

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

Application of Pacific Gas and Electric Company
to Establish a Demonstration Climate Protection
Program and Tariff Option.

U 39 M

Application 06-01-012
(Filed January 24, 2006)

**SCOPING MEMO AND RULING OF
ASSIGNED COMMISSIONER AND ADMINISTRATIVE LAW JUDGE**

Summary

This ruling and scoping memo (Scoping Memo) confirms certain rulings made at the March 16, 2006 Prehearing Conference (PHC). The Scoping Memo sets forth the scope and schedule of the proceeding, addresses the topics appropriate for hearing, and lists other procedural requirements.

Schedule

Event	Schedule
Testimony responsive to PG&E application served	May 5, 2006
PG&E rebuttal testimony served	May 26, 2006
Hearing	June 7, 8, 9, 12-13, ¹ 2006 9:00 a.m. – 4:00 p.m. Commission Courtroom State Office Building 505 Van Ness Avenue

¹ The June 12-13 days are carryover days. We do not expect the parties to need them.

Event	Schedule
	San Francisco, CA 94102
Concurrent opening post-hearing briefs filed and served	July 14, 2006
Concurrent reply post-hearing briefs filed and served	July 28, 2006
Proposed decision issued	October 10, 2006 ²
Opening comments on proposed decision filed and served	November 1, 2006
Reply comments on proposed decision filed and served	November 6, 2006
Proposed decision on Commission calendar	November 9, 2006

Scope of the Proceeding

The scope of this proceeding will be as follows:

1. Whether the Commission should approve PG&E's application, including the proposed climate protection tariff, administration and marketing budgets, and program design;
2. Whether and which ratepayers should bear costs related to PG&E's proposed climate change program;
3. Whether PG&E's shareholders should bear costs related to the program;
4. General rate design for the costs of the program;
5. Whether the costs of the program in relation to the benefits that the program will produce are excessive;
6. Whether PG&E's program is the right program to achieve climate change results; and

² At the PHC, the parties and Administrative Law Judge (ALJ) Thomas agreed upon an October 12, 2006 issuance date for the Proposed Decision. This date has been moved to October 10, 2006 to give parties the full 30-day comment period. All of the dates after July 28, 2006 above are tentative and subject to change by the Assigned ALJ or Commissioner.

7. Whether PG&E's program appropriately complements other climate change efforts currently in place or to be adopted in the future.

Hearing Room Ground Rules/Opening Statements

Parties shall follow the Hearing Room Ground Rules (Appendix A hereto) regarding hearing process, exhibits, and cross-examination. Parties shall also be prepared to give brief opening statements at the commencement of the hearings on June 7, 2006. Prior to the hearings, all parties shall arrange among themselves the order and timing of the opening statements, with the proviso that each party shall have no more than 10 minutes each to make its statement.

Category of Proceeding

The Commission preliminarily determined that this is a ratesetting proceeding for which hearings are likely to be required. The Commission invited objections to its initial categorization. No party expressed any objection. This ruling confirms that the proceeding is ratesetting, and that hearings are necessary. This ruling, only as to category, is appealable under Rule 6.4.

Principal Hearing Officer

Pursuant to Rule 6(a), Assigned Commissioner Peevey designates ALJ Sarah R. Thomas as the principal hearing officer. ALJ Thomas is authorized to modify the schedule and make procedural decisions as required to assure the fair and efficient conduct of the proceeding.

Service List

The service list for this proceeding is on the Commission's website at http://www.cpuc.ca.gov/published/service_lists/A0601012_71786.htm. Parties should serve everyone, whether characterized as "appearance," "state service," or

“information only,” with all pleadings, prepared testimony, and other documents submitted to the Commission in connection with this proceeding. All documents shall be served by email in accordance with the Commission’s electronic service rule, Rule 2.3.1, available at

http://www.cpuc.ca.gov/PUBLISHED/RULES_PRAC_PROC/46095-02.htm#P341_33469.

Communications With Decision Makers (Ex Parte Communication)

In accordance with Rules 7(a)(1) and (c) of the Commission’s Rules of Practice and Procedure, the *ex parte* rules applicable to Ratesetting proceedings will apply here. These rules apply to all parties and witnesses, including Diane Wittenburg, the chief executive of the California Climate Action Registry (Registry), other paid staff of the Registry, and Registry Board members.

Discovery Disputes

If the parties have discovery disputes they are unable to resolve by meeting and conferring, they should first raise these disputes with ALJ Thomas orally, at (415) 703-2310. She will then instruct the parties how to proceed.

IT IS RULED that:

1. The schedule and scope of this case are as set forth in this Scoping Memo, unless subsequently modified by Assigned Commissioner or Administrative Law Judge (ALJ) directive.
2. ALJ Thomas is the principal hearing officer in this proceeding.
3. This ruling confirms the Commission’s preliminary determination that the category of this proceeding is ratesetting and that hearings are necessary. This ruling, only as to category, is appealable under Rule 6.4.

4. The service list for this proceeding is on the Commission's website at http://www.cpuc.ca.gov/published/service_lists/A0601012_71786.htm. Parties should serve everyone, whether characterized as "appearance," "state service," or "information only," with all pleadings, prepared testimony, and other documents submitted to the Commission in connection with this proceeding. All documents shall be served by email in accordance with the Commission's electronic service rule, Rule 2.3.1, available at

http://www.cpuc.ca.gov/PUBLISHED/RULES_PRAC_PROC/46095-02.htm#P341_33469.

5. Parties shall follow ALJ Thomas' Hearing Room Ground Rules contained in Appendix A to this ruling.

6. Parties shall make opening statements at the commencement of the hearing. Prior to the hearings, all parties shall arrange among themselves the order and timing of the opening statements, with the proviso that each party shall have no more than 10 minutes each to make its statement.

7. In accordance with Rules 7(a)(1) and (c) of the Commission's Rules of Practice and Procedure, the *ex parte* rules applicable to Ratesetting proceedings will apply here. These rules apply to all parties and witnesses, including Diane Wittenburg, the chief executive of the California Climate Action Registry (Registry), other paid staff of the Registry, and Registry Board members.

8. Parties shall first contact ALJ Thomas regarding discovery disputes orally, and then follow any procedure she outlines thereafter.

Dated April 5, 2006, at San Francisco, California.

/s/ MICHAEL R. PEEVEY
Michael R. Peevey
Assigned Commissioner

/s/ SARAH R. THOMAS
Sarah R. Thomas
Administrative Law Judge

APPENDIX A
HEARING ROOM GROUND RULES
ALJ Sarah Thomas

1. All prepared written testimony should be served in accordance with the Commission's e-service rules in Rule 2.3, as well as on the Assigned Commissioner's office and on the Assigned Administrative Law Judge (ALJ). Prepared written testimony shall not be filed with the Commission's Docket Office.
2. Each party sponsoring an exhibit should, in the hearing room, provide two copies to the ALJ and one to the court reporter, and have copies available for distribution to parties present in the hearing room.
3. The lower right hand corner of the exhibit cover sheet should be blank for the ALJ's exhibit stamp. If there is not sufficient room in the lower right hand corner for an exhibit stamp, please prepare a cover sheet for the exhibit.
4. As a general rule, if a party intends to introduce an exhibit in the course of cross-examination, the party should provide a copy of the exhibit to the witness and the witness' counsel before the witness takes the stand on the day the exhibit is to be introduced. A party is not required to give the witness an advance copy of the document if it is to be used for purposes of impeachment or to obtain the witness' spontaneous reaction.
5. Corrections to an exhibit should be made in advance and not orally from the witness stand. Corrections should be made by providing new exhibit pages on which corrections appear. The original text to be deleted should be lined out with the substitute or added text shown above or inserted. Each correction page should be marked with the word "revised" and the revision date.
6. Individual chapters of large, bound volumes of testimony may be marked with separate exhibit numbers, as convenient.
7. Partial documents or excerpts from documents must include a title page or first page from the source document; excerpts from lengthy documents should include a table of contents page covering the excerpted material.
8. Parties should agree on an exhibit numbering scheme in advance of hearing. One party may use exhibits 1-100, the next party may use 101-200, and so on. All exhibits shall be pre-marked with their number and the name of the sponsoring party.

9. Confidential exhibits should bear the appropriate exhibit number and be followed by the letter "C." A redacted copy of such an exhibit shall also be provided for the public record. Thus, the confidential version of Exhibit 1 will be marked Exhibit 1-C, and the redacted (public) version of the document will be marked Exhibit 1.
10. During the hearing, the ALJ may ask one party to create a running exhibit list (with designation of the sponsoring party, the name of the document, whether exhibits are in evidence, and the date on which they were identified and received in evidence) and furnish it to the ALJ and all other parties.
11. No food is allowed in the hearing room; drinks are allowed if you dispose of containers and napkins every morning and afternoon.

(END OF APPENDIX A)

CERTIFICATE OF SERVICE

I certify that I have by mail this day served a true copy of the original attached Scoping Memo and Ruling of Assigned Commissioner and Administrative Law Judge on all parties of record in this proceeding or their attorneys of record.

Dated April 5, 2006, at San Francisco, California.

Elizabeth Lewis

N O T I C E

Parties should notify the Process Office, Public Utilities Commission, 505 Van Ness Avenue, Room 2000, San Francisco, CA 94102, of any change of address to insure that they continue to receive documents. You must indicate the proceeding number on the service list on which your name appears.

The Commission's policy is to schedule hearings (meetings, workshops, etc.) in locations that are accessible to people with disabilities. To verify that a particular location is accessible, call: Calendar Clerk (415) 703-1203.

If specialized accommodations for the disabled are needed, e.g., sign language interpreters, those making the arrangements must call the Public Advisor at (415) 703-2074, TTY 1-866-836-7825 or (415) 703-5282 at least three working days in advance of the event.