
Public Utilities Commission of the State of California

Public Agenda 3044
Thursday, August 3, 2000, 10 a.m.
San Francisco, California

Commissioners
Loretta M. Lynch, President
Henry M. Duque
Josiah L. Neeper
Richard A. Bilas
Carl W. Wood

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.) Closed to the Public	<i>Commission Meeting</i> Auditorium (10 a.m.) Open to the Public
Monday, July 31	Thursday, August 3
Tuesday, September 5	Thursday, September 7
Monday, September 18	Thursday, September 21
Monday, October 2	Thursday, October 5
Monday, October 16	Thursday, October 19

**Ratesetting Deliberative Meeting dates are reserved as noted but will be held only if there are ratesetting matters to be considered. A "✓" next to the date indicates that the meeting will be held. A "✓" next to the item number on the Agenda indicates that the matter will be considered during the Ratesetting Deliberative Meeting.*

A "◆" next to the item number on the Agenda indicates that the matter may be considered during Closed Session pursuant to Public Utilities Code Section 1701.2(c); thereafter the Commissioners will reconvene in Public Session to vote on the item.

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 TDD# (415) 703-2032 five working days in advance of the meeting.

PUBLIC COMMENT

The following items are not subject to public comment:

- All items on the closed session agenda; these are HEX and EX items.
- H-8, 3, 3a

CONSENT AGENDA

Items shown on the Consent Agenda will be taken up and voted on as a group in one of the first items of business of each Commission meeting. Items may be removed from the Consent Agenda for discussion on the Regular Agenda at the request of any Commissioner prior to the meeting.

ORDERS AND RESOLUTIONS

- CA-1** **Res TL-18939** - Resolution approving issuance of charter-party carrier certificates pursuant to Section 5374(b) of the Public Utilities Code.
- CA-2** **Res ALJ-176-3044** - Ratification of preliminary determinations of category for proceedings initiated by application. The preliminary determinations are pursuant to Article 2.5, Rules 4 and 6.1 of the Commission's Rules of Practice and Procedure.
- CA-3** **Res T-16437** - This resolution recommends an operating fiscal year 2001-02 budget of \$37.571 million for the California Teleconnect Fund and raises the surcharge rate from 0.185% to 0.20% effective July 1, 2001. This budget includes the estimated costs to implement Senate Bill 669. (Section 311(g)(1))

- CA-4 A00-04-021 - Kernville Domestic Water Company, dba Kern River Valley Water Company (Kern River Valley), and Mullen Water Company (Mullen).**
This decision grants Mullen authority pursuant to Public Utilities Code Sections 851-854 to sell and transfer its water system and property to Kernville River Valley. Kern River Valley is authorized to take over the water system which serves 43 customers located in an outlying area of the City of Porterville in Tulare County. This proceeding is closed.
(Com Duque - ALJ Patrick)
- CA-5 A00-03-051 - Chapin-Tolley-Brown Enterprises, LLC.**
For authority under Section 1031 et seq., of the Public Utilities Code (PU Code), to operate as an on-call, door-to-door, infant and child common carrier, transporting children between infant/childcare facilities and activity centers described in the body of the application, on the one hand, and points in Orange County, on the other hand, and to establish a Zone of Rate Freedom under Section 454.2 et. seq. of the PU Code. Granted. This proceeding is closed.
(Exam Koss)
- CA-6 A98-07-006 - San Diego Gas & Electric Company (SDG&E).**
For approval of 1) consolidated changes in 1999 authorized revenue and revised rate components; 2) the CTC rate component and associated headroom calculations; 3) RGTCOMA balances; 4) PX credit computations; 5) disposition of various balancing/memorandum accounts; and 6) electric revenue allocation and rate design changes. A98-07-003, A98-07-026 - Related matters. This decision grants the unopposed Petition for Modification of D99-06-058 filed by SDG&E. It allows SDG&E to transfer funds for the CARE discount from its Public Purpose Program to its distribution function. These proceedings are closed.
(Com Bilas - ALJ Minkin)

- CA-7 R95-08-002 – Order Instituting Rulemaking regarding the specialized transportation of unaccompanied infants and children.**
This order converts interim rules previously adopted to final rules, makes permanent previously authorized interim authorities granted to carriers and closes the proceeding.
(Com Duque - ALJ Weismehl)
- CA-8 A00-04-016 - Pacific Gas and Electric Company (PG&E).**
For an ex parte order approving as reasonable payments made to Mt. Poso Cogeneration Company, L.P. (Mt. Poso), during the period February 1998 through September 1999. This decision finds the payments made by PG&E to Mt. Poso under the Bridging Agreement to be reasonable. This agreement saved ratepayers an estimated \$3,506,006 in net present value during the bridging period of February 1998 through September 1999. Under the shareholder incentive payment authorized by the Commission, PG&E is entitled to ten percent of this amount, or \$350,600. This proceeding is closed.
(Com Neeper - ALJ Gottstein)
- CA-9 Res G-3286 - Sempra Energy, on behalf of San Diego Gas & Electric Company (SDG&E).**
This resolution approves SDG&E's request for a special contract between SDG&E and Cox Communications San Diego (Cox), dated March 23, 2000. This contract is part of an arrangement between SDG&E and Cox relative to special gas metering provisions that deviate from SDG&E's Gas Tariff Rule 2, Description of Service, and Gas Tariff Rule 18, Meter Tests and Adjustment of Bills. This special contract between SDG&E and Cox is for meterless natural gas service.
(Advice Letter 1194-G, filed April 5, 2000)
- CA-10 Res W-4212 - San Gabriel Valley Water Company, Los Angeles County Division.**
This resolution authorizes an offset rate increase of \$1,317,406 or 4.5% additional revenue.
(Advice Letter 306, filed June 26, 2000)

- CA-11 Res TL-18940 - Chung Ming Chiu, dba Metro Airport Shuttle.**
This resolution grants Chung Ming Chiu's request for a voluntary suspension of its passenger stage corporation certificate.
- CA-12 Res W-4214 - Bidwell Water Company.**
This resolution authorizes an offset rate increase producing additional revenue of \$19,606 or 13.0%.
(Advice Letter 36-W, filed June 19, 2000)
- CA-13 Res W-4215 - California-American Water Company (Cal-Am),
Monterey Division.**
This resolution authorizes Cal-Am to transfer \$1,907,395 tracked in its State Water Resources Control Board Order 95-10 and Conservation Rule No. 14.1 memorandum accounts. \$1,712,395 of the memorandum account total will be transferred to the expense balancing account to be filed for recovery as appropriate. The remaining balance of \$195,000 will be capitalized.
(Advice Letter 544, filed June 14, 2000)
- CA-14 Res W-4213 - California Water Service Company, Los Altos-Suburban
District.**
This resolution authorizes an offset rate increase producing additional annual revenues of \$842,200 or 8.7%.
(Advice Letter 1484, filed June 19, 2000)
- CA-15 Res T-16445 - Pacific Bell (Pacific).**
This resolution approves an Interconnection Agreement between Pacific and Ernest Communications, Inc., submitted under provisions of Resolution ALJ-178 and General Order 96-A.
(Advice Letter 21218, filed June 6, 2000)
- CA-16 Res T-16446 - GTE California (GTE).**
This resolution approves one Paging Interconnection Agreement between GTE and Crown Cellular & Paging, submitted under provisions of Resolution ALJ-178 and General Order 96-A.
(Advice Letter 9475, filed May 25, 2000)

CA-17 Res T-16447 - GTE California (GTE).

This resolution approves two Interconnection Agreements between GTE and Omniplex Communications Corporation, and between GTE and New Edge Network, Inc., dba New Edge Networks, submitted under provisions of Resolution ALJ-178 and General Order 96-A.

(Advice Letter (AL) 9490, AL 9491, both filed June 8, 2000)

CA-18 A99-12-014 - Santa Clara Valley Transportation Authority (VTA).

This decision grants VTA's request to construct an elevated light rail transit guideway system within the median of Capitol Avenue in the City of Milpitas, County of Santa Clara to be identified as 82C-7.68-BT. As part of the construction, the existing Union Pacific at-grade crossing on Capitol Avenue, PUC crossing number 4-12.60 will be widened and improved.

This proceeding is closed.

(Exam Koss)

CA-19 A99-04-048 - Pacific Gas and Electric Company (PG&E).

For an order under Section 851 of the California Public Utilities Code to sell and convey certain limited sole-customer public utility facilities.

PG&E petitions to defer resolution of the ratemaking issues to a future application addressing gain on sale issues to be filed by PG&E on September 1, 2000. Held: Petition granted. Consolidation of the ratemaking treatment of the proceeds of various sales into one proceeding is in the public interest. This proceeding is closed.

(Com Duque - ALJ Barnett)

CA-20 A98-10-012 - Southern California Gas Company (SoCalGas).

For authority to revise its rates effective August 1, 1999, in its Biennial Cost Allocation Proceeding (BCAP). A98-10-031 – Related matter. This decision modifies D00-04-060, in SoCalGas' BCAP to alleviate the unanticipated and unintended rate increases imposed upon SoCalGas' 13 large master-metered customer resulting from an inadvertent error in the implementation of the rate design for the master-meter class.

(Com Duque - ALJ Barnett)

- CA-21 A00-04-019 - Airporter, Inc., dba Santa Rosa Airporter (Seller), and Golden States Coaches, Inc., dba Frontier Tours (Buyer).**
For authority to transfer a Passenger Stage Corporation Certificate from Seller to Buyer, pursuant to the provisions of the Public Utilities Code Section 851 et seq. Granted. This proceeding is closed.
(Com Bilas - ALJ Rosenthal)
- CA-22 R95-04-043 - Order Instituting Rulemaking on the Commission's own motion into competition for local exchange service. I95-04-044 - Related matter.**
This decision revises the required \$2,000 initial deposit previously set in D97-04-046 for Commission costs for the processing of applications for Certificates of Public Convenience and Necessity related to compliance with the California Environmental Quality Act (CEQA). The revised initial deposit shall be \$200, but each applicant shall remain liable for actual subsequent CEQA costs incurred.
(Com Bilas - ALJ Pulsifer)
(Section 311(g)(1))
(Agenda 3043, Item CA-11, 7/20/00; Req - Commission)
- CA-23 C90-04-049 - Robert Mondavi Winery, Everitt Bellani, Hean Bellani, Bernard Skoda (Rutherford Vintners), Joe Taddei, Josephine Taddei, Don Hudson, Kay Hudson (Chateau Bottlers), Heitz Wine Cellars, Beringer Vineyards, Denis Boulton, Jackie Boulton, Arthur B. McCrystle, Hal Beeler, Brenda Beeler, Vine Hill Ranch, Beckstoffer Vineyard I, Baritelle Vineyards, Louis Martini Winery, Rick Tomasco, Mrs. M. H. Annab vs. Napa Valley Wine Train, Inc.**
This decision closes this proceeding, no party having provided any basis for it remaining open.
(Com Neeper - ALJ Weismehl)
(Agenda 3042, Item CA-19, 7/6/00; Agenda 3043, Item CA-30, 7/20/00; Req - Commission)

- CA-24 A00-03-018 - GTC Telecom (GTC).**
This decision grants GTC a certificate of public convenience and necessity to operate as a reseller of local exchange services within the territory of Pacific Bell and GTE California, Inc. pursuant to the rules adopted in R95-04-043 and I95-04-044. This proceeding is closed.
(Com Wood - ALJ Pulsifer)
- CA-25 A00-04-035 - Enron Telecommunications, Inc. (Enron).**
This decision grants Enron a certificate of public convenience and necessity to provide local exchange, access, and interexchange service pursuant to Commission rules adopted in R95-04-043 and I95-0-044. This proceeding is closed.
(Com Wood - ALJ Pulsifer)
- CA-26 A00-04-010 – Platinum Development Company, LLC.**
This interim decision grants Platinum Development Company, LLC a certificate of public convenience and necessity to provide limited facilities-based service as a local and interexchange telecommunications service provider. The proceeding remains open to address applicant’s additional proposed construction.
(Com Wood - ALJ O’Donnell)
- CA-27 A00-04-049 – KMC Telecom V, Inc. (KMC).**
This decision grants KMC a certificate of public convenience and necessity to provide resale and facilities-based local exchange and interexchange service pursuant to Commission rules adopted in R95-04-043 and I95-04-044. This proceeding is closed.
(Com Wood - ALJ Pulsifer)
- CA-28 A00-05-060 - Southwest Gas Corporation (Southwest).**
This decision grants Southwest authority to issue \$136,000,000 debt obligations; \$80,000,000 preferred securities; 4,234,800 shares of Common Stock; refinance short-term debt through the issue of debt securities; and evergreen long-term debt securities, preferred stock, and common stock subject to the Evergreening Guidelines. This proceeding is closed.
(Exam Clanon)

- CA-29** **A99-06-028 - Level 3 Communications, LLC (Level 3).**
For certificate of public convenience and necessity (CPCN) to provide switched and dedicated, resale and facilities-based, interexchange and local exchange telecommunications services in California. This decision grants an amendment to Level 3's CPCN to authorize specified network construction and operation outside of existing rights-of-way. It also adopts the subsequent mitigated negative declaration. This proceeding is closed.
(Com Duque - ALJ Vieth)
- CA-30** **A98-12-037 - Williams Communications, Inc., dba Vyvx, Inc.**
For a certificate of public convenience and necessity to provide InterLATA and IntraLATA telecommunications services. This decision authorizes Williams Communications, Inc. to construct fiber optic facilities between the cities of Riverside and San Diego. This proceeding is closed.
(Com Neeper - ALJ O'Donnell)
- CA-31** **A00-02-038 - Paul W. McGregor.**
For an exemption from the moratorium on new water service connections in the Montara-Moss Beach District as set out in D86-05-078. Applicant has asked to withdraw his application because of a change in circumstances. This decision reopens the docket, rescinds an earlier decision dealing with the application, and grants the request to withdraw the application. This proceeding is closed.
(Com Duque - ALJ Walker)

CA-32 199-12-020 - Order Instituting Investigation on the Commission's own motion into the operations and practices of Jone R. Rodley (Respondent), dba Moving for Less.

This decision approves a settlement agreed to by the Commission Consumer Services Division and Respondent. The settlement requires Respondent to pay restitution to former customers who suffered loss or damage caused by the operation of her business. Respondent also relinquishes her permit to operate as a household goods carrier and will not apply for another permit or operate as a household goods carrier for five years. If Respondent reapplies for another permit after five years, she will be required to disclose certain information to the Commission, including a reference to this proceeding, her compliance with mediation agreements, arbitration awards, or judicial orders in proceedings brought against her by customers, and any judicial, law enforcement or administrative proceedings against her. This proceeding is closed.

(Com Lynch - ALJ Prestidge)

REGULAR AGENDA

UTILITY AND TRANSPORTATION ORDERS

ORDERS HELD OVER

- H-1 A98-11-003 - Southern California Water Company (SCWC).**
For a Certificate of Public Convenience and Necessity (CPCN) pursuant to California Public Utilities Code Section 1001 to extend its West Orange County System to the Bolsa Chica Planned Community. A98-11-015 - Related matter. This decision finds that while the City of Huntington Beach is “able,” it is not “ready and willing” at this time to provide the needed water and sewer services for the developer of a planned residential community to be built on a segment of an unincorporated area of Orange County called Bolsa Chica even though the City surrounds the area on three sides, thus leading the developer to contract with SCWC for the services. This decision grants SCWC’s request for a CPCN to make a non-contiguous extension of SCWC’s local district to include the development, provide water and sewer services, and to construct a 6.75 mile underground 18 inch pipeline to transport water from the district to the development. It approves SCWC’s proposed rates as just and reasonable. As the Lead Agency under CEQA for the “pipeline” project, it relates that the Commission has conducted the requisite CEQA environmental review, and following issuance of a draft Supplemental Environmental Impact Report (SEIR) received and considered comments before issuing the Commission’s Final SEIR. This Final SEIR identifies significant environmental effects and mitigation requirements where feasible, examines and evaluates alternate routes, before concluding that the specific overriding economic, legal, social, technological and other benefits of the project outweigh the significant unmitigated impacts. Finally, it finds that the Final SEIR complies with CEQA and represents the Commission’s independent judgment, this decision certifies the Final SEIR. These proceedings are closed.
(Com Duque - ALJ Weiss)
(Section 311(d))
(Agenda 3038, Item 4, 5/4/00; Agenda 3039, Item H-7, 5/18/00; Agenda 3041, Item H-1, 6/22/00; Req - Commission)

- H-2 A00-03-037 - Laguna Irrigation District.**
For modification of Resolution E-3531 revising Special Condition 2.e of Pacific Gas and Electric Company's Schedule E- Exempt to extend the eligibility period for an irrigation district actively engaged in the process of constructing or purchasing distribution facilities. Denied. This proceeding is closed.
(Exam Clanon)
(Section 311(g)(1))
(Agenda 3042, Item CA-7, 7/6/00; Req - Commission)
- H-2a ALTERNATE ORDER TO ITEM H-2.** This alternate order grants in part Laguna Irrigation District's application. Consistent with Resolution E-3531, the interim period established under Special Condition 2.e of PG&E's Schedule E-Exempt during which CTC exemptions apply to eligible irrigation districts is extended from 12 months to 24 months.
(Com Duque)
- H-3 R95-04-043 - Order Instituting Rulemaking on the Commission's own motion into competition for local exchange service.**
I95-04-044 - Related matter.
This decision adopts a back-up contingency plan to address the need for number resources in the 310 Numbering Plan Area pursuant to D99-09-067, and as required by the Federal Communications Commission. The Commission hereby adopts as the back-up plan Alternative 1A, the geographic split originally proposed by the industry as described in D98-05-021. It also adopts a contingency plan under which the implementation of the back-up plan would be triggered.
(Com Lynch - ALJ Pulsifer)
(Section 311(g)(1))
(Agenda 3030, Item 2, 1/6/00; Agenda 3031, Item H-16, 1/20/00; Agen0; Agenda 3033, Item H-10, 2/17/00; Agenda 3034, Item H-4, 3/2/00; Agenda 3035, Item H-2, 3/16/00; Agenda 3036, Item H-3, 4/6/00; Agenda 3042, Item H-1, 7/6/00; Req - Commission)

- H-4 R99-11-021 - Rulemaking for the purpose of revising settlement provisions in the Rules of Practice and Procedure.**
This order addresses proposed new procedural rules governing settlements before the Commission. The proposed rules now will be sent to the Office of Administrative Law for publication in the California Regulatory Notice Register. This publication will start the 45-day notice-and-comment process, which is the first stage leading to adoption and codification of these rules in the California Code of Regulations. The proposal incorporates changes to an earlier draft of the proposed settlement rules in response to the comments of interested parties in their written statements and in a public workshop.
(Com Neeper - ALJ Walker)
(Agenda 3040, Item 5, 6/8/00; Agenda 3042, Item H-3, 7/6/00; Req - Commission)
- H-5 I98-03-013 - Investigation on the Commission's own motion into whether existing standards policies of the Commission regarding drinking water quality adequately protect the public health and safety with respect to contaminants such as Volatile Organic Compounds, Perchlorate, MTBE, and whether those Standards and policies are being Uniformly compiled with by Commission regulated utilities.**
This final opinion in this investigation of water quality resolves pending motions to compel answers to data requests and motions to withdraw. This proceeding is closed.
(Com Duque - ALJ Bennett)
(Agenda 3042, Item 4, 7/6/00; Req - Commission)
- H-6 A99-05-020 - Kern River Valley Water Company (KRVWC).**
For authority to increase rates charged for water service to increase revenues by approximately \$609,700 (or 31.36%) in the year 2000, and \$2,200 (or 0.11%) in the year 2002. A99-05-023, A99-05-024 - Related matters. This decision approves three modified settlement agreements proffered by Ratepayer Representation Branch of the Commission's Water Division and, respectively, KRVWC, Antelope Valley Water Company (AVWC), and Dominguez Water Company (jointly, Applicants), covering all issues in each company's general rate increase application. The AVWC settlement was contested; the other two were uncontested. Applicants are authorized the general rate increases shown in Table 2 for test years 2000 and 2001 and attrition year 2002. These proceedings are closed.
(Com Duque - ALJ McVicar)
(Section 311(d))
(Agenda 3043, Item CA-3, 7/20/00; Req - Commission)

- H-7** **A00-04-015 - CRL Network Services, Inc. (CRL) and AppliedTheory Corporation (ATC).**
This application seeks retroactive approval under Sections 852 and 854 of the Public Utilities Code of a transfer of control of CRL, a non-dominant telecommunications carrier, to ATC, a Delaware corporation with headquarters in New York. While the application is unopposed, the parties are required to show cause why sanctions should not apply for their failure to seek approval in advance, pursuant to Sections 852 and 854 of the Code. After review of the parties' filings, and based on the record as a whole, this decision grants the application. This proceeding is closed.
(Com Duque - ALJ Walker)
(Agenda 3042, Item CA-21, 7/6/00; Agenda 3043, Item H-1, 7/20/00; Req - Commission)
- H-7a** **ALTERNATE ORDER TO ITEM H-7.** This alternate order determines that the relevant statutes do not permit this Commission to approve the transaction in question because it is void as a matter of law. Parties are ordered to unwind the transaction, and to provide the Commission with documents relating to the transaction. This proceeding is held open for the purpose of receiving documents demonstrating that this has been accomplished.
(Com Lynch)
- ◆H-8** **C99-01-039 - The Greenlining Institute, Latino Issues Forum vs. Pacific Bell, Pacific Bell Information Services.**
This decision denies the complaint after concluding, among other things, that the preponderance of the evidence does not establish that defendants deceptively marketed and sold voicemail to business customers. This proceeding is closed.
(Com Neeper - ALJ Vieth)
(Agenda 3038, Item 7, 5/4/00; Agenda 3040, Item H-4, 6/8/00; Agenda 3042, Item H-2, 7/6/00; Agenda 3043, Item H-2, 7/20/00; Req - Commission)

H-9 R98-09-005 - Order Instituting Rulemaking on the Commission's own motion to consider modifications to the Universal Lifeline Telephone Service (ULTS) Program and General Order (GO) 153.

This decision adopts the following revisions to the ULTS program and GO 153. First, GO 153 is revised to incorporate all changes to the ULTS program that have occurred since GO 153 was issued in 1984. Second, the ULTS program is revised to conform with specific aspects of the Federal Lifeline and Link Up programs. Third, ULTS program benefits are expanded to provide more low-income households with access to affordable basic telephone service. Finally, ULTS program administrative procedures are revised to make the program more efficient and effective. This decision also orders the Telecommunications Division to convene a workshop to develop a comprehensive proposal for using CMRS to provide ULTS. This proceeding is closed.

(Com Neeper - ALJ Kenney)

(Section 311(g)(1))

(Agenda 3033, Item 5, 2/17/00; Agenda 3034, Item H-7, 3/2/00; Agenda 3035, Item H-4, 3/16/00; Agenda 3036, Item H-5, 4/6/00; Agenda 3037, Item H-4, 4/20/00; Agenda 3038, Item H-2, 5/4/00; Agenda 3040, Item H-1, 6/8/00; Agenda 3041, Item H-3, 6/22/00; Agenda 3042, Item H-5, 7/6/00; Agenda 3043, Item H-3, 7/20/00; Req - Commission)

H-9a ALTERNATE PAGES TO ITEM H-9. These alternate pages allow CLCs pricing flexibility for ULTS rates and charges.

(Com Bilas)

(Agenda 3040, Item H-1a, 6/8/00; Agenda 3041, Item H-3a, 6/22/00; Agenda 3042, Item H-5a, 7/6/00; Agenda 3043, Item H-3a, 7/20/00; Req - Commission)

H-10 **I98-03-013 - Investigation on the Commission's own motion into whether existing standards policies of the Commission regarding drinking water quality adequately protect the public health and safety with respect to contaminants such as Volatile Organic Compounds, Perchlorate, MTBE, and whether those Standards and policies are being Uniformly compiled with by Commission regulated utilities.** This Second Interim Opinion in this investigation of water quality finds state requirements adequate and holds proceeding open to resolve pending motions. Discovery and withdrawal issues are considered in a separate Final Opinion.

(Com Duque - ALJ Bennett)

(Section 311(g)(1))

(Agenda 3034, Item 2, 3/2/00; Agenda 3036, Item H-1, 4/6/00; Agenda 3037, Item H-1, 4/20/00; Agenda 3039, Item H-1, 5/18/00; Agenda 3040, Item H-5, 6/8/00; Agenda 3041, Item H-6, 6/22/00; Agenda 3042, Item H-6, 7/6/00; Agenda 3043, Item H-4, 7/20/00; Req - Commission)

H-11 199-04-022 - Order Instituting Investigation into the operations and practices of the Southern California Gas Company (SoCalGas), concerning the accuracy of information supplied to the Commission in connection with its Montebello Gas Storage Facility.

This decision conditionally approves the settlement of this proceeding reached between SoCalGas and the Commission's Consumer Services Division, provided that the settling parties agree to the following two changes. First, the \$3,495,000 voluntary monetary contribution SoCalGas is to make for the benefit of certain organizations should instead be paid to the General Fund of the State of California. Second, SoCalGas should expand the scope of its ethics course to address a utility's ethical obligations in exercising the power of eminent domain. In their comments to the draft decision, the settling parties should indicate whether each change is acceptable to them. The settling parties should address each change separately. If the settling parties do not agree to the changes, the Commission will deny the motion to adopt the settlement. The settling parties are also directed to state in their comments to the draft decision whether tax deductibility was one of the bases for the parties' agreement to the amount of the monetary contribution. If so, and if the settling parties believe that as a result of the changes we impose, the monies would not now be tax deductible, they may recommend a monetary adjustment to the settlement. The Commission can then determine in its final decision whether the entire settlement, including the adjusted amount, is reasonable and in the public interest. This proceeding is closed.

(Com Duque - ALJ Econome)

(Section 311(g)(1))

(Agenda 3040, Item 2, 6/8/00; Agenda 3041, Item H-10, 6/22/00; Agenda 3042, Item H-10, 7/6/00; Agenda 3043, Item H-5, 7/20/00; Req - Commission)

H-12 A00-01-022 - AT&T Communications of California, Inc. et al (AT&T).
For arbitration of an Interconnection Agreement (agreement) with Pacific Bell Telephone Company (Pacific) pursuant to Section 252(b) of the Telecommunications Act of 1996. This decision affirms the results adopted in the Final Arbitrator's Report, and approves the resulting arbitrated agreement between AT&T and Pacific. Commission adoption of the arbitrated agreement between AT&T and Pacific does not constitute approval of, or precedent regarding, any principle or issue in this proceeding or in any future proceeding. Parties shall each sign the adopted agreement within one day of the date of this order, and shall file the signed agreement within five days of today. This proceeding is closed.
(Com Wood - ALJ Jones)
(Agenda 3042, Item 3, 7/6/00; Agenda 3043, Item H-7, 7/20/00; Req - Commission)

H-13 R95-04-043 - Order Instituting Rulemaking on the Commission's own motion into competition for local exchange service. I95-04-044 - Related matter.
This decision resolves issues relating to the accuracy of directory listings databases of Incumbent Local Exchange Carriers relied upon by the public to obtain directory information, as prescribed by D98-04-012. This decision also resolves issues relating to competitors' access to Pacific Bell's directory assistance database as prescribed by D99-08-028.
(Com Bilas - ALJ Pulsifer)
(Section 311(g)(1))
(Agenda 3043, Item 3, 7/20/00; Req - Commission)

H-14 A99-08-052 - Storm Tel, Inc. (StormTel), and CCC Merger Corporation (CCC Merger).
This decision grants nunc pro tunc authorization under Public Utilities Code Section 854 to transfer control of StormTel to CCC Merger . This decision also requires these two entities to pay a fine of \$500 for their failure to obtain Commission authorization to transfer control of StormTel, prior to completing the transfer as required by Section 854. This proceeding is closed.
(Com Neeper - ALJ Kenney)
(Agenda 3043, Item 7, 7/20/00: Req - Commission)

H-14a **ALTERNATE ORDER TO ITEM H-14.** This alternate order concludes that the Commission cannot legally grant a nunc pro tunc authorization under Public Utilities Code Section 854 to transfer control of StormTel to CCC Merger. This alternate requires the parties to unwind their transaction because it is void as a matter of law. This proceeding is held open for the purpose of receiving documents demonstrating that this has been accomplished.
(Com Lynch)

H-15 **I _____ - Order Instituting Investigation into the gas procurement ratemaking practices of San Diego Gas & Electric Company (SG&E).**
By this order, the Commission institutes an investigation into SDG&E's Weighted Average Cost of Gas for core and noncore customers. It considers issues raised in the Office of Ratepayers Advocate's protests of Advice Letters 1184-G, 1188-G, 1195-G, 1197-G, and 1201-G, filed February 4, 2000, March 6, 2000, April 6, 2000, May 4, 2000, and June 6, 2000, respectively. This investigation will focus on possible cross subsidies from core to noncore ratepayers and remedies for modification of methodology for calculating SDG&E's procurement rates due to changed market conditions. It also orders SDG&E to set up a tracking account within its Purchased Gas Account to track the costs of procurement of gas on behalf of the core and the noncore pending determination of the appropriate methodology for calculation of core and noncore procurement rates. The purpose of the tracking account is to allow the Commission to reallocate the costs discussed in this order between the core and the noncore so as to avoid any cross-subsidization. Any previous or pending advice letter relating to the costs of gas purchased prior to the date of this decision will be recovered based on the existing methodology.
(Com Bilas - ALJ Bushey)
(Agenda 3043, Item 5, 7/20/00; Req - Commission)

ORDERS

- 1** **R93-04-003 - Rulemaking on the Commission's Own Motion to Govern Open Access to Bottleneck Services and Establish a Framework for Network Architecture Development of Dominant Carrier Networks. I93-04-002 - Related matter.**
The decision affirms the results reached in the May 26, 2000, Final Arbitrator's Report. It approves Appendix DSL of Pacific Bell Telephone Company, the Line Sharing Amendment of GTE California, Incorporated, and the signed appendices and amendments filed June 2, 2000, and effective June 6, 2000, between incumbent and competitor companies. The line sharing phase remains open to address specific issues identified in the decision.
(Com Bilas - ALJ Mattson)
(Section 311(g)(1))
- 2** **I98-12-012 - Order Instituting Investigation on the Commission's own motion into the rates, charges, and practices of water and sewer utilities providing service to mobilehome parks and multiple unit residential complexes and the circumstances under which those rates and charges can be passed to the end user.**
This decision reviews information obtained about current practices of owners/operators of mobilehome parks and multiple unit residential complexes who bill tenants for water and sewer services separately from rent. It isolates the major issues and explains the existing jurisdictional framework so that the legislature may formulate appropriate public policy solutions. This proceeding is closed.
(Com Lynch - ALJ Vieth)
(Section 311(g)(1))
- ◆3** **C98-04-004 - The Utility Consumers' Action Network vs. Pacific Bell. C98-06-003, C98-06-027, C98-06-049, I90-02-047 - Related matters.**
This decision disposes of appeals of Presiding Officer's Decision. These proceedings are closed.
(Com Neeper - ALJ Bushey)
- ◆3a** **COMMISSIONER NEEPER'S ORDER Re ITEM 3.** This decision disposes of appeals of Presiding Officer's Decision. These proceedings are closed.

- 4** **A99-01-016 - Pacific Gas and Electric Company (PG&E).**
For authority to establish post-transition period electric ratemaking mechanisms. A99-01-019, A99-01-034, A99-02-029 - Related matters. This decision denies in part and grants in part The Utility Consumers' Action Network's (UCAN) emergency petition. The decision denies UCAN's request to implement a rate freeze. Instead, it adopts but grants San Diego Gas & Electric's (SDG&E) request to amortize its Transition Cost Balancing Account over the next two months, thereby providing a \$17.25 reduction in the average residential bill. To stabilize bills, the decision alters SDG&E's Levelized Payment Plan by extending it to all customers while allowing customers to "opt out," rather than "opt in." This decision authorizes SDG&E's participation in Block Forward Markets, directs the Commission's Energy Division to investigate energy markets. It also directs the Executive Director of the Commission to ask the Electricity Oversight Board and the Federal Energy Regulatory Commission to investigate the operations of the ISO, the PX, and western electricity markets.
(Com Duque - ALJ Carew)
- 4a** **ALTERNATE ORDER TO ITEM 4.** This alternate order denies UCAN's motion in part and approve it in part. It authorizes SDG&E to refund its TCBA overcollection over a two-month period and to participate with expanded authority in the CalPX Block Forward Market. It expands the levelized payment plan to lighting customers and states the Commission intent to open an investigation into the wholesale electric market problems and impact on retail rates.
(ALJ Minkin)
- 5** **I_____ - Order Instituting Investigation into the functioning of the wholesale electric market and associated impact on retail rates.**
By this order, the Commission will explore various issues and options to address the summer price spikes in San Diego and the impact on California consumers.

- 6** **I99-07-001 - Order Instituting Investigation for the purpose of establishing a list for the fiscal years 2000-2001 and 2001-2002 of existing and proposed crossings at grade of the city streets, county roads, or state highways in need of separation, or projects effecting the elimination of grade crossings by removal or relocation of streets or railroad tracks, or existing separations in need of alterations or reconstruction in accordance with Section 2452 of the Streets and Highways Code.** This decision rescinds D00-06-078. It establishes the Priority List of separation and improvement grade crossing projects to be funded in Year 2000-2001 and establishes a process to amend the Priority List for Year 2001-2002 in accordance with the current formula. It is identical in all substantive respects to D00-06-078. This proceeding is closed.
(Com Wood - ALJ Bennett)
- 6a** **ALTERNATE ORDER TO ITEM 6.** This alternate order rescinds D00-06-78. It establishes the Priority List of separation and improvement grade crossing projects to be funded in Year 2000-2001 and establishes a process to amend the Priority List for Year 2001-2002 in accordance with the current formula. It is identical in all respects to D00-06-078 except for deleting the last paragraph on page 3 of D00-06-078 from the text of the new order. This proceeding is closed.
(Com Wood - ALJ Bennett)
- 7** **R94-04-031 - Order Instituting Rulemaking on the Commission's proposed policies governing restructuring California's electric services industry and reforming regulation. I94-04-032 - Related matter.** In this decision, the Commission considers the Emergency Motion filed by Southern California Edison Company for preapproval of a voluntary Qualifying Facilities contract amendment.
(Com Neeper - ALJ Cooke)

8 R94-04-031 - Order Instituting Rulemaking on the Commission's proposed policies governing restructuring California's electric services industry and reforming regulation. I94-04-032 - Related matter.

In this decision, the Commission considers the Emergency Motion filed by Southern California Edison Company for bilateral power contract transactions.

(Coms Lynch/Wood - ALJ Cooke)

9 R94-04-031 - Order Instituting Rulemaking on the Commission's proposed policies governing restructuring California's electric services industry and reforming regulation. I94-04-032 - Related matter.

In this decision, the Commission considers the Emergency Motion filed by Pacific Gas & Electric Company for bilateral power contract transactions and to set up a memorandum account to track related costs.

(Coms Lynch/Wood - ALJ Cooke)

UTILITIES RESOLUTIONS AND WRITTEN REPORTS

ENERGY MATTERS

- E-1 Res G-3289 - Sempra Energy, on behalf of Southern California Gas Company (SoCalGas).**
This resolution denies without prejudice SoCalGas' proposed revisions to its Residual Load Service (RLS) tariff and associated Rule 1 definitions to address the application of the RLS schedule to customers with no pre-bypass load history.
(Advice Letter 2822, filed July 2, 1999)
(Section 311(g)(1))
- E-2 Res E-3621 - Southern California Edison Company (SCE).**
This resolution approves as modified SCE's request to revise its Tariff Rule 18, to add language which allows SCE to provide master-metering for certain non-residential installations when individual utility metering is impractical.
(Advice Letter (AL) 1294-E, filed March 10, 1998; Supplemental AL 1294-E-A, filed January 31, 2000)
(Section 311(g)(1))
(Agenda 3039, Item E-1, 5/18/00; Agenda 3040, Item E-3, 6/8/00; Agenda 3041, Item E-2, 6/22/00; Agenda 3042, Item E-5, 7/6/00; Req - Commission)
- E-3 Res E-3687 - Southern California Edison Company (SCE).**
SCE 2000 and 2001 Residential Swimming Pool Pump Tripper Program to assist in the shortage of generating.
(Advice Letter 1463-E, filed July 7, 2000)
- E-4 Res E-3688 - Southern California Edison Company (SCE).**
Emergency modification to SCE's Air Conditioner Cycling Program for residential and non-residential customers to assist in the shortage of generating capacity in the State of California.
(Advice Letter 1464-E, filed July 10, 2000)

- E-5 Res E-3689 - Southern California Edison Company (SCE).**
Emergency modification to SCE's Commercial and Industrial Interruptible Program to assist in alleviating the shortage of generating capacity in the State of California.
(Advice Letter 1465-E, filed July 10, 2000)
- E-6 Res E-3690 - Southern California Edison Company (SCE).**
Emergency modification to SCE's Voluntary Power Reduction Credit Program to assist in the shortage of generating capacity in the State of California.
(Advice Letter 1466-E, filed July 10, 2000)
- E-7 Res E-3686 - Southern California Edison Company (SCE).**
Creation of the Short-Term Generation Capacity Memorandum Account to assist in the shortage of generating capacity in the State of California.
(Advice Letter 1468-E, filed July 14, 2000)
- E-8 Res E-3692 - Southern California Edison Company (SCE).**
Creation of memorandum account associated with using the bilateral option for energy and ancillary services of the California Power Exchange Corporation as a hedging product.
(Advice Letter 1469-E, filed July 13, 2000)
- E-9 Res E-3693 - Southern California Edison Company (SCE).**
Creation of memorandum account associated with using capacity and associated energy as a hedging product.
(Advice Letter 1470-E, filed July 14, 2000)

- E-10 Res E-3682 - The Yolo County Local Agency Formation Commission (LAFCO).**
LAFCO submits its proposal that a municipal utility district be formed to furnish gas or electric service pursuant to Government Code Section 56129. The proposed district (Davis Municipal Utilities District) lies within the service territory of Pacific Gas and Electric Company (PG&E). This resolution finds that the proposed district will not substantially impair PG&E's ability to provide adequate service at reasonable rates in the remainder of PG&E's service territory.
(Section 311(g)(1))
(Agenda 3043, Item E-1, 7/20/00; Req - Commission)
- E-11 Res G-3282 - West Coast Gas Incorporated (WCG).**
This resolution approves WCG's request to revise its tariff schedules and Preliminary Statement. It also approves its request to add Tariff Rule 19 regarding California Alternate Rates for Energy for qualified customers. In addition, WCG submits its Results of Operation analysis in response to D98-07-078. WCG's proposal not to revise rates to reflect its results of operations at this time is approved.
(Advice Letter (AL) 3-G; AL 4-G, both filed March 15, 2000)
(Section 311(g)(1))
(Agenda 3043, Item E-2, 7/20/00; Req - Commission)
- E-12 Res E-3663 - San Diego Gas & Electric Company (SDG&E).**
This resolution denies SDG&E's request to modify definitions in Tariff Rule 1 which are applicable to Schedules A-V1, A-V2, A-V3 and RTP 2, and Special Conditions 13 and 14 of Schedule RTP-2 which are applicable to interruptible customers.
(Advice Letter 1198-E, filed November 14, 1999)
(Section 311(g)(1))
(Agenda 3041, Item E-1, 6/22/00; Agenda 3042, Item E-4, 7/6/00; Agenda 3043, Item E-5, 7/20/00; Req - Commission)

- E-13 Res E-3695 - San Diego Gas & Electric Company (SDG&E).**
Emergency advice letter to amortize \$100 million over collection to customers.
(Advice Letter 1237-E, filed July 14, 2000)
- E-14 Res E-3696 - Pacific Gas and Electric Company (PG&E).**
Revision to Schedule E-19 and E-20 to reopen the nonfirm service program.
(Advice Letter 1980-E, filed March 20, 2000)

TELECOMMUNICATIONS MATTERS

- C-1 Res T-16439** - This resolution adopts the Universal Lifeline Telephone Service Marketing Board proposed contract with Valdez & Associates to conduct a market study for the Universal Lifeline Telephone Service program.
(Section 311(g)(1))
- C-2 Res T-16421 - Pacific Bell (Pacific).**
This resolution denies Pacific's request to establish Reverse Directory Assistance service as a Category III, above the line service.
(Advice Letter 21065, filed March 22, 2000; AL 21065A, filed April 18, 2000)
(Section 311(g)(1))
(Agenda 3043, Item C-1, 7/20/00; Req - Commission)
- C-3 Res T-16430 - California High Cost Fund-B (CHCF-B) Administrative Committee.**
This resolution approves the fiscal year 2001-02 budget of \$506.583 million and maintains the current surcharge of 2.6% for the CHCF-B program.
(Section 311(g)(1))
(Agenda 3043, Item C-2, 7/20/00; Req - Commission)
- C-4 Res T-16435 - Universal Lifeline Telephone Service (ULTS) Trust Administrative Committee.**
This resolution adopts a budget of \$226.8 million for the ULTS for the time period from July 1, 2001 to June 30, 2002 (FY 2001-2002 budget) and increases the surcharge rate from 0.80% to 1.07%.
(Section 311(g)(1))
(Agenda 3043, Item C-3, 7/20/00; Req - Commission)

WATER MATTERS

- W-1 Res W-4216 - Donner Lake Water Company (DLWC).**
This resolution authorizes implementation of mandatory conservation and rationing, placing a service moratorium on new connections, ordering the filing of a service improvement plan, audit of DLWC's books and business practices, and immediate correction of deficient facilities.
(Advice Letter 59, filed June 29, 2000)
- W-2 Res W-4205 - California-American Water Company (Cal-Am),
Monterey Division.**
This resolution orders Cal-Am to continue paying the Public Utilities Commission for the increased cost of consulting services in connection with the contingency plan that Cal-Am must pursue, if the new Carmel River Dam Project does not go forward, pursuant to Assembly Bill 1182.
(Agenda 3042, Item CA-5, 7/6/00; Agenda 3043, Item CA-29, 7/20/00;
Req - Commission)

COMMISSIONERS' REPORTS

MANAGEMENT REPORTS

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).

NON-FEDERAL ITEMS

ORDERS HELD OVER

- HEX-1** **Conference with Legal Counsel - Application for Rehearing**
I87-11-033 - Disposition of the joint Application for Rehearing filed by the Office of Ratepayer Advocates (ORA) and The Utility Reform Network of D00-02-047. In this decision, the Commission ordered that the oversight responsibility for the Pacific Bell audit be transferred from ORA to the Telecommunications Division, one of the Commission's advisory units. This audit is to be submitted to the New Regulatory Framework review proceeding.
(Gov. Code Sec. 11126(e)(2)(B)(i).)
(Agenda 3040, Item EX-5, 6/8/00; Agenda 3041, Item HEX-1, 6/22/00;
Req - Commission)

HEX-2 **Conference with Legal Counsel-Applications for Rehearing**
C99-07-005 - Disposition of Applications for Rehearing of D00-04-025 filed by Samuel Anderson, PRO Engineering and Oasis Nuclear, Inc. D00-04-025 dismissed applicants' complaint against Pacific Gas and Electric Company for failure to state a claim upon which the Commission should grant relief. Applicants' complaint had alleged violations of General Order 156 and Public Utilities Code Sections 8281 through 8286, provisions governing the Women, Minority, and Disabled Veterans Business Enterprises program.
(Gov. Code Sec. 11126(e)(2)(B)(i).)
(Agenda 3041, Item EX-7, 6/22/00; Agenda 3042, Item HEX-2, 7/6/00; Req - Commission)

HEX-3 **Conference with Legal Counsel-Applications for Rehearing**
C99-09-024 - Disposition of the joint Applications for Rehearing of D00-04-004 filed by California Personnel Resources and Clarence A. Hunt, Jr. (Applicants). In this decision, the Commission dismissed the complaint of the Applicants against Pacific Gas and Electric Company. The complaint alleged violations of General Order 156 regarding Women, Minority, and Disabled Veterans Business Enterprises. The complaint was dismissed for failing to state sufficient facts for a viable claim.
(Gov. Code Sec. 11126(e)(2)(B)(i).)
(Agenda 3041, Item EX-8, 6/22/00; Agenda 3042, Item HEX-3, 7/6/00; Req - Commission)

ORDERS

- EX-1 Conference with Legal Counsel – Applications for Rehearing**
Compilation of applications for rehearing recently filed with the Commission. (Gov. Code Sec. 11126(e)(2)(B)(i).)
- EX-2 Conference with Legal Counsel – Threatened Litigation**
Significant exposure to litigation. (Gov. Code Sec. 11126(e)(2)(B).)
- EX-3 Conference with Legal Counsel – Initiation of Litigation**
Consideration of possible Commission initiation of, or intervention in, litigation. (Gov. Code Sec. 11126(e)(2)(C)(i).)
- EX-4 Conference with Legal Counsel – Application for Rehearing**
A98-11-012 – Disposition of Application for Rehearing of D00-05-048 jointly filed by David and Marry Perry, Trustee of the Perry Trust, and Reba Turnbull, Trustee of the Turnbull Family Trust. In D00-05-048, the Commission granted Lodi Gas Storage, LLC a certificate of public convenience and necessity to develop, construct and operate an underground natural storage facility and ancillary pipeline, and to provide gas storage services at market-based rates.
(Gov. Code Sec. 11126(e)(2)(B)(i).)

FEDERAL ITEMS

- FEX-1 Conference with Legal Counsel – Initiation of Litigation**
Consideration of possible Commission initiation of, or intervention in,
federal agency or court proceedings. (Gov. Code Sec. 11126(e)(2)(C)(i).)

**SUBSCRIPTION NOTICE FOR AGENDA
AND
DRAFT AGENDA ITEMS**

If you wish to subscribe to the *agenda*, please send your request with a check payable to the Public Utilities Commission; Attention: Poly Arca, Room 1003; 505 Van Ness Avenue; San Francisco, CA 94102; or by calling (415) 703-1798. The cost for a one-year subscription to the agenda is \$75.

If you wish to receive *draft agenda items*, please send your request with a check payable to the Public Utilities Commission; Attention: Poly Arca, Room 1003; 505 Van Ness Avenue; San Francisco, CA 94102; or by calling (415) 703-1798. The cost for a one-year subscription to the entire public agenda package (which excludes Executive session materials) is \$1000. The cost for energy agenda items only or telecommunication agenda items only is \$500 per year. The package you receive via mail will include only those agenda items available at the time of the agenda distribution date, which is usually 10 to 12 days prior to the Commission meeting. If agenda items (including revisions) are not ready on the distribution date, they will be made available at no charge in the lobby outside the Commission Auditorium at 9:00 a.m. on the morning of the Commission meeting, but not earlier. In addition, the Commission will make draft agenda items available for viewing and photocopying (at 20 cents per page) at the Commission's Central Files Office (Room 2002), 505 Van Ness Avenue, San Francisco, and in the Commission offices in Los Angeles, San Diego, and the following field offices: El Centro, Sacramento, and San Bernardino. Since the agenda package will be mailed to these locations, it will be available at these locations a day or two after the distribution date. These locations will not receive agenda items that are not ready on the distribution date.

Those intervenors who have financial hardship determination pending or granted shall be eligible to receive draft agenda item packets at no charge.