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# ***Public Utilities Commission of the State of California***

## ***Public Agenda 3234***

***Thursday, May 21, 2009 10:00 a.m.***

***San Francisco, California***

### **Commissioners**

**Michael R. Peevey, President**

**John A. Bohn**

**Rachelle B. Chong**

**Dian M. Grueneich**

**Timothy Alan Simon**

*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>

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### **Scheduled Commission Meetings**

**505 Van Ness Avenue, San Francisco**

<i>Ratesetting Deliberative Meeting*</i> Room 5305 (1:30 p.m.) <b><i>Closed to the Public</i></b>	<i>Commission Meeting</i> Auditorium (10 a.m.) <b><i>Open to the Public</i></b>
Monday, June 01, 2009 (San Francisco)	Thursday, May 21, 2009 (San Francisco)
Monday, June 15, 2009 (San Francisco)	Thursday, June 04, 2009 (San Francisco)
Monday, July 06, 2009 (San Francisco)	Thursday, June 18, 2009 (San Francisco, )
Monday, July 27, 2009 (San Francisco)	Thursday, July 09, 2009 (San Francisco)
Monday, August 17, 2009 (San Francisco)	Thursday, July 30, 2009 (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.*

#### ***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.***

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## PUBLIC COMMENT

**The following items are not subject to public comment:**

- All items on the closed session agenda.
- 5, 19, 27

**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.*

### Consent Agenda - Orders and Resolutions

- 1**                      **Res ALJ 176-3234**  
[8527]                      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.  
[http://docs.cpuc.ca.gov/Cyberdocs/AgendaDoc.asp?DOC\\_ID=384387](http://docs.cpuc.ca.gov/Cyberdocs/AgendaDoc.asp?DOC_ID=384387)

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Consent Agenda - Orders and Resolutions (continued)

**2** **A08-08-021 - Golden State Water Company, Bear Valley Electric Service Division**  
[8390] **(Applicant).**

This decision (D) addresses Applicant's request for advanced approval of the terms and conditions of a proposed Power Purchase Agreement with Shell Energy North America L.P. (Shell). The application was amended on November 10, 2008, upon execution of transactions between the Applicant and Shell which were included only as proposals in the original application. The Commission finds that the Applicant is still subject to an existing ratemaking settlement agreement adopted in D02-07-041 which included a cost cap to be in effect until the earliest of either August 31, 2011 or certain other conditions are met. Therefore, subject to the ratemaking settlement, the agreement is recoverable in rates without further review through August 31, 2011. The Commission declines to approve rate recovery for the residual portion of the Shell agreement in effect after August 31, 2011 beyond the period covered by the restrictions of the existing settlement. Cost recovery after August 31, 2011 will depend upon the Applicant demonstrating prudent management of the contract. The Commission also grants the Applicant's additional request to create a memorandum account to record unrealized gains and losses on the Shell Agreement. This proceeding is closed.

(Comr Simon - ALJ Long)

*Pub. Util. Code § 311 – This item was mailed for Public Comment.*

*Pub. Util. Code §1701.1 -- This proceeding is categorized as Ratesetting.*

Agenda 3232, Item 10 4/16/2009 (Bohn );

Agenda 3233, Item 2 5/7/2009 (Simon)

[http://docs.cpuc.ca.gov/Cyberdocs/AgendaDoc.asp?DOC\\_ID=384428](http://docs.cpuc.ca.gov/Cyberdocs/AgendaDoc.asp?DOC_ID=384428)

**3** **A08-10-013 - Pacific Gas and Electric Company (Applicant).**

[8410]

For approval of Long-Term Gas Transportation Agreement. This decision finds execution of two long-term contracts between Applicant and Pilkington North American to be just, reasonable and within Applicant's authority. The discount rate provided for in the contents shall not be offered unless and until the proposed project is completed. This proceeding is closed.

(Comr Bohn - ALJ Farrar)

*Pub. Util. Code § 311 – This item was mailed for Public Comment.*

*Pub. Util. Code §1701.1 -- This proceeding is categorized as Ratesetting.*

Agenda 3233, Item 4 5/7/2009 (Bohn )

[http://docs.cpuc.ca.gov/Cyberdocs/AgendaDoc.asp?DOC\\_ID=383810](http://docs.cpuc.ca.gov/Cyberdocs/AgendaDoc.asp?DOC_ID=383810)

**4** **Res W-4758 - Alco Water Company, Salinas District (Alco).**

[8441]

This resolution authorizes Alco a surcharge of \$1.44 for twelve months for recovery of its power cost memorandum account for a total of \$150,126.98, and requiring Alco to file for review of its purchased power reserve account in the next general rate case. (Advice Letter 126 filed, January 5, 2009)

*Pub. Util. Code § 311 – This item was mailed for Public Comment.*

Agenda 3233, Item 8 5/7/2009 (Staff)

[http://docs.cpuc.ca.gov/Cyberdocs/AgendaDoc.asp?DOC\\_ID=384421](http://docs.cpuc.ca.gov/Cyberdocs/AgendaDoc.asp?DOC_ID=384421)

Consent Agenda - Orders and Resolutions (continued)

**5** **I06-06-014 - Investigation on the Commission's Own Motion into the practices of Southern California Edison Company (SCE) to determine the Violations of the Laws, Rules, and Regulations Governing Performance Based Ratemaking, its monitoring and reporting to the Commission, refunds to customers and other relief, and Future Performance Based Ratemaking for this Utility.**  
[8454]

The Settlement Agreement (Settlement) resolves all Performance-Based Ratemaking (PBR) Order Instituting Investigation Phase 2 issues. The primary provisions of the Settlement are: (1) SCE shall credit \$4.0 million to the distribution subaccount of SCE's existing Base Revenue Requirement Balancing Account (BRRBA). Ratepayers will receive the credit as a reduction to SCE's distribution rates when the BRRBA is amortized in rates; (2) SCE shall forgo its claim for a net system reliability reward of \$2 million, which is comprised of a reward of \$5 million for Frequency in 2001 and a penalty of \$3 million for average customer minutes of interruption in 2003; and (3) SCE agrees that it will not propose any PBR customer satisfaction or employee safety shareholder incentive mechanism before the completion of its 2015 General Rate Case cycle. The Settlement is approved. This proceeding is closed.

(Comr Peevey - ALJ Barnett)

*Pub. Util. Code § 311 – This item was mailed for Public Comment.*

*Pub. Util. Code §1701.1 -- This proceeding is categorized as Adjudicatory.*

Agenda 3233, Item 12 5/7/2009 (Staff)

[http://docs.cpuc.ca.gov/Cyberdocs/AgendaDoc.asp?DOC\\_ID=379891](http://docs.cpuc.ca.gov/Cyberdocs/AgendaDoc.asp?DOC_ID=379891)

**6** **Res W-4759 - Del Oro Water Company, River Island District (DORI).**  
[8468]

This resolution authorizes a general rate increase for DORI producing annual revenues of \$159.128 or 67.6% in 2009.

Agenda 3233, Item 16 5/7/2009 (Staff)

[http://docs.cpuc.ca.gov/Cyberdocs/AgendaDoc.asp?DOC\\_ID=383150](http://docs.cpuc.ca.gov/Cyberdocs/AgendaDoc.asp?DOC_ID=383150)

**7** **Res W-4760 - Del Oro Water Company, Paradise Pines District (DOWCPPD).**  
[8469]

This resolution authorizes a general rate increase for DOWCPPD producing additional revenues of \$341,135 or 22.8% for test year 2009.

Agenda 3233, Item 17 5/7/2009 (Staff)

[http://docs.cpuc.ca.gov/Cyberdocs/AgendaDoc.asp?DOC\\_ID=383158](http://docs.cpuc.ca.gov/Cyberdocs/AgendaDoc.asp?DOC_ID=383158)

Consent Agenda - Orders and Resolutions (continued)

- 8**  
[8473]      **Res W-4763 - Alisal Water Corporation, Salinas District (Alco).**  
This resolution authorizes Alco a surcharge of \$2.78 for twenty-four months for recovery of its Order Instituting Investigation Memorandum Account for a total of \$580,873.56 and in compliance with the United States District Court orders, a sur-credit of \$1.02 for twenty-four months for a total of \$212,000. (Advice Letter 120 filed, October 27, 2008)  
Agenda 3233, Item 19 5/7/2009 (Staff)  
[http://docs.cpuc.ca.gov/Cyberdocs/AgendaDoc.asp?DOC\\_ID=383184](http://docs.cpuc.ca.gov/Cyberdocs/AgendaDoc.asp?DOC_ID=383184)
- 9**  
[8449]      **R06-02-013 - Order Instituting Rulemaking to Integrate Procurement Policies and Consider Long-Term Procurement Plans.**  
This decision (D) grants a petition to modify D07-12-052 to change the reimbursement for a Long-Term Procurement Planning process consultant from a calendar year annual limit of \$400,000 to a fiscal year limit beginning July 1, 2007 for the fiscal year 2007-2008. This proceeding is closed.  
(Comr Peevey - ALJ Long)  
*Pub. Util. Code § 311 – This item was mailed for Public Comment.*  
*Pub. Util. Code §1701.1 -- This proceeding is categorized as Ratesetting.*  
[http://docs.cpuc.ca.gov/Cyberdocs/AgendaDoc.asp?DOC\\_ID=384134](http://docs.cpuc.ca.gov/Cyberdocs/AgendaDoc.asp?DOC_ID=384134)
- 10**  
[8456]      **Res E-4240 - Pacific Gas and Electric Company (PG&E).**  
This resolution approves PG&E's request of a Power Purchase Agreement for generation from a new solar photovoltaic facility owned by El Dorado Energy, LLC. The project was bid into PG&E's 2008 Renewables Portfolio Standard solicitation and shortlisted by PG&E. (Advice Letter (AL) 3386-E filed, December 22, 2008, and Supplemental AL 3386-E-A filed, January 9, 2009)  
*Pub. Util. Code § 311 – This item was mailed for Public Comment.*  
[http://docs.cpuc.ca.gov/Cyberdocs/AgendaDoc.asp?DOC\\_ID=382447](http://docs.cpuc.ca.gov/Cyberdocs/AgendaDoc.asp?DOC_ID=382447)
- 11**  
[8459]      **Res G-3433 - Southern California Gas Company (SoCalGas) and San Diego Gas & Electric Company (SDG&E).**  
This resolution adopts updated gas and electric tariff schedules incorporating the new Public Utilities Code Section 739.5 (h) as enacted by Assembly Bill 2857 (2008) regarding the California Alternative Rate for Energy (CARE) discount provided to sub-metered residents of master-metered utility customers. These updates were filed as required in a directive stated in Decision 08-11-031, and are approved without modification. (Advice Letter (AL) 3923 filed, November 20, 2008 of SoCalGas and AL 2055-E and AL 1830-G filed, January 5, 2009 by SDG&E)  
*Pub. Util. Code § 311 – This item was mailed for Public Comment.*  
[http://docs.cpuc.ca.gov/Cyberdocs/AgendaDoc.asp?DOC\\_ID=383837](http://docs.cpuc.ca.gov/Cyberdocs/AgendaDoc.asp?DOC_ID=383837)

Consent Agenda - Orders and Resolutions (continued)

**12 A07-12-010 - California-American Water Company (Cal-Am).**

[8467]

This decision adopts a Settlement Agreement (Settlement) among Cal-Am, the Division of Ratepayer Advocates and the Monterey Peninsula Water Management District (MPWMD). The Settlement includes (1) a three-year conservation budget of \$2,424,678 for Cal-Am and \$1,156,000 for MPWMD for the Monterey District, (2) spending caps for specific conservation program categories as well as the overall budget, (3) a volumetric surcharge to fund the conservation budget, with separate one-way balancing accounts for Cal-Am and MPWMD, (4) a memorandum account for Cal-Am's rationing-related expenditures, and (5) specific monitoring and reporting requirements for each conservation program. This proceeding remains open.

(Comr Bohn - ALJ Walwyn)

*Pub. Util. Code § 311 – This item was mailed for Public Comment.*

*Pub. Util. Code §1701.1 -- This proceeding is categorized as Ratesetting.*

[http://docs.cpuc.ca.gov/Cyberdocs/AgendaDoc.asp?DOC\\_ID=384416](http://docs.cpuc.ca.gov/Cyberdocs/AgendaDoc.asp?DOC_ID=384416)

**13 R99-11-022 - Order Instituting Rulemaking into implementation of Public Utilities Code Section 390.**

[8471]

This decision (D) grants Pacific Gas and Electric Company's petition for modification of D01-01-007, to address on an interim basis, calculation of the transmission line loss factors used to determine payments to certain Qualifying Facilities following implementation of California Independent System Operator's new market structure, referred to as the Market Redesign and Technology Upgrade.

(Comr Peevey - ALJ DeBerry)

*Pub. Util. Code § 311 – This item was mailed for Public Comment.*

*Pub. Util. Code §1701.1 -- This proceeding is categorized as Quasi-Legislative.*

[http://docs.cpuc.ca.gov/Cyberdocs/AgendaDoc.asp?DOC\\_ID=384481](http://docs.cpuc.ca.gov/Cyberdocs/AgendaDoc.asp?DOC_ID=384481)

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

[8474]

This decision (D) declines to modify D07-12-052 defining the inclusion of qualified facilities in the Long Term Procurement Planning process as only a "planning assumption." The Commission believes planning is a preliminary step before actual procurement of energy. No one energy source is only included as a planning assumption. There is a presumption that including qualified facilities in the planning process will result in procuring energy and capacity from qualified facilities. This proceeding is closed.

(Comr Peevey - ALJ Long)

*Pub. Util. Code § 311 – This item was mailed for Public Comment.*

*Pub. Util. Code §1701.1 -- This proceeding is categorized as Ratesetting.*

[http://docs.cpuc.ca.gov/Cyberdocs/AgendaDoc.asp?DOC\\_ID=E21277](http://docs.cpuc.ca.gov/Cyberdocs/AgendaDoc.asp?DOC_ID=E21277)

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Consent Agenda - Orders and Resolutions (continued)

- 15**  
[8476]            **Res W-4762 - Dunnigan Water Works (DWW).**  
This resolution authorizes general rate increases for DWW producing additional annual revenues of \$37,795 or 87% in water revenues and \$27,112 or 43.46% in sewer revenues for test year 2008.  
*Pub. Util. Code § 311 – This item was mailed for Public Comment.*  
[http://docs.cpuc.ca.gov/Cyberdocs/AgendaDoc.asp?DOC\\_ID=384123](http://docs.cpuc.ca.gov/Cyberdocs/AgendaDoc.asp?DOC_ID=384123)
- 16**  
[8486]            **Res ST-103**  
This resolution grants San Francisco Bay Area Rapid Transit District's (BART) request for approval of its Safety Certification Plan (SCP) for the Central Contra Costa County Crossover Project, Revision 0, dated March 27, 2009. The SCP is filed as required by General Order 164-D. BART worked with the Commission's staff to ensure the safety certification plan is comprehensive. Staff reviewed the SCP and found it to be in accordance with General Order 164-D.  
[http://docs.cpuc.ca.gov/Cyberdocs/AgendaDoc.asp?DOC\\_ID=380215](http://docs.cpuc.ca.gov/Cyberdocs/AgendaDoc.asp?DOC_ID=380215)
- 17**  
[8491]            **R05-12-013 - Order Instituting Rulemaking to consider refinements to and further development of the Commission's Resource Adequacy Requirements Program.**  
Public Utilities Code Section 1701.5 provides that ratesetting proceedings shall be resolved within 18 months of the date the scoping memo is issued, unless the scoping memo sets a later date. The Commission may also issue an order extending the deadline. The Amended Scoping Memo and Ruling of Assigned Commissioner for Phase 2 set a date of June 17, 2009, for the resolution of this proceeding. Today's decision extends the deadline to August 17, 2009.  
(Comr Peevey - ALJ Wetzell)  
*Pub. Util. Code §1701.1 -- This proceeding is categorized as Ratesetting.*  
[http://docs.cpuc.ca.gov/Cyberdocs/AgendaDoc.asp?DOC\\_ID=381036](http://docs.cpuc.ca.gov/Cyberdocs/AgendaDoc.asp?DOC_ID=381036)
- 18**  
[8511]            **A08-05-031 - 88 Telecom Corporation (Applicant).**  
For registration as an Interexchange Carrier Telephone Corporation pursuant to the provisions of Public Utilities Code Section 1013. The Applicant has operated without a Certificate of Public Convenience and Necessity (CPCN) prior to its application. This decision imposes an \$8,000 fine on the Applicant for illegal operations and issues a CPCN. This proceeding is closed.  
(Comr Chong - ALJ Barnett)  
*Pub. Util. Code §1701.1 -- This proceeding is categorized as Ratesetting.*  
[http://docs.cpuc.ca.gov/Cyberdocs/AgendaDoc.asp?DOC\\_ID=377645](http://docs.cpuc.ca.gov/Cyberdocs/AgendaDoc.asp?DOC_ID=377645)

Consent Agenda - Orders and Resolutions (continued)

**19** (ECP) C09-01-005 - Cyrus Faridi (Complainant) vs. Time Warner Cable Information  
[8513] **Services, LLC (Defendant).**

This decision grants Defendant's motion to dismiss complaint. Complainant alleges that Defendant failed to disconnect his cable service at his previous address and continued to bill him for the services; and that defendant disconnected his phone for nonpayment of bills, which had been paid. Defendant did not provide the service. This proceeding is closed.

(Comr Chong - ALJ Barnett)

*Pub. Util. Code §1701.1 -- This proceeding is categorized as Adjudicatory.*

[http://docs.cpuc.ca.gov/Cyberdocs/AgendaDoc.asp?DOC\\_ID=378817](http://docs.cpuc.ca.gov/Cyberdocs/AgendaDoc.asp?DOC_ID=378817)

**20** **Res E-4231 - Southern California Edison Company (SCE).**

[8514]

This resolution approves SCE's request of Amendment No. 2 of both the Qualified and Nonqualified Decommissioning Trust Agreements pursuant to Section 2.12 of the Qualified Trust Agreement and Section 2.10 of the Nonqualified Trust Agreement. The amendments reflect the new lower trustee fee schedules. (Advice Letter 2301-E filed, December 22, 2008)

[http://docs.cpuc.ca.gov/Cyberdocs/AgendaDoc.asp?DOC\\_ID=380850](http://docs.cpuc.ca.gov/Cyberdocs/AgendaDoc.asp?DOC_ID=380850)

**21** **A09-02-017 - Cotijas Transportation, LLC (Applicant).**

[8516]

This decision authorizes Applicant to operate as a passenger stage corporation between points in Counties of San Diego, Orange, Los Angeles, Imperial, San Bernardino, Riverside, Kern, Monterey, Tulare, Fresno, Santa Clara, San Mateo, San Francisco, and Alameda and to establish a zone of rate freedom. This proceeding is closed.

(Exam Clark)

*Pub. Util. Code §1701.1 -- This proceeding is categorized as Ratesetting.*

[http://docs.cpuc.ca.gov/Cyberdocs/AgendaDoc.asp?DOC\\_ID=379631](http://docs.cpuc.ca.gov/Cyberdocs/AgendaDoc.asp?DOC_ID=379631)

**22** **I07-01-022 - Order Instituting Investigation to consider policies to achieve the Commission's**  
[8519] **conservation objectives for Class A Water Utilities.**

A06-09-006, A06-10-026, A06-11-009, A06-11-010, A07-03-019 - Related matters. This decision confirms that Applications (A) 06-09-006, as amended, A06-10-026, A06-11-009, A06-11-010, and A07-03-019 have been resolved for purposes of Public Utilities Code Section 1701.5 in Decision (D) 08-02-036 and D08-08-030. This decision also corrects an error in D08-08-030.

(Comr Bohn - ALJ Grau)

*Pub. Util. Code §1701.1 -- This proceeding is categorized as Ratesetting.*

[http://docs.cpuc.ca.gov/Cyberdocs/AgendaDoc.asp?DOC\\_ID=382279](http://docs.cpuc.ca.gov/Cyberdocs/AgendaDoc.asp?DOC_ID=382279)

Consent Agenda - Orders and Resolutions (continued)

**23 Res W-4764 - East Pasadena Water Company (East Pasadena).**

[8525] This resolution authorizes East Pasadena a general rate increase, producing an increase of \$398,281 or 22.15% in test year 2009.

[http://docs.cpuc.ca.gov/Cyberdocs/AgendaDoc.asp?DOC\\_ID=382281](http://docs.cpuc.ca.gov/Cyberdocs/AgendaDoc.asp?DOC_ID=382281)

**24 Res W-4765 - Owens Valley Water Company (Owens Valley).**

[8526] This resolution authorizes Owens Valley a general rate increase, producing additional annual revenues of \$20,516 or 45.9% for test year 2009.

[http://docs.cpuc.ca.gov/Cyberdocs/AgendaDoc.asp?DOC\\_ID=382242](http://docs.cpuc.ca.gov/Cyberdocs/AgendaDoc.asp?DOC_ID=382242)

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**Consent Agenda - Intervenor Compensation Orders**

- 25**                    **A00-11-038 - Southern California Edison Company.**  
[8335]                    For authority to institute a Rate Stabilization Plan with a Rate Increase and End of Rate Freeze Tariffs. A00-11-056, A00-10-028 - Related matters. This decision requires the Utilities to submit reports with additional information regarding the Market Rate for The Utility Reform Network's outside counsel's Federal Appellate Advocacy Services.  
(Comr Peevey - ALJ Kotz)  
*Pub. Util. Code § 311 – This item was mailed for Public Comment.*  
*Pub. Util. Code §1701.1 -- This proceeding is categorized as Ratesetting.*  
Agenda 3231, Item 26 3/26/2009 (Staff)  
[http://docs.cpuc.ca.gov/Cyberdocs/AgendaDoc.asp?DOC\\_ID=378352](http://docs.cpuc.ca.gov/Cyberdocs/AgendaDoc.asp?DOC_ID=378352)
- 26**                    **R06-05-027 - Order Instituting Rulemaking to continue implementation and administration of California Renewables Portfolio Standard Program.**  
[8380]                    This decision (D) awards Sustainable Conservation \$21,482.75 in compensation for its substantial contributions to D07-07-027. Today's award is allocated to the three largest affected utilities for payment. This proceeding is closed.  
(Comr Peevey - ALJ Division)  
*Pub. Util. Code §1701.1 -- This proceeding is categorized as Ratesetting.*  
Agenda 3231, Item 34 3/26/2009 (Bohn );  
Agenda 3232, Item 42 4/16/2009 (Grueneich);  
Agenda 3233, Item 23 5/7/2009 (Grueneich)  
[http://docs.cpuc.ca.gov/Cyberdocs/AgendaDoc.asp?DOC\\_ID=384410](http://docs.cpuc.ca.gov/Cyberdocs/AgendaDoc.asp?DOC_ID=384410)
- 27**                    **C05-11-011 - Utility Consumers' Action Network (UCAN) vs. SBC Communications, Inc. dba SBC Pacific Bell Telephone Company and related entities.**  
[8532]                    C05-11-012 - Related matters. This decision awards UCAN \$254,269.94 in compensation for its substantial contributions to Decision (D) 08-08-017. This represents a decrease of \$15,215 (6% reduction) from the amount requested due to a finding of unjustified attorney and expert witness fees. Today's award will be allocated to AT&T California, a doing business as Pacific Bell Telephone Company, and Cox Communications (Cox). Today's award payment is allocated to the affected utilities disproportionately because the proceeding against Cox was ultimately dismissed. Both proceedings are closed.  
(Comr Peevey - ALJ Weatherford)  
*Pub. Util. Code §1701.1 -- This proceeding is categorized as Adjudicatory.*  
[http://docs.cpuc.ca.gov/Cyberdocs/AgendaDoc.asp?DOC\\_ID=384432](http://docs.cpuc.ca.gov/Cyberdocs/AgendaDoc.asp?DOC_ID=384432)

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Consent Agenda - Intervenor Compensation Orders (continued)

**28 (Rev.)**      **R08-07-011 - Order Instituting Rulemaking to develop the Commission's Energy Efficiency Strategic Plan.**  
[8479]

A08-06-004 - Related matters. This decision (D) awards Natural Resources Defense Council \$15,692.50, Greenlining Institute \$10,162.82, and Women's Energy Matters \$12,792.50, in compensation for their substantial contributions to D08-09-040 and to Community Environmental Council \$55,753.75 for its substantial contribution to D08-07-047 and to D08-09-040. The request by The Utility Reform Network is resolved by a separate decision.

(Comr Grueneich - ALJ Gamson)

*Pub. Util. Code § 311 – This item was mailed for Public Comment.*

*Pub. Util. Code §1701.1 -- This proceeding is categorized as Quasi-Legislative.*

05/12/2009 - This revision was not shown on the Agenda mailed to the public.

[http://docs.cpuc.ca.gov/Cyberdocs/AgendaDoc.asp?DOC\\_ID=E21264](http://docs.cpuc.ca.gov/Cyberdocs/AgendaDoc.asp?DOC_ID=E21264)

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## Regular Agenda

### Regular Agenda - Energy Orders

- 29**                    **A08-03-015 - Southern California Edison Company (Applicant).**  
[8386]                This decision adopts a solar photovoltaic program (SPVP) to install 320 megawatts (MW) of solar photovoltaic (PV) on rooftops in the service territory of the Applicant. Under the adopted program, the Applicant will develop, own, operate and maintain 160 MW of solar PV rooftop projects and will seek competitive bids for the ownership, installation, and operation of another 160 MW of solar PV rooftop projects from independent power producers. This proceeding is closed.  
(Comr Peevey - ALJ Ebke)  
*Pub. Util. Code § 311 – This item was mailed for Public Comment.*  
*Pub. Util. Code §1701.1 -- This proceeding is categorized as Ratesetting.*  
Agenda 3232, Item 49 4/16/2009 (Staff);  
Agenda 3233, Item 31 5/7/2009 (Bohn )  
[http://docs.cpuc.ca.gov/Cyberdocs/AgendaDoc.asp?DOC\\_ID=383453](http://docs.cpuc.ca.gov/Cyberdocs/AgendaDoc.asp?DOC_ID=383453)
- 29a (Rev.)**            **ALTERNATE TO ITEM 8386**  
[8564]                This alternate decision differs from the ALJ's proposed decision in that it: a) Denies entirely the requested bonus on the utility's rate of return; b) Denies proposals for performance requirements and sharing of cost overruns for the utility-owned projects; and c) Authorizes both 250 MW of utility-owned projects and 250 MW of independent power projects, for a total program of 500 MW of solar projects over 5 years.  
(Comr Bohn - ALJ Ebke)  
*Pub. Util. Code § 311 – This item was mailed for Public Comment.*  
05/19/2009 - This revision was not shown on the Agenda mailed to the public.

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Regular Agenda - Energy Orders (continued)

**30**

**A08-07-021 - Southern California Edison Company (SCE).**

[8483]

For approval of its 2009-2011 Energy Efficiency Program Plans and associated Public Goods Charge (PGC) and procurement funding requests. A08-07-022, A08-07-023, A08-07-031 - Related matters. This decision adopts changes in existing rules on the calculation of energy savings and portfolio cost-effectiveness for the 2009-2011 energy efficiency portfolio applications (A) of Pacific Gas and Electric Company (PG&E), SCE, Southern California Gas Company, and San Diego Gas & Electric Company (SDG&E). The adopted changes will enable the State's Investor Owned Utilities (IOUs) to build portfolios of energy efficiency programs that are consistent with the strategic direction for energy efficiency investment set forth in the California Energy Efficiency Long Term Strategic Plan and the Commission's policy decisions. Today's decision addresses eight specific issues. The Commission's determinations on these issues are summarized as follows: Cumulative Savings – Cumulative savings should be counted for the years 2006-2011 for this program cycle. Interactive Effects – Therm goals should be adjusted by 20% for SDG&E and PG&E to take into account updated information on interactive effects. The IOU's proposal to change attribution rules regarding savings credit for actions taken by customers supported by Utility programs, but who may also be motivated by external factors, is denied. The IOU's proposal to allow the maximum expected useful lives of measures to increase to thirty years is denied. The Energy Division is directed to conduct a study on the issue of increasing the maximum expected useful lives of measures and report back to the Assigned Administrative Law Judge and Commissioner. The IOU's proposal to allow Strategic Plan-related costs to be excluded from the risk/reward incentive mechanism is deferred to Rulemaking (R) 09-01-019. The IOU's request to use the individual utility weighted cost of capital adjusted for taxes for the 2009-2011 energy efficiency portfolios is granted. The IOU's request to revise the Commission's rule to allow mid-cycle funding augmentation to count towards the minimum performance standard is approved. The IOU's request to use gross saving in the performance earnings benchmark is deferred to R09-01-019. These proceedings remain open.

(Comr Grueneich - ALJ Gamson)

*Pub. Util. Code § 311 – This item was mailed for Public Comment.*

*Pub. Util. Code §1701.1 -- This proceeding is categorized as Ratesetting.*

[http://docs.cpuc.ca.gov/Cyberdocs/AgendaDoc.asp?DOC\\_ID=384388](http://docs.cpuc.ca.gov/Cyberdocs/AgendaDoc.asp?DOC_ID=384388)

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**Regular Agenda - Communication Orders****31 (Rev.) R06-05-028 - Rulemaking on the Commission's Own Motion to review the**  
[8317] **Telecommunications Public Policy Programs.**

In 2006, the Commission opened this Rulemaking to evaluate California's universal service public policy programs in light of the competitive forces that had irrevocably changed how consumers purchase communication services. The Commission recognized that "business as usual" monopoly regulatory practices around traditional voice telephone were not sustainable in a competitive communication marketplace with various types of carriers with different technologies competing. Through this Rulemaking, the Commission set out to reform California LifeLine in order to ensure high-quality communication services were affordable and widely available to all. This decision recognizes significant technological and regulatory changes in the telecommunications industry and the flexibility of the statutory structure underlying the Moore Universal Telephone Service Act, which we now refer to as the California LifeLine Program (California LifeLine). The decision reviews the current state of California LifeLine including how, absent change, the fund will grow by more than 60% to almost \$500 million over the next few years. The decision recognizes that the current methodology is not in the best long-term interest of consumers and reviews the options for change. The decision "de-links" California LifeLine from the AT&T basic rate structure in order to ensure ongoing compliance with Section 874 of the Public Utilities Code, and determines that a Specific Support methodology is the best option to continue to meet the goals of the Moore Act and our overall universal service goals. The decision sets a Specific Support discount at 55 percent of the highest basic rate of the state's communications companies without regard to the telecommunication provider or technology of service selected. This has the advantage of providing each customer the same support amount and may provide greater flexibility to low income customers to select services beyond basic residential landline phone service, including voice services from cable providers or from wireless communications services. Such an approach acknowledges the range of providers of voice communications services beyond traditional landline telephones, and enhances technology neutrality by allowing a LifeLine customer to choose the provider that best meets his or her unique needs. The initial California LifeLine discount under the revised methodology will be \$12.20 effective on April 1, 2010. The decision also expands the LifeLine program to include data services for consumers that receive wireless equipment through the Commission's Deaf and Disabled Telecommunications Program (DDTP). Customers who meet the eligibility requirements for both the DDTP and California LifeLine programs can apply their California Lifeline discount to data services provided by carriers. The decision clarifies that wireless carriers may be reimbursed by California LifeLine for providing discounted service to customers. Finally, the decision limits payments to carriers for administration, and eliminates payments for bad debt, and to make-up for forgone federal support. This proceeding is closed.

(Comr Chong - ALJ Bushey)

*Pub. Util. Code § 311 – This item was mailed for Public Comment.*

*Pub. Util. Code §1701.1 -- This proceeding is categorized as Quasi-Legislative.*

Agenda 3232, Item 52 4/16/2009 (Grueneich);

Agenda 3233, Item 33 5/7/2009 (Grueneich)

05/20/2009 - This revision was not shown on the Agenda mailed to the public.

[http://docs.cpuc.ca.gov/Cyberdocs/AgendaDoc.asp?DOC\\_ID=384297](http://docs.cpuc.ca.gov/Cyberdocs/AgendaDoc.asp?DOC_ID=384297)

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Regular Agenda - Communication Orders (continued)

**32**

[8482]

**R02-12-004 - Order Instituting Rulemaking on the Commission's own Motion into the service quality standards for all Telecommunications Carriers and revisions to General Order 133-B.**

This decision adopts General Order (GO) 133-C, which contains minimum service quality measures that apply in their entirety to general rate case incumbent local exchange carriers and apply in part to Uniform Regulatory Framework carriers. Wireless, Voice over Internet Protocol and IP-enabled carriers are exempt from these measures. GO 133-C also formalizes the Commission's major service interruption reporting for all carriers. Wireless carriers are required to provide coverage maps on their websites and at retail locations, Pacific Bell Telephone Company is relieved from submitting out of service repair interval data under the standard established in Decision 01-12-021 and instead is required to report GO 133-C and ARMIS 005 data. This proceeding is closed.

(Comr Chong - ALJ Grau)

*Pub. Util. Code § 311 – This item was mailed for Public Comment.*

*Pub. Util. Code §1701.1 -- This proceeding is categorized as Quasi-Legislative.*

[http://docs.cpuc.ca.gov/Cyberdocs/AgendaDoc.asp?DOC\\_ID=E21265](http://docs.cpuc.ca.gov/Cyberdocs/AgendaDoc.asp?DOC_ID=E21265)

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**Regular Agenda - Communication Resolutions and Reports**

**33**

[8452]

**Res T-17197 - Mother Lode Broadband Project of Rapid Link Inc. and Mother Lode Internet (Mother Lode Broadband Project).**

This resolution conditionally adopts California Advanced Services funding for Mother Lode Broadband Project in underserved areas totaling \$2,771,341.

*Pub. Util. Code § 311 – This item was mailed for Public Comment.*

Agenda 3233, Item 35 5/7/2009 (Staff)

[http://docs.cpuc.ca.gov/Cyberdocs/AgendaDoc.asp?DOC\\_ID=370609](http://docs.cpuc.ca.gov/Cyberdocs/AgendaDoc.asp?DOC_ID=370609)

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## Regular Agenda - Water/Sewer Resolutions and Reports

**34**

**Res W-4732**

[8200]

This resolution approves the procedures for delegation of authority to staff to issue citations to water and sewer corporations to enforce compliance with the Commission's Orders and the Public Utilities Code and procedures for appeal of citations.

*Pub. Util. Code § 311 – This item was mailed for Public Comment.*

Agenda 3228, Item 69 1/29/2009 (Staff);

Agenda 3230, Item 43 3/12/2009 (Staff);

Agenda 3232, Item 59 4/16/2009 (Staff)

[http://docs.cpuc.ca.gov/Cyberdocs/AgendaDoc.asp?DOC\\_ID=380701](http://docs.cpuc.ca.gov/Cyberdocs/AgendaDoc.asp?DOC_ID=380701)

## **Regular Agenda - Legal Division Matters**

**35**

### **FCC Docket No. 09-28**

[8472]

In the Matter of High-Cost Universal Service Support / Federal-State Joint Board on Universal Service, FCC Docket No. 09-28. The Federal Communications Commission (FCC) seeks to refresh the record regarding the issues raised by the United States Court of Appeals for the Tenth Circuit in the Qwest II decision (FCC Docket No. 96-45).

Agenda 3233, Item 38 5/7/2009 (Staff)

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**Regular Agenda - Legislative and Other Matters**

- 36 (Rev.)**      **AB 44 (Blakeslee) - Energy Storage Facilities.**  
[8435]      This bill would authorize the California Public Utilities Commission (Commission) to approve an increase in the rate of return for investment by a corporation in energy storage facilities. This bill would also require the Commission to develop a time-variant tariff that creates incentives for eligible storage facilities. (Leg. Sub. Recommendation: SUPPORT WITH AMENDMENTS)  
Agenda 3232, Item 61 4/16/2009 (Staff);  
Agenda 3233, Item 40 5/7/2009 (Staff)  
05/15/2009 - This revision was not shown on the Agenda mailed to the public.  
[http://docs.cpuc.ca.gov/Cyberdocs/AgendaDoc.asp?DOC\\_ID=383890](http://docs.cpuc.ca.gov/Cyberdocs/AgendaDoc.asp?DOC_ID=383890)
- 37**      **AB 380 (De la Torre)**  
[8538]      This bill would establish the California Clean Energy Curriculum and Training Initiative of 2009, which would require the Labor and Workforce Development Agency to develop a standardized training curriculum. This bill would further require the California Public Utilities Commission to allocate monies, equivalent to the amount of an appropriation by the Legislature, from the Research, Development and Demonstration budget of the California Solar Initiative to fund this program. (Leg Sub Recommendation: OPPOSE UNLESS AMENDED)  
[http://docs.cpuc.ca.gov/Cyberdocs/AgendaDoc.asp?DOC\\_ID=383757](http://docs.cpuc.ca.gov/Cyberdocs/AgendaDoc.asp?DOC_ID=383757)
- 38**      **AB 698 (Skinner)**  
[8503]      This bill would streamline the Commission's approval process for the sale, lease or other encumbrance or disposition of public utility property. (Leg Sub Recommendation: SUPPORT)  
Agenda 3233, Item 44 5/7/2009 (Simon)  
[http://docs.cpuc.ca.gov/Cyberdocs/AgendaDoc.asp?DOC\\_ID=383830](http://docs.cpuc.ca.gov/Cyberdocs/AgendaDoc.asp?DOC_ID=383830)
- 39**      **AB 758 (Skinner)**  
[8539]      This bill would make the California Energy Commission responsible for developing and implementing a comprehensive program comprised of a portfolio of techniques, applications and practices that will achieve greater energy efficiency in existing residential and commercial structures that fall significantly below the current standards in Title 24 of the California Code of Regulations. It will require the California Public Utilities Commission to address the feasibility of utility financing for energy efficiency (EE) programs and authorize a targeted number of low or no-cost EE audits. (Leg Sub Recommendation: OPPOSE UNLESS AMENDED)  
[http://docs.cpuc.ca.gov/Cyberdocs/AgendaDoc.asp?DOC\\_ID=383743](http://docs.cpuc.ca.gov/Cyberdocs/AgendaDoc.asp?DOC_ID=383743)

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Regular Agenda - Legislative and Other Matters (continued)

- 40**                    **AB 1106 (Fuentes)**  
[8509]                This bill would create a new feed-in tariff (FIT) program for projects up to 20 MW. The bill keeps the price at the market price referent and allows an existing project on net energy metering to switch to a FIT. (Leg Sub Recommendation: SUPPORT IF AMENDED)  
Agenda 3233, Item 50 5/7/2009 (Staff)  
[http://docs.cpuc.ca.gov/Cyberdocs/AgendaDoc.asp?DOC\\_ID=384412](http://docs.cpuc.ca.gov/Cyberdocs/AgendaDoc.asp?DOC_ID=384412)
- 41**                    **AB 1110 (Fuentes)**  
[8540]                This bill would modify the definition of “cogeneration” to apply more widely to fuel cell technologies. The definition would change from the term “power production” to “generation of electricity” to be more inclusive of fuel cells. The bill would also reduce the minimum thermal efficiency requirements to be considered cogeneration from 42.5% to 40%, specifically for fuel cells. (Leg Sub Recommendation: OPPOSE UNLESS AMENDED)  
[http://docs.cpuc.ca.gov/Cyberdocs/AgendaDoc.asp?DOC\\_ID=383887](http://docs.cpuc.ca.gov/Cyberdocs/AgendaDoc.asp?DOC_ID=383887)
- 42**                    **AB 1315 (Ruskin)**  
[8494]                This bill would make the Governor’s appointment of the Commission’s president subject to confirmation by the Senate, as well as remove the president’s administrative authority over the general counsel and executive director and transfer it to the Commission as whole. This bill would also require the Commission to hold its regular business meetings in Sacramento once a month. (Leg Sub Recommendation: OPPOSE)  
Agenda 3233, Item 51 5/7/2009 (Staff)  
[http://docs.cpuc.ca.gov/Cyberdocs/AgendaDoc.asp?DOC\\_ID=383799](http://docs.cpuc.ca.gov/Cyberdocs/AgendaDoc.asp?DOC_ID=383799)
- 43**                    **AB 1316 (Ma)**  
[8510]                This bill would require the Low-Income Oversight Board (LIOB) to review and make recommendations on the proposed budgets for low-income electricity, gas, and water programs prior to approval by the Commission. In addition, the bill would require the Commission, the LIOB, or both, to report the results, to the extent possible, of each Low Income Needs Assessment biannually to the Legislature. Further, this measure would delete the LIOB’s authority to establish a technical advisory committee, but instead would require the LIOB to establish a regulatory advisory. (Leg Sub Recommendation: OPPOSE)  
Agenda 3233, Item 52 5/7/2009 (Staff)  
[http://docs.cpuc.ca.gov/Cyberdocs/AgendaDoc.asp?DOC\\_ID=383990](http://docs.cpuc.ca.gov/Cyberdocs/AgendaDoc.asp?DOC_ID=383990)

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Regular Agenda - Legislative and Other Matters (continued)

- 44**                    **SB 32 (Negrete McLeod)**  
[8499]                This bill would modify the existing feed-in tariff (FIT) program established in the Public Utilities Code Section 399.20 to raise the applicable facility size of the program, from 1.5 Megawatts (MW) to 3 MW and to allow the Commission to adjust the price for "any other attributes of renewable generation." The bill allows third party ownership of generation facilities. The bill would require the publicly-owned utilities with 75,000 or more customers to offer this tariff. (Leg Sub Recommendation: SUPPORT IF AMENDED)  
Agenda 3233, Item 53 5/7/2009 (Staff)  
[http://docs.cpuc.ca.gov/Cyberdocs/AgendaDoc.asp?DOC\\_ID=384411](http://docs.cpuc.ca.gov/Cyberdocs/AgendaDoc.asp?DOC_ID=384411)
- 45**                    **SB 626 (Kehoe)**  
[8541]                This bill would require the California Public Utilities Commission (CPUC) to adopt rules by January 1, 2011 to address a number of barriers in electricity infrastructure and regulatory rules and tariffs that need to be overcome for widespread deployment and use of plug-in hybrid electric vehicles and battery electric vehicles, and evaluate multiple associated issues under existing CPUC proceedings and a potential new CPUC proceeding. (Leg Sub Recommendation: SUPPORT WITH AMENDMENTS)  
[http://docs.cpuc.ca.gov/Cyberdocs/AgendaDoc.asp?DOC\\_ID=383756](http://docs.cpuc.ca.gov/Cyberdocs/AgendaDoc.asp?DOC_ID=383756)

**Regular Agenda - Commissioner's Reports**

## Regular Agenda - Management Reports and Resolutions

**46**

[8512]

### **Director Clark Report**

Designation of Consumer Protection and Safety Division investigators authorized to exercise the limited powers of a peace officer within the scope of their duties as specified in Penal Code Section 830.11 and Pub. Util. Code Section 308.5. This matter will be presented before the Commission for discussion and action.

[http://docs.cpuc.ca.gov/Cyberdocs/AgendaDoc.asp?DOC\\_ID=381893](http://docs.cpuc.ca.gov/Cyberdocs/AgendaDoc.asp?DOC_ID=381893)

## 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).*

### Closed Session - Applications for Rehearing

- 47**                    **Conference with Legal Counsel - Applications for Rehearing**  
 [8458]                    Compilation of applications for rehearing recently filed with the Commission.  
                                  *Gov. Code § 11126(e)(2)(B)(i), allows this item to be considered in Closed Session.*
- 48**                    **A06-12-009 - Conference with Legal Counsel - Application for Rehearing**  
 [8234]                    A06-12-010, I07-02-013 - Related matters. Disposition of Applications for Rehearing of Decision (D) 08-07-046, filed by the Greenlining Institute (Greenlining), and Division of Ratepayer Advocates (DRA) and The Utility Reform Network (TURN). D08-07-046 involves the Test Year 2008 general rate cases for San Diego Gas & Electric Company (SDG&E) and Southern California Gas Company (SoCalGas). The Commission adopted a settlement on many of the issues.  
                                  *Gov. Code § 11126(e)(2)(B)(i), allows this item to be considered in Closed Session.*  
                                  Agenda 3228, Item 76 1/29/2009 (Staff);  
                                  Agenda 3229, Item 67 2/20/2009 (Staff);  
                                  Agenda 3230, Item 46 3/12/2009 (Staff);  
                                  Agenda 3231, Item 47 3/26/2009 (Staff);  
                                  Agenda 3232, Item 68 4/16/2009 (Staff);  
                                  Agenda 3233, Item 60 5/7/2009 (Staff)
- 49**                    **A06-08-010 - Conference with Legal Counsel- Application for Rehearing**  
 [8528]                    This order disposes of Applications for rehearing of Decision 08-12-058 (Sunrise) filed by the Utility Consumers' Action Network and the Center for Biological Diversity on January 23, 2009. In Sunrise, the Commission granted San Diego Gas & Electric Company a Certificate of Public Convenience and Necessity to construct the Sunrise Powerlink Transmission Project.  
                                  *Gov. Code § 11126(e)(2)(B)(i), allows this item to be considered in Closed Session.*

**Closed Session - Initiation of Litigation - Non-Federal**

Consideration of possible Commission initiation of, or intervention in, litigation.

*Gov. Code § 11126(e)(2)(C)(i) and/or § 11126(d)(2), allows this item to be considered in Closed Session.*

**Closed Session - Threatened Litigation - Non-Federal**

Significant exposure to litigation

*Gov. Code § 11126(e)(2)(B), allows this item to be considered in Closed Session*

**Closed Session - Existing Litigation - Non-Federal**

**Closed Session - Threatened Litigation - Federal**

Significant exposure to litigation in federal agency or court proceedings.

*Gov. Code § 11126(e)(2)(B), allows this item to be considered in Closed Session*

**Closed Session - Initiation of Litigation - Federal**

Consideration of possible Commission initiation of, or intervention in, federal agency or court proceedings.

*Gov. Code § 11126(e)(2)(C)(i), allows this item to be considered in Closed Session.*

**Closed Session - Federal**

**50**

[8480]

**FERC Docket No. ER06-615 and Related Items. - Conference with Legal Counsel - Existing Litigation**

California Independent System Operator Corporation, FERC Docket No. ER06-615, also known as Market Redesign and Technology Update (MRTU).

*Gov. Code § 11126(e)(2)(A), allows this item to be considered in Closed Session.*

**Closed Session - FERC Docket No. EL00-95-000, et al.**

Conference with Legal Counsel - Existing Litigation; San Diego Gas & Electric Co., FERC Docket No. EL00-95, Investigation of Practices of the California Independent System Operator and the California Power Exchange, FERC Docket EL00-98, and related dockets, CPUC v. FERC, Ninth Circuit Nos. 01-71051, et al., and 01-71934, et al., and related dockets.

*Gov. Code § 11126(e)(2)(A), allows this item to be considered in Closed Session.*

### **Closed Session - Personnel Matters**

Consideration of appointment, employment, evaluation of performance, or dismissal of a public employee or to hear complaints or charges brought against that employee by another person or employee.

*Gov. Code § 11126(a), allows this item to be considered in Closed Session*