

Decision \_\_\_\_\_

**BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA**

In the matter of the Application of the Golden State Water Company (U133W) for an order authorizing it to increase rates for water service by \$58,053,200 or 21.4% in 2013, by \$8,926,200 or 2.7% in 2014; and by \$10,819,600 or 3.2% in 2015.

Application 11-07-017  
(Filed July 21, 2011)

**DECISION GRANTING COMPENSATION TO THE UTILITY REFORM  
NETWORK FOR SUBSTANTIAL CONTRIBUTION FOR DECISION 13-05-011**

<b>Claimant: The Utility Reform Network (TURN)</b>	<b>For contribution to Decision (D.) 13-05-011</b>
<b>Claimed (\$): 140,401.56<sup>1</sup></b>	<b>Awarded (\$): 141,993.31</b>
<b>Assigned Commissioner: Catherine J.K. Sandoval</b>	<b>Assigned ALJ: Richard Smith</b>

**PART I: PROCEDURAL ISSUES****A. Brief Description of Decision:**

The Final Decision adopts a revenue requirement for all of the serving areas of Golden State Water Company (Golden State or GSWC) for the 2013-2015 general rate case cycle. The Decision adopts a settlement between Golden State, Office of Ratepayer Advocates (ORA)<sup>2</sup> and TURN and renders a decision on litigated issues including certain Special Requests and the Water Revenue Adjustment Mechanism.

<sup>1</sup> In TURN's original Request, it listed \$140,373.56 as the total amount of reasonable compensation. After reviewing TURN's Request and submitted timesheets, mathematical errors were discovered. The correct amount claimed by TURN in its Request is \$140,401.56. This corrected amount has been applied throughout this decision.

<sup>2</sup> The Division of Ratepayer Advocates was renamed the Office of Ratepayer Advocates effective September 26, 2013, pursuant to Senate Bill No. 96 (Budget Act of 2013), which was approved by the Governor on September 26, 2013.

**B. Claimant must satisfy intervenor compensation requirements set forth in Public Utilities Code §§ 1801-1812:**

	<b>Claimant</b>	<b>CPUC Verified</b>
<b>Timely filing of notice of intent to claim compensation (NOI) (§ 1804(a)):</b>		
1. Date of Prehearing Conference:	September 21, 2011	Verified
2. Other Specified Date for NOI:	N/A	N/A
3. Date NOI Filed:	October 20, 2011	Verified
4. Was the NOI timely filed?		Yes
<b>Showing of customer or customer-related status (§ 1802(b)):</b>		
5. Based on ALJ ruling issued in proceeding number:	Application (A.) 09-09-013	Petition (P.) 10-08-016
6. Date of ALJ ruling:	January 7, 2010	11/22/2010
7. Based on another CPUC determination (specify):		
8. Has the Claimant demonstrated customer or customer-related status?		Yes
<b>Showing of “significant financial hardship” (§ 1802(g)):</b>		
9. Based on ALJ ruling issued in proceeding number:	P.10-08-016	Verified
10. Date of ALJ ruling:	November 22, 2010	Verified
11. Based on another CPUC determination (specify):		
12. Has the Claimant demonstrated significant financial hardship?		Yes
<b>Timely request for compensation (§ 1804(c)):</b>		
13. Identify Final Decision:	D.13-05-011	Verified
14. Date of Issuance of Final Order or Decision:	May 13, 2013	Verified
15. File date of compensation request:	July 12, 2013	Verified
16. Was the request for compensation timely?		Yes

**C. Additional Comments on Part I:**

<b>#</b>	<b>Claimant</b>	<b>CPUC</b>	<b>Comment</b>
5.9	XX		The Commission has yet to issue any ruling on the Notice of Intent filed by TURN in this proceeding. Rather than re-state the basis for TURN’s eligibility, we rely on the showing made in the still-pending NOI.
		X	TURN’s NOI established a rebuttable presumption based on a ruling in P.10-08-016 on November 22, 2010.

**PART II: SUBSTANTIAL CONTRIBUTION**

**A. In the fields below, describe in a concise manner Claimant’s contribution to the final decision (see § 1802(i), § 1803(a) & D.98-04-059).**

<b>Contribution</b>	<b>Specific References to Claimant’s Presentations and to Decision</b>	<b>Showing Accepted by CPUC</b>
<p>This was the first state-wide general rate case for Golden State Water Company (GSWC). TURN submitted testimony from two witnesses addressing a wide variety of issues. In addition, TURN worked with the other active parties in the docket to achieve a settlement of the majority of issues in this docket, although parties litigated a few remaining issues.</p> <p>TURN, ORA, and GSWC submitted a joint settlement that describes, at a high level, the parties’ pre-settlement positions and the agreed-upon outcome for the issues covered by the settlement. The Commission should find that the resulting settlement reflects TURN’s substantial contribution on each of the TURN-disputed issues covered by the settlement, as listed below. As is often the case for a GRC settlement, due to the number and range of disputed issues the settlement does not address each and every issue or proposal put forth by TURN or other parties in any level of detail. In some instances the settled outcome may represent a combination or blending of issues to create a mutually acceptable agreement.</p> <p>D.13-05-011 approves the settlement, and declares that the settlement is “reasonable in light of the whole record, consistent with the law and in the public interest.” The Commission also noted that the parties resolved “competing concerns in a collaborative and cooperative manner.” The Commission should find that TURN’s advocacy and dedication to the issues in this docket, constituted a substantial</p>	<p>Final Decision at 45, 48 Conclusions of Law 6.</p> <p>Direct Testimony of Thomas C. Catlin on behalf of The Utility Reform Network, 2/21/12, TURN Exhibit 001. (Catlin Direct)</p> <p>Direct Testimony of Scott J. Rubin on behalf on The Utility Reform Network, 2/21/12, TURN Exhibit 002. (Rubin Direct)</p> <p>Supplemental Testimony of Scott J. Rubin on behalf of The Utility Reform Network, 7/16/12, TURN Exhibit 003. (Rubin Supplemental)</p> <p>Joint Motion of Golden State Water Company, the Division of Ratepayer Advocates, and the Utility Reform Network to Approve Settlement Agreement, filed June 21, 2012, Exhibit A. (Settlement Agreement)</p>	<p>Accepted</p>

<p>contribution that led to the development of this settlement and resulting benefits to GSWC ratepayers.</p>		
<p><i>Overall Outcome:</i></p> <p>In its Application, GSWC requested an increase in its revenue requirement of over \$77 million to be recovered between 2013 and 2015. Its proposal included a 21% increase in revenue requirement for 2013 alone, using current rates.</p> <p>The Final Decision approves a 15.6% increase in GSWC's revenue requirement (using current rates) and also approves smaller-than-requested increases in 2014 and 2015. The Final Decision calculates that GSWC ratepayers will, in some cases see a <i>reduction</i> in their bills of 4.5% up to an increase of 25.5%. In each of the districts the Final Decision adopts a smaller increase in the authorized revenue requirement than GSWC requested in its Application. In some districts such as Bay Point, Los Osos and Region 3 the difference is quite significant. The Final Decision calculates that the average customer bill will see a much smaller increase than proposed by GSWC, some as much as 20% different.</p>	<p>Application of Golden State Water Company, A.11-07-017, filed July 21, 2011 at 2.</p> <p>Final Decision at 2.</p>	<p>Accepted</p>
<p><i>1.Settlement- Incentive Comp</i></p> <p>TURN recommended excluding a portion of the total cost of the Short Term Incentive Plan (STIP) and the Stock Incentive Plan that GSWC inadvertently added to O&amp;M expenses.</p> <p>In review of the GSWC incentive plan testimony (Gladys Farrow), TURN witness Catlin identified that the company inadvertently included 100% of the costs of these plans in their request as O&amp;M expense. In discovery, Mr. Catlin confirmed that GSWC made this error.</p>	<p>TURN-1 (Catlin Direct) at 10-18; Settlement Agreement, Section 13.9, at 153.</p> <p>Final Decision, COL 2.</p>	<p>Accepted</p>

<p>Identifying and fixing this error, reduced GSWC's request by approximately \$700,000 per year for three years.</p> <p>The reduction for the STIP for Mgrs and Directors was approximately \$185,000 per year. The STIP for Officers amounted to a reduction of \$133,000 per year and the Stock Incentive Plan reduction totaled approximately \$350,000 per year for the three years.</p> <p>The parties settled this issue, and GSWC agreed to reduce the costs associated with the incentive plans to, "properly reflect only the expense portion of these plans."</p>		
<p><i>2. Settlement- Incentive Compensation</i></p> <p>In testimony, TURN recommended that the Commission exclude 50% of the requested costs for the Short Term Incentive Plan (STIP) for Officers. TURN based its recommendation on the portion of those bonuses that are based on meeting certain financial performance goals and not directly tied to the quality or efficiency of utility services to ratepayers. TURN further noted that the costs should be reduced based on cost savings from the success of previous-year's STIPs- which GSWC failed to do.</p> <p>The proposal would result in a savings of approximately \$200,000 a year for the three years.</p> <p>GSWC, ORA and TURN settled this issue as part of an overall discussion regarding Pension and Benefit General Office expenses. Parties agreed to reduce the expenses for three incentive programs by a total of \$600,000 to be funded instead by shareholders</p>	<p>TURN-1 (Catlin Direct) at 12-13; Settlement Agreement, Section 13.9, at 153.</p>	<p>Accepted</p>
<p><i>3. Settlement- Incentive Compensation</i></p> <p>TURN proposed that the STIP for</p>	<p>TURN-1(Catlin Direct) at 14-16. Settlement Agreement at Section 13.9, at 154.</p>	<p>Accepted</p>

<p>Managers and Directors reflect payout levels consistent with historical results thereby reducing the costs charged to O&amp;M.</p> <p>GSWC proposed using a 100% payout threshold (a 12.5% bonus) to calculate the costs of the STIP for O&amp;M purposes. While ORA proposed that this payout threshold should be reduced to 56%, TURN recommended a lesser reduction. It argued that while the payout has not been 100% of the target in at least the last four years a review of data suggested that an average payout of 75% would be more appropriate.</p> <p>This change in the payout threshold resulted in approximately \$145,000 reduction in costs charged to O&amp;M for each of the three years, or a potential total reduction of approximately \$435,000.</p> <p>GSWC, ORA and TURN settled this issue as part of a larger settlement on adjustments to the Pension and Benefits section of the General Office expenses. The settling parties agreed to an estimated average three-year payout of 8.5%, lower than GSWC’s requested payout of a 12.5% bonus and closer to TURN’s proposed reduction.</p>	<p>Farrow Rebuttal Testimony at 9-10.</p> <p>Final Decision COL 2.</p>	
<p><i>4.Settlement-Incentive Compensation</i></p> <p>TURN also proposed that the Commission exclude 100% of the costs for the Company’s stock incentive program. Along with ORA, TURN argued that the program provides a standard benefit to all levels of officers and managers and that the benefit is linked “directly and solely” to the Company’s stock price. Under TURN’s proposal, approximately \$1 million per year would have been excluded from the costs charged to O&amp;M in this general rate case.</p> <p>In rebuttal, GSWC opposed this proposal</p>	<p>TURN-1 (Catlin Direct) at 16-18.</p> <p>GSWC Rebuttal (Exhibit 73-Farrow) at 21.</p> <p>Settlement Agreement at Section 13.9, 153.</p>	<p>Accepted</p>

<p>arguing that the incentive plan is reasonable and necessary to recruit good executives.</p> <p>TURN, ORA and GSWC settled this issue as part of a larger settlement on Pension and Benefit expenses, reducing the expenses borne by ratepayers and increasing those incurred by shareholders.</p>		
<p><i>5. Settlement- Cost Escalation Factor</i></p> <p>In testimony, TURN recommended a reduction of the cost escalation factor for certain non-labor General Office expenses to reflect the sale of an Arizona water company affiliate. TURN noted that in previous GRCs, GSWC attributed 3.5% of its General Offices costs to this affiliate but did not reflect the full reduction of costs from the sale of this affiliate in this GRC.</p> <p>ORA’s testimony requested further reductions in expenses as a result of the sale of the Arizona affiliate, including a reduction in labor force. However, ORA’s testimony stopped short of recommending an across-the-board reduction to account for the sale of the affiliate.</p> <p>If adopted, TURN’s recommendation would reduce GSWC’s General Office expenses by approximately \$350,000 per year for three years.</p> <p>The Settlement Agreement discusses the impact of the sale of the AZ affiliate and acknowledges particular cost savings as a result of the sale. Parties agreed to reduce specific Corporate Support expenses by \$150,000.</p>	<p>TURN -1 (Catlin Direct) at 7-9. Settlement Agreement at Section 12.3, at 142-143; Final Decision at 31.</p>	<p>Accepted</p>
<p><i>6. Income Tax</i></p> <p>TURN discussed changes in the tax law that increase allowable deductions for repair and replacement work. TURN proposed that GSWC should “normalize” the deductions that result from the proposed changes, including availing itself</p>	<p>TURN-1 (Catlin Direct) at 19-22. Settlement Agreement, Section 8.5, at 111-112 McDonald Rebuttal- Exhibit 83 at 13-16. Final Decision at 25-27.</p>	<p>Accepted</p>

<p>of any “catch-up” deduction relating to these changes. These deductions could, in turn, be recognized as a rate base deduction.</p> <p>TURN provided background in Mr. Catlin’s direct testimony on recent changes in the tax treatment of repairs, in addition to catch up deductions and the implementation of regulations that had not yet been finalized by the IRS. TURN noted that even though these changes are not final, GSWC would be allowed to implement changes in its tax accounting without obtaining IRS prior approval.</p> <p>GSWC acknowledged the concerns expressed by Mr. Catlin but claimed that to implement his proposals there would be additional costs and, if the company improperly or prematurely implemented the new regulations there would be potential tax consequences.</p> <p>Neither TURN nor GSWC could specify the monetary impact of this change in the tax rules and the resulting reduction in rate base. (See, response to TURN discovery TURN 3-2) TURN noted that in settlement the parties agreed to increase expenses by \$300,000 just to account for the potential implementation costs of this change, suggesting that the rate base reductions from the deduction itself will be substantial. Further, TURN noted in its direct testimony that for a similarly situated utility, the catch up deduction alone amounted to \$142 million.</p> <p>GSWC, ORA and TURN settled this issue by agreeing that:</p> <ul style="list-style-type: none"> <li>- GSWC will treat the deferred taxes associated with the repair deductions on a normalized basis.</li> <li>- To implement the new repair tax regulations, General Office expenses will be increased by</li> </ul>		
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<p>\$300,000 and the Commission will implement a memorandum account.</p> <ul style="list-style-type: none"> <li>- In the next GRC, the final costs will be reviewed and may be subject to refund or surcharges on the bill.</li> <li>- GSWC will provide reports and tax returns for the next three years to ORA and TURN.</li> </ul>		
<p><i>7. Rate Design</i></p> <p>TURN’s direct testimony, through its experience consultant, provides detailed background on the history and theory of rate design to support its request that the Commission perform a cost-of-service study for each serving area in the next GRC. In the alternative, if the Commission does not require a cost-of-service study, TURN urges the Commission to ensure that it follows the CUWCC’s 70-30 model toward setting a fixed service charge, in all serving areas.</p> <p>TURN witness Rubin performed a Bill Frequency Analysis and detailed rate design proposal relying on data provided by GSWC. TURN proposed a rate design of three tiers in each district with the second tier reflecting the standard quantity rate and Tier one being set at 80-90% of that and Tier 3 no higher than 150% of SQR. This rate design is intended to achieve both revenue stability for GSWC and achieve the Commission’s conservation goals.</p> <p>GSWC opposed TURN’s rate design because it was too “aggressive” in Tier 3 and because it didn’t take district-specific characteristics into account. However, TURN advocated that the Commission should be moving the rate design, slowly, to match that of more accepted conservation-oriented designs.</p>	<p>TURN-2 (Rubin Direct) at 18-26; Settlement Agreement Section 14, at 165-170; Final Decision at 31-33.</p> <p>GSWC Rebuttal, Exhibit 80 (Tran) at 7.</p>	<p>Accepted</p>

<p>In his analysis of GSWC’s rate design testimony, Mr. Rubin found an error in GSWC’s bill frequency analysis for Ojai and confirmed the error in discovery. In rebuttal testimony, GSWC acknowledged the error and adjusted the revenue allocation among its tiers for Ojai. This adjustment provided for substantially more of GSWC’s revenue to come from Tier 1 where consumption is more stable and thus GSWC is more likely to recover its required revenue from Ojai and limit WRAM balances as a result.</p> <p>GSW, ORA and TURN included rate design in its settlement. The settlement noted TURN’s positions and included a detailed discussion of GSWC methods used to calculate, and then maintain, the industry-standard 70%/30% split of revenue recovery between quantity charges and fixed rates. The settlement does not adopt TURN’s tier proposal, but because of TURN’s extensive initial proposal to change GSWC’s rate design, the parties were compelled to analyze GSWC’s current rate design to see if was properly meeting industry standard and Commission-specific goals of revenue neutrality, conservation and fairness.</p>		
<p><i>8. Customer Service</i></p> <p>TURN proposed that in those areas with identifiable service quality and customer service concerns, GSWC should not be allowed to increase rates for that particular area.</p> <p>Based on discussions at the Public Participation Hearings, review of ORA complaint data, and review of GSWC testimony and discovery, TURN noted that GSWC is allegedly failing to provide customers adequate service in some of its areas, including failure to provide proper</p>	<p>TURN-2 (Rubin Direct) at 31-34; Settlement Agreement at Section 15, at 171-174. Final Decision at 34-35.</p>	<p>Accepted</p>

<p>pressure and water quality, in addition to inadequate customer service processes to fix the service quality problems.</p> <p>While ORA proposed that GSWC be given until its next rate case to correct these problems, TURN witness Rubin urged the Commission to address these issues in this instant case by limiting allowable rate increases. GSWC pointed to several steps that it had taken in the past three years to improve customer service and water quality.</p> <p>The settlement of this issue consisted of multiple parts. Looking at data from ORA’s testimony, Mr. Rubin highlighted problems in GSWC service area in Ojai in his testimony. The settlement addressed the problems in Ojai by reducing GSWC’s requested revenue requirement for Ojai by 10%.</p> <p>The Parties also agreed to a series of customer service surveys and reports over the upcoming rate case cycle. These surveys and reports, to be completed by GSWC, will be distributed to TURN, ORA and the Commission and should include both an analysis of complaints in addition to proposals for improvements to customer service. Parties agreed that the cost of these surveys and reports will be equally borne by shareholders and ratepayers.</p>		
<p><i>9. Water Revenue Adjustment Mechanism</i></p> <p>During hearings on the GSWC Application, ALJ Smith created a “WRAM phase” of the GRC. Parties submitted supplemental testimony and participated in hearings on this issue. TURN submitted testimony through Mr. Rubin and participated in hearings and settlement talks.</p> <p>In D.12-04-048, the Commission required GSWC to review its WRAM mechanism in its next GRC. As a result, ALJ Smith</p>	<p>TURN-3 (Rubin Supplemental) at 9-14. GSWC Supplemental- Tran July 2012.</p> <p>Final Decision at FOF 74; 84-86; 91-92.</p>	<p>Accepted</p>

<p>requested parties, “address the five WRAM options” from D.12-04-048 in their supplemental testimony.</p> <p>Mr. Rubin conducted extensive data analysis of GSWC customer consumption patterns to provide a recommendation on Option 3 and 4 as described in D.12-04-048. Based on that data analysis, Mr. Rubin concluded that low usage customers are not responsible for significant portions of the revenue shortfall that the WRAM is designed to correct. Therefore, Mr. Rubin proposed that Tier 1 customers should be exempt from paying WRAM surcharges. Further, pursuant to Option 4 (put forth by the Commission to eliminate WRAM mechanisms), Mr. Rubin proposes that GSWC conduct a detailed report and analysis during this coming rate case cycle and the Commission revisit the possibility of eliminating the WRAM in the next GRC.</p> <p>ORA and GSWC proposed more of a “status quo” approach to addressing WRAM issues in this docket.</p> <p>Citing to Mr. Rubin’s data analysis, the Final Decision notes that even GSWC districts that do not have conservation programs, such as inclining block rates, still reduced consumption by a lesser, but significant amount. The Final Decision concludes that while these conservation rate programs may contribute to reduced consumption, “it is not possible at this time to determine how much of the reduction in water consumption is the result of conservation rates and conservation programs, and how much is due to other factors such as weather or economic conditions.”</p> <p>The Final Decision rejects ORA’s proposal for a third party study and is silent on TURN’s proposal for further analysis of the impact of inclining block rates on</p>		
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<p>consumption, but requires GSWC to analyze the current forecasting methodology in the Revised Rate Case Plan and consider tools to improve forecasting.</p> <p>The Final Decision focuses on the element of inaccurate forecasting as a major cause of large WRAM balances. While it discusses TURN’s proposals for modifying the WRAM surcharges, it rejects the proposals because it concludes that TURN’s proposals would create higher surcharges for consumption above Tier 1 and because the proposals do not address problems with the forecast. The Final Decision agrees with Mr. Rubin’s assessment, as echoed by DRA, that there is not enough data or evidence to eliminate the WRAM surcharge at this time.</p> <p>Although the Final Decision does not adopt TURN’s recommendations regarding GSWC’s WRAM, it does cite extensively to TURN’s discussion and proposals on this issue. Further, it cites to TURN’s detailed analysis of consumption data to reach several conclusions regarding the options proposed by the Commission in D.12-04-048. As a result, TURN’s analysis of this issue supported the conclusions reached by the Commission and, at a minimum added to the record and dialogue allowing the Commission to move forward and not require further consideration of the Commission’s options in the next rate case.</p>		
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**B. Duplication of Effort (§§ 1801.3(f) & 1802.5):**

	<b>Claimant</b>	<b>CPUC Verified</b>
<b>a. Was the Office of Ratepayer Advocates (ORA) a party to the proceeding?</b>	Yes	Verified
<b>b. Were there other parties to the proceeding with positions similar to yours?</b>	Yes	Verified
<b>c. If so, provide name of other parties:</b>		Verified

<p>Other active parties to this docket represented the interests of local governments and agencies in various Golden State serving areas. These parties include the City of Ojai and the Cities of Claremont, Placentia, Barstow, Stanton and Cypress. Except for the City of Ojai, the other cities were represented by a single outside counsel.</p>	
<p><b>d. Describe how you coordinated with ORA and other parties to avoid duplication or how your participation supplemented, complemented, or contributed to that of another party:</b></p> <p>In light of the scope of the proceeding and the magnitude of the requested rate increase, TURN worked especially hard to coordinate with the other intervenors and, as a result, achieve maximum coverage for ratepayers. Our time records include a number of entries (usually coded as “COORD”) for efforts that were primarily devoted to communicating with the other intervenors and ORA about procedural strategies and issue area allocation. Also, during settlement discussions (hours coded as “SETT”) parties closely coordinated through phone calls and emails discussing strategy and substantive issues, particular on issues relating to taxes, incentive compensation and customer service.</p> <p>TURN was in contact with representatives of the cities that were parties to the docket. These cities focused on issues relating to their own Golden State serving areas, which TURN did not address. But, in addition, the city representatives were interested in issues impacting company-wide costs to the extent those issues impacted their city’s share of the costs. TURN discussed strategy and procedure with these parties. For example, TURN worked with the City of Ojai on customer service issues and rate design to ensure the outcome of those issues did not adversely impact Ojai residents.</p> <p>TURN worked closely with ORA to avoid undue duplication while maximizing each group’s effectiveness and to ensure consistency and efficiency of work effort. ORA’s work focused on the district-specific plant issues, in addition to company-wide expense analysis. TURN did not address those district-specific issues in testimony or briefs, and, instead focused on areas where we had strategic differences with ORA (rate design and WRAM) or where we could supplement ORA’s proposals (taxes, incentive compensation, customer service).</p> <p>In sum, the Commission should find that TURN's participation was efficiently coordinated with the participation of other intervenors wherever possible, so as to avoid undue duplication and to ensure that any such duplication served to supplement, complement, or contribute to the showing of the other intervenor.</p>	<p>Verified</p>

**PART III: REASONABLENESS OF REQUESTED COMPENSATION**

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

<p><b>a. Concise explanation as to how the cost of Claimant’s participation bears a reasonable relationship with benefits realized through participation:</b></p> <p>TURN’s request for \$140,373.56 reflects a significant amount of work that produced tangible benefits for Golden State ratepayers. Ratepayers in every district benefitted from TURN’s advocacy resulting in smaller-than-requested increases in GSWC’s revenue requirement and in some cases the average bill in certain districts will actually be reduced as a result of this GRC. Additionally, TURN’s work added to specific protections and action-items by the utility designed to enhance service throughout GSWC serving areas. The outcome of the settlement significantly reduced GSWC’s initial request of over \$77,799,000 million increase in its revenue requirement over the three-year period.</p> <p>TURN’s requested compensation represents a fraction of the overall savings produced by Final Decision’s rulings on the issues TURN addressed in testimony, briefs and settlement. For example, the smallest impact of TURN’s General Office testimony comes from a \$150,000 reduction in non-labor General Office costs to reflect the sale of its Arizona affiliate. While TURN initially proposed a much higher reduction, through settlement TURN, DRA and GSWC ensured that some reflection of the reduction of costs as a result of the sale of the AZ company will save California ratepayers. TURN’s General Office testimony, and work with parties during settlement, also resulted in a shifting of \$600,000 of expense for incentive compensation programs from ratepayers to shareholders, thus benefiting the ratepayers.</p> <p>Perhaps the most important impacts of TURN’s work in this docket come from issues where it is difficult to quantify the monetary impact. For example, TURN worked with ORA and GSWC to incorporate its testimony on tax accounting issues to ensure that GSWC will properly treat certain tax deductions, potentially resulting in millions of dollars of ratepayer savings in expenses to reimburse the company for taxes that it pays over the next three years.</p> <p>In addition, TURN, GSWC, and ORA agreed to conduct customer service surveys and submit reports to the Commission in all of its serving areas. These reports will assist GSWC and the Commission to ensure GSWC customers are not only receiving adequate water service, but fair and effective customer service when there may be</p>	<p style="text-align: center;"><b>CPUC Verified</b></p> <hr/> <p style="text-align: center;">Accepted</p>
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<p>problems. Improving customer service processes is a critical ongoing benefit to ratepayers. Also, as a small part of the settlement in this area, GSWC agreed to share a portion of the cost of conducting these surveys with its shareholders, saving the ratepayers approximately \$25,000. Further, GSWC agreed to reduce the revenue requirement in Ojai to settle issues relating to customer service complaints in that area, saving Ojai residents approximately \$80,000.</p> <p>On issues such as rate design and WRAM where parties settled or the Commission did not adopt TURN’s proposal, TURN’s participation still provided benefit to ratepayers. For both of those issues, TURN did an extensive data analysis to ensure rates were being developed and revenue allocated in a fair and equitable manner. Upon review of GSWC’s rate design proposals and comparison with TURN’s proposals, parties settled on a rate design that is fair and effective. In addition, TURN discovered an error in GSWC’s proposal that will result in more accurate revenue allocation. TURN’s analysis added to the debate in the docket on this issue and was necessary to properly analyze GSWC’s current rate design to ensure it met the Commission’s goals and industry standard requirements.</p> <p>The benefit of TURN’s work on WRAM issues had a similar impact. TURN prepared a detailed data analysis of consumption patterns and the impact of tiered rates. Although the Commission did not adopt TURN’s recommendations on this matter, it did work with TURN’s analysis and conclusions to analyze the Commission’s options on treatment of WRAM balances, and identify potential causes for the problems with the WRAM.</p> <p>The Commission should therefore conclude that TURN’s overall request is reasonable in light of the substantial benefits to GSWC ratepayers that were directly attributable to TURN’s participation in the case.</p>	
<p><b>b. Reasonableness of Hours Claimed</b></p> <p><b>TURN Hours</b></p> <p>TURN’s attorneys and consultants recorded a reasonable amount of hours in light of the significance of this case. This overall level of work effort is consistent with TURN’s work in other general rate cases. We tend to address a broad range of topics typically second only to ORA in terms of breadth of coverage. In these cases, TURN devotes hours to careful issue identification, discovery, coordination efforts with other parties, detailed testimony preparation, hearing participation and substantial briefs on issues we are covering.</p>	<p>Accepted</p>

TURN Attorneys and Advocates:

Christine Mailloux was TURN's lead attorney for this case. She was responsible for coordinating work between the other attorneys and consultants working for TURN. In addition she was primarily responsible for coordinating TURN's work with the other intervenors. She assisted the consultants in discovery preparation and represented TURN in follow up discussions and clarifications regarding discovery. For example, Ms. Mailloux worked with TURN's rate design witness and GSWC's regulatory contact to clarify certain rate design discovery and revise the request to match GSWC's records. Another example of a coordination issue included in Ms. Mailloux's time is the dispute between ORA, TURN and GSWC over the impact of supplemental WRAM testimony on the revenue requirement settlement and the possibility of withdrawing that settlement. (These hours are coded as "WRAM" or "SETT" because discussions among the parties inevitably included both the WRAM testimony and proposals therein in addition to the impact of those proposals on the revenue requirement settlement). Ms. Mailloux was also an integral part of the settlement process, especially because many of the meetings took place in Los Angeles and Ms. Mailloux (who lives in San Diego) could more easily participate in-person. She also spent significant time working with DRA and GSWC to draft and finalize the settlement documents.

Nina Suetake is a staff attorney with significant general rate case experience on energy issues. Ms. Suetake brought that experience to bear when she participated in several conference calls and discussions about case strategy, issue identification and coordination with other intervenors. Further, Ms. Suetake used previous experience on tax issues related to water utilities to work with TURN's revenue requirement expert to develop his testimony and to participate in settlement talks on this issue. Further, Ms. Suetake took the lead role in TURN's work on the WRAM phase of this docket and worked with TURN's witness, participated in evidentiary hearings, drafted the brief, and participated in settlement talks. Ms. Suetake also represented TURN during in-person work at the Commission or meetings in San Francisco in part to avoid the need for Ms. Mailloux to travel for the settlement talks. So, on those issues where it was important that TURN have a person in the room, particularly on those issues where TURN had testimony, Ms. Suetake was TURN's main representative.

Regina Costa is TURN's research director and an integral part of this case. Her hours reflect that the fact that the main task of analyzing the

GSWC application and existing discovery, as well as reviewing ongoing discovery, at the beginning of the case fell to her expertise as research director, resulting in a higher level of hours coded as “GP” and “DIS” than the other advocates on this case. Due to her integral role in settlement Ms. Costa was called upon to be generally familiar with the issues in the case and to work closely with the consultants on case strategy and settlement.

Other TURN attorneys with expertise on certain issues such as taxes, WRAM, settlement procedure and others were occasionally consulted by the main GRC team. This compensation request includes small amounts of time for Bob Finkelstein, Haley Goodson, Marcel Hawiger, and Tom Long. Their time spent on this case is minimal but these consultations served a critical role to help the TURN advocates more effectively participate in the docket.

### **Expert Hours**

Tom Catlin

As discussed below, Mr. Catlin has extensive experience on water utility general rate cases. Mr. Catlin provided expert testimony for TURN on several issues relating to General Office expense.

Mr. Catlin assisted TURN with analysis of the GSWC application, analyzing discovery responses and propounding additional discovery in order to identify issues for TURN to address in the case and to develop testimony on the identified issues. Mr. Catlin drafted and submitted detailed testimony on several issues and coordinated with GSWC and ORA. Mr. Catlin also played a critical role in working with TURN advocates on the highly technical settlement talks regarding taxes, executive compensation, and escalation factors.

Mr. Catlin was not cross examined as his issues eventually settled and as a result he did not have to travel or spend time in the hearing room or assist with briefing. Mr. Catlin was critical in assisting in TURN’s efforts, working with the other parties to the case, ensuring success on TURN’s issues, and ultimately benefitting GSWC’s ratepayers.

Scott Rubin

Mr. Rubin extensively reviewed the GSWC Application on rate design and customer service, and conducted discovery to assist TURN in case strategy and issue identification. TURN relied on his experience with rate design theory and practice around the country to review and analyze GSWC’s California rate design policies. Further, Mr. Rubin worked diligently under tight time lines to prepare and service supplemental testimony on WRAM issues and to participate in hearing

preparation and settlement. He worked closely with ORA and GSWC to extensively analyze billing data, consumption figures and other data to develop a mutually acceptable rate design for settlement purposes and to develop a recommendation on the treatment of GSWC WRAM surcharges.

### **Miscellaneous Issues**

There are some hourly entries that reflect meetings attended by two or more of TURN's attorneys and expert witnesses. In past compensation decisions the Commission has deemed such entries as reflecting internal duplication that is not eligible for an award of intervenor compensation. This is not the case here. As discussed above, for the meetings that were among TURN's attorneys and expert witnesses, such meetings are essential to the effective development and implementation of TURN's strategy for this proceeding. None of the attendees are there in a duplicative role because each advocate and consultant has his or her own expertise and knowledge of certain issues and procedures to bring to the discussion. As a result of this collaborative process, TURN is able to identify new and unique issues and angles that would almost certainly never come to mind individually.

There were also meetings with other parties (particularly in the settlement discussion setting) at which more than one attorney or advocate represented TURN on occasion. The Commission should understand that this is often essential in a case such as this one, with a wide range of issues that no single person is likely to master. TURN's requested hours do not include any for any TURN attorney or expert witness where his or her presence at a meeting was not necessary in order to achieve the meeting's purpose. As discussed above, TURN also has the unique situation where the case manager could not attend many of the meeting in person, leaving those in San Francisco to participate more fully while Ms. Mailloux monitored by phone. TURN submits that such meetings can be part of an intervenor's effective advocacy before the Commission, and that intervenor compensation can and should be awarded for the time of all participants in such meetings where, as here, each participant needed to be in the meeting to advance the intervenor's advocacy efforts.

The time and expense records reflect travel for Mr. Rubin to attend the evidentiary hearings on May 4 and 5. The record will reflect that most issues were eventually settled and the dates set aside for evidentiary hearings were mainly used to discuss procedural matters, including the submission of supplemental testimony. Parties were actively engaged in settlement talks on a number of issues right up until the deadline for

evidentiary hearings and, as such, parties requested delays in the schedule even on the day before the hearings were to begin. In preparation for hearings, parties initially requested cross examination time for Mr. Rubin and, therefore, he had to make the trip to San Francisco (there was no requested time for Mr. Catlin). Although the schedule continued to change and parties continued to negotiate, thus requiring him to extend his stay, it was extremely valuable to TURN advocates to have Mr. Rubin in San Francisco to participate in settlement talks and to be in the hearing room to discuss the supplement testimony on WRAM issues, which Mr. Rubin would eventually draft and submit on behalf of TURN. Therefore, TURN requests that the Commission find these time entries and expenses reasonable.

TURN submits that the recorded hours are reasonable, both for each TURN staff member and expert witness and in the aggregate. Given some of the different circumstances present here including the extensive settlement discussions, creation of a supplemental phase of testimony and several procedural issues that had to be addressed, TURN's hours are reasonable. Therefore, TURN seeks compensation for all of the hours recorded by our staff members and outside consultants as included in this request.

Compensation Request Preparation Time: TURN is requesting compensation for approximately 14 hours devoted to preparation of this request for compensation. TURN submits that this is a reasonable figure in light of the size and complexity of the request for compensation itself. Ms. Mailloux was solely responsible for drafting this request. Ms. Mailloux took extra caution in reviewing the reasonableness and accuracy of each advocates' time entries.

#### **Hourly Rates of TURN Staff and Consultants**

TURN's request for compensation covers work performed in 2011, 2012 and 2013. For **Christine Mailloux**, the Commission has previously approved continued use of the hourly rate of \$390 first approved for work she performed in 2008 to work she performed in 2010. (D.10-09-040, in R.09-05-006). Consistent with Resolution ALJ-267, TURN seeks compensation for her 2011 work at the same previously-approved hourly rate. For 2012, TURN is requesting a Cost of Living Adjustment and a step increase. In Res. ALJ-281, the Commission adopted a COLA adjustment of 2.2% for 2012, and continued the previously adopted policy of "step increases" for 2008 and beyond. Res. ALJ-281, at 6, Finding #2. In D.08-04-010, the Commission had provided for up to two annual 5% "step increases" in hourly rates within each experience level for all intervenor

representatives, and specifically explained that an attorney would be eligible for additional step increases upon reaching the next higher experience level. D.08-04-010, at 2, 11-12.

Therefore, TURN seeks an hourly rate of \$420 for Ms. Mailloux's work in 2012. This figure represents the hourly rate previously adopted for her work in 2011 (in D.12-03-053) escalated by the 2012 COLA of 2.2% and a 5% step increase (rounded to the nearest \$5 increment). Ms. Mailloux is a 1993 law school graduate. In 2008, TURN sought and was awarded an hourly rate of \$390, in the lower half of the range set for attorneys with 13+ years of experience. D.09-09-024, p. 17 (adopting the requested rate), and D.08-04-010, at 5 (setting the ranges for 2008). TURN seeks here the first step increase for Ms. Mailloux in the 13+ years experience level.<sup>3</sup>

Ms. Mailloux has a limited number of hours for 2013, most which relate to work on this compensation request. For 2013, TURN applied the requested rate for her 2012 work.

For **Nina Suetake**, the Commission has previously authorized an hourly rate of \$280 for work performed in 2010 (D.11-05-044, in A.08-09-023) and \$295 for work performed in 2011 (D.12-06-036, in R.09-08-009).

For 2012, TURN is also requesting a Cost of Living Adjustment and a step increase for Ms Suetake. Therefore, based on the discussion and support cited above for Ms. Mailloux, TURN seeks an hourly rate of \$315 for Ms. Suetake's work in 2012. This figure represents the hourly rate previously adopted for her work in 2011 (in D.12-06-036) escalated by the 2012 COLA of 2.2% and a 5% step increase (rounded to the nearest \$5 increment). TURN seeks here the second step increase for Ms. Suetake in her experience level. She received her first step increase in D.12-05-033.

Ms. Suetake has very limited hours for her work on the Proposed Decision in 2013. TURN has applied her requested rate for 2012, \$315, to her work performed in 2013.

For **Regina Costa**, pursuant to Resolution ALJ-247 (in 2010) and Resolution ALJ-267 (in 2011), TURN uses here the previously authorized hourly rate of \$275 that was first adopted for her work in 2008 (D.09-08-020 in R.08-01-005) for her work performed in 2011.

<sup>3</sup> TURN's showing in support of this requested increase is based on and consistent with the showing TURN made in R.10-02-005 and R.05-06-040 in support of the requested step increase for its attorneys' hourly rates in those proceedings. The Commission approved the requested increase in D.10-12-015 (at 16) and D.12-05-033 (at 8), respectively.

However, for her work in 2012, TURN requests a rate of \$280. This increase reflects the 2.2% COLA increase provided in Res. ALJ-281.

As discussed above, TURN's primary advocates also consulted TURN attorneys with expertise on specific matters. Those attorneys all have approved rates at the Commission. Due to the very small amount of time each of these attorneys had for this case, TURN used their last approved rate.

TURN also hired experienced consultants to assist in case preparation, litigation strategy, testimony and hearing preparation. These consultants do not have previously approved rates from this Commission. Relative to the level of expertise and years of experience shared by these consultants, their hourly rates are extremely reasonable and should be approved.

*Scott Rubin*

To present testimony on behalf of TURN on rate design and customer service, TURN hired Scott Rubin. Although Mr. Rubin has worked for TURN on previous water GRCs, Mr. Rubin does not yet have an approved rate from this Commission.<sup>4</sup> Relative to his level of expertise and years of experience, his hourly rate is extremely reasonable and should be approved.

Mr. Rubin holds a Bachelors Degree from Pennsylvania State University and a Juris Doctorate from George Washington University. Early in his career he worked for the Pennsylvania Office of Consumer Advocate from 1983 to 1994 where he was a supervisory attorney and helped set policy on water and electric matters. He testified as an expert witness on behalf of the Office of Consumer Advocate on rate design and cost of service issues. Since 1994, Mr. Rubin has worked as an independent consultant and attorney on matters affecting the public utility industry.

In addition to extensive expert witness experience on water and electric matters for over twenty years, Mr. Rubin has published and presented on the issues extensively. He has served as faculty for the Institute for Public Utilities at Michigan State University and for the American Water Works Association and he served as chair of the Water Committee for the National Association of State Utility

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<sup>4</sup> TURN made a showing to support its requested rate for Mr. Rubin in the compensation request for the Rate Design phase in A.10-07-007 (CalAm GRC). The Commission has not yet issued a decision on that compensation request. For ease of reference, TURN repeats its justification and attaches Mr. Rubin's qualifications to this compensation request.

Consumer Advocates. He has also worked at National Regulatory Research Institute.

TURN notes that Mr. Rubin has well over 20 years of experience, yet his \$160 hourly rate is on the low end of the \$155 level that represents the bottom of the Commission-approved rate ranges in ALJ-267 for experts with thirteen or more years of experience. His experience level and depth of knowledge are directly on point to this rate case and are unquestionably sufficient for the Commission to approve his hourly rates.

*Thomas Catlin/Exeter & Associates*

TURN also hired expert witness Thomas Catlin from Exeter and Associates based in Maryland. Mr. Catlin does not have an approved rate from the Commission, although he has worked on cases in California in the past.

Like Mr. Rubin, Mr. Catlin has extensive experience in the review and analysis of public utility operations, including water companies. He has provided expert testimony all over the country, produced numerous papers and presentations and conducted numerous cost of service and rate studies for various types of utilities. Mr. Catlin holds a MA in Water Resources Engineering and Management from Arizona State and is currently the Vice President of Exeter and Associates where he has worked since 1981 providing expert witness and consultant services on these issues.

TURN has attached Mr. Catlin's extensive resume to this compensation request. TURN is requesting a rate of \$200 per hour for Mr. Catlin's work. In light of his extensive background and expertise in this area, TURN submits that \$200 per hour is extremely reasonable. Mr. Catlin's experience can be compared to other expert witnesses with similar levels of experience qualifications, such as Jim Helmich and Gayatri Schilberg. These are both JBS Energy-affiliated experts with between 25 and 30 years of experience working on similar projects as Mr. Catlin. The Commission has consistently found that JBS Energy consultants have reasonable (if not lower than average) rates and have consistently approved their rates. Mr. Helmich and Ms. Schilberg have approved rates of \$200 for work performed in 2011 and, for Ms. Schilberg, much earlier than 2011.

The Commission has a wide range of reasonable rates, \$155-390, for experts with more than 13 years of experience. (ALJ-267) Mr. Catlin's rate of \$200 is on the lower end of the range despite his 30-plus years of experience. This rate is below the figure one would

<p>expect using the Commission’s own scale and thus should be found reasonable.</p> <p>TURN submits that the above information is more than sufficient for the Commission to grant the requested hourly rates for these three consultants.</p> <p>However, should the Commission disagree and believe that it needs more information to support the request, TURN asks that we be informed of the additional information that is necessary and given an opportunity to provide that information before a draft decision issues on this compensation request.</p> <p><b>Reasonableness of Expenses</b></p> <p>TURN requests that the Commission approve its expenses associated with its participation in this case. The expenses consist of photocopying expenses, postage, phone, consultant travel, and a small charge for legal research conducted via Lexis/Nexis. The phone costs include conference call charges and personal phone expenses due to the lengthy calls for settlement meetings among the parties and coordination efforts among intervenors. The photocopying includes charges from TURN’s revenue requirement expert to copy documents relevant to the case and to his testimony so that he could more easily review and analyze the documents. These copies are charged at \$.10 a copy. The travel expenses are a result of Mr. Rubin’s travel to San Francisco to participate in the hearings in May and Ms. Mailloux’s travel to Los Angeles to participate in settlement talks. TURN submits that despite the fact that its witnesses and primary attorney do not live in the Bay Area, these expenses are limited and reasonable. TURN has taken a cost-savings approach to travel so that it can effectively participate in these dockets, but not incur excessive amounts of travel-related expenses. The Commission should find TURN’s direct expenses reasonable.</p>	
<p><b>c. Allocation of Hours by Issue</b></p> <p>TURN has allocated its time entries asset for in the attachments by the following codes:</p> <p>GP        <b>General Preparation-</b> work that generally does not vary with the number of issues that TURN addresses in the case</p> <p>GH        <b>General Hearing-</b> Hearing related work that was not issue specific. For example, time spent waiting in the hearing room for specific witnesses, time spent discussing witness scheduling, hearing procedure, etc.</p>	

PROC	<b>Procedure-</b> Work related to responding to procedural motions or ALJ or Commission rulings. Also work related to procedural elements of the proceeding, such as non-disclosure agreements.	
SETT	<b>Settlement-</b> related work including time spent discussing and coordinating settlement schedules, discussing substantive settlement issues with individual parties and TURN witnesses and attorneys, time in the settlement discussions themselves including issues that were related to TURN's direct issues	
COOR	<b>Coordination</b> with other parties beyond settlement including issue coordination, strategy, and some scheduling	
DIS	<b>Discovery-</b> matters that did not fall into a particular issue area such as work on non-disclosure agreements, discovery disputes, preparation of discovery covering multiple issues, and review of other parties' discovery	
#	<b>Revenue Requirement-</b> Wherever possible, TURN allocated time to a specific issue area. However, use of this symbol represents work on revenue requirement issues, primarily tax, incentive compensation and cost escalation addressed by TURN's witnesses when those time entries cannot easily be broken down into individual issue codes. For example, certain strategy conference calls, general work in the beginning on issue identification, and finalizing testimony and briefs. TURN limited its use of this code and does not believe further allocation of this time is necessary. However, if the Commission wishes to allocate then it should apportion the time roughly among the following codes: TAX 45%, IC 35%, ESC 20%	
RD	<b>Rate Design-</b> This code includes work done by TURN's rate design consultant to support advocating for a cost of service study, work to perform a bill frequency analysis and, related work to propose a new rate design to coordinate with the bill frequency analysis	
CS	<b>Customer Service-</b> work on issues relating to the service quality provided GSWC end users, and the processes and resources dedicated to customer service for GSWC customers.	
TAX	<b>Tax-</b> including repair deduction, catch up deductions, IRS procedures and implementation costs	
IC	<b>Incentive Compensation-</b> including Stock Incentive Plan and Short Term Incentive Plan	
ESC	<b>Escalation-</b> primarily related to changes expense	

<p>WRAM calculations relating to the sale of affiliates</p> <p>WRAM- work by TURN in response to ALJ request for further testimony and briefing on issues raised by D.12-04-048 and related issues on impact of WRAM regarding conservation goals and affordability</p> <p>COMP <b>Compensation-</b> work on TURN's compensation request and compensation related activities such as the NOI</p>	<p>TURN submits that under the circumstances this information should suffice to address the allocation requirement under the Commission's rules. Should the Commission wish to see additional or different information on this point, TURN requests that the Commission so inform TURN and provide a reasonable opportunity for TURN to supplement this showing accordingly.</p>
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**B. Specific Claim:\***

CLAIMED						CPUC AWARD		
ATTORNEY, EXPERT, AND ADVOCATE FEES								
Item	Year	Hours	Rate	Basis for Rate*	Total \$	Hours	Rate	Total \$
Christine Mailloux	2011	13.75	\$390	D.11-07-023/ D.12-03-053	\$5,362.50	13.75	\$390	\$5,362.50
Christine Mailloux	2012	80.25	\$420	Res. ALJ-267/ Res. ALJ-281	\$33,705.00	80.25	\$420 <sup>5</sup>	\$33,705.00
Christine Mailloux	2013	3.75	\$420	Res ALJ-267/ Res. ALJ-281	\$ 1,575.00	3.75	\$430 <sup>6</sup>	\$1,612.50
Nina Suetake	2011	11.75	\$295	D.11-05-044	\$ 3,466.25	11.75	\$295	\$3,466.25
Nina Suetake	2012	65.50	\$315	D.12-06-036	\$20,632.50	65.50	\$315	\$20,632.50
Nina Suetake	2013	8.0	\$315	Res. ALJ-267	\$2,520.00	8.0	\$320 <sup>7</sup>	\$2,560.00
Bob Finkelstein	2011	0.25	\$470	D.10-09-042, Res. ALJ- 267	\$ 117.50	0.25	\$470	\$117.50
Regina Costa	2011	28.0	\$275	D.09-08-020/ D.11-10-013	\$7,700.00	28.0	\$275	\$7,700.00
Regina Costa	2012	51.35	\$280	Res. ALJ-281	\$14,378.00	51.35	\$285 <sup>8</sup>	\$14,634.75

<sup>5</sup> Approved in D.13-12-051.

<sup>6</sup> Application of 2.0% COLA adopted in ALJ Resolution-287.

<sup>7</sup> Approved in D.14-02-014.

Regina Costa	2013	1.0	\$280	Res. ALJ-281	\$ 280.00	1.0	\$290 <sup>9</sup>	\$290.00
Hayley Goodson	2011	.25	\$300	D.11-05-017	\$75.00	0.25	\$300	\$75.00
Marcel Hawiger	2012	.25	\$375	D.12-05-034, plus Res. ALJ-281	\$93.75	0.25	\$375 <sup>10</sup>	\$93.75
Tom Long	2011	.50	\$520	D.13-05-007	\$260.00	0.50	\$520	\$260.00
Tom Long	2012	.25	\$520	D.13-05-007	\$130.00	0.50	\$530 <sup>11</sup>	\$265.00
Thomas C. Catlin	2011	29.0	\$200	See supra, Part III. Sec. A (b)	\$5,800.00	29.0	\$200	\$5,800.00
Thomas C. Catlin	2012	85.50	\$200	See supra, Part III. Sec. A (b)	\$17,100.00	85.50	\$205 <sup>12</sup>	\$17,527.50
Scott Rubin	2011	7.0	\$160	See supra, Part III. Sec. A (b)	\$1,120.00	7.0	\$160	\$1,120.00
Scott Rubin	2012	122.50	\$160	See supra, Part III. Sec. A (b)	\$19,600.00	122.5	\$165	\$20,212.50
<b>Subtotal:</b>					<b>\$133,915.50</b>	<b>Subtotal:</b>		<b>\$135,434.75</b>
<b>OTHER FEES</b>								
Describe here what OTHER HOURLY FEES you are Claiming (paralegal, travel **, etc.):								
<b>Item</b>	<b>Year</b>	<b>Hours</b>	<b>Rate</b>	<b>Basis for Rate*</b>	<b>Total \$</b>	<b>Hours</b>	<b>Rate</b>	<b>Total \$</b>
Christine Mailloux	2012	4.5	\$210		\$ 945.00	4.5	\$210	\$945.00
[Person 2]								
<b>Subtotal:</b>					<b>\$ 945.00</b>	<b>Subtotal:</b>		<b>\$945.00</b>
<b>INTERVENOR COMPENSATION CLAIM PREPARATION **</b>								
<b>Item</b>	<b>Year</b>	<b>Hours</b>	<b>Rate</b>	<b>Basis for Rate*</b>	<b>Total \$</b>	<b>Hours</b>	<b>Rate</b>	<b>Total \$</b>
Nina Suetake	2011	1.0	\$145		\$ 145.00	1.0	\$147.50	\$147.50
Christine Mailloux	2013	14.0	\$210		\$ 2,940.00	14.0	\$215	\$3,010.00
<b>Subtotal:</b>					<b>\$ 3,085.00</b>	<b>Subtotal:</b>		<b>\$3,157.50</b>
<b>COSTS</b>								
<b>#</b>	<b>Item</b>	<b>Detail</b>			<b>Amount</b>	<b>Amount</b>		
	Photocopies	GSWC Application and related material, testimony, pleadings			\$ 310.20			\$310.20
	Lexis	Computerized research			\$ 60.89			\$60.89

<sup>8</sup> Approved in D.13-06-020.

<sup>9</sup> Application of 2.0% COLA adopted in ALJ Resolution-287.

<sup>10</sup> Approved in D.13-12-028.

<sup>11</sup> Approved in D.13-11-022.

<sup>12</sup> Application of 2.2% COLA adopted in ALJ Resolution.

Phone/ Conference call	Proceeding-related phone calls and multi-party conference call charges	\$ 401.60		\$401.60
Postage	TURN Pleadings and Fed Ex charges	\$ 70.75		\$70.75
Consultant Travel	Expenses for Mr. Rubin's travel during scheduled hearings in San Francisco	\$ 1, 205.67		\$1, 205.67
Attorney Travel	Expenses for Ms. Mailloux's travel for settlement talks in Los Angeles	\$ 406.95		\$406.95
<b>Subtotal:</b>		<b>\$ 2,456.06</b>	<b>Subtotal:</b>	<b>\$2,456.06</b>
<b>TOTAL REQUEST:</b>		<b>\$140,401.56</b>	<b>TOTAL AWARD:</b>	<b>\$141,993.31</b>

\*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.

\*\*Travel and Reasonable Claim preparation time typically compensated at ½ of preparer's normal hourly rate.

<b>Attorney</b>	<b>Date Admitted to CA BAR<sup>13</sup></b>	<b>Member Number</b>	<b>Actions Affecting Eligibility (Yes/No?) If "Yes", attach explanation</b>
Christine Mailloux	December 10, 1993	167918	No.
Nina Suetake	December 14, 2004	234769	No.
Bob (Robert) Finkelstein	June 13, 1990	146391	No.
Hayley Goodson	December 5, 2003	228535	No.
Marcel Hawiger	January 23, 1998	194244	No.
Thomas (Tom) Long	December 11, 1986	124776	No.

### C. Attachments Documenting Specific Claim and Comments on Part III:

<b>Attachment or Comment #</b>	<b>Description/Comment</b>
1	<b>Certificate of Service</b>
2	<b>Time Sheets for Attorneys, Advocates and Experts</b>
3	<b>Resume of Thomas Catlin</b>
4	<b>TURN Expenses</b>
5	<b>Issue Allocation by Percentage</b>

<sup>13</sup> This information may be obtained at: <http://www.calbar.ca.gov/>.

**D. CPUC Disallowances & Adjustments:**

#	Reason
1. Adoption of Tom Catlin’s hourly rates.	Resolution ALJ-267 sets 2011 rates for experts with 13-plus years of experience at \$155-\$390 per hour. Catlin has over 30 years of experience in the public utilities sector, and has provided expert testimony in numerous regulatory proceedings. After reviewing Catlin’s credentials, the Commission adopts the rate of \$200 per hour for 2011, and \$205 per hour for 2012. Catlin’s 2012 hourly rate reflects the 2.2% Cost-of-Living-Adjustment (COLA) approved in Resolution ALJ-281.
2. Adoption of Scott Rubin’s hourly rates.	Resolution ALJ-267 sets 2011 rates for experts with 13-plus years of experience at \$155-\$390 per hour. Rubin has over 20 years of experience in the public utilities sector. Rubin’s education and work experiences warrant him the hourly rate of \$160 per hour for work completed in 2011. The Commission adopts the rate of \$165 per hour for work Rubin completed in 2012 by applying the 2.2% COLA approved in Resolution ALJ-281.
3. Higher award amount.	TURN’s higher award amount is due to higher hourly rates approved by Intervenor Compensation Decisions in 2013. These hourly rates have been identified by footnotes.

**PART IV: OPPOSITIONS AND COMMENTS**

**A. Opposition: Did any party oppose the Claim?**

No
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**B. Comment Period: Was the 30-day comment period waived (see Rule 14.6(2)(6))?**

Yes
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**FINDINGS OF FACT**

1. The Utility Reform Network has made a substantial contribution to Decision13-05-011.
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.
4. The total of reasonable compensation is \$141,993.31.

**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 \$141,993.31.
2. Within 30 days of the effective date of this decision, Golden State Water Company (U133W) shall pay The Utility Reform Network the total award. Payment of the award shall include interest at the rate earned on prime, three-month non-financial commercial paper as reported in Federal Reserve Statistical Release H.15, beginning September 25, 2013, the 75th day after the filing of The Utility Reform Network's request, and continuing until full payment is made.
3. The comment period for today's decision is waived.
4. This decision is effective today.

Dated \_\_\_\_\_, at San Francisco, California.

## APPENDIX

## Compensation Decision Summary Information

<b>Compensation Decision:</b>		<b>Modifies Decision?</b>	No
<b>Contribution Decision(s):</b>	D1305011		
<b>Proceeding(s):</b>	A1107017		
<b>Author:</b>	ALJ Smith		
<b>Payer(s):</b>	Golden State Water Company (U133W)		

## Intervenor Information

Intervenor	Claim Date	Amount Requested	Amount Awarded	Multiplier?	Reason Change/Disallowance
The Utility Reform Network (TURN)	7/12/2013	\$140,401.56	\$141,993.31	No	2013 Intervenor Compensation Decisions awarding higher hourly rates.

## Advocate Information

First Name	Last Name	Type	Intervenor	Hourly Fee Requested	Year Hourly Fee Requested	Hourly Fee Adopted
Christine	Mailloux	Attorney	TURN	\$390	2011	\$390
Christine	Mailloux	Attorney	TURN	\$420	2012	\$420
Christine	Mailloux	Attorney	TURN	\$420	2013	\$430
Nina	Suetake	Attorney	TURN	\$295	2011	\$295
Nina	Suetake	Attorney	TURN	\$315	2012	\$315
Nina	Suetake	Attorney	TURN	\$315	2013	\$320
Bob	Finkelstein	Attorney	TURN	\$470	2011	\$470
Regina	Costa	Expert	TURN	\$275	2011	\$275
Regina	Costa	Expert	TURN	\$280	2012	\$285
Regina	Costa	Expert	TURN	\$280	2013	\$290
Hayley	Goodson	Attorney	TURN	\$300	2011	\$300
Marcel	Hawiger	Attorney	TURN	\$375	2012	\$375
Tom	Long	Attorney	TURN	\$520	2011	\$520
Tom	Long	Attorney	TURN	\$520	2012	\$530
Thomas	Catlin	Expert	TURN	\$200	2011	\$200
Thomas	Catlin	Expert	TURN	\$200	2012	\$205
Scott	Rubin	Expert	TURN	\$160	2011	\$160
Scott	Rubin	Expert	TURN	\$160	2012	\$165

(END OF APPENDIX)