

BEFORE THE PUBLIC UTILITIES COMMISSION
OF THE STATE OF CALIFORNIA



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In the Matter of the Application of Golden State Water Company, on Behalf of its Bear Valley Electric Service Division (U913E), for Approval of Costs and Authority to Increase General Rates and Other Charges for Electric Service by Its Bear Valley Electric Service Division

Application 12-02-013
(Filed February 16, 2012)

**RESPONSE OF THE DIVISION OF RATEPAYER ADVOCATES
TO THE MOTION TO REOPEN THE RECORD**

I. INTRODUCTION & SUMMARY OF RECOMMENDATIONS

Pursuant to Rule 11.1 of the Commission's Rules of Practice and Procedure, and the schedule set by Administrative Law Judge Seaneen M. Wilson, the Division of Ratepayer Advocates (DRA) submits this Response to the Motion of Golden State Water Company (BVES) to Reopen the Record (Motion). DRA neither opposes nor supports the request to reopen the record; the Motion contains insufficient information for DRA to make either recommendation. If the Commission decides to reopen the record in this proceeding, then DRA includes below its recommendations for scheduling discovery, additional testimony, evidentiary hearings, and briefs.

II. DISCUSSION

The Commission's Rule 13.14 provides that:

A motion to set aside submission and reopen the record for the taking of additional evidence ...shall specify the facts claimed to constitute grounds in justification thereof, including material change of fact or of law alleged to have occurred since the conclusion of the hearing. It shall contain a brief statement of proposed additional evidence and explain why such evidence was not previously adduced.¹

¹ Rule 13.14(b)

The Motion of BVES to Reopen the Record recites some opinions of a consultant about the safety of poles and lines along Big Bear Boulevard, but it includes no specific facts to support those opinions. The nearest the Motion gets to specifying the facts claimed to constitute grounds to reopen the record is the following:

.... based on the results of the studies of 55 of the 111 poles along Big Bear Boulevard by the Consultant, 54 of the 55 tested poles failed to meet the requirements of Rule 44.3 of GO 95 to have poles that have safety factors that are no less than two-thirds of the applicable construction safety factors specified in Rule 44.1 of GO 95.²

Nothing in the Motion identifies which poles are non-compliant for which reasons, or what tests were performed to make that determination. In fact, there is nothing in the Motion to explain how the consultant arrived at any of the unsupported conclusions in the two paragraphs that are apparently intended to specify the facts that justify reopening the record.

The timing of this Motion is, to say the least, curious. One of the most contentious issues in this case is the proposal of the utility to convert the electrical system along Big Bear Boulevard from overhead to underground. This project will substantially increase the BVES rate base on which the utility's shareholders will earn a hefty return.

In its direct and rebuttal testimony, the utility argued for approval of the undergrounding of Big Bear Boulevard because underground facilities have a "longer projected useful life..." underground facilities "...provide the community with enhanced safety and reliability because underground conduit is less subject to weather elements and damage to poles from vehicles,"³ and then, finally, that "the underground project provides esthetic benefits along the main street of Big Bear, a community that relies heavily on tourism."

DRA opposed ordering ratepayer funding of this extremely expensive project in this rate case cycle. The middle of a recession is hardly the time to ask ratepayers to shoulder additional costs for a project that is not necessary and with no evidence that anyone, other than the utility, is in favor of it.⁴

² Motion, p. 2.

³ Ex. BVES-20A.

⁴ Ex. DRA-11, p. 30.

Now, at the eleventh hour, the utility asks to reopen the record on this one issue. The timing of the Motion and the dearth of information in it give the appearance of an attempt to bolster a weak case by playing the safety card.

If this is indeed a safety issue, then DRA agrees that it should be addressed at once and the Commission's Consumer Protection and Safety Division (CPSD) should be informed and be provided immediate access to conduct its own investigation. If, the Commission decides to reopen the record, DRA recommends that, within five days of the ruling, the utility be ordered to provide all parties with every report or other documentation BVES relied on as the basis for filing this Motion. All reports and/ or documentation should be provided to CPSD as well.

In addition, BVES should be required to submit sworn supplemental testimony setting forth all the evidence it has on the condition of the poles and/ or other facilities that are the subject of this Motion. Parties should be given adequate time to conduct discovery and submit their own testimony on the issue. At this point, DRA assumes that there will be material issues of disputed fact, and asks that any schedule include time for evidentiary hearings and briefs.

The schedule below is intended to take into account the holiday season, and the fact that DRA witnesses on this case have assignments on other cases that will now be overlapping because of Bear Valley's delay. Moreover, if it is necessary for DRA to seek the assistance of an outside consultant, it will need several months to do so.

BVES Report/ Documentation	within 5 days of a ruling on the Motion
BVES Supplemental Testimony	January 4, 2013
DRA/Intervenor Testimony	March 18, 2013
Rebuttal Testimony	March 28, 2013
Hearings	April 15, 2013
Opening Briefs	May 6, 2013
Reply Briefs	May 13, 2013

DRA notes that, at this point, it has no idea what sort of documentation or testimony BVES will offer. If BVES' Motion is granted, DRA may request a different schedule when it has had a chance to review the testimony.

III. CONCLUSION

Given the limited information in the Motion to Reopen the Record, DRA neither supports nor opposes the Motion at this time. DRA is concerned, however, about the statements BVES has made about the safety of these facilities. DRA, therefore, recommends that if the Commission reopens the record a schedule be set that allows all parties and CPSD sufficient time to make a full investigation of BVES's claims.

Respectfully submitted,

/s/ LAURA TUDISCO

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