

Decision _____

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

Application of San Diego Gas & Company (U902M) for Authority, Among Other Things, to Increase Rates and Charges for Electric and Gas Service Effective on January 1, 2012.

Application 10-12-005
(Filed December 15, 2010)

And Related Matter.

Application 10-12-006

DECISION GRANTING COMPENSATION TO THE UTILITY CONSUMERS' ACTION NETWORK FOR SUBSTANTIAL CONTRIBUTION TO DECISION 13-05-010

Claimant: Utility Consumers' Action Network (UCAN)	For contribution to Decision (D.) 13-05-010
Claimed: \$ 1,209,711.60	Awarded: \$1,077,505.50 (11% reduction)
Assigned Commissioner: Michael R. Peevey	Assigned ALJ: John S. Wong

PART I: PROCEDURAL ISSUES

A. Brief Description of Decision:	Decision (D.) 13-05-010 resolves the test year 2012 general rate cases (GRC) for Southern California Gas Company (SoCalGas) and San Diego Gas & Electric Company (SDG&E). The decision adopted a 2012 revenue requirement representing the reasonable costs of providing safe and reliable utility service in that year. For SDG&E, the Commission authorized a 2012 revenue requirement at a level \$115.9 million below the utility's request. For SoCalGas, the authorized 2012 revenue requirement is \$153.7 million below the utility's request. The decision also adopts post-test year increases for 2013, 2014, and 2015.
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B. Claimant must satisfy intervenor compensation requirements set forth in Pub. Util. Code §§ 1801-1812:

	Claimant	CPUC Verified
Timely filing of notice of intent to claim compensation (NOI) (§ 1804(a)):		
1. Date of Prehearing Conference (PHC):	January 31, 2011	Verified
2. Other Specified Date for NOI:	N/A	
3. Date NOI Filed:	February 16, 2011	Verified
4. Was the NOI timely filed?		Verified
Showing of customer or customer-related status (§ 1802(b)):		
5. Based on Administrative Law Judge (ALJ) ruling issued in proceeding number:	D.10-05-013 <i>See Comment 1</i>	Yes, as described in Comment 1.
6. Date of ALJ ruling:	May 10, 2010 <i>See Comment 1</i>	Yes, as described in Comment 1.
7. Based on another CPUC determination (specify):		
8. Has the Claimant demonstrated customer or customer-related status?		Verified
Showing of "significant financial hardship" (§ 1802(g)):		
9. Based on ALJ ruling issued in proceeding number:	D.10-05-013 <i>See Comment 1</i>	Verified
10. Date of ALJ ruling:	May 10, 2010	Verified
11. Based on another CPUC determination (specify):		
12. Has the Claimant demonstrated significant financial hardship?		Verified
Timely request for compensation (§ 1804(c)):		
13. Identify Final Decision:	D.13-05-010 <i>See Comment 2</i>	Verified
14. Date of Issuance of Final Order or Decision:	May 14, 2013	Verified
15. File date of compensation request:	July 15, 2013	Verified
16. Was the request for compensation timely?		Yes. The request for compensation was made within 60 days of the Final Decision.

C. Additional Comments on Part I:

#	Claimant	CPUC	Comment
1		X	<p>We note that UCAN submitted for filing, and served, at least two variations of its intervenor compensation claim. Originally, on July 15, 2013, UCAN submitted a claim for either \$1,446,974.93 or \$1,479,344.93. On August 7, 2013, SDG&E filed a response to UCAN's original claim. SDG&E argued that UCAN's original claim "was not carefully drafted and is overstated in several areas, leading to higher costs to ratepayers than justified." UCAN agreed in its August 21, 2013 reply to SDG&E's response that it would request that its original claim be rejected, and that UCAN would submit an amended claim. UCAN's amended claim for \$1,209,711.60 was served on August 29, 2013, and filed by the Docket Office as though it was originally filed on July 15, 2013.</p> <p>In Part I.B.5 and 6 above, UCAN cited D.10-05-013, and May 10, 2010, as the basis for its showing of customer or customer-related status. However, that is erroneous. As described in UCAN's original claim, UCAN filed its NOI in this proceeding on February 16, 2011. A ruling on UCAN's NOI was then issued on November 14, 2011 (not on November 4, 2011 as noted in UCAN's original claim).</p> <p>In the November 14, 2011 ruling in this proceeding, it was noted that UCAN's February 16, 2011 NOI "did not provide an explanation of its customer status or any documentation supporting its 'customer' status in its NOI as required by Decision (D.) 98-04-059." However, the ruling took notice of UCAN's January 12, 2010 NOI that it filed in Application (A.) 09-10-013 to substantiate its customer status. The NOI and subsequent intervenor compensation claim in A.09-10-013 led to D.10-05-013, which was issued on May 10, 2010, and addressed UCAN's intervenor compensation claim in A.09-10-013.</p> <p>We point out the deficiencies above because it points to errors, mistakes, and erroneous references by UCAN in the drafting of its original and amended intervenor compensation claims, and its failure to describe its status as a customer in its February 16, 2011 NOI. As set forth in Public Utilities Code Section 1802(a) and 1803, the compensation that is being claimed must be reasonable. When there are errors, mistakes, and erroneous references, the compensation amount that is being requested is not reasonable. Given these deficiencies, a reduction of UCAN's compensation request is justified.</p>
2		X	<p>UCAN mistakenly identified the final decision as "D.13-15-010" instead of "D.13-05-010."</p>

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).

Intervenor’s Claimed Contributions	Specific References to Intervenor’s Claimed Contributions:	CPUC Discussion
<p>Analysis Approach and General Issues - Overview of Forecasting Methodologies (3.3)</p> <p>UCAN and TURN demonstrated that the Commission should use the recorded data in forecasting that most accurately reflects each specific issue, rather than use one type of forecasting for the entire GRC.</p> <p>TURN and UCAN believe that the Commission should not limit itself to a limited number of preferred forecasting methods that are applied in a rigid fashion. Instead, the Commission should use the methodology that provides the most reasonable forecast for the cost that is at issue.</p> <p>The Commission agreed with TURN and UCAN, and decided that each proposed methodology will be reviewed in determining cost forecast. The Commission decided it would weigh the competing arguments as to which methodology yields a more reasonable forecast.</p>	<p>Joint Brief of TURN and UCAN at 7-16.¹</p> <p>D.13-05-010 at 17</p> <p>D.13-05-010 at 19, (TURN and UCAN point out that the Commission should consider the various methodologies that the Applicants and the other parties use, including the use of recorded 2010 data for the costs at issue if it is used to develop a reasonable forecast. We agree with TURN and UCAN in this regard. Each proposed methodology must be reviewed and considered for each cost forecast, and the Commission needs to weigh the competing arguments as to which methodology yields a more reasonable forecast.)</p>	<p>Yes.</p>
<p>Procurement and Generation - O&M Costs (4.4.2.)</p> <p>UCAN demonstrated that the O&M costs</p>		<p>Yes.</p>

¹ UCAN filed a Joint Brief with The Utility Reform Network on a subset of issues common to both SDG&E and SoCalGas, including certain policy issues, and a UCAN-only brief on the other issues specific to SDG&E.

<p>for SDG&E’s electric generation were excessive and needed to be reduced. SDG&E also showed the benefits of purchasing certain required equipment rather than renting, and eliminated the associated costs involved with renting.</p> <p>UCAN’s recommended reduction at Palomar is calculated using the non-labor costs for the three-year average of 2008-2010, with adjustments to the averages such as those necessary to remove crane savings. UCAN estimates the crane savings will amount to \$700,000.</p> <p>The Commission agreed with UCAN’s arguments that with the purchase of a gantry crane for the Palomar facility, O&M costs for crane rentals should be reduced, as well as the funding for crane rentals. The Commission reduced the O&M forecast by \$700,000 due to the crane rental savings.</p>	<p>UCAN’s brief at 35-40</p> <p>D.13-05-010 at 48, (“[W]e agree with UCAN’s argument that if the purchase of a gantry crane for the Palomar facility is adopted, that the O&M costs for crane rentals should be reduced.”)</p> <p>D.13-05-010 at 68, (“[W]e are also persuaded by UCAN’s argument that if the purchase of the gantry crane is approved, that there should be a reduction in the cost of crane rental.”)</p>	
<p>Procurement and Generation - Capital Expenditures (4.4.3.1.)</p> <p>UCAN demonstrated that SDG&E should be held responsible for plant designs that lead to additional costs, and additional affiliate transaction costs. Specifically, UCAN showed that cooling water biocide upsize was caused by lax oversight of an affiliate transaction between SDG&E and Sempra Energy.</p> <p>UCAN contends that SDG&E never corresponded with Sempra during construction of the plant, which caused the increase in price when the plant did not meet the necessary specifications for operation.</p> <p>UCAN demonstrated that the closed cooling water system upgrade project was also not the responsibility of the ratepayers to shoulder by showing that Sempra, as the builder of the project, designed the project badly, and that</p>	<p>UCAN’s brief at 35-40</p> <p>D.13-05-010 at 56</p> <p>D.13-05-010 at 65, (We agree with UCAN that ratepayers should not be responsible for funding this project that resulted from Sempra’s plant design choice. As UCAN states, SDG&E’s choice to have no say in</p>	<p>Yes.</p>

<p>SDG&E did not exercise any construction oversight.</p> <p>UCAN also opposed funding for the treatment plant at Miramar, since the project has been suspended, and water treatment will not begin again until the end of the test year.</p> <p>The Commission agreed with UCAN that ratepayers should not be responsible for funding a project that resulted from Sempra’s plant design choice. The Commission cites UCAN’s showing that SDG&E chose to have no say in the design of the plant, making it unreasonable for ratepayers to have to pay for correcting problems resulting from the original design of the plant. The Commission therefore disallowed the cooling water biocide upsize project.</p> <p>The Commission also agreed with UCAN that ratepayers should not be responsible for funding the closed cooling water system upgrade project that would fix a faulty design by SDG&E’s affiliate. The Commission disallowed the funding request of \$450,000.</p> <p>Citing UCAN’s observation that the water treatment plant project for Miramar had been suspended, the Commission removed the funding request of \$550,000 for the Miramar plant operational enhancement budget.</p>	<p>the design of the plant and to trust its affiliate, does not make it reasonable for ratepayers to have to pay for correcting problems that resulted from the original design of the plant.)</p> <p>D.13-05-010 at 62.</p> <p>D.13-05-010 at 65, (We agree with UCAN that ratepayers should not be responsible for funding the closed cooling water system upgrade project that would fix a faulty design by SDG&E’s affiliate.)</p>	
<p>SDG&E Electric Distribution Operations - ERO [Electric Regional Operations] (Troubleshooting/Engineering) (6.2.3)</p> <p>UCAN demonstrated that SDG&E’s load growth, red flag conditions, [General Order] GO 165 inspections, and additional training costs were overstated.</p> <p>UCAN demonstrated that the proposed increase by SDG&E was unnecessary, as funds from previous years were not yet</p>	<p>UCAN’s brief at 52-55</p> <p>D.13-05-010 at 103</p>	<p>Yes.</p>

<p>depleted. Since GO 165 patrols have grown by less than 1%, an increase is not warranted.</p> <p>UCAN's testimony about the slower growth in underground facilities, and the fewer GO 165 patrols, persuaded the Commission to adopt a reduced O&M cost for ERO Engineering/Troubleshooting by \$600,000 which reduces SDG&E's funding request of \$7.851 million to \$7.251 million.</p>	<p>D.13-05-010 at 104,</p>	
<p>SDG&E Electric Distribution Operations Project Management (6.2.5.)</p> <p>UCAN demonstrated that the incremental increase to the O&M costs for project management were inflated by SDG&E, and proposed a closer approximation of the incremental funding needs that still allow for efficiency if the economy improves.</p> <p>SDG&E requested an incremental increase of \$587,000 over its base forecast of \$934,000.</p> <p>The Commission adopted an increase of \$106,000, resulting in a funding amount of \$1.1 million adopted as the O&M costs for the project management organization.</p>	<p>UCAN's brief at 57-59</p> <p>D.13-05-010 at 113</p>	<p>Yes.</p>
<p>SDG&E Electric Distribution Operations - Regional Public Affairs (6.2.7.)</p> <p>UCAN demonstrated that reasonable funding for the O&M costs for regional public affairs should be lower than SDG&E's estimate, but also higher than that of the [Division of Ratepayer Advocates] DRA considering the 2010 labor costs.²</p>	<p>UCAN's brief at 165-169</p> <p>D.13-05-010 at 118</p> <p>D.13-05-010 at 122-123, ("Based on a review of the testimony of</p>	<p>Yes.</p>

² Effective September 26, 2013, the DRA is now known as the Office of Ratepayer Advocates. (See Stats. 2013, Ch. 356, Section 42.) Since UCAN references DRA's activities prior to the name change, we use the DRA label in this decision.

<p>SDG&E methodology requires \$1.483 million.</p> <p>DRA methodology requires \$1.006 million.</p> <p>UCAN methodology requires \$1.398 million.</p> <p>Comparing these various methodologies, the Commission determined that \$1.287 million is reasonable to adopt for O&M costs for regional public affairs. This amount most closely reflects the methodology of UCAN.</p>	<p>SDG&E, DRA, and UCAN, comparing the methodologies and adjustments they use to arrive at their respective forecasts, and considering the need for an additional public affairs manager given the state of the economy, it is reasonable to adopt \$1.287 million in funding for the O&M costs for regional public affairs.”)</p>	
<p>SDG&E Electric Distribution Operations - Grid Operations (6.2.8.)</p> <p>UCAN demonstrated that Grid Operations costs forecasts should include the data from 2009, 2010 in order to prevent inflated funding.</p> <p>UCAN demonstrated that SDG&E forecast was high due to the abnormally high non-labor costs in 2008.</p> <p>SDG&E requested \$427,000.</p> <p>The Commission took UCAN’s testimony regarding the abnormally high labor data of 2008 into consideration, along with the more typical costs of 2009 and 2010, and provided O&M funding of \$327,000 for grid operations.</p>	<p>UCAN’s brief at 60-61</p> <p>D.13-05-010 at 124</p> <p>D.13-05-010 at 125</p>	<p>Yes.</p>
<p>SDG&E Electric Distribution Operations - Substation Construction and Maintenance (6.2.9.)</p> <p>UCAN demonstrated that SDG&E’s recorded O&M for Substation Construction and Maintenance was obscure and difficult to understand, prompting the Commission to change its reasonable cost analysis method for this section.</p> <p>UCAN demonstrated that the work papers for this account did not reconcile</p>	<p>UCAN’s brief at 61-63</p> <p>D.13-05-010 at 128</p> <p>D.13-05-010 at 130, (We agree with UCAN’s observations that the O&M costs that are being requested for substation construction and maintenance could have been made clearer</p>	<p>Yes.</p>

<p>with the amount requested by SDG&E. From these work papers, it appears that SDG&E double counts the helicopter costs.</p> <p>UCAN recommends that the cost for fire hazard protection be recovered through FHPMA [Fire Hazard Prevention Memorandum Account].</p> <p>The Commission agreed that UCAN’s observation that the O&M costs that are being requested for substation construction and maintenance could have been made clearer and easier to understand. The Commission decided to adopt an analysis in accordance with UCAN’s observations.</p> <p>The Commission adopted UCAN’s four year average of \$7.782 million, instead of the base forecast suggested by SDG&E of \$8.853 million, or DRA’s \$8.576 million. The incremental smart grid costs were also reduced, resulting in a total O&M smart grid cost of \$8 million.</p>	<p>and easier to understand at the outset. Thus, with UCAN’s observation in mind, our analysis begins with the recommendations concerning the FHPMA, and vacation and sick leave, followed by an examination of the methodologies used by the parties to develop their respective forecasts, and then an analysis of the clarifying spreadsheet as it relates to SDG&E’s incremental request.)</p> <p>D.13-05-010 at 132 (We agree with DRA and UCAN that there should be reductions in two areas to SDG&E’s incremental request.)</p>	
<p>SDG&E Electric Distribution Operations -System Protection (6.2.10) UCAN helped demonstrate that SDG&E’s forecast for System Protection was incomplete, requiring consideration of additional recorded data.</p> <p>UCAN provided the three-year average of 2008-2010 to develop its forecast without adjustments.</p> <p>The Commission considered UCAN’s methodology along with DRA and SDG&E, and determined to adopt an O&M cost for system protection of \$641,000, a \$5,000 reduction from SDG&E’s forecast.</p>	<p>UCAN’s brief at 64-65</p> <p>D.13-05-010 at 135</p>	<p>Yes.</p>
<p>SDG&E Electric Distribution Operations - Electric Distribution Operations (6.2.11.) Electrical Distribution Operations: UCAN demonstrates through testimony</p>	<p>UCAN’s brief at 65-68</p>	<p>Yes.</p>

<p>and researched forecasting that the forecast of SDG&E is skewed.</p> <p>UCAN agreed with DRA’s forecast of \$8.597 million for electric distribution operations. However, in the event that incremental spending is needed, UCAN suggests an alternate funding level, based on the three year average of 2008-2010, at \$8.829 million.</p> <p>SDG&E recommended a 2012 test year forecast of \$10.475 million.</p> <p>The Commission decided to adopt a base forecast of \$8.9 million, and amount significantly lower than SDG&E and very close to that suggested by UCAN and the DRA. The commission allowed for incremental funding in the amount of \$100,000, which raises the total to \$9 million.</p>	<p>D.13-05-010 at 137</p> <p>D.13-05-010 at 139, (We have reviewed the testimony of SDG&E, DRA, and UCAN concerning the additional positions that SDG&E has requested, and the other drivers for SDG&E’s incremental request. Based on that testimony, it is reasonable to adjust the base forecast of \$8.900 million by an additional \$100,000.)</p>	
<p>SDG&E Electric Distribution Operations - Distribution Operations/Electric Geographic Information Management (6.2.12.) Distribution Operations/Electric Geographic Information Management: UCAN demonstrates that the 2009 and 2010 recorded data should be used in forecasting funding.</p> <p>UCAN contends that costs are trending downward, and the five-year average of SDG&E does not accurately reflect this.</p> <p>SDG&E recommended a forecast of \$1.548 million.</p> <p>DRA and UCAN recommended a forecast of \$1.34 million.</p> <p>The Commission agreed with UCAN that the 2009 and 2010 data needed to be taken into consideration, even if they did not believe that the costs were trending downward. The Commission thereby adopted \$1.4 million for the O&M costs</p>	<p>UCAN’s brief at 68-69</p> <p>D.13-05-010 at 141</p>	<p>Yes.</p>

<p>for activities related to the electric GIS [Geographic Information System].</p>		
<p>SDG&E Electric Distribution Operations - Construction Services (6.2.14.) UCAN provided a useful comparison to that of SDG&E’s 2010 recorded forecast for construction service, providing justification for the Commission to lower SDG&E’s forecast.</p> <p>The Commission determined that the data from 2009 and 2010 was a useful comparison against SDG&E’s forecast. The Commission determined that it was reasonable to adopt \$5 million, a reduction of \$474,000 from SDG&E forecast.</p>	<p>UCAN’s brief at 71-73</p> <p>D.13-05-010 at 147, (For the reasons stated earlier, we do not agree with UCAN’s removal of the fire hazard prevention costs from its base forecast. However, the use of the 2010 recorded data is a useful comparison to SDG&E’s forecast.)</p>	<p>Yes.</p>
<p>SDG&E Electric Distribution Operations - Tree Trimming (6.2.15.2.) UCAN demonstrated that SDG&E’s forecast for tree trimming was inflated and that a two-way balancing account was unnecessary.</p> <p>UCAN agreed with DRA’s recommended forecast, but pointed out that the 2010 cost [was] almost 2 million less than 2009.</p> <p>UCAN opposed SDG&E’s request for a two way balancing account because of the year-to-year fluctuation in the costs. UCAN believes that since SDG&E has made progress on reducing the number of fast growing trees in its inventory, the number of trees that need to be trimmed frequently is reduced, and fluctuation is minimized.</p> <p>The Commission determined that the 2009 recorded cost were a good starting point as representative of the costs and workload experienced in the more recent 2009 and 2010 years as trimming costs increased. The Commission determined that the request for a two way balancing</p>	<p>UCAN’s brief at 73</p> <p>D.13-05-010 at 150</p> <p>D.13-05-010 at 152</p> <p>D.13-05-010 at 153</p>	<p>Yes.</p>

<p>account by SDG&E was unwarranted, and decided to maintain the one-way balancing account, in accordance with DRA and UCAN’s suggestion.</p> <p>SDG&E forecast \$27.419 million. DRA and UCAN recommended \$23.504 million. The Commission adopted \$25.5 million.</p>		
<p>SDG&E Electric Distribution Operations - New Business Category (6.3.2)</p> <p>UCAN demonstrated that certain projects should be shut down, such as the sustainable community systems energy project, and that future project should be reevaluated each GRC cycle, and that SDG&E should seek funding for renewable energy growth from programs that do not require ratepayer funding.</p> <p>UCAN points out that other programs already exist that encourage the growth of renewable distributed generation without ratepayer funding.</p> <p>The Commission agreed with DRA and UCAN that sustainable community energy systems project should be wound down, with future funding ending after the GRC cycle completes.</p>	<p>UCAN’s brief at 90-97</p> <p>D.13-05-010 at 181, (We agree with DRA and UCAN that the sustainable community energy systems project should be wound down, and that future funding of new projects should end after this GRC cycle is completed.)</p> <p>D. 13-05-010 at 181-182, (As UCAN points out, there are other programs that encourage the growth of renewable distributed generation without ratepayer funding. With more customers electing to purchase renewable generation systems, there will no longer be a need for ratepayers to fund additional new projects.)</p>	<p>Yes.</p>

<p>SDG&E Electric Distribution Operations - Mandatory Category (6.3.5.) UCAN demonstrated that SDG&E requested more funds than necessary to fulfill the mandated category which includes projects that are required to ensure compliance with programs that have been mandated by the Commission and other regulatory agencies.</p> <p>SDG&E recommended capital expenditures of \$31.999 million for 2010, \$35.987 million for 2011, and \$34.220 million for 2012.</p> <p>UCAN recommended capital expenditures for the mandated category of \$28.613 million for 2011, and \$29.099 million for 2012.</p> <p>The Commission adopted capital expenditures in 2010 of \$31.153 million, in 2011 of \$32 million, and in 2012 of \$30 million.</p>	<p>UCAN’s brief at 108-116</p> <p>D.13-05-010 at 190</p> <p>D.13-05-010 at 192</p> <p>D.13-05-010 at 194</p>	<p>Yes.</p>																									
<p>SMART GRID SDG&E Electric Distribution Operations - Capital Projects (6.4.1.2 to 6.4.3) UCAN demonstrated that there were various issues with SDG&E’s deployment and use, and oversight of smart grid technology. Below is the</p> <p>SDG&E SMART GRID PROPOSALS (Thousands of 2009 dollars)³</p> <table border="1" data-bbox="235 1501 730 1747"> <thead> <tr> <th>Project</th> <th>2010</th> <th>2011</th> <th>2012</th> <th>Total</th> </tr> </thead> <tbody> <tr> <td>Energy Storage</td> <td>\$0</td> <td>\$25,193</td> <td>\$29,790</td> <td>\$54,983</td> </tr> <tr> <td>Dynamic Line Ratings</td> <td>\$0</td> <td>\$1,963</td> <td>\$1,963</td> <td>\$3,926</td> </tr> <tr> <td>Phasor Measurement Units</td> <td>\$0</td> <td>\$1,475</td> <td>\$2,581</td> <td>\$4,056</td> </tr> <tr> <td>Capacitor</td> <td>\$0</td> <td>\$2,902</td> <td>\$2,902</td> <td>\$5,804</td> </tr> </tbody> </table>	Project	2010	2011	2012	Total	Energy Storage	\$0	\$25,193	\$29,790	\$54,983	Dynamic Line Ratings	\$0	\$1,963	\$1,963	\$3,926	Phasor Measurement Units	\$0	\$1,475	\$2,581	\$4,056	Capacitor	\$0	\$2,902	\$2,902	\$5,804	<p>UCAN’s brief at 142-159, D.13-05-010 at 226</p> <p>The Commission examined and ruled on each project, and reduced total funding on these projects by almost \$50 million dollars.</p> <p>D. 13-05-010 at 226-232</p> <p>The total funding authorized by the Commission for each</p>	<p>Yes.</p>
Project	2010	2011	2012	Total																							
Energy Storage	\$0	\$25,193	\$29,790	\$54,983																							
Dynamic Line Ratings	\$0	\$1,963	\$1,963	\$3,926																							
Phasor Measurement Units	\$0	\$1,475	\$2,581	\$4,056																							
Capacitor	\$0	\$2,902	\$2,902	\$5,804																							

³ The condition-based maintenance expansion capital project is not reflected in this table because SDG&E withdrew this project. The cost associated with the PEVs is shown as zero because the proposed upgrade of the primary and secondary voltage infrastructure is reflected in the electric distribution capital projects.

SCADA [supervisory control and data acquisition]			2	
SCADA Expansion	\$0	\$0	\$4,699	\$4,699
PEVs [Plug-in Electric Vehicles]	\$0	\$0	\$0	\$0
Smart Transformers	\$0	\$2,047	\$521	\$2,568
Public Access Charging Facilities	\$0	\$0	\$5,230	\$5,230
Wireless Faulted Circuit Indicators	\$0	\$1,302	\$2,199	\$3,501
Phase Identification	\$0	\$1,184	\$4,027	\$5,211
Integrated Test Facility	\$0	\$502	\$1,340	\$1,842
Total	\$0	\$36,568	\$55,252	\$91,820

SDG&E’s energy storage capital project makes up the bulk of its capital funding request. In 2011 and 2012, SDG&E requests a total of \$54.983 million. DRA recommends total funding of \$10.700 million, while UCAN recommends total funding of \$12.100 million.

UCAN’s reasoning for reduced funding is because it believes SDG&E should only pursue a limited pilot project at this point, and that such a project should only be undertaken after SDG&E has performed a study to determine the impact that photovoltaic generation may have on system stability and reliability.

The Commission agreed with DRA and UCAN, stating there was value in ensuring that authorized funding is spent on energy storage. Thus, the Commission required SDG&E establish a one-way balancing account for the Energy Storage Balancing.

project is noted below.

Energy Storage

Since the Commission has not yet adopted the energy storage policies and targets as required by AB 2514, it would be unreasonable and premature to authorize full funding of SDG&E’s energy storage request. Instead, it is reasonable to authorize capital spending of \$26 million in 2012 for energy storage. D.13-05-010 at 226

Dynamic Line Rating

“Based on all of these considerations, it is reasonable to allow reduced funding of \$1.463 million in 2011, and \$1.463 million in 2012.” D.13-05-010 at 227

Phasor Measurement Units

“it is reasonable to authorize capital expenditure funding of \$900,000 in 2011, and 2012 funding of \$1.500 million.” D.13-05-010 at 228

Capacitor SCADA

“it is reasonable to adopt a reduced level of capital expenditure funding of this project in the amount of \$1.802

<p>Furthermore, the Commission cited UCAN evidence in determining that no ratepayer funding would be allowed for SDG&E’s proposal to deploy public access charging facilities.</p> <p>The Commission also agreed with UCAN that SDG&E should not receive funding for its phase identification project. The Commission stated that it “should not be funded...UCAN correctly points out that this is something that SDG&E should have been doing all along as part of its normal course of business.” (At 231.)</p>	<p>million in 2011, and \$1.802 million in 2012” D.13-05-010 at 228.</p> <p><u>SCADA Expansion</u> “Accordingly, it is reasonable to reduce the 2012 capital expenditure funding from \$4.699 million to \$2.250 million.” D.13-05-010 at 229</p> <p><u>Smart Transformers</u> “It is reasonable under the circumstances to reduce the capital expenditure funding for the smart transformers in 2011 from \$2.047 million to \$1.300 million, and to allow funding of \$521,000 in 2012.” D.13-05-010 at 230</p> <p><u>Public Access Charging facilities</u> All of these factors persuade us to adopt the positions of DRA and UCAN that there should be no ratepayer funding of SDG&E’s proposal to deploy public access charging facilities. D.13-05-010 at 231</p> <p><u>Wireless Fault indicators</u> “we approve a reduced level of capital expenditure funding for this project in the amount of \$1.202 million in 2011, and \$1.199 million in 2012.” D.13-05-010 at 231</p>	
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<p>UCAN’s contributions regarding all 11 Smart Grid funding proposals provided the Commission subject matter testimony, specifically testimony regarding a smartly engineered smart grid, that helped the Commission decide to reduce nearly \$50 million in funding requests proposed by SDG&E.</p>	<p><u>Phase Identification</u> “On SDG&E’s request for funding for its phase identification project, we agree with UCAN that this project should not be funded.” D.13-05-010 at 231</p> <p><u>Integrated test facility</u> “we adopt DRA’s funding recommendation of \$250,000 in 2011, and \$250,000 in 2012 for the integrated test facility.” D.13-05-010 at 232</p> <p>D. 13-05-010, at 231, (On SDG&E’s request for funding for its phase identification project, we agree with UCAN that this project should not be funded...UCAN correctly points out that this is something that SDG&E should have been doing all along as part of its normal course of business.)</p> <p>D.13-05-010, at 231, (All of these factors persuade us to adopt the positions of DRA and UCAN that there should be no ratepayer funding of SDG&E’s proposal to deploy public access charging facilities.)</p> <p>D.13-05-010 at 226-232</p>	
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<p>Gas Distribution - O&M Non-Shared Services: Field Operations and Maintenance (7.2.2.2.2.) UCAN demonstrated that leak survey costs were inflated, and UCAN provided a closer estimation of the cost for service maintenance.</p> <p>The Commission adopted O&M forecast of \$1.1 million for the leak survey workgroup, and UCAN's O&M recommendation of \$1.196 for Non-Shared Services Field Operations and Maintenance.</p>	<p>UCAN's brief at 176-178</p> <p>D.13-05-010 at 246-247</p>	<p>Yes.</p>
<p>Asset Management (7.2.2.2.3.) UCAN demonstrated accurate forecasts for cathodic protection, leading to the Commission adopting the forecasts.</p> <p>The Commission decided to adopt UCAN's recommended forecasts of capital expenditures for cathodic protection as follows:</p> <p>\$364,000 for 2010; \$458,000 for 2011; and \$458,000 for 2012.</p>	<p>UCAN's brief at 193-195</p> <p>D.13-05-010 at 295, (Based on the above considerations, it is reasonable to adopt UCAN's O&M forecast of \$848,000 for the cathodic protection workgroup.)</p>	<p>Yes. UCAN's citation to D.13-05-010 at 295 is erroneous. The citation appears at D.13-05-010 at 254.</p>
<p>New Business (7.2.3.2.) UCAN demonstrated more accurate forecasts for the capital expenditures for new business.</p> <p>The Commission adopted DRA and UCAN's recommended forecast for new business capital expenditures, instead of the SDG&E forecast.</p>	<p>UCAN's brief at 201-214</p> <p>D.13-05-010 at 261, (We believe that the capital expenditure forecasts for new business will reflect the forecasts of DRA and UCAN, instead of SDG&E's forecast.)</p>	<p>Yes.</p>
<p>Gas Safety Reporting (10) UCAN asked that the Sempra Utilities be required to submit semi-annual safety report for their transmission and distribution systems, similar to what the Commission has required for PG&E. The decision adopted UCAN's proposal.</p>	<p>Joint Brief of TURN and UCAN at 31-33; D.13-05-010 at 457</p>	<p>Yes.</p>
<p>Customer Service - Branch Offices and Authorized Payment Location</p>		<p>Yes. <i>See also</i></p>

<p>(11.2.2.4.) UCAN demonstrated through testimony, inefficiencies and unnecessary funding requests for SDG&E’s customer service operational costs, including the Automated Voice Response Systems, Clean Energy Programs, Energy Innovation Centers, Customer Complaint handling, Customer Service Guarantees, and Voltage Conditions. The testimony also identifies excessive costs associated with vendor payments, advertising, and lobbying.</p> <p>UCAN recommended lowered funding of branch offices and authorized payment locations, since spending on branch offices has been declining from 2005-2010.</p> <p>UCAN objected to the Helpdesk Support project, as it appeared to only be available to those with a “My Account” profile, and UCAN believed these functions should be available to all SDG&E customers.</p> <p>UCAN agreed with DRA that ratepayers should not be responsible for funding Home Area Network technologies.</p> <p>UCAN contended that funding for clean energy programs be terminated, as UCAN believed the CCSE [California Center for Sustainable Energy] can administer the clean energy programs without assistance from SDG&E.</p> <p>UCAN argued that SDG&E used unrealistic customer growth and energy consumption forecasts which resulted in overstated revenue requirements for those expenses that grow in tandem with customer growth, energy consumption growth, and peak demand growth. Use of these outdated or modified forecasts inflate new distribution infrastructure costs and expenses for employees</p>	<p>UCAN’s brief at 241-246</p> <p>D. 13-05-010 at 474</p> <p>D. 13-05-010 at 482</p> <p>D.13-05-010 at 467-468</p>	<p>UCAN’s Brief at 246-257. It is noted that UCAN’s statement that the Commission “adopted a reduced funding to \$75,000 for customer service field O&M costs” is erroneous. Instead, the Commission “reduce[d] the customer services field O&M costs by \$750,000” and “adopt[ed] a forecast of \$19.789 million for the non-shared O&M expenses for SDG&E’s customer services field activities.” D.13-05-010 at 467-468.</p>
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<p>engaged in customer service activities.</p> <p>The Commission was persuaded by UCAN’s argument and testimony that the volume of customer service-related activities will be lower than what SDG&E had forecasted, and adopted a reduced funding to \$75,000 for customer service field O&M costs.</p>		
<p>Customer Service - Electric Clean Transportation (11.4.2.2.4) UCAN demonstrated that SDG&E’s forecast for Electric Clean Transportation was unreasonably high due to an unrealistic prediction of PEV adoption.</p> <p>UCAN agreed with the DRA as to why funding should be disallowed, and added that the high price of the PEVs did not justify SDG&E’s education and outreach effort.</p> <p>The Commission agreed with UCAN’s findings, and reduced SDG&E’s incremental funding request from \$2.229 million to \$400,000. SDG&E requested \$2.946 million for O&M electric clean transportation costs, and the Commission granted 1.117 million.</p>	<p>UCAN’s brief at 263-265</p> <p>D. 13-05-010 at 578-579</p> <p>D.13-05-010 at 583</p>	<p>Yes.</p>
<p>Customer Service - Commercial, Industrial & Governmental Customer Services (11.4.2.2.5.) UCAN demonstrated that a reduction to the Commercial, Industrial & Governmental Customer Services [that] SDG&E request[ed] was warranted.</p> <p>UCAN used a five-year average, and recommended a disallowance of the cost of the major customer advisory panel because the meetings had been held offsite, and the cost of meals served should have been lowered.</p> <p>The Commission determined that the evidence presented by UCAN helped prove a reduction to SDG&E’s test year forecast was warranted. SDG&E</p>	<p>UCAN’s brief at 331</p> <p>D.13-05-010 at 584</p> <p>D.13-05-010 at 585, (Based on the evidence presented by SDG&E and UCAN, we believe that a reduction to SDG&E’s 2012 test year forecast is warranted.)</p>	<p>Yes.</p>

<p>requested \$4.957 million, and the Commission granted \$4.85 million.</p>		
<p>Customer Service - Customer Communications & Research (11.4.2.2.6.) UCAN demonstrated that SDG&E’s forecast for the Customer Communications and Research Operation and Management costs were inflated.</p> <p>UCAN recommended the five-year average for the O&M costs, and to disallow the incremental funding.</p> <p>The Commission determined that SDG&E’s forecast should be reduced, agreeing with the reasoning of UCAN. SDG&E requested \$8.5 million, and the Commission adopted \$5.9 million.</p>	<p>UCAN’s brief at 283-284</p> <p>D.13-05-010 at 587</p> <p>D.13-05-010 at 589, (We believe that many of the incremental activities that SDG&E plans to undertake during the test year can be done for less than what SDG&E has forecasted... we agree with the reasoning of DRA and UCAN that SDG&E’s O&M forecast should be reduced.)</p>	<p>Yes.</p>
<p>Customer Service - Research Development & Demonstration (11.4.2.2.8) UCAN has demonstrated that the shareholders should bear a greater risk in the RD&D due to the minimal benefits that ratepayers receive.</p> <p>UCAN contended that SDG&E role in RD&D be limited to monitoring developments in RD&D, and evaluating whether development will produce technology that should be incorporated in SDG&E operations, not in house development of such technology.</p> <p>UCAN also requested that SDG&E show how RD&D benefits ratepayers. In the event that the Commission determined SDG&E should provide incentive, UCAN recommended shareholders bear 20% of any loss on an investment.</p> <p>The Commission decided to adopt a scheme in which shareholders bear 25%.</p>	<p>UCAN’s brief at 269-273</p> <p>D.10-12-005 at 595</p> <p>D.13-05-010 at 600</p>	<p>Yes. UCAN’s citation to D.10-12-005 at 595 is erroneous. The correct citation is D.13-05-010 at 595.</p>

<p>Customer Service - Capital Expenditures (11.4.2.4.) UCAN demonstrated that SDG&E was not authorized to build the Energy Innovation Center, and therefore should not receive funding to finish a project that was never sanctioned.</p> <p>Based on UCAN’s analysis of various SDG&E accounts, it appears SDG&E diverted funds in order to build the Energy Innovation Center, and seeks to secure additional funding through this GRC.</p> <p>The Commission determined it was unreasonable to reward SDG&E for deciding to proceed with the Energy Innovation Center when they had not been afforded that decision. The Commission subsequently denied the rest of the funding request for the Energy Innovation Center. SDG&E requested, in millions, \$4.008 million for 2010, \$13.348 for 2011, and \$8.128 for 2012. The Commission adopted, in millions, \$1.217 for 2010, \$8.586 for 2011, and \$5.355 for 2012.</p>	<p>UCAN’s brief at 265-269</p> <p>D.13-05-010 at 606</p> <p>D.13-05-010 at 613</p>	<p>Yes.</p>
<p>Administration and General Expenses - Capital Expenditures (14.4.2.3.) UCAN established general policy background of the Rate Case, and provided thorough analysis of SDG&E’s executive compensation and Controller, Regulatory Affairs, and Finance divisions, demonstrating that these areas had room for significant savings, along with SDG&E Real Estate, Land and Facilities [REL&F] forecasts.</p> <p>SDG&E forecasted the following capital expenditures for REL&F: \$20.289 million for 2010; \$32.596 million for 2011; and \$25.598 million for 2012.</p> <p>UCAN recommends the adoption of the following for REL&F capital expenditures: \$12.695 million in 2010;</p>	<p>UCAN’s brief at 300-302</p> <p>D.13-05-010 at 710</p> <p>D.13-05-010 at 715</p> <p>D.13-05-010 at 719, (We have also reviewed and considered the reductions or disallowances that DRA and UCAN have recommended for the other budget codes. We have also considered the</p>	<p>Yes. <i>See also</i> D.13-05-010 at 714.</p>

<p>\$19.525 million in 2011; and \$10.820 million in 2012. UCAN’s cost calculation takes into consideration the 2010 recorded costs for capital expenditures.</p> <p>The Commission considered and implemented many of the disallowances that UCAN recommended, taking into consideration the effect capital project expenses effect on ratepayers. The Commission adopted capital expenditures for REL&F of \$14.421 million for 2010; \$19.700 million for 2011; and \$20 million for 2012. These amounts are closer to the estimates provided by UCAN than to those provided by SDG&E.</p>	<p>need for these capital projects versus the additional financial impact on ratepayers. Based on our review, it is reasonable to adopt the following funding level for SDG&E’s REL&F capital expenditures: \$14.421 million for 2010; \$19.700 million for 2011; and \$20 million for 2012.)</p>	
<p>SDG&E Human Resources, Disability and Workers’ Compensation (14.6.2.) UCAN along with TURN demonstrated that the Finance division was over compensated.</p> <p>UCAN recommended a reduction in workers’ compensation costs, partially because medical costs should be placed in the non-labor escalation category instead of a non-standard expense.</p> <p>Regarding the shared costs allocated to SoCalGas, the Commission was persuaded by TURN and UCAN to reduce the shared regulatory affairs costs by \$150,000.</p>	<p>UCAN’s brief at 345-349</p> <p>D.13-05-010 at 747</p> <p>D.13-05-010 at 776, (With respect to the shared costs allocated to SoCalGas, we are persuaded by TURN and UCAN that there should be a \$150,000 reduction to the shared regulatory affairs costs, based on the comparison to the historical costs.)</p>	<p>Yes. UCAN’s citation to D.13-05-010 at 776 is erroneous, as it refers to SoCalGas’ and regulatory affairs costs, instead of to SDG&E. The correct citation to SDG&E is D.13-05-010 at 750: (With regard to the non-shared costs, most of SDG&E’s forecasts are in line with the costs that have been experienced in the past. However, based on our review of the non-shared costs for workers’ compensation and long term disability, we believe that reductions to these costs are appropriate given the historical costs, and the cost increases that SDG&E expects. For workers’ compensation, it is reasonable to reduce</p>

		<p>SDG&E’s forecast of \$5.403 million by \$850,000. For the long term disability costs, it is reasonable to reduce SDG&E’s forecast of \$1.634 million by \$400,000. These two adjustments result in a non-shared O&M amount of \$10.243 million, which should be adopted.</p> <p>For the shared costs, we have reviewed the forecasts in light of the 2010 reorganization, and to the historical costs. We agree with SDG&E that DRA’s forecasts do not consider the full impacts of the 2010 reorganization, which has offsetting reductions in other cost areas. Also, we are not persuaded by DRA’s arguments that its recommended reductions to Employee Care Services and to billed in costs should be adopted. Accordingly, it is reasonable for the Commission to adopt shared O&M costs of \$4.063 million.)</p>
<p>Administration and General Expenses Finance (14.7.4.) UCAN and TURN demonstrated that the A&G costs for Financial Analysis and</p>	<p>Joint Brief of TURN and UCAN at 35-43</p>	<p>Yes.</p>

<p>Regulatory Affairs forecast by SDG&E was not representative of the actual costs.</p> <p>The recommended lowered funding is based on the use of the four-year average of 2007-2010, instead of the five-year average of 2005-2009 for the Regulatory Affairs.</p> <p>The recommended lowered funding for Financial Analysis is adjusted to account for the two cost centers, and is accurate because actual 2010 spending was less than what SDG&E forecasted, even with an additional staff person added.</p> <p>TURN and UCAN also recommended that regulatory affairs be reduced by 5.4% for legislative affairs and affiliate transactions, which should be covered by shareholders.</p> <p>The Commission was not persuaded by DRA’s argument that reductions to SDG&E’s shared costs are needed. However, the Commission did find merit with testimony of UCAN and TURN that there should be reductions to SDG&E’s forecast of regulatory affairs, and thereby reduced shared A&G costs by \$150,000.</p>	<p>D. 13-05-010 at 768-769</p> <p>D. 13-05-010 at 775, (With respect to SDG&E’s shared costs, we have reviewed the recommended reductions by DRA and UCAN to SDG&E’s shared costs. Based on a comparison of the historical costs, we are not persuaded by DRA’s argument that reductions to SDG&E’s shared costs are needed. However, we find merit with the testimony of UCAN and TURN that there should be a reduction to SDG&E’s forecast of the regulatory affairs. It is reasonable to reduce SDG&E’s shared A&G costs by \$150,000.)</p>	
<p>Administration and General Expenses - Legal and External Affairs (14.8.1)</p> <p>UCAN demonstrated that certain disallowances and reductions in funding should be made regarding external affairs, including Community Relations, additional positions, VP of External affairs, Media and Employee Communications, and legal department costs.</p> <p>UCAN’s recommended disallowance based on the use of these departments as lobbyist and corporate image enhancements.</p>	<p>UCAN’s brief at 311-342</p> <p>D.13-05-010 at 780</p> <p>D.13-05-010 at 780-781</p> <p>D.13-05-010 at 781</p> <p>D.13-05-010 at 781-782</p>	<p>Yes.</p>

<p>UCAN recommends zero funding for the VP of External Affairs because the position is redundant. A similar position existed before 2010, and required less funding.</p> <p>UCAN contended that the additional funds requested for Media and Employee Communications are a redundant request, already filled by previous funding requests for communications and outreach in other proceedings.</p> <p>UCAN also recommended reducing funding for Internal Communications, concerned with the allocation of costs between SDG&E and the corporate center. Reduced funding would reduce potential for ratepayer funding of shareholder activities.</p> <p>Regarding SDG&E’s Legal Department costs, UCAN does not believe six incremental employees are necessary. Looking at historical and forecasted expenses, UCAN does not believe there is a trend toward an overall increase in the Legal department.</p> <p>The Commission agreed with UCAN that not all of these positions are needed, and that some of the activities could be performed with existing staff, or with less funds than SDG&E has requested. Based on these considerations, the Commission reduced the legal and external affairs shared services that are allocated to SDG&E by \$1.500 million. The Commission adopted O&M costs of \$7.953 million, as opposed to SDG&E’s request of \$9.453 million.</p>	<p>D.13-05-010 at 785, (We agree with UCAN that not all of these positions are needed, and that some of these activities can be performed with existing staff, or with less funds than SDG&E has requested.)</p>	
<p>Corporate Center Costs Allocated to Utilities - Finance (15.2) By investigating each subsection of the Corporate Center Costs Allocated to Utilities, UCAN helped SDG&E provide a succinct and acceptable proposal for the Finance division, and also provided the</p>	<p>UCAN’s brief at 367-374 D.13-05-010 at 795 D.13-05-010 at 809,</p>	<p>Yes.</p>

<p>Commission with research that demonstrated a need to reduce.</p> <p>UCAN contends that there are numerous flaws in Sempra’s multi-factor allocation methodology, resulting in an over-allocation of Corporate Center costs to SDG&E and SoCalGas.</p> <p>The Commission decided it was reasonable to adopt a reduced allocation by \$800,000 for SDG&E and SoCalGas each, based on the reductions recommended by UCAN to the Finance Division.</p>	<p>(Based on the reductions that DRA and UCAN have recommended to the Finance Division, and the difference between the 2009 recorded cost and the forecasted 2012 test year cost, it is reasonable under the circumstances to reduce the allocation to SDG&E, and to SoCalGas, by \$800,000 each.)</p>	
<p>Insurance (16) UCAN demonstrated that the Insurance request by SDG&E was excessive, and, specifically, persuaded the Commission to reduce the wildfire insurance request.</p> <p>UCAN recommends a lower insurance forecast for three types of insurance. The largest reduction that UCAN advocates for is the premium for wildfire liability insurance. UCAN also recommends a reduction to the premiums for nuclear property insurance, and the nuclear liability insurance.</p> <p>UCAN also recommends nuclear liability insurance reduction, as there will be a zero increase in nuclear liability insurance.</p> <p>The Commission decided to reduce the amount of the wildfire reinsurance allocated to SDG&E from \$35.779 million to \$31.779 million.</p>	<p>UCAN’s brief at 359-367</p> <p>D.13-05-010 at 840</p> <p>D.13-05-010 at 842</p> <p>D.13-05-010 at 850</p>	<p>Yes.</p>
<p>Employee Issues - Employee Benefits: Short Term Incentive (17.2.) UCAN demonstrated that the SDG&E and SoCalGas Incentive Compensation Programs provide significant benefits to shareholders and had serious shortcomings with respect to ratepayers. UCAN’s testimony contributed to the Commission’s decision to reduce</p>	<p>UCAN’s brief at 374-389</p> <p>D.13-05-010 at 866</p> <p>D.13-05-010 at 880-881</p>	<p>Yes. <i>See also</i> D.13-050-010 at 882 stating that “it is reasonable to reduce the cost of the short term incentives for both SDG&E and SoCalGas by 25%....”</p>

<p>ratepayer funding for short-term incentives by 25% (18.8 million) in recognition of shareholder benefits.</p> <p>TURN and UCAN recommended a four step process for the Commission to use when considering short-term benefits.</p> <p>Although the Commission did not adopt UCAN’s proposed incentive for short-term benefits, the Commission did take into consideration UCAN’s evaluation methods, and stated that the Commission would not ignore the individual components that make up the compensation and employee benefits. The Commission determined that each component of short-term incentive packages still needs to be examined to ensure costs are related to provisioning of utility services, and reasonable to ratepayers.</p>	<p>D.13-05-010 at 866</p>	
<p>Employee Issues – Employee Benefits: Long Term Incentive (17.2.) UCAN demonstrated that Long Term Compensation should not be funded by the ratepayers, along with retirement activities and special events, but should be borne solely by shareholders.</p> <p>DRA, TURN, and UCAN contend that executives and other upper level managers are already compensated with stock, tied to the company’s financial performance and only benefitting shareholders.</p> <p>UCAN stipulates that retirement activities and special events are programs that build loyalty and camaraderie between current and former employees with their respective companies, and are not related to any of their companies’ job-related activities.</p> <p>The Commission determined it is reasonable to disallow ratepayer funding of the costs of the long term incentive</p>	<p>UCAN’s brief at 374-389</p> <p>Joint Brief of TURN and UCAN at 47-63</p> <p>D.13-05-010 at 882-884</p> <p>D.13-05-010 at 888, (We agree with DRA, TURN, and UCAN that the funding requests for</p>	<p>Yes.</p>

<p>compensation program in the amount of \$10.148 million for SDG&E, and \$5.361 for SoCalGas. The Commission also agreed with DRA, TURN, and UCAN that funding requests for retirement activities and special events should not be borne by ratepayers.</p>	<p>retirement activities and special events should not be borne by ratepayers.)</p>	
<p>Sales and Customers - Gas Customers and Sales (22.2.2.) UCAN demonstrated through analyzing the operation cost of Miramar and Palomar generation plants, construction units and electric and gas distribution customer growth capital, that a reduction in funding that reflects more recent data.</p> <p>UCAN demonstrated that their forecast of the number of electric customers better reflects the economic conditions that have occurred during the timeframe of the proceeding.</p> <p>The Commission determined that the recent data from DRA and UCAN was necessary in order to develop accurate forecasts. The Commission adopted UCAN’s forecast of electric customers, as readjusted by SDG&E, which results in total electric customers of 1,382,924 for 2010, 1,390,866 for 2011, and 1,401,032 for 2012.</p>	<p>UCAN’s brief at 390-395</p> <p>D13-05-010 at 965</p> <p>D.13-05-010 at 968 (It is reasonable under the circumstances to adopt UCAN’s forecast of electric customers, as re-adjusted by SDG&E.)</p>	<p>Yes.</p>
<p>Post-Test Year Revenue Requirement Issues - PTY [post test year] Ratemaking Framework (27.3) UCAN pointed out that SDG&E’s PTY ratemaking framework supported cost cutting and was preferential to SDG&E.</p> <p>UCAN demonstrated that SDG&E’s PTY ratemaking framework allows for earnings above normal levels without any proof of above-normal performance.</p> <p>The Commission decided not to adopt the PTY ratemaking framework of SDG&E and SoCalGas, citing UCAN’s contention that it would provide reason to engage in cost cutting and that it would</p>	<p>UCAN’s brief at 9-17</p> <p>D.10-12-005 at 1006</p> <p>D.13-05-010 at 1010, (As UCAN points out, the Applicants also have the discretion, within the parameters of safety and reliability considerations, to engage in cost cutting...we do not adopt the PTY ratemaking framework</p>	<p>Yes. UCAN’s citation to D.10-12-005 at 1006 is erroneous. The correct citation is to D.13-05-010 at 1006, 1010.</p>

<p>allow SDG&E and SoCalGas to recover much of the PTY costs and expenses they incur, and defeat the purpose of allowing only a reasonable opportunity to earn an authorized rate of return.</p>	<p>that SDG&E and SoCalGas have proposed as it would essentially lead us down a path that allows SDG&E and SoCalGas to recover much of the PTY costs and expenses that they incur.”)</p>	
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B. Duplication of Effort (§§ 1801.3(f) & 1802.5):

	Claimant	CPUC Verified
<p>a. Was the Office of Ratepayer Advocates (ORA)⁴ a party to the proceeding?</p>	<p>Yes</p>	<p>Verified</p>
<p>b. Were there other parties to the proceeding with positions similar to yours?</p>	<p>Yes</p>	<p>Verified</p>
<p>c. If so, provide name of other parties: The Utility Reform Network (TURN), Joint Parties (representing Black Economic Council, National Asian American Coalition, and Hispanic Business Chamber of Commerce of Los Angeles), Southern California Generation Coalition (SCGC), Federal Executive Agencies (FEA), and Coalition of California Utility Employees, (CCUE).</p>	<p>Verified</p>	
<p>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: UCAN's work in this case was very closely and coordinated with other intervenors. In light of the scope and the magnitude of the requested rate increase, UCAN worked very hard to achieve close coordination and maximum coverage of issues for ratepayers. UCAN closely coordinated with TURN from the earliest stages of the GRC in order to avoid and minimize duplication. In some instances, this coordination resulted in UCAN assuming primary responsibility for coverage of certain issues common to both. TURN and UCAN submitted joint testimony on common issues, including the general policy, executive compensation and regulatory affairs issues addressed in the joint testimony of William Marcus of JBS Energy. Finally, TURN and UCAN largely relied on the same expert witness firm (JBS Energy) for the review and analysis of a wide array of revenue requirement issues, thus ensuring a more consistent showing</p>	<p>Verified We find that UCAN's participation did not unnecessarily duplicate other parties' efforts.</p>	

⁴ As noted in footnote 2, DRA is now referred to as ORA. Since DRA's involvement in this proceeding occurred prior to September 26, 2013, we have left UCAN's reference to DRA unchanged in this decision.

on issues that were similar but perhaps not identical between the two utilities.

Given DRA's attempts to address all issue areas covered in these applications, UCAN conferred with DRA prior to developing testimony to avoid a duplication of DRA's efforts. For issues in which DRA and UCAN both presented testimony, UCAN identified in its testimony how its approach differed from DRA's approach or addressed issues not addressed by DRA (*see*, for example, Exhibit 557 at 33, 49-51, 64-65, 72-73).

In some cases, UCAN came to the same or a similar conclusion as DRA using a different line of reasoning, and the support of both testimonies combined provided the Commission with sufficient support to reduce the Applicant's revenue request. In other cases, the Commission rejected DRA's testimony and adopted a revenue reduction solely in response to UCAN's testimony. Examples include the following:

- DRA evaluated the Applicants' Incentive Compensation Plan (ICP) funding request by comparing the proposed ICP targets to market compensation levels, whereas UCAN evaluated the request by evaluating ratepayer benefits from the program and the appropriateness of the ICP performance measures. Both parties recommended a reduction in ICP funding levels compared to the Applicants' request (D.13-05-010, at 858-861, 868). The Commission did not directly adopt either DRA's or UCAN's approach but, in light of the DRA and UCAN testimonies, reduced ICP funding by 25% (D.13-05-010, at 881-882).
- DRA and UCAN developed forecasts of customer counts using different methodologies and data sources, with DRA's approach and results very similar to SDG&E's. The Commission determined that the SDG&E and DRA forecasts were too high and instead adopted UCAN's forecast (as re-adjusted by SDG&E) (D.13-05-010, at 964-968).
- DRA did not oppose SDG&E's O&M funding request for the Legal and External Affairs departments, whereas UCAN recommended a funding reduction of \$1.8 million. In light of UCAN's testimony, the Commission adopted a \$1.5 million reduction to SDG&E's request (D.13-05-010, at 778-779, 785).

As a result, the Commission ended up with a more robust record upon which to evaluate the issue at hand. In most instances UCAN raised unique issues, thus broadening the overall presentation of DRA and other intervenors and avoiding duplication altogether.

PART III: REASONABLENESS OF REQUESTED COMPENSATION

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

<p>a. Concise explanation as to how the cost of Claimant’s participation bears a reasonable relationship with benefits realized through participation:</p> <p>UCAN’s request for compensation exceeds \$1.2 million, and represents one of the largest compensation requests UCAN has filed. This figure is well justified, however, given the complex nature of the proceedings and the complexity of the issues presented.</p> <p>The Sempra Utilities’ application included thousands of pages of testimony and work papers, and sponsored dozens of witnesses. The final exhibit list indicated nearly six hundred exhibits. UCAN alone propounded over 72 data requests containing over 5000 questions.</p> <p>The combined impact of the utilities’ request was an increase of approximately \$475 million as compared to present rate revenues for 2012. The adopted amounts for the 2012 test year were approximately \$270 million below the utilities’ request, saving the ratepayers over \$115 million for SDG&E’s request and \$153 million for SoCalGas (D.13-05-010, at 2-3). As described above in the substantial contribution section, UCAN’s participation is responsible for a substantial portion of this reduction.</p> <p>In this case UCAN put together an unprecedented array of experts from around the country. One example of the expertise provided through UCAN’s efforts was Smart Grid subject matter testimony from Utiliworks. SDG&E requested funding of over \$91.8 million dollars for 11 Smart Grid projects. UCAN’s presentation on these subject areas led the commission to authorize funding of slightly less than \$41.9 million. This UCAN sponsored testimony helped the Commission decide to reduce SDG&E’s request, saving the ratepayers of San Diego almost \$50 million. (D.13-05-010, at 226-232.)</p> <p>Other areas of UCAN’s advocacy that resulted in direct ratepayer benefits by providing the Commission with support for revenue reductions. For example, UCAN’s testimony directly resulted in a \$1.5 million reduction to SDG&E’s funding for its Legal and External Affairs divisions (D.13-05-010, at 785). UCAN’s testimony also contributed to a 25% (\$18.8 million) reduction in ICP funding (at 881-882) and a reduction in funding for SDG&E’s Regional Public Affairs group (at 122-123).</p>	<p>CPUC Verified</p> <hr/> <p>Verified, see “CPUC Disallowances, Adjustments, and Comments” in Part III.D.</p>
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<p>UCAN’s testimony further contributed to the rejection of the Applicants’ post-test year funding requests, which could have increased rates on post-test year smart grid investments from medical cost and O&M expense adjustments, earnings and productivity sharing mechanisms, and other factors (at 1001, 1009-1011). In addition, the Commission’s adoption of UCAN’s forecast of customer growth (as re-adjusted by SDG&E) reduces the anticipated growth rate compared to SDG&E’s proposal and therefore reduces costs in other categories (at 968). For example, the Commission reduced funding for electric distribution capital expenditures in part due to reduced customer growth (at 180).</p> <p>In light of the scope and quality of UCAN’s work and the benefits achieved through our participation, the Commission should have little trouble concluding that the amount requested is appropriate and reasonable.</p>	
<p>b. Reasonableness of Hours Claimed.</p> <p>UCAN’s participation in the Rate Case represented a major undertaking, and required the devotion of significant resources. From the initial review of the utilities application, through the preparation of over 72 data requests, retaining and consulting with multiple experts on the many issue categories, to the presentation of testimony, cross examination, brief preparation, comments and replies, attending the all party meeting and now preparation of this compensation request, this GRC application has taken almost all of UCAN’s resources and assets.</p> <p>UCAN dedicated over a thousand attorney hours in this case. In order to address the complex technical issues raised in the case, UCAN retained three major consulting firms – JBS, MRW, and Utiliworks, as well as three independent expert consultants, David Croyle, Scott Hempling, and Robert Sulpizio. The breadth of issues UCAN covered in this application covered almost all issue areas presented by SDG&E, and our presentation on these issues was both substantive and meaningful, as shown in the number of significant contributions cited above.</p> <p>As described in the time records attached to this request, the number of hours for each UCAN representative was reasonable under the circumstances present here.</p> <p><u>UCAN Attorneys:</u></p> <p>UCAN has had 4 attorneys working on this case. The bulk of the work was done by Michael Shames, UCAN’s former executive director and this GRC’s lead attorney who worked on</p>	<p>Verified, see “CPUC Disallowances, Adjustments, and Comments” in Part III.D.</p>

this case for close to three years. Mr. Shames hours total over 1075 hours on this case, starting with consultations with SDG&E in July of 2010 and ending his efforts in this case in May 2012. These hours represent almost 27 weeks of attorney time.

Mr. Shames has been an advocate for San Diego Ratepayers for close to 30 years. His knowledge of the issues facing both SDG&E and San Diego ratepayers is extensive. In his role as lead counsel, Mr. Shames presented UCAN testimony, coordinated other UCAN attorneys and was responsible for all aspects of UCAN's presentation.

Michael Scott served as support for Mr. Shames presentation and his hours total 398 hours. Mr. Scott helped with discovery preparation, reviewing and drafting data requests, drafting documents, responded to data requests and coordinated with experts other intervenors.

David Peffer recorded 9.65 hours on discovery issues. 24.4 hours were spent on compensation work in formatting and preparing time records and expert statements in preparation for the filing of intervenor compensation claim. UCAN filed an emergency intervenor compensation claim in 2012, and Mr. Peffer's effort was spent putting together that claim, timesheets, expert information and rate justifications filed with the Commission. Mr. Peffer's prior work saved Mr. Kelly, the author of this present claim, considerable time and effort.

Donald Kelly, for whom no compensation is being requested, submitted comments and reply comments on the proposed decision, attended the all party meeting in San Francisco and prepared this compensation claim. In preparation to file this claim, Mr. Kelly used the information prepared by David Peffer, to complete the present request for intervenor compensation. Mr. Kelly is an attorney with over 23 years of experience, and would qualify for a compensation rate significantly higher than the \$100 an hour UCAN is requesting for the compensation claim preparation for David Peffer's previous effort. Since 24.4 hours is being sought in intervenor compensation for the work performed by Mr. Peffer, Donald Kelly is foregoing requesting compensation for any of his time or travel expenses.

Compensation Request Preparation Time: UCAN is requesting compensation for 24.4 hours devoted to compensation-related matters. This is a reasonable figure in given the size and complexity of the case, the documents reviewed and submitted, and the sheer volume of information needed to be included in this [claim]. This decision was over 900 pages long, with more

than 1000 findings of fact and 500 conclusions of law. UCAN submitted 11 volumes of testimony from experts, many of whom do not have an established rate at the Commission and their rate justifications required time to document and prepare. Moreover, Donald Kelly worked substantial hours on this request and is not seeking compensation for his time. Given all of the above, UCAN’s request to fund David Peffer’s hours for the compensation claim preparation at \$100 an hour for 24.4 hours is reasonable.

UCAN’s Experts & Testimony:

Listed below is the testimony provided by UCAN in these proceedings. As is shown here, UCAN’s experts presented 11 volumes of testimony covering the entire breadth of issues presented by SDG&E’s \$1.7 billion dollar application.

As noted below, UCAN is seeking reimbursement for individuals who did not sponsor testimony themselves, but who aided in the preparation and development of sponsored testimony by others. This consultant to consultant work was necessary given the wide range of issues addressed in SDG&E's general rate case. The consultants working with MRW, JBS and Utiliworks played a critical role in scoping out issues for testimony, performing background research, conducting quantitative and qualitative analysis, drafting data requests, preparing initial drafts of text, cite-checking the testimony, and other roles. Roles were assigned to the person with the lowest billing rate that could ably perform the role in order to reduce overall costs.

UCAN-1	Michael Shames	UCAN Testimonies Overview and Evaluation of San Diego Gas & Electric Company’s Customer Service and External Affairs Activities	
TURN/ UCAN-1	William Marcus, JBS	Policy and Joint Testimony for Southern California Gas Co. and San Diego Gas & Electric Co. General Rates Cases	
UCAN-2	William Marcus, JBS	Results of Operations, SDG&E	
UCAN-3	Steven McClary/Laura Norin, MRW	Testimony Concerning SDG&E’s General Rate Case, incentive compensation program, customer forecasts, and O&M funding for external affairs	
UCAN-4	Dale Pennington,	Evaluation of SDG&E’s Smart Grid Infrastructure Projects	
UCAN-5	Utiliworks	Evaluation of SDG&E Co. PTY	

	Scott Hempling	Incentive Compensation Proposals			
UCAN-6	Gayatri Schilberg, JBS	Report on Electric Distribution Issues in SDG&E's 2012 TY General Rate Case			
UCAN-7	Jeff Nahigian, JBS	Evaluation of Real Estate, Land, Facilities & Customer Service in SDG&E's 2012TY General Rate Case			
UCAN-8	Garrick Jones, JBS	Testimony in SDG&E 2012TY General Rate Case			
UCAN-9	John Sugar, JBS	Testimony on SDG&E's Sustainable Communities Program			
UCAN-10	Robert Sulpizio	Evaluation of SDG&E's Wildfire Insurance Premium Forecast			
UCAN-11	David Croyle	Evaluation of SDG&E's 2010 Reorganization			
<p><u>JBS Energy</u></p> <p>JBS Energy's experts played a crucial role in helping UCAN make an effective presentation that helped the Commission in their task of reviewing these GRC applications. Five members of the JBS team provided expert testimony, William Marcus, Gayatri Schilberg, Jeff Nahigian, John Sugar and Garrick Jones. The testimony was an in depth review covering the entire range of economic issues presented in this GRC (<i>see above</i>). As demonstrated above in the contributions sections, the Commission relied extensively on this testimony and information.</p> <p>In addition to those that sponsored testimony, UCAN seeks reimbursement for Greg Rusovan, an expert at JBS who provided consultant to consultant services by among other things providing data analysis and testimony preparation assistance for the Bill Marcus, John Sugar, Garrick Jones, and Gayatri Schilberg. As shown in his attached time sheets, he worked on the issues of fire suppression and threats, sustainable communities, staffing and compensation, executive compensation and electric distribution.</p> <p><u>Utiliworks</u></p> <p>The testimony from Util[i]works examined 11 Smart Grid infrastructure projects. This testimony was notable because it was subject matter experts in generation plant designs, transmission line routing, power utility construction, and electrical equipment design specifications and maintenance that examined SDG&E's smart grid, section by section. The purpose</p>					

of this testimony was to assemble a properly constructed Smart Grid using the equipment and technology available to SDG&E. It was one of the most impressive sets of testimony presented to the Commission in this GRC, as demonstrated by the result. This testimony was responsible for the Commission disallowing almost 50 million in funding of SDG&E's Smart Grid requests.

Mr. Pennington submitted the Utiliworks testimony, however, in addition to Mr. Penni[n]gton, UCAN is seeking reimbursement for consultant to consultant work performed by the Util[i]works team. The consultant to consultant work saved ratepayer dollars in that Mr. Pennington utilized individuals with the necessary skills who had a lower billing rate than himself. The intent of utilizing personnel other than Dale Pennington was to manage costs. If Mr. Pennington were the only one engaged in this effort, the cost would have been higher than what was incurred.

Dale Pennington, the sponsor of the testimony from Utiliworks was assisted in his efforts by the following consultants:

Nicole Naassan

Ms. Naassan played a significant role assisting Mr. Pennington by acting as the project manager overseeing this effort. As a former member of Federal Energy Regulatory Commission (FERC) staff, Ms. Naassan provided firsthand knowledge and experience in the development of expert testimony. In addition to coordinating the extensive research and analysis performed in the development of the testimony, Ms. Naassan also contributed the following:

- Provided research related to the Plug-In Electric Vehicle Charging Station project
- Drafted and reviewed discovery
- Assisted Mr. Pennington in drafting portions of his testimony
- Lead editor of the testimony document
- Cross examination preparation of the witness
- Developed cross examination questions
- Assisted with brief preparation

Michael White

Mr. White was a key technical contributor to this effort. Mr. White reviewed and analyzed a subset of the proposed Smart Grid projects related to distribution system technology, design and cost. Specifically, Mr. White contributed the following:

- Provided research, analysis, and recommendations related to the Phasor Measurement Units project
- Provided research, analysis, and recommendations

<p>related to the Dynamic Line Ratings project</p> <ul style="list-style-type: none"> • Assisted Mr. Pennington in drafting portions of his testimony • Drafted and reviewed discovery • Developed cross examination questions <p>Lloyd Shank Mr. Shank provided specific expertise related to the proposed wireless fault indicators and phase identification Smart Grid projects. Mr. Shank also assisted Mr. Pennington in drafting portions of the testimony underlying these two projects.</p> <p>John Flood Mr. Flood provided specific expertise related to the proposed energy storage project and assisted Mr. Pennington in drafting portions of the underlying testimony. He conducted research identifying alternative options available to accommodate high levels of renewable generation. Mr. Flood also conducted energy load analysis.</p> <p>Tim Patterson Mr. Patterson provided overall program management oversight including project planning and resource management.</p> <p>Nicole Pennington Ms. Pennington provided research related to Plug-In Electric Vehicles. She also provided guidance and review of research conducted by others supporting this effort.</p> <p>David Taylor Mr. Taylor is a Registered Professional Engineer with 10 years of experience in engineering design and project management of electric substation projects and facilities. Mr. Taylor provided research and assisted Mr. Pennington in drafting portions of the testimony related to Capacitor SCADA, SCADA Expansion and Smart Transformer projects. He also developed and reviewed discovery requests and provided comments related to SDG&E rebuttal testimony.</p> <p>Jenni Marquiss Ms. Marquiss researched Plug-In Electric Vehicles and Public Access Charging Facilities, and formulated recommendations on SDG&E's proposed projects in those areas. Ms. Marquiss reviewed assessments on specific smart grid technologies, products and project costs, and formulated testimony recommendations. Ms. Marquiss analyzed SDG&E's project costs and calculated revised cost estimates based on project recommendations. Finally, she drafted data requests and work</p>	
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papers on behalf of UCAN and helped to organize, and helped Mr. Pennington with the editing and reviewing the final testimony.

Eric Nelson

Mr. Nelson developed and reviewed discovery requests and provided review of the final testimony.

Gregory Booth

Mr. Booth is a professional engineer licensed in 21 states with 45 years of experience providing services to electric utilities. This principal and senior project manager has provided design and construction services for generation, transmission, switching station and substation projects and interconnections along with distribution and planning services across all elements of electric utility engineering. For this effort, Mr. Booth provided review and oversight of testimony underlying the Smart Transformers, DLR, SCADA, PMU, Phase Identification, and Electric Vehicles projects. He also provided feedback and review related of discovery requests.

R.L. Willoughby

Mr. Willoughby has over 40 years' experience with operations, maintenance, and management of utility systems. Mr. Willoughby provided project planning support, project oversight, and testimony review.

Todd Barlow

Mr. Barlow provided overall program management oversight including project planning and resource management.

Howard Harrell

Mr. Harrell provided specific expertise related to SDG&E's reliability projects. He provided the necessary research and assisted Mr. Pennington in the drafting of portions of the testimony related to the Wireless Fault Indicators and Phase Identification projects.

Alex Gaspard

Ms. Gaspard was the lead research analyst on the project. Ms. Gaspard provided research in the following areas:

- Plug in electric vehicles and plug in hybrid electric vehicle market penetration
- DC fast chargers for electric vehicles and producers
- Statistics on charging station usage
- Existing battery storage projects across the US
- Transportable batteries
- Solar power initiatives in California

- PV solar statistics for distributed and large scale installations foreign and domestic

MRW Associates

Are specialist in economic and regulatory policy analysis, gas and electric supply planning, contract development, and transmission planning. For this GRC MRW examined the incentive compensation program, customer forecasts and O&M funding for external affairs, as well as customer growth and energy demand forecasts. MRW's testimony directly resulted in a \$1.5 million reduction to SDG&E's funding for its Legal and External Affairs divisions (D.13-05-010, at 785), as well as contributed to a 25% (\$18.8 million) reduction in ICP funding (at 881-882) and a \$200,000 reduction in funding for SDG&E's Regional Public Affairs group (at 122-123). In addition, the Commission's adoption of MRW's forecast of customer growth (as re-adjusted by SDG&E) reduces the anticipated growth rate compared to SDG&E's proposal and therefore reduces costs in other categories (at 968). For example, the Commission reduced funding for electric distribution capital expenditures in part due to reduced customer growth (at 180).

Mr. McClary and Ms. Norin of MRW & Associates, LLC (MRW) each sponsored testimony on behalf of UCAN. Other staff at MRW assisted Mr. McClary and Ms. Norin in preparing their testimony. The use of other MRW staff to aid Mr. McClary and Ms. Norin in preparing their testimony was necessary given the wide range of issues addressed in SDG&E's general rate case.

Steve McClary and Laura Norin the sponsors of the testimony from MRW were assisted in their efforts by the following consultants:

Heather Mehta, a Principal at MRW, had a key role in identifying and scoping out issues to be addressed by Ms. Norin and Mr. McClary in their testimonies. Ms. Mehta provided supporting research for various topics addressed by Mr. McClary in his testimony. She also provided considerable support in drafting Mr. McClary's testimony. Because of the range of topics addressed in the combined testimony of Ms. Norin and Mr. McClary, Ms. Mehta also provided project management support. She was assigned this role as a cost-cutting measure, since she bills at a lower rate than Mr. McClary does.

Michele Kito, a Senior Project Manager at MRW, had a key role in identifying elements of Sempra's proposal that led to an apparent overstatement of proposed revenue requirement,

including customer growth and energy consumptions forecasts (Chapter 5), escalation factors (Chapter 6), the allocation of corporate costs to ratepayers (Chapter 7), and the allocation of costs to ratepayers for activities that primarily benefit shareholders (Chapter 8). Ms. Kito reviewed and analyzed testimony, workpapers, and data responses related to these issues and, in consultation with Ms. Norin, prepared initial drafts of testimony for these chapters. She additionally reviewed relevant rebuttal testimony and prepared data requests and cross-examination questions related to these issues.

Brandon Charles, a Senior Associate at MRW, had a key role in evaluating SDG&E's proposed incentive compensation mechanism (Chapter 3) and earnings and productivity sharing mechanisms (Chapter 4). He reviewed the relevant testimony, drafted data requests, and, in consultation with the witnesses, prepared initial drafts of testimony. Mr. Charles also developed a witness books for use by Mr. McClary and Ms. Norin during cross-examination and prepared information for briefs and comments on the proposed decision.

Sundhya Sundararagavan, an Associate at MRW, ensured the accuracy of MRW's testimony by checking the factual statements made in testimony and preparing the witness books for use by Mr. McClary and Ms. Norin during cross-examination.

Without the critical quantitative and qualitative analytical support provided by these MRW staff members, it is unlikely that Ms. Norin and Mr. McClary, acting individually, would have been able to testify on all of the issues UCAN addressed with the same degree of analytical rigor.

David Croyle

David Croyle is a former SDG&E executive who provided UCAN with expertise on how the Sempra Corporate reorganization affected operations. In this General Rate Case, the corporate parent of SDG&E and SoCal Gas, Sempra, reorganized operations affecting how both companies corporate center functions were organized. His testimony informed the Commission regarding organizational difficulties after the merger of operations, how management knew of these difficulties several years prior, and allowed UCAN to point out the coincidental timing of the reorganization right before this GRC.

Scott Hempling

Scott Hempling provided the commission with testimony on

<p>SDG&E’s compensation proposal in relation to the performance achieved. His testimony informed the Commission about how SDG&E’s focus on cost-cutting is not aligned with performance.</p> <p>Robert Sulpizio Robert Sulpizio’s evaluated SDG&E’s forecasts and purchase programs for wildfire reinsurance. His knowledge of the insurance industry allowed him to make unique proposals never considered by SDG&E, such as leveraging their purchases and considering bond acquisitions to lower their expenses of over 35 million dollars. He noted that SDG&E’s exclusive reliance upon the commercial insurance market is not the most “cost effective” way to address the wildfire liability risk. SDG&E failed to thoroughly explore the possibility that alternative program structures, incorporating alternative risk transfer (ART) techniques would have enabled the Company to build capacity more cost effectively.</p> <p>Timesheets and hours UCAN has submitted the hours and detailed description in timesheets regarding the work performed by each expert, including the consultant to consultant work performed by the individuals named above. If the Commission Staff require additional information, UCAN is willing to assist the Commission and prepared to respond to any inquiry staff might have.</p> <p>The number of hours spent in this proceeding was both necessary and reasonable. UCAN’s success, as demonstrated in the substantial contributions section above, shows that the number of hours claimed in this proceeding is reasonable.</p>	
<p>c. Allocation of Hours by Issue</p> <p>UCAN is aware of the Commission's requirement to provide detailed analysis of the time entries representing the work performed in this GRC by its advocates and consultants. UCAN advocates and consultants maintained detailed time records of their work in this case and those time records are attached to this request. The Commission will note that some of those time records attempt to code entries by issue or activity codes used internally to that organization; however, due to the long duration of time between the work and this compensation request, the large number of issues covered by the GRC and discussed at length in the Final Decision and the turnover of UCAN staff, UCAN is unable to provide detailed, coordinated issue coding for each of the numerous time records attached.</p> <p>In addition to the time records provided you will find a list of</p>	<p>Verified, see “CPUC Disallowances, Adjustments, and Comments” in Part III.D.</p>

hours and issues identified with the testimony of each UCAN expert. In an attempt to provide the Commission with a breakdown of hours per issue covered, UCAN has gone through the testimony of UCAN’s experts and broken out the percentages of issues as related to the testimony provided. While at this time, UCAN does not have the resources or expertise to provide an entry-by-entry coding of the submitted time sheets, it will make itself available to work with Commission staff to provide the level of detail necessary for staff to review this request and UCAN will answer any questions staff may have.

Attorney and Advocate work performed in-house by Michael Shames, Michael Scott, and David Pepper have time sheets that have allocated activity codes, as listed below.

- GP** General Preparation and Discovery
- TT** Testimony
- CM** Case Management
- HB** Hearings and Briefing
- IC** Intervenor Compensation Claim Prep

This GRC started three years ago in 2010, and since that time all three of the attorneys who UCAN is asking for reimbursement for on this case have moved on from UCAN. The time records kept by the attorneys do not lend themselves well to issue coding. In an attempt to provide the Commission with a percentage of time spent on issues by UCAN advocates, we have [] broken out the time as a percentage of issues covered by the brief submitted by UCAN. The percentages relate to how much time was spent on preparing and writing UCAN’s brief covering the 23 issues listed. UCAN believes this is our best attempt at a representative sampling, especially when the percentages listed are compared to the issues and coverage given in the Decision to UCAN’s work in this case. As always, should the Commission staff have any question or need information as it relates to this or any other issue covered in this compensation request, UCAN respectfully requests the opportunity to respond.

A&G	4%
Fire Related	1%
Back Office Costs and Operations	4%
Policy	13%
Smart Grid	14%
Fossil Plant and Distribution Cost	3%
Distribution	4%
IT	3%
Electric Distribution	5%
Customer Service	10%
Real Estate	1%

Introduction and Summary recommendation	2%	
Gas and electric distribution	4%	
Insurance and distribution capital costs	7%	
PTY	3%	
Gas distribution	6%	
Employee Compensation	1%	
Customer Forecast	1%	
CC&I	3%	
External Affairs	2%	
Electric Operations	1%	
Joint Brief	5%	
Unsubstantiated costs	1%	
Opening Section	2%	

B. Specific Claim:

CLAIMED						CPUC AWARD		
ATTORNEY, EXPERT, AND ADVOCATE FEES								
Item	Year	Hours	Rate \$	Basis for Rate*	Total \$	Hours	Rate \$	Total \$
Michael Shames (UCAN)	2010	44.7	\$330	D.11-10-011	\$14,751	40.2	\$330.00	\$13,266.00 Item 1 ⁵
Michael Shames (UCAN)	2011	675.2	\$330	D.11-10-011	\$222,816	642.2	\$330.00	\$211,926.00 Item 1
Michael Shames (UCAN)	2012	355.7	\$345	D.11-10-011	\$122,716.50	355.7	\$345.00	\$122,716.50 0
Michael Scott (UCAN)	2010	166.4	\$155	D.11-05-015	\$18,042	116.4	\$155.00	\$18,042.00 Item 2
Michael Scott (UCAN)	2011	281.6	\$155	D.11-05-015	\$43,648	281.6	\$155.00	\$43,648.00
David Peffer (UCAN)	2010	6.4	\$200	Attachment 13	\$1,280	6.4	\$200.00 (See D.13-11-016)	\$1,280.00
David Peffer (UCAN)	2011	3.25	\$200	Attachment 13	\$650	3.25	\$200.00	\$650.00
Jeff Nahigian (JBS)	2010	23.5	\$195	Attachment 1	\$4,583	23.5	\$190.00	\$4,465.00 Item 3

⁵ The “Item” number refers to the reason listed in the section labeled “CPUC Disallowances & Adjustments” in Part III.D of this decision.

Jeff Nahigian (JBS)	2011	128.25	\$195	Attachment 1	\$25,008.75	128.25	\$195.00 (See D.13-09-021)	\$25,008.75
Jeff Nahigian (JBS)	2012	35	\$195	Attachment 1	\$6,825	35	\$195.00	\$6,825.00
Jeff Nahigian	2013	1	\$205	Attachment 1	[\$]205	0	None	\$00.00 Item 4
Garrick Jones (JBS)	2010	13.57	\$140	D.12-03-024	\$1,899.80	13.57	\$140.00	\$1,899.80
Garrick Jones	2011	156.65	\$150	Attachment 1	\$23,499	156.65	\$140.00 (See D.13-08-022)	\$21,931.00 Item 5
Garrick Jones (JBS)	2012	21.17	\$150	Attachment 1	\$3,176	21.17	\$150.00	\$3,176.00
Greg Rusovan (JBS)	2011	22.26	\$195	D.12-03-024	\$4,340.70	22.26	\$195.00	\$4,340.70
John Sugar (JBS)	2011	411.34	\$200	Attachment 1	\$82,268	274.34	\$200.00 (See D.13-08-022)	\$54,868.00 Item 6
John Sugar (JBS)	2012	199.09	\$200	Attachment 1	\$39,818	133.09	\$205.00	\$27,283.45 Item 6
John Sugar (JBS)	2013	1.33	\$210	Attachment 1	279.30	0	None	\$00.00 Item 7
William Marcus (JBS)	2010	2	\$250	D.08-11-053	\$500	2	\$250.00	\$500.00
William Marcus (JBS)	2011	166.66	\$250	D.08-11-053	\$41,665	166.66	\$250.00	\$41,665.00
William Marcus (JBS)	2012	8	\$265	Attachment 1	\$2,120	8	\$260.00	\$2,080.00 Item 8
William Marcus (JBS)	2013	3	\$265	Attachment 1	\$795	0	None	\$00.00 Item 9
Gayatri Schilberg (JBS)	2011	202.77	\$200	D.09-04-027	\$40,554	202.77	\$200.00	\$40,554.00
Gayatri Schilberg (JBS)	2012	40.86	\$200	D.09-04-027	\$8,172	40.86	\$200.00	\$8,172.00
David Croyle	2011	21.5	\$225	D.10-10-012	\$4,837.50	20.5	\$225.00	\$4,612.50 Item 10
Scott Hempling	2011	86.8	\$250	Attachment 12	\$21,700	86.8	\$250.00	\$21,700.00
Steven McClary (MRW)	2011	80	\$300	Attachment 7	\$24,000	80	\$300.00	\$24,000.00
Steven McClary	2012	3.00	\$300	Attachment 7	\$900	3.00	\$300.00	\$900.00

(MRW)								
Steven McClary (MRW)	2013	3.75	\$300	Attachment 7	\$1,125	3.75	\$300.00	\$1,125.00
Laura Norin (MRW)	2011	193	\$220	Attachment 7	\$42,460	193	\$220.00	\$42,460.00
Laura Norin (MRW)	2012	16	\$230	Attachment 7	\$3,680	16	\$230.00	\$3,680.00
Laura Norin (MRW)	2013	5.75	\$245	Attachment 7	\$1,380	5.75	\$245.00	\$1,408.75 Item 11
Michele Kito (MRW)	2011	171	\$220	Attachment 7	\$37,620	171	\$220.00	\$37,620.00
Heather Mehta (MRW)	2011	91.75	\$275	Attachment 7	\$25,231.25	91.75	\$275.00	\$25,231.25
Brandon Charles (MRW)	2011	233.75	\$140	Attachment 7	\$32,725	193.75	\$140.00	\$27,125.00 Item 12
Brandon Charles (MRW)	2012	42.75	\$155	Attachment 7	\$6,626.25	42.75	\$150.00	\$6,412.50 Item 12
Brandon Charles (MRW)	2013	2	\$165	Attachment 7	\$330	2	\$160.00	\$320.00 Item 12
Sandhya Sundararagavan (MRW)	2011	94	\$132	Attachment 7	\$12,408	94	\$60.00	\$5,640.00 Item 13
Alex Gaspard (Utiliworks)	2011	181.75	\$75	Attachment 4	\$13,631.25	181.75	\$30.00	\$5,425.50 Item 14
Dale Pennington (Utiliworks)	2011	88.25	\$275	Attachment 4	\$24,268.75	80.25	\$275.00	\$22,068.75 Item 15
Dale Pennington (Utiliworks)	2012	4.75	\$275	Attachment 4	\$1,306.25	4.75	\$275.00	\$1,306.25
Dale Pennington	2013	26	\$275	Attachment 4	\$7,150	23	\$275.00	\$6,325.00 Item 15
John Flood (Utiliworks)	2011	91.5	\$160	Attachment 4	\$14,640	91.5	\$160.00	\$14,640.00
Nicole Naassan (Utiliworks)	2011	314.25	\$195	Attachment 4	\$61,278.75	214.25	\$195.00	\$41,778.75 Item 16
Nicole Naassan (Utiliworks)	2012	22.25	\$195	Attachment 4	\$4,338.75	22.25	\$195.00	\$4,338.75
Tim Patterson (Utiliworks)	2011	9	\$215	Attachment 4	\$1,935	6	\$195.00	\$1,170.00 Item 17
Todd Barlow (Utiliworks)	2011	7	\$215	Attachment 4	\$1,505	7	\$215.00	\$1,505.00
Nicole Pennington (Utiliworks)	2011	25.5	\$75	Attachment 4	\$1,912.50	22	\$75.00	\$1,650.00 Item 18

Nicole Pennington (Utiliworks)	2012	.5	\$75	Attachment 4	\$37.50	0	None	\$00.00 Item 18
Jenni Marquiss (Utiliworks - Synaptitude)	2011	450.5	\$155	Attachment 4	\$69,827.50	250.5	\$155.00	\$38,827.50 Item 19
Jenni Marquiss (Utiliworks - Synaptitude)	2012	16.5	\$155	Attachment 4	\$2,557.50	16.5	\$155.00	\$2,557.50
Eric Nelson (Utiliworks-Synaptitude)	2011	10.5	\$215	Attachment 4	\$2,257.50	10.5	\$180.00	\$1,890.00 Item 20
Gregory Booth (Utiliworks – Powerservices)	2011	8.6	\$275	Attachment 4	\$2,365	8.6	\$275.00	\$2,365.00
R.L. Willoughby (Utiliworks – Powerservices)	2011	17	\$215	Attachment 4	\$3,655	17	\$215.00	\$3,655.00
Lloyd Shank (Utiliworks – Powerservices)	2011	18	\$185	Attachment 4	\$3,330	18	\$185.00	\$3,330.00
Howard Harrell (Utiliworks – Powerservices)	2011	43.8	\$155	Attachment 4	\$6,789	43.8	\$155.00	\$6,789.00
Michael White (Utiliworks – Powerservices)	2011	111	\$195	Attachment 4	\$21,645	111	\$195.00	\$21,645.00
David Taylor (Utiliworks – Powerservices)	2011	13.5	\$155	Attachment 4	\$2,092.5	13.5	\$155.00	\$2,092.50
Robert Sulpizio	2011	85.25	\$390	D.11-05-015	\$33,247.50	85.25	\$390.00	\$33,247.50
Robert Sulpizio	2012	2.25	\$390	D.11-05-015	\$877.50	2.25	\$390.00	\$877.50
Subtotal: \$ 1,205,282.80						Subtotal: \$ 1,074,016.70		
OTHER FEES								
Describe here what OTHER HOURLY FEES you are Claiming (paralegal, travel **, etc.):								
Item	Year	Hours	Rate \$	Basis for Rate*	Total \$	Hours	Rate	Total \$
Michael Shames (Travel)	2011	8	\$115	D.11-10-011	\$920	8	\$115.00	\$920.00
Subtotal: \$ 920						Subtotal: \$ 920		
INTERVENOR COMPENSATION CLAIM PREPARATION **								
Item	Year	Hours	Rate \$	Basis for Rate*	Total \$	Hours	Rate	Total \$

David Peffer	2012	24.4	\$100	Attachment 13	\$2,440	15.0	\$100.00	\$1,500.00 Item 21
Subtotal: \$ 2,440					Subtotal: \$1,500.00			
COSTS								
#	Item	Detail	Amount	Amount				
	Michael Shames	Travel Attachment 17	\$1,068.80	\$1,068.80 Item 22				
TOTAL REQUEST: \$ 1,209,711.60					TOTAL AWARD: \$1,077,505.50 Item 23			

*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

Attorney	Date Admitted to CA BAR ⁶	Member Number	Actions Affecting Eligibility (Yes/No?) If "Yes", attach explanation
Michael Shames	06/0/1983; Inactive from 01/01/1986 – 01/15/1987 and from 01/01/1988 until 10/05/2011.	108582	No
Michael Scott	06/02/2010; Inactive since 01/01/2013.	270244	No.
David Peffer	06/02/2010	270479	No.

C. Attachments Documenting Specific Claim and Comments on Part III

Attachment or Comment #	Description/Comment
	Certificate of Service
Attachment 1	JBS Energy - Rate Justifications
Attachment 2	JBS Energy – Hours
Attachment 3	JBS Energy – Resumes
Attachment 4	UtiliWorks – Rate Justifications
Attachment 5	UtiliWorks – Hours
Attachment 6	UtiliWorks – Resumes
Attachment 7	MRW – Rate Justifications
Attachment 8	MRW – Hours

⁶ This information may be obtained at: <http://www.calbar.ca.gov/>.

Attachment 9	MRW – Resumes
Attachment 10	David Croyle – Hours & Resume
Attachment 11	David Sulpizio – Hours & Resume
Attachment 12	Scott Hempling – Rate Justification, Hours & Resume
Attachment 13	UCAN – Rate Justifications
Attachment 14	UCAN – Hours
Attachment 15	UCAN - Resumes
Attachment 16	Expert Issue Area Allocations
Attachment 17	Expenses - Michael Shames

D. CPUC Disallowances and Adjustments:

Item	Reason
1. Disallowance for NOI hours.	We find UCAN’s request for the number of hours for the review of the NOI, revising the consultants’ testimony who have already billed for preparing their testimony, and billing time to attend all four of the public participation hearings (PPH) to be excessive, unnecessary, and duplicative. Accordingly, the hours have been reduced by 4.5 hours for the review of the NOI in 2010, and in 2011 by 11 hours for the PPHs, and by 22 hours for the review and revision of the consultants’ testimony.
2. Michael Scott’s 2010 hours.	Michael Scott’s hours were incorrectly entered for 2010. The total compensation claim remained correct.
3. Jeff Nahigian’s 2010 hourly rate.	Based on D.10-07-040, Jeff Nahigian’s rate for 2010 was set at \$190. Compensation has been adjusted accordingly.
4. Disallowance Jeff Nahigian’s 2013 hours.	Although UCAN stated in its “Reasonableness of Hours Claimed” section that “the number of hours for each UCAN representative was reasonable under the circumstances present here,” there is no time sheet support in Attachment 2 for Nahigian’s claimed one hour of work in 2013. Accordingly, the one hour claimed in 2013 is disallowed.
5. 2011 Hourly rate for Garrick Jones.	The computation for the hourly rate to be awarded for Garrick Jones’ work in 2011 has been reduced due to the hourly rate set in D.13-08-022.
6. Disallowance for excessive hours.	The time spent by Sugar in comparison to the other UCAN consultants and issues covered is excessive and unreasonable. Accordingly, we disallow 137 hours in 2011, and 66 hours in 2012. Per D.13-08-022, Sugar’s 2012 rate is updated to \$205.00.
7. Disallowance for missing documentation of 2013 hours.	Although UCAN stated in its “Reasonableness of Hours Claimed” section that “the number of hours for each UCAN representative was reasonable under the circumstances present here,” there was no time sheet support in Attachment 2 for

	Sugar's claimed 1.33 hours of work in 2013. Accordingly, the 1.33 hours claimed in 2013 are disallowed.
8. Marcus' 2012 hourly rate.	Marcus' 2012 rate was previously set at \$260.00 (<i>See</i> D.13-09-022).
9. Disallowance for missing documentation of hours.	Although UCAN stated in its "Reasonableness of Hours Claimed" section that "the number of hours for each UCAN representative was reasonable under the circumstances present here," there was no time sheet support in Attachment 2 for Marcus' claimed three hours of work in 2013. Accordingly, the three hours claimed in 2013 are disallowed.
10. Disallowance for duplication of efforts.	Croyle's one hour of time to add his biographical material for inclusion into the testimony is disallowed as excessive, duplicative, and unreasonable. As a consultant since 2008, this information should be readily available for insertion into testimony.
11. Mathematical error for Norin's 2013 hours.	A mathematical error has been corrected for Norin's 2013 hours. UCAN's compensation has been adjusted accordingly.
12. Disallowance for duplication of efforts.	The time spent by Charles in comparison to the other UCAN consultants and issues covered is excessive, duplicative, and unreasonable. As pointed out by SDG&E in its August 7, 2013 response to UCAN's claim, this "consultant to a consultant" work is duplicative of the work by the primary sponsor of the testimony. Accordingly, we disallow 40 hours in 2011. The Commission sets Charles' initial rate at \$140.00 in 2011. Charles' subsequent rates in 2012 and 2013 are therefore set at \$150.00 and \$160.00, allowing for step-increases and cost of living adjustments.
13. Adoption of Sundaraargavan's 2011 hourly rate.	While the Commission recognizes the educational background and work experience of Sundararagavan, her participation in this proceeding was limited to cite-checking and preparing the witness book. Such work is often delegated to research assistants and not experts. The Commission has previously issued decisions awarding research assistants for their work in proceedings (<i>See</i> D.10-05-009). After reviewing Sundararagavan's hours, the Commission adopts the rate of \$60 per hour for work Sundararagavan completed in 2011.
14. Adoption of Gaspard's hourly rate.	Gaspard was an undergraduate summer intern with UtiliWorks, with no apparent prior experience in energy or utility manners. As such, Gaspard's requested rate is unreasonable. Instead, the rate adopted for Gaspard should be less than that of a research associate (<i>See</i> D.11-09-013). We adjust Gaspard's rate to \$30.00 an hour.

15. Disallowance of Pennington's hours.	D. Pennington's hours are reduced by 8 hours for 2010, and by 3 hours for 2013. The reductions in 2010 are reasonable because they are duplicative of the work performed and billed by others at Utiliworks. For 2013, the hours have been reduced because the hours claimed are excessive. We also note that UCAN's claim for the work done by Utiliworks and the related "consultant to a consultant" work totals to approximately \$246,500 which is excessive and unreasonable in light of the work performed.
16. Disallowance for duplication of efforts.	The time spent by Naassan in comparison to the other UCAN consultants and issues covered is excessive, duplicative and unreasonable. As pointed out by SDG&E in its August 7, 2013 response to UCAN's claim, this "consultant to a consultant" work is duplicative of the work by the primary sponsor of the testimony. Accordingly, we disallow 100 hours in 2011.
17. Disallowance for Patterson's 2011 hours.	Patterson's time for 2011 is reduced by three hours, and his hourly rate is set at \$195. The reduction and hourly rate are reasonable due to his limited role, and the description of the work he performed.
18. Disallowance of Pennington's 2011 and 2012 hours.	N. Pennington's hours are reduced by 3.5 hours for 2011 and .5 hours for 2012. Pennington's time sheets list 4 hours as simply "Nicole Pennington Consulting" which is vague and does not describe the type of work that was performed. (See D.10-02-010.)
19. Disallowance for duplication of efforts.	The time spent by Marquiss in comparison to the other UCAN consultants and issues covered is excessive, duplicative, and unreasonable. As pointed out by SDG&E in its August 7, 2013 response to UCAN's claim, this "consultant to a consultant" work is duplicative of the work by the primary sponsor of the testimony. Accordingly, we disallow 200 hours in 2011.
20. Adoption of Nelson's 2011 hourly rate.	Given Nelson's background, and his limited involvement to preparing data requests and attending meetings, his hourly rate for 2011 is set at \$180.
21. Disallowance for excessive hours.	We find UCAN's request of 24.4 hours for the preparation of the intervenor compensation claim to be excessive. In addition, the claim was revised and re-submitted after SDG&E opposed the original claim, and the claim contains a number of errors as noted in this decision. We approve 15 hours for this task.
22. Note on travel costs.	Although UCAN reduced its claim for travel in response to SDG&E's opposition to UCAN's intervenor compensation claim, Attachment 17 of UCAN's claim did not itemize the costs that are being claimed, from the non-claimed costs.
23. Designation of payer.	UCAN and TURN presented joint testimony and a joint brief on several subject areas that were common to both SDG&E and

	SoCalGas. Since UCAN's focus was on SDG&E, and TURN's focus was on SoCalGas, SDG&E should pay the entirety of UCAN's intervenor compensation award, instead of apportioning some of the award cost to SoCalGas to pay for the joint work that UCAN and TURN performed.
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PART IV: OPPOSITIONS AND COMMENTS

A. Opposition: Did any party oppose the Claim?	Yes
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If so:

Party	Reason for Opposition	CPUC Disposition
Philip Moskal	Moskal opposed the hourly rate sought to be obtained for Michael Shames.	The Commission granted Moskal's July 29, 2013 motion, and considered the argument he made in the review of UCAN's intervenor compensation claim. (<i>See</i> August 26, 2013 ruling.)
SDG&E	SDG&E opposed UCAN's original intervenor compensation claim. SDG&E argued the original request contained expense errors and that the hourly rates and expenses for experts should be reduced.	UCAN submitted a revised request for intervenor compensation, and SDG&E's concerns have been taken into account in the review of UCAN's intervenor compensation claim. (<i>See</i> UCAN's August 21, 2013 Reply to SDG&E's Response.)

B. Comment Period: Was the 30-day comment period waived (<i>see</i> Rule 14.6(2)(6))?	Yes
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FINDINGS OF FACT

1. The Utility Consumers' Action Network submitted at least two variations of its intervenor compensation claim.
2. Errors, mistakes, and erroneous references were made by the Utility Consumers' Action Network in its Notice of Intent, and its original and amended intervenor compensation claims.

3. The Utility Consumers' Action Network made a substantial contribution to Decision 13-05-010.
4. The Utility Consumers' Action Network's participation in this proceeding did not unnecessarily duplicate other parties' efforts.
5. The requested hourly rates for Utility Consumers' Action Network's representatives, as adjusted herein, are comparable to market rates paid to experts and advocates having comparable training and experience and offering similar services.
6. The claimed costs and expenses, as adjusted herein, are reasonable and commensurate with the work performed.
7. The total of reasonable compensation is \$1,077,505.50.
8. The Utility Consumers' Action Network and The Utility Reform Network presented joint testimony and a joint brief on several subject areas that were common to both San Diego Gas & Electric Company and Southern California Gas Company.

CONCLUSIONS OF LAW

1. The compensation that is being claimed must be reasonable.
2. The Claim, as adjusted herein, satisfies the requirements of Public Utilities Code §§ 1801-1812.
3. Since the Utility Consumers' Action Network's (UCAN) efforts focused on San Diego Gas & Electric Company (SDG&E), and The Utility Reform Network's (TURN) efforts focused on Southern California Gas Company (SoCalGas), SDG&E should pay the entirety of UCAN's intervenor compensation award, instead of apportioning some of the award cost to SoCalGas to pay for the joint work that UCAN and TURN performed.

ORDER

1. The Utility Consumers' Action Network, is awarded \$1,077,505.50.
2. Within 30 days of the effective date of this decision, San Diego Gas & Electric Company shall pay Utility Consumers' Action Network the award. Payment of the total 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 28, 2013, the 75th day after the filing of Utility Consumers' Action Network's request, and continuing until full payment is made.

3. The comment period for today's decision is waived.
4. Application (A.) 10-12-005 and A.10-12-006 remain open.

This decision is effective today.

Dated _____, at San Francisco, California.

APPENDIX A**Compensation Decision Summary Information**

Compensation Decision:		Modifies Decision?	No
Contribution Decision(s):	D1305010		
Proceeding(s):	A1012005, A1012006		
Author:	ALJ Wong		
Payer(s):	San Diego Gas & Electric Company		

Intervenor Information

Intervenor	Claim Date	Amount Requested	Amount Awarded	Multiplier?	Reason Change/Disallowance
The Utility Consumers' Action Network	07/15/2013	\$1,209,711.60	\$1,077,505.50	No.	See Part III, D of this decision.

Advocate Information

First Name	Last Name	Type	Intervenor	Hourly Fee Requested	Year Hourly Fee Requested	Hourly Fee Adopted
Michael	Shames	Advocate	UCAN	\$330.00	2010	\$330.00
Michael	Shames	Advocate	UCAN	\$330.00	2011	\$330.00
Michael	Shames	Advocate	UCAN	\$345.00	2012	\$345.00
Michael	Scott	Attorney	UCAN	\$155.00	2010	\$155.00
Michael	Scott	Attorney	UCAN	\$155.00	2011	\$155.00
David	Peffer	Attorney	UCAN	\$200.00	2010	\$200.00
David	Peffer	Attorney	UCAN	\$200.00	2011	\$200.00
Jeff	Nahigian	Expert	UCAN (JBS)	\$195.00	2010	\$190.00
Jeff	Nahigian	Expert	UCAN (JBS)	\$195.00	2011	\$195.00
Jeff	Nahigian	Expert	UCAN (JBS)	\$195.00	2012	\$195.00
Jeff	Nahigian	Expert	UCAN (JBS)	\$205.00	2013	None
Garrick	Jones	Expert	UCAN (JBS)	\$140.00	2010	\$140.00
Garrick	Jones	Expert	UCAN (JBS)	\$150.00	2011	\$140.00
Garrick	Jones	Expert	UCAN (JBS)	\$150.00	2012	\$150.00
Greg	Rusovan	Expert	UCAN (JBS)	\$195.00	2011	\$195.00
John	Sugar	Expert	UCAN (JBS)	\$200.00	2011	\$200.00
John	Sugar	Expert	UCAN (JBS)	\$200.00	2012	\$205.00
John	Sugar	Expert	UCAN (JBS)	\$210.00	2013	None
William	Marcus	Expert	UCAN (JBS)	\$250.00	2010	\$250.00
William	Marcus	Expert	UCAN (JBS)	\$250.00	2011	\$250.00
William	Marcus	Expert	UCAN (JBS)	\$265.00	2012	\$260.00

William	Marcus	Expert	UCAN (JBS)	\$265.00	2013	None
Gayatri	Schilberg	Expert	UCAN (JBS)	\$200.00	2011	\$200.00
Gayatri	Schilberg	Expert	UCAN (JBS)	\$200.00	2012	\$200.00
David	Croyle	Expert	UCAN	\$225.00	2011	\$225.00
Scott	Hempling	Expert	UCAN	\$250.00	2011	\$250.00
Steven	McClary	Expert	UCAN (MRW)	\$300.00	2011	\$300.00
Steven	McClary	Expert	UCAN (MRW)	\$300.00	2012	\$300.00
Steven	McClary	Expert	UCAN (MRW)	\$300.00	2013	\$300.00
Laura	Norin	Expert	UCAN (MRW)	\$220.00	2011	\$220.00
Laura	Norin	Expert	UCAN (MRW)	\$230.00	2012	\$230.00
Laura	Norin	Expert	UCAN (MRW)	\$245.00	2013	\$245.00
Michele	Kito	Expert	UCAN (MRW)	\$220.00	2011	\$220.00
Heather	Mehta	Expert	UCAN (MRW)	\$275.00	2011	\$275.00
Brandon	Charles	Expert	UCAN (MRW)	\$140.00	2011	\$140.00
Brandon	Charles	Expert	UCAN (MRW)	\$155.00	2012	\$150.00
Brandon	Charles	Expert	UCAN (MRW)	\$165.00	2013	\$160.00
Sandhya	Sundraragavan	Expert / Research Assistant	UCAN (MRW)	\$132.00	2011	\$60.00
Alex	Gaspard	Student Intern	UCAN (UtiliWorks)	\$75.00	2011	\$30.00
Dale	Pennington	Expert	UCAN (UtiliWorks)	\$275.00	2011	\$275.00
Dale	Pennington	Expert	UCAN (UtiliWorks)	\$275.00	2012	\$275.00
Dale	Pennington	Expert	UCAN (UtiliWorks)	\$275.00	2013	\$275.00
John	Flood	Expert	UCAN (UtiliWorks)	\$160.00	2011	\$160.00
Nicole	Naassan	Expert	UCAN (UtiliWorks)	\$195.00	2011	\$195.00
Nicole	Naassan	Expert	UCAN (UtiliWorks)	\$195.00	2012	\$195.00
Tim	Patterson	Expert	UCAN (UtiliWorks)	\$215.00	2011	\$195.00
Todd	Barlow	Expert	UCAN (UtiliWorks)	\$215.00	2011	\$215.00
Nicole	Pennington	Expert	UCAN (UtiliWorks)	\$75.00	2011	\$75.00

Nicole	Pennington	Expert	UCAN (UtiliWorks)	\$75.00	2012	None
Jenni	Marquiss	Expert	UCAN (UtiliWorks - Synaptitude)	\$155.00	2011	\$155.00
Jenni	Marquiss	Expert	UCAN (UtiliWorks - Synaptitude)	\$155.00	2012	\$155.00
Eric	Nelson	Expert	UCAN (UtiliWorks - Synaptitude)	\$215.00	2011	\$180.00
Gregory	Booth	Expert	UCAN (UtiliWorks - Powerservic es)	\$275.00	2011	\$275.00
R.L.	Willoughby	Expert	UCAN (UtiliWorks - Powerservic es)	\$215.00	2011	\$215.00
Lloyd	Shank	Expert	UCAN (UtiliWorks - Powerservic es)	\$185.00	2011	\$185.00
Howard	Harrell	Expert	UCAN (UtiliWorks - Powerservic es)	\$155.00	2011	\$155.00
Michael	White	Expert	UCAN (UtiliWorks - Powerservic es)	\$195.00	2011	\$195.00
David	Taylor	Expert	UCAN (UtiliWorks - Powerservic es)	\$155.00	2011	\$155.00
Robert	Sulpizio	Expert	UCAN	\$390.00	2011	\$390.00
Robert	Sulpizio	Expert	UCAN	\$390.00	2012	\$390.00

(END OF APPENDIX A)