

Decision _____

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

Application of Pacific Gas and Electric Company for Expedited Authorization to Change Residential Rates Effective January 1, 2010, as Permitted by Newly Enacted Public Utilities Code Section 739.9 (U39E)

Application 09-10-013
(Filed October 14, 2009)

And Related Matters.

Application 09-10-014
Application 09-10-015

**DECISION GRANTING INTERVENOR COMPENSATION
TO THE UTILITY REFORM NETWORK
FOR SUBSTANTIAL CONTRIBUTION TO DECISION 11-12-037**

Claimant: The Utility Reform Network	For contribution to D.11-12-037
Claimed (\$): \$16,892	Awarded (\$): \$16,922
Assigned Commissioner: Michael R. Peevey	Assigned ALJ: Thomas R. Pulsifer

PART I: PROCEDURAL ISSUES

A. Brief Description of Decision:	<p>The decision grants a petition for modification of Decision (D.) 09-12-048 filed by Southern California Edison Co. (SCE) to allow SCE: (1) on a prospective basis, to increase its residential customer charges by the same annual percentage authorized for Tier 1 volumetric rates under Public Utilities Code Sections 739.9(a) and 739.1(b)(2); and (2) to adjust its composite baseline rate more than once per year based on changes to its system average rate (SAR) under the two following circumstances: (a) if a reduction to the SAR requires a reduction to the composite baseline rate in order to maintain compliance with Section 739.9(b); or (2) if an increase to the SAR resulting from a decision issued after January in a general rate case (GRC) or an Energy Resource Recovery Account (ERRA) proceeding allows an increase to the composite baseline rate, and the composite baseline rate was previously limited by Section 739.9(b) to less than the increase permitted by Section 739.9(a) in that same year. The decision adopted conditions proposed by The Utility Reform Network (TURN) on the modifications requested by SCE.</p>
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B. Claimant must satisfy intervenor compensation requirements set forth in Public Utilities Code §§ 1801-1812:

	Claimant	CPUC Verified
Timely filing of notice of intent to claim compensation (NOI) (§ 1804(a)):		
1. Date of Prehearing Conference (PHC):	None	Yes
2. Other Specified Date for Notice of Intent (NOI):	See Section C-1 Comments below	
3. Date NOI Filed:	February 12, 2010	Yes
4. Was the NOI timely filed?		Yes
Showing of customer or customer-related status (§ 1802(b)):		
5. Based on Administrative Law Judge (ALJ) ruling issued in proceeding number:	Application (A.) 09-09-013 (verified in D.10-05-012)	Yes
6. Date of ALJ ruling:	January 7, 2010 (verified in D.10-05-012)	Yes
7. Based on another CPUC determination (specify):		
8. Has the Claimant demonstrated customer or customer-related status?		Yes
Showing of "significant financial hardship" (§ 1802(g)):		
9. Based on ALJ ruling issued in proceeding number:	A.08-05-023 (verified in D.10-05-012)	Yes
10. Date of ALJ ruling:	April 22, 2009 (verified in D.10-05-012)	Yes
11. Based on another CPUC determination (specify):		
12. Has the Claimant demonstrated significant financial hardship?		Yes
Timely request for compensation (§ 1804(c)):		
13. Identify Final Decision:	D.11-12-037	Yes
14. Date of Issuance of Final Order or Decision:	December 21, 2011	Yes
15. File date of compensation request:	February 17, 2012	Yes
16. Was the request for compensation timely?		Yes

C. Response to Claimant's Comment on Part I:

#	Claimant	CPUC	Comment
1		Correct	In D.10-05-012, the Commission approved intervenor compensation for TURN's substantial contributions to D.09-12-048 and, thus, found TURN eligible for an award of compensation. Pursuant to Rule 17.2 of

			the Commission’s Rules of Practice and Procedure, having been found eligible for an award of compensation in the earlier phase of this proceeding means TURN remains eligible in this later phase of the same proceeding.
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PART II: SUBSTANTIAL CONTRIBUTION

A. Description of claimant’s contribution to the final decision

Contribution	Specific References to Claimant’s Presentations and to Decision	Showing Accepted by CPUC
<p>1. TURN recommended the following two conditions be placed on the modifications requested by SCE: (1) increases to customer charges should only be permitted on a prospective basis; and (2) more than one increase to the baseline composite rate per year should only be permitted in response to an increase in the SAR resulting from a GRC or ERRA decision issued after January 1st.</p> <p>TURN Response to the SCE Petition, October 5, 2011, at 1-8 and Att. A.</p> <p>TURN Comments on the Proposed Decision (PD), at 1-6, App. A</p>	<p>Decision, at 3, 6 (noting that SCE accepted TURN’s conditions).</p> <p>Decision, at 6 (adopting SCE’s requested modifications “subject to the qualifications proposed by . . . TURN”).</p> <p>Decision, at 10-12 (adopting changes to Finding of Fact 8, Conclusion of Law 2, and Ordering Paragraph 2 recommended by TURN in its comments on the PD).</p>	Yes

B. Duplication of Effort (§§ 1801.3(f) & 1802.5):

	Claimant	CPUC Verified
a. Was the Division of Ratepayer Advocates (DRA) a party to the proceeding?	Yes	Yes
b. Were there other parties to the proceeding with positions similar to yours?	No	Yes
c. If so, provide name of other parties:		
d. Describe how you coordinated with DRA and other parties to avoid duplication or how your participation supplemented, complemented, or contributed to that of another party: TURN discussed the petition with DRA and ascertained that DRA would not be filing a response before preparing TURN’s response. Therefore there was no duplication of effort with regard to the SCE petition.		Yes

PART III: REASONABLENESS OF REQUESTED COMPENSATION

A. General Claim of Reasonableness (§§ 1801 & 1806):

<p>a. Explanation by Claimant TURN achieved its substantial contribution at minimal cost. The benefits, although not readily quantifiable, are significant in that they: (1) prevent retroactive increases to customer charges; (2) limit opportunities for utility gaming of the 90% of SAR limitation in Section 739.9(b) through manipulating the timing of rate increase requests; (3) limit customer confusion from several rate changes in a single year; (4) limit the burden on Commission staff and intervenors from review and analysis of several rate change requests in a single year. TURN submits that these benefits to ratepayers greatly exceed the minimal cost of this fee award.</p>	<p>CPUC Verified Yes</p>
<p>b. Reasonableness of Hours Claimed. TURN’s participation was limited to its review and analysis of the petition, conferences with DRA and SCE to inform its analysis, requests for and review of information provided by SCE, preparation of its response to the petition, and preparation of comments to correct errors in the PD. Because TURN conferred with SCE regarding its concerns, TURN was able to narrow and focus the issues raised in its response, which ultimately resulted in SCE’s acceptance of TURN’s recommended conditions. TURN’s participation was highly efficient and resulted in a non-controversial decision for the Commission.</p> <p>Mr. Freedman assisted Mr. Long’s early analysis of the petition based on Mr. Freedman’s significant experience in A.10-03-014 (PG&E GRC Phase 2) analyzing and briefing the new provisions of Pub. Util. Code § 739 and 739.1 added by Senate Bill 695, which were the subject of SCE’s petition.</p> <p>All of TURN’s hours relate to the SCE petition and TURN has ensured that it is not claiming any hours covered by its previous compensation request in this proceeding.</p>	<p>Yes</p>
<p>c. Allocation of Hours by Issue SCE’s petition raised the overall issue of whether the process for implementing SB 695 that was adopted in D.09-12-048 needed changes in response to D.11-05-047 (the PG&E Phase 2 decision) and in light of recent experience. Accordingly, TURN did not allocate its relatively few hours related to the petition by issue. However, in the event that the Commission wishes an allocation of time based on the two different (but related) requests in the petition, TURN estimates that it devoted 20% of its time to the request to increase customer charges and 80% of its time to the request to make multiple rate changes in a single year. TURN notes that,</p>	<p>Yes</p>

as shown above, the Commission adopted TURN’s recommended conditions on both changes requested in the petition. TURN’s approach to allocation here is consistent with the approach taken in earlier compensation requests covering work on a narrow range of issues. See, for example, D.11-09-036 (for Resolution L-411). Should the Commission believe further detail regarding allocation by issue is required, TURN asks that it be so informed and provided an opportunity to supplement this request.

TURN’s hours devoted to preparing this compensation request are indicated by the label “Comp” in the attached Attorney Time Report.

B. Specific Claim:

CLAIMED						CPUC AWARD		
ATTORNEY, EXPERT, AND ADVOCATE FEES								
Item	Year	Hours	Rate	Basis for Rate*	Total \$	Hours	Rate	Total \$
Thomas Long	2011	27.75	\$520	See Comment 1 below	\$14,430	27.75	520	\$14,430
Matthew Freedman	2011	2.50	\$350	Rate requested in A.10-07-017 (compensation request originally filed on 9/19/11, amended on 1/27/12)	\$875	2.5	\$350	\$875
Subtotal:					\$15,305	Subtotal:		\$15,305
INTERVENOR COMPENSATION CLAIM PREPARATION **								
Item	Year	Hours	Rate	Basis for Rate*	Total \$	Hours	Rate	Total \$
Thomas Long	2012	6.0	\$260	See Comment 1 below (50% of claimed rate)	\$1,560	6.0	\$265	\$1,590
Subtotal:					\$1,560	Subtotal:		\$1,590
COSTS								
#	Item	Detail			Amount	Amount		
	Photocopying and postage				\$27	\$27		
Subtotal:					\$27	Subtotal:		\$27
TOTAL REQUEST \$:					\$16,892	TOTAL AWARD \$:		\$16,922

* We remind all intervenors that Commission staff may audit their records related to the award and that intervenors must make and retain adequate accounting and other documentation to support all claims for intervenor compensation. Claimant’s records should identify specific issues for which it seeks compensation, the actual time spent by each employee or consultant, the applicable hourly rates, fees paid to consultants and any other costs for which compensation was claimed. The records pertaining to an award of compensation shall be retained for at least three years from the date of the final decision making the award.

** Reasonable claim preparation and travel time typically compensated at ½ of preparer’s normal hourly rate.

C. CPUC Disallowances, Adjustments, and Comments:

#	Reason
Adoption of Thomas Long’s hourly rates for 2010 - 2011.	TURN seeks to increase Legal Director Thomas Long’s 2011 hourly rate to \$520. TURN notes that D.98-11-051, where the Commission approved an hourly rate of \$250 for Mr. Long’s work in 1997, cites Mr. Long as having experience equivalent to a law firm partner. Mr. Long has either practiced before, or been employed by the CPUC for 24 years. TURN states that Mr. Long’s proposed hourly rate for 2011 is comparable to Mr. Florio’s hourly rate for 2011. In 2000, Mr. Long’s approved hourly rate was only \$10 to \$15 less than Mr. Florio’s approved rate, and Mr. Florio’s approved hourly rate for 2010 is \$535 (adopted in D.08-07-043). The \$520/hour rate for Mr. Long for 2011 is within the guidelines and principles established by the Commission. ¹
Increase of Thomas Long’s hourly rate for work completed in 2012.	On September 18, 2012, we adopted a 2.2% cost-of-living adjustment, to be applied to the work performed by intervenors in 2012. Res.ALJ-281. It is noted that on the timesheet, relied on by this request, Mr. Long completed the intervenor compensation claim preparation in 2012, and not in 2011, which is the date entered on this request. He is entitled to have his rate raised by 2.2%, resulting in a rate of \$265.

PART IV: OPPOSITIONS AND COMMENTS

A. Opposition: Did any party oppose the Claim?	No
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FINDINGS OF FACT

1. The Utility Reform Network has made a substantial contribution to Decision 11-12-037.
2. The requested hourly rates for The Utility Reform Network’s representatives are comparable to market rates paid to experts and advocates having comparable training and experience and offering similar services.
3. The claimed costs and expenses are reasonable and commensurate with the work performed.

¹ Resolution ALJ-281, 13 Sept. 2012. at 5.

4. The total of reasonable contribution is \$16,922.

CONCLUSION OF LAW

1. The Claim, with any adjustment set forth above satisfies all requirements of Public Utilities Code §§ 1801-1812.

ORDER

1. The Utility Reform Network is awarded \$16,922.
2. Within 30 days of the effective date of this decision, Southern California Edison Company shall pay The Utility Reform Network the total award. Payment of the award shall include interest at the rate earned on prime, three-month commercial paper as reported in Federal Reserve Statistical Release H.15, beginning May 2, 2012, the 75th day after the filing of Claimant's request, and continuing until full payment is made.
3. The comment period for today's decision is waived.

This decision is effective today.

Dated _____, at San Francisco, California.

APPENDIX

Compensation Decision Summary Information

Compensation Decision:		Modifies Decision? No
Contribution Decisions:	D1112037	
Proceeding:	A0910013	
Authors:	ALJ Thomas R. Pulsifer	
Payers:	Southern California Edison Company	

Intervenor Information

Intervenor	Claim Date	Amount Requested	Amount Awarded	Multiplier	Reason Change/Disallowance
The Utility Reform Network	02/21/12	\$16,892	\$16,922	No	2012 rate increased, for intervenor compensation claim preparation, to reflect cost-of-living adjustment. Res. ALJ-281 (Sept. 18, 2012)

Advocate Information

First Name	Last Name	Type	Intervenor	Hourly Fee Requested	Year Hourly Fee Requested	Hourly Fee Adopted
Thomas	Long	Attorney	The Utility Reform Network	\$520.00	2011	\$520.00
Thomas	Long	Attorney	The Utility Reform Network	\$520.00	2012	\$531.50
Matthew	Freedman	Attorney	The Utility Reform Network	\$350.00	2011	\$350.00

(END OF APPENDIX)