

STATE OF RHODE ISLAND AND PROVIDENCE PLANTATIONS

**PUBLIC UTILITIES COMMISSION**

IN RE: NARRAGANSETT ELECTRIC COMPANY

TRANSMISSION ADJUSTMENT FACTOR DOCKET NO. 3031  
RATE RECONCILIATION SURCHARGE

REPORT AND ORDER

On March 2, 2000, Narragansett Electric Company (the “Company” or “Narragansett”) filed with the Public Utilities Commission (“Commission”) an increase in the Transmission Adjustment Factor (“TAF”) from .068¢ per kWh to .270¢ per kWh to become effective on April 1, 2000.<sup>1</sup> In the filing Narragansett is also seeking approval to add \$275,513 of miscellaneous credits and over-collections from 1999 to the Standard Offer Adjustment Provision balance.<sup>2</sup>

A public hearing was held at the Commission’s office on May 10, 2000. The following appearances were entered:

FOR THE COMPANY	Ronald T. Gerwadowski, Esq.
FOR THE DIVISION	Elizabeth Kelleher, Esq. Special Assistant Attorney General
FOR THE COMMISSION	Lindsay Johnson, Esq. Special Counsel
FOR TEC-RI	Andrew J. Newman, Esq. Rubin and Rudman, LLP

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<sup>1</sup> Subsequent to the filing Narragansett merged with Blackstone Valley Electric Company and Newport Electric Corporation. Order No. 16,200, dated March 24, 2000. The TAF provides that the TCA shall be separately determined for the Customers in the Narragansett, Blackstone and Newport zones. In other words, the TAF proposed in this filing would be charged only to the customers in the Narragansett zone.

<sup>2</sup> The Standard Offer Adjustment Provision reconciles the Standard Offer revenues billed to customers with the payments to suppliers of Standard Offer service and provides for the recovery or return of any difference. Order No. 15521, dated July 10, 1998 at p. 12.

## I. BACKGROUND

On November 15, 1999, Narragansett filed three proposed rate changes with the Commission to become effective on January 1, 2000. The proposed rate changes included: (i) an increase in the Company's retail Standard Offer Service Rate from 3.5¢ per kWh to 3.8¢ per kWh<sup>3</sup>; (ii) an increase in the Company's Transmission Adjustment Factor from .068¢ per kWh to .095¢ per kWh; and (iii) the elimination of the Rate Reconciliation Factor of .028¢ per kWh that had been in effect during calendar year 1999.<sup>4</sup> The filing also included a proposal to add \$582,159 of credits and overcollections to the Standard Offer Adjustment Balance.<sup>5</sup>

On December 17, 1999 the Commission issued an Order allowing the increase in the Standard Offer Rate from 3.5¢ to 3.8¢ per kWh and the elimination of the Rate Reconciliation Factor of .028¢ per kWh.<sup>6</sup> The Commission, however, denied the proposed change to the Transmission Adjustment Factor<sup>7</sup> and the addition of the credits and overcollections to the Standard Offer Adjustment balance.<sup>8</sup> In its Order, the Commission directed the Company to file, on or before March 1, 2000, (i) a reconciliation of the revenues and expenses for the Transmission Adjustment Factor for calendar year 1999, and (ii) a Rate Reconciliation Surcharge based upon the actual data for calendar year 1999, and (iii) rate adjustments consistent with such reconciliations.<sup>9</sup>

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<sup>3</sup> Because the Last Resort Service rate is tied to the Standard Offer Rate, the rate for Last Resort Service would also be increased to 3.8¢ per kWh.

<sup>4</sup> Order No. 16071 (Docket No. 3031) dated December 17, 1999 at p. 1.

<sup>5</sup> Id. at p. 6.

<sup>6</sup> Id. at p. 7.

<sup>7</sup> Id. at pp. 6-7.

<sup>8</sup> Id.

<sup>9</sup> Id.

The instant filing, consisting of two reconciliations and a proposed increase in the Transmission Adjustment Factor to .270¢ per kWh, represents the Company's response to the Commission's December 17, 1999 Order.

The Company presented two witnesses in support of the updated proposed rate changes. Mr. James G. Whitehead, Senior Rate Analyst for New England Power Service Company, presented an estimate of transmission costs for the year 2000.<sup>10</sup>

Mr. James M. Molloy, Senior Rate Analyst for New England Power Service Company, presented the computations of the TAF and the \$275,513 of miscellaneous credits and overcollections.<sup>11</sup>

## **II. TRANSMISSION ADJUSTMENT FACTOR**

The Company's tariffs contain a Transmission Service Cost Adjustment Provision that provides:

[The Company may]. . . collect from customers transmission costs billed to The Narragansett Electric Company (Narragansett or the Company) by entities such as the New England Power Company, by any other transmission provider, and by regional transmission entities such as the New England Power Pool, a regional transmission group, an independent system operator or any other entity that is authorized to bill Narragansett Electric directly for transmission services.

The transmission service cost adjustment shall be a uniform cents per kilowatthour factor applicable to all kilowatthours delivered by the Company. The factor shall be established annually based on a forecast of transmission costs, taking into account revenues that will be received from base rate transmission charges, and shall include a full reconciliation and adjustment for any over- or under-recoveries of transmission costs incurred during the prior year.

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<sup>10</sup> NEC Ex. 3.

<sup>11</sup> Id.

Mr. Whitehead presented an updated estimate of \$29 million for the cost of transmission expenses for the year 2000.<sup>12</sup> This estimate is approximately \$4.7 million higher than the estimate filed in November 1999.<sup>13</sup> The increase is largely attributable to additional costs associated with the New England Power Pool (“NEPOOL”) transmission services, including ISO New England (“ISO”) Transmission Tariff Expenses of \$2.2 million and Transmission Congestion Charges of \$2.3 million.<sup>14</sup>

The ISO Tariff Expenses of \$2.2 million represent expenses to be incurred by the ISO including market restructuring expenses, energy and reliability administration and certain uplift expenses.

The ISO Congestion Charges represent a new allocation of the costs associated with transmission capacity shortages. These costs are incurred when low-cost energy can not be transmitted to or through an area and higher cost “out of merit” local generation is called upon to generate and deliver the energy.<sup>15</sup> Under the revised NEPOOL Agreement these incremental costs are allocated to all transmission customers throughout New England.<sup>16</sup>

Mr. Molloy combined Mr. Whitehead’s cost estimate with the 1999 TAF under-collection (including interest) to arrive at the requested TAF:

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<sup>12</sup> Ex. NEC-3, pp. 88-98. All page references are to the page numbers on the lower right side of the pages.

<sup>13</sup> Order No. 16071 (Docket No. 3031) dated December 17, 1999 at p. 4.

<sup>14</sup> Ex. NEC-3, p. 106.

<sup>15</sup> Tr. 5/10/00, pp. 78-79.

<sup>16</sup> Ex. NEC-3, pp. 80-81.

## COMPUTATION OF TRANSMISSION ADJUSTMENT FACTOR

Estimated Transmission Expenses for 2000	\$29,139,026 <sup>17</sup>
1999 Undercollection with Interest	<u>\$ 4,144,071</u> <sup>18</sup>
Total Expense to be Recovered	\$33,283,097
Estimated Sales for 2000	5,073,821,844 <sup>19</sup>
Cost per kWh	\$0.00656
Less Expense per kWh Recovered in Base Rates	<u>\$0.00386</u> <sup>20</sup>
New Transmission Adjustment Factor per kWh	<u>\$0.00270</u>

Mr. Molloy testified that the Company received<sup>21</sup> a refund of \$1,651,988 related to the NEPCO FERC Transmission Tariff No. 9 billings subject to refund for the period September 1997 through September 1998.<sup>22</sup> The Company claims that it can retain this refund because the performance based rate (“PBR”) provisions under the Utility Restructuring Act of 1996, as amended<sup>23</sup> (the “URA”),<sup>24</sup> prohibited recovery of transmission cost increases during this period.<sup>25</sup> According to Mr. Molloy’s calculations, the Company was not allowed to recover “over \$5.4 million of incremental transmission costs” in 1997 and 1998.<sup>26</sup> Because the Company could not recover these increased costs,

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<sup>17</sup> Id., p.102.

<sup>18</sup> Id. p. 22.

<sup>19</sup> Id., p. 19.

<sup>20</sup> Id., p. 19.

<sup>21</sup> In the NEPCO December 1999 bill, the Company was credited with the refund. Ex. D-3-1. “The Company recognized that there was some degree of uncertainty regarding its ability to retain this refund. For that reason, the Company made the appropriate judgment to not recognize the refund in income until such uncertainty was resolved. Ex. Div.-3, D-2-2.

<sup>22</sup> Ex. NEC-3, p. 9.

<sup>23</sup> R.I.G.L. §39-1-27.3.

<sup>24</sup> R.I.G.L. §39-1-27.5(a).

<sup>25</sup> To hold overall rate increases to the level of inflation during the transition to a competitive electric market, the URA placed a moratorium on general rate increases allowed PBR rate increases at the rate of inflation. Id. For a more detailed description of the PBR provisions of the URA see section V.B., infra.

<sup>26</sup> Ex. NEC-3, p. 10.

Mr. Molloy reasoned that it should be allowed to retain any portion of such costs that were subsequently refunded.<sup>27</sup>

### III. RATE RECONCILIATION SURCHARGE

The Company has accumulated credits and net over-collections of \$275,513 as of December 31, 1999.<sup>28</sup> The following items comprise this balance:

Cumulative Standard Offer Under-Collection with Interest	\$ 13,094
Cumulative Last Resort Service Under-Collection with Interest	\$103,143
Streetlighting Refund to Customers	(\$832,157)
Cumulative Transition Charge Under-Collection with Interest	\$196,356
Balance of Performance Standards Reward	\$606,427
Over-Collection of 1999 Rate Surcharge	<u>(\$362,376)</u>
Total Credit to Customers	<u>(\$275,513)</u>

The Company proposes that it be allowed to credit this over-collection to the Standard Offer Adjustment Provision balance where it would earn interest at the interest rate allowed on customer deposits pending subsequent reconciliation.

### IV. THE DIVISION'S POSITION

The Division presented the testimony of Dr. John Stutz of Tellus Institute.<sup>29</sup> Dr. Stutz summarized his testimony as follows:

1. The Company is proposing to retain a transmission-related refund of \$1.7 million [\$1,651,988]<sup>30</sup>, arguing that this refund provides a partial offset to transmission costs it absorbed in 1997 and 1998. The Company's claim that it

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<sup>27</sup> Id.

<sup>28</sup> Id., p. 41.

<sup>29</sup> Ex. Div.-1.

<sup>30</sup> Ex. Div.-1, JS-2, line 2.

absorbed transmission costs is not correct. Therefore, the Company should not retain the refund.

2. The Company's transmission expenses for 1999 include approximately \$1.3 million [\$1,269,432]<sup>31</sup> in NECO ISO Tariff Expenses ("ISO Tariff Expenses") which the Company claims should be borne by its Standard Offer suppliers. Additionally, \$2.2 million [\$2,176,169]<sup>32</sup> in forecast ISO Tariff Expenses are included in the proposed TAF. Consideration of all ISO Tariff Expenses should be deferred until resolution of the ongoing dispute between the Company and its Standard Offer Suppliers.
3. The Company's proposed TAF reflects costs for NECO ISO Congestion Charges ("Congestion Charges"). Due in part to the difficulty in obtaining information from ISO New England, these Congestion Charges are currently in dispute. The Commission could defer recovery of the Congestion Charges. However, the available evidence supports inclusion of Congestion Charges in the TAF.<sup>33</sup>

Acceptance of Dr. Stutz's recommendations would reduce the proposed TAF from the amount of .270¢ per kWh proposed by the Company to .165¢.<sup>34</sup>

## V. FINDINGS

The Division has proposed two adjustments to the Company's proposed TAF. The first adjustment would defer recovery of \$3,500,000<sup>35</sup> of ISO Tariff Expenses until "the ongoing dispute between the Company and its Standard Offer Suppliers"<sup>36</sup> is resolved. The second adjustment would return the transmission-related refund in the amount of \$1,651,988 to customers.<sup>37</sup>

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<sup>31</sup> Id., line 3.

<sup>32</sup> Id., line 7.

<sup>33</sup> Ex. Div.-1, pp. 3-4.

<sup>34</sup> Id., p. 4.

<sup>35</sup> Id., p. 3.

<sup>36</sup> Id., p. 3.

<sup>37</sup> Id.

## **A. CONTESTED ISO TARIFF EXPENSES**

The Company has stated that it has no objection to deferring recovery of the ISO Tariff Expenses, as proposed by Dr. Stutz, until the dispute between the Company and its Standard Offer Suppliers is resolved.<sup>38</sup> Accordingly, the Commission finds that ISO Tariff Expenses in the amount of \$3.5 million should be removed from the calculation of the TAF.<sup>39</sup>

## **B. REFUND FROM TRANSMISSION SUPPLIER**

As noted above, in December 1999 the Company received a refund of \$1,651,988 related to the NEPCO FERC Transmission Tariff No. 9 billings (“NEPCO Transmission Refund”) which were subject to refund for the period September 1997 through September 1998.<sup>40</sup> Refunds of this type are a common transaction, and it has been well-established by the Rhode Island Supreme Court that “the company is entitled to retain that portion of the refund that represents sums which it paid from its own equity resources, together with interest thereon, and must refund to its customers the excess sums collected from them toward payment of its wholesale power supplier.”<sup>41</sup>

The Company’s claim that it is entitled to retain the NEPCO Transmission Refund presents two basic issues:

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<sup>38</sup> Tr. 5/10/00, p. 7.

<sup>39</sup> Ex. Div.-1, p. 3.

<sup>40</sup> Ex. NEC-3, p. 9.

<sup>41</sup> Blackstone Valley Electric v. Public Utilities Commission, 543 A.2d 253 (1988). It should be noted that at the time, wholesale power costs included transmission costs until they were subsequently unbundled pursuant to the URA. Reply of TEC-RI dated May 19, 2000.

- 1) Do the PBR provisions of the URA override the rule in Blackstone and require the Commission to allow Narragansett to retain NEPCO Transmission Refund?
- 2) Alternatively, assuming that the PBR provisions of the URA are not controlling, has Narragansett met its burden of proof to establish that it – and not the ratepayers – paid (from its equity resources) for the transmission expenses now being refunded?

## 1. PBR PROVISIONS OF THE URA

Narragansett first argues that the PBR provisions of the URA allow Narragansett to retain the NEPCO Transmission Refund.<sup>42</sup> To understand this claim it must first be understood that the URA mandated performance based rate<sup>43</sup> (“PBR”) increases for the Company for the years 1997 and 1998 (the “PBR Period”). To hold overall rate increases to the level of inflation during the transition to competition, the URA placed a moratorium on general rate increases during the PBR Period and, in lieu thereof, allowed the Company to increase its rates (and revenues) at the rate of inflation.<sup>44</sup> As long as the Company’s earnings on common equity were within the range of 6% to 11% measured from the respective twelve-month periods ending September 30 of each year, no other rate adjustments were to be made.<sup>45</sup> The Parties agree that Narragansett received PBR increases totaling \$18.1 million for the years 1997 and 1998.<sup>46</sup>

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<sup>42</sup> Narragansett Memo, pp. 1-7.

<sup>43</sup> Id.

<sup>44</sup> / The URA also included a provision that allowed electric distribution companies the “opportunity to incur in the aggregate an annual penalty or reward equal to one percentage point return on common equity.” R.I.G.L. §39-1-27.5(a).

<sup>45</sup> R.I.G.L. §39-1-27.5(a). Memorandum of Narragansett Electric Regarding Regulatory Treatment of 1998 Transmission Refund (“Narragansett Memo”), p. 2.

<sup>46</sup> Narragansett Memo, p. 3. Brief of the Division of Public Utilities and Carriers Regarding Regulatory Treatment of Transmission Refund (“Division Memo”), p. 3.

Narragansett argues that its right to retain the NEPCO Transmission Refund is established by the PBR provisions of the URA.<sup>47</sup> Narragansett claims that its earnings on common equity during the PBR period, after being adjusted for receipt of the refund, would not have exceeded 11% so as to trigger a refund obligation pursuant to the PBR provisions of the URA.<sup>48</sup> On this basis alone, Narragansett concludes it should be allowed to retain the NEPCO Transmission Refund. We disagree.

The essence of Narragansett's proposal is that it should be allowed to retain the refund because it did not earn the maximum lawful return during the period in which the refund obligation accrued. This proposal is contrary to the prevailing rule established by the Rhode Island Supreme Court in Blackstone Valley Electric Company.<sup>49</sup> That rule stipulates that the Company "is entitled to retain that portion of the refund that represents sums which it paid from its own equity resources."<sup>50</sup> However, Narragansett's proposal would allow the refund to be retained by Narragansett, regardless of whether (or not) Narragansett paid the expenses being refunded, because it did not earn its maximum lawful rate of return during the period in which the refund accrued.<sup>51</sup> Narragansett's proposal is a radical departure from existing law because the refund, to the extent the expenses being refunded were paid for by customers, would effectively be turned into a source of revenues to offset earnings erosion.

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<sup>47</sup> Narragansett Memo, pp. 1-7.

<sup>48</sup> Narragansett Memo, pp. 3-4.

<sup>49</sup> 543 A.2d 253 (1988).

<sup>50</sup> Id.

<sup>51</sup> Following this argument to its logical conclusion, if the Company failed to earn its allowed rate of return in a prior period, any refund subsequently received relating to that period could be retained by the Company.

There is nothing in the provisions of the URA to suggest that the Company's proposal is required to properly implement the PBR provisions of the URA. As Narragansett recognizes, the intent of the PBR provisions of the URA was to hold overall rate increases to the level of inflation during the transition to competitive rates.<sup>52</sup> There is nothing in the URA governing the rate treatment of a refund received long after the transition to competition has been completed.

Viewed differently, it is obvious that application of the PBR provisions of the URA to Narragansett, without allowance for the retention of the refund, produces results that are entirely consistent with the intent of the URA. Consistent with the statute, Narragansett increased its rates (and total revenues) in 1997 and 1998 by the prevailing rates of inflation. Narragansett's resulting rates were the maximum lawful rates under the URA and, as such, were fully compensatory unless they produced earnings of less than 6% on common equity.<sup>53</sup> Narragansett's returns on equity were 7.25%, 8.79%, 10.55% and 11.03% for the years 1996 through 1999.<sup>54</sup> The Division emphasizes that the Company's 1999 return on equity exceeded its authorized return (11.0%) and would have exceeded it by an additional .52% if the refund had been recognized as income in 1999 (when it was received).

Based upon the foregoing, the Commission rejects Narragansett's claim that the PBR provisions of the URA allow it to retain the NEPCO Transmission Refund.

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<sup>52</sup> Narragansett Memo, p. 2.

<sup>53</sup> It should be noted that the PBR provisions contain an exception for extraordinary circumstances under which the Company would be "authorized, with commission approval, to change [its] base rates to reflect factors beyond [its] reasonable control including, but not limited to, changes in federal, state and local taxes and environmental remediation costs. R.I.G.L. §39-1-27.5(a).

<sup>54</sup> Ex. Div.-2 (D-1-12), Ex. Div-3 (D-2-5).

## 2. THE BLACKSTONE RULE

Alternatively, Narragansett argues that it is entitled to retain the NEPCO Transmission Refund under the Blackstone<sup>55</sup> rule because the Company did not did not recover the transmission expenses from ratepayers [and paid such amounts from its own equity resources]. To this end the Company has attempted to trace and allocate revenues to establish that the transmission revenues received during the PBR period were not adequate to recover the transmission costs that have been refunded.<sup>56</sup>

The Division has persuasively argued that the Company's analysis is incomplete. The Division emphasizes that the Company received PBR rate increases tied to the rate of inflation and that such increases were allowed even if costs did not increase at the rate of inflation.<sup>57</sup> To the extent that some costs did not increase, the rate increase was available either to offset other costs that increased at a rate higher than the inflation rate or to increase earnings. Applying the Company's logic, the Division points out that \$10.5 million of the PBR increase was available to offset costs that increased at a rate higher than the rate of inflation and/or to increase earnings.<sup>58</sup> The validity of the Division's argument is evidenced by the fact that the Company's revenues during the PBR period were sufficient to cover not only all of its expenses, but also to enable it to realize an

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<sup>55</sup> 543 A.2d 253 (1988).

<sup>56</sup> In part, the Company argues that because the PBR rate increases were realized by increasing the Company's distribution rates, no increases in transmission rates were realized. Narragansett Memo, pp. 3,5. However, it is not the name attached to the revenues which is determinative but rather whether the total revenues received during the PBR period were compensatory. In this regard, the Company has acknowledged that increases in both wholesale rates and retail rates were designed to be recovered exclusively through the PBR adjustment during the PBR period. Ex. Div.-1, Ex. JS-1.

<sup>57</sup> R.I.G.L. §39-1-27.5(a).

<sup>58</sup> Generation costs did not increase, thus making \$10.5 million available for application to other expense increases and/or to increase earnings. Tr. 5/10/00, p. 76.

increasing return on equity within and subsequent to the PBR period. As noted above, Narragansett's returns on equity were 7.25%, 8.79%, 10.55% and 11.03% for the years 1996 through 1999.<sup>59</sup> Consequently, if the Company was able to realize a compensatory rate of return under the URA, it cannot rationally argue that any expenses during that period were unrecovered.

The Commission finds that the disposition of the refund is governed by the Blackstone<sup>60</sup> rule and that the Company has failed to establish that it – and not the ratepayers - paid for the transmission expenses now being refunded. Accordingly, the Commission finds that the NEPCO Transmission Refund should be returned to ratepayers.

### **C. COMPUTATION OF TRANSMISSION ADJUSTMENT FACTOR**

The Company's proposed TAF of .270¢ per kWh has been modified to reflect three adjustments. The first adjustment is to eliminate the ISO Tariff Expenses that are in dispute. The second adjustment is to reflect the refund credit in the amount of \$1,651,988. The third adjustment is recover the revenues lost because the TAF was not increased on the first day of January as originally requested. Because the new TAF has not been in effect for the first five months of this year, it will under-recover the adjusted expense amount by approximately \$2,114,092.<sup>61</sup> The recovery of this under-collection over the following seven months requires that the TAF be increased by \$2,959,730 or

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<sup>59</sup> Ex. Div.-2 (D-1-12), Ex. Div-3 (D-2-5).

<sup>60</sup> 543 A.2d 253 (1988).

<sup>61</sup> New TAF of .168¢ per kWh less present TAF of .068¢ per kWh = .001¢ x ((5,073,821,844 kWh / 12) x 5) = \$2,114,092

.07¢ per kWh.<sup>62</sup> The adjusted new TAF (.168¢ + .07¢) is .238¢ per kWh computed as follows:

Proposed Expenses to be Recovered	\$33,283,097 <sup>63</sup>
Less: ISO Tariff Expenses	\$ 3,500,000 <sup>64</sup>
NEPCO Transmission Refund	<u>\$ 1,651,988</u>
Adjusted Expense to be Recovered	\$28,131,109
Estimated Sales for 2000	5,073,821,844 <sup>65</sup>
Cost per kWh	\$0.00554
Less Expense per kWh Recovered in Base Rates	<u>\$0.00386<sup>66</sup></u>
New Transmission Adjustment Factor per kWh	\$0.00168
Plus Amortization of Under-recovery per kWh	<u>\$0.00070</u>
Adjusted TAF	<u>\$0.00238</u>

The Company is directed to file monthly a report showing a reconciliation of the transmission revenues and expenses and reconciling balance of the transmission expense recovery.

The Adjusted TAF of \$.00238 per kWh applies only to the sales to customers in the Narragansett zone and will not change the TAF billed to customers in the Blackstone and Newport zones. Accordingly, the company must make the necessary adjustments to the Transmission Adjustment Credits for the Blackstone and Newport Zones.

<sup>62</sup> \$2,114,092 / Projected 2000 sales of 2,959,729,300 ((5,073,821,844kWh / 12) x 7) = .0007¢.

<sup>63</sup> See schedule on p. 5.

<sup>64</sup> Ex. Div.-1, p. 3. \$3,500,000 has been rounded from the actual number of \$3,445,601. Div.-3, JS-2, lines 3, 7.

<sup>65</sup> Ex. NEC-3, p. 19.

<sup>66</sup> Id., p. 19.

Accordingly, it is:

(16275) ORDERED:

1. That a Transmission Adjustment Factor of \$0.00238 is approved for ratepayers in the Narragansett zone effective with billings on and after June 1, 2000.
2. That the Company's proposal to add accumulated credits and net over-collections of \$275,513 to the Standard Offer adjustment Provision balance is approved.
3. That the Company shall comply with all other findings and instructions contained in this Report and Order.

EFFECTIVE AT PROVIDENCE, RHODE ISLAND PURSUANT TO OPEN MEETING DECISIONS ON MAY 25 AND MAY 31, 2000. WRITTEN ORDER ISSUED MAY 31, 2000.

PUBLIC UTILITIES COMMISSION

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Kate F. Racine, Commissioner

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Brenda K. Gaynor, Commissioner