

Decision 06-07-020 July 20, 2006

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

Application of Southern California Edison Company (U 338-E) for Authorization: (1) to Replace San Onofre Nuclear Generating Station Unit Nos. 2 & 3 (SONGS 2&3) Steam Generators; (2) Establish Ratemaking for Cost Recovery; and (3) Address Other Related Steam Generator Replacement Issues.

Application 04-02-026  
(Filed February 27, 2004)

**OPINION GRANTING INTERVENOR COMPENSATION  
TO AGLET CONSUMER ALLIANCE FOR SUBSTANTIAL  
CONTRIBUTIONS TO DECISION 05-12-040**

This decision awards Aglet Consumer Alliance (Aglet) \$48,358.73 in compensation for its substantial contributions to Decision (D.) 05-12-040. This represents a decrease of \$12,374.97 from the amount requested. This proceeding is closed.

**1. Background**

San Onofre Nuclear Generating Station Units 2 & 3 (SONGS) is a nuclear power plant with a capacity of approximately 2,150 megawatts jointly owned by Southern California Edison Company (SCE), San Diego Gas and Electric Company (SDG&E) and the cities of Anaheim and Riverside.<sup>1</sup>

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<sup>1</sup> San Onofre Nuclear Generating Station Unit 1 is no longer operating and is not the subject of this proceeding.

It is located on the California coast 62 miles southeast of Los Angeles, in San Diego County, near the City of San Clemente. The site is located within the boundaries of the Camp Pendleton Marine Corps Base. Each unit has two steam generators manufactured by Combustion Engineering, Inc. (CE). In each steam generator, the heat from water circulated through the reactor is used to turn another stream of water into steam to power turbines that turn electric generators.

SONGS is currently licensed by the Nuclear Regulatory Commission (NRC) to operate until 2022. SCE estimated that SONGS will likely be required by the NRC to shut down in 2009 because of the degradation of the steam generators. As a result, SCE requested approval in this application of its steam generator replacement program (SGRP).

Hearings were held from January 30 through February 11, 2005. The application was submitted on June 21, 2005. D.05-12-040 approved the SGRP with specified conditions, and certified the Final Environmental Impact Report (Final EIR) pursuant to the California Environmental Quality Act (CEQA).

## **2. Requirements for Awards of Compensation**

The intervenor compensation program, enacted in Pub. Util. Code §§ 1801-1812, requires California jurisdictional utilities to pay the reasonable costs of an intervenor's participation if the intervenor makes a substantial contribution to the Commission's proceedings. The statute provides that the utility may adjust its rates to collect the amount awarded from its ratepayers. (Subsequent statutory references are to the Public Utilities Code unless otherwise indicated.)

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

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 or a participant representing consumers, customers, or subscribers of a utility subject to our jurisdiction. (§ 1802(b).)
3. The intervenor should file and serve a request for a compensation award within 60 days of our final order or decision in a hearing or proceeding. (§ 1804(c).)
4. The intervenor must demonstrate “significant financial hardship.” (§§ 1802(g), 1804(b)(1).)
5. The intervenor’s presentation must have made a “substantial contribution” to the proceeding, through the adoption, in whole or in part, of the intervenor’s contention or recommendations by a Commission order or decision. (§§ 1802(i), 1803(a).)
6. The intervenor’s presentation must have made a “substantial contribution” to the proceeding, through the adoption, in whole or in part, of the intervenor’s contention or recommendations by a Commission order or decision. (§§ 1802(i), 1803(a).)

For discussion here, the procedural issues in Items 1-4 above are combined, followed by separate discussions on Items 5-6.

### **3. Procedural Issues**

The first prehearing conference in this matter was held on March 25, 2004. Aglet timely filed its NOI on April 19, 2004. In its NOI, Aglet asserted financial hardship.

Section 1802(b)(1) defines a customer as: A) a participant representing consumers, customers or subscribers of a utility; B) a representative who has been authorized by a customer; or C) a representative of a group or organization authorized pursuant to its articles of incorporation or bylaws to represent the interests of residential or small business customers. In this case, Aglet is a customer as defined in paragraph C because its members are small residential customers some of whom are served by SCE, and it is authorized pursuant to its bylaws to represent the interests of residential customers.

On May 20, 2004, Administrative Law Judge (ALJ) Jeffrey P. O'Donnell ruled that Aglet is a customer pursuant to § 1802(b)(1)(C), and meets the financial hardship condition pursuant to § 1804(b)(1) because it met this requirement in another proceeding within one year of the commencement of this proceeding (ALJ ruling dated April 9, 2003 in Application 02-11-017 *et al.*). Aglet filed its request for compensation on February 14, 2006, within 60 days of D.05-11-026 being issued.<sup>2</sup>

In view of the above, we affirm ALJ O'Donnell's ruling and find that Aglet has satisfied all the procedural requirements necessary to make its request for compensation.

#### **4. Substantial Contribution**

In evaluating whether a customer made a substantial contribution to a proceeding we look at several things. First, did the ALJ or Commission adopt one or more of the factual or legal contentions, or specific policy or procedural recommendations put forward by the customer? (*See* § 1802(i).) Second, if the customer's contentions or recommendations paralleled those of another party,

did the customer's participation materially supplement, complement, or contribute to the presentation of the other party or to the development of a fuller record that assisted the Commission in making its decision? (See §§ 1802(i), and 1802.5.) As described in § 1802(i), the assessment of whether the customer made a substantial contribution requires the exercise of judgment.

In assessing whether the customer meets this standard, the Commission typically reviews the record, composed in part of pleadings of the customer and, in litigated matters, the hearing transcripts, and compares it to the findings, conclusions, and orders in the decision to which the customer asserts it contributed. It is then a matter of judgment as to whether the customer's presentation substantially assisted the Commission.<sup>3</sup>

Should the Commission not adopt any of the customer's recommendations, compensation may be awarded if, in the judgment of the Commission, the customer's participation substantially contributed to the decision or order. For example, if a customer provided a unique perspective that enriched the Commission's deliberations and the record, the Commission could find that the customer made a substantial contribution. With this guidance in mind, we turn to the contributions Aglet claims it made to the proceeding.

Aglet allocated its costs to four categories. Category 1 is general work necessary for participation in the proceeding that cannot be allocated to a specific issue. This includes initial review of the application, discovery and attending the prehearing conference. As a result, we make no analysis of whether Aglet made a contribution regarding Category 1. Category 2 is cost-effectiveness, Category 3

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<sup>2</sup> No party opposes the request.

<sup>3</sup> D.98-04-059, 79 CPUC2d, 628 at 653.

financial impacts, and Category 4 other issues. We address Aglets' contributions regarding Categories 2, 3, and 4 below.

## **Category 2-Cost-Effectiveness**

- **Cost of the SGRP**

SCE estimated the cost of the SGRP at \$680 million. Aglet argued that the costs for removal and disposal of the original steam generators were especially uncertain due to the costs of cutting large holes in the containment structures for removal of the original steam generators and installation of the new ones, and the lack of documentation from the intended disposal contractor concerning its ability to accept the original steam generators.

We found SCE's SGRP cost estimate reasonable for use in determining the cost-effectiveness of the SGRP. However, we included the effect of a 10% increase in SGRP costs in our cost-effectiveness analysis to determine the sensitivity of the SGRP to such increases. Thus, Aglet's cost uncertainty argument was reflected in D.05-12-040, and we find it made a substantial contribution regarding this issue.

- **Capital Additions**

SCE developed a high capital additions estimate 22% above its 2006 general rate case (GRC) estimate. SCE stated that its high capital additions estimate reasonably bound the uncertainty inherent in its capital additions forecast. Aglet stated that capital additions will likely increase over time, and recommended that SCE's high capital additions estimate is more likely to occur than its base case estimate.

We found that a capital additions estimate 25% above the 2006 GRC estimate (slightly above SCE's high capital additions estimate) was reasonable for use in our base case. Aglet's recommendation was adopted in part, and we find it made a substantial contribution regarding this recommendation.

### **Capacity Factor**

SCE utilized an 88% capacity factor that Aglet analyzed and found reasonable. We found SCE's capacity factor reasonable for use in our base case. We also included 92% and 84% capacity factors in our analysis to examine the effect of variations in the capacity factor on cost-effectiveness. Aglet assisted in developing the record, and we find it made a substantial contribution regarding this recommendation.

- **Tube Degradation**

SCE's steam generator tube degradation forecasts were based on statistical forecasts by Dominion Engineering, Inc. (DEI). Aglet pointed out that DEI stated that there was a large amount of uncertainty about the forecasts and that there was a new mode of degradation operating at Unit 2. Aglet also represented that an SCE report stated its forecasts of steam generator repairs cannot be used with confidence more than a few refueling cycles into the future. Therefore, Aglet concluded that the rates at which degradation will occur, which determine when the plugging limits will be reached, are uncertain.

We concluded that there was considerable uncertainty as to when the original steam generators will exceed the plugging limits in the absence of the SGRP, and based our cost-effectiveness analysis on the most recent DEI degradation forecasts. Our decision was influenced by Aglet's and we find Aglet made a substantial contribution regarding this issue.

- **Recovery of Capital Costs in the Event of an Early Shutdown**

The Utility Reform Network (TURN) pointed out an assumption underlying SCE's cost-effectiveness calculation was that, if SONGS shuts down at any time prior to the end of its license lives, the undepreciated plant balance will remain in ratebase and be fully recovered from ratepayers. TURN

recommended that SCE be required to run its cost-effectiveness model assuming the treatments adopted in D.85-08-046 and D.92-08-036.

In support of TURN's recommendation, Aglet stated that the Commission has no firm policy on this matter, and that full recovery is unlikely.

We calculated the cost-effectiveness of the SGRP without assuming a limitation on capital recovery if the SGRP is not performed. TURN's recommendation was not adopted, Aglet's support of TURN's recommendation did not influence our decision, and we find Aglet did not make a substantial contribution regarding this recommendation.

- **Discount Rate**

The discount rate is used in this proceeding to determine the present value of future expenditures. SCE used a 10.5% discount rate in this proceeding, which was its estimate of its incremental cost of capital.

Aglet stated that SCE's discount rate is based on speculation as to the incremental cost of debt and equity and that the Commission has never endorsed the incremental cost of capital as a basis for cost-effectiveness analysis. Aglet stated that it would be more reasonable to assume that customers, especially low-income customers, have higher discount rates.

We found that since SCE's recommended discount rate does not appear likely to overstate the cost-effectiveness of the SGRP, it was reasonable to use in our cost-effectiveness analysis. However, we did not adopt SCE's use of the incremental cost of capital as proposed by SCE. Aglet contributed to the resolution of this issue, and we find it made a substantial contribution regarding this issue.

- **Co-Owner Participation**

San Diego Gas and Electric Company (SDG&E) indicated its intention, pursuant to the operating agreement, not to participate in the SGRP. Its ownership share of SONGS will be reduced accordingly, with a corresponding increase in SCE's ownership share. Although they did not agree on the amount of the reduction, SCE and SDG&E did agree that SDG&E's likely remaining ownership share would be 0-14% if the SGRP goes forward.

Aglet stated that uncertainty about the economics of SDG&E's decision not to participate in the SGRP contributed to the uncertainty of the SGRP's cost-effectiveness for SCE's customers. We evaluated the cost-effectiveness of the SGRP assuming the 0-14% range of ownership by SDG&E. We find Aglet's statement did not contribute materially to our resolution of this issue.

- **Other Modeling Inputs**

Aglet noted that SCE included in its cost-effectiveness analysis the air quality benefits of nuclear power through calculation of a carbon adder, but did not include unquantified costs resulting from risks associated with the additional spent nuclear fuel that will be generated by SONGS due to the SGRP. Aglet pointed out that public health risks are inherent in nuclear power plant operations.

We determined that we would consider the safety, public health, and environmental risks and effects associated with SONGS in our cost-effectiveness evaluation of the SGRP. Therefore, we find Aglet made a substantial contribution to our resolution of his issue.

Aglet pointed out that SCE claimed the SGRP will avoid statewide natural gas price increases due to a greater demand for gas if the SGRP is not performed. Aglet agreed with the concept, but stated that the SGRP will increase the demand for the goods and services necessary to perform the SGRP, which will raise the

prices for such goods and services. Aglet stated that this effect would counterbalance the effect on natural gas prices. As a result, Aglet recommended that no effect of the SGRP on natural gas prices be considered in the cost-effectiveness evaluation.

We found that Aglet's argument that the SGRP will affect the prices for goods and services involved in the SGRP was correct in theory, but determined that since SCE customers will not be paying for other SGRPs occurring at about the same time as the SONGS SGRP, they will not be affected. Therefore, we did not adopt Aglet's recommendation. We also did not include the effect on state-wide gas prices in our cost-effectiveness analysis. Although its recommendation was not adopted, Aglet assisted in developing the record and we find it made a substantial contribution to the resolution of this issue.

- **SGRP Cost Cap**

Aglet and other intervenors recommended that if TURN's or Aglet's guaranteed savings proposals were not adopted, the Commission should impose a cost cap to provide SCE with some incentive to control costs, limit ratepayer exposure to cost overruns, and help ensure that the SGRP is cost-effective. We adopted a cost cap, and find that Aglet made a substantial contribution regarding this recommendation.

Overall, we find Aglet made substantial contributions regarding eight of its ten recommendations in Category 2.

### **Category 3 - Financial Impacts**

In this proceeding, SCE proposed that it be allowed to recover construction financing costs as they are incurred. Aglet opposed SCE's proposal because it would put ratepayers at risk for recovery of these funds if the SGRP is not completed, without precedent, and essentially a loan from ratepayers to SCE.

The Commission did not adopt SCE's proposal for the reasons stated by Aglet, and we find that Aglet made a substantial contribution regarding this category.

#### **Category 4 – Other Issues**

- **Deferred Debit Account**

Aglet recommended that the Commission authorize a deferred debit account similar to a Major Additions Adjustment Clause (MAAC) account. The account would record monthly revenue requirements subject to refund following the reasonableness review. We authorized the establishment of accounts similar to MAAC accounts. Aglet’s recommendation was adopted, and we find Aglet made a substantial contribution regarding this recommendation.

Aglet stated that past MAAC accounts have recorded revenues from interim rates, but that SCE has not shown that interim rates are needed. Aglet recommended that interim rates not be authorized. We authorized interim rates, and did not adopt Aglet’s recommendation. We find Aglet did not make a substantial contribution regarding this recommendation.

- **Inflation Adjustments**

Aglet recommended limitation of any inflation adjustments to the adopted project costs to ordinary inflation as represented by recorded changes in the Consumer Price Index, All Urban Consumers, as published by the U.S. Bureau of Labor Statistics.

We found that the inflation adjustment should be based on reliable publications such as the Consumer Price Index published by the U.S. Bureau of Labor Statistics, and that the costs should not be adjusted merely because recorded costs are different from forecasted costs. We deferred the selection of the appropriate inflation adjustment to SCE’s application to include SGRP costs permanently in rates. Aglet’s recommendation was adopted in part, and we find it made a substantial contribution regarding this recommendation.

- **Reasonableness Review-SGRP**

SCE proposed to file an application to establish the reasonableness of the SGRP construction costs, excluding the costs of removal and disposal of the original steam generators, six months after SONGS returns to commercial operations. In addition, SCE proposed to file an application to establish the reasonableness of the costs of removal and disposal of the original steam generators six months after the last removal and disposal costs are incurred.

Aglet stated that SCE should not be allowed to recover any SGRP costs in rates without a reasonableness review.

SCE did not request elimination of an after-the-fact reasonableness review, and the matter was not at issue during the proceeding. It only surfaced as an issue when Commission President Peevey proposed, in his alternate to the Administrative Law Judge's proposed decision, to forgo one under specified circumstances. Ultimately, we adopted the alternate, and did not adopt Aglet's recommendation. We find Aglet did not make a substantial contribution regarding this recommendation.

- **Removal and Disposal Costs**

SCE proposed that the costs of removing the original steam generators and disposing of them be recovered over the remaining lives of the original steam generators (2006-2011) through depreciation. TURN recommended SCE's proposal be denied, and the costs recovered through depreciation over the remaining lives of SONGS. Aglet supported TURN's position that removal and disposal costs should be recovered through depreciation over the remaining SONGS life.

We authorized SCE to recover through depreciation 20% of the estimated costs of removal and disposal of the original steam generators (\$22.2 million)

over 2006-2011. The remaining amount will be depreciated over the remaining life of SONGS after the SGRP is performed. As a result, TURN and Aglet's recommendation was adopted in part, and we find Aglet made a substantial contribution regarding this recommendation.

Aglet opposed SCE's proposal for a separate balancing account for removal and disposal costs of the original steam generators because it believed it was unnecessary. We provided for the possibility of separate reasonableness reviews of the steam generator replacement costs, and the removal and disposal costs, and authorized a separate balancing account for the removal and disposal costs. Aglet's recommendation was not adopted and we find Aglet did not make a substantial contribution regarding this recommendation.

- **Recovery of the Remaining Book Value of the Original Steam Generators**

Aglet recommended that recovery of the remaining undepreciated book value of the original steam generators, that would no longer be used and useful, be deferred until the Commission decides related issues in Rulemaking (R.) 04-09-003. SCE represented that the net book value of the original steam generators will be zero by the time they are replaced.

Since R.04-09-003 pertains to gains or losses on sales of utility assets, we found that it would not likely apply to the original steam generators. We also noted that, if the book value of the original steam generators is zero at that time they are removed, as SCE represents, the issue will be moot. Thus, we did not adopt Aglet's recommendation and we find it did not make a substantial contribution regarding this recommendation.

Overall, we find Aglet made a substantial contribution regarding three of the seven recommendations it made in Category 4.

Regarding duplication, we realize that in a proceeding involving multiple participants, it is virtually impossible to completely avoid some duplication of the work of other parties. Aglet took all reasonable steps to keep duplication to a minimum and to ensure that its work served to supplement, complement, or contribute to the showing of the other parties. (See § 1802.5.)

### **5. Reasonableness of Requested Compensation**

Aglet requests \$60,733.70 for its participation of two experts in this proceeding, as follows:

<u>Requested Compensation</u>	
Professional hours – James Weil	204.1 hours @ \$250/hr = \$ 51,025.00
Travel hours <sup>4</sup> -Weil	40.5 hours @ \$125/hr = \$5,062.50
Professional hours-Czahar	14.5 hours @ \$220/hr = \$3,190.00
Expenses	<u>\$1,456.20</u>
Total	\$ 60,733.70

In general, the components of this request must constitute reasonable fees and costs of the customer’s preparation for and participation in a proceeding that resulted in a substantial contribution. The issues we consider to determine reasonableness are discussed below.

#### **Hours and Costs Related to and Necessary for Substantial Contribution**

We first assess whether the hours claimed for the customer’s efforts that resulted in substantial contributions to Commission decisions are reasonable by

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<sup>4</sup> Includes time to prepare the compensation request.

determining to what degree the hours and costs are related to the work performed and necessary for the substantial contribution.

Aglet documented its claimed hours by presenting a daily breakdown of the hours spent by Weil and Czahar, accompanied by a brief description of each activity. The hourly breakdown reasonably documents the total hours spent.

Aglet allocated its hours as follows:

Allocation of Hours

General Work-Weil	22.10
Cost-Effectiveness-Weil	113.60
Other Issues-Weil	46.90
Financial Impacts-Weil	21.50
-Czahar	14.50
Intervenor Compensation/Travel-Weil	40.50

The hours Aglet allocated to Category 1-General Work were spent on the initial review of the application, discovery, attending the prehearing conference, and reviewing the nondisclosure agreement utilized in this proceeding for confidential materials. These activities were necessary for participation in the proceeding regardless of the issues addressed. The claimed hours are reasonable given the scope of this proceeding. Since Aglet made a substantial contribution as discussed above, we award compensation for these hours.

Regarding Category 2-Cost-Effectiveness, Aglet made a substantial contribution regarding eight of its ten recommendations. Therefore, we will award compensation for eight tenths of the hours allocated to this category.

For Category 3-Financial Impacts, Aglet made a substantial contribution regarding its recommendation. Therefore, we will award compensation for the hours allocated to this category.

For Category 4-Other Issues, Aglet made a substantial contribution regarding three of its seven recommendations. Therefore, we award compensation for three sevenths of the hours allocated to this category.

To participate in this proceeding, regardless of the issues addressed, it was necessary for Aglet to spend necessary hours on travel and preparing its intervenor compensation claim. The claimed hours are reasonable given the scope of this proceeding. Since Aglet made a substantial contribution as discussed above, we award compensation for these hours.

For the reasons discussed above, the hours for which we award compensation are as follows:

	<u>Compensable Hours</u>
General Work-Weil	22.10
Cost-Effectiveness-Weil	90.88
Other Issues-Weil	20.12
Financial Impacts-Weil	21.50
-Czahar	14.50
Travel <sup>5</sup> -Weil	40.50

**Market Rate Standard**

We next take into consideration whether the claimed fees and costs are comparable to the market rates paid to experts and advocates having comparable training and experience and offering similar services. In Resolution ALJ-184, we set forth principles and guidelines for setting intervenor's hourly rates for work performed in 2004. In D.05-11-031, we set forth the principles and guidelines for 2005, and generally did not authorize increases above previously approved rates.

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<sup>5</sup> Includes the time spent to prepare the intervenor compensation request.

Aglet seeks an hourly rate of \$250 for work performed by Weil in 2004, 2005, and 2006. We previously approved this rate for Weil in D.04-12-039 for 2004 work, and find it reasonable for 2004, 2005, and 2006.

Aglet seeks an hourly rate of \$220 for work performed by Czahar in 2004. We previously approved this rate for Czahar in D.03-07-010 for 2002 work, and find it reasonable for 2004.

**Productivity**

D.98-04-059 directed customers to demonstrate productivity by assigning a reasonable dollar value to the benefits of their participation to ratepayers. The costs of a customer's participation should bear a reasonable relationship to the benefits realized through their participation. This showing assists us in determining the overall reasonableness of the request.

This proceeding did not involve setting rates and no direct dollar benefit from an intervenor's participation can be identified. The SGRP will cost ratepayers hundreds of millions of dollars over the remaining license life of SONGS. The purpose of this proceeding was to determine whether the SGRP should proceed. Aglet made a substantial contribution to that determination. Aglet's expenditures, given its substantial contribution for the Commission's analysis of risks and benefits, are miniscule in comparison to the SGRP costs. Therefore, we find Aglet's participation was productive.

**Direct Expenses**

The itemized direct expenses submitted by Aglet include costs for travel, photocopying, postage, telephone/fax and messenger services and total \$1,456.20. These expenses are commensurate with the work performed, and we find them reasonable.

## 6. Award

As set forth in the table below, we award Aglet \$48,358.73.

### Award

Professional hours – Weil	154.60 hours @ \$250/hr = \$38,650.03
Travel hours <sup>6</sup> -Weil	40.5 hours @ \$125/hr = \$ 5,062.50
Professional hours-Czahar	14.5 hours @ \$220/hr = \$ 3,190.00
Expenses	<u>\$ 1,456.20</u>
Total	\$48,358.73

Consistent with previous Commission decisions, we order that interest be paid on the award amount (at the rate earned on prime, three-month commercial paper, as reported in Federal Reserve Statistical Release H.15) commencing April 30, 2006, the 75th day after Aglet filed its compensation request, and continuing until full payment of the award is made. The award is to be paid by SCE, the applicant 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. Aglet's records should identify specific issues for which it requested compensation, the actual time spent by each employee or consultant, the applicable hourly rate, fees paid to consultants, and any other costs for which compensation was claimed.

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<sup>6</sup> Includes time to prepare the compensation request.

## **7. Waiver of Comment Period**

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

## **8. Assignment of Proceeding**

Geoffrey F. Brown is the Assigned Commissioner and Jeffrey P. O'Donnell is the assigned ALJ in this proceeding.

## **Findings of Fact**

1. Aglet has satisfied all the procedural requirements necessary to claim compensation in the proceeding.
2. Aglet made a substantial contribution to D.05-12-040, as described herein.
3. Aglet's requested hourly rates and related expenses are reasonable when compared to the market rates for persons with similar training and experience.
4. The total of the reasonable compensation is \$48,358.73.
5. The appendix to this opinion summarizes today's award.

## **Conclusions of Law**

1. Aglet has fulfilled the requirements of Pub. Util. Code §§ 1801-1812, which govern awards of intervenor compensation, and is entitled to intervenor compensation for its claimed compensation, as adjusted herein, incurred in making substantial contributions to D.05-12-040.
2. Aglet should be awarded \$48,358.73 for its contributions to D.05-12-040.
3. Per Rule 77.7(f)(6), the comment period for this compensation decision may be waived.
4. This order should be effective today so that Aglet may be compensated without further delay.

**O R D E R**

**IT IS ORDERED** that:

1. Aglet Consumer Alliance (Aglet) is awarded \$48,358.73 as compensation for its substantial contributions to Decision 05-12-040.
2. Within 30 days of the effective date of this decision, Southern California Edison Company shall pay Aglet the total award. Payment of the award shall include interest at the rate earned on prime, three-month commercial paper as reported in Federal Reserve Statistical Release H.15, beginning April 30, 2006, the 75<sup>th</sup> day after the filing date of Aglet's request for compensation, and continuing until full payment is made.
3. The comment period for today's decision is waived.
4. Application 04-02-026 is closed.

This order is effective today.

Dated July 20, 2006, at San Francisco, California.

MICHAEL R. PEEVEY  
President  
GEOFFREY F. BROWN  
DIAN M. GRUENEICH  
JOHN A. BOHN  
RACHELLE B. CHONG  
Commissioners

## APPENDIX

## Compensation Decision Summary Information

<b>Compensation Decision:</b>	D0607020	<b>Modifies Decision?</b>	N
<b>Contribution Decision(s):</b>	D0512040		
<b>Proceeding(s):</b>	A0402026		
<b>Author:</b>	ALJ O'Donnell		
<b>Payer(s):</b>	Southern California Edison Company		

## Intervenor Information

<b>Intervenor</b>	<b>Claim Date</b>	<b>Amount Requested</b>	<b>Amount Awarded</b>	<b>Multiplier ?</b>	<b>Reason Change/Disallowance</b>
Aglet	2/14/06	\$60,733.70	\$48,358.73	N	Failure to make a substantial contribution

## Advocate Information

<b>First Name</b>	<b>Last Name</b>	<b>Type</b>	<b>Intervenor</b>	<b>Hourly Fee Requested</b>	<b>Year Hourly Fee Requested</b>	<b>Hourly Fee Adopted</b>
James	Weil	Policy Expert	Aglet	\$250	2004-6	\$250
Raymond	Czahar	Policy Expert	Aglet	\$220	2004	\$220

(END OF APPENDIX)