

Decision 24-09-017 September 12, 2024

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

Application of Southern California Edison Company (U338E) for Authority to Increase its Authorized Revenues for Electric Service in 2021, among other things, and to Reflect that Increase in Rates.

Application 19-08-013
(Filed August 30, 2019)

DECISION GRANTING INTERVENOR COMPENSATION TO THE UTILITY REFORM NETWORK FOR SUBSTANTIAL CONTRIBUTION TO DECISION (D.) 23-05-013 AND DECISION (D.) 23-11-096

Intervenor: The Utility Reform Network (TURN)	For contribution to Decisions (D.) 23-05-013 and D.23-11-096
Claimed: \$84,075.00 ¹	Awarded: \$104,179.25
Assigned Commissioner: Alice Reynolds ²	Assigned ALJ: Ehren D. Seybert ³

PART I: PROCEDURAL ISSUES

A. Brief description of Decision:	In D.23-05-013 (“Insurance Decision”) , the Commission adopted the uncontested settlement agreement proposed by Southern California Edison Company (SCE), the Public Advocates Office at the California Public Utilities Commission (Cal Advocates), and TURN addressing SCE’s wildfire liability insurance costs for 2023 and 2024. Adoption of the settlement agreement resulted in a reduction of \$80 million to SCE’s authorized revenue requirement for 2023, a potential \$160 million reduction to SCE’s requested revenue requirement for 2024, as well as other potential savings and benefits to ratepayers.
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¹ Based on actual hours reflected in TURN’s timesheets, the correct total is \$110,927.50. (See footnotes 10-15).

² This proceeding was assigned to Commissioner Alice Reynolds on August 7, 2024.

³ This proceeding was assigned to ALJ Ehren D. Seybert on September 27, 2019.

	<p>In D.23-11-096 (“Track 4 Decision”), the Commission adopted the uncontested settlement agreement between SCE, Cal Advocates, TURN, Small Business Utility Advocates (SBUA), and the Coalition of California Utility Employees (CUE) to resolve all issues in Track 4 of this proceeding concerning SCE’s 2024 base revenue requirement. Consistent with the settlement agreement, the Commission authorized a 2024 base revenue requirement for SCE of \$8.425 billion, which is \$181 million less than SCE’s request for \$8.606 billion. Additionally, consistent with D.23-05-013, the Track 4 settlement agreement included a \$160 million base revenue requirement reduction for 2024, subject to an additional one-time credit to customers of up to \$24 million in 2024 to the extent that those amounts remain unencumbered by wildfire losses as of January 1, 2024.</p>
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B. Intervenor must satisfy intervenor compensation requirements set forth in Pub. Util. Code §§ 1801-1812⁴:

	Intervenor	CPUC Verification
Timely filing of notice of intent to claim compensation (NOI) (§ 1804(a)):		
1. Date of Prehearing Conference:	10/30/2019	Verified
2. Other specified date for NOI:		
3. Date NOI filed:	11/26/2019	Verified
4. Was the NOI timely filed?		Yes
Showing of eligible customer status (§ 1802(b)) or eligible local government entity status (§§ 1802(d), 1802.4):		
5. Based on ALJ ruling issued in proceeding number:	R.19-01-011	Verified
6. Date of ALJ ruling:	7/26/2019	Verified
7. Based on another CPUC determination (specify):		
8. Has the Intervenor demonstrated customer status or eligible government entity status?		Yes
Showing of “significant financial hardship” (§1802(h) or §1803.1(b)):		
9. Based on ALJ ruling issued in proceeding number:	R.19-01-011	Verified

⁴ All statutory references are to California Public Utilities Code unless indicated otherwise.

	Intervenor	CPUC Verification
10. Date of ALJ ruling:	7/26/2019	Verified
11. Based on another CPUC determination (specify):		
12. Has the Intervenor demonstrated significant financial hardship?		Yes
Timely request for compensation (§ 1804(c)):		
13. Identify Final Decision:	D.23-11-096	Verified
14. Date of issuance of Final Order or Decision:	12/5/23	Verified
15. File date of compensation request:	2/2/24	Verified
16. Was the request for compensation timely?		Yes

C. Additional Comments on Part I:

#	Intervenor’s Comment(s)	CPUC Discussion
1	The Commission verified TURN’s showing of eligible customer status and significant financial hardship in this proceeding in D.22-08-050 and D.24-01-049, which awarded intervenor compensation to TURN for substantial contribution to the Track 1, 2, and 3 decisions.	Verified. D.22-08-050 and D.24-01-049 awarded compensation to TURN in A.19-08-013. Per Rule 17.2 of the Commission’s Rules of Practice and Procedure states that “A party found eligible for an award of compensation in one phase of a proceeding remains eligible in later phases, including any rehearing, in the same proceeding.”

PART II: SUBSTANTIAL CONTRIBUTION

A. Did the Intervenor substantially contribute to the final decision (see § 1802(j), § 1803(a), 1803.1(a) and D.98-04-059):

Intervenor’s Claimed Contribution(s)	Specific References to Intervenor’s Claimed Contribution(s)	CPUC Discussion
D.23-11-096 (Track 4 Decision)		
1. Track 4 Settlement - Overall Like any settlement agreement, the settlement agreement adopted in D.23-11-096 reflects a compromise of parties’ litigation positions. While confidentiality provisions prevent	<ul style="list-style-type: none"> • D.23-11-096, p. 1 • Track 4 Settlement Agreement (attached to D.23-11-096 as Appendix A), 	Verified

<p>discussion of how specific settlement provisions were reached, the Commission can ascertain TURN’s contributions in this case by comparing provisions of TURN’s testimony, which was submitted prior to the filing of the Settlement Agreement, with the provisions of the Settlement Agreement.</p> <p>Overall, TURN recommended a revenue requirement for 2024 that was \$487 million lower than SCE’s request. Cal Advocates recommended a reduction of \$198 million to SCE’s request. The Settlement Agreement adopted an overall reduction of \$181 million to SCE’s request, reflecting a compromise between TURN’s, Cal Advocates’ and SCE’s litigation positions.</p> <p>The Commission adopted the settlement agreement without modification in D.23-11-096.</p>	<p>Appendix B (Comparison Exhibit)</p>	
<p>2. Track 4 Settlement – Vegetation Management O&M</p> <p>TURN opposed SCE’s request to increase the forecast for 2024 vegetation management O&M by \$264 million above the amount resulting from the Track 1 post-test year ratemaking mechanism. TURN argued that this adjustment was inconsistent with the Track 1 mechanism, which only permitted budget-based adjustments for two capital programs, with the remainder of costs subject to formula adjustment mechanisms for O&M and capital. TURN noted that SCE can seek to recover incremental vegetation management O&M costs recorded to the two-way Vegetation Management Balancing Account in a separate proceeding.</p> <p>Cal Advocates recommended a \$207 million increase, based on 2019/2020 recorded costs.</p> <p>The settlement agreement, adopted by the Commission, provided SCE with an</p>	<ul style="list-style-type: none"> • Ex. TURN-Tr.4-01 (Goodson/Hawiger), pp. 11-14 • Track 4 Settlement Agreement (attached to D.23-11-096 as Appendix A), Appendix B (Comparison Exhibit) • D.23-11-096, pp. 10-11 	<p>Verified</p>

<p>additional \$255 million for vegetation management O&M in 2024, subject to the same two-way Vegetation Management Balancing Account conditions adopted in the Track 1 decision (thus protecting ratepayers from the risk that SCE does not need this level of funding).</p>		
<p>3. Track 4 Settlement – Wildfire Mitigation O&M</p> <p>TURN opposed SCE’s request to increase the forecast for 2024 wildfire mitigation O&M by \$82 million above the amount resulting from the Track 1 post-test year ratemaking mechanism. TURN argued that this adjustment was inconsistent with the Track 1 mechanism, which only permitted budget-based adjustments for two capital programs, with the remainder of costs subject to formula adjustment mechanisms for O&M and capital. TURN noted that SCE can seek to recover incremental wildfire mitigation O&M costs recorded to the Fire Risk Mitigation Memorandum Account and the Wildfire Mitigation Plan Memorandum Account in a separate proceeding.</p> <p>Cal Advocates recommended a \$72 million increase.</p> <p>The settlement agreement, adopted by the Commission, provided SCE with an additional \$52 million for wildfire mitigation O&M in 2024.</p>	<ul style="list-style-type: none"> • Ex. TURN-Tr.4-01 (Goodson/Hawiger), pp. 11-13 • Track 4 Settlement Agreement (attached to D.23-11-096 as Appendix A), Appendix B (Comparison Exhibit) • D.23-11-096, p. 10 	<p>Verified</p>
<p>4. Track 4 Settlement – Wildfire Mitigation Capital Expenditures</p> <p>TURN partially opposed SCE’s proposed 2024 budgets for wildfire-related capital activities. For the Wildfire Covered Conductor Program, TURN recommended a reduction of miles from 1,200 to 900, consistent with the annual mileage authorized in the Track 1 decision, and TURN supported SCE’s updated unit cost. TURN opposed the</p>	<ul style="list-style-type: none"> • Ex. TURN-Tr.4-01 (Goodson/Hawiger), pp. 19-27 • Track 4 Settlement Agreement (attached to D.23-11-096 as Appendix A), Appendix B (Comparison Exhibit) 	<p>Verified</p>

<p>adoption of new budgets for wildfire mitigation activities not funded through the Track 1 decision, as inconsistent with the Track 1 post-test year ratemaking mechanism.</p> <p>Cal Advocates also recommended 900 miles for the Wildfire Covered Conductor Program.</p> <p>The settlement agreement, adopted by the Commission, authorized SCE to implement 1,050 miles through the Wildfire Covered Conductor Program in 2024. It also incorporated SCE’s requested capital budgets for other wildfire mitigation activities.</p>	<ul style="list-style-type: none"> • D.23-11-096, p. 10 	
<p>5. Track 4 Settlement – Capital Additions Escalation</p> <p>TURN opposed SCE’s proposed to increase the post-test year escalation rate of 0% adopted in the Track 1 decision for non-wildfire mitigation capital additions. SCE requested to escalate capital additions based on the S&P Global forecast weighted average capital escalation rate.</p> <p>Cal Advocates also opposed SCE’s proposal.</p> <p>The settlement agreement, adopted by the Commission, authorized a 1.5% escalation rate in 2024 for capital additions.</p>	<ul style="list-style-type: none"> • Ex. TURN-Tr.4-01 (Goodson/Hawiger), pp. 29-31 • Track 4 Settlement Agreement (attached to D.23-11-096 as Appendix A), Appendix B (Comparison Exhibit) • D.23-11-096, p. 10 	<p>Verified</p>
<p>6. Track 4 Settlement – Customer Deposits True-Up</p> <p>TURN opposed SCE’s request to update the customer deposits balance for 2024, arguing that this change was beyond the scope of Track 4. This change would have added \$7 million to the 2024 revenue requirement.</p> <p>Cal Advocates did not oppose SCE’s request.</p> <p>The Settlement agreement, adopted by the Commission, rejected SCE’s request for a true-up of customer deposits.</p>	<ul style="list-style-type: none"> • Ex. TURN-Tr.4-01 (Goodson/Hawiger), pp. 31-32 • Track 4 Settlement Agreement (attached to D.23-11-096 as Appendix A), Appendix B (Comparison Exhibit) • D.23-11-096, p. 11 	<p>Verified</p>

<p>7. Track 4 Settlement – True-Up of 2020 Recorded Non-Wildfire Capital</p> <p>TURN opposed SCE’s request to true-up recorded 2020 non-wildfire capital expenditures and reflect that trued-up balance in 2024 rate base, arguing that this change was beyond the scope of Track 4. This change would have added \$41 million to the 2024 revenue requirement.</p> <p>Cal Advocates also opposed SCE’s request.</p> <p>The Settlement agreement, adopted by the Commission, rejected SCE’s request to true-up 2020 recorded capital expenditures.</p>	<ul style="list-style-type: none"> • Ex. TURN-Tr.4-01 (Goodson/Hawiger), p. 32 • Track 4 Settlement Agreement (attached to D.23-11-096 as Appendix A), Appendix B (Comparison Exhibit) • D.23-11-096, p. 11 	<p>Verified</p>
<p>8. Track 4 Settlement – Impact of 2021 Inflation in 2024</p> <p>TURN opposed SCE’s request to apply the actual 2021 O&M escalation rates in calculating 2024 escalation, as this approach is different than the Track 1 O&M expense attrition mechanism. TURN also pointed out that SCE did not present evidence that its financial health and credit standing require the attrition mechanism SCE proposed. SCE’s proposal would have added \$94 million to the 2024 revenue requirement.</p> <p>Cal Advocates also opposed SCE’s request.</p> <p>The Settlement agreement, adopted by the Commission, rejected SCE’s request for additional O&M escalation in 2024 to account for 2021 inflation.</p>	<ul style="list-style-type: none"> • Ex. TURN-Tr.4-01 (Goodson/Hawiger), pp. 15-17 • Track 4 Settlement Agreement (attached to D.23-11-096 as Appendix A), Appendix B (Comparison Exhibit) • D.23-11-096, p. 11 	<p>Verified</p>
<p>D.23-05-013 (Insurance Decision)</p>		
<p>1. Self-Insurance Settlement – Overall:</p> <p>In D.23-05-013, the Commission adopted a Petition for Modification (PFM) that very significantly changed the treatment of wildfire</p>	<ul style="list-style-type: none"> • D.23-05-013, p. 1 • Agreement Between Southern California 	<p>Verified</p>

<p>liability insurance to shift from reliance on commercial insurance to a fully self-insured model. As with the Track 4 settlement agreement adopted in D.23-11-096, the PFM reflected a negotiated outcome incorporating a compromise of the settling parties’ original positions. And given that the agreement was reached and presented after the original Track 1 decision had issued, there is no opportunity to compare the agreed-upon outcome with TURN’s litigation position. However, the Commission should find TURN’s participation in the development and presentation of the negotiated proposal constitutes a substantial contribution to D.23-05-013.</p> <p>In the Track 1 decision, the Commission authorized a forecast for the purchase of wildfire liability insurance from commercial providers during the 2021 GRC period, but did not foreclose SCE from using alternative risk transfer instruments such as self-insurance.⁵ The PFM explained that several factors had emerged since the Track 1 decision issued that warranted a shift to a fully self-insured framework for wildfire liabilities.⁶ First, the cost of commercial insurance had continued to increase since 2021, and future increases seemed likely.</p> <p>Second, a self-insurance template of sorts had been established in the PG&E test year 2023 GRC where, in light of even higher expected wildfire liability insurance costs facing the utility, the active parties in that proceeding had negotiated a multi-year 100% self-insurance program, with the Commission adopting the resulting proposed settlement without modification in D.23-01-005.</p>	<p>Edison Company (SCE), The Utility Reform Network, and the Public Advocates Office at the California Public Utilities Commission to Jointly Petition to Modify D.21-08-036 on Wildfire Liability Insurance Issues (“PFM Agreement”)(attached to D.23-05-013).</p>	
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⁵ D.23-05-013, p. 3, citing D.21-08-036, p. 402 and Conclusion of Law 177.

⁶ Petition for Modification (February 22, 2023), pp. 5-8.

<p>As with the Track 4 Settlement discussed above, confidentiality provisions prevent discussion of how the specific agreed-upon settlement provisions were reached. Under the circumstances, the Commission should assess TURN’s substantial contribution based on the decision’s discussion of the outcomes achieved through adoption of the settlement.</p>		
<p>2. Revenue Requirement Reduction:</p> <p>In the Track 1 decision, the Commission authorized a 2021 test year forecast of \$460 million for wildfire liability insurance costs to obtain \$1 billion of coverage. Under the self-insurance framework proposed in the PFM, the authorized revenue requirement was reduced \$80 million in the second half of 2023, and would increase to \$160 million per year for 2024 if the amount of wildfire liability claims for that year do not trigger the “Adjustment Mechanism.” The PFM Agreement could achieve further revenue requirement reductions based on the potential \$24 million one-time credit for previously collected insurance amounts, any returns earned from the investment of accrued self-insurance funds, and the potential for funds collected through the FERC-authorized rates to be applied toward a self-insurance accrual amount.</p>	<ul style="list-style-type: none"> • D.23-05-013, pp. 11-12 and Findings of Fact 6-9 and 11. • PFM , pp. 10-11; PFM Agreement, pp. 3-4 and 9. 	<p>Verified</p>
<p>3. SCE Shareholders’ Potential Share of Self-Insurance Costs:</p> <p>SCE shareholders will contribute 2.5 percent of any self-insurance costs ultimately paid for wildfire events that result in claims that exceed \$500 million, up to \$1 billion. While all interested parties hope that this provision is never triggered, should such circumstances arise during the term of the PFM Agreement, the provision will provide a small amount of incremental benefit to SCE’s customers.</p>	<ul style="list-style-type: none"> • D.23-05-013, p. 11-12 and Finding of Fact 10. • PFM , p. 11; PFM Agreement, p. 6. 	<p>Verified</p>

B. Duplication of Effort (§ 1801.3(f) and § 1802.5):

	Intervenor’s Assertion	CPUC Discussion
a. Was the Public Advocate’s Office of the Public Utilities Commission (Cal Advocates) a party to the proceeding?	Yes	Verified
b. Were there other parties to the proceeding with positions similar to yours?	No	Verified
c. If so, provide name of other parties:		
d. Intervenor’s claim of non-duplication:		Noted
<p><u>Track 4 Decision</u></p> <p>TURN coordinated with Cal Advocates from the outset of Track 4. This coordination allowed TURN to focus on developing complementary showings in our testimony where our recommendations aligned with Cal Advocates’. For instance, TURN and Cal Advocates both opposed additional escalation for O&M and capital additions as beyond the scope of Track 4. TURN also demonstrated that the policy concerns underlying the Commission’s conclusions regarding escalation of capital additions in Track 1 persist today. (Ex. TURN-Tr.4-01, pp. 29-31). Likewise, TURN refuted SCE’s claims that additional O&M escalation was necessary to address “credit pressures” by discussing rating agency comments and the Commission’s findings in its recent cost of capital decision. (Ex. TURN-Tr.4-01, pp. 16-17). Cal Advocates did not address these points. (Ex. CA Tr.4-01, pp. 5-7). TURN also presented different recommendations on some issues, including additional funding for vegetation management (TURN opposed, Cal Advocates recommended a smaller increase than SCE); additional funding for wildfire mitigation O&M (TURN opposed, Cal Advocates recommended a smaller increase than SCE); budgets for wildfire mitigation activities not funded in Track 1 (TURN opposed, Cal Advocates did not); and a true-up of customer deposits (TURN opposed, Cal Advocates did not).</p> <p>During Track 4 settlement negotiations, TURN coordinated closely with Cal Advocations. As TURN’s timesheets reflect, TURN took the lead on preparing settlement counter-offers on behalf of TURN and Cal Advocates (with input from Cal Advocates), presenting those offers to SCE, and addressing questions from SCE. TURN also took the lead on closely</p>		

<p>reviewing SCE’s drafts of settlement-related documents, which often resulted in the need for further substantive discussions and document modifications.</p> <p>In sum, TURN submits that the Commission should find that TURN’s efforts did not result in undue duplication with Cal Advocates’ work. Instead, TURN’s contributions to Track 4 on behalf of SCE’s ratepayers served to complement and supplement those of Cal Advocates.</p> <p><u>Insurance Decision</u></p> <p>TURN and Cal Advocates were the only intervenors whose prepared Track 1 testimony had addressed issues regarding SCE’s wildfire liability insurance. As had been the case with the PG&E GRC insurance settlement, here TURN coordinated with Cal Advocates on wildfire self-insurance issues from the initial discussions through the drafting and revising of the PFM and, ultimately, the Commission’s adoption of the PFM and the underlying agreement.</p> <p>The Commission should find that TURN’s participation was reasonably coordinated with the participation of Cal Advocates under the circumstances so as to avoid undue duplication, and to ensure that, whenever duplication occurred, it served to supplement, complement, or contribute to the showing of the other intervenors. And consistent with such a finding, the Commission should determine that all of TURN’s work is compensable consistent with the conditions set forth in Section 1802.5.</p>	
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PART III: REASONABLENESS OF REQUESTED COMPENSATION

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

	CPUC Discussion
<p>a. Intervenor’s claim of cost reasonableness:</p> <p>TURN’s request for intervenor compensation seeks an award of \$84,075.00 as the reasonable cost of our participation in Track 4 of SCE’s TY 2021 GRC, as well as our successful efforts to modify the treatment of wildfire liability insurance in the Track 1 decision.</p> <p>Because both of these efforts addressed cost recovery requests, the reasonableness of TURN’s request can be evaluated by comparing the benefits to ratepayers due to TURN’s participation to the costs to ratepayers due to the amount requested in this claim.</p>	<p>Noted</p>

	CPUC Discussion
<p>TURN’s work in D.23-11-096 (Track 4) contributed to O&M expense reductions of \$9 million for vegetation management, \$30 million for wildfire mitigation O&M, and \$94 million for 2021 inflation (in total, \$133 million), which directly reduces the amount of money that would otherwise have been collected from SCE’s customers. Similarly, TURN contributed to a further revenue requirement reduction of \$48 million associated with SCE’s rate base adjustment proposals re: customer deposits and 2020 recorded non-wildfire capital expenditures. Finally, TURN’s work contributed to a reduction of roughly \$100 million in capital spending for the Wildfire Covered Conductor Program, plus a reduced escalation rate for non-wildfire capital additions. While TURN cannot claim sole credit for the entirety of these amounts, the Commission should find that TURN’s productive efforts and collaboration with Cal Advocates were instrumental to this success in Track 4.</p> <p>TURN’s work culminating in D.23-05-013 (Insurance) reduced SCE’s 2023 revenue requirement by \$80 million and may reduce SCE’s 2024 revenue requirement by \$160 million, if not more. Once again, while TURN cannot claim sole credit for the entirety of these amounts, the Commission should find that TURN’s productive efforts and collaboration with Cal Advocates were instrumental to this success on wildfire liability insurance costs.</p> <p>TURN thus suggests that the requested compensation is entirely reasonable in light of TURN’s contributions to the decisions and the ensuing financial benefits to ratepayers.</p>	
<p>b. Reasonableness of hours claimed:</p> <p>This request for compensation includes approximately 170 hours of TURN’s attorney and expert time since May 2022, when SCE submitted its Track 4 filing.</p> <p>TURN General Counsel Robert Finkelstein represented TURN during negotiations leading to the PFM and settlement agreement on wildfire liability insurance. Mr. Finkelstein has covered insurance issues for TURN in a number of proceedings and, shortly before commencing this work here, represented TURN in successful settlement negotiations with PG&E covering wildfire liability insurance in PG&E’s Test Year 2023 GRC. He was the most reasonable person to cover wildfire liability insurance for TURN in this proceeding.</p> <p>TURN Managing Attorney Hayley Goodson represented TURN in Track 4. Ms. Goodson was TURN’s attorney on post-test year ratemaking issues in Track 1, making her an efficient choice to lead TURN’s efforts in Track 4,</p>	<p>Noted</p>

	CPUC Discussion
<p>which addressed the addition of 2024 as the third post-test year. Ms. Goodson also has decades of experience working on GRCs and, for this reason, could offer efficiencies by serving as TURN’s attorney and an expert witnesses sponsoring testimony. Ms. Goodson incurred roughly 110 hours working on Track 4, the vast majority of TURN’s hours.</p> <p>Ms. Goodson recruited three other TURN staff members to assist with initial issue spotting, particularly around wildfire-related capital programs. TURN Attorneys Marcel Hawiger and Elise Torres shared lead counsel roles in Tracks 1, 2, and 3, and brought greater familiarity with SCE’s wildfire-related programs. Mr. Hawiger, who worked on SCE’s Wildfire Covered Conductor Program in prior Tracks, reviewed SCE’s Wildfire Covered Conductor Program proposal for 2024. Ms. Torres conducted TURN’s initial review of SCE’s other proposed wildfire-related capital budgets. Based on Ms. Torres’ preliminary analysis, Ms. Goodson asked TURN’s in-house energy analyst Jennifer Dowdell to conduct a deeper review of specific wildfire-related capital proposals (other than Covered Conductor) to inform the scope and contents of TURN’s testimony. Ms. Dowdell had sponsored testimony for TURN in Track 3 and was familiar with SCE’s wildfire-related programs. Prior to joining TURN in 2019, Ms. Dowdell worked for forty years in energy and finance with major companies such as Exelon, Calpine and PG&E, in roles ranging from design engineering to finance and strategic planning.</p> <p>Based on this initial team effort, Mr. Hawiger and Ms. Goodson jointly sponsored TURN’s Track 4 testimony. Mr. Hawiger prepared the portion of TURN’s testimony addressing SCE’s Wildfire Covered Conductor Program and Ms. Goodson addressed all other aspects of SCE’s 2024 revenue requirement proposal.</p> <p>Together, Mr. Hawiger, Ms. Torres, and Ms. Dowdell devoted 19 hours to Track 4.</p> <p>Finally, Ms. Goodson consulted TURN’s Directory of Regulatory Strategy, Thomas Long, during the preparation of her testimony and settlement negotiations on issues within his expertise. Mr. Long devoted 1.75 hours to assisting Ms. Goodson.</p>	
<p>c. Allocation of hours by issue:</p> <p>TURN has allocated all of our staff time by issue area, as is evident on our attached timesheets (Attachment 2) and in Attachment 3, which shows the allocation of TURN’s time included in this request by attorney or expert and</p>	<p>Noted; totals 99.90%.</p>

			CPUC Discussion																								
<p>issue area. The following codes relate to specific substantive issue and activity areas addressed by TURN.</p> <table border="1" style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th style="width: 15%;">Code</th> <th style="width: 60%;">Description</th> <th style="width: 25%;">Allocation of Time</th> </tr> </thead> <tbody> <tr> <td>Track4</td> <td>Work related to developing TURN's Track 4 testimony responding to SCE's 2024 revenue requirement request</td> <td style="text-align: center;">49.5%</td> </tr> <tr> <td>Track4-Disc</td> <td>Work related to responding to discovery on TURN's Track 4 testimony</td> <td style="text-align: center;">2.2%</td> </tr> <tr> <td>Track4-Sett</td> <td>Work related to Track 4 settlement negotiations</td> <td style="text-align: center;">19.7%</td> </tr> <tr> <td>Track4-GP</td> <td>General work related to Track 4, including initial review of SCE's testimony and workpapers; meetings with SCE to preview the Track 4 filings and procedural issues; reviewing ALJ rulings; attending a mandatory meet and confer</td> <td style="text-align: center;">4.2%</td> </tr> <tr> <td>Ins</td> <td>Work related to the settlement agreement and PFM of D.21-08-036 on wildfire liability insurance</td> <td style="text-align: center;">18.1%</td> </tr> <tr> <td>Comp</td> <td>Work preparing TURN's request for intervenor compensation</td> <td style="text-align: center;">6.2%</td> </tr> <tr> <td>TOTAL</td> <td></td> <td style="text-align: center;">100%</td> </tr> </tbody> </table>			Code	Description	Allocation of Time	Track4	Work related to developing TURN's Track 4 testimony responding to SCE's 2024 revenue requirement request	49.5%	Track4-Disc	Work related to responding to discovery on TURN's Track 4 testimony	2.2%	Track4-Sett	Work related to Track 4 settlement negotiations	19.7%	Track4-GP	General work related to Track 4, including initial review of SCE's testimony and workpapers; meetings with SCE to preview the Track 4 filings and procedural issues; reviewing ALJ rulings; attending a mandatory meet and confer	4.2%	Ins	Work related to the settlement agreement and PFM of D.21-08-036 on wildfire liability insurance	18.1%	Comp	Work preparing TURN's request for intervenor compensation	6.2%	TOTAL		100%	
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<p>If the Commission believes that a different approach to issue-specific allocation is warranted here, TURN requests the opportunity to supplement this section of the request.</p>																											

B. Specific Claim:*

CLAIMED						CPUC AWARD		
ATTORNEY, EXPERT, AND ADVOCATE FEES								
Item	Year	Hours	Rate \$	Basis for Rate*	Total \$	Hours	Rate \$	Total \$
Hayley Goodson, TURN Attorney	2022	1.50	\$570.00	D.23-01-015	\$855.00	1.50	\$570.00	\$855.00

CLAIMED					CPUC AWARD			
Hayley Goodson, TURN Attorney	2023	107.25	\$625.00	See Comment #1 - Res. ALJ-393, 2022 Rate + 4.5% COLA, 5% step increase	\$67,031.2 5	106.25 [5]	\$625.00 [1]	\$66,406.25
Robert Finklestein, 7TURN General Counsel	2023	32.00	\$840.00	See Comment #2 - Res. ALJ-393, 2022 Rate + 4.5% COLA	8	24.95 [6]	\$840.00 [2]	\$20,958.00
Marcel Hawiger, TURN Attorney	2023	8.00	\$735.00	D.23-10- 017	\$5,880.00	7.75 [7]	\$735.00	\$5,696.25
Thomas Long, TURN Legal Director	2023	1.75	\$840.00	D.23-05- 032	\$1,470.00	1.75	\$830.00 [3]	\$1,452.50
Elise Torres, TURN Attorney	2023	3.25	\$510.00	D.24-01- 045	\$1,657.50	3.25	\$510.00	\$1,657.50
Jennifer Dowdell, TURN Senior Energy Policy Expert	2023	7.75	\$455.00	See Comment #3 - Res. ALJ-393, 2022 Rate + 4.5% COLA, 5% step increase	\$3,526.25	7.75	\$455.00 [4]	\$3,526.25
Subtotal: \$80,420.00⁹						Subtotal: \$100,551.75		

⁷ We note TURN's misspelling of Robert Finkelstein's name.

⁸ TURN's claim does not include Finkelstein's calculated total of \$26,880.00 for 2023.

⁹ Based on actual hours reflected in TURN's timesheets, the correct subtotal is \$107,300.00.

CLAIMED						CPUC AWARD		
INTERVENOR COMPENSATION CLAIM PREPARATION **								
Item	Year	Hours	Rate \$	Basis for Rate*	Total \$	Hours	Rate \$	Total \$
Hayley Goodson, TURN Attorney ¹⁰	2023 ¹⁰	1.00 ¹⁰				1.00 [8]	\$312.50 [1]	\$312.50
Hayley Goodson, TURN Attorney	2024	10.75 ¹¹	\$340.00	1/2 of rate requested for 2024 (See Comment #1 - Res. ALJ-393, 2023 Rate + 4.1% COLA, 5% step increase)	\$3,655.00 ¹²	9.75 [8]	\$340.00 [1]	\$3,315.00
Subtotal: \$3,655.00¹³						Subtotal: \$3,627.50		
TOTAL REQUEST: \$84,075.00¹⁴						TOTAL AWARD: \$104,179.25		
<p>*We remind all intervenors that Commission staff may audit the records and books of the intervenors to the extent necessary to verify the basis for the award (§1804(d)). Intervenors must make and retain adequate accounting and other documentation to support all claims for intervenor compensation. Intervenors' records should identify specific issues for which it seeks compensation, the actual time spent by each employee or consultant, the applicable hourly rates, fees paid to consultants and any other costs for which compensation was claimed. The records pertaining to an award of compensation shall be retained for at least three years from the date of the final decision making the award.</p> <p>**Travel and Reasonable Claim preparation time are typically compensated at ½ of preparer's normal hourly rate</p>								

¹⁰ TURN's timesheets include a recorded hour of Intervenor Compensation Claim Preparation time for 2023. The Commission has revised TURN's claim accordingly. Information has been added by the CPUC to include Goodson's 2023 Intervenor Compensation Claim Preparation hours.

¹¹ TURN's timesheets reflect 9.75 hours for Goodson's 2024 Intervenor Compensation Claim Preparation.

¹² Based on actual hours reflected in TURN's timesheets, the correct total is \$3,315.00.

¹³ Based on actual hours reflected in TURN's timesheets, the correct subtotal requested is \$3,627.50. See Part III.D, Item [8].

¹⁴ Based on actual hours reflected in TURN's timesheets, the correct total is \$110,927.50.

CLAIMED			CPUC AWARD
ATTORNEY INFORMATION ¹⁵			
Attorney	Date Admitted to CA BAR ¹⁶	Member Number	Actions Affecting Eligibility (Yes/No?) If “Yes”, attach explanation
Hayley Goodson	Dec 2003	228535	No
Robert Finkelstein	Jun 1990	146391	No
Marcel Hawiger	Jan 1998	194244	No
Thomas Long	Dec 1986	124776	No
Elise Torres	Dec 2011	280443	No

C. Attachments Documenting Specific Claim and Comments on Part III¹⁷:

Attachment or Comment #	Description/Comment
Attachment 1	Certificate of Service
Attachment 2	TURN Hours
Attachment 3	Time Allocation by Issue
Comment 1	<p>2023 and 2024 Hourly Rates for TURN Attorney Hayley Goodson</p> <p><u>2023</u></p> <p>TURN requests that the Commission adopt a 2023 hourly rate of \$625 for TURN Attorney Hayley Goodson. This rate is equal to the rate authorized by the Commission in D.23-01-015 for Ms. Goodson’s work in 2022, \$570, adjusted by both the annual escalation methodology adopted in Resolution (Res.) ALJ-393 and the first 5% step increase for Ms. Goodson in the Attorney – Level V experience tier.</p> <p>The annual escalation methodology adopted in Res. ALJ-393 is based on the annual percentage change in the Bureau of Labor Statistics Employment Cost Index, Table 5, for the Occupational Group “Management, Professional, and Related excluding</p>

¹⁵ The Commission has verified the information submitted here.

¹⁶ This information may be obtained through the State Bar of California’s website at <http://members.calbar.ca.gov/fal/MemberSearch/QuickSearch>.

¹⁷ Attachments not included in final Decision.

Attachment or Comment #	Description/Comment
	<p>Incentive Paid Occupations.” (Res. ALJ-393, p. 4; Intervenor Compensation Market Rate Study, Final Report, p. 8). The percent change for this occupational group for the 12-months ended December 2022 is 4.5%. See https://www.bls.gov/news.release/eci.t05.htm.</p> <p>Res. ALJ-393 permits intervenor representatives to additionally claim up to two 5% annual “step increases” within each labor role experience tier, as long as their final requested rate does not exceed the maximum approved rate for that experience level. (Res. ALJ-393, p. 5). The maximum approved rate for an Attorney - Level V is \$699 for work conducted in 2021, which escalates to \$755 in 2023 by applying the 3.3% 2022 COLA and then the 4.5% 2023 COLA.</p> <p>The requested 2023 rate for Ms. Goodson of \$625 is well below the maximum 2023 rate for an Attorney – Level V.</p> <p><u>2024</u></p> <p>For Ms. Goodson’s 2024 rate, TURN requests that the Commission adjust her 2023 rate by both the annual escalation methodology adopted in Resolution (Res.) ALJ-393 and the second 5% step increase for Ms. Goodson in the Attorney – Level V experience tier. The annual escalation rate for the 12-months ended December 2023 is 4.1%. See https://www.bls.gov/news.release/eci.t05.htm.</p> <p>If the Commission authorizes the requested rate of \$625 for Ms. Goodson in 2023, Ms. Goodson’s 2024 rate would be \$680, as shown below.</p> <p>$\\$625 * 1.091 = \\681.88, which is \$680 when rounded to the nearest \$5.</p> <p>This rate is well below the maximum rate for an Attorney – Level V when the rate range is escalated to 2024 (\$785.53).</p>
<p>Comment 2</p>	<p>2023 Hourly Rate for Robert Finkelstein</p> <p>TURN requests that the Commission adopt a 2023 hourly rate of \$840 for Robert Finkelstein This rate is equal to the rate authorized by the Commission in D.23-04-022 for his work in 2022, \$805, adjusted by the annual escalation methodology adopted in Resolution (Res.) ALJ-393.</p> <p>The annual escalation methodology adopted in Res. ALJ-393 is based on the annual percentage change in the Bureau of Labor Statistics Employment Cost Index, Table 5, for the Occupational Group “Management, Professional, and Related excluding Incentive Paid Occupations.” (Res. ALJ-393, p. 4; Intervenor Compensation Market</p>

Attachment or Comment #	Description/Comment
	<p>Rate Study, Final Report, p. 8). The percent change for this occupational group for the 12-months ended December 2022 is 4.5%. The resulting 2023 rate for Mr. Finkelstein is \$840.</p>
<p>Comment 3</p>	<p>2023 Hourly Rate for Jennifer Dowdell</p> <p>TURN requests that the Commission adopt a 2023 hourly rate of \$455 for TURN Senior Energy Policy Expert Jennifer Dowdell. This rate is equal to the rate authorized by the Commission in D.23-04-022 for Ms. Dowdell’s work in 2022, \$415, adjusted by both the annual escalation methodology adopted in Resolution (Res.) ALJ-393 and the first 5% step increase for Ms. Dowdell in the Public Policy Analyst – Level IV experience tier.</p> <p>The annual escalation methodology adopted in Res. ALJ-393 is based on the annual percentage change in the Bureau of Labor Statistics Employment Cost Index, Table 5, for the Occupational Group “Management, Professional, and Related excluding Incentive Paid Occupations.” (Res. ALJ-393, p. 4; Intervenor Compensation Market Rate Study, Final Report, p. 8). The percent change for this occupational group for the 12-months ended December 2022 is 4.5%. <i>See</i> https://www.bls.gov/news.release/eci.t05.htm.</p> <p>Res. ALJ-393 permits intervenor representatives to additionally claim up to two 5% annual “step increases” within each labor role experience tier, as long as their final requested rate does not exceed the maximum approved rate for that experience level. (Res. ALJ-393, p. 5). The maximum approved rate for Public Policy Analyst – Level IV is \$494 for work conducted in 2021, which escalates to \$533 in 2023 by applying the 3.3% 2022 COLA and then the 4.5% 2023 COLA.</p> <p>The requested 2023 rate for Ms. Dowdell of \$455 is well below the maximum 2023 rate for a Public Policy Analyst – Level IV.</p>

D. CPUC Comments, Disallowances, and Adjustments

Item	Reason
[1] Goodson's 2023, & 2024 Hours	<p>TURN requests we apply an escalation factor and step increase for Goodson's 2023 hourly rate. D.24-02-040 approved a 2023 hourly rate of \$625.00, which included the 2023 escalation factor of 4.46% and 5% step increase. We apply ½ of Goodson's 2023 rate of \$625.00 for an intervenor compensation claim preparation rate of \$312.50.</p> <p>TURN requests we apply an escalation factor and step increase for Goodson's 2024 hourly rate. Per ALJ-393, we apply the 2024 escalation factor of 4.07% and second 5% step increase to Goodson's 2023 rate, resulting in a 2024 hourly rate of \$680.00. We apply ½ of Goodson's 2024 rate of \$680.00 for an intervenor compensation claim preparation rate of \$340.00.</p>
[2] Finkelstein's 2023 Hourly Rate	D.24-03-036 approved a 2023 hourly rate of \$840.00 for Finkelstein.
[3] Long's 2023 Hourly Rate	D.23-05-032 approved a 2023 hourly rate of \$840.00 for Long. However, this exceeds the maximum hourly rate for the Legal – Legal Director – Level IV classification for 2023 (\$518.55 - \$832.67). Therefore, to stay within the approved rate range, we approve a 2023 hourly rate of \$830.00 for Long moving forward.
[4] Dowdell's 2023 Hourly Rate	TURN requests we apply the escalation factor and 5% step increase for Dowdell's 2023 hourly rate. D.23-04-022 approved a 2022 hourly rate of \$415.00 for Dowdell. Per ALJ-393, we apply the 2023 escalation factor of 4.46% ¹⁸ and the first 5% step increase to Dowdell's 2022 rate, resulting in a 2023 hourly rate of \$455.00 for Dowdell.
[5] Goodson's 2023 Disallowance	<p><u>Clerical/Administrative Work (1.00 hour)</u></p> <p>The CPUC does not compensate attorneys for the time spent on clerical and administrative tasks, as these fees are subsumed in the fees paid to attorneys.¹⁹ We therefore disallow the following time:</p> <ul style="list-style-type: none"> - 01/03/2023: "review Tr4 schedule and prepare workplan for team" (1.00 hour)

¹⁸ TURN incorrectly cites the escalation factor for 2023 as 4.5% (rounded), instead of the correct escalation factor of 4.46%.

¹⁹ See D.98-11-049, D.08-09-034, and the Commission's Intervenor Compensation Program Guide at 12 and 22.

Item	Reason
<p>[6] Finkelstein's 2023 Disallowances</p>	<p><u>No Contribution to Decision-Making Process (3.00 hours)</u> The following activities did not contribute to the decision-making process and are disallowed:</p> <ul style="list-style-type: none"> - 02/24/2023: "Draft e-mail re: points to emphasize in ex parte meetings" (0.25 hour) - 02/27/2023: "Prep for and ex parte meeting; draft e-mail to SCE and Cal Advocates re: next meetings" (0.75 hour) - 03/01/2023: "Review draft ex parte notice; ex parte meeting w/ YShmidt, SCE, Cal Adv; f/u call w/ TKaushik" (1.00 hour) - 03/06/2023: "Prep for and participate in two ex parte mtgs" (1.00 hour) <p><u>Combined Tasks (4.05)</u> TURN inappropriately combined multiple tasks in the same time entry. Pursuant to Rule 17.4, each time record shall identify the specific task performed. Therefore, the hours below are reduced by 30% for failure to comply with the program guidelines.</p> <ul style="list-style-type: none"> - 01/24/2023: "Draft e-mail preview memo to Cal Adv; call w/ MPocta and SShek re: self-insurance developments, strategies; draft e-mail to MToney re: options for utility deductible element" (2.25 hours) - 01/30/2023: "Call w/ SCE and Cal Adv; call w/ Cal Adv; review 10-Q statement from 11/22; draft e-mail memo re: questions arising out of 10-Q" (2.25 hours) - 02/06/2023: "Prep for and participate in call w/ SCE and Cal Adv; call w/ HGoodson re: Track 4 overlap; draft e-mails to Cal Adv and to SCE and Cal Adv" (1.25 hours) - 02/12/2023: "Review SCE draft revised agreement, develop proposed edits; draft e-mail to SCE and Cal Adv re: basis for proposed edits; draft e-mail to SCE and Cal Adv re: procedural approaches (PFM, settlmt mtn, etc.)" (2.00 hours) - 02/15/2023: "Prep for and participate in Sett Conf; review and revise SCE drafts of PFM, Mtn for Shortened Resp; draft cover e-mail to SCE and Cal Adv re: review and proposed changes" (3.75 hours) - 02/16/2023: "call w/ SCE and Cal Adv re: prep for mtg w/ ED and ex parte mtgs; review of SCE revised PFM" (1.50 hours) - 02/20/2023: "Review revised PFM, ex parte materials, other pleadings; draft e-mail to SCE and Cal Adv re: same" (0.50 hour)
<p>[7] Hawiger's 2023 Disallowance</p>	<p><u>No Contribution to Decision-Making Process (0.25 hour)</u> The following activity did not contribute to the decision-making process and is disallowed: 04/27/2023: "Review ALJ Ruling re EH" (0.25 hour)</p>

Item	Reason
[8] TURN’s Claim Preparation	In Part III.B, we note that TURN did not separately include Goodson’s 2023 Intervenor Compensation Claim Preparation hours, as reflected in TURN’s timesheets; instead, they combined them with Goodson’s 2024 Intervenor Compensation Claim Preparation hours. We have revised the claim to include Goodson’s 2023 Intervenor Compensation Claim Preparation hours.

PART IV: OPPOSITIONS AND COMMENTS
Within 30 days after service of this Claim, Commission Staff
or any other party may file a response to the Claim (see § 1804(c))

A. Opposition: Did any party oppose the Claim?	No
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B. Comment Period: Was the 30-day comment period waived (see Rule 14.6(c)(6))?	Yes
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FINDINGS OF FACT

1. The Utility Reform Network has made a substantial contribution to D.23-05-013 and D.23-11-096.
2. The requested hourly rates for The Utility Reform Network’s representatives, as adjusted herein, are comparable to market rates paid to experts and advocates having comparable training and experience and offering similar services.
3. The claimed costs and expenses, as adjusted herein, are reasonable and commensurate with the work performed.
4. The total of reasonable compensation is \$104,179.25.

CONCLUSION OF LAW

1. The Claim, with any adjustment set forth above, satisfies all requirements of Pub. Util. Code §§ 1801-1812.

ORDER

1. The Utility Reform Network is awarded \$104,179.25.
2. Within 30 days of the effective date of this decision, Southern California Edison Company shall pay The Utility Reform Network the total award. Payment of the award shall include compound interest at the rate earned on prime, three-month non-financial commercial paper as reported in Federal Reserve Statistical Release H.15, beginning April 17, 2024, the 75th day after the filing of The Utility Reform Network’s request, and continuing until full payment is made.

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

This decision is effective today.

Dated September 12, 2024, at Sacramento, California.

ALICE REYNOLDS

President

DARCIE L. HOUCK

JOHN REYNOLDS

KAREN DOUGLAS

Commissioners

Commissioner Matthew Baker recused himself from this agenda item and was not part of the quorum in its consideration.

APPENDIX

Compensation Decision Summary Information

Compensation Decision:	D2409017	Modifies Decision?	No
Contribution Decision(s):	D2305013 and D2311096		
Proceeding(s):	A1908013		
Author:	ALJ Ehren D. Seybert		
Payee:	Southern California Edison Company		

Intervenor Information

Intervenor	Date Claim Filed	Amount Requested	Amount Awarded	Multiplier?	Reason Change/Disallowance
The Utility Reform Network	02/02/24	\$84,075.00 ²⁰	\$104,179.25	N/A	See Part III D. CPUC Comments, Disallowances, and Adjustments

Hourly Fee Information

First Name	Last Name	Attorney, Expert, or Advocate	Hourly Fee Requested	Year Hourly Fee Requested	Hourly Fee Adopted
Robert	Finkelstein	Attorney	\$840	2023	\$840.00
Hayley	Goodson	Attorney	\$570	2022	\$570.00
Hayley	Goodson	Attorney	\$625	2023	\$625.00
Hayley	Goodson	Attorney	\$680	2024	\$680.00
Marcel	Hawiger	Attorney	\$735	2023	\$735.00
Thomas	Long	Attorney ²¹	\$840	2023	\$830.00
Elise	Torres	Attorney	\$510	2023	\$510.00
Jennifer	Dowdell	Expert	\$455	2023	\$455.00

²⁰ Based on actual hours reflected in TURN's timesheets, the correct total is \$110,927.50.

²¹ Long is classified as a Legal Direct – IV.