
Public Utilities Commission of the State of California

Public Agenda 3263

Thursday, October 28, 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

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|--|--|
| <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, November 15, 2010 (San Francisco) | Thursday, October 28, 2010 (San Francisco) |
| Monday, November 29, 2010 (San Francisco) | Friday, November 19, 2010 (San Francisco at 9:00 AM) |
| Monday, December 13, 2010 (San Francisco) | Thursday, December 02, 2010 (San Francisco at 9:00 AM) |
| Monday, January 10, 2011 (San Francisco) | Thursday, December 16, 2010 (San Francisco at 9:00 AM) |
| Monday, January 24, 2011 (San Francisco) | Thursday, January 13, 2011 (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
(415) 703-2074 E-mail: public.advisor@cpuc.ca.gov



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

PUBLIC COMMENT

The following items are not subject to public comment:

- All items on the closed session agenda.
- 28

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**

[9796]

Res ALJ 176-3263

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=435466

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);
- Agenda 3262, Item 2 10/14/2010 (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 Bemserfer)

http://docs.cpuc.ca.gov/Cyberdocs/AgendaDoc.asp?DOC_ID=435262

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);

Agenda 3262, Item 3 10/14/2010 (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=436317

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);

Agenda 3262, Item 4 10/14/2010 (Simon)

Consent Agenda - Orders and Resolutions (continued)

**Item
5**

**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=436280

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

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

Agenda 3262, Item 9 10/14/2010 (Simon)

Consent Agenda - Orders and Resolutions (continued)

**Item North Gualala Water Company's Moratorium on New Service
6 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=435384

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

Agenda 3262, Item 11 10/14/2010 (Peevey)

Consent Agenda - Orders and Resolutions (continued)

Item Appeal of Citation FC-308

7

[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=435923

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

Agenda 3262, Item 20 10/14/2010 (Staff)

Consent Agenda - Orders and Resolutions (continued)

**Item 8 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=435324

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

Agenda 3262, Item 22 10/14/2010 (Simon)

Consent Agenda - Orders and Resolutions (continued)

Item **California High Cost Fund-A Administrative Committee Fund**
9 **Adjustments Review for Calendar Year 2010**

[9792]

Res T-17273

PROPOSED OUTCOME:

® Seeks the approval of the California High Cost Fund (CHCF)-A Adjustments Review for Calendar year 2010.

® The CHCF-A program provides supplemental revenues to small Local Exchange Carriers in order to reduce rate disparity in rural areas.

ESTIMATED COST:

® \$78,163.66.

http://docs.cpuc.ca.gov/Cyberdocs/AgendaDoc.asp?DOC_ID=421358

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

Item **Disclosure of Records of an Investigation**
10

[9800]

Res L-404

Authorizes the disclosure of records concerning the California Public Utilities Commission Consumer Protection and Safety Division's investigation of a train collision incident which occurred on December 15, 2008 at Lakeview Avenue, Placentia, California.

http://docs.cpuc.ca.gov/Cyberdocs/AgendaDoc.asp?DOC_ID=433536

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

Consent Agenda - Orders and Resolutions (continued)

**Item San Diego Gas & Electric Company's Renewable Power
11 Purchase Agreement with Coram Energy, LLC**

[9801]

Res E-4372, Advice Letter 2186-E Filed on July 30, 2010 - Related matters.

PROPOSED OUTCOME:

- ® Approves San Diego Gas & Electric Company's request for cost recovery of a renewable energy power purchase agreement (PPA) with Coram Energy, LLC.
- ® The PPA is approved without modification.

ESTIMATED COST:

- ® Costs of this contract are confidential at this time.

http://docs.cpuc.ca.gov/Cyberdocs/AgendaDoc.asp?DOC_ID=436207

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

Consent Agenda - Orders and Resolutions (continued)

Item Petition for Modification of Decision 10-03-022

12

[9802]

R07-05-025

Rulemaking Regarding Whether, or Subject to What Conditions, the Suspension of Direct Access may be Lifted Consistent with Assembly Bill 1X and Decision 01-09-060.

PROPOSED OUTCOME:

® Denies the June 23, 2010, Petition for Modification of Decision 10-03-022 filed by California State University.

ESTIMATED COST:

® None.

(Comr Peevey - ALJ Pulsifer)

http://docs.cpuc.ca.gov/Cyberdocs/AgendaDoc.asp?DOC_ID=435933

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 **Pacific Gas and Electric Company's Renewable Power**
13 **Purchase Agreement with Coram California Development,**
[9806] **L.P.**

Res E-4366, Advice Letter 3687-E Filed on July 2, 2010 - Related matters.

PROPOSED OUTCOME:

- ® Approves cost recovery for a Pacific Gas and Electric Company renewable energy power purchase agreement with Coram California Development, L.P.
- ® The power purchase agreement is approved without modifications.

ESTIMATED COST:

- ® Costs of the power purchase agreement are confidential at this time.

http://docs.cpuc.ca.gov/Cyberdocs/AgendaDoc.asp?DOC_ID=436223

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

Item **Pacific Gas and Electric Company's Two Amended Power**
14 **Purchase Agreements With BrightSource Energy, Inc.**
[9807]

Res E-4369, Advice Letter 3703-E Filed on July 9, 2010 - Related matters.

PROPOSED OUTCOME:

- ® Approves Pacific Gas and Electric Company's amended renewable energy power purchase agreements with BrightSource Energy, Inc.
- ® The amended power purchase agreements are approved without modification.

ESTIMATED COST:

- ® Costs of the amended power purchase agreements are confidential at this time.

http://docs.cpuc.ca.gov/Cyberdocs/AgendaDoc.asp?DOC_ID=436235

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

Consent Agenda - Orders and Resolutions (continued)

Item **Petition of San Diego Gas & Electric Company and Southern
15** **California Gas Company to Modify Decision 08-11-031**

[9809]

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 2009-11 Low Income Energy Efficiency and California Alternate Rates for Energy Programs and Budget.

PROPOSED OUTCOME:

® Denies Petition of San Diego Gas & Electric Company and Southern California Gas Company to Modify Decision 08-11-031.

ESTIMATED COST:

® None.

(Comr Grueneich - ALJ Kim)

http://docs.cpuc.ca.gov/Cyberdocs/AgendaDoc.asp?DOC_ID=E34637

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 Extension of the ClimateSmart Demonstration Program

16

[9813]

A09-05-016

Application of Pacific Gas and Electric Company for a Two-Year Extension of the ClimateSmart Program and Tariff Option.

PROPOSED OUTCOME:

- ® Grants Pacific Gas and Electric Company authority to extend the ClimateSmart Demonstration Program until December 31, 2011.
- ® Closes the proceeding.

ESTIMATED COST:

- ® None.

(Comr Peevey - ALJ MacDonald)

http://docs.cpuc.ca.gov/Cyberdocs/AgendaDoc.asp?DOC_ID=436320

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 Order Extending Statutory Deadline

17

[9820]

R05-06-040

Order Instituting Rulemaking to implement Senate Bill No. 1488 (2004 Cal. Stats., Ch. 690 (Sept. 22, 2004)) relating to confidentiality of information.

PROPOSED OUTCOME:

® Extends statutory deadline to January 19, 2011.

ESTIMATED COST:

® None.

(Comr Grueneich - ALJ Yacknin)

http://docs.cpuc.ca.gov/Cyberdocs/AgendaDoc.asp?DOC_ID=433858

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

Consent Agenda - Orders and Resolutions (continued)

Item **Denial of Petition to Amend Public Utilities Code Section**
18 **780.5**

[9822]

P10-07-016

Petition to adopt, amend, or repeal a regulation pursuant to Public Utilities Code Section 1708.5 by Lite Solar, Inc., a California Corporation to amend California Public Utilities Code Section 780.5 to permit master-meter installation on multi-unit residential apartment buildings or similar multi-unit residential structure, condominium, and mobile home parks when an owner is installing solar solely for the use of the tenants and common area.

PROPOSED OUTCOME:

- ® Denies the petition of Lite Solar, Inc., a California Corporation to amend Section 780.5 of the Public Utilities Code.
- ® Closes the proceeding.

ESTIMATED COST:

- ® None.

(Comr Peevey - ALJ Ebke)

http://docs.cpuc.ca.gov/Cyberdocs/AgendaDoc.asp?DOC_ID=436237

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

Consent Agenda - Orders and Resolutions (continued)

Item 19 **Fulton Water Company's Ratebase Offset Revenue Increase**

[9834]

Res W-4846, Advice Letter 56 Filed on June 17, 2010 - Related matters.

PROPOSED OUTCOME:

® Authorizes the utility to file a supplemental to Advice Letter 56 to incorporate the revised rate schedules.

ESTIMATED COST:

® \$61,548.

http://docs.cpuc.ca.gov/Cyberdocs/AgendaDoc.asp?DOC_ID=435909

Item 20 **Pacific Gas and Electric Company's Deviation From Gas and Electric Rule 9**

[9836]

Res G-3450, Advice Letter 3155-G/3739-E Filed on September 28, 2010 - Related matters.

PROPOSED OUTCOME:

® Provides bill relief to Pacific Gas and Electric Company customers impacted directly by the San Bruno Explosion.

ESTIMATED COST:

® None.

http://docs.cpuc.ca.gov/Cyberdocs/AgendaDoc.asp?DOC_ID=436279

Consent Agenda - Orders and Resolutions (continued)

Item Final Arbitrator's Report

21

[9838]

A09-12-022

Application by Pacific Bell Telephone Company d/b/a AT&T California for Arbitration of an Interconnection Agreement with SureWest Telephone d/b/a SureWest Broadband and SureWest TeleVideo d/b/a SureWest Broadband Pursuant to Section 252(b) of the Telecommunications Act of 1996.

PROPOSED OUTCOME:

- ® Affirms the Final Arbitrator's Report.
- ® Closes the proceeding.

ESTIMATED COST:

- ® None.

(Comr Peevey - ALJ Bemserfer)

http://docs.cpuc.ca.gov/Cyberdocs/AgendaDoc.asp?DOC_ID=434236

Consent Agenda - Orders and Resolutions (continued)

Item Bass Lake Water Company's Loan
22

[9842]

Res W-4847, Advice Letter No. 55-W Filed on August 16, 2010 - Related matters.

PROPOSED OUTCOME:

® Authorizes Bass Lake Water Company to borrow \$187,000 from Plumas Bank and to encumber utility assets to secure the debt.

ESTIMATED COST:

® Construction expenditures and the resulting plant balances in rate base and the reasonableness of the cost of money resulting from the issuance of debt will be subject to review in a ratemaking proceeding.

http://docs.cpuc.ca.gov/Cyberdocs/AgendaDoc.asp?DOC_ID=436001

Item Tahoe Cedars Water Company's Loan From Financial
23 Institutions

[9843]

Res W-4848, Advice Letter No. 43 Filed on July 6, 2010 - Related matters.

PROPOSED OUTCOME:

® Authorizes Tahoe Cedars Water Company to borrow \$600,000 from financial institutions and to encumber utility assets to secure the debt.

ESTIMATED COST:

® Construction expenditures and the resulting plant balances in rate base and the reasonableness of the cost of money resulting from the issuance of debt will be subject to review in a ratemaking proceeding.

http://docs.cpuc.ca.gov/Cyberdocs/AgendaDoc.asp?DOC_ID=436000

Consent Agenda - Orders and Resolutions (continued)

Item Petition for Modification of Decision 08-09-041
24

[9846]

A08-04-011

In the Matter of the Application of Southern California Edison Company, for Approval of Results of Standard Track of It's New Generation Request for Offers and For Cost Recovery.

PROPOSED OUTCOME:

- ® Approves amendments to a power purchase agreement between Southern California Edison Company and El Segundo Energy Center, LLC, including a reduction in price and a deferral in delivery date from June 1, 2011 to August 1, 2013.
- ® Closes the proceeding.

ESTIMATED COST:

- ® None.

(Comr Peevey - ALJ Darling)

http://docs.cpuc.ca.gov/Cyberdocs/AgendaDoc.asp?DOC_ID=435036

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

Consent Agenda - Intervenor Compensation Orders**Item Compensation to CAIifornians for Renewable Energy****25**

[9811]

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 CAIifornians for Renewable Energy \$23,237 for substantial contributions to Decision 10-04-052.

ESTIMATED COST:

® Ratepayers of Pacific Gas and Electric Company will pay the awarded amount of \$23,237, plus interest.

(Comr Peevey - ALJ Ebke)

http://docs.cpuc.ca.gov/Cyberdocs/AgendaDoc.asp?DOC_ID=434049

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

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

Consent Agenda - Intervenor Compensation Orders (continued)

Item Compensation to The Utility Reform Network

26

[9844]

R07-01-041

Order Instituting Rulemaking Regarding Policies and Protocols for Demand Response Load Impact Estimates, Cost-Effectiveness Methodologies, MegaWatt Goals and Alignment with California Independent System operator Market Design Protocols.

PROPOSED OUTCOME:

® Awards The Utility Reform Network \$57,629.20 for substantial contribution to Decision 10-06-034.

ESTIMATED COST:

® Ratepayers of Pacific Gas and Electric Company, San Diego Gas & Electric Company and Southern California Edison Company will pay \$57,629.20, plus interest if accrued.

(Comr Grueneich - ALJ Sullivan)

http://docs.cpuc.ca.gov/Cyberdocs/AgendaDoc.asp?DOC_ID=434593

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

Regular Agenda**Regular Agenda - Legal Division Matters****Item 27 Emergency Authorization to Ensure Adequate Gas Supplies
to San Francisco and to the Peninsula**

[9853]

Res L-406

Authorizes the Commission President to direct the Executive Director to take appropriate actions to ensure that Pacific Gas and Electric Company provides safe and reliable natural gas service to San Francisco and the Peninsula in the coming cold weather months, given the reduction in pressure on Pacific Gas and Electric Company's Line 132 ordered by prior Commission Resolution L-403. These actions may include increasing the pressure on Line 132, if warranted and if this can be accomplished without compromising public safety. Requires the Commission President to submit to the Commission for subsequent ratification any orders directed to Pacific Gas and Electric Company by the Executive Director pursuant to this delegation of authority.

http://docs.cpuc.ca.gov/Cyberdocs/AgendaDoc.asp?DOC_ID=435943

Regular Agenda - Energy Orders

Item 28 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=435069

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);
 Agenda 3262, Item 36 10/14/2010 (Staff)

Regular Agenda - Energy Orders (continued)

Item **Decision Modifying Decision 06-12-030 and Decision**
29 **08-04-023 Regarding Conditions of Access to Market**
 [9699] **Sensitive Information**

R05-06-040

Order Instituting Rulemaking to implement Senate Bill No. 1488 (2004 Cal. Stats., Ch. 690 (Sept. 22, 2004)) relating to confidentiality of information.

PROPOSED OUTCOME:

® Affirms the previously-adopted procedure for providing market participants with access to market sensitive information through reviewing representatives.

® Modifies Decision (D) 06-12-030 to (1) allow an employee of an outside consulting firm that is a market participant to serve as reviewing representative, so long as the firm imposes an ethical wall between the reviewing representative and the firm's employees involved in energy marketing activity; (2) eliminate threshold of participation in the natural gas market as a test of market participant status, and (3) eliminate prohibition on simultaneous representation of market and non-market participants by reviewing representatives.

® Modifies D08-04-023 to convert model protective order to model nondisclosure agreement.

® Closes the proceeding.

ESTIMATED COST:

® None.

(Comr Grueneich - ALJ Yacknin)

http://docs.cpuc.ca.gov/Cyberdocs/AgendaDoc.asp?DOC_ID=433748

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

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

Agenda 3261, Item 46 9/23/2010 (Peevey)

Regular Agenda - Energy Orders (continued)

Item **Use of Tradable Renewable Energy Credits to Comply With**
30 **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=435881

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

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

Agenda 3262, Item 39 10/14/2010 (Grueneich)

Regular Agenda - Energy Orders (continued)

Item **ALTERNATE TO ITEM 9721**
30a
(Rev.)
[9884]

® Denies the April 12, 2010, Southern California Edison Company, Pacific Gas and Electric Company, and San Diego Gas & Electric Company Joint Petition for Modification of Decision (D) 10 03 021 and the April 15, 2010 Independent Energy Producers Association's Petition for Modification of D10-03-021.

® Modifies D10-03-021 to eliminate the expiration date for the tradable renewable energy credit usage cap and price cap.

® Lifts the stay on D10-03-021 as well as the moratorium on Commission approval of certain renewables portfolio standard contracts, both imposed by D10-05-018.

(Comr Grueneich)

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

10/25/2010 - This item was not listed on the agenda distributed to the public.

Regular Agenda - Energy Orders (continued)

Item **Tariff Rules for Small Business Affecting Back-Billing and**
31 **Deposits**

[9812]

R10-05-005

Order Instituting Rulemaking on the Commission's Own Motion to Consider Revising Energy Utility Tariff Rules Related to Deposits and Adjusting Bills as They Affect Small Business Customers.

PROPOSED OUTCOME:

- ® Small business tariff rules are revised to reduce back-billing to three months and deposits to twice the monthly bill.
- ® Closes the proceeding.

ESTIMATED COST:

- ® Unknown.

(Comr Bohn - ALJ DeBerry)

http://docs.cpuc.ca.gov/Cyberdocs/AgendaDoc.asp?DOC_ID=434173

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)

Item Incentive True-Up for 2006-2008

32

[9815]

R09-01-019

Order Instituting Rulemaking to Examine the Commission's Energy Efficiency Risk/Reward Incentive Mechanism.

PROPOSED OUTCOME:

® No additional incentive earnings are due for the 2006-2008 cycle of energy efficiency programs.

ESTIMATED COST:

® No incremental costs.

(Comr Bohn - ALJ Pulsifer)

http://docs.cpuc.ca.gov/Cyberdocs/AgendaDoc.asp?DOC_ID=E34663

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

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

Item ALTERNATE TO ITEM 9815

32a

[9816]

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

® Approves a shared savings rate of 12% for Pacific Gas and Electric Company (PG&E), Southern California Edison Company (SCE), San Diego Gas & Electric Company (SDG&E), and Southern California Gas Company (SoCalGas).

® Approves additional incentive payments for PG&E, SCE, SDG&E, and SoCalGas of \$40.3 million, \$27.1 million, \$6.0 million, and \$3.9 million, respectively, equal to the holdback amounts adopted in Decision 09-12-045.

(Comr Bohn)

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

Regular Agenda - Energy Orders (continued)

Item 33 Paves the Way for Future Evaluation, Measurement, and Verification of Commission Energy Efficiency Programs

[9817]

R09-11-014

Order Instituting Rulemaking to Examine the Commission's Post-2008 Energy Efficiency Policies, Programs, Evaluation, Measurement, and Verification, and Related Issues.

PROPOSED OUTCOME:

® Establishes workshops and reporting requirements.

ESTIMATED COST:

® None.

(Comr Grueneich - ALJ Farrar)

http://docs.cpuc.ca.gov/Cyberdocs/AgendaDoc.asp?DOC_ID=436236

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 Resolutions and Written Reports

Item **San Diego Gas & Electric Company's Advice Letter Claiming**
34 **Exemption From Environmental Review Pursuant to General**
[9824] **Order 131-D**

Res E-4373, Advice Letter 2106-E Filed on August 31, 2009 - Related matters.

PROPOSED OUTCOME:

- ® Approves San Diego Gas & Electric Company's request.
- ® The Commission finds the stated projects exempt pursuant to General Order 131-D III.B.1.b and g.

ESTIMATED COST:

- ® None.

http://docs.cpuc.ca.gov/Cyberdocs/AgendaDoc.asp?DOC_ID=436125

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

Regular Agenda - Communication Orders**Item California Telephone Corporation Billing Rules****35**

[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=436265

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

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

Agenda 3262, Item 44 10/14/2010 (Peevey)

Regular Agenda - Communication Orders (continued)

Item Modifications to the California LifeLine Program

36

[9821]

R06-05-028

Rulemaking on the Commission's own Motion to review the telecommunications public policy programs.

PROPOSED OUTCOME:

- ® Recognizes significant technological and regulatory changes in the telecommunications industry.
- ® "De-links" California LifeLine from the AT&T basic rate structure and adopts a Specific Support methodology with the initial support amount set at \$11.00.
- ® Caps the LifeLine rate at no more than 50% of a carrier's basic service rate, with a two-year transition from the current California LifeLine rate of \$6.84.
- ® Allows carriers to adjust their LifeLine rate annually.
- ® Expands the LifeLine program to include data services for consumers that receive wireless equipment through the California Public Utilities Commission's Deaf and Disabled Telecommunications Program.
- ® Clarifies that wireless carriers may be reimbursed by California LifeLine for providing discounted service to customers.
- ® Declines to modify the income-based criteria to match the low income energy program income based criteria; and
- ® Eliminates extra payments to carriers for administration, bad debt, and to make-up for forgone federal support.

ESTIMATED COST:

- ® None.

(Comr Bohn - ALJ Bushey)

http://docs.cpuc.ca.gov/Cyberdocs/AgendaDoc.asp?DOC_ID=E34668

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

Item 37
[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=436308

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

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

Agenda 3262, Item 47 10/14/2010 (Bohn)

Regular Agenda - Legislative and Other Matters

Regular Agenda - Commissioner's Reports

Regular Agenda - Management Reports and Resolutions

Item Water Action Plan 2010

38

[9849]

Director Kahlon Report

Water Action Plan 2010 for Commission consideration.

http://docs.cpuc.ca.gov/Cyberdocs/AgendaDoc.asp?DOC_ID=436224

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

39

[9837]

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

40

[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);

Agenda 3262, Item 53 10/14/2010 (Staff)

Closed Session - Applications for Rehearing (continued)

Item Conference with Legal Counsel - Application for Rehearing

41

[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);

Agenda 3262, Item 54 10/14/2010 (Staff)

Item Conference with Legal Counsel - Application for Rehearing

42

[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.

Agenda 3262, Item 55 10/14/2010 (Staff)

Item Conference with Legal Counsel - Application for Rehearing

43

[9829]

A07-12-026

Disposition of application for rehearing of Decision (D) 10-06-029, and related motion for stay, filed by Calaveras Telephone Company, et al. (applicants). In D10-06-029, the Commission ordered applicants, all small local exchange carriers, to issue refunds and credits to ratepayers based upon proceeds applicants received from the redemption of their stock in the Rural Telephone Bank. (16 U.S.C. § 824a-3.)

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

Closed Session - Applications for Rehearing (continued)

Item Conference with Legal Counsel - Application for Rehearing

44

[9831]

A08-03-002, A07-12-020 - Related matters.

Disposition of application for rehearing of Decision (D) 10-05-015 filed by The Utility Reform Network (TURN). D10-05-015 awarded TURN \$71,703.47 for its substantial contributions to D09-08-028, concerning Southern California Edison's general rate case for test year 2009. TURN had claimed \$82,855 for its contributions.

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

Item Conference with Legal Counsel - Application for Rehearing

45

[9832]

A05-03-015

Disposition of application for rehearing of Decision (D) 09-04-031 (Decision) filed by The Utility Consumers' Action Network (UCAN). In D09-04-031, the Commission awarded UCAN \$254,324 for its substantial contribution to D07-04-043. The Decision also denied UCAN's request for \$206,000 in compensation for its half share of a Smart Grid Study.

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

Item Conference with Legal Counsel - Existing Litigation

46

[9848]

Kairy et al. v. Supershuttle International, Inc., United States Court of Appeal, 9th Circuit, Case No. 3:08-CV-02993 JSW

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