Decision 08-04-037 April 10, 2008

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

Order Instituting Rulemaking into the Review of the California High Cost Fund B Program.	Rulemaking 06-06-028 (Filed June 29, 2006)

OPINION GRANTING INTERVENOR COMPENSATION TO THE UTILITY REFORM NETWORK FOR CONTRIBUTIONS TO DECISION 07-09-020

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OPINION GRANTING INTERVENOR COMPENSATION TO THE UTILITY REFORM NETWORK FOR CONTRIBUTIONS TO DECISION 07-09-020

1. Introduction

This decision awards $127,994.35 to The Utility Reform Network (TURN) in compensation for its substantial contributions to Decision (D.) 07-09-020, the Commission's decision relating to the review of the California High Cost Fund B (CHCF-B) Program. In D.07-09-020, the Commission adopted initial reforms to the CHCF-B program. The proceeding remains open for remaining issues in Phase II. The CHCF-B program was established to promote the goal of universal service by providing funding to support the provision of affordable basic telephone service in high-cost areas.

This proceeding was opened in June 2006 to review the CHCF-B program to consider reforms, among other things, adjusting support levels to reflect updated conditions, to target support more effectively while meeting universal service goals. Phase I of this proceeding was resolved with the issuance of D.07-09-020, where the Commission reduced CHCF-B support levels by revising the benchmark used to delineate "high cost" areas. As a result, subject to a transitional implementation, fewer primary residential lines will qualify for payment of B-Fund support. We likewise reduced the B-Fund retail surcharge effective January 1, 2008.

In D.07-09-020, we also initiated an inquiry to implement a "California Advanced Services Fund" (CASF) to provide incentives for deployment of broadband facilities in unserved and underserved areas of California. TURN participated in the proceedings leading up to D.07-09-020, and accordingly submitted its request for compensation for its significant contribution to the decision.

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.[1]

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 must 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 contentions or recommendations by a Commission order or decision. (§§ 1802(i), 1803(a).)
6. The claimed fees and costs must be reasonable (§1801) necessary for and related to the substantial contribution

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

> (D.98-04-059), comparable to the market rates paid to experts and with comparable training and experience (§ 1806), and productive (D.98-04-059).

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

3 Procedural Issues

TURN is a non-profit consumer advocacy organization representing residential and small commercial customers of California's utilities. TURN timely filed its Notice of Intent to Claim Compensation in this proceeding on November 29, 2006. An Administrative Law Judge's (ALJ) Ruling, issued on January 15, 2008, found that TURN satisfied the requirements for a showing of significant financial hardship and that TURN was eligible to claim intervenor compensation. Pursuant to § 1802(b), TURN is a "customer" as the term is used in the intervenor compensation statutes.

TURN filed the subject request for compensation on November 6, 2007, within 60 days of September 7, 2007, the mailing date of D.07-09-020. In view of the above, we find that TURN has satisfied all procedural requirements here necessary to request an award of compensation.

Although this proceeding is still open, under Rule 17.3, an intervenor need not await the decision closing a proceeding if it has substantially contributed to the resolution of an issue in an earlier decision. Accordingly, TURN is eligible to seek compensation for substantial contributions to D.07-09-020.

4. Summary of Requested Compensation

TURN seeks compensation of $129,896.85 for the work conducted in this proceeding over the 2006-2007 period, broken down by the following categories:

Expense Category	Amount
Attorney Time	$113,810.25
Consulting	15,310.00
Direct Expenses	776.60[2]
Total	$129,896.85

Each of the expense categories is further delineated by hourly rates and total hours claimed for each attorney and advocate who performed work on behalf of TURN, as set forth below. The attorney/advocate fees include $108,980 spent on the issues in the proceeding and $4,830 on preparing the compensation request.

Attorney/Advocate Fees

Attorney	Year Incurred	Hours	Hourly Rate	Total Dollars
Regina Costa	2006	96.90	$235	$22,771.50
	2007	136.75	$255	34,871.25
Christine Mailloux	2006	68.25	$335	22,863.75
	2007	19.25	$360	6,930.00
William Nusbaum	2006	41.75	$375	$15,656.25
	2007	13	$405	$5,265.00
Robert Finkelstein	2006	1	$405	$405
	2007	0.5	$435	$217.50
TOTAL				**$108,980.25**

TURN seeks reimbursement of costs for time spent preparing its request for compensation by discounting one-half of the hourly rate otherwise requested. This treatment is consistent with the Commission's practice of generally treating

[2] TURN miscalculates the total amount of its direct expenses: it should be $876.60 – not $776.60. The error also affects the total requested amount: it should be $129,996.85 instead of $129,896.86. We correct these errors in our award.

compensation requests as a pleading that does not require an attorney's drafting efforts. This element of the requested compensation is $4,830, as set forth below:

Attorney	Year Incurred	Hour	Rate	Total Dollars
Christine Mailloux	2006	2.5	$167	$417.50
	2007	21.5	$180	$3,870
Robert Finkelstein	2007	2.5	$217	$542.50
TOTAL				**$4,830**

TURN also seeks compensation of $15,310 for consulting fees paid to Trevor Roycroft, PhD., based on the hourly fees and total hours claimed, as set forth below:

	Year Incurred	Hour	Rate	Total Dollars
Trevor Roycroft, PhD	2006	34.5	$160	$5,520
	2007	44.5	$220	$9,790
TOTAL				**$15,310**

The itemized miscellaneous direct expenses of $776.60[3] submitted by TURN, cover postage, copying, telephone, travel, and necessary parking for attending meetings.

5. Demonstration of a Substantial Contribution

To qualify for an award of compensation, TURN must demonstrate that it made a substantial contribution to D.07-09-020. In evaluating whether TURN made a substantial contribution, we look at several things. First, we consider whether the ALJ or Commission adopted one or more factual or legal contentions, or specific policy or procedural recommendations, put forward by

[3] As we have stated earlier, in the request for compensation the amount of TURN's direct expenses is miscalculated. It should be $876.60, instead of $776.60. We correct the error in the award.

TURN. (*See* § 1802(i).) Second, we consider if TURN's contentions or recommendations paralleled those of another party, or if TURN's participation materially supplemented, complemented, or contributed 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 TURN made a substantial contribution requires the exercise of judgment. In assessing whether an intervenor meets this standard, the Commission typically reviews the record, and compares it to the findings, conclusions, and orders in the decision to which the intervenor asserts that it contributed. We then exercise judgment as to whether the intervenor's presentation substantially assisted the Commission. With this guidance in mind, we turn to the claimed contributions that TURN made to D.07-09-020.

TURN participated in all aspects of the proceedings leading up to D.07-09-020, engaging in discovery, offering expert affidavits, and filing comments and recommendations. A number of issues decided in D.07-09-020 were consistent with TURN's recommendations. For example, TURN advocated for continuation of the CHCF-B program and discussed statutory obligations supporting continuation. TURN provided arguments in opposition to AT&T's advocacy for rate adjustments offsetting reductions in B-Fund support to achieve revenue neutrality. TURN advocated for various revisions in the Proposed Decision regarding establishment of the California Advanced Services Fund (CASF). TURN provided recommendations concerning how support levels and areas eligible for high-cost support should be updated based upon a cost model such as the FCC Synthesis Model or the Hatfield Model (HM) 5.3.

We agree with TURN's characterization of the record in this proceeding and TURN's contribution, and find therefore that TURN made a substantial contribution to D.07-09-020. Although not all of its positions were adopted, TURN still made a substantial contribution through its advocacy in the areas noted above. The Commission has regularly granted compensation requests for reasonable hours where specific recommendations were not adopted, but where, as is true here, a party's participation contributed to the Commission's analysis. Having determined that TURN made a substantial contribution to D.07-09-020, we consider the reasonableness of TURN's requested compensation.

6. Reasonableness of Hourly Rates and Hours Claimed

First we first assess whether the hours claimed for the customer's efforts that resulted in substantial contributions to Commission decisions are reasonable. We determine to what degree the hours and costs relate to the work performed and are necessary for the substantial contribution. TURN provided a tabulation of total hours claimed for compensation with a breakdown of the tasks performed by its staff attorneys and consultants. The hourly breakdown reasonably supports TURN's claim for total hours. Given the length, complexity, and significance of the proceedings leading to D.07-09-020, we conclude that the total hours claimed by TURN are reasonable and warrant compensation.

TURN presented a description of each participant's activities in the proceeding. Costa served as TURN's primary advocate in the proceeding. Mailloux served as lead attorney, assisting in developing TURN's position, doing legal research and drafting of comments. Nusbaum provided support in the form of additional legal research and drafting. Roycroft provided expert consultant services on substantive issues. Finkelstein generally supervised the substantive work and assisted in preparing the request for compensation.

Next, we next consider whether the claimed hourly rates for each attorney or advocate are comparable to market rates paid to experts and advocates with similar degrees of training and experience and offering similar services. For work performed in 2006, TURN applied the hourly rates that the Commission previously adopted as reasonable for the work of each of its attorneys and consultants. For hourly rates for work performed in 2007 by its attorneys, TURN seeks an 8% increase, equal to a 3% cost-of-living adjustment plus a 5% "step" increase applicable under the conditions described in D.07-01-009 (R.06-08-022).[4] For TURN's consultant, Roycroft, TURN seeks an increase in the 2007 hourly rate in excess of 8%, as described below.

We approve the hourly rates proposed by TURN for work performed in 2006 since these rates were previously approved in earlier decisions. We also approve the hourly rates for work performed in 2007, except for the rate proposed for Roycroft. TURN's 2007 rates based on the use of an 8% escalation of 2006 hourly rates are reasonable, and conform to the conditions set forth in D.07-01-009.

The Commission previously approved the $235 hourly rate sought for Costa's work in 2006 in D.07-04-032 (R.05-09-006). The $255 hourly rate sought for her work in 2007 represents an 8% increase to the 2006 rate, rounded to the nearest $5 increment.

The $335 hourly rate sought for Mailloux's work in 2006 was approved by the Commission in D.06-11-009 (in R.00-02-004). The $360 hourly rate sought for

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[4] The conditions set forth in D.07-01-009 (p. 6) are that the "step" increase is available only twice within any given level of experience, and cannot bring the resulting rate

Footnote continued on next page

2007 work represents an 8% increase to the 2006 rate, rounded to the nearest $5 increment.

The $375 hourly rate sought for Nusbaum's work in 2006 was approved by the Commission in D.06-11-009 (R.00-02-004). The $405 hourly rate sought for 2007 work represents an 8% increase to the 2006 rate, rounded to the nearest $5 increment.

The $405 hourly rate sought for Finkelstein's work in 2006 was previously approved by the Commission in D.06-10-028 (A.04-12-014). The $435 hourly rate sought for 2007 work represents an 8% increase to the 2006 rate, rounded to the nearest $5 increment.

The $160 hourly rate sought for Roycroft's work in 2006 was approved by the Commission in D.07-05-050 (R.05-04-005). For 2007, TURN seeks an increase to $220 hourly rate sought for Roycraft's work, however, which exceeds the standard 8% increase which the Commission approved for him in D.07-01-009. TURN argues, however that the additional increase is justified in view of the experience and expertise of Roycroft.

TURN argues that the requested $220 hourly rate of Roycroft satisfies D.05-11-031 with respect to the conditions under which an increase from previously authorized rates may be permitted. In D.05-11-031, we adopted guidelines and principles for setting intervenors' hourly rates for work performed in 2005, and affirmed previously approved rates for work in 2004. D.05-11-031 established a range of rates authorized for attorneys and experts for 2004 and 2005. TURN argues that the requested rate of $220 for Roycroft is

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outside of the rate range established for that level of experience. The resulting rates calculated by TURN remain within the applicable rate ranges.

consistent with the third of the three conditions identified in D.05-11-031 as permitting an increase from previously authorized rates. In this regard D.05-11-031 states:

> Where a representative's last authorized rate is below that of the range of rates shown in the table above for representatives with comparable qualifications, an increase is reasonable to bring the representative's rate to at least the bottom level of the rate range. Here, we have in mind certain representatives who have historically sought rates at or or below the low end of the range of rates for their peers [footnote omitted] We emphasize, however, that for any given level of qualifications, there will always be a range of rates in the market, so this increase is intended to narrow but not necessarily eliminate perceived disparities.[5]

TURN argues that because the adopted rates for Roycroft for 2005 and 2006 are toward the bottom of the adopted market-based range shown in the table in D.05-11-031, an additional increase is warranted to bring his approved rate for 2007 up to the level of $220 per hour. TURN argues that Roycroft's qualifications and experience, as a well-established economist with a PhD, compares directly with consultants such as Terry Murray for whom an hourly rate of $350 has previously been approved. TURN also compares the requested $220 hourly rate for Roycroft with the $210 hourly rate that has been approved previously for Scott Cratty and Beth Keintzle. TURN argues that the market rate for Roycroft as a PhD economist should not be lower than the rate for these expert analysts. TURN also argues that the requested $220 hourly rate should be compared to the higher levels of the range reported by the utilities for 2003 and

[5] D.05-11-031, pp. 17-18; *see also* Finding of Fact 14.

2004 (which TURN represents as $315-$420 for in-house experts and $420-$475 for outside experts).

In D.07-10-015, we previously declined TURN's request to reconsider the amount of its compensation award increasing to reflect an increase in Roycroft's rate for 2005 from $155 to $200. TURN based this request on the claim that Roycroft's higher rate of $200 was supported by the third condition found in D.05-11-031, asserting several reasons as to why the third condition should be invoked. For instance, TURN asserted that Roycroft had not raised his rates in 2002, 2003, or 2004; that Roycroft brought approximately two decades of relevant experience to his work; and that rates awarded to similarly-situated witnesses were substantially higher. In D.07-10-015, we were unpersuaded by these arguments, and concluded that the third condition outlined in D.05-11-031 was not a proper basis to justify the hourly rate increase requested by TURN.

The range of rates established for experts for work performed in 2005 was between $110 and $360. (*2005 Rates for Intervenor Representatives* [D.05-11-031], *supra*, at p. 17 (slip op.).) Roycroft's 2005 rate of $155, however, was within the range shown in the tables established in D.05-11-031. Thus, we concluded that applying the third condition to the 2005 rate did not justify an increase.

Moreover, as noted in D.07-10-015, the third condition set forth in D.05-11-031 was designed to remedy a specific problem and should not be broadly construed. The third condition was adopted because the Commission "ha[d] in mind certain representatives who have historically sought rates at or below the low end of the range of rates for their peers." Moreover, the Commission emphasized that because there will always be a range of rates in the market, the third condition "is intended to narrow but not necessarily eliminate perceived disparities." (*Id.* at p. 18.)

TURN argues that the logic underlying D.07-10-015 is inconsistent with earlier decisions applying the third condition to set the rate for other TURN witnesses, even where their previously awarded rate similarly fell within the broad range shown in the tables established in D.05-11-031. TURN provides two examples where the Commission authorized an increase above the 3% standard adopted for most other witnesses and attorneys even though the approved rates were within the range described for expert witnesses in D.05-11-031. Yet, neither of these examples is comparable to the instant request. In the two examples cited by TURN, the hourly rate increases granted represented annual increases of only 7% and 10%, respectively.

By comparison, TURN requested a 29% increase in the hourly rate for Roycroft for 2005, which we denied in D.07-10-015. Moreover, in this proceeding, TURN's request for an hourly rate of $220 represents an even higher 37.5% annual increase over the $160 rate for 2006. Thus, the fact that the Commission approved hourly rate increases for TURN's representatives in the range of 7% to 10% in D.06-04-029 does not support approval of the 37.5% annualized increase in Roycroft's rate sought by TURN in this proceeding.

TURN proposed as an alternative, if the Commission declines to approve the $220 hourly rate, that an 8% increase be applied to Roycroft's currently approved 2006 rate of $160, resulting in a 2007 rate of $175. TURN argues, however, that by limiting Roycroft's compensation to 8%, a rate below the rate at which TURN was actually billed, the Commission is jeopardizing TURN's active participation in these complex proceedings.

Consistent with the reasoning previously applied in D.07-10-015, we conclude that the third condition outlined in D.05-11-031 is not a proper basis to justify the 37.5% increase in Roycroft's rate as requested by TURN. Instead, we

shall increase Roycroft's 2007 to $175, an increase of 8% over 2006. The approved 8% increase is consistent with the guidelines we apply to the hourly rates for TURN's other representatives, equal to a 3% cost-of-living adjustment plus an additional 5% "step" increase applicable to attorneys and experts under the conditions described in D.07-01-009 (R.06-08-022), as noted previously. The fact that TURN was billed for Roycroft's services at a higher rate does not control the level of compensation deemed reasonable. The disallowance of $45 per hour applied to the total of 44.5 hours for Roycroft reduces the amount of the award by $2,002.50.

7. Productivity

D.98-04-059 directed customers seeking compensation awards to estimate productivity by assigning a reasonable dollar value to the ratepayer benefits of their participation. TURN argues that in this proceeding, the Commission should treat TURN's compensation request as it has treated similar past requests with regard to the difficulty of establishing specific monetary benefits associated with TURN's participation.[6]

TURN argues for an award of 100% of the hours that it devoted to this proceeding leading up to D.07-09-020 is justified even though it did not prevail on all issues for which it advocated. TURN identifies examples of instances where the Commission awarded TURN full intervenor compensation for claimed hours even though the Commission did not adopt all of TURN's proposals.

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[6] TURN cites various Commission decisions where intervenor compensation was awarded even though the Commission acknowledged the difficulty of assigning specific monetary benefits to TURN's participation. *See e.g.,* D.06-10-043, p. 16 (Verizon UNE); D.04-12-005 at l. 23-24 (Telecom Bill or Rights); D.00-04-006 at pp. 9-10 (Edison PBR Midterm Review); D.99-12-005, pp. 6-7 (PG&E GRC in A.97-12-020).

TURN argues that its success in this proceeding is at least commensurate with its degree of success in those prior cases in which the Commission awarded TURN full compensation.

Although TURN was not able to allocate its entire tabulation of hours to specific issues, TURN did provide a breakdown of certain hours allocated among the following issues: the California Advanced Service Fund; arguments justifying continuation of the B-Fund and advocacy as to the structure and role of the fund; opposition to revenue neutrality arguments and timing the end of the rate freeze setting of price caps and basic rate affordability; and methodologies for updating high-cost proxies. Where TURN believed that allocation of hours to a specific issue was not practical, it entered such hours in its tabulation with the designation (#).

The costs of TURN's participation should bear a reasonable relationship to benefits realized through its participation. In a rulemaking such as this, productivity is not easily quantified. We therefore consider such qualitative criteria as the breadth of scope of the proceeding, the significance of the adopted policies and the complexity of the issues. The issues raised in this proceeding were certainly important, far-reaching and complex. While TURN's proposals were not adopted in every detail by the Commission, a number of its positions were adopted. TURN played an important role in its advocacy for the interests of residential and small commercial ratepayers in seeking a balance with other interests, including those of competitive carriers.

We will not reduce TURN's compensation request based upon any perceived duplication. TURN collaborated with the Division of Ratepayer Advocates and parties representing competitive carriers. TURN took reasonable steps to keep duplication to a minimum and to ensure that when it did happen,

TURN's work served to complement and assist the showings of other parties. We therefore do not discount TURN's request on the basis of low productivity.

8. Award

As set forth in the table below, we award TURN $127,994.35 for its participation in this proceeding, as set forth herein. This is the amount requested by TURN except for an adjustment to the hourly rate for Roycroft, which reduces the total award by $2,002.50.[7] With the exception of this adjustment, we find TURN's request to be reasonable.

Work on Proceeding				
Attorney	**Year**	**Hours**	**Hourly Rate**	**Total**
Regina Costa	2006	96.90	$235.00	$22,771.50
Regina Costa	2007	136.75	$255.00	$34,871.25
Christine Mailloux	2006	68.25	$335.00	$22,863.75
Christine Mailloux	2007	19.25	$360.00	$6,930.00
William Nusbaum	2006	41.75	$375.00	$15,656.25
William Nusbaum	2007	13.00	$405.00	$5,265.00
Bob Finkelstein	2006	1.00	$405.00	$405.00
Bob Finkelstein	2007	0.50	$435.00	$217.50
Attorney subtotal:				**$108,980.25**
Consultant	**Year**	**Hours**	**Hourly Rate**	**Total**
Trevor Roycroft, PhD.	2006	34.50	$160.00	$5,520.00
Trevor Roycroft, PhD.	2007	44.50	$175.00	$7,787.50
Consultant subtotal:				**$13,307.50**
Work on Intervenor Compensation Request Preparation				
Attorney	**Year**	**Hours**	**Hourly Rate**	**Total**

[7] Calculated on a total of 44.5 claimed hours for Roycroft for 2007 applied to a reduction in the hourly rate of $45 (*i.e.*, $220 - $175).

Christine Mailloux	2006	2.50	$167.00	$417.50
Christine Mailloux	2007	21.50	$180.00	$3,870.00
Bob Finkelstein	2007	2.50	$217.00	$542.50
Compensation Request subtotal:				**$4,830.00**

Direct Expenses	
Copies	$177.40
Phone	$131.02
Lexis Research	$568.18
Direct Expenses Subtotal:	**$876.60**
Total Award:	**$127,994.35**

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 from January 14, 2008, the 75th day after TURN filed its compensation request, and continuing until full payment of the award is made.

Because this proceeding relates to B-Fund program reforms, it is reasonable to apportion responsibility for payment of TURN's award, as granted herein, among the four major incumbent local exchange carriers (ILECs) that receive B-Fund support as carriers of last resort. These four ILECs are Pacific Bell Telephone Company d/b/a AT&T California (AT&T), Verizon California Inc. (Verizon), SureWest Telephone (SureWest), and Citizens Telecommunications Company of California Inc, d/b/a Frontier Communications Company of California (Frontier). We direct each the ILECs to make payment to TURN for a proportionate share of the award granted based upon their individual respective shares of California-jurisdictional retail revenues for calendar-year 2007.

Commission staff may audit TURN's records related to this award and TURN must make and retain adequate accounting and other documentation to support all claims for intervenor compensation. TURN'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.

9. Waiver of Comment Period

This is an intervenor compensation matter. Accordingly, as provided by Rule 14.6(c)(6) of our Rules of Practice and Procedure, we waive the otherwise applicable 30-day comment period for this decision.

10. Assignment of Proceeding

Rachelle B. Chong is the assigned Commissioner and Thomas R. Pulsifer is the assigned Administrative Law Judge in this proceeding.

Findings of Fact

1. TURN has satisfied all of the procedural requirements necessary to claim compensation in this proceeding.
2. TURN made a substantial contribution to D.07-09-020 as described herein.
3. TURN requested hourly rates for its representatives that, as adjusted herein, are reasonable when compared to the market rates for individuals with comparable training and experience.
4. TURN requested related expenses that are reasonable and commensurate with the work performed.
5. The total of the reasonable compensation for TURN is $127,994.35.
6. The appendix to this opinion summarizes today's award.

Conclusions of Law

1. TURN has fulfilled the requirements of Pub. Util. Code §§ 1801-1812, which govern awards of intervenor compensation, and is entitled to intervenor compensation for its substantial contributions to the above-referenced proceeding.

2. TURN should be awarded $127,994.35 for its contributions to D.07-09-020 in this proceeding.

3. Pursuant to Rule 14.6.(c)(6), the comment period for this compensation decision may be waived.

4. This order should be effective today so that TURN may be compensated without further delay.

O R D E R

IT IS ORDERED that:

1. The Utility Reform Network (TURN) is awarded $127,994.35 as compensation for its substantial contributions in this proceeding.

2. Within 30 days of the effective date of this decision, the four major incumbent local exchange carriers, namely, Pacific Bell Telephone Company d/b/a AT&T California (AT&T), Verizon California Inc. (Verizon), SureWest Telephone (SureWest), and Citizens Telecommunications Company of California Inc, d/b/a Frontier Communications Company of California (Frontier) shall each pay TURN their respective portion of the award as adopted herein. Each of these four ILECs shall pay a proportional percentage of the award granted to TURN based upon their relative shares of California-jurisdictional retail revenues for the 2007 calendar year.

3. Within 30 days of the effective date of this decision, the award described herein shall be paid by the four Incumbent Local Exchange Carriers. 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 the 75th day after TURN filed its request for compensation, effective January 14, 2008, and continuing until full payment is made.

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

This order is effective today.

Dated April 10, 2008, at San Francisco, California.

MICHAEL R. PEEVEY
President
DIAN M. GRUENEICH
JOHN A. BOHN
RACHELLE B. CHONG
TIMOTHY ALAN SIMON
Commissioners

APPENDIX
Compensation Decision Summary Information

Compensation Decision(s):	D0804037
Contribution Decision(s):	D0709020
Proceeding(s):	R0606028
Author:	ALJ Thomas Pulsifer
Payer(s):	AT&T; Verizon, SureWest. and Frontier Communications

Intervenor Information

Intervenor	Claim Date	Amount Requested	Amount Awarded	Reason Change/ Disallowance
TURN	11/06/2007	$129,896.85	$127,994.35	Excessive hourly rate, correction of minor computation error

First Name	Last Name	Type	Intervenor	Hourly Fee Requested	Year Hourly Fee Requested	Hourly Fee Adopted
Regina	Costa	Attorney	The Utility Reform Network	235	2006	235
Regina	Costa	Attorney	The Utility Reform Network	255	2007	255
Christine	Mailloux	Attorney	The Utility Reform Network	335	2006	335
Christine	Mailloux	Attorney	The Utility Reform Network	360	2007	360
William	Nusbaum	Attorney	The Utility Reform Network	375	2006	375
William	Nusbaum	Attorney	The Utility Reform Network	405	2007	405
Robert	Finkelstein	Attorney	The Utility Reform Network	405	2006	405
Robert	Finkelstein	Attorney	The Utility Reform Network	435	2007	435
Trevor	Roycroft	Attorney	The Utility Reform Network	160	2006	160
Trevor	Roycroft	Attorney	The Utility Reform Network	220	2007	175

(END OF APPENDIX)