



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

03-16-10  
04:59 PM

Application of Pacific Gas and Electric Company (U 39 M) for Authority, Among Other Things, to Increase Rates and Charges for Electric and Gas Service Effective on January 1, 2011.

A.09-12-020  
(Filed December 21, 2009)

**AGLET CONSUMER ALLIANCE**

**NOTICE OF INTENT TO CLAIM INTERVENOR COMPENSATION**

**1. Summary**

Pursuant to Public Utilities (PU) Code §1804(a), Aglet Consumer Alliance (Aglet) hereby notifies the Commission and all parties that it intends to claim compensation in the test year 2011 general rate case of Pacific Gas and Electric Company (PG&E). Aglet requests a finding that it is a customer as defined in the PU Code, a finding of significant financial hardship, and a ruling that it is eligible for compensation in the proceeding.

In preparing this notice of intent (NOI), Aglet has relied on eligibility rules and information requirements set forth in Decision (D.) 98-04-059, as modified by D.99-02-039. The format of the NOI is consistent with a template in the Commission's "Intervenor Compensation Program Guide" dated January 2004.

**2. Timely Filing**

Administrative Law Judge (ALJ) David Fukutome convened a prehearing conference on February 19, 2010 in San Francisco. Aglet entered an appearance at the prehearing conference. (The transcript for the prehearing conference does not include a service list, but Aglet's Director James Weil appears on service list now available on the Commission's web site.) The due date for filing of NOIs is

Friday, March 19. (PHC RT 46.) Aglet will file this pleading electronically on Tuesday, March 16.

### **3. Customer Status**

PU Code §1802(b) defines "customer" in three ways: Category 1 applies to a participant representing consumers; Category 2 applies to a representative authorized by a customer; and Category 3 applies to a representative of a group or organization that is authorized by its articles or bylaws to represent the interests of residential customers. Aglet meets the definition of a Category 3 customer.

Aglet is an unincorporated nonprofit association registered with State of California Secretary of State. (Reg. No. 6861.) Aglet is a group authorized pursuant to its articles of organization and bylaws to represent and advocate the interests of residential and small commercial customers of electrical, gas, water and telephone utilities in California. Copies of Aglet's articles and bylaws are attached to an NOI filed on June 11, 1999 in Application (A.) 99-03-014. There has been no change to Aglet's articles and bylaws since that filing. Aglet is not established or formed by a local government entity for the purpose of participating in a Commission proceeding.

In D.98-04-059 the Commission directed groups such as Aglet to indicate the percentage of their members that are residential customers. All of Aglet's present members are residential utility customers, including customers of applicant PG&E. Approximately 30% of the members also operate small businesses with separate energy or telephone utility service. In the instant proceeding, Aglet will address revenue requirement issues that affect all PG&E customers.

For these reasons, Aglet is a Category 3 customer as that term is defined in PU Code §1802(b) and is qualified to file this NOI.

### **4. Adequacy of Representation**

In D.98-04-059 the Commission determined that to be eligible for compensation an intervenor must show that it will represent customer interests

that would otherwise be underrepresented. The best test of the adequacy of representation will come after this proceeding is submitted for decision. Only then will the Commission know whether the work of Aglet has duplicated the efforts of other parties.

However, the Commission should recognize at this stage of the proceeding that Aglet acts specifically on behalf of residential and small commercial customers. The Commission's Division of Ratepayer Advocates (DRA) is a party, but DRA does not represent the specific interests of small customers. DRA acts on behalf of all customers and must balance its positions when large and small customers might not agree. Aglet recognizes that The Utility Reform Network (TURN) also represents the interests of residential and small commercial customers.

As ALJ Angela Minkin noted in A.98-09-003 *et al.*, in which PG&E was an applicant:

Participation in Commission proceedings by parties representing the full range of affected interests is important. Such participation assists the Commission in ensuring that the record is fully developed and that each customer group receives adequate representation. (Ruling issued July 7, 1999, p. 3.)

Aglet is qualified to participate in this matter. Aglet's Director Weil retired in 1997 after 14 years of experience with the Commission staff, including seven years as an ALJ. He has participated in many PG&E proceedings, including PG&E's last general rate case. Weil's knowledge and experience should support and complement, but not duplicate, the work of DRA and TURN.

## **5. Significant Financial Hardship**

PU Code §1804(a)(2)(B) allows a customer to include in the NOI a showing that participation in the proceeding will pose a significant financial hardship. Alternatively, the customer may include the required showing in its request for compensation. Aglet elects to make its showing now.

PU Code §1802(g) defines significant financial hardship:

"Significant financial hardship" means either that the customer cannot afford, without undue hardship, to pay the costs of effective participation, including advocate's fees, expert witness fees, and other reasonable costs of participation, or that, in the case of a group or organization, the economic interest of the individual members of the group or organization is small in comparison to the costs of effective participation in the proceeding.

PU Code §1804(b)(1) states:

A finding of significant financial hardship shall create a rebuttable presumption of eligibility for compensation in other commission proceedings commencing within one year of the date of that finding.

The economic interests of Aglet's individual members are small compared to the costs of effective participation in this proceeding. Typical residential electric and gas bills are in the order of \$1,200 to \$2,000 annually, much less than the estimated costs of participation. All of Aglet's current members, including members that live in PG&E's service territory, are residential utility customers. Most if not all of the businesses owned by Aglet members are sole proprietorships without employees. None is a large commercial or industrial customer that might use great quantities of natural gas or electricity. Therefore, Aglet meets the requirements of PU Code §1802(g).

The Commission has in many proceedings issued findings of significant financial hardship for Aglet. However, the Commission did not issue such a finding within one year before PG&E filed the instant application.

Aglet qualifies for a ruling of eligibility for compensation on the merits of this pleading.

## **6. Nature and Extent of Planned Participation**

PU Code §1804(a)(2)(A)(i) requires that this NOI include a statement of the nature and extent of the customer's planned participation. Aglet intends to participate actively by conducting discovery, preparing testimony, defending its

testimony in hearings, cross-examining other witnesses, and filing of briefs, comments and other necessary pleadings. Aglet expects to focus its work on various gas and electric revenue requirement issues: cost escalation; productivity; nuclear expenses and capital costs; customer retention and economic development programs; uncollectibles; customer-related expenses and capital costs; Smart Meters; and information technology expenses and capital costs. Aglet intends to make a full showing on post-test year ratemaking (attrition). Aglet also expects to address PG&E showings on new balancing accounts and the economic impacts of PG&E capital expenditures during the rate case cycle. Aglet may address other issues as the proceeding unfolds.

Aglet recognizes the Legislative intent expressed in PU Code §1801.3(f) that the Commission should administer its intervenor compensation program in a manner that avoids unproductive, unnecessary or duplicative participation. Aglet has coordinated with DRA and TURN regarding its testimony on the material issues identified in the proceeding thus far. Aglet has also communicated with other customer parties regarding specific issues. Aglet intends to continue that cooperation, in order to minimize duplication of effort regarding issues of concern to residential and small commercial customers.

## **7. Itemized Estimate of Costs of Participation**

PU Code §1804(a)(2)(A)(ii) requires that the NOI shall include an itemized estimate of the compensation that Aglet expects to request, given the likely duration of the proceeding. Aglet expects to request compensation in the amount of \$148,240, as shown in the table below:

\$ 120,000	400 hours of professional time by James Weil, at \$300 per hour
20,350	110 hours of consultant time, at \$185 per hour
1,950	10 hours of consultant time, at \$195 per hour
<u>+ 3,000</u>	20 hours of compensation-related time, at \$150 per hour
\$ 145,300	Subtotal, compensable time

60	Copies
100	Postage, overnight delivery
1,800	Lodging costs during evidentiary hearings
900	Travel costs (vehicle mileage, bridge tolls, parking)
+ 80	FAX charges
<u>2,940</u>	Subtotal, compensable other costs
\$ 148,240	TOTAL ESTIMATED COST OF PARTICIPATION

Aglet will provide time records, expense records and justification for hourly rates in the request for an award of compensation, if it eventually files one.

### 8. Conclusion

Aglet respectfully requests that ALJ Fukutome issue a preliminary ruling in which he: (1) finds that Aglet is a customer as defined in PU Code §1802(b); (2) finds that Aglet has made an adequate showing of significant financial hardship; (3) in consultation with Assigned Commissioner Michael Peevey, concludes that Aglet has met the requirements of PU Code §1804(a) for eligibility for compensation; and (4) rules that Aglet is eligible for compensation in this proceeding.

Aglet recognizes that a finding of significant financial hardship in no way ensures eventual compensation, as explained in PU Code §1804(b)(2).

\* \* \*

Dated March 16, 2010, at Sebastopol, California.

/s/  
James Weil, Director  
Aglet Consumer Alliance  
PO Box 1916  
Sebastopol, CA 95473  
Tel/FAX (707) 824-5656  
jweil@aglet.org

## VERIFICATION

I, James Weil, represent Aglet Consumer Alliance and am authorized to make this verification on the organization's behalf. The statements in the foregoing document are true to the best of my knowledge, except for those matters that are stated on information and belief, and as to those matters I believe them to be true.

I declare under penalty of perjury that the foregoing is true and correct.

Dated March 16, 2010, at Sebastopol, California.

*/s/*

---

James Weil, Director  
Aglet Consumer Alliance  
PO Box 1916  
Sebastopol, CA 95473  
Tel/FAX (707) 824-5656  
jweil@aglet.org

**CERTIFICATE OF SERVICE**

I certify that I have this day by electronic mail served a true copy of the original attached "Aglet Consumer Alliance Notice of Intent to Claim Intervenor Compensation" on all parties of record in this proceeding or their attorneys of record. I will serve paper copies of the pleading on Commissioner Michael Peevey and Administrative Law Judge David Fukutome.

Dated March 16, 2010, at Sebastopol, California.

/s/

\_\_\_\_\_  
James Weil