

Decision 11-05-044 May 26, 2011

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

Application of Southern California Gas Company (U904G) for Approval of Advanced Metering Infrastructure.

Application 08-09-023
(Filed September 29, 2008)

**DECISION AWARDING INTERVENOR COMPENSATION TO
THE UTILITY REFORM NETWORK FOR
SUBSTANTIAL CONTRIBUTION TO DECISION 10-04-027**

Claimant: The Utility Reform Network	For contribution to Decision (D.) 10.04-027
Claimed: \$147,574.33	Awarded: \$143,763.68 (reduced 3%)
Assigned Commissioner: Dian M. Grueneich	Assigned ALJ: Jessica T. Hecht

PART I: PROCEDURAL ISSUES

A. Brief Description of Decision: Decision 10-04-027 approved Southern California Gas Company's (SoCalGas) Advanced Metering Infrastructure (AMI) proposal with modifications and authorized funding for SoCalGas' AMI proposal at \$1.0507 billion.

B. Claimant must satisfy intervenor compensation requirements set forth in Public Utilities Code Sections 1801-1812:

Claimant	CPUC Verified
Timely filing of notice of intent (NOI) to claim compensation (§ 1804(a)):	
1. Date of Prehearing Conference:	December 8, 2008 Correct
2. Other Specified Date for NOI:	
3. Date NOI Filed:	January 7, 2009 Correct
4. Was the notice of intent timely filed?	Yes

Showing of customer or customer-related status (§ 1802(b)):		
5. Based on ALJ ruling issued in proceeding number:	A.08-09-023	Correct
6. Date of ALJ ruling:	January 22, 2009	Correct
7. Based on another CPUC determination (specify):		
8. Has the claimant demonstrated customer or customer-related status?		Yes
Showing of “significant financial hardship” (§ 1802(g)):		
9. Based on ALJ ruling issued in proceeding number:	A.07-12-021	Correct
10. Date of ALJ ruling:	April 18, 2008	Correct
11. Based on another CPUC determination (specify):	NA	
12. Has the claimant demonstrated significant financial hardship?		Yes
Timely request for compensation (§ 1804(c)):		
13. Identify Final Decision	D.10-11-036 ¹	Correct
14. Date of Issuance of Final Decision:	November 30, 2010	Correct
15. File date of compensation request:	January 28, 2011	Correct
16. Was the request for compensation timely?		Yes

C. Claimant’s additional Comments on Part I:

Rule 17.3 of the Commission’s Rules of Practice and Procedure states,

If an application for rehearing challenges a decision on an issue on which the intervenor believes it made a substantial contribution, the request for an award of compensation may be filed within 60 days of the issuance of the decision denying rehearing on that issue, the order or decision that resolves that issue after rehearing, or the decision closing the proceeding.

TURN’s request is filed within 60 days of the issuance of the decision denying rehearing and closing the proceeding. TURN’s request is therefore timely.

¹ TURN filed an application for rehearing of D.10-04-027. On November 30, 2010, D.10-11-036 was issued which denied this request. TURN has voluntarily removed the time it spent on the application for rehearing in this request for compensation.

PART II: SUBSTANTIAL CONTRIBUTION**A. Claimant's claimed contribution to the final decision:**

Contribution	Citation to Decision or Record	Showing Accepted by CPUC
<p>1. (P) Pre-deployment</p> <p>SoCalGas filed a motion for pre-deployment funding. TURN argued that SoCalGas' request be denied because the motion would not provide parties an opportunity to examine the specific details of their request and develop the record through discovery or evidentiary hearings. TURN further argued that the motion was vague and did not clearly explain SoCalGas' request. The Commission agreed with TURN and denied SoCalGas' motion, stating that the motion alone did not provide a sufficient record on which to approve the requested pre-deployment funding.</p>	<p>Response of The Utility Reform Network to Southern California Gas Company's Motion for Approval of Pre-deployment Funding in Support of its Application for Approval of Advanced Metering Infrastructure, filed October 12, 2008, pp. 1-3.</p> <p>Assigned Commissioner's and Administrative Law Judge's Scoping Memo and Ruling, filed January, 6, 2009, pp. 4-6.</p>	<p>Yes, TURN opposed pre-deployment funding, and the Commission found that none should be provided.</p>
<p>2. (CE) Terminal value benefit</p> <p>SoCalGas included a terminal value benefit of \$26.4 million in its analysis. TURN argued that the Commission should reject SoCalGas' terminal value benefit because the Commission specifically rejected the same benefit when presented in SDG&E's AMI application. TURN further argued that SoCalGas' terminal value benefit was not analogous to PG&E's tax benefit ("scrap value"), which was included in the analysis of PG&E's AMI application.</p> <p>The ALJ's Proposed Decision (PD) agreed with TURN's assessment of the terminal value benefit, stating</p>	<p>TURN Opening Brief, pp. 10-15.</p> <p>Proposed Decision of ALJ Hecht, pp. 27-28; <i>Id.</i> at 42, FoF 5 and 6.</p> <p>Proposed Decision of ALJ Hecht, p. 39; <i>Id.</i> at 43, FoF 9 and 10.</p>	<p>Yes, TURN's work on this issue furthered the Commission's analysis on this issue, and the Proposed Decision (PD), although not the alternate and final decision which was adopted, would have accepted TURN's position on this issue.</p>

<p>that SoCalGas’ definition of terminal value was the same definition that was used by SDG&E and rejected by the Commission in SDG&E’s AMI application. The PD therefore eliminated the full \$26.4 million benefit from SoCalGas’ forecast.</p> <p>Although not ultimately adopted by the Commission, the removal of the terminal value benefit from SoCalGas’ cost-benefit analysis would have reduced the benefit/cost ratio of SoCalGas’ business case to the point where the benefits no longer exceeded the costs of the program (from 1.026 to 1.00). Due, in part, to the removal of this benefit, the ALJ’s PD found that SoCalGas’ AMI proposal was not cost effective.</p>		
<p>3. (OC) Meter Reading Workforce</p> <p>SoCalGas calculated the benefits for this item assuming that it would be eliminating a meter reading staff comprised of 100% full time employees, and reported that the workforce savings attributable to its AMI proposal under this assumption will be \$757.5 million. TURN argued that only 10% of the workforce is full time and that SoCalGas’ assumption that its workforce would convert to 100% full time was unsubstantiated and did not reflect the current or historic workforce composition. TURN, therefore, argued that SoCalGas’ estimated benefit should be reduced by \$48.4 million to reflect a 10% full time meter reading staff.</p> <p>The PD agreed with TURN’s assessment and reduced the meter</p>	<p>TURN Opening Brief, pp. 6-10. Proposed Decision of ALJ Hecht, pp. 29-31; <i>Id.</i> at 43, FoF 7. Proposed Decision of ALJ Hecht, p. 39; <i>Id.</i> at 43, FoF 9 and 10.</p>	<p>Yes, TURN’s participation ensured a thorough analysis on this issue, and their position was reflected in the PD, though not the alternate PD, which was the final decision that was adopted.</p>

<p>reading benefit by \$48.4 million. Although not ultimately adopted by the Commission, the reduction of this benefit category would have resulted in a business case with net costs of \$29.4 million. Due, in part, to the removal of this benefit, the ALJ's PD found that SoCalGas' AMI proposal was not cost effective</p>		
<p>4. (Con) Conservation Benefits</p> <p>SoCalGas estimated that it will obtain \$148 million in conservation benefits from its AMI Program. TURN argued that the conservation benefits were significantly overestimated because SoCalGas failed to include any costs to facilitate feedback, a failure made worse by the fact that SoCalGas' definition of direct and indirect feedback shifted through the course proceeding. TURN also argued that SoCalGas significantly overestimated the behavioral impacts of AMI on customers because the studies SoCalGas relied upon did not accurately represent SoCalGas' gas service nor its customers, the percentage saved by customers will be lower than SoCalGas estimates, and the conservation estimates did not take into account the fact that many of the behavioral changes may be the result of other programs or activities and not specifically attributable to AMI.</p> <p>The PD agreed with TURN that the record did not provide a clear definition of direct and indirect feedback. The PD also agreed that the studies used as the basis for SoCalGas' estimates may not be fully applicable to natural gas usage</p>	<p>TURN Opening Brief, pp.21-35. Proposed Decision of ALJ Hecht, pp. 36-39; <i>Id.</i> at 43, FoF 8.</p> <p>Proposed Decision of ALJ Hecht, p. 39; <i>Id.</i> at 43, FoF 9 and 10.</p>	<p>Yes, TURN's participation ensured a thorough analysis on this issue, and their position was reflected in the PD, though not the alternate PD, which was the final decision that was adopted.</p>

<p>by SoCalGas customers. Due to the uncertainties raised by TURN and other parties about SoCalGas' conservation estimates, the PD questioned the accuracy of SoCalGas' estimates and concluded that the SoCalGas had not sufficiently substantiated its estimates. The PD therefore reduced the conservation benefit to \$49 million.</p> <p>Although not ultimately adopted by the Commission, the reduction in this benefit would have resulted in a business case with net costs of \$71.7 million. Due, in part, to the removal of this benefit, the ALJ's PD found that SoCalGas' AMI proposal was not cost effective</p>		
<p>5. (CE) Contingency Funding</p> <p>SoCalGas requested a contingency fund of \$98.1 million on a total deployment funding request of \$1.08 billion, or a 10% contingency fund. TURN argued that the contingency funding should be reduced to 6-8% because SoCalGas had reduced its level of risk through the RFP process and because the 10% contingency funding level was higher than the level received by any of the other utilities in their AMI applications.</p> <p>The Commission agreed with TURN's assessment and reduced SoCalGas's contingency funding allowance to 7%. This reduced SoCalGas' authorized costs for the AMI project by \$29.4 million.</p>	<p>TURN Opening Brief, pp. 35-37. Decision 10-04-027, pp. 37-38; <i>Id.</i> at 49, FoF 9.</p>	<p>Yes, TURN prevailed on this issue.</p>
<p>6. (CE) Risk Sharing Mechanism</p> <p>SoCalGas proposed that shareholders and ratepayers share any costs that exceed the total</p>	<p>TURN Opening Brief, pp. 37-39. Decision 10-04-027, pp. 41-42; <i>Id.</i> at 49, FoF 13; <i>Id.</i> at 50, CoL 4.</p>	<p>TURN contributed to this issue, and</p>

<p>authorized amount by up to \$100 million on a 10/90 split (\$10 million to shareholders, \$90 million to ratepayers). SoCalGas also proposed that shareholders be allowed to retain 10% of any savings under the total authorized level. TURN opposed the sharing mechanism because it was unfair to ratepayers and ratepayers already faced significant risks from this project. TURN argued that any cost over-runs should be borne by ratepayers and shareholders according to a 50/50 split and that 100% of any cost savings should go to ratepayers.</p> <p>The Commission agreed with TURN, that if the forecast conservation benefits of the project do not materialize, ratepayers may face undue burden and that it was reasonable to modify SoCalGas' proposed risk sharing mechanism to reduce the potential risk to ratepayers. The Commission therefore held that ratepayers and shareholders should share any cost over-runs up to \$100 million equally on the basis of a 50/50 split.</p>		<p>prevailed, as the Commission agreed that cost over-runs should be split equally between the ratepayers and shareholders.</p>
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B. Duplication of Effort (§§ 1801.3(f) & 1802.5):

	Claimant	CPUC Verified
a. Was Division of Ratepayer Advocates (DRA) a party to the proceeding?	Yes	Correct
b. Were there other parties to the proceeding?	Yes	Correct
c. If so, provide name of other parties: Utility Workers Union of America (UWUA) Local 132		Correct

<p>d. Claimant’s description of how it coordinated with DRA and other parties to avoid duplication or how claimant’s participation supplemented, complemented, or contributed to that of another party:</p>	<p>We agree that TURN took steps to avoid duplicating the efforts of DRA and UWUA and whenever possible, worked to supplement, complement or contribute to the work of other parties. We make no reductions to TURN’s claim for duplication of efforts among other parties.</p>
<p>TURN and DRA coordinated as much as possible throughout the course of the proceeding to avoid duplication of effort. TURN and DRA shared discovery responses and actively discussed the issues together prior to the submission of testimony. On several issues, TURN and DRA agreed upon the recommended outcome but focused on different aspects and arguments surrounding the issue so as to avoid duplication of effort. For instance, on the issue of meter reading benefits, DRA and TURN agreed that SoCalGas had inappropriately calculated the benefit with the assumption that 100% of its workforce would be full time but DRA focused on the calculation of benefits while TURN focused on the historical and current workforce trends. Similarly on the issue of terminal value benefits, DRA focused on the evolving nature of AMI technology while TURN focused on the definition and calculation of terminal value as well as on Commission precedence on the issue.</p>	
<p>Although TURN and UWUA agreed on several of the issues raised in this proceeding, UWUA’s positions reflected the narrower interests of its members whereas TURN’s positions reflected its representation of all residential customers. TURN and UWUA’s efforts were therefore not duplicative.</p>	

C. TURN’s Additional Comments on Part II:

Claimant’s	Comment
<p>X</p>	<p>Section 1802(i) of the Public Utilities Code provides that a party may make a substantial contribution to a decision in one of several ways. It may offer a factual or legal contention upon which the Commission relied in making a decision, or it may advance a specific policy or procedural recommendation that the ALJ or Commission adopted. A substantial contribution includes evidence or argument that supports part of the decision even if the Commission does not adopt a party’s position in total. D.06-05-027 (in R.03-10-003, Community Choice Aggregation); D.05-06-052 (same rulemaking); D.04-05-010 (A.02-03-047, et al., for LEV funding).</p> <p>The Commission may also find that a customer’s participation substantially contributed to the decision or order if a customer provided a unique perspective that enriched the Commission’s deliberations and the record. <i>See</i> D.03-12-019, discussing D.89-03-063 and awarding San Luis Obispo Mothers for Peace and Rochelle Becker compensation in the Diablo Canyon Rate Case because their arguments, although ultimately unsuccessful, forced the utility to thoroughly document the safety issues involved; <i>see also</i> D.07-01-012 (original PG&E AMI</p>

	<p>decision), which found that TURN substantially contributed to the decision though the Commission’s findings differed from TURN’s positions because TURN “enriched the Commission’s deliberations by rigorously analyzing the costs, benefits, and alternatives for an extremely expensive project.”; <i>see also</i> D.09-04-027 (SCE AMI), which found that TURN substantially contributed to the decision even on an issue on which it did not prevail because it contributed to the inclusion of the issue in the Commission’s deliberation or added more discussion on the issue.</p> <p>The Commission has also found that TURN substantially contributed to a decision on an issue though TURN only prevailed on the issue in the proposed decision and not the final decision. D.09-10-051 (SCE 2009 GRC) (for example, see issues 11 (Business and Operations Support Services), 16 (Erroneous Shutoff Service Guarantee), and 39 (Non-Electric Facilities)).</p> <p>TURN’s substantial contribution to this proceeding is evident in the ALJ’s Proposed Decision, which adopted TURN’s position on the three issues critical to the PD’s finding that SoCalGas’ AMI proposal was not cost-effective. Although the Commission did not ultimately adopt the all findings of the PD, the Commission should find that TURN’s participation clearly contributed to the decision-making process and resulted in a more thorough analysis of SoCalGas’ AMI proposal than would have occurred had TURN not been a party to the proceeding. TURN’s participation in this proceeding assisted the Commission in its analysis of the central issue in this case - whether SoCalGas’ AMI proposal is cost-effective. The issues raised by TURN regarding terminal value benefits, meter reading benefits, and conservation benefits were directly related to the determination of whether SoCalGas’ proposed project was cost-effective, and, had the Commission agreed with any one of TURN’s arguments on these issues, SoCalGas’ project would not have been found to be cost-effective, as shown in the Proposed Decision. Given the critical nature of these issues, the development of a comprehensive record on the implications of these conflicts was incredibly important. TURN’s involvement forced SoCalGas to fully defend its showing as to the costs and benefits of its proposed project. Such deliberations were vital to the final decision as it increased the Commission’s certainty and confidence that its decision was the correct one.</p>
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PART III: REASONABLENESS OF REQUESTED COMPENSATION

A. General Claim of Reasonableness (§§ 1801 & 1806):

Claimant’s explanation of how it’s participation bore a reasonable relationship with benefits realized through claimant’s participation	CPUC Verified
TURN’s participation in this proceeding resulted in the reduction of the total costs authorized for SoCalGas’ AMI project by \$29.4 million through the reduction in authorized contingency funds and also reduced ratepayer exposure to cost over-runs by \$50 million. Had the	After a few minor adjustments to TURN’s claim, which we list in Part III, Section C, we

<p>Commission adopted the ALJ’s proposed decision, TURN’s participation would have resulted in a savings to ratepayers of \$1.0396 billion.</p> <p>The Commission should treat the reasonableness of TURN’s costs of participation in the proceeding that led to D.10-04-027 as it treated TURN’s participation in PG&E’s AMI deployment proceeding (D.07-01-012, p. 13) and in SCE’s AMI deployment proceeding (D.09-04-027, p.8). In awarding TURN intervenor compensation for its work in A.05-06-028 and A.07-07-026, the Commission noted that the cost of TURN’s participation in those proceedings was minor in comparison to the investment contemplated by utilities. The Commission also acknowledged that until the parties analyzed the issues raised by TURN, it was not certain that the utilities’ AMI proposals were reasonable. The Commission concluded that TURN’s analysis of the AMI deployment and related business cases resulted in benefits to ratepayers and therefore found TURN’s participation to be productive.</p> <p>In this case, the cost of TURN’s participation is minor compared to the enormous investment contemplated by SoCalGas (\$1.0396 billion). TURN’s involvement in this proceeding led to the above-mentioned reductions in the total authorized cost of the AMI program and ratepayer exposure to cost over-runs while enriching the record on operational costs and conservation benefits. These results are beneficial to ratepayers, and the Commission should therefore find TURN’s participation in this proceeding to be productive.</p>	<p>agree that the remaining hours and costs that TURN has requested in this claim, are reasonable and should be compensated.</p>
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B. Specific Claim*:

CLAIMED						CPUC AWARD			
ATTORNEY AND ADVOCATE FEES									
Item	Year	Hours	Rate \$	Basis for Rate*	Total \$	Year	Hours	Rate \$	Total \$
N. Suetake	2008	20.50	225	D.09-04-027	4,612.50	2008	12.75	225	2,868.75
N. Suetake	2009	135.25	280	D.10-11-032	37,870.00	2009	135.25	280	37,870.00
N. Suetake	2010	36.00	280	D.10-11-032 and Resolution ALJ-247	10,080.00	2010	34.50	280	9,660.00
B. Finkelstein	2009	2.00	470	D.10-06-046	940.00	2009	2.00	470	940.00
Subtotal: \$53,502.50						Subtotal: \$51,338.75			

EXPERT FEES									
Item	Year	Hours	Rate \$	Basis for Rate*	Total \$	Year	Hours	Rate \$	Total \$
J. Helmich	2009	5.00	190	D.09-10-051 and Resolution ALJ-235	950.00	2009	5.00	190	950.00
B. Marcus	2009	6.42	250	D.09-10-051	1,605.00	2009	6.42	250	1,605.00
J. Nahigian	2008	4.50	190	D.09-04-027	855.00	2008	4.50	190	855.00
J. Nahigian	2009	334.50	190	D.10-02-010	63,555.00	2009	334.50	190	63,555.00
J. Nahigian	2010	8.75	190	D.10-07-040	1,662.50	2010	7.50	190	1,425.00
G. Schilberg	2008	5.04	200	D.09-04-027	1,008.00	2008	2.35	200	470.00
G. Schilberg	2009	96.75	200	D.10-02-010	19,350.00	2009	96.75	200	19,350.00
G. Schilberg	2010	13.41	200	Adopted here as requested	2,682.00	2010	9.78	200	1,956.00
Subtotal: \$91,667.50						Subtotal: \$90,166.00			
INTERVENOR COMPENSATION CLAIM PREPARATION **									
Item	Year	Hours	Rate \$	Basis for Rate*	Total \$	Year	Hours	Rate \$	Total \$
N. Suetake	2009	1.00	140	½ D.10-11-036 rate	140.00	2009	1.00	140	140.00
N. Suetake	2011	13.50	140	½ rate adopted here	1,890.00	2011	13.50	140	1,890.00
Subtotal: \$2,030.00						Subtotal: \$2,030.00			
COSTS									
#	Item	Detail			Amount \$	Amount \$			
1	Photocopies	Photocopies of pleadings related to A.08-09-023			97.60	92.80			
2	Courier	FedEx delivery of pleadings and material related to A.08-09-023			50.33	50.33			
3	Phone/Fax	Telecommunications related to TURN's participation in A.08-09-023			21.77	21.77			
4	Postage	Postage costs related to TURN's participation in A.08-09-023			13.68	11.58			
5	Legal research	LexisNexis costs associated with TURN's participation in A.08-09-023			52.45	52.45			

6	Travel/Parking/ Tolls	Expenses related to JBS travel to San Francisco to meet w/ SoCalGas and DRA for a workshop to review errata workpapers	138.50	-0-
Subtotal: \$374.33			Subtotal: \$228.93	
TOTAL REQUEST: \$147,574.33			TOTAL AWARD: \$143,763.68	
<p>* 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 seeks 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.</p> <p>** Reasonable claim preparation time typically compensated at ½ of preparer’s normal hourly rate.</p>				

C. Comments Documenting Specific Claim

Comment	Comment
#1	<p>TURN requests that the Commission apply Ms. Suetake’s authorized 2010 hourly rate to her hours in 2011, which were solely devoted to the preparation of this compensation request. The rate requested for the time Ms. Suetake spent in 2011 on this compensation request is therefore 50% of \$280, or \$140.</p> <p>The Commission has not yet set hourly rates for 2011, and TURN reserves the right to seek a higher rate for Ms. Suetake’s 2011 hours in a future compensation requests involving more hours for activities in 2011 devoted to substantive issues.</p>
#2	<p><u>Reasonableness of TURN Hours</u></p> <p>Nina Suetake was TURN’s lead attorney on this proceeding and, as such, was responsible for all aspects of this proceeding, including coordinating discovery, reviewing SoCalGas’ application and testimony, developing TURN testimony, drafting all of TURN’s pleadings and representing TURN in all conferences, meetings, and hearings related to this application. Ms. Suetake’s hours reflect the fact that she was solely responsible for TURN’s participation in this proceeding and should be found reasonable.</p> <p>Bob Finkelstein participated in a supervisory capacity assisted Ms. Suetake with formulating TURN’s message for its ex parte contacts with Commissioners and Commissioner advisors. The hours recorded are minimal and should be found reasonable.</p> <p>JBS Energy, TURN’s consultant for expert witness services in this proceeding, allocated its resources in a manner similar to the approach taken in PG&E’s AMI proceedings as well as in SCE’s AMI proceedings. Ms. Schilberg focused primarily on SoCalGas’ proposed conservation benefits. She sponsored portions of TURN’s testimony and drafted a portion of TURN’s brief on conservation benefits. Due to the</p>

	<p>technical nature of some of the matters addressed in Ms. Schilberg's testimony, she sought assistance from Jim Helmich, an engineer on JBS's staff, to review and critique those portions of her testimony. As a result, Mr. Helmich recorded 5.0 hours in the proceeding.</p> <p>Mr. Nahigian focused on SoCalGas' proposed operational costs as well as on issues related to the overall cost effectiveness of SoCalGas' proposal, including terminal value benefits, contingency funds, and the risk sharing mechanism. Mr. Nahigian also provided testimony on general policy recommendations and the summary and interaction between his and Ms. Schilberg's issues, and, as such, a small portion of his time was spent reviewing Ms. Schilberg's testimony as well as his own.</p> <p>Mr. Nahigian's hours reflect the fact that he was responsible for several more issues than Ms. Schilberg. Mr. Marcus is the senior consultant at JBS Energy and acted in a supervisory role in this proceeding, assisting both Ms. Schilberg and Mr. Nahigian in formulating their portions of TURN's testimony. Some entries for JBS energy may appear to be duplicative in that both Ms. Schilberg and Mr. Nahigian conducted similar activities such as reading testimony and drafting data requests, but the activities were necessary for both of TURN's witnesses in order for them to prepare their portions of the testimony because they focused on different issues.</p>
<p>#3</p>	<p><u>Allocation of Hours</u></p> <p>TURN has allocated all of our attorney and consultant time by issue area or activity, as evident on our attached timesheets. The following codes relate to specific substantive issue and activity areas addressed by TURN.</p> <p>(P) Pre-deployment: Time spent on activities related to SoCalGas' motion for expedited pre-deployment funding</p> <p>(CE) Cost Effectiveness: Times spent on activities related to the general cost-effectiveness of SoCalGas' request beyond conservation benefits and operational costs. This category includes time spent on terminal value benefits, contingency funds, risk sharing, and policy considerations to use RAMR rather than advanced meters. This code also includes time spent evaluating the cost effectiveness of SoCalGas' proposal as a whole (i.e., reviewing TURN's position on individual issues and summarizing TURN's overall position).</p> <p>(OC) Operational Costs: Time spent on activities related to the operational cost forecasts presented in SoCalGas' application and testimony</p> <p>(Con) Conservation Benefits: Time spent on activities related to the conservation benefits forecast in SoCalGas' application and testimony</p> <p>(GP) General participation: Time spent on activities necessary to participate in the proceeding that typically do not vary by the number of issues addressed, such as the initial review of the application and testimony, reading Commission rulings, participating in prehearing conferences, reviewing pleading submitted by other parties, reading Commission proposed and alternate proposed decisions, reviewing of party comments and reply comments on proposed decisions, and general case management.</p>

	<p>(AR) Application for rehearing: Time spent on activities related to TURN’s application for rehearing. Although there are entries included on TURN’s timesheets with this activity code, TURN is not requesting any compensation for any activities coded AR.</p> <p>(#) – Time spent on multiple issue areas and should be allocated 50% to OC and 50% to Con.</p> <p>(Comp) Compensation Request: Time spent on the preparation of TURN’s compensation request and TURN’s notice of intent.</p>
<p>#4</p>	<p><u>Reasonableness of Expenses</u></p> <p>The Commission should find TURN's direct expenses reasonable. The expenses consist of photocopying expenses to produce the hard copies of TURN's pleadings, courier and postage costs for mailing items relating to this proceeding, expenses for legal research conducted via the Lexis/Nexis database in support of TURN's advocacy in this proceeding, phone TURN's participation in this proceeding.</p> <p>There are also expenses associated with Jeff Nahigian’s, TURN’s expert witness, attendance at a workshop conducted in this proceeding in San Francisco. This travel was not “general commuting,” as JBS Energy staff members only rarely come to the CPUC for business, and Mr. Nahigian would not have traveled to San Francisco on this day but for his need to appear at a workshop held by SoCalGas for the express purpose of educating DRA and TURN witnesses about the errata workpapers issued by SoCalGas. In D.10-11-032 (awarding compensation in A.08-05-023), the Commission disallowed travel time and expenses, saying "We consider travel time and costs incurred by attorneys, consultants and other experts participating in Commission proceedings to be non-compensable "routine travel" when the travel distance is 120 miles or less." TURN submits that this is an arbitrary standard. Whether the JBS staff member is traveling from West Sacramento (less than 120 miles) or Auburn (more than 120 miles) does not change anything about the nature of the trip in terms of whether or not it is "routine travel" but, under the Commission's approach, would produce different outcomes. The more relevant factors to consider include whether the individual routinely travels to San Francisco as part of his or her employment, and whether he or she would have traveled to San Francisco on the date in question but for the work on behalf of TURN. Therefore TURN seeks recovery of travel-related costs, and urges the Commission to reconsider its recently applied practice.</p>

D. CPUC Adoptions and Disallowances:

<p style="text-align: center;">Adoptions</p>	
<p>Gayatri Schilberg-2010 hourly rate</p>	<p>TURN requests an hourly rate of \$200 for Gayatri Schilberg’s 2010 work, equal to her previously adopted rates for 2008 and 2009 in D.09-04-027 and D.10-02-010. ALJ 247 disallows cost-of-living increases for 2010 intervenor work. We approve this rate as requested.</p>

Nina Suetake-2011 hourly rate	TURN requests an hourly rate of \$280 for Nina Suetake's 2011 work. Resolution ALJ-267 disallows cost-of-living increases for 2011 intervenor work. We approve this rate as requested.
Disallowances	
2008 Suetake hours	We disallow 1.25 hours of Suetake's time on 10/17/08 and 1.25 hours on 11/3/08 for "finalizing" TURN's motion for pre-deployment and TURN's protest. The finalizing of documents is clerical in nature and is non-compensable. We approximate the amount of time spent on this task by dividing the total time requested by the number of tasks listed. On 5/25/09 Suetake's timesheets indicate a double entry of time "attending hearings". We disallow 5.25 hours of this time to correct this error.
2008 Schilberg hours	We disallow 2.69 hours of Schilberg's time on 10/2/08 and 10/03/08 as being duplicative of the same compensated efforts of both Nahigian (expert) and Suetake (attorney) for this same task.
2010 Nahigian, Schilberg and Suetake hours	TURN requests compensation of 2.5 hours of Nahigian's time, 6.10 hours of Schilberg's time and 3.0 hours of Suetake's time for each to read the Proposed Decision (PD) and Alternate Decision (AD). While we do not dispute that all of these parties were actively involved in the preparation of documents and the participation that flowed after the release of these decisions, we find the collective amount of time for this task to be excessive and duplicative. As such, we disallow 50% of the total requested time for each participant. (Disallowances= 1.25 hours for Nahigian; 3.05 hours for Schilberg and 1.5 hours for Suetake).
2010 Schilberg hours	We disallow .58 hours of Schilberg's time on 11/1/10 "listening to phone update" as being vague and unrelated to TURN's substantial contribution. This event occurred after the final decision had been rendered, and may have been related to TURN's application for rehearing, an issue for which TURN has removed its hours associated with this task.
Costs associated with TURN's application for rehearing	TURN does not request compensation for time associated with its application for rehearing, which was denied in D.10-11-036. We also disallow some minor costs (\$4.80 for photocopying and \$2.10 for postage) associated with this same issue.
Travel/Parking/Tolls for JBS Energy	In D.10-11-032, we classified travel between Sacramento and San Francisco (less than 120 miles) to be "routine" in nature and non-compensable. Applying the same reasoning here, we disallow TURN's requested costs of \$138.50, for travel related costs between Sacramento and San Francisco.

PART IV: OPPOSITIONS AND COMMENTS

A. Opposition: Did any party oppose the claim?

No

B. Comment Period: Was the 30-day comment period waived?

Yes

FINDINGS OF FACT

1. Claimant has made a substantial contribution to Decision 10-04-027.
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 \$143,763.68.

CONCLUSION OF LAW

1. The claim, with any adjustment set forth above, satisfies all requirements of Public Utilities Code Sections 1801-1812.

ORDER

1. Claimant is awarded \$143,763.68.
2. Within 30 days of the effective date of this decision, Southern California Gas 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 April 13, 2011, the 75th 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.

This decision is effective today.

Dated May 26, 2011, 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

Compensation Decision:	D1105044	Modifies Decision? No
Contribution Decision:	D1004027	
Proceeding:	A0809023	
Author:	ALJ Jessica T. Hecht	
Payer:	Southern California Gas Company	

Intervenor Information

Intervenor	Claim Date	Amount Requested	Amount Awarded	Multiplier?	Reason Change/Disallowance
The Utility Reform Network	01-28-11	\$147,574.33	\$143,763.68	No	duplicate timesheet entry, excessive hours, duplication of effort, non-compensable clerical tasks, disallowance of costs related to routine travel and the disallowance of some minor costs related to TURN's application for rehearing which was denied.

Advocate Information

First Name	Last Name	Type	Intervenor	Hourly Fee Requested	Year Hourly Fee Requested	Hourly Fee Adopted
Nina	Suetake	Attorney	The Utility Reform Network	\$225	2008	\$225
Nina	Suetake	Attorney	The Utility Reform Network	\$280	2009-2010	\$280
Bob	Finkelstein	Attorney	The Utility Reform Network	\$470	2009	\$470
Jim	Helmich	Expert	The Utility Reform Network	\$190	2009	\$190
Bill	Marcus	Expert	The Utility Reform Network	\$250	2009	\$250
Jeff	Nahigian	Expert	The Utility Reform Network	\$190	2008-2010	\$190
Gayatri	Schilberg	Expert	The Utility Reform Network	\$200	2008-2010	\$200

(END OF APPENDIX)