

**Dissent of Commissioner Dian M. Grueneich
in Decision Regarding Petitions to Modify
Decision 02-10-020**

The Commission's December 1, 2005 decision regarding petitions from TURN, ORA and Verizon to modify Decision 02-10-020 brought to mind the idea of balancing the lessons from our past with changes in our future. While learning from our past is crucial, it cannot take precedent over recognizing that things do change and the environment in the past, that led to mistakes, may not be today's environment.

During the introduction of her proposed decision, Commissioner Kennedy raised some key points regarding the lessons we should have learned from the New Regulatory Framework audit of SBC. While the audit of SBC occurred before my appointment to the Commission, I understand that there has been concern on the part of the Commission that ORA may have spent an unnecessarily extended amount time on the audit and covered unneeded years. These may have led to an unnecessary financial burden on ratepayers and SBC.

Commissioner Kennedy addressed important issues and I heartily endorse her view that the Commission should take to heart lessons learned from its past and keep these lessons in mind as we move forward. At the same time though, the Commission must keep in mind that the environment in which we operate has changed. Specifically in this case, the management of ORA has changed since the SBC audit. Dana Appling is now the Director of ORA. I know that with her leadership, we can improve ORA's vital role in this Commission.

D.05-12-012

R.01-09-001

I believe that the Commission should show its support for ORA's new leadership by avoiding the micromanagement and arbitrary restrictions on ORA that are set forth in D.05-12-012. At this point in time—when the ORA leadership is fresh—we should give some deference to that new leadership. Director Applying should be allowed the opportunity to demonstrate the good judgment and common sense that I believe she has. This approach would allow the Commission to move forward with the audit of Verizon, ensure that ratepayer and utility resources are not spent unnecessarily, but also respect ORA's legislative role.

I do not support D.05-12-012. This decision does not show a belief that ORA's new management can exercise reasonable judgment and it engages in a level of micromanagement that is both unnecessary and inappropriate.

Dated December 1, 2005, at San Francisco, California.

/s/ DIAN M. GRUENEICH

Dian M. Grueneich

Commissioner