

1 SAN FRANCISCO, CALIFORNIA, JANUARY 25, 2005 - 11:00 A.M.

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3 ADMINISTRATIVE LAW JUDGE MALCOLM: Please come to  
4 order.

5 This is a prehearing conference in Rulemaking  
6 03-10-003, which is the Commission's investigation into  
7 how to implement AB 117 with regard to Community Choice  
8 Aggregation programs.

9 As you all know, the Commission issued a Phase  
10 1 decision in this proceeding in December, and we're on  
11 to Phase 2, which is intended to be a lot more nuts and  
12 bolts, I think, than Phase 1.

13 I have handed out a one-page, double-sided  
14 sheet that lists the issues as I understand them for  
15 Phase 2. It doesn't go into any detail about any of  
16 those issues. And in fact, the second bullet,  
17 operational issues, incorporates a lot of things, I'm  
18 sure. But it should just give you some idea of what  
19 we're looking at, and it refers to the two decisions  
20 issued in this proceeding so far for each issue area.

21 I also have a proposed schedule on the back  
22 which is just for discussion here. I want to keep this  
23 proceeding moving. As you all know, we're now more than  
24 two years from the date the Governor signed AB 117. And  
25 a lot of the issues in this proceeding are affected by  
26 and will affect other proceedings and the way the  
27 utilities plan their procurement in the next few years,  
28 or the next many years possibly. So we just want to

1 keep it moving.

2 If you are already on the service list, you  
3 don't have to fill out an appearance form today. We  
4 will be keeping the existing service list and adding to  
5 it.

6 And I am not aware of any outstanding  
7 procedural motions, but if any of you have procedural  
8 matters to bring to my attention, you can do that now.  
9 Nothing?

10 (No response)

11 ALJ MALCOLM: What I'd like to do then is to go  
12 through these issues that I've listed on this sheet, and  
13 if you have clarifications or issues that I have not  
14 included inadvertently or comments about whether we're  
15 ready to address each of these issues, I'd appreciate  
16 hearing from you.

17 The first one I listed is final costs and  
18 tariffs. The Commission's December decision ordered the  
19 utilities to submit tariffs for CCA services and  
20 operations by February 14th, which is 60 days after the  
21 effective date of the order.

22 I don't expect any problem there?

23 MR. SZYMANSKI: No, your Honor. The three  
24 utilities are working closely to present what we hope to  
25 have -- what we hope to present is one package of  
26 tariffs that would align all the utilities and reflect  
27 the requirements of the Phase 1 order.

28 MR. HUARD: Can you speak up, please?

1           MR. SZYMANSKI: We hope to present one set of  
2 utility-sponsored tariffs as proposals in response to  
3 the utilities -- the directives on the utilities from  
4 the Phase 1 order.

5           ALJ MALCOLM: Okay. And those will incorporate  
6 all of the proposed -- the way the utilities propose to  
7 handle operational issues then, I presume.

8           MR. SZYMANSKI: Yes. It's supposed to address the  
9 whole, as you say, all the nuts and bolts and the whole  
10 panoply of issues that come into the tariff design  
11 process.

12          ALJ MALCOLM: And then let's just skip down to the  
13 very last bullet on my list here where it talks about  
14 the detailed processes outline. These are the, I think  
15 we could call them the strawman proposals the utilities  
16 presented in Phase 1. And I'm guessing those are also  
17 subsumed and incorporated into the tariffs you'll be  
18 submitting in February? In other words, are there  
19 issues there that go beyond the tariffs?

20          MR. SZYMANSKI: Well, the detailed processes are  
21 reflective of the processes that will be reflected in a  
22 more granular way in the tariffs that we will be filing.  
23 I don't think -- I can't think at this point of anything  
24 that we are doing tariff wise that would deviate from  
25 the content of the detailed processes which were  
26 approved in the Phase 1 order, but the effort to develop  
27 tariffs naturally will have a lot more information and a  
28 lot more text and a lot more specificity reflecting the

1 directives that came out of the Phase 1 order. So we're  
2 doing our best to comply with all of the directives that  
3 are placed on us.

4 ALJ MALCOLM: All right.

5 MR. HUARD: Your Honor, is it appropriate to ask  
6 the utilities questions about the tariffs and what they  
7 are going to file at this point?

8 ALJ MALCOLM: Sure.

9 MR. HUARD: Mr. Szymanski called me last week, and  
10 I appreciate the call, and described briefly what he was  
11 going to do. But when you said you're providing one set  
12 of tariffs for all three utilities, then they're going  
13 to be identical then, I take it? Because that was one  
14 issue we had in the first phase about whether we were  
15 having three different sets.

16 MR. SZYMANSKI: Well, let me try to explain a  
17 little bit about what we're doing. And I certainly  
18 invite my colleagues at PG&E and Edison to chime in.  
19 But what we're doing right now is produce a package of  
20 tariffs that are responsive to the various directives  
21 that appeared in the Phase 1 order. And we've been  
22 working on this effort for -- ever since the Phase 1  
23 order came out, and we're expecting to produce a quality  
24 product by February 14th.

25 And a lot of the effort, as I said, is put  
26 into not just developing language, which in itself is  
27 time-consuming, but reconciling that language with the  
28 various approaches that could be implemented at the

1 three utilities. So reconciling all of that and  
2 producing one cogent, well-defined, clear set of tariffs  
3 is our objective.

4 And the greater details of what all of that  
5 looks like, I am hesitant to explain in greater detail  
6 because a lot of it's quite in flux, it's in play, and  
7 there is a lot of discussion going on really every day  
8 and for many hours a day among people at the three  
9 utilities. So all we can do at this point is promise  
10 tariffs that are reflective of the Commission's  
11 directives in the Phase 1 order.

12 Now, we fully expect that after that time the  
13 parties will have full opportunity to comment, present  
14 their questions and to engage in dialog with us, and we  
15 would like to see the schedule, you know, providing of  
16 those types of opportunities, you know, subject, of  
17 course, to what ALJ Malcolm and the Commission request.

18 ALJ MALCOLM: Okay.

19 MR. SZYMANSKI: And we in fact do have a proposed  
20 schedule for going forward from February 14th that looks  
21 a little bit different from ALJ Malcolm's schedule,  
22 which we just learned about this morning, but again,  
23 it's just an alternative, and it's, you know, fodder for  
24 discussion.

25 ALJ MALCOLM: All right.

26 MR. HUARD: Your Honor, what I was trying to get  
27 at is that, are we going to see, say, a pro forma tariff  
28 which will then be superceded later on by

1 utility-specific tariffs, or are we going to see, for  
2 instance, the equivalent of a Rule 22 which applies to  
3 everybody, basically? And I'm trying to get at, you  
4 know, if this is effectively the working rules and  
5 that's what the details of CCA implementation are going  
6 to be in this phase, then the tariffs basically are the  
7 guiding documents.

8           And as early as possible the CCA community is  
9 interested in working with the utilities to try to make  
10 sure that we can limit or eliminate issues associated  
11 with their tariffs and understand what the utilities are  
12 doing with regard to the tariffs so that we can  
13 potentially eliminate, you know, problems that may arise  
14 due to lack of communications during the development  
15 phase. So one of the things that --

16           ALJ MALCOLM: Okay. That's a good point.

17           MR. HUARD: So one of the things that we had  
18 talked about, I suggested to Mr. Szymanski, is that  
19 prior to submittal, potentially, have a briefing of the  
20 utilities -- by the utilities of the CCA community for  
21 at least a preliminary review of where they were going  
22 so that when they actually do submit them for Commission  
23 review that there is at least some opportunity to  
24 reflect changes that may be suggested by the CCA  
25 community.

26           ALJ MALCOLM: Mr. Szymanski, did that make sense?

27           MR. SZYMANSKI: I understand Mr. Huard's concern,  
28 and believe me, on behalf of the three utilities, we

1 really will welcome Mr. Huard's comments and those of  
2 anybody else, and hopefully, the more specific, the  
3 better.

4           That said, the Commission order gave us 60  
5 days to produce these tariffs. We are working with a  
6 large effort to produce one clear set of tariffs, as I  
7 explained earlier, and that deadline is now less than  
8 three weeks away. We don't see it feasible to produce  
9 the type of quality tariffs that we would like to  
10 provide to the Commission on the 14th of February and  
11 have yet that schedule interrupted by producing  
12 something before that that we don't think would be  
13 reflective of our best efforts.

14           ALJ MALCOLM: Right. And I think -- it sounds  
15 like Mr. Szymanski agrees with you. He just wants his  
16 full 60 days, and then afterwards every one can talk.  
17 And that's a helpful way to go too.

18           MR. HUARD: I don't necessarily mind that, your  
19 Honor. It is just that once something gets put into  
20 print and submitted for review, it has a tendency to  
21 become less movable and less compromisable, if that's a  
22 word, than things prior to filing. So that was part of  
23 the question.

24           Also, quite frankly, the schedules that are  
25 being thrown out, as an example, your proposed schedule  
26 gives us basically approximately two weeks to review and  
27 that they would file testimony as well the same day they  
28 file the tariffs. Obviously, if this is even remotely

1 equivalent to the rules that are applicable to direct  
2 access, these are going to be rather significant  
3 filings, and I think Mr. Szymanski has more than broadly  
4 hinted at that, that this is a significant piece of work  
5 that they have been engaged in for the last 45 days, and  
6 that obviously the more time we have to review this, the  
7 better off we are to keep on an expedited schedule.

8 ALJ MALCOLM: Yes. Let's go to the schedule after  
9 we've gone through the issues. I understand, and you  
10 know, in fact, if you want to push it out, that's fine.  
11 I put together this schedule with the CCAs in mind  
12 because there's been some delay in this proceeding. But  
13 if you all need more time, I don't think the utilities  
14 are in the biggest hurry on this one. I don't know.  
15 But let's get to that in a minute.

16 Let's go to the third bullet. I want to  
17 explain this third bullet, the costs of customer  
18 re-entry associated with procurement and other  
19 liabilities. The Commission's decision, from my  
20 standpoint, distinguished between two kinds of sort of  
21 re-entry fees or costs. One is just sort of the  
22 administrative cost of moving a customer back. We see  
23 that in the telecommunications area where if you want to  
24 move from MCI to AT&T and you call SBC to do that, they  
25 may charge you \$5.

26 What I think Phase 2 is more concerned with,  
27 though, is the cost associated with procurement  
28 liabilities. And I don't think we really explored that

1 in any depth in Phase 1, although I may have  
2 misunderstood. But I know there may be some costs  
3 especially if there are large customers, as my proposed  
4 decision mentioned, large customers going back and forth  
5 creating some variability in procurement portfolio  
6 requirements. So that's what I'm talking about there,  
7 and that should be as part of the tariffs, included as  
8 part of the tariffs.

9 MR. CASEY: Your Honor, are you speaking about  
10 what has been called in the direct access world  
11 switching rules, the rules that would be imposed upon  
12 customers?

13 ALJ MALCOLM: Yes.

14 MR. CASEY: Because I don't know if the utilities  
15 got that exactly, that that's what you're talking about.

16 ALJ MALCOLM: And I'm not familiar with the  
17 switching rules specifically in direct access, but I'll  
18 bet it's --

19 MR. CASEY: It's something similar.

20 ALJ MALCOLM: -- comparable. And related to that  
21 would be balancing, balancing charges, I don't know,  
22 some of the costs like that.

23 MR. CASEY: And just to follow up, would your  
24 Honor be expecting the CCAs to speak about what they  
25 might develop as switching rules that they might impose  
26 upon their own customers, or is that a subject that's  
27 strictly for CCAs only, it's not subject to Commission  
28 jurisdiction?

1 ALJ MALCOLM: Oh, what they would propose for  
2 their own customers?

3 MR. CASEY: For example, a customer had been a CCA  
4 customer let's say for two or three years and had made a  
5 commitment, particularly a large customer had made a  
6 commitment to a CCA and then that customer changes his  
7 mind and wishes to go back to the utility. The CCA may  
8 wish to impose upon that customer some kind of exit fee,  
9 similar --

10 ALJ MALCOLM: Right.

11 MR. CASEY: Because the CCA had made resource  
12 commitments. And I'm supposing that that's a CCA  
13 jurisdictional matter only.

14 ALJ MALCOLM: Right.

15 MR. CASEY: And is not within the Commission  
16 purview.

17 ALJ MALCOLM: That's my assumption too, is that  
18 the Commission was not, from what I could tell, granted  
19 any jurisdiction over CCAs except to the extent they  
20 need to comply with utility tariffs, for example. And I  
21 think the Commission said that in the rulemaking order.  
22 And that kind of gets into the whole issue of what's the  
23 Commission's role with regard to the implementation  
24 plan, which the Commission is supposed to review.

25 MR. CASEY: Yes.

26 ALJ MALCOLM: I presume you might include those  
27 kind of services in your implementation plan, but  
28 whether the Commission is going to issue orders with

1 regard to those relationships you have with your own  
2 customers is doubtful --

3 MR. CASEY: Okay. Thank you.

4 ALJ MALCOLM: -- from my standpoint.

5 MR. CASEY: Thank you.

6 ALJ MALCOLM: If any party wants to brief that  
7 issue, we can. It doesn't seem to have been a big  
8 question mark so far.

9 The December order directed the utilities to  
10 provide updated CRS forecasts. And there's this bigger  
11 issue of CRS vintaging, which, from my standpoint, goes  
12 to everything about the CRS and how liabilities will be  
13 recovered over time. When we started thinking about  
14 what vintaging meant, we realized it was much more  
15 complicated than what we could unravel from the record  
16 in Phase 1, and I'm thinking that's a really good topic  
17 for a workshop, and I think the Commission's decision  
18 mentions workshops, just to get everybody understanding  
19 what vintaging might mean and what the CRS is going to  
20 look like over time, whether it's going to end for each  
21 CCA on a given date. You know, what is in the box of  
22 liabilities for each CCA, that's another issue that  
23 needs to be addressed in Phase 2.

24 The issue of what we called the credits or  
25 liability for in-kind power is another topic the  
26 Commission wanted to look at in workshops because we  
27 realized it was a lot more complicated than we thought.  
28 And in fact, I think ORA suggested it's an oxymoron to

1 talk about having a CCA take power from DWR or the  
2 utilities for power that's reflected in the CRS because  
3 the CRS takes care of that. There's some circular  
4 thinking there. So whether that in fact is true is  
5 something we should be looking at.

6 Open season procedures. San Diego had made a  
7 proposal in Phase 1 that seemed pretty appealing to  
8 everybody, but we realized again that there needed to be  
9 some details fleshed out there, and that might be  
10 another good topic for workshops.

11 The Commission's original decision, the  
12 original rulemaking refers to the CARE discount and  
13 whether CCA customers would get it and how that would be  
14 implemented.

15 Again, back to the implementation plan. Not  
16 sure what everybody has in mind about that process. Is  
17 it something that goes through an advice letter, through  
18 a Commission order, through nothing? It just comes in,  
19 we look at it, sense that it's consistent with the  
20 utility tariffs and move on? I'm not sure.

21 And then there's a technical issue of provider  
22 of last resort, which we have deferred to the  
23 procurement rulemaking. But we just need to be mindful  
24 of it here because it might affect the utility CCA  
25 tariffs. And I guess similarly, the RPS will ultimately  
26 affect utility CCA tariffs, but that's an issue that's  
27 being resolved in the procurement area.

28 Did I miss anything? Mr. Fenn.

1           MR. FENN: Your Honor, just one item that was of  
2 particular interest to local power is the whole issue of  
3 CRS credits for self-generation and renewables by CCAs,  
4 which you defer to Phase 2 and place the burden on CCAs  
5 to fully flesh out. But it would be nice to see that on  
6 here. I do think it's a significant issue.

7           ALJ MALCOLM: Okay. Can you refer me to the cite  
8 from the decision?

9           MR. FENN: Sorry. I can't.

10          ALJ MALCOLM: That's all right. That was a  
11 proposal made by? ]

12          MR. FENN: CalCLERA primarily, I think TURN also  
13 supported it.

14          MR. CASEY: In the narrative of the decision it is  
15 discussed on page 14.

16          ALJ MALCOLM: All right. Actually, no, I think  
17 the discussion of renewables credits -- let's go off the  
18 record.

19                   (Off the record)

20          ALJ MALCOLM: Back on the record.

21                   Two issues we discussed off the record that  
22 could be addressed in Phase 2 are credits for  
23 renewables, and risk for collection and nonpayment by  
24 CCA customers.

25                   Others?

26                   (No response)

27          ALJ MALCOLM: I mean there are obviously many  
28 small subissues that come under operations in CCA

1 services that will be in the tariffs that I haven't  
2 listed here and that parties may propose.

3 MR. DE SNOO: Your Honor, I think it would be  
4 helpful to have a discussion of the PGC filings in this  
5 process because, as it is proposed in the energy  
6 efficiency process, it would be very cumbersome to  
7 administer those funds for CCAs as proposed in the other  
8 docket. We might want to look at that.

9 THE REPORTER: What is your name, sir?

10 MR. DE SNOO: Neal DeSnoo for the City of  
11 Berkeley.

12 THE REPORTER: Thank you.

13 ALJ MALCOLM: So Mr. DeSnoo, I don't quite  
14 understand. Are you suggesting that we remove the  
15 discussion of PGC funds from the energy efficiency order  
16 and have the issue moved over here?

17 MR. DE SNOO: That order suggested that -- I  
18 forget the exact wording. But the structure that may be  
19 proposed there for CCAs, I don't think they used the  
20 word "problematic," but it may need to be revisited for  
21 CCAs. Because it seems a utility administration of all  
22 PGC funds so they can be integrated into the utility's  
23 procurement process.

24 ALJ MALCOLM: Right.

25 MR. DE SNOO: The CCAs insist they have their own  
26 procurement process. So there is a mismatch in the  
27 logic there.

28 ALJ MALCOLM: Okay. But just procedurally do you

1 think it is not appropriately handled in the other  
2 docket?

3 MR. DE SNOO: I think they punted it here.

4 ALJ MALCOLM: So you think they are moving it over  
5 here?

6 MR. DE SNOO: I don't think they moved it, but  
7 they said it might be worthwhile revisiting here. They  
8 didn't complete it. They didn't really make any final  
9 conclusions on it. They kind of left it open-ended.

10 MR. COMO: Your Honor, maybe I can suggest that  
11 whatever the decision is passed on Thursday, it can  
12 speak for itself, to the extent we can do it.

13 ALJ MALCOLM: If it is open-ended and parties want  
14 to address it here, that is fine. If the Commission  
15 resolves it, then we will go with however the Commission  
16 resolved it.

17 MR. NELSON: I was just trying to establish a  
18 balance between the first, second items and the last  
19 item. During the detailed processes phase that seemed  
20 like that included some cost structure for elective  
21 services. The utilities are required to provide some  
22 services, some services they may elect to offer.

23 ALJ MALCOLM: Right.

24 MR. NELSON: How can we balance the tariffs that  
25 are coming out from the utilities? Will it indicate  
26 what they will be doing and the corresponding charge for  
27 required services? And will they also differentiate  
28 between elected services, what that covers and what the

1 cost will be?

2 THE REPORTER: Your name, sir?

3 MR. NELSON: Michael Nelson.

4 THE REPORTER: Thank you.

5 ALJ MALCOLM: Do the utilities want to answer that  
6 as to what they are going to propose? I presume the  
7 tariffs distinguish between what is a required service  
8 and what is an optional service.

9 MR. SZYMANSKI: Paul Szymanski.

10 Yes, they will be delineated as required, or  
11 optional, in some appropriate fashion.

12 MR. NELSON: Okay.

13 ALJ MALCOLM: Anything else?

14 MR. NELSON: I guess procedurally though how does  
15 that work from a tariff standpoint? A tariff is an  
16 established open-ended contract, if you will. Does that  
17 mean the elective services or competitive services the  
18 utilities will be offering should also be in the tariff  
19 or somewhere else procedurally from a legal standpoint  
20 from the Commission rulings?

21 ALJ MALCOLM: No. It should be in a tariff. I  
22 would like it all in a tariff.

23 Which gets me to something I was going to  
24 say earlier. I want to make sure whatever the utilities  
25 are proposing in the tariff it is explained in the  
26 testimony. I presume you are going to do that, but I  
27 want to make that clear. Tariffs are difficult for most  
28 of us to navigate in a proceeding like this, so having

1       them summarized and described will be good by issue  
2       area.

3               MR. SZYMANSKI:   Your Honor, we are prepared to do  
4       that type of thing.   We wanted to explore possibly a  
5       schedule that looks a little bit different from the  
6       schedule that you proposed, that would afford more  
7       discussion and would allow the opportunity to resolve  
8       some of these issues potentially without hearings.

9               ALJ MALCOLM:   That would be great.

10              MR. SZYMANSKI:   That certainly has its trade-offs  
11       with timing and other things.   We're happy to present  
12       what we have in mind, if this is an appropriate time  
13       right now?

14              ALJ MALCOLM:   Sure.

15              MR. SZYMANSKI:   Subsequent to the February 14th  
16       tariff submittals, the utilities were contemplating that  
17       on February 28th, two weeks later, that parties may file  
18       comments on any and all aspects of what we have  
19       presented on the 14th so that there is a record going  
20       into the ensuing proceedings as to the major issues that  
21       people have concern with.

22              Then following that filing the utilities were  
23       proposing as many as four workshops, it could be fewer,  
24       it could be more.   But we roughed it out as follows:   On  
25       March 8th we are proposing to present a workshop on the  
26       tariffs that we filed and try to answer as many  
27       questions as were raised in the comments that were  
28       submitted and discussed, and anything else of course

1 that parties and the Commission want to discuss.

2 On March 9th we propose separate workshop on  
3 the open season and open season like type issues related  
4 to procurement process.

5 Then we propose further workshops beginning on  
6 March 22nd beginning with -- and that day we had a  
7 number of potential candidates for topics, one was  
8 information issues, one was CRS issues that would be  
9 remaining, switching or reentry issues and vintaging.

10 On March 23rd we thought of a different type  
11 of workshop that would include discussion of the  
12 implementation plan and consumer protection issues.

13 Again, on all of these dates and the topics we  
14 are quite flexible, but we were trying to afford  
15 opportunities for discussion and coordination and the  
16 hopeful elimination of some issues before we go to  
17 hearings.

18 ALJ MALCOLM: That would be great.

19 MR. SZYMANSKI: Then we thought that we would take  
20 an assessment on March 31st in a new prehearing  
21 conference. And at that point we would either have  
22 eliminated issues, or we would have relegated them to a  
23 testimony hearing type of process. And at that point we  
24 would set testimony filing dates and hearing dates.

25 ALJ MALCOLM: Let me ask you: When you refer to  
26 the February 14th date, are you proposing to present  
27 testimony, or just the tariffs, or tariffs with  
28 summaries?

1           MR. SZYMANSKI: Well, on the 14th, at this point,  
2 we hadn't proposed testimony because testimony, to our  
3 way of thinking, is contemplating hearings in a  
4 litigation process. We were hoping to have a tariff  
5 filing that was responsive particularly to the ordering  
6 paragraphs and the details that are contained therein,  
7 and then to allow further discussion to take place in  
8 the comments and in the workshops. We did a similar  
9 thing with respect to the strawperson last March. That  
10 was a large three-utility effort that produced, I  
11 thought, a very productive workshop that followed. It  
12 certainly eliminated a lot of discussion that we would  
13 otherwise have had during the hearings in Phase 1. As  
14 it turned out, the detailed processes of strawperson was  
15 largely not controversial due to the informal  
16 discussions that took place. We propose the same sort  
17 of thing with respect to the tariffs.

18           ALJ MALCOLM: Yes, ma'am.

19           MS. BERLIN: Susie Berlin here.

20           I believe that we would be better served by  
21 the tariff submittal followed by the workshop on  
22 presentation before the CCAs are filing any comments. I  
23 think that that would save time. Because our  
24 comments -- maybe this isn't entirely clear items could  
25 be cleared up maybe with just one question during a  
26 workshop. So I think before any further filings are  
27 done by the CCAs that we would also benefit from a  
28 workshop presentation of what the tariffs are.

1           MR. HUARD: Your Honor, I would like to echo that  
2 comment, a couple of things. Obviously, the utilities  
3 hadn't shared this with us, the dates. We would have to  
4 check. A couple of things in particular, as we  
5 discussed earlier, the thing that is going to take us  
6 the most amount of time to look at is the tariff. As  
7 you yourself recognized reading tariffs is not fun or  
8 easy. In organizing -- we had also looked at having a  
9 workshop before we filed comments. If there was  
10 something we just didn't understand, that they can  
11 explain, obviously it doesn't need to be put in  
12 comments. Whereas, if we start with a comment process  
13 there could be a great deal of early disagreement that  
14 isn't necessary.

15           ALJ MALCOLM: Right. I agree with that. And I  
16 want to minimize the rounds of written documents that  
17 people have to produce here. And to that end, I'm  
18 hoping, well, I'm probably going to direct the utilities  
19 to provide summaries of those tariffs with the tariffs  
20 because they are so difficult to understand. I imagine  
21 they are going to be pretty big. Some of the parties  
22 here aren't going to care about many portions of those  
23 tariffs. Just to have something that is easy to refer  
24 to, that is in plain, simple language would be really  
25 good. And I think it would facilitate any subsequent  
26 discussions you have as well.

27           MR. HUARD: Your Honor, could I hopefully expand  
28 that discussion? And that -- one of the things we have

1 looked at in this proceeding is how these tariffs may  
2 differ from direct access tariffs. If they could,  
3 either by way of redlining or explanation or whatever,  
4 provide us sort of the highlights on where we have the  
5 biggest differences.

6 ALJ MALCOLM: Since most of the parties are  
7 familiar with the direct access tariffs?

8 MR. HUARD: Yes, your Honor. Considering the  
9 history we have in the orders on borrowing of direct  
10 access as being an appropriate approach.

11 ALJ MALCOLM: Let's go off the record.

12 (Off the record) ]

13 ALJ MALCOLM: We will be back on the record.

14 While we were off the record we tentatively  
15 decided that the utilities would still submit their  
16 tariff proposals on February 14th, they would follow up  
17 on February 21st with summaries of the tariffs. And the  
18 parties may submit informal comments or questions about  
19 the tariffs by the 28th and by way of e-mail.

20 We will set up five workshops on five broad  
21 topics: One, tariffs generally; two, open season  
22 procedures; three, CRS vintaging of forecasts; four,  
23 implementation plan and consumer protection; and five,  
24 the issue of in-kind power liabilities and credits.

25 We will have a prehearing conference at the  
26 end of the workshops. And I may schedule some check-in  
27 meetings that include me during the in-kind workshop so  
28 I understand where things are at. We will plan on

1 hearings in mid-May.

2 I would like to hear from the parties in the  
3 next day or two about their schedules in March. And I  
4 will issue a ruling that memorializes all of this and  
5 provides more firm dates in the next week or so.

6 I do appreciate everybody being so prepared  
7 today. I'm pretty comfortable things are going on work  
8 out well.

9 Is there anything else?

10 (No response)

11 ALJ MALCOLM: If not, we are adjourned. Thank  
12 you.

13 (Whereupon, at the hour of 12:05  
14 p.m., this prehearing conference  
concluded.)

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