

Decision 09-08-024 August 20, 2009

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

Rulemaking Regarding Whether, or Subject to
What Condition, the Suspension of Direct Access
May Be Lifted Consistent with Assembly Bill 1X
and Decision 01-09-060.

Rulemaking 07-05-025
(Filed May 24, 2007)

**DECISION GRANTING INTERVENOR COMPENSATION
TO CONSUMER FEDERATION OF CALIFORNIA FOR SUBSTANTIAL
CONTRIBUTION TO DECISION 08-11-056**

This decision awards Consumer Federation of California \$49,573.13 in compensation for its substantial contributions to Decision 08-11-056. This represents a decrease of \$16,524.38 [or 25%] from the amount requested due to excessive hours claimed and undue duplication of effort. Today's award payment will be paid on a pro-rated basis by the three investor-owned utilities: Pacific Gas and Electric Company, Southern California Edison and San Diego Gas & Electric Company. This proceeding remains open for consideration of subsequent Phase II(a)(2) issues.

1. Background

Consumer Federation of California (CFC) seeks intervenor compensation for Decision (D.) 08-11-056 in which we adopted a plan to facilitate the removal of the Department of Water Resources (DWR) from its role of supplying electric power to retail customers. Adoption of this plan completes Phase II(a)(1) of this rulemaking, which we opened to address whether, or under what conditions, "Direct Access" may be reinstituted. Pursuant to the legislative mandate, the

Commission suspended the right to enter into new contracts for “Direct Access” after September 20, 2001.¹

The “Direct Access” suspension was implemented pursuant to Assembly Bill 1 from the First Extraordinary Session (Ch. 4, First Extraordinary Session 2001) (AB1X) signed into law on February 1, 2001, to address the energy crisis of 2000-2001. Among other measures to ensure continued reliability of service, AB1X mandated that DWR become the electric power supplier of last resort for retail customers of the investor-owned utilities (IOUs).² To meet this mandate, DWR entered into a series of contracts for the procurement of electric power to serve customers in the territories of the IOUs: Pacific Gas and Electric Company (PG&E), Southern California Edison Company (SCE) and San Diego Gas & Electric Company (SDG&E).³

In D.08-11-056, we set a target goal for the final removal of DWR from the role of supplying power by January 1, 2010,⁴ by supporting a process to implement replacement contracts between the IOUs and the suppliers under the

¹ See D.01-09-060 and Pub. Util. Code §§ 366 or 366.5. Direct Access was originally instituted as a retail service option where eligible customers could buy electricity directly from an independent supplier rather than from an investor-owned public utility. The Legislature mandated the suspension of Direct Access to ensure a stable customer base for DWR cost recovery and so that Direct Access customers pay their fair share of DWR costs.

² DWR supplied the “net short,” i.e., the shortfall in demand not supplied under existing power contracts of the IOU or generated by an IOU facility.

³ AB1X authorized DWR to recover its power costs from electric charges established by the Commission (Water Code § 80110). DWR entered into servicing agreements with the IOUs to collect money on its behalf for power that DWR sells to IOU customers.

⁴ While January 1, 2010 is the target for removing DWR from supplying power, we clarify that this is not the target date for reopening direct access.

DWR contracts, thereby relieving DWR of further supply obligations under its existing contracts.

We recognized in D.08-11-056 that various uncertainties may influence the achievement of this goal by January 1, 2010, and stated that we shall closely monitor the progress of our adopted plan, with provision to make mid-course adjustments, as necessary, to protect ratepayers' interests.

2. Requirements for Awards of Compensation

The intervenor compensation program, set forth in Pub. Util. Code §§ 1801-1812,⁵ requires California jurisdictional utilities to pay the reasonable costs of an intervenor's participation if that party 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.

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 (PHC), pursuant to Rule 17.1 of the Commission's Rules of Practice and Procedure (Rules), or at another appropriate time 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).)

⁵ All subsequent statutory references are to the Public Utilities Code unless otherwise indicated.

4. The intervenor must demonstrate “significant financial hardship.” (§§ 1802(g) and 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 or as otherwise found by the Commission. (§§ 1802(i) and 1803(a).)
6. The claimed fees and costs must be reasonable (§ 1801), necessary for and related to the substantial contribution (D.98-04-059), comparable to the market rates paid to others with comparable training and experience (§ 1806), and productive (D.98-04-059).

In the discussion below, the procedural issues in Items 1-4 above are combined and a separate discussion of Items 5-6 follows.

2.1. Preliminary Procedural Issues

Under § 1804(a)(1) and Rule 17.1(a)(1), a customer who intends to seek an award of intervenor compensation must file an NOI before certain dates.

In a proceeding in which a PHC is held, the intervenor must file and serve its NOI between the dates the proceeding was initiated until 30 days after the PHC is held. (Rule 17.1(a)(1).) The PHC in this matter was held on April 11, 2008. CFC timely filed its NOI on May 5, 2008. Pursuant to § 1804(c), interested parties were permitted to respond to the filing of CFC’s NOI. No party filed a response.

In its NOI, CFC asserted financial hardship. On July 11, 2008, ALJ Pulsifer ruled⁶ that CFC meets the financial hardship condition pursuant to § 1804(b)(1) through a rebuttable presumption of eligibility because the Commission found CFC met this requirement in an ALJ ruling issued on April 23, 2008 in

A.07-12-006. In accordance with § 1804(b)(1), because the proceeding commenced within one year of the ruling in A.07-12-006, the rebuttable presumption of financial hardship found in that proceeding, is applicable here.

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. (§ 1802(b)(1)(A) through (C).) CFC is a non-profit federation comprising individual members and member organizations whose own membership consist of California consumer groups, senior citizens groups, and labor organizations, all of whom are residential customers of California public utilities. As affirmed in ALJ Pulsifer’s ruling of July 11, 2008, CFC is a “customer” as defined by § 1802(b).

Regarding the timeliness of the request for compensation, CFC filed its request for compensation on January 23, 2009, within 60 days of the issuance of D.08-11-056.⁷ SCE timely filed an opposition to CFC’s request based on its assertions that CFC’s participation did not result in a substantial contribution to the Decision, that CFC’s participation duplicated the efforts of other parties and did not provide any unique analysis, insights or perspectives, and that CFC’s participant hours are excessive and unreasonable. SCE requests that the Commission either reject CFC’s request in its entirety or substantially reduce the compensation award. We have considered the requests of both parties and have

⁶ Administrative Law Judge’s Ruling Regarding Eligibility to Claim Intervenor Compensation, issued July 11, 2008, at 3.

⁷ D.08-11-056 was issued on November 24, 2008.

made adjustments to the claim where appropriate. In view of the above, we affirm the ALJ's ruling and find that CFC has satisfied all the procedural requirements necessary to make its request for compensation in this proceeding.

3. Substantial Contribution

In evaluating whether a customer made a substantial contribution to a proceeding, we look at several things. First, we look at whether the Commission adopted one or more of the factual or legal contentions, or specific policy or procedural recommendations put forward by the customer. (§ 1802(i).) Second, if the customer's contentions or recommendations paralleled those of another party, we look at whether the customer's participation unnecessarily duplicated or materially supplemented, complemented, or contributed to the presentation of the other party. (§§ 1801.3(f) 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.⁸

With this guidance in mind, we turn to the claimed contributions CFC made to D.08-11-056.

CFC alleges that it fully participated in Phase II(a). CFC attended the prehearing conference on April 11, 2008, and participated in workshops held on

⁸ D.98-04-059, 79 CPUC2d 628 at 653.

June 2 and July 1 and 2, 2008. CFC states that it filed four sets of comments in Phase II(a): Post-Workshop Comments on June 9 and June 16, 2008; Comments on the Costs and Benefits associated with transferring DWR's contracts to the IOUs on August 4 and August 14, 2008; Summary Comments on August 25 and September 8, 2008; and Comments on the Proposed Decision on October 27 and October 31, 2008. CFC took an active role in this proceeding in an effort to provide the Commission with information it felt should be taken into account when deciding whether to facilitate ending DWR's role as supplier of power to retail customers.

CFC summarizes the issues it addressed in its comments as follows:

Post-Workshop Comments:

- Whether the transfer of DWR's contract and initiation of direct access will precipitate another energy crisis.
- Whether DWR has the legal capacity to enter into a novation of the contracts.
- Whether the assignment of novation of the contracts will increase the cost of utility service.
- Whether a non-IOU party may step into the shoes of DWR.
- Whether the IOU's have the necessary credit rating to assume the contracts.
- How the payments owed under the contracts and for servicing bonds would be collected.
- Particular terms in each of the contracts which need to be considered.
- What type of review of replacement contracts is required.

Comments on Costs and Benefits:

- Legal and economic consequences of assignment versus novation.
- An estimate of transactional costs, e.g., participation in workshops and hearings.
- Increased capital costs.
- Cost of transferred claims and future claims.
- The lack of novation clauses in some contracts and conditions of novation imposed by other contracts, e.g., seller cooperation.

- Litigation costs.
- Likelihood of improvement of contract terms.
- Time and expense of renegotiated contracts.
- Level of review of renegotiated contracts.
- Statutory procurement review process.
- DWR Administrative Costs.
- Attempt to quantify unquantifiable benefits.

Summary Comments:

- Specific terms of particular contracts which must be satisfied to transfer contracts, e.g., Sempra contract
- Costs and Benefits of Novation.
- Legality of Novation.
- Resistance of Sempra to assignment/novation.
- Transferees other than IOUs.
- Regulatory review of replacement contracts.
- Likelihood of improvement of contract terms.
- Likelihood that novation/assignment will increase cost of utility service (early return of reserves, administrative costs, incremental costs assumed by IOUs, capital costs, working capital costs, negotiation costs, workshop costs and claim costs.

Comments of Proposed Decision:

- Obstacles to novation, e.g., The Coral and CalPine 'all or nothing' contract terms, credit rating requirements.
- Lack of benefits to ratepayers; creation of new costs not taken into account in the PD.
- Legality of novation.
- Pre-approval of replacement contracts.
- Amount of discretion given workshop participants with no real guidelines or limits.
- Need for a more thorough analysis of costs and benefits.
- Procedure for considering issues in Phase II(a)(2) and Phase II(b).

CFC submits that it substantially contributed to D.08-11-056 because the Decision has adopted in whole or in part one or more factual contentions, legal contentions, or specific policy or procedural recommendations presented by CFC, i.e., that the likelihood of transferring all of DWR's contracts to the IOUs

was uncertain; that the IOUs credit ratings and the need to negotiate novation clauses in some contracts would create an obstacle to achievement of that goal; that the likelihood of achieving estimated costs and benefits, and of negotiating more favorable terms, was uncertain; and that additional costs would be created if IOUs assumed the obligations under the contracts. CFC contends that through its participation in the proceeding, the Commission responded to many of the concerns expressed by CFC and offers the following analysis in support of this contention.

We conclude that CFC did make a substantial contribution to D. 08-11-056, although some of its efforts were duplicative of those of other parties. As discussed in Section 5 below, the 25% disallowance of CFC claimed costs recognizes the undue duplication. We conclude that the remaining claim represents a substantial contribution warranting compensation. We take note of various examples where CFC made a significant contribution to D.08-11-056 warranting intervenor compensation. For example, CFC pointed out the difficulties which would have to be overcome in order to transfer DWR's entire portfolio to IOUs⁹ and the Commission "recognized that various uncertainties may influence the achievement of this goal by January 1, 2010."¹⁰ CFC pointed out the likelihood of prolonged negotiation of contracts without novation clauses and the Commission agreed that "[s]ome additional negotiations with the counterparties would be necessary before DWR could end its obligation to supply power under the existing contracts."¹¹ CFC identified particular contracts

⁹ See e.g., CFC's Opening Comments, filed August 25, 2009 at 2-3.

¹⁰ D.08-11-056 at 3.

¹¹ D.08-11-056 at 10.

which could not be transferred because of the IOU's credit ratings,¹² and the Commission took that into account, but did not discuss the contracts further.¹³ The Commission determined that "No party has demonstrated that the likelihood of failure (of negotiations) is so compelling that no further efforts should even be attempted to accelerate the removal of DWR as a supplier of power."¹⁴ "On the other hand, no party has presented a compelling showing that achieving full novation of all contracts by January 1, 2010 will be easy. Challenges do exist that could affect the achievement of the goal."¹⁵

CFC argued that the costs and benefits hypothesized by the IOUs were not reliable estimates.¹⁶ The Commission agreed: "We recognize that there are various uncertainties associated with the precision and reliability of the estimates, and evaluate them taking into account their inherent limitations. The net benefit estimates are subject to uncertainties beyond whether (or how quickly) acceptable replacement contracts could be implemented. The estimates are also sensitive to changing conditions in the financial and natural gas markets over time."¹⁷ The Commission also recognized that "IOUs, DRA, CFC and TURN argue that the Commission should reject Reliant's and AReM/CACES's estimates of net benefits as exaggerated,"¹⁸ and the Commission held, "[W]e are

¹² See e.g., CFC's Opening Comments, filed August 25, 2008 at 8-9.

¹³ *Id.* at 47.

¹⁴ *Id.* at 16.

¹⁵ *Id.* at 16.

¹⁶ See e.g., CFC Opening Comments, filed October 27, 2008 at 10.

¹⁷ D.08-11-056 at 23.

¹⁸ D.08-11-056 at 22, CFC's Reply Comments, filed August 18, 2008 at 5-6.

not relying upon the estimates to set rates or revenue requirements, but are simply considering the estimates as an approximate benchmark.”¹⁹

CFC argued that new costs would be created if the IOUs assumed the DWR contracts.²⁰ The Commission agreed “Consequently, in negotiating any replacement agreements involving material amendments in terms, the contracting IOU will need to consider carefully any potential impacts of collateral and credit requirements as a result of such contract amendments. Any amended contracts submitted for Commission review would have to offer sufficient net benefits to ratepayers to counterbalance the costs of posting of any collateral and letters of credit.”²¹

The Commission noted that “CFC likewise identifies regulatory transactions costs as an offset to potential ratepayer benefits.”²² The Commission “recognize[d] that some transactions costs will be incurred and constitute an offset to any net benefits that may be realized.”²³ It did not however, feel that “such costs will be significant enough to overwhelm any potential savings that may otherwise be realized.”²⁴

In addition, the Commission noted CFC’s argument that “the transfer of contracts could be delayed while the reasonableness of their terms was being

¹⁹ *Id.* at 24.

²⁰ See e.g., CFC Opening Summary Comments, filed August 4, 2008 at 4-6.

²¹ D.08-11-056 at 41.

²² *Id.* at 44; CFC Comments, filed August 4, 2008 at 4-6.

²³ D.08-11-056 at 44

²⁴ *Id.* at 45.

litigated,”²⁵ and Reliant’s counter-argument that “assuming that a DWR contract is novated ‘as is,’ and solely to the IOUs, the requisite ‘just and reasonable’ review under Section 451 has already been completed through past Commission decisions under which the DWR power charges have been allocated to the IOUs and recovered in retail rates.”²⁶ The Commission held that the “Commission has never made a finding that the DWR contracts are just and reasonable,” and “reject[ed] Reliant’s argument that the Commission has implicitly determined that the DWR contract costs are just and reasonable because it has allowed those costs to be included in rates.”²⁷

4. Contributions of Other Parties

Section 1801.3(f) requires an intervenor to avoid participation that duplicates that of similar interests otherwise adequately represented by another party, or participation unnecessary for a fair determination of the proceeding. Section 1802.5, however, allows an intervenor to be eligible for full compensation where its participation materially supplements, complements, or contributes to the presentation of another party if that participation makes a substantial contribution to the Commission order.

CFC believes its compensation should not be reduced for duplication of other parties’ presentations. CFC states that it discussed issues with The Utility Reform Network (TURN) and was aware of DRA’s position, voiced during workshops, and avoided duplicating issues with which they were more familiar,

²⁵ See e.g., CFC Comments, filed August 25, 2008 at 9-11.

²⁶ D.08-11-056 at 77.

²⁷ *Id.* at 80-81.

i.e., the allocation of the costs of the DWR contacts and the interaction of the novation process with the procurement review proceeding.

We find some duplication between CFC and other parties with respect to the positions for which CFC claims that it made a significant contribution. CFC's record reflects 1.6 hours spent conversing with TURN by email concerning the issues in the proceeding. CFC does not identify communications with any other parties with whom it shared complimentary or overlapping positions. CFC claims that it was aware of DRA's position, as voiced during workshops. CFC claims that it avoided duplicating issues with which DRA and TURN were more familiar (i.e., cost allocations and the interaction between procurement and novation). CFC does not identify any attempts to communicate with the IOUs in order to coordinate and avoid duplication on commonly held positions. If CFC attempted to coordinate with the IOUS in order to avoid undue duplication on such issues, its documented records do not show such attempts at coordination. Moreover, SCE's express opposition would indicate that CFC did not attempt to coordinate with SCE.

Nonetheless, in a proceeding such as this, which involved multiple participants, it is often impossible to completely avoid duplication of the work of other parties. CFC claims that it took reasonable steps so that its work served to supplement the showing of other parties in this proceeding. We conclude that at least on some of the issues, CFC presented additional independent analysis that supplemented the analysis of the other parties. For example, although multiple parties argued that it was unlikely that full novation of contracts would be achieved by January 1, 2010, CFC supplemented the record with additional information on impediments relating to specific contracts that did not duplicate what other parties provided. Therefore, although there was some overlap in the

presentation of positions, CFC's contribution was useful in the development of a complete record on the potential impediments to novation, even though CFC's proposal to terminate the proceeding was rejected. As discussed in Section 5 below, we have disallowed 25% from the total CFC claim. This 25% disallowance takes into account the duplication of efforts for which intervenor compensation will not be authorized.

5. Reasonableness of Requested Compensation

CFC requests \$66,098 for its contribution to D.08-11-056, as follows:

Work on Proceeding				
Attorney/Staff	Year	Hours	Hourly Rate	Total
Alexis Wodtke	2008	185.2	\$350	\$64,820.00
Subtotal:				\$64,820.00
Preparation of NOI and Compensation Request (1/2 rate)				
Attorney/Staff	Year	Hours	Hourly Rate	Total
Alexis Wodtke	2008	7.3	\$175	\$1,227.50
Subtotal Hourly Compensation:				\$1,227.50
Total Requested Compensation:				\$66,097.50

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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. Our assessment of the reasonableness of CFC's claim is discussed below.

While CFC did make some contribution, we conclude that the total size of CFC's claim appears somewhat excessive relative to the extent of its contribution. CFC seeks compensation for all of the time that it spent on

²⁸ CFC makes a minor computation error in totaling its attorney fees. We correct this error here, and use the corrected amount for consideration of this award.

participation in the proceeding; including time spent advocating positions or recommendations that the Commission ultimately rejected. For example, CFC argued that DWR lacked legal capacity to enter into a novation agreement. The Commission rejected this argument. CFC also advocated that the Commission terminate the proceeding rather than continue to pursue efforts at achieving novation of DWR contracts. If CFC's proposal to terminate the proceeding was not adopted, CFC argued for a reversal of the sequence of procedural phases, to delay proceeding with further novation efforts until the Commission first concluded Phase II (b) as to whether it is in the public interest to reinstitute direct access. The Commission likewise rejected these proposals of CFC and moved forward with a program to implement the expedited removal of DWR from its role of supplying power.

CFC requests compensation for three hours spent drafting a "letter to judge re cost benefit ruling." SCE indicates that it could find no record of such letter in the proceeding or of any ex parte reference notice referring to the letter. The letter referenced by CFC was electronically served on parties, but never officially filed as a formal pleading in the proceeding. The letter did not contribute to the Commission's decision and was not a formal pleading in the proceeding. Thus the hours claimed related to preparing the letter do not warrant an award of intervenor compensation.

CFC requests compensation of over seven hours for a task described as "research re direct access." Given the lack of specific detail in the description, this time appears to be merely background research of a general nature to familiarize CFC with the subject matter of direct access as opposed to specific tasks contributing to the Commission's decision. An allowance for 7 hours

merely to acquire general background familiarity with the subject matter at ratepayers' expense appears excessive.

CFC also requests compensation for 11.7 hours merely to review and summarize a workshop transcript. This expenditure of time appears excessive, particularly in combination with the subsequent 15.3 hours spent actually drafting comments on issues addressed at the workshop. We conclude that while CFC should receive some compensation for its contributions, its claim should be reduced somewhat to recognize excessive claim amounts, undue duplication, and hours spent on positions that were rejected and which do not constitute a "substantial contribution."

The supporting documentation provided in CFC's request is not sufficiently detailed to produce a precise assessment of disallowances for each discrete item. Therefore, we shall instead apply a uniform percentage disallowance to CFC's overall claim of hours. This approach is in keeping with our practice in past intervenor compensation claims where duplication was found, we have disallowed costs based upon a range of percentages. In a number of instances, we have applied disallowance percentages between 10% and 33%. Given the circumstances related to this particular situation, although CFC did make a substantial contribution as discussed above in Section 3, we conclude that CFC's total claim exceeds a reasonable limit, and thus warrants a disallowance somewhere within the middle of this range. Accordingly, we shall apply a disallowance equal to 25% of CFC's total claimed costs.

5.1. 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

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

CFC documented its claimed hours by presenting a daily breakdown of the hours of its attorneys, accompanied by a brief description of each activity. After the reductions and disallowances we make to this claim as discussed above, the remainder of CFC's hourly breakdown reasonably supports its claim for total hours.

5.2. Intervenor Hourly Rates

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.

CFC seeks an hourly rate of \$350 for Alexis Wodtke's work performed in 2008. We previously approved a rate of \$340 for Wodtke's work in 2007 in D.08-12-057. The request for Wodtke's new rate includes a 3% COLA increase. We find this amount to be reasonable, and adopt it here.

5.3. Direct Expenses

CFC has no direct expenses for which it seeks compensation.

6. Productivity

D.98-04-059 directed customers to demonstrate productivity by assigning a reasonable dollar value to the benefits of their participation to ratepayers.

(D.98-04-059, at 34-35.) The costs of a customer's participation should bear a reasonable relationship to the benefits realized through its participation. This showing assists us in determining the overall reasonableness of the request.

CFC states that its participation was productive and assisted in making the Commission and other parties more aware of the pitfalls they might face as they begin the negotiations required to transfer DRA's portfolio to the IOUs. CFC's

participation, it argues, led to a more complete record of the economic and legal effects of the novation process and the kind of review of replacement contracts which must be undertaken. Our own analysis of CFC's claim of productivity is outlined in Section 5.

7. Award

As set forth in the table below, we award CFC \$49,573.13:

Work on Proceeding				
Attorney/Staff	Year	Hours	Hourly Rate	Total
Alexis Wodtke	2008	185.2	\$350	\$64,820.00
Subtotal:				\$64,820.00
Preparation of NOI and Compensation Request (1/2 rate)				
Attorney/Staff	Year	Hours	Hourly Rate	Total
Alexis Wodtke	2008	7.3	\$175	\$1,227.50
Subtotal Hourly Compensation:				\$1,227.50
Total Requested Compensation:				\$66,097.50
Minus 25% Reduction				(\$16,524.38)
Total Adjusted Award				\$49,573.13

Pursuant to § 1807, we order, PG&E, SCE, and SDG&E to pay Consumer Federation of California a pro-rated share of the total award of \$49,573.13. The proportion shall be computed upon each IOU's respective share of total California-jurisdictional electric revenues for calendar year 2008, to reflect the period of time in which the proceeding was primarily litigated. 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 8, 2009, the 75th day after the filing of claimant's request, and continuing until full payment is made.

We remind all intervenors that Commission staff may audit their records related to the award and that intervenors must make and retain adequate

accounting and other documentation to support all claims for intervenor compensation. CFC's records should identify specific issues for which it requested 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.

8. 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.

9. Assignment of Proceeding

Michael R. Peevey is the assigned Commissioner, and Thomas R. Pulsifer is the assigned ALJ in this proceeding.

Findings of Fact

1. CFC has satisfied all the procedural requirements necessary to claim compensation in this proceeding. CFC made a substantial contribution to D.08-11-056 as described herein.

2. CFC requested hourly rates for its representatives that are reasonable when compared to the market rates for persons with similar training and experience.

3. The total of the reasonable compensation is \$49,573.13.

4. The Appendix to this decision summarizes today's award.

Conclusions of Law

1. CFC has fulfilled the requirements of §§ 1801-1812, which govern awards of intervenor compensation, and is entitled to intervenor compensation for its claimed expenses, as adjusted herein, incurred in making substantial contributions to D.08-11-056.

2. CFC should be awarded \$49,573.13 for its contribution to D.08-11-056.

3. This order should be effective today so that CFC may be compensated without further delay.

4. This proceeding remains open for consideration of subsequent Phase II(a)(2) issues.

O R D E R

IT IS ORDERED that:

1. Consumer Federation of California is awarded \$49,573.13 as compensation for its substantial contributions to Decision 08-11-056.

2. Within 30 days, Pacific Gas and Electric Company, Southern California Edison Company and San Diego Gas & Electric Company shall pay Consumer Federation of California a pro-rated share of the total award of \$49,573.13. The proration shall be computed upon each investor-owned utilities' respective share of total California-jurisdictional electric revenues for calendar year 2008, to reflect the period of time in which the proceeding was primarily litigated. 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 8, 2009, the 75th day after the filing of claimant's request, and continuing until full payment is made.

3. This proceeding remains open for consideration of subsequent Phase II(a)(2) issues.

This order is effective today.

Dated August 20, 2009, 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:		Modifies Decision? No
Contribution Decision(s):	D0811056	
Proceeding(s):	R0705025	
Author:	Thomas R. Pulsifer	
Payer(s):	Pacific Gas and Electric Company, Southern California Edison Company and San Diego Gas & Electric Company	

Intervenor Information

Intervenor	Claim Date	Amount Requested	Amount Awarded	Multiplier?	Reason Change/Disallowance
Consumer Federation of California	01-23-09	\$66,098.00	\$49,573.13	No	excessive hours, duplication of effort,

Advocate Information

First Name	Last Name	Type	Intervenor	Hourly Fee Requested	Year Hourly Fee Requested	Hourly Fee Adopted
Alexis	Wodtke	Attorney	Consumer Federation of California	\$350	2008	\$350

(END OF APPENDIX)