

September 14, 1989

REPORT TO THE COMMITTEE OF THE WHOLE

RECOMMENDATIONS CONCERNING HEARINGS ON THE PROPOSED MERGER OF
SAN DIEGO GAS & ELECTRIC COMPANY ("SDG&E") AND SOUTHERN CALIFORNIA
EDISON COMPANY ("SCE")

On April 12, 1989, a Special Meeting of the Committee on Rules, Legislation and Intergovernmental Relations adopted a resolution, pursuant to the provisions of San Diego Municipal Code Section 22.0101.24, providing guidelines and procedures for fact-finding hearings concerning the proposed merger between SDG&E and SCE and referred the matter to the Committee of the Whole. A copy of that resolution is attached as Enclosure (1) to this report.

On August 30, 1989, Mayor O'Connor issued a Notice of Special Meetings of the Committee of the Whole to be convened at 2:00 p.m., Thursday, September 14, and Thursday, October 12, 1989. A copy of that Notice is attached as Enclosure (2) to this report.

On August 31, 1989, City Attorney John W. Witt, in response to a request from Mayor O'Connor, issued Opinion No. 89-2 regarding the transferability of the franchises heretofore issued to SDG&E for use of the public rights-of-way for the transmission and distribution of gas, electricity and steam as it relates to this proposed merger. A copy of the opinion is attached as Enclosure (3) to this report.

You meet today to commence the fact-finding hearings pursuant to the resolution of the Rules Committee and the Mayor's call.

Recognizing that there is no set format for hearings of this nature but further recognizing the need to hold full and open hearings on these issues giving due process to all concerned, we suggest that you do not take any substantive testimony today. We recommend that you consider the format set forth on the docket for a substantive hearing on October 12, with time allocations as indicated. At the conclusion of that hearing you may wish to conduct further hearings to develop additional evidence and,

depending on the nature of the testimony on October 12, we and/or the City Manager may have recommendations concerning additional testimony or evidence.

Respectfully submitted,
JOHN W. WITT
City Attorney

CMF:wk(x043.1)

Enclosures
RC-89-35