



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

Order Instituting Rulemaking into the Review of the California High Cost Fund-A Program	R.11-1 03-02-12 1-007 04:59 PM  Filed November 10, 2011
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**NOTICE OF INTENT TO CLAIM INTERVENOR COMPENSATION  
AND, IF REQUESTED (and [ ]<sup>1</sup>), ADMINISTRATIVE LAW JUDGE’S RULING  
ON THE UTILITY REFORM NETWORK’S SHOWING OF SIGNIFICANT  
FINANCIAL HARDSHIP**

Customer (party intending to claim intervenor compensation): The Utility Reform Network			
Assigned Commissioner: Catherine J.K. Sandoval		Assigned ALJ: W. Anthony Colbert	
I hereby certify that the information I have set forth in Parts I, II, III and IV of this Notice of Intent (NOI) is true to my best knowledge, information and belief. I further certify that, in conformance with the Rules of Practice and Procedure, this NOI and has been served this day upon all required persons (as set forth in the Certificate of Service attached as Attachment 1).			
		Signature:	/S/
Date:	3/2/2012	Printed Name:	Christine Mailloux

**PART I: PROCEDURAL ISSUES**  
(To be completed by the party (“customer”) intending to claim intervenor compensation)

A. Status as “customer” (see Pub. Util. Code § 1802(b)): The party claims “customer” status because the party (check one):	Applies (check)
1. Category 1: Represents consumers, customers, or subscribers of any electrical, gas, telephone, telegraph, or water corporation that is subject to the jurisdiction of the Commission (§ 1802(b)(1)(A)).	
2. Category 2: Is a representative who has been authorized by a “customer” (§ 1802(b)(1)(B)).	
3. Category 3: Represents a group or organization authorized pursuant to its articles of incorporation or bylaws to represent the interests of residential customers, to represent “small commercial customers” (§ 1802(h) who receive bundled electric service from an electrical corporation (§ 1802(b)(1)(C)), or to represent another eligible group.	X
4. The party’s explanation of its customer status, with any documentation (such as articles of incorporation or bylaws) that supports the party’s “customer” status. Any	

<sup>1</sup> DO NOT CHECK THIS BOX if no finding of significant financial hardship is needed (in cases where there is a valid rebuttable presumption of eligibility (Part III(A)(3)) or significant financial hardship showing has been deferred to the intervenor compensation claim).

attached documents should be identified in Part IV.

TURN is a “group or organization authorized pursuant to its articles of incorporation or bylaws to represent the interests of residential ratepayers.” TURN provided the relevant portion of our articles of incorporation in the NOI submitted in A.98-02-017, and again in A.99-12-024. The articles of incorporation have not changed since the time of those earlier submissions. D.98-04-059 directs groups such as TURN to indicate the percentage of their members that are residential ratepayers. Id., FOF 12. TURN has approximately 20,000 dues paying members, of whom we believe the vast majority are residential ratepayers. TURN does not poll our members in a manner that would allow a precise breakdown between residential and small business members, so a precise percentage is not available.

- **Describe if you have any direct economic interest in outcomes of the proceeding.**

TURN does not have any direct economic interest in the outcomes the Commission may adopt in this proceeding. However, as a representative of ratepayers served by carriers currently receiving subsidy from the CHCF-A, TURN has an interest in ensuring that the Commission conducts a data-specific, comprehensive review of the Fund and that the Commission take into account the complex and significant ratepayer interests in making changes to the Fund going forward, including any impacts on rates for services offered by these CHCF-A carriers. In addition, TURN notes that all California ratepayers contribute to the CHCF-A through monthly surcharges. Therefore, these ratepayers also have an economic interest in ensuring that the Fund is not only operated in the most efficient manner but that its subsidy money is distributed in a fair and reasonable manner.

<b>B. Timely Filing of Notice of Intent (NOI) (§ 1804(a)(1)):</b>	<b>Check</b>
1. Is the party’s NOI filed within 30 days after a Prehearing Conference? Date of Prehearing Conference: <input type="text"/>	Yes ___ No <u>X</u>
2. Is the party’s NOI filed at another time (for example, because no Prehearing Conference was held, the proceeding will take less than 30 days, the schedule did not reasonably allow parties to identify issues within the timeframe normally permitted, or new issues have emerged)?	Yes <u>X</u> No ___
2a. The party’s description of the reasons for filing its NOI at this other time:  The Commission’s Rules of Practice and Procedure 17.1(a) requires that, in proceedings where it is preliminarily determined that a hearing is not needed and no prehearing conference is scheduled, intervenors must file their NOIs within 30 days of “responsive pleadings.” In this docket, the Order Instituting Rulemaking does not make a preliminary determination about the need for hearings, instead it requests parties file a motion for hearings within ten business days after reply comments. A determination on hearings and the scheduling of a prehearing conference may not be made for several weeks. Therefore, TURN relies on Rule 17.1(a)(2) to file its NOI within 30 days of the filing of responsive pleadings or the opening comments on the	

OIR filed February 1, 2012.

2b. The party's information on the proceeding number, date, and decision number for any Commission decision, Commissioner ruling, ALJ ruling, or other document authorizing the filing of NOI at that other time:

Rule of Practice and Procedure 17.1(a)(2) and OIR page 36.

## **PART II: SCOPE OF ANTICIPATED PARTICIPATION**

(To be completed by the party ("customer") intending to claim intervenor compensation)

### **A. Planned Participation (§ 1804(a)(2)(A)(i)):**

- **The party's statement of the issues on which it plans to participate.**

The OIR sets out a detailed list of the issues preliminary included in the scope of the proceeding. TURN plans to participate in the majority of the issues listed with emphasis on the following issues:

- Impact and effectiveness of current CHCF-A mechanism
- Changes to current high cost funding mechanism and proposals for new mechanisms including:
  - o inclusion of revenues from additional sources
  - o possible caps on subsidy disbursements,
  - o per-access line subsidy
  - o cost modeling
- Reporting and treatment of Affiliate Transactions
- Impact and interrelationship of federal Universal Service program developments
- Impact of the Fund and possible changes to the Fund on rates
- Opening the Small LEC territory to competition and opening up the new subsidy mechanism to alternative technologies

- **The party's explanation as to how it plans to avoid duplication of effort with other parties and intervenors.**

Based on Opening Comments, it appears that active parties in this docket will include the current CHCF-A carriers, CCTA, Verizon, Frontier, the TDS companies, DRA and an individual named Tyler Werrin. Of these parties, only TURN and DRA directly represent a broad range of consumer interests. As in previous dockets before the Commission, TURN expects to work closely and coordinate with DRA and other parties where there may be an overlap in issues. This coordination will serve to minimize any overlap in issues, to ensure that where such overlap occurs each party is representing a unique analysis, and will enable each party to most efficiently manage their advocacy efforts. TURN has already worked with DRA and the Small LECs in preparation of Opening Comments to avoid direct duplication and present its own unique analysis.

Finally, the Commission should recognize that the combined efforts of the consumer representatives can serve to counterbalance the utilities' ratepayer-funded resources in this proceeding. Also, TURN is unfamiliar with Mr. Werrin or the interests he represents in the docket. However, if based on his advocacy in the docket it appears that there is a potential for duplication, TURN will attempt to coordinate with Mr. Werrin to avoid undue duplication.

- **The party's description of the nature and extent of the party's planned participation in this proceeding (as far as it is possible to describe on the date this NOI is filed).**

TURN has been an active participant in numerous telecommunications quasi-legislative rulemakings, including dockets relating to public purpose programs and high cost funding mechanisms. In this docket, we have already conducted significant discovery, performed detailed analysis of the issues in the docket and filed an extensive set of opening comments. TURN plans to file reply comments and to monitor the docket closely for additional opportunities to participate. The OIR indicated that after Reply Comments, the Assigned Commissioner will make a determination about additional procedure measures including hearings, workshops and discovery. Assuming that TURN has sufficient resources to participate, it plans to be an active party throughout this proceeding, including any hearings that may be scheduled.

**B. The party's itemized estimate of the compensation that the party expects to request, based on the anticipated duration of the proceeding (§ 1804(a)(2)(A)(ii)):**

Item	Hours	Rate \$	Total \$	#
<b>ATTORNEY, EXPERT, AND ADVOCATE FEES</b>				
Christine Mailloux	75	\$390	\$ 29,250	
William Nusbaum	20	\$435	\$ 8,700	
Trevor Roycroft	150	\$230	\$ 34,500	
Regina Costa	225	\$275	\$ 61,875	
		<b>Subtotal:</b>	\$134,325	
<b>OTHER FEES</b>				
[Person 1]				
[Person 2]				
		<b>Subtotal:</b>	\$-0-	
<b>COSTS</b>				
Photocopying				
Lexis				
		<b>Subtotal:</b>	\$1,000	
<b>TOTAL ESTIMATE \$:</b>			\$135,325	

**Estimated Budget by Issues:**

In light of the significant number of issues TURN plans to address, many of which are interrelated, it is difficult to break out a detailed budget by issue. However, using broader categories, TURN expects to dedicate the following percentage of its overall budget to the following issues:

Regulatory Framework (including rate impacts, competition and regulation) 25%

Impact of Federal Work-20%

High Cost Mechanism Design (including cost analysis) 35%

Affiliate Transactions- 10%

General Participation- 10%

**Comments/Elaboration (use reference # from above):**

TURN's estimate is based on our experience in similar proceedings in the past and our interpretation of the OIR in this docket. The amount of any future request for compensation will depend upon the Assigned Commissioner's Scoping Memo and further procedural steps in this docket, as well as the resources TURN has to devote to the case going forward. The reasonableness of the hourly rates requested for TURN's

representative will be addressed in our Request for Compensation.

When entering items, type over bracketed text; add additional rows to table as necessary.  
Estimate may (but does not need to) include estimated Claim preparation time. Claim preparation (as well as travel time) is typically compensated at ½ of preparer's normal hourly rate.

### PART III: SHOWING OF SIGNIFICANT FINANCIAL HARDSHIP

(To be completed by party ("customer") intending to claim intervenor compensation; see Instructions for options for providing this information)

<b>A. The party claims "significant financial hardship" for its Intervenor Compensation Claim in this proceeding on the following basis:</b>	<b>Applies (check)</b>
1. "[T]he 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" (§ 1802(g)); or	
2. "[I]n 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" (§ 1802(g)).	
3. A § 1802(g) finding of significant financial hardship in another proceeding, made within one year prior to the commencement of this proceeding, created a rebuttable presumption of eligibility for compensation in this proceeding (§ 1804(b)(1)).	X
<p><b>ALJ ruling (or CPUC decision) issued in proceeding number:</b></p> <p>TURN received a finding of significant financial hardship in an ALJ's Ruling issued in R.11-11-008.</p> <p><b>Date of ALJ ruling (or CPUC decision):</b> January 3, 2012</p> <p>TURN does not anticipate any challenge to its eligibility for compensation in this proceeding. If any party does attempt to rebut the presumption of eligibility, however, TURN requests that it be granted the opportunity to reply to such party's allegations within 10 days after the service of such filing</p>	

**B. The party's explanation of the factual basis for its claim of "significant financial hardship" (§ 1802(g)) (necessary documentation, if warranted, is attached to the NOI):**

**PART IV: ATTACHMENTS DOCUMENTING SPECIFIC ASSERTIONS MADE IN THIS NOTICE**  
(The party ("customer") intending to claim intervenor compensation identifies and attaches documents; add rows as necessary)

Attachment No.	Description
1	Certificate of Service – filed as a separate document

**ADMINISTRATIVE LAW JUDGE RULING<sup>2</sup>**  
(ALJ completes)

	Check all that apply
<b>1. The Notice of Intent (NOI) is rejected for the following reasons:</b>	
a. The NOI has not demonstrated the party’s status as a “customer” for the following reason(s):	
b. The NOI has not demonstrated that the NOI was timely filed (Part I(B)) for the following reason(s):	
c. The NOI has not adequately described the scope of anticipated participation (Part II, above) for the following reason(s):	
<b>2. The NOI has demonstrated significant financial hardship for the reasons set forth in Part III of the NOI (above).</b>	
<b>3. The NOI has not demonstrated significant financial hardship for the following reason(s):</b>	
<b>4. The ALJ provides the following additional guidance (see § 1804(b)(2)):</b>	

**IT IS RULED that:**

	Check all that apply
1. The Notice of Intent is rejected.	
2. Additional guidance is provided to the customer as set forth above.	
3. The customer has satisfied the eligibility requirements of Pub. Util. Code § 1804(a).	
4. The customer has shown significant financial hardship.	
5. The customer is preliminarily determined to be eligible for intervenor compensation in this proceeding. However, a finding of significant financial	

<sup>2</sup> An ALJ Ruling needs not be issued unless: (a) the NOI is deficient; (b) the ALJ desires to address specific issues raised by the NOI (to point out similar positions, areas of potential duplication in showings, unrealistic expectations for compensation, or other matters that may affect the customer’s Intervenor Compensation Claim); or (c) the NOI has included a claim of “significant financial hardship” that requires a finding under § 1802(g).

hardship in no way ensures compensation.	
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Dated \_\_\_\_\_, at San Francisco, California.

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ADMINISTRATIVE LAW JUDGE