BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

Application of Pacific Gas and Electric Company (U 39-E) for Authority to Sell Certain Generating Plants and Related Assets Pursuant to Public Utilities Code Section 851.

In the matter of the application Southern California Edison Company (U 338-E) for Authority to Sell Gas-Fired Electrical Generation Facilities. Application 96-11-020 (Filed November 15, 1996)

Application 96-11-046 (Filed November 27, 1996)

ASSIGNED COMMISSIONERS' RULING

On June 3, 1997, the Commission's Energy Division published for a 30-day public review and comment period Draft Initial Studies for the divestiture applications of Pacific Gas and Electric Company (PG&E) to sell four plants and Southern California Edison Company (Edison) to sell twelve plants. These Draft Initial Studies reflected a preliminary analysis of the potential significant environmental impacts that may result from the plant sales contemplated by each of the divestiture applications. During the review period, PG&E withdrew its request to sell its Hunters Point plant, so that its application now involves only three plants.

The Commission received numerous written comments on the Draft Initial Studies and has carefully reviewed those comments. Having considered the information within the Draft Initial Studies and the comments received thereon, and in light of the Energy Division's further refinement of the preliminary analysis contained within the Draft Initial Studies, we have determined that there is no substantial evidence that the proposed plant sales will generate significant environmental impacts that cannot be mitigated. Accordingly, as to each of the applications, we direct the Energy Division to prepare a Mitigated Negative Declaration for circulation to the public and affected agencies, and for ultimate consideration by the Commission,

provided that the applicants have agreed to revisions in the project plans that would avoid or mitigate significant environmental effects to a less than significant level.

THEREFORE, IT IS RULED that:

- 1. At the earliest feasible date following this Ruling, but no later than August 25, 1997, the Energy Division shall publish a Proposed Mitigated Negative Declaration with the final Initial Study for each application, and circulate it for public and agency review as prescribed in the Commission's Rule 17.1.
- 2. Comments on the Proposed Mitigated Negative Declarations shall be accepted by the Energy Division for 30 days from the date of publication.
- 3. At the earliest feasible date thereafter, the Energy Division shall prepare Final Mitigated Negative Declarations for adoption by the Commission in these two proceedings.

Dated July 31, 1997, at San Francisco, California.

O/S
P. Gregory Conlon
Commissioner

O/S
Richard A. Bilas
Commissioner

CERTIFICATE OF SERVICE

I certify that I have by mail this day served a true copy of the original attached Assigned Commissioner's Ruling on all parties of record in this proceeding or their attorneys of record.

Dated July 31, 1997, at San Francisco, California.

O/S	
Yvonne Halligan	