltrex Management Corp.; et al.**
Due to the inequitable conduct and abuse of the Commission's processes by Westcom Long Distance, Inc. and its president, this decision grants the three motions to dismiss with prejudice the complaint and all of the amendments and amended complaints. This proceeding is closed.

(Comr Peevey - ALJ Wong)

Outcome Signed

[D06-07-005](#)

Yes: (Bohn, Brown, Chong, Grueneich, Peevey)

No: (none)

Abstain: (none)

Absent: (none)

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- 5**
[5725] **Res ALJ-192**
This resolution affirms Citation FC-024 except as provided herein. Paragraph 1 of the citation is dismissed. Respondent Chris N. Agoh (dba Budget Ride) shall pay a fine of \$2,000.00 pursuant to Public Utilities Code Section 5378 within 30 days of the effective date of this resolution.
Outcome Held (8/24/06, Consent Agenda.)
Yes: (none)
No: (none)
Abstain: (none)
Absent: (none)
- 6**
[5735] **R06-02-011 - Rulemaking to update, clarify and recodify Rules of Practice and Procedure.**
This decision will update, clarify, reorganize, and simplify the Commission's Rules of Practice and Procedure. This proceeding is closed.
(Comr Chong - ALJ Yacknin)
Outcome Signed
[D06-07-006](#)
Yes: (Bohn, Brown, Chong, Grueneich, Peevey)
No: (none)
Abstain: (none)
Absent: (none)
- 7**
[5737] **C05-12-004 - Chevron Products Company vs. Equilon Enterprises LLC, dba Shell Oil Products US, and Shell Trading (US) Company.**
Complainant alleges that an oil pipeline operated by defendants and running from the San Joaquin Valley production fields to Bay Area refineries is a public utility subject to regulation by this Commission. Defendants move to dismiss the complaint, arguing that the moving parties are entitled to judgment as a matter of law based on the doctrines of res judicata and judicial estoppel as well as a long-standing practice of this Commission with respect to proprietary oil pipelines. For the reasons set forth herein, this decision grants the motion of defendants and dismisses the complaint. To the extent that complainant seeks a change in the Commission's practice as to proprietary oil pipelines, complainant may consider a petition for rulemaking pursuant to Pub. Util. Code §1708.5 so that other parties affected by the proposed change could take part in the proceeding. This case is closed.
(Comr Brown - ALJ Walker)
Outcome Withdrawn
Yes: (none)
No: (none)
Abstain: (none)
Absent: (none)

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- 8**
[5742] **C05-10-003 - Wilmot McCutchen vs. Pacific Gas and Electric Company (PG&E) and City of Orinda.**
- This decision denies the petition to modify Decision 06-01-031, which dismissed the petitioner's complaint that PG&E and the City of Orinda violated Rule 1 of the Commission's Rules of Practice and Procedure for failure to state a claim upon which relief may be granted. This proceeding is closed. (Comr Grueneich - ALJ Yacknin)
- Outcome Signed**
- [D06-07-007](#)
- Yes: (Bohn, Brown, Chong, Grueneich, Peevey)
No: (none)
Abstain: (none)
Absent: (none)
- 9**
[5743] **A04-06-025 - Southern California Gas Company.**
- This decision closes this proceeding. Decision 05-04-003 kept this proceeding open to address a request for intervenor compensation that might be filed by The Utility Reform Network (TURN) for its work in this proceeding. Since TURN did not file a request, this proceeding should be closed because there are no other issues to resolve. This proceeding is closed. (Comr Peevey - ALJ Wong)
- Outcome Signed**
- [D06-07-008](#)
- Yes: (Bohn, Brown, Chong, Grueneich, Peevey)
No: (none)
Abstain: (none)
Absent: (none)
- 10**
[5751] **C05-05-030 - Qwest Communications Corporation and Qwest Enterprise America, Inc. vs. Pacific Bell Telephone Company, dba SBC California.**
- This decision concludes that SBC California (SBC) charges two different rates for cageless collocation arrangements based solely on the date such services were ordered. SBC's administrative efficiency explanation for not truing up the first set to the second is no longer reasonable six years on. As there are no disputed facts and the Commission finds the rate structure unreasonable in violation of Pub. Util. Code §451, the decision grants complainants' motion for summary judgment. Other similarly situated competitive local carriers (if any) are offered an opportunity to seek similar relief. (Comr Bohn - ALJ Bushey)
- Outcome Held (8/24/06, Consent Agenda. Further consideration.)**
- Yes: (none)
No: (none)
Abstain: (none)
Absent: (none)

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- 11**
[5752] **A06-03-019 - Transcend Multimedia LLC. (Applicant).**
Applicant seeks a certificate of public convenience and necessity under Pub. Util. Code §1001 for authority to provide resold and leased facilities-based competitive local exchange telecommunications services. Applicant will offer this service in conjunction with the current resold long distance services it provides in California at this time. This decision grants the requested authority subject to the terms and conditions set forth. This proceeding is closed.
(Comr Chong - ALJ Patrick)
Outcome Signed
[D06-07-009](#)
Yes: (Bohn, Brown, Chong, Grueneich, Peevey)
No: (none)
Abstain: (none)
Absent: (none)
- 12**
[5758] **A05-03-001 - Pacific Gas and Electric Company (PG&E).**
This decision adopts PG&E's proposal for a one-day-in-10-year planning standard for PG&E's core gas customers. PG&E is authorized to acquire the additional storage capacity that is needed to meet this standard. Third-party storage providers may bid to provide this incremental storage capacity. This proceeding is closed.
(Comr Grueneich - ALJ Wong)
Outcome Signed
[D06-07-010](#)
Yes: (Bohn, Brown, Chong, Grueneich, Peevey)
No: (none)
Abstain: (none)
Absent: (none)
- 13**
[5760] **Res E-4002 - Pacific Gas and Electric Company (PG&E).**
PG&E requests approval of a tolling agreement between itself and Duke Energy Marketing America for electricity and capacity from the Moss Landing generating station, units 6 and 7. PG&E's request is approved. (Advice Letter 2803-E, filed March 24, 2006)
Outcome Approved
[Res E-4002](#)
Yes: (Bohn, Brown, Chong, Grueneich, Peevey)
No: (none)
Abstain: (none)
Absent: (none)

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- 14**
[5762] **Res W-4607 - California Water Service Company.**
This resolution affirms the rejection of California Water Service Company's Advice Letter No. 1744, request to amend its service area maps. (Advice Letter 1744, filed September 13, 2005)
Outcome Held (8/24/06, Consent Agenda. Further consideration.)
Yes: (none)
No: (none)
Abstain: (none)
Absent: (none)
- 15**
[5763] **Res T-17028**
This resolution adopts an expense budget of \$435.979 million for FY 2007-08, for the California High Cost Fund-B Administrative Committee Fund.
Outcome Approved
[Res T-17028](#)
Yes: (Bohn, Brown, Chong, Grueneich, Peevey)
No: (none)
Abstain: (none)
Absent: (none)
- 16**
[5764] **Res T-17042**
This resolution adopts a budget of \$287.046 million for the Universal Lifeline Telephone Service Trust Administrative Committee Fund for fiscal year 2007-08.
Outcome Approved
[Res T-17042](#)
Yes: (Bohn, Brown, Chong, Grueneich, Peevey)
No: (none)
Abstain: (none)
Absent: (none)
- 17**
[5765] **Res T-17043**
This resolution adopts an expense budget for fiscal year 2007-08 of \$66.662 million for the California High Cost Fund-A Administrative Committee Fund.
Outcome Approved
[Res T-17043](#)
Yes: (Bohn, Brown, Chong, Grueneich, Peevey)
No: (none)
Abstain: (none)
Absent: (none)

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- 18**
[5783] **R04-04-003 - Order Instituting Rulemaking to promote policy and program coordination and integration in electric utility resource planning.**
This decision awards The Utility Reform Network \$299,870.35 in compensation for its substantial contributions to Decision 05-10-042, and for its participation in the related electric utility Procurement Review Groups during 2005. This proceeding remains open to address further electric resource and procurement issues.
(Comr Peevey - ALJ Wetzell)
Outcome Signed
[D06-07-011](#)
Yes: (Bohn, Brown, Chong, Grueneich, Peevey)
No: (none)
Abstain: (none)
Absent: (none)
- 19**
[5775] **Res T-17044**
This resolution adopts a surcharge rate decrease from 0.27% to 0.05% for the Deaf and Disabled Telecommunications Program Administrative Committee Fund effective August 1, 2006.
Outcome Approved
[Res T-17044](#)
Yes: (Bohn, Brown, Chong, Grueneich, Peevey)
No: (none)
Abstain: (none)
Absent: (none)
- 20**
[5784] **Res T-17041 - United Way of the Stanislaus Area, Inc., dba United Way of Stanislaus and the Mother Lode (United Way of Stanislaus).**
This resolution grants the application of United Way of Stanislaus to use the 2-1-1 dialing code for health and human services information and referral service in Stanislaus County.
Outcome Approved
[Res T-17041](#)
Yes: (Bohn, Brown, Chong, Grueneich, Peevey)
No: (none)
Abstain: (none)
Absent: (none)

- 21**
[5799] **A06-04-004 - Southern California Gas Company (SoCalGas).**
This decision grants SoCalGas the authority to issue \$500 million of debt securities, consisting of \$400 million long-term debt and \$100 million preferred stock, as requested in A06-04-004. This decision also authorizes SoCalGas to: encumber utility property, including its accounts receivable, to secure Securities; enter into hedges subject to the conditions enumerated in the body of this decision; and, exempt certain Debt Securities from the Commission's Competitive Bidding Rule as enumerated in the body of this decision. A06-04-004 is closed.
(Comr Bohn - ALJ Galvin)
Outcome Signed
[D06-07-012](#)
Yes: (Bohn, Brown, Chong, Grueneich, Peevey)
No: (none)
Abstain: (none)
Absent: (none)
- 22**
[5785] **A06-02-001 - Verizon Avenue Corp. (Verizon Ave.).**
This decision grants the application of Verizon Ave. to withdraw its provision of resold local exchange service and related bundled service offerings and to relinquish its certificate of public convenience and necessity. It is in the public interest to grant this request because Verizon Ave. has complied with all requirements. The Commission orders Pacific Bell Telephone Company dba AT&T California (AT&T) to assume Verizon Ave.'s remaining customers under the terms negotiated between Verizon Ave. and AT&T. This proceeding is closed.
(Comr Peevey - ALJ Grau)
Outcome Signed
[D06-07-013](#)
Yes: (Bohn, Brown, Chong, Grueneich, Peevey)
No: (none)
Abstain: (none)
Absent: (none)
- 23**
[5801] **Res W-4608 - Erskine Creek Water Company (Erskine).**
This resolution authorizes Erskine a general rate increase producing an additional annual revenue of \$164,924 or 41.4% in Test Year 2006.
Outcome Approved
[Res W-4608](#)
Yes: (Bohn, Brown, Chong, Grueneich, Peevey)
No: (none)
Abstain: (none)
Absent: (none)

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- 24**
[5802] **Res W-4609 - Mar Vista Water Company, Inc. (Mar Vista).**
This resolution authorizes Mar Vista a rate base offset revenue increase of \$14,605 or 12.2%. (Advice Letter (AL) 34-W, filed May 15, 2006 and supplemented by AL 34-W-A, filed May 23, 2006)
Outcome Approved
[Res W-4609](#)
Yes: (Bohn, Brown, Chong, Grueneich, Peevey)
No: (none)
Abstain: (none)
Absent: (none)
- 25**
[5804] **A06-03-010 - Tian, Xiao Ping, dba Soogle Tours and Travel (Applicant).**
This decision authorizes Applicant to operate as a passenger stage corporation between Milpitas, San Jose, Cupertino, and San Francisco International Airport. This proceeding is closed.
(Exam Clark)
Outcome Signed
[D06-07-014](#)
Yes: (Bohn, Brown, Chong, Grueneich, Peevey)
No: (none)
Abstain: (none)
Absent: (none)
- 26**
[5803] **A05-07-010 - PacifiCorp and MidAmerican Energy Holdings Company.**
For exemption under Section 853(b) from the approval requirements of Section 854(a) of the Public Utilities Code with respect to the acquisition of PacifiCorp by MidAmerican. This decision awards \$24,698.73 to the Karuk Tribe for its substantial contributions to D06-02-033. This proceeding is closed.
(Comr Bohn - ALJ Kenney)
Outcome Signed
[D06-07-015](#)
Yes: (Bohn, Brown, Chong, Grueneich, Peevey)
No: (none)
Abstain: (none)
Absent: (none)

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- 27**
[5806] **A06-03-018 - John A.Watts, dba Sav-On Shuttle (Applicant).**
This decision authorizes Applicant to operate as a passenger stage corporation between points in the Counties of Los Angeles, Orange, and Riverside, on the one hand, and Los Angeles International, Long Beach, John Wayne, and Riverside Airports, on the other hand; and to establish a zone of rate freedom. This proceeding is closed.
(Exam Clark)
Outcome Signed
[D06-07-016](#)
Yes: (Bohn, Brown, Chong, Grueneich, Peevey)
No: (none)
Abstain: (none)
Absent: (none)
- 28**
[5805] **Res W-4610 - Alisal Water Corporation, Salinas District.**
This resolution authorizes Alisal Water Corporation, Salinas District a rate increase in compliance with Ordering Paragraph 5 of Resolution W-4577 producing an additional annual revenue of \$32,959 or 0.61%. (Advice Letter (AL) 105, filed February 15, 2006, supplemented by AL 105-A, filed May 25, 2006)
Outcome Approved
[Res W-4610](#)
Yes: (Bohn, Brown, Chong, Grueneich, Peevey)
No: (none)
Abstain: (none)
Absent: (none)
- 29**
[5807] **A06-05-009 - Mohamad M. Dennawi and Apollo Luxury Transportation Corporation.**
This decision authorizes Apollo Luxury Transportation Corporation to transfer a passenger stage corporation certificate held by Mohamad M. Dennawi and to establish a zone of rate freedom. This proceeding is closed.
(Exam Clark)
Outcome Signed
[D06-07-017](#)
Yes: (Bohn, Brown, Chong, Grueneich, Peevey)
No: (none)
Abstain: (none)
Absent: (none)

- 30**
[5811] **Res W-4611 - East Pasadena Water Company (East Pasadena).**
This resolution authorizes East Pasadena a surcharge of \$0.095 per Ccf for three years producing an annual increase in revenue of \$74,474 or 4.74% to offset costs of drilling one test well. (Advice Letter (AL) 64, filed November 30, 2005 and supplemented by AL 64-A, filed June 16, 2006)
Outcome Approved
[Res W-4611](#)
Yes: (Bohn, Brown, Chong, Grueneich, Peevey)
No: (none)
Abstain: (none)
Absent: (none)
- 31**
[5812] **A04-02-026 - Southern California Edison Company.**
For authorization to replace San Onofre Nuclear Generating Station Unit Nos. 2 & 3 steam generators; establish ratemaking for cost recovery; and address other related steam generator replacement issues. This decision awards The Utility Reform Network \$156,816.36 in compensation for its substantial contributions to Decision 05-12-040. This is a decrease of \$11,605.95 from the amount requested. This proceeding is closed.
(Comr Brown - ALJ O'Donnell)
Outcome Signed
[D06-07-018](#)
Yes: (Bohn, Brown, Chong, Grueneich, Peevey)
No: (none)
Abstain: (none)
Absent: (none)
- 32**
[5813] **A04-02-026 - Southern California Edison Company.**
For authorization to replace San Onofre Nuclear Generating Station Unit Nos. 2 & 3 steam generators; establish ratemaking for cost recovery; and address other related steam generator replacement issues. This decision awards California Earth Corps \$116,850.55 in compensation for its substantial contributions to Decision 05-12-040. This is a decrease of \$7,915.09 from the amount requested. This proceeding is closed.
(Comr Brown - ALJ O'Donnell)
Outcome Signed
[D06-07-019](#)
Yes: (Bohn, Brown, Chong, Grueneich, Peevey)
No: (none)
Abstain: (none)
Absent: (none)

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- 33**
[5814] **A04-02-026 - Southern California Edison Company.**
For authorization to replace San Onofre Nuclear Generating Station Unit Nos. 2 & 3 steam generators; establish ratemaking for cost recovery; and address other related steam generator replacement issues. This decision awards Aglet Consumer Alliance \$48,358.73 in compensation for its substantial contributions to Decision 05-12-040. This is a decrease of \$12,374.97 from the amount requested. This proceeding is closed.
(Comr Brown - ALJ O'Donnell)
Outcome Signed
[D06-07-020](#)
Yes: (Bohn, Brown, Chong, Grueneich, Peevey)
No: (none)
Abstain: (none)
Absent: (none)
- 34**
[5816] **A06-01-010 - Greenbelt Water Company and PureSource Water, Inc.**
This decision approves the application of Greenbelt Water Company for authority to sell its water system to PureSource Water, Inc. This proceeding is closed.
(Exam Coughlan)
Outcome Signed
[D06-07-021](#)
Yes: (Bohn, Brown, Chong, Grueneich, Peevey)
No: (none)
Abstain: (none)
Absent: (none)
- 35**
[5820] **A06-05-003 - Southern California Edison Company.**
This decision confirms the nomination of Daniel P. Garcia for re-appointment to the Nuclear Decommissioning Master Trust Committees for Southern California Edison Company. This proceeding is closed.
(Comr Brown - ALJ Ebke)
Outcome Signed
[D06-07-022](#)
Yes: (Bohn, Brown, Chong, Grueneich, Peevey)
No: (none)
Abstain: (none)
Absent: (none)

- 36**
[5819] **R06-04-010 - Order Instituting Rulemaking to examine the Commission's post-2005 energy efficiency policies, programs, evaluation, measurement and verification, and related issues.**
This decision approves a request by the San Diego Regional Energy Office to extend funding for the Cool Communities Shade Tree Program.
(Comr Grueneich - ALJ Gottstein)
Outcome Signed
[D06-07-023](#)
Yes: (Bohn, Brown, Chong, Grueneich, Peevey)
No: (none)
Abstain: (none)
Absent: (none)
- 37**
[5821] **I02-11-008 - Order Instituting Investigation into statements by SBC Communications, Inc. and SBC Pacific Bell regarding potential reductions to service quality.**
This decision awards The Utility Reform Network \$42,111.78 in compensation for its substantial contributions to Decision 06-01-016. This represents a decrease of \$323.90 from the amount requested. This proceeding is closed.
(Comr Grueneich - ALJ O'Donnell)
Outcome Signed
[D06-07-024](#)
Yes: (Bohn, Brown, Chong, Grueneich, Peevey)
No: (none)
Abstain: (none)
Absent: (none)
- 38**
[5824] **A06-04-006 - City of Santa Clara.**
This decision grants the request of the City of Santa Clara to construct a grade-separated bike and pedestrian crossing under the tracks of the Peninsula Corridor Joint Powers Board along San Tomas Aquino Creek, in Santa Clara County. This proceeding is closed.
(Exam Clark)
Outcome Signed
[D06-07-025](#)
Yes: (Bohn, Brown, Chong, Grueneich, Peevey)
No: (none)
Abstain: (none)
Absent: (none)

39

[5826]

A06-05-017 - Pacific Gas and Electric Company (PG&E).

This decision authorizes PG&E to maintain its currently authorized Energy Resource Recovery Account (ERRA) rates until January 1, 2007, at which time its ERRA balance overcollection shall be amortized against its 2007 ERRA rates being addressed in its 2007 ERRA forecast Application 06-06-001. This proceeding is closed.

(Comr Peevey - ALJ Galvin)

Outcome Signed

[D06-07-026](#)

Yes: (Bohn, Brown, Chong, Grueneich, Peevey)

No: (none)

Abstain: (none)

Absent: (none)

Regular Agenda

Energy Orders

40 **R05-02-023 - Order Instituting Rulemaking to revise Commission General Order Number 95 pursuant to D05-10-030.**
[5623]

The Commission on February 24, 2005 issued this Order Instituting Rulemaking 05-02-023 to consider uniform rules for attaching wireless antennas to jointly used utility poles and towers. Following seven days of workshops in San Francisco and Los Angeles, the parties jointly presented a workshop report containing three alternative proposals for a new Rule 94 to General Order 95. The parties reached agreement on most of new Rule 94 but differed on provisions dealing with identification signs, the vertical clearance between supply conductors and wireless antennas with radio frequency (RF) emissions, and exceptions to the rules for certain low-emission antennas. This decision today adopts in its entirety the Rule 94 sponsored by the Commission's Consumer Protection and Services Division, the International Brotherhood of Electrical Workers Local 1245, the Communication Workers of America – Ninth District, Pacific Gas and Electric Company, and San Diego Gas & Electric Company. The decision rejects the assertions of some parties that elements of the new Rule 94 are preempted by Federal Communications Commission (FCC) rules regulating RF exposure, concluding instead that mere acknowledgement of the FCC's RF rules does not preempt a state agency which enacts construction rules intended to provide a safe working environment for those climbing and working on transmission poles. This proceeding is closed.

(Comr Brown - ALJ Walker)

Agenda 3173, Item 37 5/25/2006 (Chong);

Agenda 3174, Item 40 6/15/2006 (Bohn);

Agenda 3175, Item 27 6/29/2006 (Bohn)

Outcome Held (8/24/06. Further deliberation.)

Yes: (none)

No: (none)

Abstain: (none)

Absent: (none)

41 **A05-06-028 - Pacific Gas and Electric Company (PG&E).**
[5750]

This decision authorizes PG&E to deploy a new Advanced Metering Infrastructure. The decision adopts a modified revenue requirement and guaranteed ratepayer benefits. The rate making mechanisms will be in place at least until PG&E's next general rate case which is expected to occur for test-year 2010 or later. The decision also adopts PG&E's rate proposal for critical peak pricing tariffs.

This proceeding is closed.

(Comr Peevey - ALJ Long)

Outcome Signed (Comr. Bohn reserves the right to file a concurrence.)

[D06-07-027](#)

Yes: (Bohn, Brown, Chong, Grueneich, Peevey)

No: (none)

Abstain: (none)

Absent: (none)

42
[5754]

R06-03-004 - Order Instituting Rulemaking regarding policies, procedures and rules for the California Solar Initiative, the Self-Generation Incentive Program and other distributed generation issues.

This decision modifies Decision 06-01-024 regarding the maximum size of solar distributed generation systems eligible to receive incentives through the Self-Generation Incentive Program and California Solar Initiative.

(Comr Peevey - ALJ Duda)

Outcome Signed

[D06-07-028](#)

Yes: (Bohn, Brown, Chong, Grueneich, Peevey)

No: (none)

Abstain: (none)

Absent: (none)

43
[5774]

R06-02-013 - Order Instituting Rulemaking to integrate procurement policies and consider long-term procurement plans.

This decision is adopting a cost allocation mechanism, on a limited and transitional basis, that allows the advantages and costs of new generation to be shared by all benefiting customers in an investor-owned utility's (IOU) service territory. The decision designates the IOUs to procure this new generation and benefiting customers receive resource adequacy credits and only pay for the net cost of capacity, minus the energy revenues. The Commission intends this mechanism to be in place only until new market mechanisms institutions are developed in Phase 2 of Rulemaking 05-12-013.

(Comr Peevey - ALJ Brown)

Outcome Signed

[D06-07-029](#)

Yes: (Bohn, Brown, Chong, Grueneich, Peevey)

No: (none)

Abstain: (none)

Absent: (none)

44

[5767]

R02-01-011 - Order Instituting Rulemaking regarding the implementation of the suspension of direct access pursuant to Assembly Bill 1X and Decision 01-09-060.

This decision resolves issues relating to the cost responsibility surcharge (CRS) methodology and the level of undercollections applicable to Direct Access (DA) and Municipal Departing Load customers within the service territories of Pacific Gas and Electric Company, Southern California Edison Company, and San Diego Gas & Electric Company. Adopted updated DA CRS undercollection balances as of December 31, 2005, are based upon the consensus reached by the interested parties.

This proceeding is closed.

(Comr Brown - ALJ Pulsifer)

Outcome Signed

[D06-07-030](#)

Yes: (Bohn, Brown, Chong, Grueneich, Peevey)

No: (none)

Abstain: (none)

Absent: (none)

45

[5776]

I05-06-041 - Order Instituting Investigation on the Commission's own motion into methodology for economic assessment of transmission projects.

This decision adopts general principles and minimum requirements and provides other guidance for economic evaluations of proposed transmission projects that may be submitted in Commission certificate of public convenience and necessity proceedings. This proceeding is closed.

(Comr Grueneich - ALJ TerKeurst)

Outcome Held (8/24/06. Further consideration.)

Yes: (none)

No: (none)

Abstain: (none)

Absent: (none)

46
[5777]

R05-12-013 - Order Instituting Rulemaking to consider refinements to and further development of the Commission's Resource Adequacy Requirements Program.

This decision addresses proposals for refinements to and clarification of the Commission's resource adequacy requirements (RAR) program. The decision defines essential elements of a resource adequacy capacity product, which in turn could lead to the development, by and among industry participants, of a standardized capacity product that can be readily traded. The decision also addresses certain RAR program issues that have arisen during the initial implementation stages of the RAR program adopted by the Commission in Decision 05-10-042. This decision concludes Phase 1 of this Rulemaking. The proceeding remains open for consideration of issues described in the Order Instituting this Rulemaking, as set forth in detail in the Assigned Commissioner's Scoping Memo dated March 1, 2006.

(Comr Peevey - ALJ Wetzell)

Outcome Signed

[D06-07-031](#)

Yes: (Bohn, Brown, Chong, Grueneich, Peevey)

No: (none)

Abstain: (none)

Absent: (none)

47
[5782]

R04-04-003 - Order Instituting Rulemaking to promote policy and program coordination and integration in electric utility resource planning.

R04-04-025, R99-11-022 - Related matters. This decision grants the Joint Motion of Pacific Gas and Electric Company (PG&E) and The Independent Energy Producers Association for Commission adoption of the Settlement Agreement and Associated Amendments entered into by some of the owners and/or operators of Qualifying Facilities that have current purchase power agreements with PG&E. This decision does not address or resolve the remaining outstanding issues in R04-04-003, R04-04-025 or R99-11-022 nor does it close those proceedings.

(Comr Peevey - ALJ Brown, ALJ DeBerry, ALJ Halligan)

Outcome Signed

[D06-07-032](#)

Yes: (Bohn, Brown, Chong, Grueneich, Peevey)

No: (none)

Abstain: (none)

Absent: (none)

48
[5828]

R _____ - Order Instituting Rulemaking to consider issues related to the annual revenue requirement determination of the California Department of Water Resources.

Outcome Signed

[R06-07-010](#)

Yes: (Bohn, Brown, Chong, Grueneich, Peevey)

No: (none)

Abstain: (none)

Absent: (none)

Energy Resolutions and Written Reports**49**

[5779]

Res E-3997 - Golden State Water Company (GSW).

GSW submits an Advice Letter to implement the Military Family Relief Program and Memorandum Account applicable to its Bear Valley Electric Service operations as a result of passage of Assembly Bill 1666, the California Military Families Financial Relief Act of 2005. Approved with modifications. (Advice Letter 212-E, filed March 24, 2006)

Outcome Approved[Res E-3997](#)

Yes: (Bohn, Brown, Chong, Grueneich, Peevey)

No: (none)

Abstain: (none)

Absent: (none)

50

[5586]

Res E-3992 - Pacific Gas and Electric Company (PG&E), Southern California Edison Company (SCE), and San Diego Gas & Electric Company (SDG&E).

PG&E filed substitute sheets of Advice Letter (AL) 2793-E to update earlier approved revisions to Schedules for Net Energy Metering (NEM) including Schedules NEM, NEMBIO, NEMFC on March 2, 2006, and to Schedule NEMCT to correct section numbering on March 22, 2006. (PG&E's AL 2793-E, SCE's AL 1969-E, and SDG&E's AL 1777-E, filed February 27, 22 and 27, 2006 respectively)

Agenda 3173, Item 41 5/25/2006 (Staff);

Agenda 3174, Item 44 6/15/2006 (Staff);

Agenda 3175, Item 33 6/29/2006 (Staff)

Outcome Approved[Res E-3992](#)

Yes: (Bohn, Brown, Chong, Grueneich, Peevey)

No: (none)

Abstain: (none)

Absent: (none)

Telecommunication Orders

- 51** **R00-02-003 - Order Instituting Rulemaking on the Commission's own motion into the programs, practices and policies related to implementation of the California Environmental Quality Act as it applies to jurisdictional telecommunications utilities.**
[5773]
- This decision implements changes to the Commission's application of the California Environmental Quality Act (CEQA) to telecommunications utilities. The changes are designed to more closely align the Commission's practices with the current requirements and policies of CEQA, and to ensure that the application of CEQA in the area of telecommunications does not create competitive disparities.
(Comr Brown - ALJ Allen)
- Outcome Held (8/24/06. Further consideration.)**
Yes: (none)
No: (none)
Abstain: (none)
Absent: (none)
- 52** **R95-04-043 - Order Instituting Rulemaking on the Commission's own motion into competition for local exchange service.**
[5778]
- I95-04-044 - Related matters. This decision disposes the Petitions for Modification of Decision 05-07-043 (Petitions), filed respectively by Verizon California Inc. (Verizon) on January 5, 2006, and by AT&T California dba SBC California (SBC) on February 3, 2006. Verizon and SBC seek to terminate the requirement for arbitration of batch hot cut process and pricing disputes. A prehearing conference shall be conducted in the consolidated arbitration proceedings for Verizon and SBC in order to address ultimate disposition of parties' remaining disputes relating to batch hot cut processes and pricing.
(Comr Peevey - ALJ Pulsifer)
- Outcome Held (8/24/06. Further consideration.)**
Yes: (none)
No: (none)
Abstain: (none)
Absent: (none)
- 53** **A05-05-027 - Pacific Bell Telephone Company.**
[5808]
- For arbitration of an interconnection agreement with MCImetro Access Transmission Services LLC. This decision affirms the results reached in the April 19, 2006 Final Arbitrator's Report with two clarifications. The conformed interconnection agreement shall be amended to implement these clarifications, be signed by each party, be jointly filed within 5 days of the date this decision is mailed, and become effective upon filing. This proceeding is closed.
(Comr Bohn - ALJ Mattson)
- Outcome Held (8/24/06. Further review.)**
Yes: (none)
No: (none)
Abstain: (none)
Absent: (none)

54

[5817]

A04-03-014 - Verizon California Inc.

This decision resolves the final group of disputed issues in this arbitration proceeding. The proceeding is intended to implement provisions of the Federal Communications Commission's Triennial Review Order and Triennial Review Remand Order. The two FCC orders eliminated or restricted the unbundling obligations for numerous unbundled network elements.

(Comr Peevey - ALJ Jones)

Outcome Signed

D06-07-033

Yes: (Bohn, Brown, Chong, Grueneich, Peevey)

No: (none)

Abstain: (none)

Absent: (none)

Telecommunication Resolutions and Reports

- 55** **Res T-17024a - SBC California (SBC).**
 [5550] This resolution addresses SBC's monthly and annual ARMIS data on initial and repeat out-of-service intervals for residential customers for 2005. It grants SBC's request for waiver from penalty exemption during months when states of emergency were declared; it grants a penalty waiver for ROOS for all of 2005; it partially denies a waiver for IOOS; and its orders a penalty of \$2.4 million for noncompliance with IOOS standards.
 Agenda 3172, Item 30 5/11/2006 (Staff);
 Agenda 3173, Item 46 5/25/2006 (Chong)
Outcome Withdrawn
 Yes: (none)
 No: (none)
 Abstain: (none)
 Absent: (none)
- 56** **Res T-17024b - SBC California (SBC).**
 [5761] This resolution addresses SBC's monthly and annual ARMIS data on initial and repeat out-of-service intervals for residential customers for 2005. It finds it reasonable to exclude customer requested appointments from the calculation of OOS; it grants SBC's request for waiver from penalty exemption during months when states of emergency were declared and the two months immediately following; it grants a penalty waiver for ROOS for all of 2005; it partially denies a waiver for IOOS; and its orders a penalty of \$900,000 for noncompliance with IOOS standards. Finally, it orders SBC to confer with DRA and to file a petition to modify D01-12-021 to ensure that current regulatory policies concerning OOS best serve customers.
Outcome Approved
 Res T-17024b
 Yes: (Bohn, Chong, Peevey)
 No: (Brown, Grueneich)
 Abstain: (none)
 Absent: (none)
- 57** **Res T-17008 - Citizens Telecommunications Company of California (Citizens).**
 [5768] This resolution approves Citizens' (1) permanent surcredit of 3.63% commencing on September 1, 2006 and thereafter; and (2) a one-month surcharge of 1.94% commencing on September 1, 2006 for one month. (Advice Letter (AL) 722, filed October 24, 2001, and Supplement A, filed April 13, 2004; AL 732, filed November 30, 2001, and Supplements A, B and C, filed December 10, 2001, August 1, 2002, and April 13, 2004 respectively.)
Outcome Approved
 Res T-17008
 Yes: (Bohn, Brown, Chong, Grueneich, Peevey)
 No: (none)
 Abstain: (none)
 Absent: (none)

57a

[5770]

ALTERNATE TO ITEM 5768

This resolution approves Citizens' (1) permanent surcredit of 3.63%, commencing on September 1, 2006 and thereafter; and (2) incremental permanent surcredit of 4.40% for one year commencing on September 1, 2006 and ending after the 12-month implementation period. (Advice Letter (AL) 722, filed October 24, 2001, and Supplement A, filed April 13, 2004; AL 732, filed November 30, 2001, and Supplements A, B and C, filed December 10, 2001, August 1, 2002, and April 13, 2004 respectively.)

Outcome Withdrawn

Yes: (none)

No: (none)

Abstain: (none)

Absent: (none)

58

[5771]

Res T-17009 - Verizon California, Inc. (Verizon).

This resolution approves Verizon's request to implement a permanent California High Cost Fund-B surcredit (1) permanent surcredit of 3.38%, commencing on September 1, 2006 and thereafter and (2) one-month catch-up surcredit of 3.75% for one month commencing on September 1, 2006. (Advice Letter 9908, filed October 29, 2001; Advice Letter 9928, filed November 29, 2001, and Supps. A and B, filed March 8, 2002 and May 3, 2004, respectively.)

Outcome Approved

Res T-17009

Yes: (Bohn, Brown, Chong, Grueneich, Peevey)

No: (none)

Abstain: (none)

Absent: (none)

58a

[5772]

ALTERNATE TO ITEM 5771

This resolution approves Verizon's (1) permanent surcredit of 3.38%, commencing on September 1, 2006; (2) incremental permanent surcredit of 2.66% for one year, commencing on September 1, 2006 and ending after the 12-month implementation period; and (3) a one-month catch surcredit of 3.75% for one month, commencing on September 1, 2006. (Advice Letter 9908, filed October 29, 2001; Advice Letter 9928, filed November 29, 2001; and Supps. A and B, filed March 8, 2002 and May 3, 2004, respectively.)

Outcome Withdrawn

Yes: (none)

No: (none)

Abstain: (none)

Absent: (none)

Water/Sewer Orders
59 (Rev.)

[5736]

A04-11-004 - Union Pacific Railroad Company, Keene Water System.

The Commission authorizes initial rates for Union Pacific Railroad on behalf of its Keene Water System, a Class D water utility serving approximately 37 users. The Commission also orders remedial measures to bring the system in compliance with General Order 103. Under the adopted rates, the estimated monthly bill (Test Year 2004) for a 5/8 x 3/4-inch meter will increase from \$12.00 to \$119.71 for 3,000 gallons used, \$16.00 to \$128.57 for 4,000 gallons used, \$20.00 to \$137.43 for 5,000 gallons used, and \$24.00 to \$146.29 for 6,000 gallons used. To allow the parties to negotiate a mutually beneficial resolution to the issues in this proceeding, the rates and other ordering paragraphs are stayed for 180 days. During the stay, the company is required to complete a hydrologic and engineering assessment of possible measures to improve water supply reliability and quality. This proceeding is closed.

(Comr Peevey - ALJ Thorson)

07/19/2006 - This revision was not shown on the Agenda mailed to the public.**Outcome Signed**

D06-07-034

Yes: (Bohn, Brown, Chong, Grueneich, Peevey)

No: (none)

Abstain: (none)

Absent: (none)

60

[5823]

A06-05-005 - California-American Water Company.

This decision grants California-American Water Company the authority to issue any combination of long-term debt and common stock to the extent that the total amount issued does not exceed \$187 million. Application 06-05-005 is closed.

(Comr Bohn - ALJ Galvin)

Outcome Signed

D06-07-035

Yes: (Bohn, Brown, Chong, Grueneich, Peevey)

No: (none)

Abstain: (none)

Absent: (none)

Legislative Matters - Discussion

- 61** **SB 1010 (Florez)**
[5398] Intermodal facility in Shafter and track capacity reporting requirements.
Agenda 3169, Item 37 3/15/2006 (Staff);
Agenda 3170, Item 84 4/13/2006 (Staff);
Agenda 3171, Item 59 4/27/2006 (Staff);
Agenda 3172, Item 35 5/11/2006 (Staff);
Agenda 3173, Item 50 5/25/2006 (Staff);
Agenda 3174, Item 49 6/15/2006 (Staff);
Agenda 3175, Item 36 6/29/2006 (Staff)
Outcome Withdrawn
Yes: (none)
No: (none)
Abstain: (none)
Absent: (none)
- 62** **AB 32 (Nunez/Pavley)**
[5695] California Global Warming Solutions Act of 2006: greenhouse gases.
Agenda 3174, Item 53 6/15/2006 (Staff);
Agenda 3175, Item 38 6/29/2006 (Staff)
Outcome Held (8/24/06.)
Yes: (none)
No: (none)
Abstain: (none)
Absent: (none)
- 63** **AB 1969 (Chavez)**
[5696] Public wastewater agencies: renewable electricity generation.
Agenda 3174, Item 54 6/15/2006 (Staff);
Agenda 3175, Item 39 6/29/2006 (Staff)
Outcome Withdrawn
Yes: (none)
No: (none)
Abstain: (none)
Absent: (none)

64

[5759]

SB 440 (Speier)

Telco: mobile data and mobile telephony services: charges for unauthorized services
Agenda 3175, Item 40 6/29/2006 (Brown)

Outcome Approved-Staff Recommendation (Oppose unless amended.)

SB 440

Yes: (Bohn, Chong, Peevey)

No: (Brown, Grueneich)

Abstain: (none)

Absent: (none)

65

[5827]

AB 2987 (Nunez)

Cable and video service.

Outcome Held (8/24/06.)

Yes: (none)

No: (none)

Abstain: (none)

Absent: (none)

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

Applications for Rehearing

- 67** **A00-11-038 - Conference with Legal Counsel - Application for Rehearing**
 [5753] A00-11-056, A00-10-028 - Related matters. Disposition of Application for Rehearing of D05-04-049 filed by The Utility Reform Network (TURN). D05-04-049 disposed of TURN's request for compensation for work and costs related to its further participation in the federal district court proceedings, its efforts in the judicial review of D02-06-070, and work associated with TURN's challenge to the Commission's settlement of the Edison lawsuit.
 Agenda 3175, Item 47 6/29/2006 (Staff)
Outcome Withdrawn
 Yes: (none)
 No: (none)
 Abstain: (none)
 Absent: (none)
- 68** **C05-03-010 - Conference with Legal Counsel - Application for Rehearing**
 [5711] Disposition of the application for rehearing filed by the City of San Francisco (CCSF) of D06-01-006. D06-01-006 denies the complaint of CCSF against NextG Networks of California, Inc.
 Agenda 3174, Item 65 6/15/2006 (Staff)
Outcome Signed
 D06-07-036
 Yes: (Bohn, Brown, Chong, Grueneich, Peevey)
 No: (none)
 Abstain: (none)
 Absent: (none)

69

[5815]

A05-02-004 - Conference with Legal Counsel - Application for Rehearing.

Disposition of application for rehearing of D06-01-025 filed by Golden State Water Company (Formerly Southern California Water Company.) D06-01-025 involves requested rate increases for the company's Region III service area for 2006, 2007 and 2008.

Outcome Held (9/7/06.)

Yes: (none)

No: (none)

Abstain: (none)

Absent: (none)

70

[5818]

A99-05-029 - Conference with Legal Counsel - Application for Rehearing

Disposition of Application for rehearing of D06-04-032, filed by the Grassroots Coalition. D06-04-032 authorizes Southern California Gas Company to sell certain parcels of land and certifies an Environmental Impact Report with respect to 36 of those parcels.

Outcome Signed

D06-07-037

Yes: (Bohn, Brown, Chong, Grueneich, Peevey)

No: (none)

Abstain: (none)

Absent: (none)