



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

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Application of California Pacific Electric Company, LLC (U 933-E) for Authority to Among Other Things, Increase Its Authorized Revenues For Electric Service, Update Its Energy Cost Adjustment Clause Billing Factors, Establish Marginal Costs, Allocate Revenues, And Design Rates, as of January 1, 2013.

Application 12-02-014
(February 17, 2012)

**MOTION OF THE A-3 CUSTOMER COALITION TO
STRIKE SUPPLEMENTAL TESTIMONY**

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Dated: May 18, 2012

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Pursuant to Rule 11.1 of the Commission's Rules of Practice and Procedure, the A-3 Customer Coalition (Customer Coalition) hereby moves to strike Questions and Answers 6, 7, a portion of Answer 9, and Table 3, Section B of the General Rate Case Supplemental Testimony served by California Pacific Electric Company, LLC (CalPeco) on May 14, 2012.

I. TESTIMONY CONCERNING A THIRD ALTERNATIVE RATE TO RECOVER VEGETATION MANAGEMENT COSTS SHOULD BE EXCLUDED

A motion to strike testimony should be granted when the testimony addresses issues that are outside the scope of the proceeding.¹ The Administrative Law Judge's Ruling for Additional Testimony of April 23, 2012 directed CalPeco to serve additional testimony on two alternative rates to recover vegetation management costs.

¹ See, e.g., D.05-08-028, p. 8; D.05-02-052, 51-54.

The Supplemental Testimony complies with the ruling and presents testimony on the two alternative rates, but then goes beyond the express instructions of the ruling and offers (and appears to endorse) a third approach.

Specifically, the ALJ's Ruling directed CalPeco to submit additional testimony on two identified variations:

- (1) a single flat rate for all customers regardless of customer class; and
- (2) a flat rate for the A-3 customers so that A-3 customers pay a proportional flat rate based on the median consumption for residential customers and median consumption for A-3 customers on an annual basis.

In its Supplemental Testimony, CalPeco on its own initiative goes beyond the variations required by the Ruling and offers a third unsolicited and unauthorized alternative proposal for recovery of vegetation management cost.

CalPeco's unilateral decision to add more testimony to its showing creates an additional burden for other parties. Unless this motion is granted, other parties will be obligated to respond to CalPeco's third proposal. To respond adequately, other parties will be required to conduct additional discovery, prepare responsive testimony, prepare additional cross-examination, and draft additional discussion in the briefs. Intervenors are already well advanced in their discovery related to CalPeco's original proposal for recovering vegetation management costs, and adding another proposal at this late date unnecessarily and inappropriately adds to the costs of participating in this proceeding.

Moreover, the unsolicited addition of a third cost recovery approach leaves the Customer Coalition, and presumably other parties, confused about which approach

CalPeco is supporting. In its initial direct testimony, CalPeco proposed to recover vegetation management costs from all customers on a uniform cents per kWh basis. In the supplemental testimony, CalPeco seems to prefer the third new proposal based on a comparison of the annual median consumption of various customer classes. If the third alternative methodology is CalPeco's preferred approach, then it is introduced late in the proceeding, well after the filing of the application in February. Furthermore, until CalPeco clarifies exactly which proposal it is sponsoring, other parties will have to prepare to respond to both CalPeco's original proposal and to the third alternative it added to its response to the ALJ's Ruling on its own initiative.

II. CONCLUSION

For the reasons stated in this motion, the A-3 Customer Coalition respectfully asks the Commission to strike the following portion of the Supplemental Testimony CalPeco served on May 14:

- Questions and Answers 6 and 7, from line 13 on page 7 of 17 through line 13 on page 8 of 17.
- The sentence on lines 10 through 12 of page 10 of 17.
- Table 3, Section B on page 13 of 17.

Respectfully submitted this 18th day of May, 2012 at San Francisco,
California.

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