ALJ/MSW/tcg **Mailed 6/17/2005**

Decision 05-06-031 June 16, 2005

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

Application of Southern California Edison Company (U 338-E) For Authority to, Among Other Things, Increase Its Authorized Revenues For Electric Service in 2003, And to Reflect That Increase in Rates.	Application 02-05-004 (Filed May 3, 2002)
Investigation on the Commission's Own Motion into the Rates, Operations, Practices, Service and Facilities of Southern California Edison Company.	Investigation 02-06-002 (Filed June 6, 2002)

OPINION GRANTING INTERVENOR COMPENSATION AWARDS TO AGLET CONSUMER ALLIANCE, GREENLINING INSTITUTE, AND THE UTILITY REFORM NETWORK FOR THEIR CONTRIBUTIONS TO DECISION 04-07-022

TABLE OF CONTENTS

Title **Page**

OPINION GRANTING INTERVENOR COMPENSATION AWARDS TO AGLET CONSUMER ALLIANCE, GREENLINING INSTITUTE, AND THE UTILITY REFORM NETWORK FOR THEIR CONTRIBUTIONS TO DECISION 04-07-022 1

1. Summary 2
2. Background 2
3. Requirements for Awards of Compensation 3
4. Substantial Contribution 6
   - 4.1 Aglet 7
     - 4.1.1 GRC Policy Issues 7
     - 4.1.2 Electric Transportation 8
     - 4.1.3 Uncollectibles 9
     - 4.1.4 Economic and Business Development Costs 10
     - 4.1.5 Post-Test Year Ratemaking 11
     - 4.1.6 Outside Counsel and GRC Expenses 12
     - 4.1.7 Other Issues 13
   - 4.2 Greenlining 14
     - 4.2.1 Executive Compensation 14
     - 4.2.2 Workforce Diversity 15
     - 4.2.3 Supplier Diversity 15
     - 4.2.4 Philanthropy 16
   - 4.3 TURN 17
     - 4.3.1 SONGS Workers' Compensation (TURN Issue #5) 25
     - 4.3.2 1997-98 Generation Capital Additions (TURN Issue #8) 26
     - 4.3.3 Wood Pole Inspections (TURN Issue #12) 26
     - 4.3.4 Line Extensions (TURN Issues #15, 16, & 17) 26
     - 4.3.5 Direct Access Costs (TURN Issue #18) 27
     - 4.3.6 Service Establishment Charge (TURN Issue #20) 27
     - 4.3.7 Residential Late Payment Charge (TURN Issue #21) 28
     - 4.3.8 Real Time Energy Metering (RTEM) (TURN Issue #22) 28
     - 4.3.9 Service Guarantees (TURN Issue #23) 29
     - 4.3.10 Working Cash – Insurance (TURN Issue #31) 29
     - 4.3.11 Customer Advances for Construction (TURN Issue #32) 29
     - 4.3.12 Depreciation Issues (TURN Issues #36, 37) 30

TABLE OF CONTENTS
(Cont'd)

Title **Page**

5. Reasonableness of Requested Compensation 31
5.1 Aglet's Request 31
5.2 Greenlining's Request 34
5.3 TURN's Request 38
6. Conclusion 46
7. Waiver of Comment Period 49
8. Assignment of Proceeding 49

Findings of Fact 50
Conclusions of Law 50
ORDER 51

APPENDIX A 53

OPINION GRANTING INTERVENOR COMPENSATION AWARDS TO AGLET CONSUMER ALLIANCE, GREENLINING INSTITUTE, AND THE UTILITY REFORM NETWORK FOR THEIR CONTRIBUTIONS TO DECISION 04-07-022

1. Summary

This decision grants intervenor compensation awards of $97,978.20, $102,827.31, and $497,687.74, respectively, to Aglet Consumer Alliance (Aglet), Greenlining Institute (Greenlining), and The Utility Reform Network (TURN) (collectively, "intervenors"). These awards are made for each intervenor's substantial contributions to Decision (D.) 04-07-022.

2. Background

Aglet, Greenlining, and TURN requested compensation awards of $105,255.33, $111,280.81, and $499,746.69, respectively, for their substantial contributions to D.04-07-022. That decision adopted base rate revenue requirements and resolved several other issues in Southern California Edison Company's (SCE) Test Year 2003 General Rate Case (GRC). Evidentiary hearings were held on 38 days from November 2002 to March 2003. Each of the these intervenors actively participated in this proceeding by conducting discovery, sponsoring expert testimony, cross-examining utility witnesses, and filing briefs and comments on the proposed and alternate decisions.

SCE filed responses opposing the full award amount requested by each intervenor, and each intervenor replied to SCE's response to its request. Aglet requests additional compensation of $602.87 for the costs of preparing its reply, resulting in an amended total request of $105,858.20. TURN requests additional

compensation of $2,310.00 for the costs of preparing its reply to SCE, resulting in an amended total request of $502,056.69.[1]

3. Requirements for Awards of Compensation

3.1 Introduction

The intervenor compensation program is established in Pub. Util. Code §§ 1801-1812.[2] The legislation requires California jurisdictional utilities to pay the reasonable costs of an intervenor's participation, as determined by the Commission, if the intervenor's "presentation makes a substantial contribution to the adoption, in whole or in part, of the commission's order or decision" and if participation without an award "imposes a significant financial hardship." (§§ 1803(a), 1803(b).) A public utility that has been ordered to pay the costs of an award may adjust its rates to fully recover the amount awarded within one year of the date of the award. (§ 1807.)

We carefully review each intervenor's request to determine whether it complies with statutory requirements and related standards and requirements established by the Commission. We do so because the costs of compensation awards are ultimately paid by utility ratepayers. By ensuring that the requirements for awards are met, we provide assurance that ratepayers receive value for the compensation costs that they underwrite.

3.2 Requirements for Intervenors

All of the following procedures and criteria must be satisfied for an intervenor to obtain a compensation award:

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[1] Greenlining did not request additional compensation.

[2] Subsequent statutory references are to the Public Utilities Code unless otherwise indicated.

1. The intervenor must satisfy certain procedural requirements including the filing of a sufficient notice of intent (NOI) to claim compensation within 30 days of the prehearing conference (or in special circumstances, at other appropriate times that we specify). (§ 1804(a).)
2. The intervenor must be a "customer," *i.e.*, a participant representing consumers, customers, or subscribers of a utility subject to our jurisdiction, or an authorized representative. (§ 1802(b).)
3. The intervenor must file a request for a compensation award within 60 days of the final order or decision in a hearing or proceeding. (§ 1804(c).)
4. The intervenor must demonstrate "significant financial hardship." (§§ 1802(g), 1804(a)(2)(B), 1804(b)(1).)
5. The intervenor's presentation must have made a "substantial contribution" to the proceeding. (§ 1802(i).)
6. The requested compensation must be reasonable. Among other things, the claimed fees and costs must be comparable to the market rates paid to experts and advocates having comparable training and experience and offering similar services. (§ 1806.)

In a ruling dated August 27, 2002, the Administrative Law Judge (ALJ) found that Aglet and TURN had timely filed NOIs, demonstrated their standing as customers, shown significant financial hardship, and were therefore eligible to claim compensation in this proceeding. In a ruling dated January 18, 2003, the ALJ found that Greenlining had (1) timely filed an NOI; (2) demonstrated its standing as a customer; and (3) was therefore eligible to claim compensation in this proceeding provided, however, that it would need to show significant financial hardship when it filed its request for compensation.[3] Greenlining

[3] The January 18 ruling addressed an NOI filed jointly by Greenlining and the Latino Issues Forum (LIF), and D.04-07-022 notes that Greenlining/LIF participated jointly in this proceeding. (D.04-07-022, p. 6. Footnote 2.) Although Greenlining's request for

included a showing of significant financial hardship with its compensation request. Greenlining established that the "rebuttable presumption" authorized by § 1804(b)(1) is operative. Each of the intervenors timely filed its request for compensation within 60 days of July 16, 2004, the mailing date of D.04-07-022.

We conclude that each intervenor has met the procedural requirements and criteria set forth in Items 1-4 above. We will separately address each intervenor's showing regarding substantial contribution (Section 4) and the reasonableness of its request (Section 5).

3.3 Requirements for the Commission

In addition to the requirements imposed upon intervenors, described above, there are several statutory provisions that govern the manner in which the Commission is to administer the intervenor compensation program. SCE points to one such provision, § 1801.3(f), which expresses legislative intent that the Commission should administer the program "in a manner that avoids unproductive or unnecessary participation that duplicates the participation of similar interests otherwise adequately represented or in participation that is not necessary for a fair determination of the proceeding." Emphasizing this single aspect of the intervenor compensation statutes, SCE proposes that we reinstate the former Commission policy of imposing "duplication penalties," *i.e.*, reductions to compensation awards where the intervenor's participation results

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compensation makes no reference to LIF, we have reviewed the January 18 ruling as well as the underlying NOI and have determined that Greenlining qualifies as a customer eligible to claim compensation on a "stand-alone" basis, without the participation of LIF.

§ 1804 (a)(2)(B) allows the intervenor to make the required showing of significant financial hardship either with its NOI or with its compensation request. Greenlining elected the latter option.

in a substantial contribution but also overlaps that of another intervenor. In D.03-03-031, we ordered that this policy be discontinued.[4]

In D.03-03-031 and D.04-07-039 the Commission carefully considered the intervenor compensation statute as a whole, including § 1802.5, § 1803, and the entirety of § 1801.3. It determined that the imposition of duplication penalties was contrary to legislative intent. The Commission concluded that it would be "impermissible under the statutes governing intervenor compensation to reduce intervenor compensation awards on account of duplication once the Commission has determined that the participant made a 'substantial contribution' in Commission proceedings." (D.04-07-039.) SCE has failed to present a persuasive legal or policy argument for reinstating duplication penalties. We therefore decline SCE's suggestion that we overrule D.03-03-031 and D.04-07-039 with respect to this issue.

Properly understood, under D.03-03-031 and D.04-07-039, we may still find that an intervenor who, for example, merely endorses the position of another party, has not thereby made a substantial contribution. The statute clearly states that in such a situation, the test of whether the intervenor made a substantial contribution is, did the intervenor supplement, complement, or otherwise contribute to the party whose position the intervenor endorsed? (See § 1802.5.) We have applied this test since the cited decisions, and we do so today.

4. Substantial Contribution

To evaluate whether a customer made a substantial contribution, we look at whether the decision adopted, in whole or in part, one or more of the

[4] D.04-07-039 modified and denied rehearing of D.03-03-031. Among other things, the Commission explicitly overruled D.98-04-059 and other decisions to the extent that they stood as authority for imposition of a duplication penalty.

customer's factual or legal contentions, or specific policy or procedural recommendations. (§1802(i).) The customer need not prevail by having its proposed outcome wholly adopted. To the contrary, a substantial contribution is also made if the Commission adopts, even in part, any factual or legal contention presented by the customer. There are several ways that such a contention can be adopted. For example, a customer's cross-examination of a utility witness might expose faulty assumptions and lead the Commission to reject the utility's request for a given topic. Finally, as already noted, a substantial contribution can be made when a customer's participation materially supplements, complements, or contributes to the presentation of another party. (§ 1802.5.) With these statutory provisions in mind, we turn to the intervenors' claims regarding their contributions to the proceeding as well as SCE's responses.

4.1 Aglet

Aglet identifies seven categories of issues for which it claims to have contributed to the Commission's decision: (1) policy issues, (2) electric transportation, (3) uncollectibles, (4) economic and business development, (5) post-test year ratemaking, (6) outside counsel and GRC expenses, and (7) other issues. SCE disputes each of Aglet's claims of substantial contribution. We will address each of these categories.

4.1.1 GRC Policy Issues

Relying on evidence and argument presented by Aglet, the Commission declined to accept the ratemaking implications of SCE's suggested linkage of its credit rating with its ability to provide the distribution system infrastructure needed to meet customer service obligations. The Commission also relied on Aglet's arguments in rejecting SCE's contention that capital costs of the Infrastructure Replacement Program were not included in rates during the term

of the Performance-Based Ratemaking mechanism. In addition, the Commission accepted Aglet's contention that, with the expected return to cost-of-service ratemaking, SCE had an incentive to defer capital expenditures. The Commission therefore explicitly heeded Aglet's call for applying particular care in reviewing capital costs of deferred projects.

While SCE does not dispute Aglet's contention that it made these contributions, SCE nevertheless contends that Aglet did not make a *substantial* contribution because it failed to show that "any conclusion by the Commission concerning 'policy issues' raised by Aglet led to any rate impact or any other result in this case." (SCE Response to Aglet request, p. 6.) SCE ignores § 1802(i)'s provision that a substantial contribution is made when the Commission adopts one or more of the intervenor's factual or legal contentions, or specific policy or procedural recommendations presented by the customer. That is precisely what the Commission did with respect to Aglet's policy showing. The fact that the Commission did not calculate the rate impacts or articulate "any other result" of Aglet's contributions to the Commission's policy determinations in D.04-07-022 is of no import. SCE's attempt to concoct a new "rate impact" standard for determining whether a substantial contribution is made is unsupported by statute, and in fact is contrary to the statute. Aglet clearly made a substantial contribution on these policy issues.

4.1.2 Electric Transportation

Aglet opposed SCE's request for $6.0 million in expenses related to electric transportation projects. Aglet proposed instead a disallowance of approximately $1.9 million based on the theory that SCE should only purchase enough electric vehicles to perform technology studies and maintain an electric vehicle presence in SCE's fleet. The proposed decision accepted this position. D.04-07-022 denied

the proposed adjustment, but the Commission agreed with Aglet's contention that D.95-11-035 did not prescribe exclusive use of electric vehicles. Moreover, as a result of the issues raised by Aglet, the Commission directed SCE to present in its next GRC cost comparisons for alternative fuel vehicles besides electric vehicles.

SCE claims that Aglet failed to substantially contribute on this issue because Aglet's proposed disallowance was rejected. Again implying that we should apply a strict "results" test for substantial contribution rather than the statutory test in § 1802(i), SCE ignores Aglet's contributions with respect to the adopted interpretation of D.95-11-035 and the showing required of SCE in its next GRC. Even though Aglet's specific recommendation for a disallowance was rejected, the Commission clearly adopted contentions that Aglet made regarding electric transportation. Aglet therefore substantially contributed to D.04-07-022 with respect to this issue.

4.1.3 Uncollectibles

The Commission accepted Aglet's contention regarding the uncertain relationship between corporate bankruptcies and uncollectibles, developed by Aglet during cross-examination. The Commission stated that it is "not persuaded that corporate bankruptcies are as explanatory [of uncollectibles] as SCE assumes." (D.04-07-022, p. 127.) Aglet also noted that SCE's proposed uncollectibles "adder" of 0.007% required adjustment if SCE's proposed service charges were not adopted. Because it approved SCE's proposed late payment charge but not its proposed Field Assignment Charge, the Commission adopted an uncollectibles adder of 0.005% in lieu of 0.007%. Finally, Aglet joined SCE in noting an error in the uncollectibles factor as applied in the results of operations tables supporting the proposed decision.

SCE contends that Aglet failed to contribute substantially with respect to uncollectibles because (a) Aglet's recommended factor was rejected and (b) Aglet simply agreed with adjustments proposed by the Office of Ratepayer Advocates (ORA) and SCE itself. Once again SCE is focusing on adopted results while ignoring the equally important question of whether the Commission adopted one or more of the intervenor's contentions. In addition, SCE would have us determine that Aglet's substantial contribution is nullified simply because another party also addressed the issue by making the same or similar recommendations. SCE's position is contrary to § 1802.5.

We conclude that Aglet contributed substantially to the Commission's decision because the Commission adopted one or more of its contentions regarding uncollectibles.

4.1.4 Economic and Business Development Costs

SCE requested recovery of approximately $2.5 million in expenses for its Economic and Business Development (E&BD) program. Aglet opposed this request on the asserted grounds that SCE's Rate Impact Measure (RIM) analysis did not demonstrate ratepayer benefits of the program as required by § 740.4. The proposed decision accepted this position, but the Commission found that SCE established that its RIM test analysis provides a demonstration of ratepayer benefit in one aspect and therefore approved SCE's funding request. The Commission also expressed concerns about the limitations of the RIM test and ordered SCE to supplement the ratepayer benefit showing for this program in its next GRC.

Aglet maintains that it made a substantial contribution because (a) the Commission adopted Aglet's contention that the RIM test should measure the effect of the E&BD program on total bills, and (b) the Commission ordered SCE

to produce supplemental information on E&BD benefits in the next GRC. SCE notes, as Aglet itself does, that Aglet's primary recommendation for disallowance of the E&BD program expenses was rejected. SCE also claims that the Commission adopted no other recommendation by Aglet, but this claim ignores the Commission's adoption of Aglet's contention regarding the specification of the RIM test in Finding of Fact 121. It also ignores the linkage between Aglet's advocacy on this issue and the Commission's decision to require a supplemental showing in the next GRC. Because the Commission adopted certain of Aglet's contentions regarding E&BD expenses, Aglet contributed substantially on this topic.

4.1.5 Post-Test Year Ratemaking

Aglet opposed several aspects of SCE's post-test year ratemaking (PTYR) proposal and offered alternative proposals for PTYR. Among other things, Aglet (1) opposed a revenue requirement adjustment for 2004; (2) proposed using the Consumer Price Index to make a revenue adjustment for 2005, or, alternatively, an adjustment based on ORA's escalation factors for expenses, historical average plant additions, San Onofre Nuclear Generation Station (SONGS) outage adjustments, and a limited "Z factor" adjustment; (3) faulted SCE's PTYR proposal because it did not include a productivity adjustment; (4) proposed that SONGS outage expenses be limited to a single planned outage in 2004 and schedule outages in 2005; (5) opposed SCE's capital budget approach for capital additions; (6) faulted SCE's escalation methodology; (7) opposed SCE's Z factor proposal as overly broad; and (8) proposed that annual PTYR filings be made by application rather than by advice letter filings.

Although the Commission rejected Aglet's specific PTYR proposals, Aglet contends that it nevertheless contributed substantially on certain PTYR issues.

Aglet notes that the Commission adopted a hybrid approach to capital additions based on concerns that it raised regarding the problems with using SCE's capital budgets. In particular, Finding of Fact 225, which addresses this point, relies on language from Aglet's brief. Aglet also notes that the Commission adopted a hybrid approach to PTYR filings. This approach, which allows advice letters for requests below a threshold of 5% or $150 million and requires applications for other filings, was based explicitly on analysis presented by Aglet.

SCE argues that because the adopted hybrid approach to incorporating capital additions in PTYR adjustments was conceived by the ALJ and not by Aglet, Aglet did not substantially contribute with respect to this issue. In making this argument, SCE apparently contends that the ALJ developed the hybrid approach in a vacuum, without reference to the record. The ALJ's proposed decision and the Commission's final decision demonstrate otherwise. The decisions clearly developed the hybrid approach in response to concerns raised by Aglet as well as ORA.

While Aglet presented several PTYR contentions and recommendations that were not adopted by the Commission, Aglet contributed substantially with respect to PTYR issues as described above.

4.1.6 Outside Counsel and GRC Expenses

Aglet claims that it contributed substantially to findings regarding bankruptcy litigation costs and efficiency in the preparation of the next GRC. However, we do not find that any relevant Aglet contention or recommendation was adopted by the Commission with respect to these expenses. We determine that Aglet did not contribute substantially with respect to outside counsel and GRC expenses.

4.1.7 Other Issues

Aglet identifies several additional issues for which it claims to have made a substantial contribution under the category "Other Issues." These are: (1) Aglet recommended a $340,000 disallowance of internet site maintenance expenses, which was adopted by the Commission; (2) Aglet supported ORA's recommended disallowance of public affairs and corporate communications expenses, which was adopted in part; (3) Aglet recommended a "mobilization adjustment" to reduce nuclear refueling expenses, which was denied; (4) Aglet recommended no performance incentives, which recommendation was rejected; (5) Aglet submitted testimony on the utility role in resource planning in response to an Assigned Commissioner's ruling; (6) Aglet joined ORA and TURN in a motion to strike update testimony, which was granted; (7) Aglet supported an ORA petition to reopen the proceeding to consider certain employee misconduct issues, which was granted; and (8) the Commission adopted several minor corrections and revisions identified by Aglet in comments.

SCE contends that Aglet failed to make a substantial contribution on any of these eight issues. However, apart from its summary claim of no substantial contribution, SCE does not address Aglet's claims regarding internet expenses, the motion to strike update testimony, employee misconduct issues, and minor corrections.

We conclude that Aglet contributed to these issues as follows: (1) the Commission adopted Aglet's recommendation for internet site maintenance expenses; (2) in response to the Assigned Commissioner's request Aglet submitted testimony on the utility role in resource planning and thereby

contributed to the ongoing dialogue on procurement issues;[5] (3) the Commission adopted the procedural recommendation of Aglet and other parties that certain portions of SCE's update testimony should be stricken; and (4) the Commission adopted numerous editorial improvements to the proposed decision that were recommended by Aglet.

4.2 Greenlining

Greenlining identifies four topics in D.04-07-022 for which it claims to have made a substantial contribution: (1) executive compensation, (2) workforce diversity, (3) supplier diversity, and (4) philanthropy. Sections 4.2.1 through 4.2.4, respectively, address Greenlining's claims for these topics.

4.2.1 Executive Compensation

D.04-07-022 adopted a Greenlining proposal that SCE be required to report annually on the total compensation packages of each of the company's top ten executives, including the value of stock options and retirement plans.[6] Although

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[5] D.04-07-022 states: "We thank SCE and the other responding parties for their contributions in response to the Assigned Commissioner's requests. California energy utility regulation is in a difficult transitional stage following the breakdown of the wholesale electricity market in 2000 and 2001, and it is important to engage in dialogues such as these in order to ensure that future regulation is informed by the views and expertise of all stakeholders." (D.04-07-022, p. 288.) Aglet contributed to this dialogue, and therefore to the discussion in D.04-07-022 (as did TURN).

[6] D.04-07-022 was confusing on this point. However, D.05-04-037 modified D.04-07-022 to remove two sentences that indicated, contrary to other provisions in the first decision, the Commission was denying Greenlining's proposal for executive compensation. This eliminated the ambiguity. SCE seems to acknowledge that Greenlining will have made a substantial contribution once the ambiguity is removed: "Until the Commission resolves this ambiguity, Greenlining cannot make the assertion that it has made a substantial contribution to the Commission's decision regarding the executive compensation issue." (SCE's response to Greenlining's request, p. 8.) In its reply to SCE's response, Greenlining suggested that this decision on its request for compensation be delayed until after the issuance of a decision resolving the ambiguity in D.04-07-022. (Greenlining reply to SCE's response, p. 4.)

Greenlining made recommendations and contentions regarding executive compensation issues that were rejected, Greenlining made a substantial contribution with respect to its "top ten executives" proposal.

4.2.2 Workforce Diversity

In response to rulings by the Assigned Commissioner issued on April 8 and May 5, 2003, SCE submitted post-hearing testimony regarding the diversity of its workforce. D.04-07-022 addresses this testimony in Section 14.4. Although the discussion does not name Greenlining, it is clear from a review of the two rulings that Greenlining contributed to the framing of the workforce diversity issues that were raised by the Assigned Commissioner. We conclude that Greenlining made a substantial contribution on this issue.

4.2.3 Supplier Diversity

Greenlining proposed that the Commission set goals in this GRC for SCE to eliminate the use of exclusions that are permitted under General Order (GO) 156 and to increase procurement from women, minority, and disabled veteran business enterprises. Greenlining also suggested that SCE be encouraged to hold a consortium of minority business enterprises to address SCE's use of exclusions.

In its compensation request, Greenlining acknowledges that D.04-07-022 did not adopt its recommendations for minority contracting. Greenlining nevertheless argues that "the impact of our contributions in this area will reverberate for years to come" and that for purposes of compensation, "the Commission should view the long-term, not short-term, impact of the intervenor's contributions." (Greenlining request, p. 5.) Greenlining goes on to claim that it "persuaded the Commission to encourage Edison to work toward eliminating unnecessary and excessive exclusions in minority procurement reporting." (*Id.*) Finally, Greenlining contends that we "should not penalize

Greenling in this proceeding for its success in [R.03-02-035]," which addressed modifications to GO 156. (*Id.*, 6.)

The Assigned Commissioner invited participation on supplier diversity issues in the August 8, 2002 Scoping Memo. (*Assigned Commissioner's Ruling Establishing Scope, Schedule, and Procedures for Proceeding*, p. 13.) Supplier diversity issues including GO 156 exclusions were subsequently taken up in R.03-02-035, and the Commission ultimately declined to adopt SCE-specific exclusion rules in this proceeding. We note that at the outset of this proceeding Greenlining could not have known that these supplier diversity issues would be taken up in a contemporaneous rulemaking. We find that Greenlining contributed substantially to the dialogue on this issue in response to the Assigned Commissioner's invitation. We further note that our determination that Greenlining contributed substantially to supplier diversity issues in this proceeding is consistent with the approach we have taken in this decision in connection with Aglet's contribution to the dialogue on utility procurement issues. (*See* Footnote 4, *supra*.)

4.2.4 Philanthropy

Greenlining suggested in the GRC that "the Commission may wish to encourage Edison to set its own internal [philanthropy] goals by broadly and prominently noting in its decision Edison's poor philanthropic record, and the fact that the bonuses paid to the top ten executives vastly exceed Edison's contributions to the poor and to non-profits serving communities of color." (Greenlining opening brief, p. 8.) After reviewing its role regarding utility philanthropic practices and determining that it had no relevant jurisdiction, the Commission rejected Greenlining's attempt to link SCE's executive compensation packages and its philanthropy. (D.04-07-022, p. 204.)

Greenlining has not shown that the Commission adopted, even in part, any recommendation or contention that it made with respect to philanthropy issues in this GRC proceeding. We therefore have no basis for finding that Greenlining made a substantial contribution on philanthropy issues.

4.3 TURN

TURN identifies nearly forty issues in D.04-07-022 for which it claims to have made a substantial contribution. The following table, copied from TURN's compensation request, provides the details of TURN's claimed substantial contributions. We have enumerated the issues identified by TURN but made no other changes or corrections to its text.

Table 1: Summary of TURN positions and Commission decision

ISSUE		TURN POSITION	COMMISSION DECISION
Generation (Section 3)			
1	SONGS capital cost forecast	Historical capital spending indicates that ratepayers have already paid for Used Fuel Storage and Marine Mitigation projects in ICIP rates. Ex. 231, p. 5-9.	Agrees with TURN policy position that "determining whether it can reasonably be concluded that ratepayers have already paid, in whole or in part, for such expenditures … is a legitimate inquiry that does not in any way represent an after-the-fact reasonableness review precluded by the ICIP mechanism." D.04-07-022, p. 23.
2	SONGS capital - used fuel storage project	Recommend disallowance of entire project cost ($25.7 million) due to inclusion in ICIP rates. Exh. 231, p. 10.	Disallows 50% of project costs because "it is reasonable to determine that ratepayers have made contributions to the cost of this project." D.04-07-022, p. 25.
3	SONGS capital - marine mitigation project	Recommend disallowance of $17.9 million out of $24.9 million due to inclusion in ICIP rates. Ex. 231, p. 6-9.	Disallows 50% of project costs ($12.45 million) based on assigning equal responsibility for reminaing costs. D.04-07-022, p. 26.
4	SONGS capital - blanket work orders	Recommend disallowance of $1.9 million based on use of historical average. Ex. 231, p. 10.	Agrees that "TURN's analysis is not without merit," but do not adopt recommendation because adopt ORA's forecast methodology, which already includes disallowance. D.04-07-022, p. 27-28.
5	SONGS O&M - Workers' Compensation	Recommends disallowance of $1.71 million because pre-ICIP claims should be treated as stranded costs and ICIP claims should be have been covered in ICIP rates. Ex. 231, p. 4-5.	Rejects TURN's analysis and recommendation. D.04-07-022, p. 41.
6	Palo Verde O&M - forecast methodology	Recommends use of latest APS budget rather than 3-year average. Ex. 231, p. *.	SCE agreed with TURN's method, resulting in a forecast reduction of $1.744 million. SCE Rebuttal, p. **. D.04-07-022, p. 63.
7	Mohave capital - cooling tower replacement	Recommends disallowance of entire project cost ($1.23 million) because not cost effective. Ex. 231, p. 10-13.	Agrees with TURN that SCE's cost effectiveness analysis "may be based on faulty assumptions, and that the economic benefits of the investment are at best questionable," but denies disallowance based on safety and reliability concerns. D.04-07-022, p. 67.

	ISSUE	TURN POSITION	COMMISSION DECISION
8	Cap Additions 1997-98	TURN recommended disallowance of a number of 1997-98 projects due to failure to establish cost-effectiveness using assumptions consistent with what SCE's management knew or should have known at the time the investment decisions were made. TURN argued that rules for retrospective reasonableness reviews apply.	CPUC imposed no disallowance due to the changed circumstances evidenced by AB-1X 6 and the changes made to Section 377. Decision relies substantially on D.02-11-026, a decision that (to TURN's knowledge) no party cited in briefs, even though it was issued before briefs were filed in this case. D.04-07-022, p.84-85. Decision finds that the general rule for reasonableness reviews is inapplicable under the very limited circumstances here. D.04-07-022, p. 86.
Transmission and Distribution (Section 4)			
9	O&M - Wood pole inspections	TURN contends ratepayers funded over 1.5 million intrusive inspections between 1984 and 2002, based on SCE's adopted pole inspection and replacment program, explicit GRC commitments or implicit funding levels. Ex. 258, p. 10-19.	Agrees with TURN that SCE's assumption that GRCs included no commitments for pole inspections is "unreasonable" based on SCE's policies and GRC testimonies. Reduces TURN's estimate of pole inspections by 20% to account for visual-only inspections. Agrees with TURN that GO 165 did not reduce the number of pole inspections committed to in the 1995 GRC testimony for the PBR period. D.04-07-022, p. 98-100.
10	O&M - Wood pole inspections	Recommends a penalty of $48.8-61 million based on deferred maintenance costs caused by SCE performing only about 61% of the 1.5 million intrusive inspections between 1984 and 2002.	Agrees with TURN that management discretion in spending decisions is circumscribed by regulatory policy to prevent duplicate payment by ratepayers. Determines that SCE performed 77% of funded inspections. Rejects imposition of penalty because finds that, except for the 1995 GRC decision, there was no "specific mandate pursuant to a GRC decision [for SCE] to perform a given number of instrusive inspections in a particular time period," and that "too much time has elapsed for us to determine fairly whether a violation has occurred," so that imposing a penalty at this time "is inconsistent with due process." D.04-07-022, p. 102-104.

	ISSUE	TURN POSITION	COMMISSION DECISION
11	O&M - Wood pole inspections	Recommends disallowance of $1.7 milllion based on reduced number of pole inspections, and shareholder contribution for 30,000 inspections per year	Agrees with TURN that "shareholders should fund a portion of the required number of inpsections … because it gives effect to the principle that ratepayers should not be required to pay twice for the same authorized expense." Disallows $1.443 million in O&M expenses based on inspections missed in 1996-2002 and reduced forecast of future inpsections. D.04-07-022, p. 104-106.
12	O&M - Wood pole inspections	Recommends annual reporting requirement for pole inspections.	Rejects additional reporting requirement based on existing GO 165 requirements.
13	Capital - Pole replacement unit cost	TURN recommended that SCE's forecast of $7,661 for unit pole replacement cost be decreased 14-20%. TURN argued that SCE's 1995 GRC data and year 2002 recorded costs both justify a 16% decrease, while additional expected cost savings warrant a 20% decrease. Alternatively, TURN recommended a 14% decrease based on PG&E's unit cost. TURN primary recommendation results in a disallowance of $29.718 million for 2002 and 2003.	Rejects TURN's primary comparison to year 2002 recorded costs or comparison to 1995 GRC data, but also rejects SCE's "efforts to show that its rural-urban distriubtion of pole installations relative to that of PG&E explains most of the difference in the two companies' unit costs are neither convincing nor persuasive." Adopts a unit cost of $7,135 based on a comparison to PG&E's costs, as adjusted for additional repair items. Results in a disallowance of $10.224 million. D.04-07-022, p. 112-114.
14	Capital - Wood pole replacement costs due to deferred maintenance	Recommends a penalty of $48.8-61 million based on deferred maintenance costs caused by SCE performing only about 61% of the 1.5 million intrusive inspections between 1984 and 2002.	Adopts TURN's calculation of the effect of missed inspections on current pole replacement costs and thus educes capital replacement forecast over by $3.447 million based on inspections missed in 1996-2002. D.04-07-022, p.107-
15	Capital - Line extension allowance	TURN recommends that the CPUC adopts as a ratemaking principle that ratepayer liability should be capped at the line extension allowance. Exh. 243, p. 10-13.	Rejects notion of a cap applicable "only to SCE" due to commitment to uniform and consistent line extension practices. D.04-07-022, p. 118.

	ISSUE	TURN POSITION	COMMISSION DECISION
16	Capital - Line extension allowance	TURN recommends that rates be modified based on a review of historical cost overruns.	Rejects TURN's position since conclude SCE has not violated any tariffs or orders. D.04-07-022, p. 117.
17	Capital - Line extension allowance	TURN recommends the Commission order SCE to properly track future line extension costs and cost overruns.	Agrees that "the company may need to modify its record keeping so that it is able to keep track of the data in a manner that would allow calculation of total line extension job costs recorded to rate base, versus total estimated costs and total allowances." D.04-07-022, p. 118-119, COL 20.
Customer Service (Section 5)			
18	O&M - Direct Access Costs	TURN recommends one-way balancing account treatment or a disallowance of 20% ($0.76 million) based on closure of direct access to new customers. Ex. 243, p. 8-9.	Agrees with SCE that costs will be relatively fixed irrespective of number of DA customers, but disallows 3% (0.11 million) based on use of 2002 recorded cost level for test year. D.04-07-022, p. 131-132.
19	O&M - Direct Access customer charge	TURN recommends an interim $5/mo fee on DA customers over 20 kW to promote cost-based fees for DA. Ex. 243, p. 10.	Adopt sTURN's proposal and transfer $378,420 to OOR. D.04-07-022, p. 151.
20	O&M - Service Fees - Service Establishment Charge	TURN recommends elimination of the service establishment charge, rather than an increase as proposed by SCE, due to disproportionate impact on low-income ratepayers and lack of behavior modification. Ex. 231, p. 42-45.	Denies TURN's proposal, though agree with TURN's analysis concerning impact on low-income ratepayers. D.04-07-022, p. 150.
21	O&M - Service Fees - residential late payment charge	TURN recommends against adoption of a late payment charge, as proposed by SCE, because recent increases in unemployment data and state budget problems signal declining economic conditions.	Adopts SCE's proposal based on meeting conditions specified in D.96-01-011; state that unemployment level is significantly below levels in 1994-1995, and that SCE has agreed to exempt CARE customers. D.04-07-022, p. 147-148.

	ISSUE	TURN POSITION	COMMISSION DECISION
22	Capital - real time energy metering	TURN proposes disallowance of $10.8 million not covered by CEC contract. Ex. 243, p.3-6.	Denies TURN's recommendation based on conclusion that "SCE was acting in good-spirit to further the goals of the Legislature" and that "SCE made it well known from the start that the CEC funds would be inadequate." D.04-07-022, p. 156-157. However, does not adopt SCE argument that it was required by statute to install the meters. Moreover, the proposed decision, as well as the alternate PD of Commissioner Wood, both adopted TURN's position on this issue. Wetzell PD, p. 158-160.
23	Service Guarantees	Supported ORA's eight proposed service guarantees, as long as penalties funded by shareholders, but especially emphasized guarantees number 1, 4, 5 and 6. TURN OB, p. 98.	Adopts four guarantees (numbers 1, 6, 7 and 8) with shareholder funding of penalties. D.04-07-022, p. 159-160.
Administrative & General (Section 6)			
24	Capitalized P&B - capitalization ratio for Account 926.900 credit	SCE recommended a capitalization ratio of 24% based on 1999 recorded, while TURN recommended a rate of 29.43% based on regression analysis, or alternatively, a rate of 27.8% based on 2000 recorded. TURN's primary recommendation reduced revenue requirement by $18.218 million. Exh. 231, p. 13-19.	Agrees that "TURN's regression methodology is potentially more reliable as a forecast methodology," but determines that "SCE has raised doubts about its validity in this GRC" and thus adopts TURN's alternative recommendation of 27.8%. D.04-07-022, p. 163-164.
25	Shared Service -Account 921 reduction of $323,000 for costs associated with Revenue Enhancement Activities	ORA recommended disallowance as one-time costs, TURN argued in brief that such costs should be excluded from rates consistent with OOR revenue sharing mechanism adopted in D.99-09-070. TURN OB Vol. 1, pp. 104-106. SCE acknowledged error in its reply brief.	Final decision adopted agreed-upon disallowance; also adopted TURN's recommendation to require Edison to certify in an advice filing that none of its GRC requests include expenses that, pursuant to D.99-09-070, are to be borne by shareholders. D.04-07-022, p. 179; FOF 150, COL 34, OP 9.

Audit Issues (Section 7)			
26	Edison Select costs	ORA recommended disallowance of $321,000 as an audit adjustment (Ex. 116). TURN pointed out in reply brief that under OOR revenue sharing mechanism adopted in D.99-09-070, such costs must be excluded from rates. TURN RB, pp. 38-39. ORA's testimony and briefs did not mention D.99-09-070.	Denied rate recovery on the basis that ORA's proposed disallowance "is consistent with D.99-09-070." D.04-07-022, p. 241.
Rate Base (Sec. 8)			
27	Working cash - Other Accounts Receivable	TURN proposed reduction of $21.112 million due to end of steam power plant O&M contracts. Ex. 231, p. 31-33.	SCE did not rebut TURN's recommendations. D.04-07-022, p. 238-239.
28	Working Cash - Employee withholding and accrued vacation	TURN recommended reduction of $5.166 based onremoving withholding taxes and stock purchase plan. Ex. 231, p. 34.	Unopposed by SCE. Adopts TURN position. D.04-07-022, p. 239.
29	Working cash - arithmetic corrections	TURN recommended reduction of $1.039 million due to arithmetic corrections. Ex. 231, p. 31-31.	Unopposed by SCE. Adopts TURN position. D.04-07-022, p. 239.
30	Working cash - lead lag study	TURN recommended reduction of $2.227 due to increase in labor lag in lead-lag study. Ex. 231, p. 35-37.	Unopposed by SCE. Adopts TURN position. D.04-07-022, p. 239.
31	Working cash - lead-lag study	TURN recommended reduction of $3.930 due to removal of property insurance provisions from lead-lag study.	Rejects TURN position. D.04-07-022, p. 239-240.
32	Customer Advances for Construction	TURN argues that changes in line extension rules caused increased trend in CAC since 1998.	Rejects TURN's argument that change in line extension rules by itself caused recent increase in CAC account.D.04-07-022, p. 241.
33	Customer Advances for Construction	TURN recommends increase of $14.060 million based on most recent recorded data. Ex. 231, p. 27-29.	SCE revised its forecast by using more recent data, resulting in an increase of $9.81 million (70% of TURN's recommendation) from the original forecast. D.04-07-022, p. 240-241.

34	Customer Deposits	TURN recommends that the Commission, as a matter of ratemaking policy, amend the "interest-free" restriction of U-16 for SCE and include customer deposits as a source of working capital. Ex. 231, p. ***.	Adopts TURN's ratemaking proposal. D.04-07-022, p. 244-247.
35	Customer Deposits	Recommends amount of customer deposits counted as working cash should be $117.174 million, based on most recent 13-month average.	Reduces TURN's recommendation to $80 million based on using a historical average from 1996-2001. D.04-07-022, p. 247.
Depreciation (Section 9)			
36	Average service lives and net salvage analysis -- overall recommendation	TURN recommended changes to service lives and net salvage values that would have reduced depreciation expense approximately $120 million. Ex. 271	Rejected TURN's and SCE's proposed changes in favor of maintaining existing depreciation rates; directed SCE and ORA to pursue an independently prepared depreciation study for next GRC. D.04-07-022, pp. 261-262; COL 44 and 45. CPUC specifically "recognize[d] the important role fulfilled by TURN with respect to depreciation in this GRC." p. 262.
37	Critique of SCE's proposed changes to ASL and net salvage	TURN urged rejection of Edison's claim that net salvage costs would be more negative due to environmental compliance costs. Ex. 271, pp. 69, 75-77; TURN OB (Vol. 2) pp. 11-14; TURN RB, Sec. 9.3.4.	Rejected SCE's claim: "As just one example, we note that SCE failed to demonstrate that compliance with environmental protection requirements has added substantially to negative net salvage since the last depreciation study." D.04-07-022, p. 261.
		TURN urged rejection of Edison's claim that net salvage costs would be more negative due to reliance on contract labor. Ex. 271, pp. 65-67, TURN OB (Vol. 2) pp. 9-11.	Rejected SCE's claim: "SCE has not adequately demonstrated that its use of contract labor is a significant contributing factor to a multi-billion dollar increase in negative net salvage." D.04-07-022, p. 261.
38	SONGS Useful Life	Base useful life on remaining years of NRC license, reducing depreciation expense by $21.16 million. Ex. 231, pp. 25-27.	Adopted TURN and ORA position that useful life should be based on remaining years of license, rather than life of steam generators. Cited with favor TURN's argument that other nuclear plants had continued to operate after replacement of steam generators. (D.04-07-022, p. 264.

Results of Operations			
39	Payroll taxes	TURN recommended reduction of $8.411 million due to different methods for calculation of payroll taxes. Ex. 231, p. 19-25.	SCE accepted all of TURN's proposed method changes as adjusted for a calculation error, thus reducing its payroll tax estimate by $6.2 million. D.04-07-022, p. 257.

For most of these issues, TURN's claimed contributions are both undisputed and amply supported by the record. These topics do not require further discussion. However, SCE takes issues with certain of TURN's claims, most significantly those related to depreciation. In Sections 4.3.1 through 4.3.12 we discuss those topics for which SCE contests TURN's substantial contribution claims and those for which we otherwise find insufficient justification for TURN's claims of substantial contribution. Issue numbers in the headings for each of these sections correspond to the issue numbers we have added to the foregoing table.

4.3.1 SONGS Workers' Compensation (TURN Issue #5)

TURN recommended a disallowance of $1.7 million in workers' compensation claim costs at SONGS based on the theory that these were stranded costs. TURN acknowledges that the proposed disallowance was rejected by D.04-07-022 and it cites to no relevant factual or legal contention that was adopted even in part. In its reply to SCE's response, TURN admits it was unsuccessful on the workers' compensation proposal but notes that it otherwise made a substantial contribution on generation related issues.

We conclude that while TURN contributed for several generation issues that it addressed (*see* issues 1, 2, 3, 4, 6, and 7 in the foregoing table), it did not contribute substantially on the SONGS workers' compensation issue.

4.3.2 1997-98 Generation Capital Additions (TURN Issue #8)

TURN recommended disallowance of a number of capital projects due to the alleged failure of SCE to demonstrate cost-effectiveness. The Commission rejected the proposed disallowances after determining that the review criteria used by TURN, which are criteria the Commission otherwise accepted, were effectively superseded by energy crisis legislation that established policies for utility retained generation (AB-1X6).

In response to a concern raised by TURN, the Commission directed SCE to demonstrate by advice letter filing that costs associated with 1997-98 capital additions are not double-counted in rate base. (D.04-07-022, p. 86.) TURN contributed substantially with respect to the double counting issue as well as reasonableness review criteria generally.

4.3.3 Wood Pole Inspections (TURN Issue #12)

The Commission rejected TURN's proposal that SCE be directed to report annually on the number of intrusive pole inspections completed in the prior year. We find no relevant TURN recommendation or contention that the Commission adopted.

4.3.4 Line Extensions (TURN Issues #15, 16, & 17)

TURN proposed that revenue-based line extension allowances (deductions from line extension costs paid by applicants for extensions) be applied as a cap on ratepayer cost responsibility, and that cost overruns be paid by either SCE shareholders or applicants. TURN also proposed that rates be subject to refund pending further review of cost overruns. Finally, TURN proposed that SCE be ordered to properly track line extension costs going forward to allow an evaluation of cost overruns. The Commission declined to modify its industry-wide rules by adopting an SCE-specific cap. Noting SCE's inability to provide

documentation on this issue, however, the Commission placed SCE on notice that it would need to provide more complete data regarding cost overruns in the event that the Commission further evaluates the line and service extension rules, even if this requires SCE to modify its record keeping system.

While TURN's recommendation for a review and possible refund of historical overruns as well as its proposal for a cap were not adopted, the Commission placed SCE on notice that its recordkeeping may need enhancement in response to a recommendation by TURN. Thus, TURN contributed substantially on line extension issues.

4.3.5 Direct Access Costs (TURN Issue #18)

TURN recommended a one-way balancing account for direct access costs in light of uncertainty about forecasts of the number of direct access customers. TURN alternatively recommended a 20% reduction to SCE's forecast of $3.8 million. The Commission adopted a forecast of $3.69 million based on recorded costs for 2002.

TURN's alternative recommendation for a reduction to this account was adopted in part. Even though the Commission adopted a reduction of approximately 3% rather than 20%, TURN substantially assisted the Commission by contributing to a more thorough analysis of this account.

4.3.6 Service Establishment Charge (TURN Issue #20)

TURN recommended that SCE's service establishment charge be eliminated due to its disproportionate impact on low-income ratepayers and renters. While generally agreeing with TURN's analysis regarding the impact of this charge on low-income ratepayers and renters, the Commission was not persuaded that the impact outweighed its concern for establishing service charges on cost causation principles. Thus, even though the Commission denied

TURN's proposal to eliminate the charge, it adopted in part TURN's contentions on this topic. TURN contributed substantially on this issue.

4.3.7 Residential Late Payment Charge (TURN Issue #21)

TURN joined ORA in opposing SCE's proposed late payment charge for residential customers. TURN supplemented ORA's showing by addressing unemployment rates in SCE's service territory. In so doing, TURN was attempting to show that one of the conditions set in D.96-01-011 for establishing a late payment charge—a significantly improved Southern California economy—was not met. TURN also proposed that if a late charge is adopted, it be limited to bills under $40 and waived altogether if the customer is put on a payment plan. The Commission rejected TURN's recommendations and its analysis of unemployment rates. We find no recommendation or contention that was adopted, and determine that TURN did not contribute substantially on this issue.

4.3.8 Real Time Energy Metering (RTEM) (TURN Issue #22)

In D.04-07-022, the Commission rejected TURN's proposed disallowance of $10.8 million in capital expenditures for RTEM. On the other hand, the ALJ's proposed decision as well as the alternate decision of Commissioner Wood would have approved TURN's proposed disallowance. TURN notes that the Commission has repeatedly held that a substantial contribution can be found to exist when an intervenor contributes substantially to a proposed decision, even when the final decision does not adopt the proposed decision's outcome. TURN also points out that the final decision did not adopt SCE's position that it was required by statute to make the disputed RTEM installations.

Since TURN clearly contributed to the proposed decision and alternate decision of Commissioner Wood, and the final decision implicitly adopted TURN's contention regarding the lack of a statutory mandate for the disputed

RTEM installations, we conclude that TURN contributed substantially on this issue.

4.3.9 Service Guarantees (TURN Issue #23)

ORA proposed that an eight point service guarantee program be mandated, and TURN supported ORA's proposal. The Commission adopted four of the eight guarantees.

TURN did not merely "me too" ORA's proposed service guarantee program as SCE contends. TURN addressed service guarantees in its direct testimony, and in its reply brief it pointed out that ratepayer funding of the guarantees would undermine incentives for utility performance. Even though the scope of TURN's participation on this issue was limited (and its expenses related to this issue were correspondingly low), TURN contributed substantially within the context of that limited scope.

4.3.10 Working Cash – Insurance (TURN Issue #31)

The Commission rejected TURN's analysis and recommendations with respect to the inclusion of insurance provisions in the working cash/lead-lag study. While TURN in general contributed substantially on working cash issues (*see* issues 27, 28, 29, and 30 in the foregoing table), it did not do so with respect to this narrow subset of those issues.

4.3.11 Customer Advances for Construction (TURN Issue #32)

TURN proposed that customer advances, which offset rate base, be forecast by using 2002 data. The Commission adopted SCE's proposal to use a five year average, and rejected TURN's contention that changes in line extension rules in 1998 are the sole explanatory factors. TURN did not contribute substantially on this issue.

4.3.12 Depreciation Issues (TURN Issues #36, 37)

TURN and ORA recommended substantially lower depreciation expenses than those requested by SCE for both SONGS and general depreciation. The two most significant factors affecting the parties' depreciation expense estimates were net salvage and service lives. The Commission decided not to accept the general depreciation proposals of either SCE or TURN, and instead preserved existing depreciation factors. The Commission accepted recommendations and contentions by ORA and TURN regarding SONGS' remaining life.

TURN comprehensively addressed depreciation issues through discovery, cross-examination, presentation of expert testimony, briefing, and participation in post-hearing *ex parte* processes. The Commission explicitly recognized "the important role fulfilled by TURN with respect to depreciation in this GRC." (D.04-07-022, p. 254.)

SCE maintains that TURN did not contribute substantially on depreciation issues because TURN did not sustain its primary recommendations for depreciation. We have repeatedly emphasized in this decision the long-standing statutory principle that an intervenor need not wholly prevail with respect its recommendations on a particular topic. It is sufficient for an intervenor's factual or legal contentions to be adopted, even if only in part. We stress the point here in light of SCE's steadfast insistence that only final results matter.

TURN's contributions on depreciation issues in this GRC were manifold. Significantly, TURN exposed numerous shortcomings in SCE's depreciation study, which in no small part were responsible for the decision to reject SCE's proposed depreciation rates. For example, TURN demonstrated the weaknesses in SCE's argument that environmental compliance costs added substantially to negative net salvage since the last study. TURN also exposed weaknesses in

SCE's contention that the use of contract labor is a major causative factor for the increase in negative net salvage. We conclude that TURN contributed substantially on depreciation issues.

5. Reasonableness of Requested Compensation

After we have determined the scope of a customer's substantial contribution we determine whether amount of compensation requested is reasonable. Pursuant to D.98-04-059, we evaluate whether the costs of a customer's participation bear a reasonable relationship to the benefits realized through their participation. One approach to this evaluation is to ascertain the dollar value, if possible, of the customer's participation. We also consider intangible benefits. Next, we assess whether the hours claimed for the customer's efforts that resulted in substantial contributions to Commission decisions are reasonable. Finally, in accordance with § 1806, we take into consideration the market rates for similar services from comparably qualified persons.

5.1 Aglet's Request

The components of Aglet's requested compensation award are summarized in the following table.[7]

Item	Year(s)	Hours	Rate	Total
Professional time – Weil	2002-03	330.7	$220	$ 72,754.00
Travel and compensation time	2002-03	82.9	$110	9,119.00
Professional time – Weil	2004	66.5	$250	16,625.00
Travel and compensation time	2004	29.5	$125	3,687.50
Copies				1,346.83
Postage and overnight delivery				649.60
FAX charges				14.00
Travel expenses				1,662.27

[7] Includes Aglet's supplemental request for $602.87 for replying to SCE's response.

Total Request				**$105,858.20**

Aglet estimates that its participation directly saved ratepayers $340,000 for internet site maintenance expenses alone. Aglet also estimates that its participation accounted for a share of ratepayer savings for other issues on which it substantially contributed. These savings exceed Aglet's request for $108,858.20. As indicated in our extensive evaluation of Aglet's substantial contributions, Aglet's participation also led to intangible benefits that cannot easily be quantified. By either measure, Aglet's participation in this GRC was productive.

Aglet states that its request includes all professional time, travel time, time spent preparing the compensation request, and all direct expenses. Aglet's request includes no costs related to its earlier compensation request in this proceeding. Since time spent by Aglet on outside counsel and GRC expenses did not lead to a substantial contribution we will exclude the 35 associated professional hours. We allocate 83% of the excluded hours to 2002/2003 and 17% to 2004 on the basis of Aglet's total claimed professional hours for those time periods, or 330.7 hours and 66.5 hours, respectively. Accordingly, we exclude 29 hours from Aglet's request for 2002/2003 and 6 hours from 2004.

SCE was able to demonstrate that many of the words and phrases that Aglet included in its direct testimony on E&BD expenses in this proceeding appear verbatim in Aglet's direct testimony on customer retention and economic development in a recent Pacific Gas and Electric Company (PG&E) GRC. Based upon SCE's discovery that Aglet may have relied upon its own work in another proceeding, SCE argues that Aglet should not be compensated twice for the same work product. SCE further argues that at a minimum, ratepayers should realize some benefit from the cost savings when an intervenor submits such testimony.

Aglet notes in its reply to SCE that it relied on portions of the testimony that it submitted in this proceeding when it later served testimony in the PG&E proceeding. Aglet contents that this demonstrated operational efficiency, and that it is not requesting double compensation for the same work.

We are confident that Aglet's use of certain language that it developed for this proceeding in the PG&E proceeding reflects operational efficiencies as Aglet contends. We find no evidence that Aglet double charged for the same work product. More significantly, Aglet responded to the specific E&BD issues that were raised in this proceeding, and it substantially contributed to the Commission's consideration of those issues. There is no basis for reducing Aglet's compensation award simply because it adapted portions of testimony from one proceeding for use in another proceeding.

Aglet's Director, James Weil, is an expert in utility ratemaking and has more than 20 years of utility-related experience. Aglet requests approval of an hourly rate of $220 for professional work performed in 2002 and 2003 and one half of that amount for travel time associated with professional work in 2002 and 2003. We find these rates reasonable as we previously approved them for work performed in 2000. (*See* D.00-07-015.) Aglet requests approval of an hourly rate of $250 for professional work performed during 2004. In D.04-12-039 we approved this rate and we again utilize it here.

The itemized direct expenses of $3,672.70 submitted by Aglet include costs for travel, photocopying, postage, telephone/fax and delivery services, representing approximately 3.5% of the total compensation requested. The cost breakdown included with the request shows the miscellaneous expenses to be commensurate with the work performed. We find these costs reasonable.

5.2 Greenlining's Request

The components of Greenlining's requested compensation award are summarized in the following table.

Item	Year	Hours	Rate	Total
Attorney/Staff				
Robert Gnaizda	2002	37.4	$435.00	$ 16,269.00
Robert Gnaizda	2002	1.5	$217.50	326.25
Robert Gnaizda	2003	34.2	$450.00	15,390.00
Robert Gnaizda	2003	.5	$225.00	112.50
Robert Gnaizda	2004	32.5	$495.00	16,087.50
Robert Gnaizda	2004	.5	$247.50	123.75
Itzel Berrio	2002	53.7	$265.00	14,230.50
Itzel Berrio	2002	1.5	$132.50	198.75
Itzel Berrio	2003	63.1	$290.00	18,299.00
Itzel Berrio	2003	1	$145.00	145.00
Itzel Berrio	2004	25.4	$310.00	7,874.00
Itzel Berrio	2004	29	$155.00	4,495.00
Noelle Abastillas	2004	2.9	$110.00	319.00
Subtotal[8]				**$ 93,173.25**
Expert				
John C. Gamboa	2002	1.6	$325.00	$ 520.00
John C. Gamboa	2003	2.35	$350.00	822.50
John C. Gamboa	2004	1.75	$385.00	673.75
Michael Phillips	2002	5	$360.00	1,800.00
Michael Phillips	2003	27	$360.00	9,720.00
Gelly Borromeo	2002	3.5	$300.00	1,050.00
Gelly Borromeo	2003	7	$300.00	2,100.00
Subtotal				**$ 16,686.25**
Direct Expenses				
Photocopying				$ 1,099.00
Postage				322.31
Subtotal				**$ 1,421.31**
Total Request				**$111,280.81**

[8] We calculate the subtotal of the attorney/staff time to be $93,870.25, a difference of $697.00.

Greenlining did not calculate direct ratepayer savings that resulted from its participation. However, Greenlining has adequately shown that ratepayers will receive intangible benefits as a result of its participation in the areas of executive compensation and workforce diversity. We find that Greenlining's participation was productive with respect to those issues.

Greenlining seeks compensation for less than 300 hours for its in-house staff. In view of the fact that Greenlining participated extensively in this GRC over the span of two years, we find the time expended to be reasonable. Since Greenlining did not substantially contribute in the area of philanthropy, we will exclude the associated hours in reliance upon the allocation information provided by Greenlining in its request. Specifically, we exclude 5% each of the time spent by Robert Gnaizda, Itzel Berrio, and John C. Gamboa.[9]

SCE contends that we should exclude the time spent by Gnaizda and Berrio on "general/multiple issues" because Greenlining has not demonstrated that it made a substantial contribution with respect to these issues. In its reply to SCE's response, Greenlining makes clear that this time is "general time," i.e., initial preparation time for which the Commission has found that allocation by issue is unnecessary. With the clarification provided by Greenlining in its reply, we are satisfied that the time may be properly included in the award in conformance with established practice regarding initial preparation time.

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[9] Footnote 3 of Greenlining's request reads as follows: "Robert Gnaizda's time was approximately allocated as follows: philanthropy – 5%, executive compensation – 25%, supplier diversity – 20%, workforce diversity – 20%, general/multiple issues – 20%." These allocation factors add to 90%. Greenlining advised the ALJ that footnote 3 of its request contains two errors, and that the allocation factors for Gnaizda's time for both supplier diversity and work force diversity should be 25%, not 20%. With these corrections, the factors total to 100%.

Greenlining requests hourly rates of $435 for 2002, $450 for 2003, and $495 for 2004 for its attorney Robert Gnaizda. The Commission has previously approved the requested rates for Gnaizda for 2002 and 2003 and we will again apply those rates here. For 2004 we apply the 8% adjustment authorized by Resolution ALJ-184 and an appropriate rounding convention to arrive at an authorized rate of $490 for Gnaizda.

Greenlining seeks hourly rates of $265 for 2002, $290 for 2003 and $310 for 2004 for its attorney Itzel Berrio. In D.03-10-062 the Commission approved an hourly rate of $265 for Berrio for work performed in 2002, and we again apply that rate here. We also apply the rate adopted in D.04-08-040 of $275 for work performed by her in 2003 and the rate adopted in D.04-10-033 of $300 for work performed by her in 2004.

Greenlining seeks an hourly rate of $110 for its paralegal, Noelle Abastillas, for work performed in 2004. While this exceeds the previously authorized 2003 rate of $90 for Abastillas by more than the 8% indicated by Resolution ALJ-184, we adopt the requested rate based on Greenlining's individual showing that $110 is reasonable for a senior paralegal.

The Commission has previously approved hourly rates for Greenlining expert John Gamboa of $320 for 2002 and $330 for 2003. (*See* D.04-10-033.) Greenlining seeks rates for Gamboa of $325 for 2002, $350 for 2003 and $385 for 2004. We will apply the previously adopted rates of $320 and $330 for 2002 and 2003, respectively. For 2004 we apply the 8% adjustment authorized by Resolution ALJ-184 and an appropriate rounding convention to arrive at an authorized rate of $360 for Gamboa.

Greenlining seeks hourly rates for Michael Phillips of $360 for work performed in 2002 and 2003. D.04-08-025 approved an hourly rate of $310 for

Phillips for 2003. Since the bulk of Phillips' work in this proceeding took place in 2003, and the five hours spent in 2002 occurred in December of that year, we will apply the previously authorized rate of $310 for both 2002 and 2003.

Greenlining witness Gelly Borromeo is an expert in women and minority business enterprise issues. Greenlining seeks hourly rates for Borromeo of $300 for work performed in 2002 (3.5 hours) and 2003 (7 hours). For both years we will apply the previously authorized rate of $160 that was authorized in D.04-08-020. Notwithstanding Greenlining's claim that the rate authorized in D.04-08-020 was "grossly inadequate," Greenlining has not provided information that would cause us to reach a different result than the one we reached after extensive analysis in D.04-08-020.

Greenlining seeks $1,421.31 in copying and postage expenses, which we find reasonable for extensive participation in a GRC.

5.3 TURN's Request

The components of TURN's requested compensation award are summarized in the following table.[10]

Item	Year	Hours	Rate	Total
Attorney Fees				
Marcel Hawiger	2002	168.75	$200	$ 33,750.00
Marcel Hawiger	2003	273.3	$250	68,325.00
Marcel Hawiger	2004	58.25	$270	15,727.50
Marcel Hawiger (comp.)	2002	1.25	$100	125.00
Marcel Hawiger (comp.)	2004	15	$135	2,025.00
Robert Finkelstein	2002	150.25	$340	51,085.00
Robert Finkelstein	2003	269.0	$365	98,185.00
Robert Finkelstein	2004	38.25	$395	15,108.75
Robert Finkelstein (comp.)	2004	24.0	$197.50	4,740.00
Daniel Edington	2003	10.0	$190	1,900.00
Michel Florio	2002	10.0	$385	3,850.00
Michel Florio	2003	2.0	$435	870.00
Matthew Freedman	2002	7.5	$200	1,500.00
Attorney Fees Subtotal				**$297,191.25**
Expert Witness Fees & Expenses				
JBS Energy Inc.				
William Marcus	2002	92.82	$175	$ 16,243.50
William Marcus	2003	40.16	$185	7,429.60
William Marcus	2004	1.91	$195	372.45
Gayatri Schilberg	2002	267.43	$130	34,765.90
Gayatri Schilberg	2003	141.61	$140	19,825.40

[10] Includes TURN's supplemental request for the costs of replying to SCE's response. This reflects 12 hours of attorney Finkelstein's time at one-half the 2004 hourly rate. TURN confirmed to the ALJ that the correct calculation is $2,370.00, not the $2,310.00 figure in its reply. We note that TURN's request shows an entry of 33.25 hours for attorney Finkelstein for 2004. The extension of this hourly figure at the rate of $395 would be $13,133.75 rather than the $15,108.75 that is shown in the table. However, the time sheets included as Appendix A of TURN's request show that the correct number of hours is 38.25 (50.25 hours for 2004 less 12 hours for compensation request). TURN confirmed to the ALJ that it made a clerical error by entering a 3 rather than an 8, and the $15,108.75 amount is correctly calculated.

Gayatri Schilberg	2004	13.32	$150	1,998.00
Jeff Nahigian	2002	178.75	$115	20,556.25
Jeff Nahigian	2003	94.0	$125	11,750.00
Jeff Nahigian	2004	18.75	$140	2,625.00
Jim Helmich	2002-03	49.1	$150	7,365.00
Greg Ruszovan	2002-03	0.6	$115	69.00
JBS Expenses				404.20
JBS Subtotal				**$123,404.30**
Diversified Utility Consultants				
Jacob Pous	2002-03	410.25	$150	$ 61,537.50
Sara Coleman	2002-03	65	$100	6,500.00
DUCI Expenses				4,210.31
DUCI Subtotal				**$ 72,247.81**
Other Expert Witnesses				
Cynthia Mitchell	2002	11	$115	$ 1,265.00
Peter Bradford	2002	6	$250	1,500.00
Eugene Coyle	2002	6	$100	600.00
Other Witnesses Subtotal				**$ 3,365.00**
Other Reasonable Costs				
Photocopying expense				$ 3,250.88
Postage costs				352.00
FAX charges				111.20
Federal Express/Delivery				334.58
Phone costs				151.09
Lexis charges				307.70
Attorney travel				578.78
Expert witness travel (Bradford)				822.10
Other Costs Subtotal				**$ 5,908.33**
Total Request				**$502,116.69**

TURN has estimated the direct ratepayer benefit of its participation in this GRC to be approximately $137.6 million. Under the standards of D.98-04-059, TURN's participation was productive, and its requested compensation is reasonable many times over as measured by ratepayer benefit.

Of the 39 discrete GRC issues addressed by TURN, as identified by TURN in its compensation request, we have determined that TURN contributed substantially on all but of five of them: SONGS workers' compensation, wood pole inspection reporting, residential late payment charge, working cash – insurance, and customer advances for construction. We recognize that this breakdown of 39 issues represents a relatively "granular" approach to analyzing substantial contribution that may disadvantage the intervenor unfairly, contrary to § 1801.3. We note that when broader issue categories based on the organization of D.04-07-022 are used as the basis for analysis, as set forth in the table of issues presented by TURN, we have determined that TURN contributed substantially on every one of the following issue categories: Generation, Transmission and Distribution, Customer Service, Administrative and General, Audit Issues, Rate Base, Depreciation, and Results of Operations.

The degree of granularity that we apply to determine whether any portion of an intervenor's participation costs should be excluded, because the costs are associated with work not resulting in a substantial contribution, is a matter of informed judgment. In this case, three of the five narrow issues for which we have determined that TURN did not substantially contribute is tied to one or more closely related issues for which it did contribute, and no exclusion is warranted. Even though TURN's proposal for wood pole inspection annual reporting was not adopted, TURN's comprehensive work on the broader topic of deferred maintenance of wood poles was highly beneficial to the Commission and resulted in several discrete substantial contributions. Given the scope of work that TURN performed in the area of wood pole maintenance and replacement, we do not believe it reasonable to attempt to identify and exclude the costs of performing a limited aspect of that work. Similarly, in view of

TURN's comprehensive work on working cash issues, we will not attempt to measure the costs associated with the insurance sub-issue. Finally, we do not find it reasonable to attempt identification of the costs TURN incurred in connection with the sub-issue of the effect of line extension rule changes on Customer Advances for Construction.

We determine that it is reasonable and appropriate to estimate and exclude the costs TURN incurred with respect to SONGS workers' compensation and residential late payment charges. Adapting the "number of pages" allocation methodology used by Aglet in its request, we exclude 1.6% of the hours charged by TURN witness Marcus based on the relationship between the number of pages of his direct testimony on SONGS workers compensation (1) and the total pages of his direct testimony (62-45 in Exhibit 231 and 17 in Exhibit 373). Similarly, we exclude 3.4 of the time charged by TURN witness Schillerg based on the relationship between the pages of her direct testimony on residential late payment charges (1.5) and the total pages of her direct testimony (44-39 in Exhibit 258 and 5 in Exhibit 374). Finally, we exclude 1.8% of the time charged by TURN attorney Hawiger based on the number of pages of briefs devoted to these issues (4-2 for SONGS workers compensation and 2 for late payment charges) and the total pages of briefs (208-136 for opening brief and 72 for reply brief). Our adopted award will incorporate these exclusions.

SCE maintains that we should reduce the compensation awarded to TURN to reflect the fact that TURN witness Marcus submitted identical testimony on customer deposits in this proceeding and in other proceedings involving PG&E and SDG&E. This "self-duplication" argument is essentially the same argument that SCE made regarding Aglet's testimony on E&BD costs. As we noted in disposing of SCE's argument there, intervenors who contribute substantially to

the Commission's resolution of a proceeding-specific issue should not necessarily be penalized for adapting language from one proceeding to another. We find no evidence that TURN has double charged for the same work product. SCE's request is denied.

The hourly rates for advocates and experts requested by TURN are shown in the following table. Also shown, where applicable, are references to Commission decisions that have approved the rate requested. We will adopt the use of previously approved hourly rates as reasonable in this proceeding. This is applicable to all of the requested attorney rates and several of the expert rates. Following the table we address TURN's request to establish hourly rates that have not been previously approved for the year the work was performed.

Attorney/Expert	Year	Rate	Decision
Marcel Hawiger	2002	$200	D.02-09-040
Marcel Hawiger	2003	$250	D.05-04-041
Marcel Hawiger	2004	$270	Res.ALJ-184
Robert Finkelstein	2002	$340	D.03-05-065
Robert Finkelstein	2003	$365	D.05-04-041
Robert Finkelstein	2004	$395	D.05-04-041
Daniel Edington	2003	$190	D.05-04-041
Michel Florio	2002	$385	D.02-09-040
Michel Florio	2003	$435	D.04-12-033
Matthew Freedman	2002	$200	D.03-04-011
William Marcus	2002	$175	D.02-11-020
William Marcus	2003	$185	D.05-01-029
William Marcus	2004	$195	n/a
Gayatri Schilberg	2002	$130	D.02-11-017
Gayatri Schilberg	2003	$140	n/a
Gayatri Schilberg	2004	$150	n/a
Jeff Nahigian	2002	$115	D.02-11-017
Jeff Nahigian	2003	$125	D.05-04-041

Jeff Nahigian	2004	$140	n/a
Jim Helmich[11]	2002-03	$150	D.04-02-020
Greg Ruszovan	2002-03	$115	D.03-04-011
Jacob Pous	2002-03	$150	n/a
Sara Coleman	2002-03	$100	n/a
Cynthia Mitchell	2002	$115	n/a
Peter Bradford	2002	$250	n/a
Eugene Coyle	2002	$100	n/a

For 2004, TURN requests a $10 (5.4%) increase in the approved 2003 hourly rate for William Marcus, from $185 to $195. Marcus is Principal economist for JBS Energy. TURN has demonstrated that the requested rate does not exceed the rate for expert witnesses presenting sworn testimony before the Commission even when historical data are used. TURN notes that the Commission has awarded compensation for its expert Kevin Woodruff, an expert with similar qualifications, at a $200 hourly rate. In light of Marcus' academic and professional qualifications and experience, the requested rate is reasonable and meets the market test of § 1806. Moreover, because the increase does not exceed 8%, it meets the presumption established by Resolution ALJ-184.[12]

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[11] TURN notes that the Commission approved an hourly rate of $150 for Helmich for 2003. As the work performed in 2002 by Helmich in this proceeding occurred in the last part of the year, we will apply the approved 2003 rate for that time.

[12] In an ongoing rulemaking (R.04-10-010), the Commission is developing a process for annually updating intervenors' hourly rates. That proceeding is expected to provide rates for work performed in 2005. In the meantime, current requests for compensation largely concern work performed in calendar year 2004 (or earlier). The Commission therefore adopted a presumption that an intervenor with a previously approved hourly rate might reasonably escalate that rate by 8% for work performed in 2004. See Resolution ALJ-184 (Aug. 19, 2004).We have previously applied the Res. ALJ-184 "8% test" to evaluate the reasonableness of a requested rate for an expert witness. (D.05-04-041, p. 21.)

For 2003, TURN requests a $10 (7.7%) increase in the approved 2002 hourly rate for Gayatri Schilberg, from $130 to $140. For 2004 TURN requests a $10 (7.1%) increase in the requested 2003 hourly rate for Schilberg, from $140 to $150. Schilberg is a senior economist for JBS Energy with over twenty years experience in economic and statistical research. TURN has demonstrated that the requested rates are below those for other similarly qualified expert witnesses sponsoring testimony before the Commission in the mid-1990's. The increases are consistent with Resolution ALJ-184.

For 2004, TURN seeks an increase of $15 (12%) over the approved 2003 rate for Jeff Nahigian, from $125 to $140. Like Schilberg, Nahigian is a senior economist with JBS Energy. He has over 15 years experience analyzing utility operations and rate design issues. In recent years he has developed particular expertise in the area of line and service extensions. In 2004 JBS Energy relied more heavily on Nahigian to sponsor expert witness testimony. While the sought increase for 2004 exceeds 8%, we note that the Resolution ALJ-184 provides for an individualized showing in appropriate circumstances. TURN has made such a showing here. In light of Nahigian's developing expertise and his increasing importance to the firm, we will approve the requested rate of $140 for 2004.

TURN seeks an hourly rate of $150 for both 2002 and 2003 for its depreciation witness Jacob Pous of Diversified Utility Consultants Inc. (DUCI). Pous has a BS degree in engineering and an MS in management and has completed a series of depreciation programs. In D.00-09-068 the Commission approved an hourly rate of $125 for Pous for work performed primarily in 1998. TURN notes that an increase of $25 from 1998 to 2002-2003 is modest. We agree.

We find that the requested rate does not exceed the hourly rates for similarly qualified experts, and that it is reasonable here.

TURN seeks an hourly rate of $100 for both 2002 and 2003 for Sara Coleman of DUCI. Coleman is a Certified Public Accountant in Texas, where DUCI is located. This rate was approved by D.00-09-068 for work performed by Coleman primarily in 1998. As the requested rate was previously approved by the Commission, we will apply it here as reasonable.

The Scoping Memo asked parties to address several issues related to utility investment and resource planning, including the utility role in the development of generation resources. TURN secured the services of Peter Bradford and Eugene Coyle to help formulate its position on these resource planning issues. TURN subsequently utilized the services of Cynthia Mitchell of E^3 Consulting to assist with the preparation of related testimony. We will address TURN's requested hourly rates for each of these consultants for work performed on behalf of TURN in 2002.

TURN seeks an hourly rate for Mitchell of $115. The Commission previously approved this rate for Mitchell in D.01-12-008. It is reasonable to apply that rate here.

Bradford is a former chairman of the New York State Public Service Commission and a former chair of the Maine Public Utilities Commission. He has also served as Maine's Public Advocate, and was a member of the Nuclear Regulatory Commission. He currently teaches and consults on regulatory practices and procedures, including courses at Yale and Vermont Law School. Bradford charged TURN $1,500 for a six-hour roundtable session, or the equivalent of $250 per hour. TURN notes this is substantially below the fee he charges commercial customers, and that the Commission has awarded economist

Terry Murray an hourly rate of $300 for work performed in 1998-99. We find that TURN's request for Bradford is reasonable as it is within the market range for similarly qualified experts.

The Commission has previously approved a rate of $100 for work performed by Coyle in 1997. (*See* D.99-01-020.) TURN is seeking approval of the same rate for 2002, which we find to be reasonable.

TURN seeks compensation for $5,908.33 in other costs such as copying, postage and delivery, and travel costs. These expenses are reasonable for a proceeding of this scope.

6. Conclusion

We award Aglet $97,978.20, Greenlining $102,827.31 and TURN $497,687.74. These awards are based on the compensable hours and hourly rates and litigation expenses described above. The detailed calculations are shown in the following tables.

Aglet

Item	Year(s)	Hours	Rate	Total
Professional time – Weil	2002-03	301.7	$220	$ 66,374.00
Travel and compensation time	2002-03	82.9	$110	9,119.00
Professional time – Weil	2004	60.5	$250	15,125.00
Travel and compensation time	2004	29.5	$125	3,687.50
Copies				1,346.83
Postage and overnight delivery				649.60
FAX charges				14.00
Travel expenses				1,662.27
Total Award				**$97,978.20**

Greenlining

Item	Year	Hours	Rate	Total
Attorney/Staff				
Robert Gnaizda	2002	35.5	$435.00	$ 15,442.50

Robert Gnaizda	2002	1.5	$217.50	326.25
Robert Gnaizda	2003	32.5	$450.00	14,625.00
Robert Gnaizda	2003	.5	$225.00	112.50
Robert Gnaizda	2004	30.9	$490.00	15,141.00
Robert Gnaizda	2004	.5	$245.00	122.50
Itzel Berrio	2002	51.0	$265.00	13,515.00
Itzel Berrio	2002	1.5	$132.50	198.75
Itzel Berrio	2003	59.9	$275.00	16,472.50
Itzel Berrio	2003	1	$137.50	137.50
Itzel Berrio	2004	24.1	$300.00	7,230.00
Itzel Berrio	2004	29	$150.00	4,350.00
Noelle Abastillas	2004	2.9	$110.00	319.00
Subtotal				**$ 87,992.50**
Expert				
John C. Gamboa	2002	1.5	$320.00	$ 480.00
John C. Gamboa	2003	2.23	$330.00	735.90
John C. Gamboa	2004	1.66	$360.00	597.60
Michael Phillips	2002	5	$310.00	1,550.00
Michael Phillips	2003	27	$310.00	8,370.00
Gelly Borromeo	2002	3.5	$160.00	560.00
Gelly Borromeo	2003	7	$160.00	1,120.00
Subtotal				**$ 102,827.31**
Direct Expenses				
Photocopying				$ 1,099.00
Postage				322.31
Subtotal				**$ 1,421.31**
Total Award				**$102,827.31**

TURN

Item	Year	Hours	Rate	Total
Attorney Fees				
Marcel Hawiger	2002	165.71	$200	$ 33,142.00
Marcel Hawiger	2003	268.4	$250	67,095.15
Marcel Hawiger	2004	57.2	$270	15,444.00
Marcel Hawiger (comp.)	2002	1.25	$100	125.00

Marcel Hawiger (comp.)	2004	15	$135	2,025.00
Robert Finkelstein	2002	150.25	$340	51,085.00
Robert Finkelstein	2003	269.0	$365	98,185.00
Robert Finkelstein	2004	38.25	$395	15,108.75
Robert Finkelstein (comp.)	2004	24.0	$197.50	4,740.00
Daniel Edington	2003	10.0	$190	1,900.00
Michel Florio	2002	10.0	$385	3,850.00
Michel Florio	2003	2.0	$435	870.00
Matthew Freedman	2002	7.5	$200	1,500.00
Attorney Fees Subtotal				**$295,069.90**
Expert Witness Fees & Expenses				
JBS Energy Inc.				
William Marcus	2002	91.33	$175	$ 15,982.75
William Marcus	2003	39.52	$185	7,311.20
William Marcus	2004	1.88	$195	366.60
Gayatri Schilberg	2002	258.34	$130	33,584.20
Gayatri Schilberg	2003	136.80	$140	19,152.00
Gayatri Schilberg	2004	12.87	$150	1,930.50
Jeff Nahigian	2002	178.75	$115	20,556.25
Jeff Nahigian	2003	94.0	$125	11,750.00
Jeff Nahigian	2004	18.75	$140	2,625.00
Jim Helmich	2002-03	49.1	$150	7,365.00
Greg Ruszovan	2002-03	0.6	$115	69.00
JBS Expenses				404.20
JBS Subtotal				**$121,096.70**
Diversified Utility Consultants				
Jacob Pous	2002-03	410.25	$150	$ 61,537.50
Sara Coleman	2002-03	65	$100	6,500.00
DUCI Expenses				4,210.31
DUCI Subtotal				**$ 72,247.81**
Other Expert Witnesses				
Cynthia Mitchell	2002	11	$115	$ 1,265.00
Peter Bradford	2002	6	$250	1,500.00
Eugene Coyle	2002	6	$100	600.00
Other Witnesses Subtotal				**$ 3,365.00**
Other Reasonable Costs				
Photocopying expense				$ 3,250.88
Postage costs				352.00

FAX charges				111.20
Federal Express/Delivery				334.58
Phone costs				151.09
Lexis charges				307.70
Attorney travel				578.78
Expert witness travel (Bradford)				822.10
Other Costs Subtotal				**$ 5,908.33**
Total Award				**$497,687.74**

Consistent with previous Commission decisions, we order that interest be paid on the awarded amounts at the rate earned on prime, three-month commercial paper, as reported in Federal Reserve Statistical Release H.15, commencing the 75th day after Aglet, Greenlining, and TURN filed their respective compensation requests and continuing until full payment of the award is made. The awards are to be paid by SCE as the regulated entity in this proceeding.

We remind all intervenors that Commission staff may audit their records related to this award and that intervenors must make and retain adequate accounting and other documentation to support all claims for intervenor compensation.

7. Waiver of Comment Period

This is an intervenor compensation matter. As provided by Rule 77.7(f)(6) of our Rules of Practice and Procedure, we will waive the otherwise applicable 30-day comment period for this decision.

8. Assignment of Proceeding

Commissioner Susan Kennedy is the Assigned Commissioner and Mark Wetzell is the assigned ALJ for Phase 1 in this proceeding.

Findings of Fact

1. Aglet and TURN were both found eligible for an award of compensation in an ALJ ruling dated August 27, 2002, and both have filed timely requests for awards of compensation.

2. Greenlining was found conditionally eligible for an award of compensation in an ALJ ruling dated January 18, 2003, and it has filed a timely request for an award of compensation. Greenlining has met the condition of that ruling by establishing the operation of a rebuttable presumption of significant financial hardship.

3. Aglet, Greenlining, and TURN each made substantial contributions to D.04-07-022 as described herein.

4. The hourly rates adopted herein are reasonable when compared to the market rates for persons with similar training and experience.

5. The total of the reasonable compensation for Aglet is $97,978.20.

6. The total of the reasonable compensation for Greenlining is $102,827.31.

7. The total of the reasonable compensation for TURN is $497,687.74.

Conclusions of Law

1. Each intervenor has fulfilled the requirements of Pub. Util. Code §§ 1801-1812, which govern awards of intervenor compensation, and each of them is entitled to compensation for the costs it incurred in making substantial contributions to D.04-07-022.

2. Aglet should be awarded $97,978.20 for its contributions to D.04-07-022.

3. Greenlining should be awarded $102,827.31 for its contributions to D.04-07-022.

4. TURN should be awarded $497,687.74 for its contributions to D.04-07-022.

5. Pursuant to Rule 77.7(f)(6), the comment period for this compensation decision may be waived.

6. This order should be effective today so that the intervenors may be compensated without further delay.

O R D E R

IT IS ORDERED that:

1. Aglet Consumer Alliance is awarded $97,978.20 as compensation for its substantial contributions to Decision (D.) 04-07-022.

2. Greenlining Institute is awarded $102,827.31 as compensation for its substantial contributions to D.04-07-022.

3. The Utility Reform Network is awarded $497,687.74 as compensation for its substantial contributions to D.04-07-022.

4. Within 30 days of the effective date of this decision, Southern California Edison Company shall pay the total awards ordered in Ordering Paragraphs 1, 2, and 3. Payment of the awards shall include interest at the rate earned on prime, three-month commercial paper as reported in Federal Reserve Statistical Release H.15, beginning the 75th day after the requests were filed.

5. The comment period for today's decision is waived.

6. This proceeding shall remain open.

This order is effective today.

Dated June 16, 2005, San Francisco, California.

MICHAEL R. PEEVEY
President
GEOFFREY F. BROWN

SUSAN P. KENNEDY
DIAN M. GRUENEICH
JOHN A. BOHN
Commissioners

APPENDIX A

Compensation Decision Summary Information

Compensation Decision:	D0506031
Contribution Decision(s):	D0407022
Proceeding(s):	A0205004/I0206002
Author:	ALJ Wetzell
Payer(s):	Southern California Edison Company

Intervenor Information

Intervenor	Claim Date	Amount Requested	Amount Awarded	Multiplier	Reason Change/Disallowance
Aglet Consumer Alliance	9/2/04	$105,255.33	$97,375.33	No	Failure to make substantial contribution
Aglet Consumer Alliance	10/7/04	$602.87	$602.87	No	
Greenlining Institute	9/14/04	$111,280.81	$102,827.31	No	Failure to make substantial contribution, failure to justify hourly rates
The Utility Reform Network	9/14/04	$499,746.69	$495,317.74	No	Failure to make substantial contribution
The Utility Reform Network	10/29/04	$2,310.00	$2,370.00	No	Arithmetic error

Advocate Information

First Name	Last Name	Type	Intervenor	Hourly Fee Requested	Year Hourly Fee Requested	Hourly Fee Adopted
James	Weil	Policy Expert	Aglet Consumer Alliance	$220	2002	$220
James	Weil	Policy Expert	Aglet Consumer Alliance	$220	2003	$220
James	Weil	Policy Expert	Aglet Consumer Alliance	$250	2004	$250
Robert	Gnaizda	Attorney	Greenlining Institute	$435	2002	$435
Robert	Gnaizda	Attorney	Greenlining Institute	$450	2003	$450
Robert	Gnaizda	Attorney	Greenlining Institute	$495	2004	$490
Itzel	Berrio	Attorney	Greenlining Institute	$265	2002	$265
Itzel	Berrio	Attorney	Greenlining Institute	$290	2003	$275
Itzel	Berrio	Attorney	Greenlining Institute	$310	2004	$300
Noelle	Abastillas	Paralegal	Greenlining Institute	$110	2004	$110

John	Gamboa	Policy Expert	Greenlining Institute	$325	2002	$320
John	Gamboa	Policy Expert	Greenlining Institute	$350	2003	$330
John	Gamboa	Policy Expert	Greenlining Institute	$385	2004	$360
Michael	Phillips	Policy Expert	Greenlining Institute	$360	2002	$310
Michael	Phillips	Policy Expert	Greenlining Institute	$360	2003	$310
Gelly	Borromeo	Policy Expert	Greenlining Institute	$300	2002	$160
Gelly	Borromeo	Policy Expert	Greenlining Institute	$300	2003	$160
Marcel	Hawiger	Attorney	The Utility Reform Network	$200	2002	$200
Marcel	Hawiger	Attorney	The Utility Reform Network	$250	2003	$250
Marcel	Hawiger	Attorney	The Utility Reform Network	$270	2004	$270
Robert	Finkelstein	Attorney	The Utility Reform Network	$340	2002	$340
Robert	Finkelstein	Attorney	The Utility Reform Network	$365	2003	$365
Robert	Finkelstein	Attorney	The Utility Reform Network	$395	2004	$395
Daniel	Edington	Attorney	The Utility Reform Network	$190	2003	$190
Michel	Florio	Attorney	The Utility Reform Network	$385	2002	$385
Michel	Florio	Attorney	The Utility Reform Network	$435	2003	$435
Matthew	Freedman	Attorney	The Utility Reform Network	$200	2002	$200
William	Marcus	Economist	The Utility Reform Network	$175	2002	$175
William	Marcus	Economist	The Utility Reform Network	$185	2003	$185
William	Marcus	Economist	The Utility Reform Network	$195	2004	$195
Gayatri	Schilberg	Economist	The Utility Reform Network	$130	2002	$130
Gayatri	Schilberg	Economist	The Utility Reform Network	$140	2003	$140
Gayatri	Schilberg	Economist	The Utility Reform Network	$150	2004	$150
Jeff	Nahigian	Economist	The Utility Reform Network	$115	2002	$115
Jeff	Nahigian	Economist	The Utility Reform Network	$125	2003	$125
Jeff	Nahigian	Economist	The Utility Reform Network	$140	2004	$140
Jim	Helmich	Engineer	The Utility Reform Network	$150	2002	$150
Jim	Helmich	Engineer	The Utility Reform Network	$150	2003	$150
Greg	Ruszovan	Modeling	The Utility Reform Network	$115	2002	$115
Greg	Ruszovan	Modeling	The Utility Reform Network	$115	2003	$115
Jacob	Pous	Depreciation	The Utility Reform Network	$150	2002	$150
Jacob	Pous	Depreciation	The Utility Reform Network	$150	2003	$150
Sara	Coleman	Accounting	The Utility Reform Network	$100	2002	$100
Sara	Coleman	Accounting	The Utility Reform Network	$100	2003	$100
Cynthia	Mitchell	Policy Expert	The Utility Reform Network	$115	2002	$115
Peter	Bradford	Policy Expert	The Utility Reform Network	$250	2002	$250
Eugene	Coyle	Policy Expert	The Utility Reform Network	$100	2002	$100

(END OF APPENDIX A)