Decision _____

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

Application of Pacific Gas and Electric Company Submitting Electric Rate Proposal for Direct Access Services Described in Decision 97-10-087.	Application 99-06-033 (Filed June 18, 1999)
Application of Southern California Edison Company for Authority to Establish Direct Access Service Fees for Competitive and Regulated Services.	Application 99-06-040 (Filed June 23, 1999)
Application of San Diego Gas & Electric Company for Authority to Implement Discretionary, Non-Discretionary, and Exception Service Fees.	Application 99-06-041 (Filed June 24, 1999)
Application of Pacific Gas and Electric Company Submitting Electric Revenue Cycle Services Cost and Rate Proposals in Compliance with Decision 98-09-070.	Application 99-03-013 (Filed March 5, 1999)
Application for Commission Consideration of Post-Transition Proposals for Long-Run Marginal Cost Pricing and Geographic De-Averaging of Revenue Cycle Services.	Application 99-03-019 (Filed March 5, 1999)
Application of Southern California Edison Company (U 338-E) Relating to Long-Run Marginal Costs for Unbundled Metering and Billing Services.	Application 99-03-024 (Filed March 5, 1999)

ORDER DISMISSING APPLICATIONS AND CLOSING PROCEEDING

This proceeding was initiated by applications that Southern California Edison Company (SCE), Pacific Gas and Electric Company (PG&E), and San Diego Gas & Electric Company (SDG&E) filed in 1999, pursuant to Commission direction, to consider proposals regarding the pricing of revenue cycle services (RCS)[1] and proposals for direct access service fees (DASF). As the hearings were concluded and briefs and reply briefs were filed in mid-year 2000, the California energy crisis arose and worsened, and it occupied an increasing share of this Commission's resources. As a result, activity in this proceeding was suspended.

In a ruling issued on October 18, 2002, the Administrative Law Judge (ALJ) noted that an extended period of time had passed since the consolidated applications were heard and briefed, and that during that period electricity market events and legislative and regulatory responses to those events appeared to have impacted the appropriate resolution of issues in this proceeding. The ALJ concluded that in view of such developments, including in particular the suspension of direct access pursuant to Water Code Section 80110, it appeared to be appropriate to dismiss these applications without prejudice. The ruling noted that this would not preclude the establishment of up-to-date pricing policies for RCS and DASF, to the extent it is necessary or desirable to do so, in more current

[1] RCS includes such activities as meter reading, other meter services, and billing services.

proceedings. The ALJ then provided for comments regarding the appropriate disposition of this proceeding.[2]

Each of the applicant utilities filed comments pursuant to the ALJ's ruling, and each agrees that the proceeding should be dismissed.[3] No other party filed comments. We render this decision on the basis of the ALJ's ruling and the utilities' comments filed in response to the ruling.

Discussion

We will dismiss the captioned applications without prejudice. In view of the energy crisis that arose in 2000, as well as the extensive and substantial regulatory and legislative responses to the crisis, the record of this proceeding is stale and cannot reasonably be relied upon to render a decision. At the same time, the suspension of direct access to new entry has rendered the need to update direct access related credits and fees somewhat less important. While it would be possible to set aside submission of this proceeding and set the matter for further hearings to update the record, that alternative appears to be procedurally less efficient than relying upon more current proceedings to consider any needed revisions to RCS and DASF pricing policies.

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[2] While stating that dismissal of the applications appeared to be reasonable and appropriate, the ALJ also invited parties to comment on alternatives to outright dismissal in view of the significant time and effort that applicants and other parties had invested in the proceeding.

[3] SCE would like to see RCS credits updated to reflect more recent information, correct various errors, reflect advances in meter technology and lower costs for advanced meters. However, in view of the current suspension of direct access to new entry, SCE believes that the differences are not sufficient enough to justify a new proceeding at this time.

PG&E states that its support for dismissal is given with the understanding that utilities would be free to file updated credits and fees through applications or advice letters as allowed by current tariffs, should changes in the marketplace or economics of the services warrant. Similarly, SCE believes that dismissal is appropriate with the understanding that existing procedures for updating RCS credits and DASF are maintained. The understanding expressed by PG&E and SCE is correct. In dismissing these applications without prejudice, we are not foreclosing future opportunities for utilities to address the appropriate pricing of RCS and DASF as circumstances warrant.

With respect to DASF, SCE believes that the interim quarterly advice letter procedure adopted by Decision (D.) 97-10-087 to update discretionary service fees can be made final, and that the memorandum account established pursuant to D.97-10-087 to track the fees and related costs would be unnecessary. Without addressing the merits of SCE's position, we note that adequate notice of and opportunity to be heard on this modification to D.97-10-087 has not been accorded to interested parties as required by Pub. Util. Code Section 1708. We therefore are not prepared to approve modification to D.97-10-087 by this decision.

Comments on Draft Decision

The original proposals in this proceeding were contested by various interested parties. However, with respect to the ALJ's proposed dismissal of these applications, this is an uncontested matter. Accordingly, pursuant to Pub. Util. Code Section 311(g)(2), the otherwise applicable 30-day period for public review and comment on the ALJ's draft decision is waived.

Assignment of Proceeding

Loretta M. Lynch is the Assigned Commissioner and Mark Wetzell is the assigned Administrative Law Judge in this consolidated proceeding.

Findings of Fact

Circumstances underlying this consolidated proceeding have changed materially since the applications were filed in 1999, and the record is stale.

There is no need to proceed with the applications at this time, and resolution of the underlying issues may be addressed in more current proceedings.

Each of the applicant utilities concurs with the dismissal of the applications, and no party opposes such dismissal.

Conclusion of Law

The captioned applications should be dismissed without prejudice.

O R D E R

IT IS ORDERED that:

Application (A.) 99-06-033, A.99-06-040, A.99-06-041, A.99-03-013, A.99-03-019, and A.99-03-024 are dismissed without prejudice.

This consolidated proceeding is closed.

This order is effective today.

Dated _____, at San Francisco, California.