

---

# *Public Utilities Commission of the State of California*

## *Results of Public Agenda 3195*

*Meeting Held on Thursday, July 12, 2007 10:00 a.m.*

*San Francisco, California*

### **Commissioners**

**Michael R. Peevey, President**

**John A. Bohn**

**Rachelle B. Chong**

**Dian M. Grueneich**

**Timothy Alan Simon**

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.) <b>Closed to the Public</b>	<i>Commission Meeting</i> Auditorium (10 a.m.) <b>Open to the Public</b>
Monday, July 23, 2007 (San Francisco)	Thursday, July 26, 2007 (San Francisco)
Monday, August 20, 2007 (San Francisco)	Thursday, August 23, 2007 (San Francisco)
Friday, August 31, 2007 (San Francisco)	Thursday, September 06, 2007 (San Francisco)
Monday, September 17, 2007 (San Francisco)	Thursday, September 20, 2007 (San Francisco)
Monday, October 01, 2007 (San Francisco)	Thursday, October 04, 2007 (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](mailto:public.advisor@cpuc.ca.gov)



This location is accessible to people with disabilities. If specialized accommodations for the disabled are needed, e.g. sign language interpreters, please call the Public Advisor at (415) 703-2074 or TTY# (415) 703-5282 or toll free # 1-866-836-7825 three business days in advance of the meeting.

## PUBLIC COMMENT

The following items are not subject to public comment:

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

**Public Comment:**

## 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**                    **A06-06-026 - Pacific Gas and Electric Company (PG&E).**  
 [6642]                This decision resolves this application by PG&E, which seeks the Commission's approval of a proposal to modify PG&E's customer bills. The Commission herein grants PG&E's application with several conditions put forth by consumer groups and representatives of the disabled community. This proceeding is closed.  
                           (Comr Bohn - ALJ Malcolm)  
                           Agenda 3193, Item 13 6/7/2007 (Bohn);  
                           Agenda 3194, Item 6 6/21/2007 (Chong)  
**Outcome Held (7/26/07, Consent Agenda. Further consideration.)**  
 Yes: (none)  
 No: (none)  
 Abstain: (none)  
 Absent: (none)
- 2**                    **ALJ 176-3195**  
 [6711]                Ratification of preliminary determination of category for proceedings initiated by application. The preliminary determinations are pursuant to Rule 7.1 of the Commission's Rules of Practice and Procedure.  
**Outcome Approved**  
[ALJ 176-3195](#)  
 Yes: (Bohn, Chong, Grueneich, Peevey, Simon)  
 No: (none)  
 Abstain: (none)  
 Absent: (none)

**3**

[6651]

**Res E-4052 - Southern California Edison Company (SCE).**

This resolution requests Commission approval to establish a Renewable Transmission Feasibility Study Costs Memorandum Account to record up to \$6 million to study the feasibility of accessing new renewable resources. This resolution approves SCE's request with modifications. Specifically, SCE is authorized to establish a renewable transmission memorandum account and record costs, up to \$1.5 million in Phase 1, and up to \$4.5 million in Phase 2, subject to pre-approval after Phase 1. (Advice Letter (AL) 2062-E, filed November 22, 2006 and Supplemental AL 2062-E-A, filed April 2, 2007 to replace AL 2062-E in its entirety)

Agenda 3193, Item 15 6/7/2007 (Staff);

Agenda 3194, Item 7 6/21/2007 (Staff)

**Outcome Held (7/26/07, Consent Agenda.)**

Yes: (none)

No: (none)

Abstain: (none)

Absent: (none)

**4**

[6681]

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

R06-04-010 - Related matters. This decision provides procedural guidance to parties that seek intervenor compensation for their work in the Procurement Review Groups, Peer Review Groups and Public Advisory Groups for procurement and energy efficiency portfolio development of Pacific Gas and Electric Company, Southern California Edison Company, and San Diego Gas & Electric Company. The Commission specifies the type of information the Commission needs in requests for compensation to satisfy the law and assure the effective use of ratepayer funds.

(Comr Grueneich, Comr Peevey - ALJ Malcolm)

Agenda 3194, Item 13 6/21/2007 (Staff)

**Outcome Held (8/23/07, Consent Agenda.)**

Yes: (none)

No: (none)

Abstain: (none)

Absent: (none)

- 
- 5**  
[6740]      **A07-03-024 - Pacific Gas and Electric Company (PG&E).**  
This decision approves the request of PG&E to change the allocations of the core's firm pipeline capacity, the request to change the benchmark in the Core Procurement Incentive Mechanism to reflect the change in allocations, and the request to allow PG&E to file an advice letter to revise a section of PG&E's gas Schedule G-CT. This proceeding is closed.  
(Comr Simon - ALJ Wong)  
**Outcome Signed**  
[D07-07-002](#)  
Yes: (Bohn, Chong, Grueneich, Peevey, Simon)  
No: (none)  
Abstain: (none)  
Absent: (none)
- 6**  
[6746]      **A04-07-001 - San Luis Obispo County Public Works Department.**  
This decision approves a settlement agreement permitting the San Luis Obispo County Public Works Department to construct an at-grade pedestrian crossing over the tracks of the Union Pacific Railroad Company in the vicinity of 16th Street in the community of San Miguel. Application 04-07-001 is closed.  
(Comr Peevey - ALJ Walker)  
**Outcome Signed**  
D07-07-003  
Yes: (Bohn, Chong, Grueneich, Peevey, Simon)  
No: (none)  
Abstain: (none)  
Absent: (none)
- 7**  
[6749]      **R06-02-012 - Order Instituting Rulemaking to Develop Additional Methods to Implement the California Renewables Portfolio Standard Program.**  
This decision modifies the formula for calculating the renewable procurement baseline amounts of energy service providers for the renewables portfolio standard (RPS) program set out in D06-10-019 to be consistent with the renewable baseline formula the Commission adopted in D07-03-046. This decision also makes additional changes to clarify the RPS baseline formula for new load serving entities and to remove inconsistencies. This proceeding remains open.  
(Comr Peevey - ALJ Simon)  
**Outcome Held (7/26/07, Consent Agenda.)**  
Yes: (none)  
No: (none)  
Abstain: (none)  
Absent: (none)

- 
- 8**  
[6750]      **Res E-4101 - Southern California Edison Company (SCE).**  
This resolution denies SCE's request for deviation from Electric Rule 20A, Allocation Allowances, in compliance with Res 4001. (Advice Letter 2110-E, filed March 15, 2007)  
**Outcome Approved**  
[Res E-4101](#)  
Yes: (Bohn, Chong, Grueneich, Peevey, Simon)  
No: (none)  
Abstain: (none)  
Absent: (none)
- 9**  
[6751]      **Res E-4097 - San Diego Gas and Electric Company (SDG&E).**  
This resolution authorizes SDG&E to revise its electric Schedule DR-TOU, Experimental Domestic Time-of-Use Service, to provide for the 20% California Alternate Rates for Energy (CARE) discount for qualifying customers, and to remove the time-of-use metering charge exemption for CARE customers. (Advice Letter 1891-E, filed April 19, 2007)  
**Outcome Approved**  
[Res E-4097](#)  
Yes: (Bohn, Chong, Grueneich, Peevey, Simon)  
No: (none)  
Abstain: (none)  
Absent: (none)
- 10**  
[6752]      **Res E-4084 - Pacific Gas and Electric Company (PG&E).**  
This resolution approves without modification three consolidated and restructured power purchase agreements between PG&E and FPL Energy, LLC. (Advice Letter 3001-E filed, March 9, 2007)  
**Outcome Approved**  
[Res E-4084](#)  
Yes: (Bohn, Chong, Grueneich, Peevey, Simon)  
No: (none)  
Abstain: (none)  
Absent: (none)

**11** **R87-11-012 - Order Instituting Rulemaking to revise the time schedules for the Rate Case Plan and fuel offset proceedings.**  
[6753]

This decision, on the Commission's own motion, modifies the requirements previously established in Decision 93-07-030 regarding the filing of a Notice of Intent (NOI) to file a General Rate Case, including the need to file the NOI and the number of copies required. The decision also modifies the number of copies required to be filed of the application, to recognize the advent of electronic service and filing and in order to better conform to the current Rules of Practice and Procedure. Conforming changes to reflect these updates have been made throughout the Rate Case Plan itself. This proceeding is closed.

(Comr Peevey - ALJ Cooke)

**Outcome Signed**

[D07-07-004](#)

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

No: (none)

Abstain: (none)

Absent: (none)

**12** **A07-04-008 - Southern California Regional Rail Authority.**  
[6754]

This decision grants the request of the Southern California Regional Rail Authority, in cooperation with the City of Orange to construct a grade-separated pedestrian-rail crossing (underpass) at the Orange Metrolink Station in the City of Orange, County of Orange. This proceeding is closed.

(Exam Clark)

**Outcome Signed**

D07-07-005

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

No: (none)

Abstain: (none)

Absent: (none)

**13** **I04-02-007 - Order Instituting Investigation on the Commission's own motion to determine the extent to which the Public Utility Telephone Service known as Voice over Internet Protocol should be exempted from regulatory requirements.**  
[6755]

This decision awards the Greenlining Institute, The Utility Reform Network, and Peninsula Ratepayers Association \$102,295.11, \$52,292.28, and \$48,411.00, respectively, in compensation for their substantial contributions to D06-06-010. This proceeding is closed.

(Comr Peevey - ALJ Grau)

**Outcome Signed**

[D07-07-006](#)

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

No: (none)

Abstain: (none)

Absent: (none)

- 14**  
[6757]      **Res T-17088 - The Siskiyou Telephone Company.**  
This resolution approves a compensation agreement between the Siskiyou Telephone Company and Pac-West Telcomm, Inc., pursuant to Section 252 of the Telecommunications Act of 1996. (Advice Letter 344, filed May 21, 2007)  
**Outcome Approved**  
[Res T-17088](#)  
Yes: (Bohn, Chong, Grueneich, Peevey, Simon)  
No: (none)  
Abstain: (none)  
Absent: (none)
- 15**  
[6758]      **Res T-17097 - Ducor Telephone Company.**  
This resolution approves a compensation agreement between Ducor Telephone Company and Pac-West Telecomm, Inc., pursuant to Section 252 of the Telecommunications Act of 1996. (Advice Letter 314, filed May 22, 2007)  
**Outcome Approved**  
[Res T-17097](#)  
Yes: (Bohn, Chong, Grueneich, Peevey, Simon)  
No: (none)  
Abstain: (none)  
Absent: (none)
- 16**  
[6759]      **Res T-17095 - The Ponderosa Telephone Company.**  
This resolution approves a compensation agreement between The Ponderosa Telephone Company and Pac-West Telecomm, Inc., pursuant to Section 252 of the Telecommunications Act of 1996. (Advice Letter 365, filed May 23, 2007)  
**Outcome Approved**  
[Res T-17095](#)  
Yes: (Bohn, Chong, Grueneich, Peevey, Simon)  
No: (none)  
Abstain: (none)  
Absent: (none)

- 17**  
[6760]      **Res T-17096 - Global Valley Networks, Inc. (GVNI).**  
This resolution approves a compensation agreement between GVNI and Pac-West Telecomm, Inc., pursuant to Section 252 of the Telecommunications Act of 1996. (Advice Letter 394, filed May 22, 2007)  
**Outcome Approved**  
[Res T-17096](#)  
Yes: (Bohn, Chong, Grueneich, Peevey, Simon)  
No: (none)  
Abstain: (none)  
Absent: (none)
- 18**  
[6761]      **Res T-17094 - Pinnacles Telephone Company.**  
This resolution approves a compensation agreement between Pinnacles Telephone Company and Pac-West Telecomm, Inc., pursuant to Section 252 of the Telecommunications Act of 1996. (Advice Letter 227, filed May 22, 2007)  
**Outcome Approved**  
[Res T-17094](#)  
Yes: (Bohn, Chong, Grueneich, Peevey, Simon)  
No: (none)  
Abstain: (none)  
Absent: (none)
- 19**  
[6762]      **Res T-17093 - Calaveras Telephone Company.**  
This resolution approves a compensation agreement between Calaveras Telephone Company and Pac-West Telecomm, Inc., pursuant to Section 252 of the Telecommunications Act of 1996. (Advice Letter 297, filed May 22, 2007)  
**Outcome Approved**  
[Res T-17093](#)  
Yes: (Bohn, Chong, Grueneich, Peevey, Simon)  
No: (none)  
Abstain: (none)  
Absent: (none)

- 
- 20**  
[6763]      **Res T-17092 - Volcano Telephone Company (Volcano).**  
This resolution approves a compensation agreement between Volcano and Pac-West Telecomm, Inc., pursuant to Section 252 of the Telecommunications Act of 1996. (Advice Letter 338, filed May 22, 2007)  
**Outcome Approved**  
[Res T-17092](#)  
Yes: (Bohn, Chong, Grueneich, Peevey, Simon)  
No: (none)  
Abstain: (none)  
Absent: (none)
- 21**  
[6764]      **Res W-4653 - Tahoe Swiss Village Utilities, Inc.**  
This resolution authorizes an offset rate increase of \$2,407 or 12.77% for Glenridge District. (Advice Letter 14, filed April 19, 2007)  
**Outcome Approved**  
[Res W-4653](#)  
Yes: (Bohn, Chong, Grueneich, Peevey, Simon)  
No: (none)  
Abstain: (none)  
Absent: (none)
- 22**  
[6767]      **Res ST-89**  
This resolution grants approval of San Francisco Bay Area Rapid Transit District's (BART) Safety and Security Certification Plan (SSCP) for the West Dublin/Pleasanton Station Project. Commission General Order 164-D requires BART to prepare a project-specific SSCP for each major project. It also requires a written Safety Certification Verification Report (SCVR) to be submitted to staff at the completion of the project. CPUC staff shall then approve the SCVR confirming that BART has completed all requirements of the SSCP and send a formal letter to BART accepting the SCVR.  
**Outcome Approved**  
[Res ST-89](#)  
Yes: (Bohn, Chong, Grueneich, Peevey, Simon)  
No: (none)  
Abstain: (none)  
Absent: (none)

**23**

[6768]

**Res SX-80**

This resolution authorizes Santa Clara Valley Transportation Authority (VTA) an exemption from the provisions of Section 9.5 (Audible Warning Devices) of General Order 75-D by altering the bells at two crossings in the City of Campbell. VTA will lower the bells in the northeast and southwest quadrants to a minimum height of 8.5 feet from the ground on the warning devices located at Kennedy Avenue (CPUC# 82D-7.10) and install a shroud covering the northwest face of the bell in the northeast quadrant. VTA will lower the bells in the northeast and northwest quadrants to a minimum height of 8.5 feet from the ground on the warning devices located at Civic Center Drive (CPUC# 82D-6.60) and install a shroud covering the north face of the bell in the northwest quadrant.

**Outcome Approved**[Res SX-80](#)

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

No: (none)

Abstain: (none)

Absent: (none)

**24**

[6769]

**Res E-4105 - Pacific Gas and Electric Company (PG&E).**

This resolution approved PG&E's Advice Letter 3054-E to grant the City of Folsom a non-exclusive easement to construct and maintain for public use a bike and pedestrian path over PG&E electric transmission fee property. This resolution has been prepared pursuant to a pilot program specified in Resolution ALJ-186 granting expedited treatment to utility proposals meeting certain requirements. (Advice Letter 3054-E, filed May 18, 2007)

**Outcome Approved**[Res E-4105](#)

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

No: (none)

Abstain: (none)

Absent: (none)

**25**

[6770]

**R04-09-003 - Order Instituting Rulemaking on the Commission's Own Motion for the Purpose of Considering Policies and Guidelines Regarding the Allocation of Gains from Sales of Energy, Telecommunications, and Water Utility Assets.**

This decision grants the request of The Utility Reform Network for \$40,786.13 in compensation for its claimed contribution to D06-05-041 and D06-12-043.

(Comr Peevey - ALJ Thomas)

**Outcome Signed**[D07-07-007](#)

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

No: (none)

Abstain: (none)

Absent: (none)

- 
- 26** **A07-03-021 - Open Top Sightseeing San Francisco, LLC (Open Top).**  
[6772] This decision authorizes Open Top to operate as a passenger stage corporation between points in San Francisco and Marin County; and to establish a zone of rate freedom. This proceeding is closed.  
(Exam Clark)  
**Outcome Signed**  
[D07-07-008](#)  
Yes: (Bohn, Chong, Grueneich, Peevey, Simon)  
No: (none)  
Abstain: (none)  
Absent: (none)
- 27** **A07-02-029 - Suhil M. Babikir, Bhaeldeen Elfadul, and Marvin A. Ibrahim (Applicants).**  
[6773] This decision authorizes Applicants to purchase all of the issued and outstanding stock of California Airporter, Inc., a passenger stage corporation, from Magdi M. Osman, Kmel S. Bashir, and Mahmoud Mohamed. This proceeding is closed.  
(Exam Clark)  
**Outcome Signed**  
[D07-07-009](#)  
Yes: (Bohn, Chong, Grueneich, Peevey, Simon)  
No: (none)  
Abstain: (none)  
Absent: (none)
- 28** **A07-02-006 - Ferede Negash dba Red Shuttle (Applicant).**  
[6774] This decision authorizes Applicant to operate as a passenger stage corporation between points in Alameda, Contra Costa, Marin, San Francisco, San Mateo, Santa Clara, and Solano Counties, on the one hand, and San Francisco, Oakland, and San Jose International Airports, on the other hand; and to establish a zone of rate freedom. This proceeding is closed.  
(Exam Clark)  
**Outcome Signed**  
[D07-07-010](#)  
Yes: (Bohn, Chong, Grueneich, Peevey, Simon)  
No: (none)  
Abstain: (none)  
Absent: (none)

- 
- 29**  
[6776]      **A07-03-029 - San Diego Gas & Electric Company (SDG&E).**  
This decision adopts SDG&E's 2007-2008 Winter Hedge Plan as modified by an all party settlement between SDG&E and the Division of Ratepayer Advocates. This proceeding is closed.  
(Comr Peevey - ALJ Galvin)  
**Outcome Signed**  
D07-07-011  
Yes: (Bohn, Chong, Grueneich, Peevey, Simon)  
No: (none)  
Abstain: (none)  
Absent: (none)
- 30**  
[6783]      **Res W-4654 - Rural Water Company (Rural).**  
This resolution grants interim Consumer Price Index-Urban Test Year relief in connection with the General Rate Case Advice Letter (AL) of Rural authorizing it to increase rates for its water service by \$15,741 or 2.4% in 2007. (AL 56-W, filed April 16, 2007)  
**Outcome Approved**  
[Res W-4654](#)  
Yes: (Bohn, Chong, Grueneich, Peevey, Simon)  
No: (none)  
Abstain: (none)  
Absent: (none)
- 31**  
[6786]      **R03-10-003 - Order Instituting Rulemaking to implement portions of AB 117 concerning Community Choice Aggregation.**  
This decision awards Community Environmental Council (CEC) \$8,705.68 in compensation for its substantial contributions to D05-12-041. The award is less than CEC requested to reflect reduced hourly rates and a reduction in the hours of work claimed. This proceeding is closed.  
(Comr Peevey - ALJ Malcolm)  
**Outcome Signed**  
D07-07-012  
Yes: (Bohn, Chong, Grueneich, Peevey, Simon)  
No: (none)  
Abstain: (none)  
Absent: (none)

- 
- 32**  
[6788]      **I \_\_\_\_\_ - Investigation for the purpose of establishing a list for the fiscal years 2008-2009 and 2009-2010 of existing and proposed crossings at grade of city streets, county roads or state highways in need of separation, or projects affecting the elimination of grade crossings by removal or relocation of streets or railroad tracks, or existing separations in need of alterations or reconstruction in accordance with Section 2452 of the Streets and Highways Code.**
- Order Instituting Investigation for the purpose of establishing a Grade Separation Priority List for the fiscal years 2008-2009 and 2009-2010 of existing and proposed crossings.
- Outcome Signed**
- [I07-07-006](#)
- Yes: (Bohn, Chong, Grueneich, Peevey, Simon)  
No: (none)  
Abstain: (none)  
Absent: (none)
- 33**  
[6790]      **C06-03-013 - Pacific Bell Telephone Company dba AT&T California (AT&T) vs. Fones4All Corporation (Fones4All).**
- This decision finds in favor of complainant AT&T with regard to allegations that Fones4All overbilled it for completing intrastate traffic under the terms of its interconnection agreement with AT&T. It orders Fones4All to pay to AT&T \$2.67 million plus interest for those overbillings. This proceeding is closed. (Comr Chong - ALJ Malcolm)
- Outcome Signed**
- [D07-07-013](#)
- Yes: (Bohn, Chong, Grueneich, Peevey, Simon)  
No: (none)  
Abstain: (none)  
Absent: (none)
- 34**  
[6791]      **A07-01-006 - Blue & Gold Fleet, L.P.**
- This decision approves Applicant's request for fare increase for its vessel common carrier service between Tiburon and San Francisco. This proceeding is closed. (Comr Bohn - ALJ Ebke)
- Outcome Signed**
- [D07-07-014](#)
- Yes: (Bohn, Chong, Grueneich, Peevey, Simon)  
No: (none)  
Abstain: (none)  
Absent: (none)

- 
- 35**  
[6792]      **A07-01-027 - Blue & Gold Fleet, L.P.**  
This decision approves Applicant's request for fare increase for its vessel common carrier service between Sausalito and San Francisco. This proceeding is closed.  
(Comr Bohn - ALJ Ebke)  
**Outcome Signed**  
[D07-07-015](#)  
Yes: (Bohn, Chong, Grueneich, Peevey, Simon)  
No: (none)  
Abstain: (none)  
Absent: (none)
- 36**  
[6793]      **A07-06-004 - Inter-Tel NetSolutions, Inc. (Inter-Tel) and Mitel Networks Corporation (Mitel).**  
This decision grants the application of Inter-Tel and Mitel for a transfer of control of Inter-Tel to Mitel. As a result of this transaction, Mitel will own 100% of the outstanding and issued capital stock of Inter-Tel. Inter-Tel will retain its Certificate of Public Convenience and Necessity authorizing the provision of resold local exchange and interexchange services in this state, will offer services to customers under the same rates, terms, and conditions, and will operate under the same day-to-day management after the merger. This proceeding is closed.  
(Comr Simon - ALJ Prestidge)  
**Outcome Signed**  
D07-07-016  
Yes: (Bohn, Chong, Grueneich, Peevey, Simon)  
No: (none)  
Abstain: (none)  
Absent: (none)
- 37**  
[6795]      **C05-11-011 - Utility Consumers' Action Network (UCAN) v. SBC Communications, Inc. dba SBC Pacific Bell Telephone Company (SBC) and Related Entities.**  
C05-11-012 - Related matters. This decision extends the period for resolving this adjudicatory matter until October 18, 2007 pursuant to Pub. Util. Code Section 1701.2(b) and Rule 14.6(c)(4).  
(Comr Peevey - ALJ Thorson)  
**Outcome Withdrawn**  
Yes: (none)  
No: (none)  
Abstain: (none)  
Absent: (none)

**38**                    **R05-10-030 - Order Instituting Rulemaking Concerning Relationship Between California Energy Utilities and their Holding Companies and Non Regulated Affiliates.**  
[6796]

This decision awards Greenlining Institute \$97,111.45 and California Consumer Federation \$57,412.96 in compensation for their substantial contributions to D06-12-029.

This proceeding is closed.

(Comr Peevey - ALJ Vieth)

**Outcome Signed**

D07-07-017

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

No: (none)

Abstain: (none)

Absent: (none)

**39**                    **R06-04-009 - Order Instituting Rulemaking to Implement the Commission's Procurement Incentive Framework and to Examine the Integration of Greenhouse Gas Emissions Standards into Procurement Policies.**  
[6797]

This order amends the Order Instituting R06-04-009 to allow consideration of all Market Advisory Committee recommendations to the California Air Resources Board regarding a greenhouse gas emissions reduction program, including issues not within the existing scope of Phase 2.

(Comr Peevey - ALJ Lakritz, ALJ TerKeurst)

**Outcome Signed**

D07-07-018

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

No: (none)

Abstain: (none)

Absent: (none)

---

## Regular Agenda

### Energy Orders

**40**

[6604]

**A06-11-005 - Pacific Gas and Electric Company (PG&E).**

PG&E has not met the Catastrophic Event Memorandum Account (CEMA) eligibility tests to recover any incremental costs for the hot weather impacts it experienced in July 2006. No competent state or federal authority, which the Commission has previously found to only include the Governor of California and the President of the United States, issued an emergency declaration. PG&E therefore fails to satisfy the threshold eligibility requirements of its own tariff and the Commission's Res E-3238. Further, Public Utilities Code Section 454.9 did not supersede the CEMA procedures and requirements adopted in Commission Res E-3238. Therefore the Commission denies the application to recover under the CEMA procedures the costs associated with the hot weather in July 2006. This proceeding remains open to consider PG&E's request to recover any incremental costs for the 2005-2006 new year's storms pursuant to its CEMA tariff.

(Comr Bohn - ALJ Long)

Agenda 3192, Item 46 5/24/2007;

Agenda 3194, Item 40 6/21/2007 (Chong)

**Outcome Held (7/26/07. For 311(e) requirement.)**

Yes: (none)

No: (none)

Abstain: (none)

Absent: (none)

**40a**

[6794]

**ALTERNATE TO ITEM 6604**

The alternate decision reviews the declared emergencies by counties, the Small Business Administration, and the United States Department of Agriculture and dismisses the request to recover costs related to the 2006 Heat Storm due to the absence of a direct link between the emergency declarations and damage to utility facilities. Therefore the Commission dismisses the application to recover under the Catastrophic Event Memorandum Account procedures the costs associated with the 2006 Heat Storm. The proceeding remains open to consider costs related to the 2005-2006 New Year's Storms.

(Comr Chong)

**Outcome Held (7/26/07. For 311(e) requirement.)**

Yes: (none)

No: (none)

Abstain: (none)

Absent: (none)

- 41**  
[6609]                    **R04-04-003 - Order Instituting Rulemaking to promote policy and program coordination and integration in electric utility resource planning.**  
R04-04-025 - Related matters. This decision adopts specific policies and pricing mechanisms applicable to the electric utilities' purchase of energy and capacity from Qualifying Facilities (QFs). Specifically, the Commission adopts 1) a Market Index Formula as an updated short-run avoided cost formula, 2) new contract options for expired QF contracts and new QF contracts, 3) prospective QF contract provisions, and 4) an entry procedure for new QFs. These proceedings are closed.  
(Comr Peevey - ALJ Brown)  
Agenda 3193, Item 30 6/7/2007 (Staff)  
**Outcome Held (7/26/07.)**  
Yes: (none)  
No: (none)  
Abstain: (none)  
Absent: (none)
- 42**  
[6617]                    **A02-11-017 - Pacific Gas and Electric Company (PG&E).**  
For authority, among other things, to increase revenue requirements for electric and gas service and to increase rates and charges for gas service effective on January 1, 2003. I03-01-012; A02-09-005 - Related matters. This decision finds that PG&E systematically violated its tariff Rule 17.1 by issuing backbills related to periods of no bills and to estimated bills, where the cause for the estimation was within PG&E's control, beyond the time limits permitted under the tariff. The Commission orders PG&E to refund, at shareholder expense, approximately \$23 million for illegal backbill charges. The Commission further orders PG&E to refund reconnection fees (with interest) and pay credits to certain customers whose service was shutoff for nonpayment of illegal backbills. These proceedings are closed.  
(Comr Peevey - ALJ Yacknin)  
Agenda 3192, Item 48 5/24/2007;  
Agenda 3194, Item 41 6/21/2007 (Peevey)  
**Outcome Held (8/23/07. Further consideration.)**  
Yes: (none)  
No: (none)  
Abstain: (none)  
Absent: (none)

**43**

[6657]

**A05-09-019 - San Diego Gas & Electric Company (SDG&E) and Southern California Gas Company (SoCalGas).**

A05-10-016; A05-10-019 - Related matters. This decision makes refinements to the calculation of line extension allowances, and the cost of ownership charges applicable to refundable costs in excess of the line extension allowance, for Pacific Gas and Electric Company, Southern California Edison Company, SDG&E, and SoCalGas. The above utilities are required to file advice letters to implement the refinements within 120 days. These applications are closed.

(Comr Peevey - ALJ O'Donnell)

Agenda 3194, Item 9 6/21/2007 (Peevey)

**Outcome Signed**

D07-07-019

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

No: (none)

Abstain: (none)

Absent: (none)

---

## Energy Resolutions and Written Reports

**44**

[6745]

**Res G-3402 - Southern California Gas Company (SCG).**

This resolution approves SCG's request to implement the Palm Desert Partnership Demonstration Project and to increase the overall funding available for the 2006-2008 Competitive Bid. (Advice Letter 3713, filed February 14, 2007)

**Outcome Approved**

Res G-3402

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

No: (none)

Abstain: (none)

Absent: (none)

---

**Communication Orders****45**

[6270]

**C05-11-011 - Utility Consumers' Action Network vs. SBC Communications, Inc., dba Pacific Bell Telephone Company, and related entities.**

C05-11-012 - Related matters. This decision determines that an agent of AT&T California (AT&T) and an agent and attorney of Cox Communications (Cox) engaged in impermissible ex parte communications with personal advisors of three Commission offices with the intent of influencing substantive issues in pending adjudications (where ex parte bans had been imposed). This decision determines that, in violation of the Public Utilities Code and our Rules of Practice and Procedure, impermissible ex parte violations have occurred and the Commission should impose sanctions including a fine of \$40,000 each against AT&T and Cox.

(Comr Bohn - ALJ Thorson)

Agenda 3186, Item 37 1/25/2007 (Peevey);

Agenda 3187, Item 49 2/15/2007 (Bohn);

Agenda 3188, Item 24 3/1/2007 (Bohn);

Agenda 3190, Item 61 4/12/2007 (Chong);

Agenda 3191, Item 48 5/3/2007 (Chong);

Agenda 3193, Item 34 6/7/2007 (Staff);

Agenda 3194, Item 42 6/21/2007 (Simon)

**Outcome Signed (Pres. Peevey will file a dissent. Comr. Simon will file a concurrence.)**

D07-07-020

Yes: (Bohn, Chong, Grueneich, Simon)

No: (Peevey)

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

- 47**                    **A05-12-011 - Conference with Legal Counsel - Applications for Rehearing**  
 [6756]                    Disposition of Application for Rehearing of D07-03-043 filed by PacifiCorp. In D07-03-043, the Commission determined that the California Environmental Quality Act requires an environmental impact report to be prepared to evaluate the various routes being recommended for the southern portion of a proposed 115 kilovolt electric transmission line between the cities of Yreka and Weed in Northern California.  
**Outcome Signed**  
 D07-07-021  
 Yes: (Bohn, Chong, Grueneich, Peevey, Simon)  
 No: (none)  
 Abstain: (none)  
 Absent: (none)
- 48**                    **R93-04-003 - Conference with Legal Counsel - Applications for Rehearing.**  
 [6780]                    I93-04-002 - Related matters. Disposition of Applications for Rehearing of Decision D03-01-077 filed by Verizon California Inc. (Verizon) and The Utility Reform Network. D03-01-077 ordered Pacific Bell Telephone Company (now AT&T) and Verizon to offer the line sharing unbundled network element (UNE). The Commission also adopted a permanent UNE rate of \$0 for the High Frequency Portion of the Loop for both Pacific Bell and Verizon.  
**Outcome Signed**  
 D07-07-022  
 Yes: (Bohn, Chong, Grueneich, Peevey, Simon)  
 No: (none)  
 Abstain: (none)  
 Absent: (none)

**49**

[6781]

**A06-05-031 - Conference with Legal Counsel - Application for Rehearing**

Disposition of Application for Rehearing of D07-04-045 filed by NextG Networks of California, Inc. (NextG). The Decision granted NextG's request to expand its Certificate of Public Convenience and Necessity (CPCN) as a telecommunications carrier. The Decision approved full facilities-based (FFB) authority to engage in specified types of construction activity, subject to certain requirements and conditions. In addition, the Decision approved a process for NextG to seek expedited environmental review of certain facilities construction and ordered that a separate investigation be opened to determine: (a) whether NextG violated its existing limited facilities-based CPCN when it engaged in ground-disturbing activity; and (b) whether NextG violated Rule 1.1 of the Commission's Rules of Practice and Procedure by failing to disclose to the Commission that it had engaged in such activity.

**Outcome Signed**

D07-07-023

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

No: (none)

Abstain: (none)

Absent: (none)