

Decision 12-06-010 June 7, 2012

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

Application of Pacific Gas and Electric Company To Revise Its Electric Marginal Costs, Revenue Allocation, and Rate Design, including Real Time Pricing, to Revise its Customer Energy Statements, and to Seek Recovery of Incremental Expenditures. (U39M)

Application 10-03-014  
(Filed March 22, 2010)

**DECISION GRANTING REQUEST OF  
KERN COUNTY TAXPAYERS ASSOCIATION  
FOR INTERVENOR COMPENSATION FOR  
SUBSTANTIAL CONTRIBUTIONS TO DECISION 11-05-047**

|  |   |
|--|---|
| <b>Claimant: Kern County Taxpayers Association</b> | <b>For contribution to D.11-05-047</b>          |
| <b>Claimed (\$): 139,998.99</b>                    | <b>Awarded (\$): 107,192.05 (reduced 23.4%)</b> |
| <b>Assigned Commissioner: Michael R. Peevey</b>    | <b>Assigned ALJ: Thomas R. Pulsifer</b>         |
| <b>Claim filed:</b>                                | <b>July 20, 2011</b>                            |

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

Application of Pacific Gas and Electric Company To Revise Its Electric Marginal Costs, Revenue Allocation, and Rate Design, including Real Time Pricing, to Revise its Customer Energy Statements, and to Seek Recovery of Incremental Expenditures. (U39M)

**B. Claimant Must Satisfy Intervenor Compensation Requirements Set Forth in Public Utilities Code Sections 1801-1812:**

|   | <b>Claimant</b> | <b>CPUC Verified</b> |
|---|-----------------|----------------------|
| <b>Timely filing of notice of intent to claim compensation (§ 1804(a)):</b> |                 |                      |
| 1. Date of Prehearing Conference:   | 5/19/2010       | Correct              |
| 2. Other Specified Date for NOI:  |                 |                      |
| 3. Date NOI Filed:  | 6/21/2010       | Correct              |
| 4. Was the notice of intent timely filed?                                   |                 | Yes.                 |
| <b>Showing of customer or customer-related status (§ 1802(b)):</b>          |                 |                      |
| 5. Based on ALJ ruling issued in proceeding number:                         | A.10-03-014     | Yes.                 |
| 6. Date of ALJ ruling:  | 7/20/2010       | Yes.                 |
| 7. Based on another CPUC determination (specify):                           |                 |                      |
| 8. Has the claimant demonstrated customer or customer-related status?       |                 | Yes.                 |
| <b>Showing of “significant financial hardship” (§ 1802(g)):</b>             |                 |                      |
| 9. Based on ALJ ruling issued in proceeding number:                         | A.10-03-014     | Correct.             |
| 10. Date of ALJ ruling:   | 11/30/2010      | Correct.             |
| 11. Based on another CPUC determination                                     |                 |                      |
| 12. Has the claimant demonstrated significant financial hardship?           |                 | Yes                  |
| <b>Timely request for compensation (§ 1804(c)):</b>                         |                 |                      |
| 13. Identify Final Decision:  | 5/26/2011       | D.11-05-047          |
| 14. Date of Issuance of Final Decision:                                     | 6/2/2011        | Correct.             |
| 15. File date of compensation request:                                      | 6/22/2011       | Correct.             |
| 16. Was the request for compensation timely?                                |                 | Yes.                 |

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

| # | Claimant | CPUC | Comment   |
|---|----------|------|---|
|   |          | X    | On February 24, 2012, Kern County Taxpayers Association (“KernTax”) filed a supplement to the request to provide expert witness fee information and a separate breakdown of expenses. |

**PART II: SUBSTANTIAL CONTRIBUTION**

**A. Claimant’s description of Claimant’s contribution to the final decision (see Pub. Util. Code §§ 1802(i) and 1803(a), and Decision (D.) 98-04-059)**

| <b>Contribution</b>   | <b>Citation to Decision or Record</b>   | <b>Showing Accepted by CPUC</b>   |
|---|---|---|
| <ul style="list-style-type: none"> <li>• Throughout the proceeding, KernTax strongly argued:               <ul style="list-style-type: none"> <li>○ Introduction of a modest customer charge would promote a fair and equitable rate structure.</li> <li>○ Collapsing non-Care upper-tiers into a single tier, Tier 3.</li> <li>○ Introduction of a Tier 3 rate for CARE customers.</li> <li>○ Reduction of baseline allowances to provide a more equitable rate structure.</li> <li>○ Increases in customer and demand charges as a step toward fair and equitable rates.</li> <li>○ For the end of upper-Tier ratepayer subsidy of the residential roof top solar industry</li> </ul> </li> <li>• 6/21/2010 File Motion for Intervener Status and NOI to Claim Intervener Compensation</li> <li>• 10/06/2010 Provided Evidentiary Statement</li> <li>• 10/13/2010 Attended Settlement Conference at PG&amp;E in San Francisco</li> <li>• 10/16/2010 Provided WZI Rate Structure Study</li> <li>• 10/29/2010 Provided Rebuttal to Evidentiary Statements</li> <li>• 11/20/2010 Participated CPUC Evidentiary Hearing in San Francisco.</li> <li>• 12/20/2010 Filed Opening Brief</li> <li>• Participated in 14 Settlement Calls</li> </ul> | <ul style="list-style-type: none"> <li>• Non-CARE Tier 4 rate lowered 15 percent, from \$.400/kWH to \$.34/kWh.</li> <li>• Care Tier 3 rate established.</li> <li>• Baseline allowances were lowered to share upper Tier costs.</li> <li>• Tier 4 rate was lower than residential roof top solar advocates wanted.</li> <li>• Information provided by the WZI Study of PG&amp;E’s Rate Structure</li> <li>• Please refer to Commissioner Simon’s Concurrence Comments at the Commission Meeting, May 26, 2011.</li> </ul> | <p>Yes. KernTax provided testimony and argument that made a substantial contribution to the rate structure adopted in the decision. In addition, the Commission adopted several of KernTax’s recommendations: (1) introduction of a Tier 3 rate for CARE customers, (2) lowering of the Tier 4 rate, and (3) adjusting the baseline percentage. Although the Commission did not adopt KernTax’s recommendations: regarding (1) customer charge, and (2) elimination of Tier 4, KernTax’s participation provided information and argument that allowed the Commission to consider the full range of positions, thereby assisting the Commission’s informed judgment based on a more complete record.</p> |

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| <ul style="list-style-type: none"> <li>• 4/20/2011 Participated in All- Party Meeting with Commissioners Sandoval and Ferron in San Francisco.</li> <li>• 4/20/2011 Provided Written <i>Exparte</i> Communication (documents) to Commissioners Sandoval and Ferron.</li> <li>• 4/25/2011 Filed Comments on Proposed Decision and Proposed Alternate Decision.</li> <li>• 5/2/2011 Filed Reply Comments to Proposed Decision and Proposed Alternate Decision Comments.</li> <li>• 5/6/2011 Participated in All-Party Meeting with Commissioners Sandoval and Simon in San Francisco.</li> <li>• 5/20/2011 Written <i>Exparte</i> Communication (Letter) with all Commissioners.</li> </ul> |  |  |
|---|--|--|

**B. Duplication of Effort (Pub. Util. Code §§ 1801.3(f) & 1802.5):**

|   | Claimant | CPUC Verified   |
|---|----------|---|
| <b>a. Was DRA a party to the proceeding?</b>  | Yes      | Correct.  |
| <b>b. Were there other parties to the proceeding?</b>   | Yes      | Correct.  |
| <p><b>c. If so, provide name of other parties:</b><br/>                     The DRA, Disability Rights Advocates,<sup>1</sup> Greenling Institute, TURN, Vote Solar, Solar Alliance, Sierra Club, AECA.</p> |          | The complete list of parties participating in this phase of the proceeding is:<br>Greenlining Direct Access Customer Coalition; Vote Solar Initiative; California Manufacturers & Technology Association; County of Kern; City of Hercules; Lamont PU District; Utility Cost Management LLC; Lamont Cost Management LLC; Alliance for Retail Energy Markets; City and County of San Francisco; Energy |

<sup>1</sup> KernTax incorrectly identified one of the parties as “Disability Rate Advocates.” We have corrected this reference to “Disability Rights Advocates.”

|   |  |
|---|--|
|   | <p>Producers &amp; Users Coalition; The Solar Alliance; Disability Rights Advocates; Marin Energy Authority; Women’s Energy Matters; Sierra Club California; Merced Irrigation District; Merced Irrigation District; Agricultural Energy Consumers Association; California Farm Bureau Federation; The Utility Reform Network; Southern California Edison Company; California City-County Street Light Association; Federal Executive Agencies; California Large Energy Consumers Association; Western Manufactured Housing Association; South San Joaquin Irrigation District; Town of Fairfax; The Alliance for Human and Environmental Health; Energy Users Forum; California League of Food Processors; Modesto Irrigation District; and PG&amp;E.</p> |
| <p><b>d. Claimant’s description of how Claimant coordinated with DRA and other parties to avoid duplication or how Claimant’s participation supplemented, complemented, or contributed to that of another party:</b><br/>         There was no duplication. KernTax and KernTax alone represented a previously unrepresented class, the Central Valley’s non-CARE upper Tier ratepayers. KernTax did attempt to seek positive consideration of the discriminatory rate outcomes; however DRA appeared to be primarily focused on the CARE issue and solar incentives.</p> | <p>Yes. KernTax represents the class of non-CARE upper-Tier rate payers in the high energy usage area of Kern County. This is a uniquely situated set of ratepayers with significant interest in ratesetting that is different from that of other ratepayers.</p>  |

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

| # | CPUC | Comment  |
|---|------|--|
| 1 | X    | <p>This is the first Commission proceeding that KernTax has participated in. Although the Commission did not adopt 100% of KernTax’s recommendations, KernTax’s testimony and participation were an important part of the Commission’s decision-making process. KernTax prevailed, or partially prevailed, on the majority of the sub-issues it participated in: Residential Customer Charge Proposal (KernTax position not adopted), CARE Tier 3 Rate (partially adopted), Changes in Tier 4 Rate Differential for Non-CARE Customers (partially adopted), Revised Baseline Quantity Allowance (adopted). The majority of KernTax’s hours and efforts were focused on demonstrating how the existing rate structure disproportionately impacts Kern County residents and advocating a structure closer to cost of service. In particular, KernTax provided a detailed study comparing the impact of the current rate structure on Monterey County residents to its impact on Kern County residents. This testimony underlay all of the proposals made by KernTax.</p> <p>The Commission’s decision in a general rate case must balance competing policy objectives to achieve a fair and reasonable rate structure. Here, KernTax’s contribution was an important part of the overall decision-making process. For example, KernTax proposed eliminating Tier 4 rates and instituting a customer charge. Other parties advocated keeping Tier 4 and reinstating Tier 5. The Commission determined that modifying Tier 4, without instituting a customer charge or reinstating Tier 5, would provide the appropriate balance for rates at this time. The Commission also noted Kern County residents concerns and stated that it would “continue to monitor billing impacts in future GRCs in an effort to sustain an appropriate and balanced rate design.” (Decision at 35.)</p> |

**PART III: REASONABLENESS OF REQUESTED COMPENSATION**

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

| Concise explanation as to how the cost of Claimant’s participation bore a reasonable relationship with benefits realized through participation   | CPUC Verified   |
|--|---|
| <p>Please refer to Commissioner Simon’s comments at the Commission Meeting, May 26, 2011. KernTax’s efforts brought some degree of balance to the rates paid by non-subsidized residents living in the hotter climate regions of PG&amp;E’s service territory.</p> | <p>With the adjustments and reductions adopted in this decision, the subject claim bore a reasonable relationship with benefits realized through KernTax’s participation.</p> |

**B. Specific Claim:\***

| CLAIMED                      |      |        |          |                         |                       | CPUC AWARD       |        |          |                    |
|------------------------------|------|--------|----------|-------------------------|-----------------------|------------------|--------|----------|--------------------|
| ATTORNEY AND ADVOCATE FEES   |      |        |          |                         |                       |                  |        |          |                    |
| Item                         | Year | Hours  | Rate     | Basis for Rate          | Total \$              | Year             | Hours  | Rate     | Total \$           |
| Jerry Crow, Attorney         | 2010 | 60.12  | \$220.00 | Ruling 11/30/2011       | \$13,226.40           | 2010             | 45.05  | \$220.00 | \$9,911            |
| Michael Turnipseed, Advocate | 2010 | 103.00 | \$150.00 | Ruling 11/30/2011       | \$15,450.00           | 2010             | 66.00  | \$150.00 | \$9,900            |
| Michael Turnipseed, Advocate | 2011 | 44.51  | \$150.00 | Ruling 11/30/2011       | \$6,675.00            | 2011             | 32.51  | \$150.00 | \$4,876.50         |
| <b>Subtotal:</b>             |      |        |          |                         | <b>\$35,351.40</b>    | <b>Subtotal:</b> |        |          | <b>\$24,687.50</b> |
| EXPERT FEES                  |      |        |          |                         |                       |                  |        |          |                    |
| Item                         | Year | Hours  | Rate     | Basis for Rate          | Total \$              | Year             | Hours  | Rate     | Total \$           |
| Jess Frederick               | 2010 | 406.00 | \$200.00 | Ruling 11/30/2010       | \$81,200.00           | 2010             | 280.88 | \$200.00 | \$56,175.00        |
| Jess Frederick               | 2011 | 31.25  | \$200.00 | -/-                     | \$6,250.00            | 2011             | 42.75  | \$200.00 | \$8,550.00         |
| Jess Frederick               | 2010 | 1.50   | \$400.00 | Witness Rate 11/20/2010 | \$600.00 <sup>2</sup> |                  | 0      |          | 0                  |
| Mary Jane Wilson             | 2010 | 33.00  | \$250.00 |                         | \$8,250.00            | 2010             | 33.00  | \$200.00 | \$8,250.00         |
| <b>Subtotal:</b>             |      |        |          |                         | <b>\$95,700</b>       | <b>Subtotal:</b> |        |          | <b>72,975.00</b>   |
| OTHER FEES                   |      |        |          |                         |                       |                  |        |          |                    |
| Item                         | Year | Hours  | Rate     | Basis for Rate          | Total \$              | Year             | Hours  | Rate     | Total \$           |
| Michael Turnipseed           | 2010 | 18.00  | \$75.00  | Travel                  | \$1,350.00            | 2010             | 18.00  | \$75.00  | \$1,350.00         |
| Michael                      | 2011 | 18.00  | \$75.00  | Travel                  | \$1,350.00            | 2011             | 18.00  | \$75.00  | \$1,350.00         |

<sup>2</sup> This amount was inadvertently not included in the total claimed amount in the original claim. We base our award calculations on the corrected results.

|                                       |      |       |         |        |                  |      |       |          |                             |
|---------------------------------------|------|-------|---------|--------|------------------|------|-------|----------|-----------------------------|
| Turnipseed                            |      |       |         |        |                  |      |       |          |                             |
| Jess Frederick                        |      |       |         | Travel |                  | 2010 | 8.00  | \$100.00 | \$800.00                    |
| Jess Frederick                        |      |       |         | Travel |                  | 2011 | 16.00 | \$100.00 | \$1,600.00                  |
| Pamela Willis, technician             | 2010 | 23.75 | \$70.00 |        | \$1,662.50       | 2010 | 22.25 | \$70.00  | \$1,557.50                  |
| Pamela Willis, technician             | 2011 | 13.50 | \$70.00 |        | \$945.00         | 2011 | 0     | 0        | 0                           |
| Arlene Vega, administrative assistant | 2010 | 0.50  | \$30.00 |        | \$15.00          | 2010 | 0     | 0        | 0                           |
|                                       |      |       |         |        | <b>Subtotal:</b> |      |       |          | <b>Subtotal:</b> \$6,657.50 |

**INTERVENOR COMPENSATION CLAIM PREPARATION \*\***

| Item               | Year | Hours | Rate    | Basis for Rate | Total \$         | Year | Hours | Rate             | Total \$ |
|--------------------|------|-------|---------|----------------|------------------|------|-------|------------------|----------|
| Jerry Crow         | 2010 |       |         |                |                  | 2010 | 2.50  | \$110.00         | \$275.00 |
| Michael Turnipseed | 2010 |       |         |                |                  | 2010 | 8.00  | \$75.00          | \$600.00 |
| Michael Turnipseed | 2011 | 6.00  | \$75.00 | 6.0            | \$450.00         | 2011 | 6.00  | \$75.00          | \$450.00 |
|                    |      |       |         |                | <b>Subtotal:</b> |      |       | <b>Subtotal:</b> | \$1,325  |

**COSTS**

| # | Item                   | Detail                   | Amount                   | Amount                 | Amount              |
|---|------------------------|--------------------------|--------------------------|------------------------|---------------------|
| 1 | KernTax Expense Report | Attachments to the claim | \$3,175.09               |                        | \$2,147.05          |
|   |                        |                          | <b>Subtotal:</b>         | <b>Subtotal:</b>       | \$2,147.05          |
|   |                        |                          | <b>TOTAL REQUEST \$:</b> | <b>TOTAL AWARD \$:</b> | <b>\$107,192.05</b> |

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

\*\*Reasonable claim preparation time typically compensated at 1/2 of preparer's normal hourly rate (the same applies to the travel time).

**C. CPUC Disallowances & Adjustments:**

| #            | Reason  |
|--------------|---|
| Hourly Rates | <p><u>Crow</u>. After reviewing the basis for rates set forth in Attachment 2 of the Request for Intervenor Compensation, we agree with the proposed hourly rate of \$220. This rate is appropriate for an experienced attorney who is new to the Commission. Resolution ALJ-267; D.08-04-010.</p> <p><u>Turnipseed</u>. Attachment 3 of the Request for Intervenor Compensation includes Turnipseed’s timesheet and biography. No express justification of \$150 hourly rate is provided; however, we determined that this rate is within the rate range for advocates participating before the Commission. According to his biography, Turnipseed has been the Executive Director of KernTax since 2005, and has over 30 years of business and community activism experience. Turnipseed received his Bachelor’s Degree in Agricultural Economics, graduated from the California Agricultural Leadership Program, and completed the Executive Program in Management. Based on these facts, we find the requested rate reasonable for the purposes of this proceeding and the issues addressed by KernTax.</p> <p><u>Frederick</u>. According to KernTax’s February 24, 2012 Supplemental Filing, Frederick has provided similar analyses for industrial and commercial clients and has provided expert testimony at the Commission and at the Texas Public Utilities Commission. KernTax has proposed an hourly rate of \$200 -- the mid-range rate for an expert with 7 to 12 years of experience. Based on the description of Frederick’s experience, we agree that the proposed hourly rate of \$200 is appropriate. Frederick also requests a separate “witness rate” for time on the stand during evidentiary hearings. The Commission decisions and resolutions governing hourly rates, however, do not provide for an expert to have different rates for different tasks. Frederick’s hours listed under “witness rate” will be compensated at Frederick’s approved rate of \$200.</p> <p><u>Wilson</u>. According to KernTax’s February 24, 2012 Supplemental Filing and Wilson’s curriculum vitae provided as an attachment to the Request for Compensation, Wilson has over 40 years of work experience in energy and environmental areas. She has appeared as an expert witness and has worked on regulatory projects. Based on this, we agree that the proposed hourly rate of \$250 is reasonable.</p> <p><u>Willis</u>. According to KernTax’s February 24, 2012 Supplemental Filing, Willis was a technician providing support to Frederick. The proposed rate of \$70 is below the CPUC’s-approved professional rates. We find the requested rate reasonable for data gathering, organization of information and technical editing performed by Willis.</p> |

|   |   |
|---|---|
| <p>Crow's Professional Hours.</p>       | <ol style="list-style-type: none"> <li>1. On April 12 and May 12, 2010, Crow recorded tasks that did not relate to the proceeding's issues ("Draft and send summary of power to raise" and "Draft authorization form and grant letter"). We disallow 4.00<sup>3</sup> hours spent on these tasks.</li> <li>2. We disallow 0.20 hour Crow spent on April 22, 2010, e-mailing to client re: status of motion. This is an unproductive effort that did not contribute to KernTax's participation in this proceeding.</li> <li>3. We move 2.50 hours (April 7, 2010 – 1.50 hours<sup>4</sup> and June 21, 2010 – 1.00 hours) recorded under the regular professional work to the Intervenor Compensation Claim Preparation category. We compensate these hours at 50% of the rate for Crow's regular professional work.</li> <li>4. We note that Crow's hours of work on KernTax's motion to become a party were excessive given the nature and contents of this motion. Normally, we would disallow such excessive hours. However, because this participant has never appeared before the Commission, we will not make any disallowances for the excessive hours working on this document at this time. In the future, in accordance with our policies, appropriate disallowances for excessive hours will be made.</li> <li>5. After KernTax's June 21, 2010 motion to become a party was filed, Crow, according to the proceeding's formal records and his own time records, did not play an active role in KernTax's participation. We therefore disallow 50% of the 16.74 hours recorded after June 21, 2010 as not relevant to KernTax's contributions to D.11-05-047.</li> </ol> <p>The total disallowed: 12.57 hours. Moved to a different work category: 2.50 hours.</p> |
| <p>Turnipseed's Professional Hours.</p> | <ol style="list-style-type: none"> <li>1. Turnipseed's timesheet includes a task described as "obtaining authorization signatures"<sup>5</sup> that had no bearing on the proceeding's issues. We disallow the 15.00 hours spent on this task.</li> <li>2. Turnipseed's time records describe clerical or administrative tasks that are non-compensable, such as document filing, distributing, collecting, submitting, organizing and delivering, and preparing "certification of service".<sup>6</sup> We disallow 14.00 hours spent on these tasks in 2010, and 10.00 hours in 2011.</li> <li>3. We disallow the 2.00 hours on May 26, 2011 spent watching the webcast of the Commission meeting as not relevant to KernTax's contributions to D.11-05-047.</li> <li>4. The time records also include 8.00 hours spent on the intervenor compensation matters in 2010, charged at the full professional hourly rate.<sup>7</sup> We move these hours to the intervenor compensation document preparation category, at a half professional rate.</li> </ol> <p>The total disallowed hours: in 2010 – 29.00, and in 2011 – 12.00. Moved to a different category: 8.00 (2010).</p>  |

<sup>3</sup> The May 12, 2010 timesheet entry combines several activities, one of which is non-compensable. For the disallowances purposes, we allocate equal amount of hours to each of these activities. We note that combining several tasks in one time record violates the provisions of Rule 17.4(b)(2).

<sup>4</sup> This time record reflects 3.00 hours of Crow's work on two issues. We allocate 50% of these hours to the intervenor matter.

<sup>5</sup> Time record of June 24, 2010.

|  |   |
|--|---|
| <p>Frederick’s Professional Hours.</p> | <ol style="list-style-type: none"> <li>1. Frederick’s time records show travel hours. We included these hours in the “Other Fees” category, compensated at half the approved hourly rate.</li> <li>2. For 2010, Frederick duplicated Wilson’s efforts on several tasks. According to the Supplement, Mary Wilson provided “management oversight for errors and omissions as well as the final review of Mr. Frederick’s study and assisted in reviewing the issues that were potential sources of the unexpected rate impact on Valley residents”. Frederick’s work appears to be duplicative of work completed by Wilson. For example, Wilson spent 13 hours in the first half of October 2010 reviewing intervenor and rate filings. Frederick spent 60 hours during the same period reviewing rate alternatives, filings, and comments. During October 27 – 28, Wilson and Frederick spent 8 hours each filing “rebuttal to evidentiary hearing study.” Given the expertise of Frederick and Wilson, we do not believe that ratepayers should be charged twice for the same work. We keep the hours for Wilson in full and reduced Frederick’s hours by 33 to eliminate duplication.</li> <li>3. Frederick’s itemized hours for non-travel tasks in 2011 totaled 64.5, but KernTax only claimed 31.5 hours. We calculate the total award using a base of 64.5 non-travel hours for Frederick in 2011 and then applying the reductions described below.</li> <li>4. We disallow, as undocumented, 4.00 hours recorded on May 26, 2011, on the activity described as “PUC”. This description does not allow us to identify the recorded task.</li> <li>5. We have reduced Frederick’s time for all party meetings in 2011 to be more in line with that of other individuals at the same meetings. Frederick records 4 hours on April 20, 2011 in an all party meeting with Commissioner Sandoval, and 5 hours on May 6, 2011 in an all party meeting. In contrast, Turnipseed, attending the same meetings, spent only 2.5 hours in the meeting with Commissioner Sandoval and 3 hours in the all party meeting on May 6. Similarly, Greenlining recorded the meeting with Commissioner Sandoval as being 2.5 hours long. We have therefore reduced Frederick’s time for these meetings from 9 hours to 5.5 hours.</li> <li>6. 1.50 hours requested separately at the “expert witness” rate were added to Frederick’s 2010 hours at the normal professional rate (see, the Hourly Rate section, above).</li> </ol> <p>The total task-specific hours are disallowed: in 2010 – 33.00; in 2011 – 7.50; moved to regular professional hours at the normal expert hourly rate: 1.50 hours (2010); included in the “Other Fees” category: 8.00 hours (2010) and 16.00 hours (2011) of travel at half professional rate.</p> <ol style="list-style-type: none"> <li>7. After reviewing Frederick’s professional hours, and comparing their number to that of other intervenors who have requested compensation in this proceeding, we believe that Frederick’s hours are excessive. For example, Frederick spent 51 hours on activity called “Rate Alternatives &amp; Filing Review,” 21 hours reviewing transcripts, and 55 hours reviewing various other filings for a total of 127 hours reviewing documents</li> </ol> |
|--|---|

<sup>6</sup> Time records of June 24, October 6, 16, and 29, 2010; and April 20 and 25, and May 2, 6, and 20, 2011, reflect these tasks. When several tasks are combined in one timesheet entry, we allocate equal amount of the hours recorded in that time record for each of the combined activities.

<sup>7</sup> Time records of June 24, 2010.

|                              |   |
|------------------------------|---|
|                              | in the proceeding. Other intervenors in this proceeding who have filed compensation requests averaged less than half that time to complete the same tasks (Vote Solar Initiative -- approximately 28 hours and Greenlining Institute -- approximately 82 hours). Based on this, we have applied an additional 25% overall cut to Frederick’s professional hours for both 2010 and 2011.   |
| Willis’s hours               | Willis’s hours include clerical tasks. The Commission does not compensate for administrative overhead. <sup>8</sup> We have reduced her hours, as follows: 2010 – 1.50; 2011 - 13.50 hours. <sup>9</sup>  |
| Vega’s hours                 | Vega’s time was for the administrative task and is not reimbursable.  |
| Direct Costs                 | Reasonable travel related expenses such as lodging and transportation are compensable where proper documentation is provided. The lodging and transportation expenses here were not incurred during routine commuting <sup>10</sup> . With the exception of the cost for meals (\$1,028.04) that are not reimbursable, <sup>11</sup> the cost breakdown included in the request shows the direct expenses to be commensurate with the work performed.   |
| Comments on the time records | KernTax’s time records should be maintained more accurately and in line with our requirements. Some of the records look unrealistic: for example, according to his June 24, 2010 time record, Turnipseed worked 25 hours on that “day”. Also, he worked 20.50 hours on October 6th and 20.50 hours on October 29, 2010. We require not combining several specific tasks, such as, for example, preparation for the conference calls and participation in the conference calls, in one time record. <sup>12</sup> We do not make any reductions for these deficiencies at this time, but give a warning that in the future we may make disallowances for inaccurately documented time records. |

**PART IV: OPPOSITIONS AND COMMENTS**

|   |     |
|---|-----|
| <b>A. Opposition: Did any party oppose the claim?</b> | No. |
|---|-----|

**FINDINGS OF FACT**

<sup>8</sup> See, e.g., D.98-11-049, 1998 Cal. PUC LEXIS 805, \*5.1.3.

<sup>9</sup> See Willis’s time records of November 19, 2010, and February 3 and 4, 2011.

<sup>10</sup> The Commission awards fees and expenses for reasonable travel time but disallows compensation for time and expenses incurred during “routine travel”. In D.10-11-032, the Commission further defined “routine travel” as travel that occurs with a one-way travel distance of 120 miles or less for attorneys, consultants and other experts participating in Commission matters. Travel time and expenses occurring within this parameter is considered to be “routine” in nature and non-compensable.

<sup>11</sup> We disallowed costs of meal in D.10-03-020 at 7; D.09-10-055 at 15, or D.07-08-021 at 9, etc.

<sup>12</sup> See Rule 17.4(b)(2), and Intervenor Compensation Program Guide at <http://www.cpuc.ca.gov/PUC/IntervenorCompGuide/>, at 33.

1. Kern County Taxpayers Association has made a substantial contribution to Decision (D.) 11-05-047.
2. The claimed fees and costs, as adjusted herein, are comparable to market rates paid to experts and advocates having comparable training and experience and offering similar services.
3. The total of reasonable contribution is \$107,192.05.

**CONCLUSION OF LAW**

1. The Kern County Taxpayers Association claim, with the adjustment set forth above, satisfies all requirements of Public Utilities Code Sections 1801-1812.

**ORDER**

1. Kern County Taxpayers Association is awarded \$107,192.05.
2. Within 30 days of the effective date of this decision, Pacific Gas and Electric Company shall pay claimant the total award. Payment of the award shall include interest at the rate earned on prime, three-month commercial paper as reported in Federal Reserve Statistical Release H.15, beginning October 3, 2011, the 75<sup>th</sup> day after the filing of claimant's request, and continuing until full payment is made.
3. The comment period for today's decision is waived.
4. This decision is effective today.

Dated June 7, 2012, at San Francisco, California.

MICHAEL R. PEEVEY  
President  
TIMOTHY ALAN SIMON  
CATHERINE J.K. SANDOVAL  
MARK J. FERRON  
Commissioners

I abstain.

/s/ MICHEL PETER FLORIO  
Commissioner

**APPENDIX****Compensation Decision Summary Information**

|                                  |                                  |                              |
|----------------------------------|----------------------------------|------------------------------|
| <b>Compensation Decision:</b>    | D1206010                         | <b>Modifies Decision?</b> No |
| <b>Contribution Decision(s):</b> | D1105047                         |                              |
| <b>Proceeding(s):</b>            | A1003014                         |                              |
| <b>Author:</b>                   | ALJ Thomas R. Pulsifer           |                              |
| <b>Payer(s):</b>                 | Pacific Gas and Electric Company |                              |

**Intervenor Information**

| <b>Intervenor</b>                 | <b>Claim Date</b> | <b>Amount Requested</b> | <b>Amount Awarded</b> | <b>Multiplier?</b> | <b>Reason Adjustments/Disallowance</b>  |
|-----------------------------------|-------------------|-------------------------|-----------------------|--------------------|---|
| Kern County Taxpayers Association | 7/18/11           | \$139,998.99            | \$107,192.05          | No                 | Non-compensable direct costs, non-compensable administrative work, non-productive work, work not relevant to the intervenor's contributions to the proceeding's issues, undocumented charges, excessive hours, internal duplication of efforts, mathematical errors, discrepancies between the requested hours and hours reflected in the time records. |

**Advocate Information**

| <b>First Name</b> | <b>Last Name</b> | <b>Type</b> | <b>Intervenor</b>                 | <b>Hourly Fee Requested</b> | <b>Year Hourly Fee Requested</b> | <b>Hourly Fee Adopted</b> |
|-------------------|------------------|-------------|-----------------------------------|-----------------------------|----------------------------------|---------------------------|
| Jerry             | Crow             | Attorney    | Kern County Taxpayers Association | \$220                       | 2010                             | \$220                     |
| Michael           | Turnipseed       | Advocate    | Kern County Taxpayers Association | \$150                       | 2010                             | \$150                     |
| Michael           | Turnipseed       | Advocate    | Kern County Taxpayers Association | \$150                       | 2011                             | \$150                     |
| Jesse             | Frederick        | Expert      | Kern County Taxpayers Association | \$200                       | 2010                             | \$200                     |
| Jesse             | Frederick        | Expert      | Kern County Taxpayers Association | \$200                       | 2011                             | \$200                     |
| Mary Jane         | Wilson           | Expert      | Kern County Taxpayers Association | \$250                       | 2010                             | \$250                     |
| Pamela            | Willis           | Technician  | Kern County Taxpayers Association | \$70                        | 2010                             | \$70                      |

**(END OF APPENDIX)**