
Public Utilities Commission of the State of California

Public Agenda 3262

Thursday, October 14, 2010 10:00 a.m.

San Francisco, California

Commissioners

Michael R. Peevey, President

John A. Bohn

Dian M. Grueneich

Nancy E. Ryan

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>

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, October 25, 2010 (San Francisco)	Thursday, October 14, 2010 (San Francisco)
Monday, November 15, 2010 (San Francisco)	Thursday, October 28, 2010 (San Francisco)
Monday, November 29, 2010 (San Francisco)	Friday, November 19, 2010 (San Francisco)
Monday, December 13, 2010 (San Francisco)	Thursday, December 02, 2010 (San Francisco)
Monday, January 10, 2011 (San Francisco)	Thursday, December 16, 2010 (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.

For further information contact the Public Advisor
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PUBLIC COMMENT

The following items are not subject to public comment:

- All items on the closed session agenda.
- 15, 16, 36

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

**Item Preliminary Categorizations and Hearing Determinations for
1 Recently Filed Formal Applications**

[9745]

Res ALJ-3262

PROPOSED OUTCOME:

® 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.

ESTIMATED COST:

® None.

Consent Agenda - Orders and Resolutions (continued)

Item Petition to Modify Decision 07-12-052

2

[8474]

R06-02-013

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

PROPOSED OUTCOME:

- ® 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.
- ® Closes the proceeding.

ESTIMATED COST:

- ® None.

(Comr Peevey - ALJ Long)

http://docs.cpuc.ca.gov/Cyberdocs/AgendaDoc.asp?DOC_ID=433769

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

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

Consent Agenda - Orders and Resolutions (continued)

Agenda 3234, Item 14 5/21/2009 (Staff);
Agenda 3235, Item 2 6/4/2009 (Simon);
Agenda 3236, Item 5 6/18/2009 (Staff);
Agenda 3237, Item 2 7/9/2009 (Staff);
Agenda 3238, Item 3 7/30/2009 (Staff);
Agenda 3239, Item 2 8/20/2009 (Staff);
Agenda 3240, Item 2 9/10/2009 (Staff);
Agenda 3241, Item 2 9/24/2009 (Staff);
Agenda 3242, Item 2 10/15/2009 (Staff);
Agenda 3243, Item 2 10/29/2009 (Staff);
Agenda 3244, Item 2 11/20/2009 (Staff);
Agenda 3245, Item 2 12/3/2009 (Staff);
Agenda 3246, Item 2 12/17/2009 (Staff);
Agenda 3247, Item 2 1/21/2010 (Staff);
Agenda 3249, Item 2 2/25/2010 (Staff);
Agenda 3250, Item 2 3/11/2010 (Staff);
Agenda 3251, Item 2 4/8/2010 (Staff);
Agenda 3252, Item 2 4/22/2010 (Staff);
Agenda 3253, Item 2 5/6/2010 (Staff);
Agenda 3254, Item 2 5/20/2010 (Staff);
Agenda 3255, Item 3 6/3/2010 (Staff);
Agenda 3256, Item 2 6/24/2010 (Staff);
Agenda 3257, Item 2 7/8/2010 (Staff);
Agenda 3258, Item 2 7/29/2010 (Staff);
Agenda 3259, Item 2 8/12/2010 (Staff);
Agenda 3260, Item 2 9/2/2010 (Staff);
Agenda 3261, Item 2 9/23/2010 (Staff)

Consent Agenda - Orders and Resolutions (continued)

Item SFPP, L.P. to Charge Market-Based Rates

3

[9572]

A09-05-014, A08-06-008, A08-06-009 - Related matters.

Application of SFPP, L.P. for authority, pursuant to Public Utilities Code Section 455.3, to increase its rates for pipeline transportation services within California.

PROPOSED OUTCOME:

® Denies application to charge market-based rates for pipeline transportation of refined petroleum products.

ESTIMATED COST:

® None.

(Comr Peevey - ALJ Bemederfer)

http://docs.cpuc.ca.gov/Cyberdocs/AgendaDoc.asp?DOC_ID=433575

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

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

Agenda 3258, Item 11 7/29/2010 (Staff);

Agenda 3260, Item 4 9/2/2010 (Staff);

Agenda 3261, Item 3 9/23/2010 (Staff)

Consent Agenda - Orders and Resolutions (continued)

Item **Southwest Gas Corporation's Issuance of up to \$200 Million
4** **of New Debt Securities**

[9689]

A10-04-008

In the Matter of the Application of Southwest Gas Corporation for authority to: (i) issue one or more types of debt securities in the principal amount of up to \$200,000,000; (ii) refinance previously issued short-term debt securities; (iii) refinance previously authorized securities under the "Evergreening Authority" guidelines; and (iv) enter into one or more interest rate risk management contracts.

PROPOSED OUTCOME:

- ® Authorizes Southwest Gas Corporation to issue up to \$200 million of new debt securities.
- ® Closes the proceeding.

ESTIMATED COST:

- ® None.

(Comr Simon - ALJ Wilson)

http://docs.cpuc.ca.gov/Cyberdocs/AgendaDoc.asp?DOC_ID=433783

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

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

Agenda 3260, Item 19 9/2/2010 (Staff);

Agenda 3261, Item 6 9/23/2010 (Simon)

Consent Agenda - Orders and Resolutions (continued)

Item Fruitridge Vista Water Company's General Rate Increase

5

[9736]

Res W-4842, Advice Letter No. 91 Filed on April 26, 2010 - Related matters.

PROPOSED OUTCOME:

- ® Authorizes the utility to file a supplemental Advice Letter 91 implementing the approved rates.
- ® To recover the balance in the User Fee Balancing Account through a one-time surcharge.
- ® To recover the balance in its Purchased Power Balancing Account.

ESTIMATED COST:

® \$441,243.

http://docs.cpuc.ca.gov/Cyberdocs/AgendaDoc.asp?DOC_ID=433800

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

Agenda 3261, Item 22 9/23/2010 (Staff)

Consent Agenda - Orders and Resolutions (continued)

Item **Central Valley Gas Storage, LLC, for a Certificate of Public
6** **Convenience and Necessity to Construct and Operate a Gas
[9737]** **Storage Facility**

A09-08-008

PROPOSED OUTCOME:

- ® Determines that Central Valley Gas Storage, LLC (CVGS) is a public utility gas corporation.
- ® Grants a Certificate of Public Convenience and Necessity to construct and operate a gas storage field in Colusa County.
- ® Authorizes market-based rates.
- ® Adopts a settlement agreement among CVGS, Division of Ratepayer Advocates, Pacific Gas and Electric Company (PG&E), and Lodi Gas Storage that (1) establishes reporting requirements for CVGS, and (2) requires CVGS to bear all cost for its interconnection with PG&E.
- ® Requires CVGS to maintain \$50 million of insurance, adjusted for inflation; and
- ® Requires CVGS to indemnify third parties for any liability or harm due where CVGS is found to be liable.
- ® Closes the proceeding.

ESTIMATED COST:

- ® The project is estimated to cost approximately \$78 million. However, the project will not serve core ratepayers, and core customers will not bear project costs.

(Comr Grueneich - ALJ Kenney)

http://docs.cpuc.ca.gov/Cyberdocs/AgendaDoc.asp?DOC_ID=434968

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

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

Consent Agenda - Orders and Resolutions (continued)

Item Disclosure of Records of an Investigation

7

[9744]

Res L-400

Authorizes the disclosure of records concerning the California Public Utilities Commission Consumer Protection and Safety Division's investigation of a pedestrian train incident which occurred on July 10, 2009 at the Webster Street Crossing in Oakland, California.

http://docs.cpuc.ca.gov/Cyberdocs/AgendaDoc.asp?DOC_ID=434547

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

Item Disclosure of Records of an Investigation

8

[9746]

Res L-401

Authorizes disclosure of records relating to an incident on April 25, 2009 regarding underground natural gas facilities belonging to Southern California Gas Company/Sempra Energy and electrical facilities, including a vault belonging to Southern California Edison located at or near the southeast intersection of Tweedy Boulevard and State Street in the City of Lynwood, County of Los Angeles, California and/or the City of South Gate, County of Los Angeles.

http://docs.cpuc.ca.gov/Cyberdocs/AgendaDoc.asp?DOC_ID=434546

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

Consent Agenda - Orders and Resolutions (continued)

**Item
9**

**San Diego Gas & Electric Company's Request to Issue New
Debt and Preferred Stock**

[9752]

A10-05-016

Application of San Diego Gas & Electric Company for authorization to: (1) issue Debt Securities (First Mortgage Bonds, debentures, overseas indebtedness, foreign securities, medium term notes, accounts receivable financing), and to enter into long-term loans, in an aggregate principal amount up to \$800 million of debt capital, in addition to previously-authorized amounts; (2) issue certain tax-exempt Debt Securities in order to guarantee the obligations of others; (3) include certain features in the Debt Securities or to enter into certain derivative transactions related to underlying debt in order to improve the terms and conditions of the debt portfolio and with the goal of lowering the cost of money for the benefit of ratepayers; (4) issue and sell up to \$150 million of par or stated-value Preferred or Preference Stock, in addition to previously authorized amounts; (5) hedge planned issuances of Debt Securities, Preferred or Preference Stock; (6) obtain certain exemptions from the Commission's Competitive Bidding Rule; and (7) take all other necessary, related actions.

PROPOSED OUTCOME:

- ® Authorizes San Diego Gas & Electric Company to issue up to \$800 million Debt Securities and up to \$150 million Preferred or Preference Stock.
- ® Closes the proceeding.

ESTIMATED COST:

- ® None.

(Comr Simon - ALJ Wilson)

http://docs.cpuc.ca.gov/Cyberdocs/AgendaDoc.asp?DOC_ID=434930

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

Agenda 3261, Item 29 9/23/2010 (Staff)

Consent Agenda - Orders and Resolutions (continued)

Item Disclosure of Records of an Investigation

10

[9754]

Res L-402

Authorizes the disclosure of records concerning the California Public Utilities Commission Consumer Protection and Safety Division's investigation of an electrocution incident which occurred on April 15, 2010 at Imperial Street, Shafter, California.

http://docs.cpuc.ca.gov/Cyberdocs/AgendaDoc.asp?DOC_ID=434548

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

Item North Gualala Water Company's Moratorium on New Service

11

Connections

[9763]

Res W-4844, Advice Letter (AL) 70-W, Filed on February 1, 2010, and Supplemental AL 70-W-A Filed on February 11, 2010 - Related matters.

PROPOSED OUTCOME:

® Revises North Gualala Water Company's tariffs to reflect a new service connection moratorium and to file those tariffs within 5 days of the approved resolution.

® Adds the new language to its Schedule 1, General Metered Service.

® Provides periodic progress updates demonstrating its diligence in pursuing a lift of the moratorium; and

® Orders to inform the Division of Water and Audits immediately when the moratorium has been lifted.

ESTIMATED COST:

® None.

http://docs.cpuc.ca.gov/Cyberdocs/AgendaDoc.asp?DOC_ID=435043

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

Consent Agenda - Orders and Resolutions (continued)

Item **North Gualala Water Company's Request for Surcharge**
12 **Recovery of "Deferred Charges"**

[9764]

Res W-4843, Advice Letter 68, Filed on June 4, 2009 - Related matters.

PROPOSED OUTCOME:

® The relief requested is denied.

ESTIMATED COST:

® None.

http://docs.cpuc.ca.gov/Cyberdocs/AgendaDoc.asp?DOC_ID=432474

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

Consent Agenda - Orders and Resolutions (continued)

Item **Renewables Portfolio Standard Obligations of Electric
13** **Service Providers**

[9768]

R08-08-009

Order Instituting Rulemaking to Continue Implementation and Administration of California Renewables Portfolio Standard Program.

PROPOSED OUTCOME:

- ® Electric Service Providers (ESPs) must file Renewables Portfolio Standard (RPS) procurement plans in accordance with instructions of the assigned Commissioner and/or assigned Administrative Law Judge.
- ® ESPs must adhere to any limits imposed by the Commission on the use of Tradable Renewable Energy Credits for RPS compliance.

ESTIMATED COST:

® None.

(Comr Peevey - ALJ Simon)

http://docs.cpuc.ca.gov/Cyberdocs/AgendaDoc.asp?DOC_ID=E34194

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

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

Consent Agenda - Orders and Resolutions (continued)

Item 14 Golden State Water Company's Recovery of a Surcharge in the Region II Service Area for the Year 2008

[9769]

Res W-4845, Advice Letter No. 1371-W Filed on December 18, 2009 - Related matters.

PROPOSED OUTCOME:

- ® Recovery of expenses recorded in its Region II Outside Services Memorandum Account for calendar year 2008.
- ® Net-out the over collection balance of previously amortized amounts for 2006 and 2007 against the balance for 2008.

ESTIMATED COST:

- ® Recovery of \$345,929 through a monthly surcharge of \$0.0116 per Ccf for twelve months.

http://docs.cpuc.ca.gov/Cyberdocs/AgendaDoc.asp?DOC_ID=435114

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

Consent Agenda - Orders and Resolutions (continued)

Item Order Extending Statutory Deadline

15

[9773]

C09-11-001

Nash Dweik vs. Pacific Gas and Electric Company.

PROPOSED OUTCOME:

® Extends deadline to resolve adjudicatory matter to November 3, 2011.

ESTIMATED COST:

® None.

(Comr Grueneich - ALJ MacDonald)

http://docs.cpuc.ca.gov/Cyberdocs/AgendaDoc.asp?DOC_ID=432540

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

Consent Agenda - Orders and Resolutions (continued)

Item Order Extending Statutory Deadline

16

[9774]

C09-11-009

Peter Solomon, dba Regency Homes vs. Southern California Edison Company.

PROPOSED OUTCOME:

® Extends deadline to resolve adjudicatory matter to November 10, 2011.

ESTIMATED COST:

® None.

(Comr Grueneich - ALJ MacDonald)

http://docs.cpuc.ca.gov/Cyberdocs/AgendaDoc.asp?DOC_ID=432573

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

Consent Agenda - Orders and Resolutions (continued)

**Item San Diego Gas & Electric Company's Catastrophic Event
17 Memorandum Account Claim Related to the 2007 Wildfires**

[9779]

A09-03-011

Application of San Diego Gas & Electric Company for Authorization to Recover Costs Related to the 2007 Southern California Fires Recorded in the Catastrophic Event Memorandum Account.

PROPOSED OUTCOME:

- ® Approves settlement agreement related to Catastrophic Event Memorandum Account claim.
- ® Closes the proceeding.

ESTIMATED COST:

- ® \$32.2 million.

(Comr Bohn - ALJ Farrar)

http://docs.cpuc.ca.gov/Cyberdocs/AgendaDoc.asp?DOC_ID=435127

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

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

Consent Agenda - Orders and Resolutions (continued)

**Item First Class Shuttle, Inc. for a Passenger Stage Corporation
18 Certificate**

[9780]

A10-07-021

PROPOSED OUTCOME:

® Grants the application of First Class Shuttle, Inc. to operate as a scheduled passenger stage corporation between Redding, Red Bluff, Corning, Orland, Willows and Sacramento International Airport.

® Establishes a zone of rate freedom.

® Closes the proceeding.

ESTIMATED COST:

® None.

(Exam Clark)

http://docs.cpuc.ca.gov/Cyberdocs/AgendaDoc.asp?DOC_ID=432543

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

Consent Agenda - Orders and Resolutions (continued)

**Item 19 Transfer of a Passenger Stage Corporation Certificate From
 Hamdard Singh to Harpinder Kaur**

[9781]

A10-08-009

In the Matter of the Application of Hamdard Singh to transfer his ownership of A1 American Shuttle and Passenger Stage Corporation Certificate 18818 to Harpinder Kaur.

PROPOSED OUTCOME:

- ® Grants the application for approval to transfer a passenger stage corporation certificate from Hamdard Singh to Harpinder Kaur.
- ® Closes the proceeding.

ESTIMATED COST:

- ® None.

(Exam Clark)

http://docs.cpuc.ca.gov/Cyberdocs/AgendaDoc.asp?DOC_ID=432446

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

Consent Agenda - Orders and Resolutions (continued)

Item Appeal of Citation FC-308

20

[9783]

Res ALJ-258

PROPOSED OUTCOME:

® Affirms Citation FC-308, which charged Denis Marcel Beaudoin II, doing business as A Touch of Class Limousine (Appellant) with 15 counts of operating as a third-party charter carrier without a permit, in violation of Public Utilities Code Section 5379; 15 counts of failure to include all required information in waybills, in violation of General Order (GO) 157-D, part 3.01; and one count of operating without having proof of required liability insurance on file with the Commission, in violation of Public Utilities Code Section 5391 and GO 115.

® Finds that Beaudoin committed the violations charged in the citation, but reduce the fine from \$750 to \$250 based on the unique circumstances of this case.

® This Resolution shall not be precedent in any other citation appeal or Commission proceeding.

ESTIMATED COST:

® None.

® Appellant is required to pay a \$250 fine, which will be deposited into the State General Fund.

http://docs.cpuc.ca.gov/Cyberdocs/AgendaDoc.asp?DOC_ID=431756

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

Consent Agenda - Orders and Resolutions (continued)

Item 21 General Order 171 Implementing the Provisions of Section 252 of the Telecommunication Act of 1996

[9784]

Res ALJ-257

PROPOSED OUTCOME:

® Adoption of new General Order.

ESTIMATED COST:

® None.

http://docs.cpuc.ca.gov/Cyberdocs/AgendaDoc.asp?DOC_ID=431280

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

Item 22 Final Report on the 2010 Triennial On-Site Safety Report of the Bay Area Rapid Transit District

[9785]

Res ST-115

PROPOSED OUTCOME:

® Approves the Consumer Protection and Safety Division's final report titled, "2010 Triennial On-Site Safety Review of Bay Area Rapid Transit District (BART)," dated August 19, 2010.

® BART is ordered to implement the recommendations contained in the report and to provide quarterly progress reports.

ESTIMATED COST:

® Not within the scope of this resolution.

http://docs.cpuc.ca.gov/Cyberdocs/AgendaDoc.asp?DOC_ID=434765

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

Consent Agenda - Orders and Resolutions (continued)

Item **Resolves Complaint by City of Huntington Beach and**
23 **Determination of Negative Declaration**

[9787]

A09-03-007, C08-04-037 - Related matters.

Application of NextG Networks of California, Inc. for Authority to Engage in Ground-Disturbing Outside Plant Construction.

PROPOSED OUTCOME:

- ® Denies complaint.
- ® Approves negative declaration.
- ® Closes the proceedings.

ESTIMATED COST:

- ® None.

(Comr Bohn - ALJ Kotz)

http://docs.cpuc.ca.gov/Cyberdocs/AgendaDoc.asp?DOC_ID=435131

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

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

Consent Agenda - Orders and Resolutions (continued)

Item 24 Petition of Southern California Edison Company to Modify Decision 08-11-031

[9789]

A08-05-022 , A08-05-024, A08-05-025, A08-05-026 - Related matters.

Application of Pacific Gas and Electric Company for Approval of the 2009-2011 Low Income Energy Efficiency and California Alternate Rates for Energy Programs and Budget.

PROPOSED OUTCOME:

® Modifies and clarifies the text of Decision 08-11-031 and Ordering Paragraph 85 concerning fund shifting and related rules.

ESTIMATED COST:

® None.

(Comr Grueneich - ALJ Kim)

http://docs.cpuc.ca.gov/Cyberdocs/AgendaDoc.asp?DOC_ID=434971

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

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

Item 25 September 2010 Addendum to Summary of Material Terms of Department of Water Resources Financing Documents

(Rev.)

[9793]

General Counsel's Report on Clarification and Approval of the September 2010 Addendum to Summary of Material Terms of Department of Water Resources (DWR) Financing Documents, as amended in early October 2010, to provide for refunding of a portion of DWR's Power Supply Revenue Bonds.

The Commission approved the September Addendum at its meeting on September 23rd. This item will approve the September Addendum as amended in early October to clarify one aspect of the bond refunding authorized.

10/06/2010 - This revision was not shown on the Agenda mailed to the public.

Consent Agenda - Orders and Resolutions (continued)

**Item San Diego Gas & Electric Company's List of Contracts and
26 Deviations**

[9795]

Res E-4339, Advice Letter 2162-E-A Filed on August 13, 2010 - Related matters.

PROPOSED OUTCOME:

® Approves San Diego Gas & Electric Company's request for a deviation from Rule 19, Supply to Separate Premises and Resale, to allow the City of Escondido to submeter and bill electricity to a third party, Southern California Gas Company, for a Field Demonstration Research and Development project at Escondido's wastewater treatment plant.

ESTIMATED COST:

® None.

http://docs.cpuc.ca.gov/Cyberdocs/AgendaDoc.asp?DOC_ID=433199

Consent Agenda - Orders and Resolutions (continued)

Item Order Extending Statutory Deadline

27

[9799]

R06-10-006

Order Instituting Rulemaking on the Commission's own motion into the application of the California Environmental Quality Act to applications of jurisdictional telecommunications utilities for authority to offer service and construct facilities.

PROPOSED OUTCOME:

® Extends time for completion until December 14, 2010.

ESTIMATED COST:

® None.

(Comr Bohn - ALJ Bushey)

http://docs.cpuc.ca.gov/Cyberdocs/AgendaDoc.asp?DOC_ID=433205

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

Consent Agenda - Orders and Resolutions (continued)

Item 28 321 Communications, Inc. for a Certificate of Public Convenience and Necessity

[9804]

A10-06-014

Application of 321 Communications, Inc. for a Certificate of Public Convenience and Necessity to Provide Resold and Limited Facilities-Based Local Exchange Services in the State of California.

PROPOSED OUTCOME:

® Grants Certificate of Public Convenience and Necessity to 321 Communications, Inc.

® Application 10-06-014 is closed.

ESTIMATED COST:

® None.

(Comr Simon - ALJ MacDonald)

http://docs.cpuc.ca.gov/Cyberdocs/AgendaDoc.asp?DOC_ID=434801

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

Item 29 Determination of Need for Hearing in Application 10-06-006

[9814]

Res ALJ-259

PROPOSED OUTCOME:

® Changes the preliminary determination of need for hearings to "no hearings needed."

ESTIMATED COST:

® None.

http://docs.cpuc.ca.gov/Cyberdocs/AgendaDoc.asp?DOC_ID=433398

Consent Agenda - Orders and Resolutions (continued)

Item All-Party Settlement of PacifiCorp's Application

30

[9818]

A10-05-009

In the Matter of the Application of PacifiCorp, an Oregon Company, to recover costs recorded in the Catastrophic Event Memorandum Account.

PROPOSED OUTCOME:

- ® Approves all-party settlement to recover eligible costs recorded in its Catastrophic Event Memorandum Account resulting from 2010 winterstorm damage.
- ® Approves all-party settlement that reduced revenue requirement by almost 10%.
- ® Application 10-05-009 is closed.

ESTIMATED COST:

- ® \$1.23 million over one year from all rate classes.

(Comr Ryan - ALJ Darling)

http://docs.cpuc.ca.gov/Cyberdocs/AgendaDoc.asp?DOC_ID=433723

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

Consent Agenda - Intervenor Compensation Orders**Item Compensation to Utility Consumers' Action Network****31**

[9790]

R08-12-009

Order Instituting Rulemaking to Consider Smart Grid Technologies Pursuant to Federal Legislation and on the Commission's own Motion to Actively Guide Policy in California's Development of a Smart Grid System.

PROPOSED OUTCOME:

® Awards Utility Consumers' Action Network \$39,854.09 for substantial contributions to Decision 10-06-047.

ESTIMATED COST:

® Ratepayers of Southern California Edison Company, San Diego Gas & Electric Company, and Pacific Gas and Electric Company will pay the awarded amount of \$39,854.09, plus interest commencing October 4, 2010.

(Comr Ryan - ALJ Sullivan)

http://docs.cpuc.ca.gov/Cyberdocs/AgendaDoc.asp?DOC_ID=432701

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

Consent Agenda - Intervenor Compensation Orders (continued)

Item Compensation to The Greenlining Institute

32

[9797]

A09-02-019

Application of Pacific Gas and Electric Company to implement and recover in rates the costs of its Photovoltaic Program.

PROPOSED OUTCOME:

® Awards The Greenlining Institute \$33,529 for its substantial contribution to Decision 10-04-052.

ESTIMATED COST:

® Ratepayers of Pacific Gas and Electric Company will pay the awarded amount of \$33,529, plus interest if accrued.

(Comr Peevey - ALJ Ebke)

http://docs.cpuc.ca.gov/Cyberdocs/AgendaDoc.asp?DOC_ID=433173

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

Consent Agenda - Intervenor Compensation Orders (continued)

Item Compensation to The Utility Reform Network

33

[9798]

R05-12-013

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

PROPOSED OUTCOME:

® Awards The Utility Reform Network \$238,193 for its substantial contribution to Decision 10-06-018.

ESTIMATED COST:

® Ratepayers of Pacific Gas and Electric Company, San Diego Gas & Electric Company, and Southern California Edison Company shall pay Claimant the total awarded amount of \$238,193, plus interest if accrued.

(Comr Peevey - ALJ Wetzell)

http://docs.cpuc.ca.gov/Cyberdocs/AgendaDoc.asp?DOC_ID=434939

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

Consent Agenda - Intervenor Compensation Orders (continued)

Item Compensation to Aglet Consumer Alliance

34

[9825]

R05-12-013

Order Instituting Rulemaking to Consider Refinements to and Further Development of the Commission's Resource Adequacy Requirements Program.

PROPOSED OUTCOME:

® Awards Aglet Consumer Alliance \$52,413 for substantial contribution to Decision 10-06-018.

ESTIMATED COST:

® Ratepayers of Pacific Gas and Electric Company, San Diego Gas & Electric Company and Southern California Edison shall pay claimant the total award, plus interest if accrued.

(Comr Peevey - ALJ Wetzell)

http://docs.cpuc.ca.gov/Cyberdocs/AgendaDoc.asp?DOC_ID=434841

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

Regular Agenda

Regular Agenda - Legal Division Matters

Item Resolution to Hire Experts re San Bruno Gas Explosion

35

[9830]

Res L-405

In Resolution L-405, pursuant to Public Utilities Code Section 632, the California Public Utilities Commission (Commission) authorizes staff to immediately enter into contracts to hire expert-consultants for the Independent Review Panel as authorized under Resolution L-403 in order to investigate the cause of the San Bruno explosion and to prevent or mitigate impairment to essential public services. Since the Commission has ordered Pacific Gas and Electric Company to reduce pressure to 80% of normal for its San Francisco Peninsula natural gas transmission lines because of the rupture of Pipeline 132, it is necessary for the panel to review the safety of increasing the pressure of Pipeline 132 to full capacity by Thanksgiving, with Winter approaching. This constitutes an emergency under Cal. Public Contract Code § 1102.

http://docs.cpuc.ca.gov/Cyberdocs/AgendaDoc.asp?DOC_ID=434415

Regular Agenda - Energy Orders

Item 36 Decision resolving a rehearing for SFPP, L.P., in Complaint 97-04-025 and related proceedings

[9370]

C97-04-025, C00-04-013, C06-12-031, A00-03-044, A03-02-027, A04-11-017, A06-01-015, A06-08-028 - Related matters.

ARCO Products Company, Mobil Oil Corporation, and Texaco Refining and Marketing Inc. vs. SFPP, L.P.

PROPOSED OUTCOME:

- ® Finds the Sepulveda Line is dedicated to public service.
- ® Finds that SFPP is not entitled to a ratemaking allowance for income taxes.
- ® Finds SFPP has not correctly allocated costs.
- ® Finds rates for Watson Station and Sepulveda facilities must be cost-based.
- ® Dismisses A.00-03-044 without prejudice, and dismisses C.00-04-013.
- ® Adopts a 2003 capital structure and cost of capital.
- ® Requires Tier 1 advice letters to implement refunds.
- ® Case (C) 97-04-025, C.06-12-031, A.00-03-044, A.03-02-027, A.06-08-028 remain open and consolidated.

ESTIMATED COST:

- ® Uncertain, but will result in substantial refunds to customers.

(Comr Peevey - ALJ Long)

http://docs.cpuc.ca.gov/Cyberdocs/AgendaDoc.asp?DOC_ID=433988

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

Agenda 3253, Item 33 5/6/2010 (Peevey);

Agenda 3255, Item 31 6/3/2010 (Bohn);

Agenda 3257, Item 27 7/8/2010 (Staff);

Agenda 3260, Item 30 9/2/2010 (Staff);

Agenda 3261, Item 44 9/23/2010 (Staff)

Regular Agenda - Energy Orders (continued)

**Item Southern California Edison Company's Petition to Modify
37 Decision 07-01-039**

(Rev.)

[9521]

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.

PROPOSED OUTCOME:

® Grants, in part, the petition to modify Decision 07-01-039 and authorizes, subject to reasonableness review, a partial exemption from the Adopted Interim Emissions Performance Standard Rules for Four Corners Units 4 and 5 (Four Corners), limited to capital expenditures made under the co-tenancy agreements prior to January 1, 2012.

® Reasonableness review will occur in Southern California Edison Company's (SCE) test year 2012 general rate case, to be filed in 2010.

® For capital expenditures of less than \$1 million, SCE must establish reasonableness.

® For capital projects of \$1 million or more, SCE's reasonableness showing must establish necessity based upon consideration of four factors, including prevention of imminent safety hazard and continuation of basic operation through 2016, when SCE's contractual obligations terminate.

® SCE must conduct a study on the feasibility of continuing to maintain its interest in Four Corners after the end of 2011 and submit this study in the 2012 general rate case, prior to determination of any recovery of investment at Four Corners in the general rate case.

® SCE may not extend any of its existing co-tenancy agreements or expand or extend its ownership in Four Corners without first obtaining Commission approval.

® SCE must report its test year 2012 general rate case on its remedial activities to ensure that its pleadings are complete, accurate, and fully explain the bases for its positions.

® Closes the proceeding.

ESTIMATED COST:

® Subject to a finding of reasonableness in SCE's test year 2012 general rate case, some or all capital expenditures made in Four Corners prior to January 1, 2012, in an amount not to exceed \$178,593,000, will be recoverable in rates.

® Other costs associated with SCE's continued ownership of Four Corners may be determined in SCE's test year 2012 general rate case.

(Comr Peevey - ALJ Vieth)

http://docs.cpuc.ca.gov/Cyberdocs/AgendaDoc.asp?DOC_ID=434835

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

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

Regular Agenda - Energy Orders (continued)

Agenda 3257, Item 32 7/8/2010 (Staff);

Agenda 3258, Item 46 7/29/2010 (Staff);

Agenda 3259, Item 35 8/12/2010 (Staff);

Agenda 3260, Item 31 9/2/2010 (Staff)

10/06/2010 - This revision was not shown on the Agenda mailed to the public.

**Item Amended Application of Lodi Gas Storage, LLC to Modify
38 Decision 00-05-048**

[9719]

A09-06-011

PROPOSED OUTCOME:

® Denies request of Lodi Gas Storage, LLC, (Lodi) to replace the currently required \$10 million surety bond with a parental guaranty in the same amount, subject to Lodi's maintenance of an investment grade credit rating.

® Concludes that the public interest supports maintenance of the bond, which is more secure than a parental guaranty.

® Closes the proceeding.

ESTIMATED COST:

® No change from current costs anticipated.

(Comr Bohn - ALJ Vieth)

http://docs.cpuc.ca.gov/Cyberdocs/AgendaDoc.asp?DOC_ID=434018

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

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

Agenda 3261, Item 47 9/23/2010 (Staff)

Regular Agenda - Energy Orders (continued)

Item ALTERNATE TO ITEM 9719

38a

[9723]

This alternate decision differs from the Administrative Law Judge's proposed decision in that:

® Approves Lodi Gas Storage, LLC (Lodi) request to replace a \$10 million surety bond with a parental guaranty of the same amount, as long as the debt of Lodi's parent, Buckeye Partners, remains above investment grade.

ESTIMATED COST:

® Lodi will have a reduction in costs of approximately \$122,000 per year due to elimination of the bond requirement.

(Comr Bohn)

http://docs.cpuc.ca.gov/Cyberdocs/AgendaDoc.asp?DOC_ID=434015

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

Agenda 3261, Item 47a 9/23/2010 (Staff)

Regular Agenda - Energy Orders (continued)

Item **Use of Tradable Renewable Energy Credits to Comply With**
39 **the California Renewables Portfolio Standard**

[9721]

R06-02-012

Order Instituting Rulemaking to Develop Additional Methods to Implement the California Renewables Portfolio Standard Program.

PROPOSED OUTCOME:

- ® Grants in part and denies in part petitions for modification of Decision (D) 10-03-021.
- ® Lifts stay imposed by D10-03-018.
- ® Ends moratorium on approval of certain Renewable Portfolio Standard procurement contracts.

ESTIMATED COST:

- ® None.

(Comr Peevey - ALJ Simon)

http://docs.cpuc.ca.gov/Cyberdocs/AgendaDoc.asp?DOC_ID=435192

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

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

Regular Agenda - Energy Orders (continued)

Item **California Renewables Portfolio Standard Program**
40 **Renewable Auction Mechanism**

[9730]

R08-08-009

Order Instituting Rulemaking to Continue Implementation and Administration of California Renewables Portfolio Standard Program.

PROPOSED OUTCOME:

® Adopts a new procurement protocol called the Renewable Auction Mechanism (RAM). RAM employs tariffs and standard contracts for purchases from certain renewable portfolio standard (RPS) projects by three utilities: Southern California Edison Company, Pacific Gas and Electric Company, San Diego Gas & Electric Company. RAM includes:

- ® Projects (transactions) up to 20 megawatts (MW)
- ® A maximum program subscription of 1,000 MW, procured over four solicitations of 250 MW each, allocated proportionately to the three utilities.
- ® Non-negotiable price-determination by auction.
- ® Simplified Commission review for certain contracts.
- ® Measurement of capacity related to excess sales transactions for application toward program capacity limits by using the project's entire rated generating capacity.
- ® An eligible seller need not be a retail customer, seller need not be a qualifying facility, and project need not be on property of a retail customer.

ESTIMATED COST:

- ® Unknown, but expected to be no additional RPS costs.

(Comr Peevey - ALJ Mattson)

http://docs.cpuc.ca.gov/Cyberdocs/AgendaDoc.asp?DOC_ID=433715

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

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

Agenda 3261, Item 49 9/23/2010 (Staff)

Regular Agenda - Energy Orders (continued)

Item Electric Utility Transfer and Related Ancillary Agreements

41

[9786]

A09-10-028, A10-04-032 - Related matters.

Joint Application of Sierra Pacific Power Company and California Pacific Electric Company, LLC for Transfer of Control and Additional Requests Relating to Proposed Transaction.

PROPOSED OUTCOME:

® The transfer to California Pacific Electric Company, LLC (CalPeco) of the California electric distribution facilities and the Kings Beach Generating Station owned by Sierra Pacific Power Company (Sierra) is not adverse to the public interest and is approved subject to these additional conditions:

® Power from Sierra's Valmy Power Plant may be included in the supply provided under Power Purchase Agreement and any extension to it as long as Sierra makes no new ownership investment in Valmy, within the context of the Emissions Performance Standard rules adopted in Decision 07-01-039 and any relevant, subsequent modifications of that decision.

® The Internal Transfer Authority is not approved and any change of ownership affecting CalPeco's upstream owners must be sought by application filed pursuant to Public Utilities Code Section 854.

® CalPeco and its upstream owners must expressly recognize the Commission's legal right to call their officers and employees to testify in California regarding matters pertinent to CalPeco, consistent with established principles of due process and fundamental fairness.

® The Fringe Agreement and Reliability Support Agreement involving Sierra, CalPeco and Truckee-Donner Public Utility District are approved to enable continued cooperation to provide cost-effective, reliable service to customers in the two, contiguous, small service territories.

® Closes the proceedings.

ESTIMATED COST:

® No cost to ratepayers from the transfer, as CalPeco will absorb any purchase premium, all transactions costs, and the cost of any service improvements until new rates are established in a 2012 general rate case. The need for any changes in revenue requirement in 2012 and thereafter, for any reason, will be reviewed in that forum.

® No new costs to ratepayers from approval of the Fringe Agreement and Reliability Support Agreement.

(Comr Grueneich - ALJ Vieth)

http://docs.cpuc.ca.gov/Cyberdocs/AgendaDoc.asp?DOC_ID=435048

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

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

Regular Agenda - Energy Resolutions and Written Reports**Item Pacific Gas and Electric Company, San Diego Gas & Electric
42 Company, and Southern California Edison Company
[8520] Qualifying Facilities Contracts**

Res E-4242, Advice Letter (AL) PG&E AL 3197-E, SDG&E AL 1958-E and SCE AL 2200-E, filed on January 14, 2008, Supplemental AL PG&E AL 3197-E-A, SDG&E AL 1958-E-A and SCE AL 2200-E-A, filed on July 11, 2008, and Supplemental AL PG&E AL 3197-E-B, et al. - Related matters.

PROPOSED OUTCOME:

® Adopts, with modifications, the Qualifying Facility (QF) Standard Offer Contracts proposed by Pacific Gas and Electric Company (PG&E), Southern California Edison Company (SCE) and San Diego Gas & Electric Company (SDG&E). Upon adoption, there will be one QF Standard Offer Contract across all three electric Investor Owned Utilities (IOUs).

® The new contract may be signed by new and existing QFs with expired contracts in addition to QFs pursuing other contracting methods such as participating in an IOU's Request for Offer process or negotiating a bilateral contract.

ESTIMATED COST:

® Adoption of this resolution does not imply any specific cost. However, upon adoption, the utilities may enter into contracts with new or existing QFs.

® These contracts will form part of the utilities' procurement costs for electricity.

® It is impossible to know in advance the total cost of those contracts but, in the past, QF power has represented no more than 20% of the utilities' portfolio.

® Contracts executed with existing QFs should not result in any additional costs as the utilities were already purchasing power from these QFs in the past.

® Contracts signed with new QFs will represent new incremental expenditures, but this spending will be offset by the reduced need for new generation as a result of contracting with the new QF.

http://docs.cpuc.ca.gov/Cyberdocs/AgendaDoc.asp?DOC_ID=433913

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

Regular Agenda - Energy Resolutions and Written Reports

Agenda 3235, Item 26 6/4/2009 (Staff);
Agenda 3236, Item 44 6/18/2009 (Staff);
Agenda 3237, Item 33 7/9/2009 (Staff);
Agenda 3238, Item 47 7/30/2009 (Staff);
Agenda 3239, Item 55 8/20/2009 (Staff);
Agenda 3240, Item 47 9/10/2009 (Staff);
Agenda 3241, Item 39 9/24/2009 (Staff);
Agenda 3242, Item 47 10/15/2009 (Staff);
Agenda 3243, Item 52 10/29/2009 (Staff);
Agenda 3244, Item 65 11/20/2009 (Staff);
Agenda 3245, Item 35 12/3/2009 (Staff);
Agenda 3246, Item 69 12/17/2009 (Staff);
Agenda 3247, Item 50 1/21/2010 (Staff);
Agenda 3248, Item 28 2/4/2010 (Staff);
Agenda 3249, Item 47 2/25/2010 (Staff);
Agenda 3250, Item 38 3/11/2010 (Staff);
Agenda 3251, Item 54 4/8/2010 (Staff);
Agenda 3252, Item 34 4/22/2010 (Staff);
Agenda 3253, Item 35 5/6/2010 (Staff);
Agenda 3254, Item 44 5/20/2010 (Staff);
Agenda 3255, Item 34 6/3/2010 (Staff);
Agenda 3256, Item 41 6/24/2010 (Staff);
Agenda 3257, Item 34 7/8/2010 (Staff);
Agenda 3258, Item 50 7/29/2010 (Staff);
Agenda 3259, Item 38 8/12/2010 (Staff);
Agenda 3260, Item 34 9/2/2010 (Staff);
Agenda 3261, Item 50 9/23/2010 (Staff)

Regular Agenda - Energy Resolutions and Written Reports (continued)

Item **San Diego Gas & Electric Company's Request to use Funds**
43 **Allocated to the 2003 Rebuild a Greener San Diego Program**
[9788]

Res E-4351, Advice Letter 2150-E Filed on March 5th, 2010 - Related matters.

PROPOSED OUTCOME:

® San Diego Gas & Electric Company is authorized to use the \$345,000 from Self Generation Incentive Program (SGIP) as requested in Advice Letter 2150-E. The remaining \$1,855,000 previously allocated to Rebuild a Greener San Diego Program will be transferred back to the SGIP balancing account within 7 days of this Resolution.

ESTIMATED COST:

® \$0. Fund collection previously authorized.

http://docs.cpuc.ca.gov/Cyberdocs/AgendaDoc.asp?DOC_ID=435118

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

Regular Agenda - Communication Orders

Item California Telephone Corporation Billing Rules

44

[9775]

R00-02-004

Order Instituting Rulemaking on the Commission's Own Motion to Establish Consumer Rights and Consumer Protection Rules Applicable to All Telecommunications Utilities.

PROPOSED OUTCOME:

- ® Adopts rules for California Billing Telephone Corporations, Billing Agents and Service Providers.
- ® Closes the proceeding.

ESTIMATED COST:

- ® Unknown.

(Comr Bohn - ALJ Bushey)

http://docs.cpuc.ca.gov/Cyberdocs/AgendaDoc.asp?DOC_ID=E34235

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

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

Regular Agenda - Communication Resolutions and Reports

Item **Funding for the Central Valley Independent Network, LLC**
45 **and the Corporation for Educational Network Initiatives from**
[9767] **the California Advanced Services Fund**

Res T-17295

PROPOSED OUTCOME:

® Adopts California Advanced Services (CASF) funding which would provide open access network capabilities to 18 Central Valley counties and 60 anchor institutions.

ESTIMATED COST:

® \$6,659,967 from the CASF which represents 10% of the total project cost.

http://docs.cpuc.ca.gov/Cyberdocs/AgendaDoc.asp?DOC_ID=434397

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

Regular Agenda - Water/Sewer Orders

Item **Accounting Treatment of Contamination Proceeds from**
46 **Government Grants and Loans, Damage Awards,**
[9693] **Settlements, Government Orders and Insurance**

R09-03-014

Order Instituting Rulemaking on the Commission's Own Motion to Develop Rules and Procedures to Ensure That Investor-Owned Water Utilities Will not Recover Unreasonable Return on Investments Financed by Contamination Proceeds, Including Damage Awards, and Public Loans Received Due to Water Supply Contamination.

PROPOSED OUTCOME:

® Adoption of policies, rules and framework for analysis concerning accounting treatment of contamination proceeds.

ESTIMATED COST:

® Nominal cost of establishing sub-accounts within Account 265 (Contribution in Aid of Construction).

(Comr Bohn - ALJ Weatherford)

http://docs.cpuc.ca.gov/Cyberdocs/AgendaDoc.asp?DOC_ID=435068

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

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

Agenda 3260, Item 37 9/2/2010 (Staff)

Regular Agenda - Water/Sewer Orders (continued)

Item 47
[9695]
2010 Cost of Capital Decision for San Jose Water Company, Valencia Water Company, Park Water Company and Apple Valley Ranchos Water Company, San Gabriel Valley Water Company, and Suburban Water Systems

A09-05-001 , A09-05-002, A09-05-003, A09-05-004, A09-05-005 - Related matters.

In the Matter of the Application of San Jose Water Company for Authority to Determine its Cost of Capital and to Apply that Cost of Capital in Rates for the Period From January 1, 2010 through December 31, 2012.

PROPOSED OUTCOME:

- ® Establishes the base year 2010 ratemaking return on common equity for San Jose Water Company, Valencia Water Company, Park Water Company and its affiliate Apple Valley Ranchos Water Company, San Gabriel Valley Water Company and Suburban Water Systems;
- ® Adopts a base return on equity of 10.20% for all six applicants along with an individual capital structure and weighted cost of capital for each company;
- ® Adopts a Cost of Capital Adjustment Mechanism which uses an interest rate index and a Moody's bond rating to adjust the return on equity and update the cost of capital for the two years 2011 and 2012;
- ® Adjusts the trigger mechanism otherwise used in Decision 09-07-051 to avoid an unintended reduction in return which may result from a high cost base year for the bond index;
- ® Determines that San Jose Water Company shall file an application for a new 2012 base year cost of capital concurrent with the three large multi-district Class-A water companies; and
- ® Closes Application (A) 09-05-001, A09-05-002, A09-05-003, A09-05-004 and A09-05-005.

ESTIMATED COST:

- ® The specific cost impacts of this decision are not quantified and depend upon any other changes to revenue requirement scheduled for January 1, 2010.

(Comr Bohn - ALJ Long)

http://docs.cpuc.ca.gov/Cyberdocs/AgendaDoc.asp?DOC_ID=431749

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

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

Regular Agenda - Water/Sewer Orders (continued)

Item Affiliate Transactions Rules for Water and Sewer Utilities

48

[9772]

R09-04-012

Order Instituting Rulemaking on the Commission's Own Motion to Develop Standard Rules and Procedures for Regulated Water and Sewer Utilities Governing Affiliate Transactions and the Use of Regulated Assets for Non-Tariffed Utility Services (formerly called Excess Capacity).

PROPOSED OUTCOME:

- ® Adopts standard affiliate transaction rules for Class A and B water and sewer companies (see Appendix A)
- ® Adopts a rule (Rule X) governing the provision of non-tariffed products and services within water and sewer utilities.
- ® Adopts rules consistent with Commission goals of protecting ratepayers, ensuring utility financial health, and preventing anti-competitive behavior. The rules also minimize the regulatory burden on water and sewer utilities.
- ® Addresses unique circumstances, including: (a) exceptions to rules governing not-for-profit affiliates which provide financing and other services to the utility; (b) placing cost allocation issues in general rate cases for firms with multiple regulated utilities; and (c) certain exemptions for affiliates with only out-of-state operations.
- ® Closes the proceedings.

ESTIMATED COST:

- ® Unquantifiable benefits to ratepayers and competitive markets outweighing unquantifiable regulatory compliance costs.

(Comr Bohn - ALJ Gamson)

http://docs.cpuc.ca.gov/Cyberdocs/AgendaDoc.asp?DOC_ID=435039

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

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

Regular Agenda - Water/Sewer Orders (continued)

Item New Order Instituting Rulemaking

49

[9819]

R_____

Order Instituting Rulemaking on the Commission's own Motion to Consider a Comprehensive Policy Framework for Recycled Water.

PROPOSED OUTCOME:

® Initiates a rulemaking and sets schedule for Prehearing Conference Statements.

ESTIMATED COST:

® None.

Regular Agenda - Legislative and Other Matters

Regular Agenda - Commissioner's Reports**Item Energy Efficiency Marketing Education and Outreach
50 Program**

[9810]

Commissioner Grueneich Report

The California Public Utilities Commission's 2008 Long Term Energy Efficiency Strategic Plan and Decision 09-09-047 called for a statewide Energy Efficiency Marketing Education and Outreach Program (ME and O) to create behavior change and motivate consumers to take action on energy efficiency/conservation measures. The Commissioners will be updated on the new ME and O plan, clean energy brand, and energy efficiency web portal.

**Item San Bruno Pipeline Explosion - Independent Review Panel
57****(Rev.)**

[9841]

President Peevey Report

Pursuant to Resolution L-403 adopted by the Commission on September 23, 2010, vote to confirm members of the Independent Review Panel selected by Commission President.

Gov. Code § 11125.3(a)(2), allows this item to be added to the agenda.

10/08/2010 - This item was not listed on the agenda distributed to the public.

Regular Agenda - Management Reports and Resolutions

Item **Annual Report From the California Emerging Technology**
51 **Fund**

[9617]

Director Clanon Report

Annual Report to the Commission from the California Emerging Technology Fund.

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

Item Conference with Legal Counsel - Application for Rehearing

52

[9794]

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.

Item Conference with Legal Counsel - Application for Rehearing

53

[9573]

A06-12-009, A06-12-010, I07-02-013 - Related matters.

Disposition of application for rehearing filed by the Commission's Division of Ratepayer Advocates (DRA) of Decision (D) 10-04-003. This decision denies the petition for modification filed by DRA, and Southern California Gas Company and San Diego Gas and Electric Company (Sempra utilities) of D08-07-046 which requires Test Year 2012 general rate cases for the Sempra utilities.

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

Agenda 3258, Item 61 7/29/2010 (Staff);

Agenda 3259, Item 47 8/12/2010 (Staff);

Agenda 3260, Item 42 9/2/2010 (Staff);

Agenda 3261, Item 54 9/23/2010 (Staff)

Closed Session - Applications for Rehearing (continued)

Item Conference with Legal Counsel - Application for Rehearing

54

[9747]

R07-01-041

Disposition of application for rehearing of D10-06-002 (Decision) filed by EnerNOC, Inc., EnergyConnect, Inc., and CPower, Inc. In D10-06-002, the Commission considered issues related to Commission oversight of the participation of retail demand response direct bidding in the wholesale market. In connection with these issues, the Decision determined that the Commission has jurisdiction over Demand Response Providers (DRPs) in order to, among other things, resolve DRP customer complaints and establish financial responsibility standards.

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

Agenda 3261, Item 56 9/23/2010 (Staff)

Item Conference with Legal Counsel - Application for Rehearing

55

[9808]

A08-09-023

Disposition of application for rehearing of Decision (D) 10-04-027, filed jointly by The Utility Reform Network and The Utility Workers Union of America, Local 132. D10-04-027 involves the Application of Southern California Gas Company for approval of an Advanced Metering Infrastructure.

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

Item Conference with Legal Counsel - Existing Litigation

56

[9823]

Sarem v. CPUC, et al. Superior Court Case No. CGC-10-496459

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

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 - 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