

Decision 09-10-051 October 29, 2009

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

Application of SOUTHERN CALIFORNIA EDISON COMPANY (U338E) for Authority to, Among Other Things, Increase its Authorized Revenues for Electric Service in 2009, And to Reflect that Increase in Rates.

Application 07-11-011
(Filed November 19, 2007)

And Related Matter.

Investigation 08-01-026
(Filed January 31, 2008)

**DECISION GRANTING INTERVENOR COMPENSATION TO THE UTILITY REFORM
NETWORK FOR SUBSTANTIAL CONTRIBUTION TO
DECISION 09-03-025**

Claimant: The Utility Reform Network (TURN)	For contribution to D.09-03-025
Claimed (\$): \$794,479.41	Awarded (\$): \$783,581.81
Assigned Commissioner: Michael Peevey	Assigned ALJ: Regina DeAngelis

PART I: PROCEDURAL ISSUES

- A. Brief Description of Decision:** Decision (D.) 09-03-025 resolves Southern California Edison Company's (SCE or Edison) test year 2009 general rate case. This decision authorizes a \$4.829 billion base revenue requirement for test year 2009 for SCE, and post-test year revenue requirements for SCE of \$5.035 billion in 2010 and \$5.254 billion in 2011. This decision also authorizes a 41.85% increase in SCE's total company rate base, for a total authorized rate base of \$14.77 billion.

B. Claimant must satisfy intervenor compensation requirements set forth in Public Utilities Code §§ 1801-1812:

	Claimant	CPUC Verified
Timely filing of notice of intent to claim compensation (§ 1804(a)):		
1. Date of Prehearing Conference:	January 15, 2008	Yes
2. Other Specified Date for NOI:		

3. Date NOI Filed:	February 13, 2008	Yes
4. Was the notice of intent timely filed?		Yes
Showing of customer or customer-related status (§ 1802(b)):		
5. Based on ALJ ruling issued in proceeding number:	A.07-11-011	Yes
6. Date of ALJ ruling:	March 17, 2008	Yes
7. Based on another CPUC determination (specify):		
8. Has the claimant demonstrated customer or customer-related status?		Yes
Showing of “significant financial hardship” (§ 1802(g)):		
9. Based on ALJ ruling issued in proceeding number:	A.07-11-011	Yes
10. Date of ALJ ruling:	March 17, 2008	Yes
11. Based on another CPUC determination (specify):		
12. Has the claimant demonstrated significant financial hardship?		Yes
Timely request for compensation (§ 1804(c)):		
13. Identify Final Decision	D.09-03-025	Yes
14. Date of Issuance of Final Decision:	March 17, 2009	Yes
15. File date of compensation request:	May 18, 2009	Yes
16. Was the request for compensation timely?		Yes

PART II: SUBSTANTIAL CONTRIBUTION

A. In the fields below, describe in a concise manner Claimant’s contribution to the final decision (see § 1802(i), § 1803(a) & D.98-04-059) (For each contribution, support with specific reference to final decision or record.)

#	Contribution	Code	Citation to Decision or Record	Showing Accepted by CPUC
1	TURN recommended 50/50 Sharing or One-Way Balancing Account treatment for Short-Term Incentive Compensation for Non-Executives. The Commission adopted TURN's alternate proposal (one-way balancing	A&G	D.09-03-025, p. 132 (Section 6.2); Ex. TURN-05, p. 79. See also Proposed Decision, Rev. 3, p. 129 ("Therefore, it is reasonable to reduce SCE's forecast by 50% for TY 2009, consistent with	Yes

	account treatment), whereas the ALJ's Proposed Decision would have adopted TURN's 50/50 sharing proposal plus one-way balancing account treatment.		TURN's recommendation. In addition, consistent with our decision in the 2006 GRC, we will continue to require SCE to rely on a one-way balancing account for the Results Sharing Program.").	
2	TURN (and DRA) demonstrated that Long-Term Incentive Stock-Based Compensation for executives should be removed from SCE's request for Executive Compensation (Account 920), reducing SCE's forecast by \$23.304 million.	A&G	D.09-03-025, p. 134 (Section 6.4); Ex. TURN-05, pp. 75-79	Yes
3	TURN (and DRA) demonstrated that ratepayers should not pay for an additional corporate officer to implement the SmartConnect Program, thus reducing SCE's request by \$540,608.	A&G	D.09-03-025, p. 136 (Section 6.4); TURN Opening Brief, pp. 116-117	Yes
4	While the Commission did not adopt TURN's specific adjustments, TURN (and DRA) demonstrated that total executive compensation paid by ratepayers, including short-term incentives, should be reduced. The Commission concluded that 50% of short-term incentives for executives should be included in rates, reducing executive officer total compensation costs by \$4.586 million. DRA had recommended no incentives. TURN argued that the Commission should either adopt DRA's position or at least reduce executive officer compensation (including short-term incentives) by	A&G	D.09-03-025, p. 135 (Section 6.4); Ex. TURN-5A, pp. 72-74.	Yes

	\$2,385,000, and presented evidence that SCE's short-term incentives are awarded based on goals that are shareholder-aligning, and that total executive compensation is excessive. TURN also recommended that ratepayers pay 50% of short-term incentives for non-executives (see D.09-03-025, p. 128), the approach that the Commission adopted for executive short-term incentives. Hence, TURN asserts that our showing assisted the Commission in concluding that ratepayer funding for executive short-term incentives should be reduced by 50%.			
5	TURN demonstrated that SCE's request related to Directors and Corporate Governance (Account 930) should be reduced by \$1.528 million to remove stock-based compensation for Directors and an unsupported corporate governance increase.	A&G	D.09-03-025, p. 137 (Section 6.5); Ex. TURN-05, pp. 79-84	Yes
6	TURN demonstrated that Talent Management expenses should be reduced by \$3,428,000 to adjust for declining productivity in this function.	A&G	D.09-03-025, p. 140 (Section 6.6.1); Ex. TURN-05, pp. 100-102	Yes
7	TURN demonstrated that SCE's forecast of Client Services costs in Account 923 should be reduced by \$99,000 to account for the removal of one-time costs of responding to a union organizing drive.	A&G	D.09-03-025, p. 141 (Section 6.6.3); Ex. TURN-05, pp. 102-103	Yes
8	TURN demonstrated that pensions and benefits associated with labor spending	A&G	D.09-03-025, p. 149 (Section 6.8); Ex. TURN-05, pp. 104-106, Ex.	Yes

	in Account 426 (below the line) should be disallowed, which reduces expenses by \$3,471,000 and plant-in service by \$157,000.		TURN-25, p. 1 (accepting SCE's revised estimate of the treatment of capitalized and disallowed P&B)	
9	TURN demonstrated that Pension and Benefit Participant Charges related to Four Corners should be reduced. While the Commission did not adopt TURN's proposed reduction (since it corresponded to TURN's primary proposal that the Four Corners' O&M budget be based on APS' budget, which the Commission rejected), the Commission nonetheless reduced Pension and Benefit costs in line with the reduced Four Corners O&M it adopted in Section 2.2.1 (which was TURN's alternate proposal).	A&G	D.09-03-025, p. 148 (Section 6.8); Ex. TURN-05, pp. 103-104	Yes
10	TURN demonstrated the SCE's estimate of Risk Control-related expenses should be reduced by \$2.407 million in Accounts 920, 921 and 923 to maintain staff at 25 FTE and remove costs related to unnecessary consulting expenses.	A&G	D.09-03-025, pp. 172-173 (Section 6.2); Ex. TURN-05, pp. 108-114	Yes
11	TURN demonstrated that SCE's forecast of Business and Operations Support Services should be reduced by \$105,385 to account for the costs associated with the acquisition of three vehicles and postage expense. TURN additionally convinced ALJ DeAngelis that additional reductions to SCE's Operations Support A&G	A&G	Ex. SCE-23, pp. 1-3 (agreeing to part of TURN's reduction); Ex. TURN-05, pp. 116-120. See also Proposed Decision, Rev. 3, p. 168-171 (Section 6.21) (quoted text at pp. 170-171).	Yes

	<p>forecast were necessary. Her Proposed Decision explained, "We find that DRA and TURN present compelling arguments for reductions. Also, we are concerned with an overarching flaw in SCE's analysis. As TURN points out, SCE relies on budget-based forecasting here. As a result, at least in this instance, SCE presents an unreliable forecast. Based on the record, we cannot identify the full impact of this budget-based forecasting on SCE's specific recommendations. Accordingly, we find the most reliable data to be 2006 recorded expenses..." The Proposed Decision would have given SCE \$48.008 million out of the requested \$78.095 million.</p>			
12	TURN demonstrated that \$450,000 should be removed from SCE's Account 923 forecast for Environmental Safety and Health because a contract request was deferred maintenance or double-recovery.	A&G	Joint Comparison Exhibit, p. 74 (conceded by SCE); Ex. TURN-05, pp. 121-125	Yes
13	TURN demonstrated that \$50,000 should be removed from Account 923 (Environmental Safety and Health) because SCE did not justify the EMF bill inserts.	A&G	Joint Comparison Exhibit, p. 74 (conceded by SCE); Ex. TURN-05, pp. 125-126	Yes
14	TURN demonstrated that CCA Expenses (and revenues) should be removed to a memorandum account, thus reducing Customer Service expense by \$2,568,000 (and reducing OOR by \$2,689,000, as discussed in Section	CS	D.09-03-025, pp. 105-106 (Section 4.3); Ex. TURN-05, p. 68	Yes

	4.18.1).			
15	TURN (and DRA) demonstrated that shareholders should continue to pay for SCE's service guarantee credits, thus reducing SCE's customer service O&M expense by \$225,000.	CS	D.09-03-025, p. 108 (Section 4.6); TURN Opening Brief, pp. 92-95	Yes
16	While the Commission did not adopt (let alone mention) TURN's proposal for a new Erroneous Shutoff Service Guarantee, the ALJ's Proposed Decision would have adopted TURN's proposal (albeit as a \$50 rather than \$100 credit). The ALJ's Proposed Decision would also have reduced SCE's Account 903 forecast by \$50,000, as recommended by TURN.	CS	Proposed Decision, Rev. 3, pp. 109-110; Ex. TURN-03, pp. 18-19	Yes
17	While the Commission rejected TURN's proposed reduction to SCE's forecast for Policy Adjustments (Account 905.300), the ALJ's Proposed Decision agreed with TURN that SCE's forecast should be reduced by \$248,000.	CS	D.09-03-025, pp. 112-113 (Section 4.11); Ex. TURN-03, p. 20. But see Proposed Decision, Rev. 3, p. 114.	Yes
18	TURN demonstrated that SCE should modify its Tariff Rule 17-D (Billing Error) to conform to Res. G-3372 and D.05-09-046.	CS	D.09-03-025, p. 121 (Section 4.18.5); Ex. TURN-03, pp. 12-14	Yes
19	TURN demonstrated that the Commission should impose a moratorium on any new payday lender Authorized Payment Agencies (APAs).	CS	D.09-03-025, p. 327 (Section 23.2); Ex. TURN-03, pp. 14-17	Yes
20	TURN demonstrated that SCE's forecast for Automated NEM Billing (Account 903.500) should be reduced by \$176,000.	CS	Ex. SCE-18, p. 42 (agreeing with TURN); Ex. TURN-03, p. 19	Yes

21	<p>In D.04-07-022 (the 2003 SCE GRC), the Commission expressed its concern with “the lack of adequate, verifiable substantiation for SCE’s calculated increase in negative [net] salvage rates for mass property.” (D.04-07-022, pp. 260-261) In D.06-05-016 (the 2006 SCE GRC), the Commission described its responsibility “to determine whether past practices are consistent with producing the most reliable net salvage projections,” and identified inflation as “the primary reason for the significant increases in historic and projected costs of removal.” (D.06-05-016, p. 206) TURN tailored its focus on depreciation-related matters to the appropriate analysis and treatment of inflation. (Ex. TURN-1 (Testimony of Michael Majoros). TURN was the only party other than SCE to directly address the role of inflation in SCE’s net salvage projections, and to propose a means of mitigating the effect of inflation. DRA’s depreciation testimony sought further reporting of the implicit inflation rates. (Ex. DRA-18, p. 3) The Commission did not adopt TURN’s proposal because “[o]n balance, the record does not demonstrate TURN’s proposal is superior to the Commission’s longstanding depreciation rate calculation methodology.” (D.09-03-025, p. 178) However, the</p>	Dep	D.09-03-025, p. 178 (Section 7); Ex. TURN-1	Yes
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	Commission should determine that TURN's efforts on the depreciation issue constitute a substantial contribution to D.09-03-025 by ensuring that the record on the inflation issue was more fully developed, consistent with the directives from the earlier GRC decisions.			
22	During hearings on SCE's update testimony, TURN cross examined SCE regarding the appropriateness of its updated Non-Labor Escalation Rates, in light of the dramatic changes to the economy since the underlying data were prepared. Relying on TURN's cross-examination, the ALJ's Proposed Decision would have adopted SCE's original Non-Labor Escalation Rates, which were significantly lower than the updated rates proposed by SCE. While the Alternate Proposed Decision of President Peevey first proposed to adopt the higher rates, the Peevey Alternate was modified after comments to adopt the same outcome as the ALJ's Proposed Decision. Ultimately, however, the Peevey Alternate was modified again, and the Commission adopted the higher escalation rates proposed by SCE in update testimony.	Esc	See Proposed Decision, Rev. 3, pp. 302-303 (without attribution to TURN, but citing to TURN's cross); Alternate Proposed Decision of President Peevey, Rev. 1, pp. 324-35 (adopting the same language as PD); RT Vol. 21 (update hearings, TURN cross); TURN Opening Comments on the Alternate Proposed Decision, pp. 18-19; TURN Reply Comments on the Proposed Decision, pp. 4-5. Compare with D.09-03-025, p. 313 (Section 20).	Yes
23	TURN demonstrated that SCE's Hydro O&M forecast should be reduced by \$995,000 because of lower base year expenses in	Gen	D.09-03-025, p. 21, fn. 53 (Section 2.3); Ex. TURN-05, pp. 20-23, 24-25, 27-28	Yes

	Accounts 536 (Water for Power, \$543,000), 539 (Agnew Tramway, \$415,000), and 540 (Rents, \$37,000).			
24	TURN demonstrated that SCE's Hydro O&M forecast for Operation of Reservoirs (Account 537) should be reduced by \$169,000.	Gen	D.09-03-025, p. 23 (Section 2.3.1); Ex. TURN-05, pp. 23-24	Yes
25	TURN demonstrated that SCE's Hydro O&M forecast for the San Gregorio power plant should be reduced because of the plant's planned decommissioning. TURN proposed a reduction of \$120,000 (Accounts 537, 538, 540, 542, 543, 544), but the Commission adopted a smaller reduction proposed by SCE in response to TURN, \$58,000. The Proposed Decision of ALJ DeAngelis would have additionally warned, "However, we expect this amount to be removed from SCE's next O&M forecast."	Gen	D.09-03-025, p. 24 (Section 2.3.3); Ex. TURN-05A, pp. 26-27; Ex. TURN-25, p. 1; Proposed Decision, Rev. 3, p. 25	Yes
26	TURN demonstrated that SCE's Hydro O&M forecast should be reduced by \$401,000 due to account for lower pay rates and training costs (Accounts 537, 538, 539, 543, 544, 545).	Gen	D.09-03-025, p. 27 (Section 2.3.4); Ex. TURN-05, pp. 25-26	Yes
27	TURN demonstrated that SCE's Hydro O&M forecast for housing (Account 542) should be reduced by \$1.763 million (disallow \$374,000, and capitalize rather than expense the remainder).	Gen	D.09-03-025, pp. 28-29 (Section 2.3.5); Ex. TURN-05, pp. 29-33	Yes
28	TURN demonstrated that SCE's Hydro capital forecast should be increased by \$1,773,000, as a result of	Gen	D.09-03-025, pp. 188-189 (Section 8.2.3.1); Ex. TURN-05, pp. 39-40	Yes

	capitalizing rather than expensing allowed housing rehabilitation costs.			
29	TURN demonstrated that SCE's Hydro capital forecast should be reduced by \$678,000 to remove spending on uncertain ISO/WECC projects.	Gen	D.09-03-025, p. 189 (Section 8.2.4); Ex. TURN-05, pp. 38-39	Yes
30	TURN demonstrated that SCE's Hydro capital forecast for housing costs should be reduced by \$1.746 million.	Gen	D.09-03-025, p. 188 (Section 8.2.3.1); Ex. TURN-05, pp. 39-40	Yes
31	TURN demonstrated (with Inland Aquaculture Group) that SCE's Hydro capital forecast should be reduced by \$2.4 million to remove the Lundy Reline Conveyance System Project. TURN supplemented the showing of Inland Aquaculture Group by addressing the fundamental flaws with this project in terms of forecast ratemaking principles in our opening and reply briefs.	Gen	D.09-03-025, pp. 192-193 (Section 8.2.6); TURN Opening Brief, pp. 187-190; TURN Reply Brief, pp. 57-58	Yes
32	While the Commission did not adopt TURN's proposed reduction to SCE's Peaker O&M forecast related to lack of integration of operations with Mountainview, the Commission agreed with TURN that "SCE should continue to explore ways to increase cross-support between the staffs of the peakers and Mountainview."	Gen	D.09-03-025, pp. 36-37 (Section 2.4.4); Ex. TURN-05, pp. 42-45	Yes
33	TURN demonstrated that SCE's Peaker O&M forecast should be reduced by \$267,000 to normalize one-time IT expenses (Account 549).	Gen	D.09-03-025, pp. 38 (Section 2.4.5); Ex. TURN-05, p. 45	Yes

34	TURN demonstrated that SCE's Peaker capital forecast should be reduced by \$850,000 To remove a Continuous Emissions Monitoring System.	Gen	Ex. SCE-16E, p. 31 (agreeing with TURN); Ex. TURN-05, pp. 53-54	Yes
35	TURN demonstrated the SCE's Peaker capital forecast should be reduced by \$3.4 million to remove the cost of back-up air and gas compressors for the 5th Peaker at Oxnard.	Gen	D.09-03-025, pp. 194-195 (Section 8.2.7.1); TURN Comments on Proposed Decision, pp. 10-11	Yes
36	TURN (and DRA) demonstrated that the forecast for Four Corners O&M should exclude SCE's proposed 50 additional employees. (TURN's primary recommendation was that the Commission adopt APS' budget, but TURN alternately recommended that the employee count be reduced, as proposed by DRA. TURN supplemented the reasoning presented by DRA for this proposal.)	Gen	D.09-03-025, p. 18 (Section 2.2.1); Ex. TURN-05, pp. 17-18	Yes
37	TURN demonstrated that SCE should not receive funding for its proposed Ontario Service Center, Orange Coast Service Center, and Bishop Service Center Non-electric Facilities projects. Removing these projects reduced SCE's post-TY capital budget by \$45.820 million.	Non-elec Facilities	D.09-03-025, p. 235, fn. 696 (Section 8.6); Ex. TURN-09, pp. 49-51 (Ontario), pp. 51-52 (Orange Coast), pp. 42-44 (Bishop)	Yes
38	TURN demonstrated that SCE should not receive funding for its proposed New Corporate Headquarters Building in this rate case, thus reducing SCE's TY capital budget by \$57.7 million.	Non-elec Facilities	D.09-03-025, p. 243 (Section 8.6.3); Ex. TURN-09, pp. 30-32	Yes

39	TURN demonstrated that SCE should not receive its full request for its Satellite Service Center and Rivergrade Projects. SCE had proposed a capital budget of \$111,430,000 for the Satellite Service Center in the test year, and \$233,670,000 for both projects combined after the test year. The Commission reduced SCE's request substantially by authorizing a total of \$75 million for these two capital projects. The ALJ's Proposed Decision would have denied SCE's entire request, finding that SCE had not demonstrated the need to proceed with its Satellite Service Center or Rivergrade Projects.	Non-elec Facilities	D.09-03-025, p. 243 (Section 8.6.3) ("We agree with DRA and TURN that conditions have changed since SCE filed its application. ... While the scale and scope of these projects should be adjusted substantially, we find it reasonable to authorize \$75 million in support of these efforts.") See also, Proposed Decision, Rev. 3, pp. 234-235 ("We agree with DRA and TURN that conditions have changed since SCE filed its application. ... We find that SCE has not demonstrated the need to proceed with its Satellite Service Center, New Headquarters Building, or Rivergrade Projects.").	Yes
40	TURN demonstrated that the contingency funding SCE added to its non-electric facility capital project estimates should be rejected, for a reduction of approximately 15% or \$71 million total across all projects.	Non-elec Facilities	D.09-03-025, p. 247 (Section 8.6.6); Ex. TURN-09, pp. 21-23	Yes
41	TURN demonstrated that the Commission should revisit the treatment of Non-Tariffed Products & Services (NTP&S).	NTP&S	D.09-03-025, p. 301 (Section 13) ("We agree with TURN that the Commission should revisit NTP&S, but we decline to do so here.") and OP 23 ("We intend to issue a rulemaking in 2009 for the purpose of reviewing Non-Tariffed Products & Services (NTP&S). This rulemaking will not include a review of the	Yes

			Affiliate Transaction Rules. At the appropriate time, all the " testimony submitted in this proceeding regarding NTP&S will be incorporated into the record in the rulemaking."); Ex. TURN-08, pp. 8-22	
42	Although not adopted by the Commission, the ALJ's Proposed Decision would have additionally adopted, as an interim measure, TURN's recommendation to adjust the NTP&S threshold amount (the amount credited to ratepayers before revenue-sharing applies) to \$25.3 million, to account for inflation using a 3% escalation factor from 1995 to 2009. This would have credited ratepayers with an additional \$8.6 million in revenues.	NTP&S	Proposed Decision, Rev. 3, p. 291 (Section 13) ("As an interim measure, until we complete our full review of these matters in a separate rulemaking, we find it reasonable to adopt TURN's recommendation to adjust the threshold amount to account for inflation using the 3% escalation factor recommended by TURN.").	Yes
43	TURN demonstrated that the memorandum account for CCA revenues and expenses should be continued, thus reducing forecasted revenues from CCA Fees and Charges by \$2,689,000 (but also reducing expense by \$2,568,000, as discussed in Section 4.3).	OOR	D.09-03-025, p. 119 (Section 4.18.1); Ex. TURN-05, p. 11	Yes
44	TURN demonstrated that revenues forecasted from the Residential Late Payment Charge (Account 450) should be increased by \$718,000.	OOR	D.09-03-025, p. 119 (Section 4.18.2); Ex. TURN-05, pp. 7-10	Yes
45	TURN demonstrated that the Commission should reject SCE's proposed \$20 Field Assignment Charge (Account 451.600). While TURN (and	OOR	D.09-03-025, pp. 120-121 (Section 4.18.3); Ex. TURN-05, p. 10	Yes

	DRA) had proposed a charge of \$13.75, the Commission adopted a mid-point of \$17.			
46	TURN demonstrated that SCE's forecast for joint pole attachment revenue (Account 454.500) should be increased by \$1,127,000, and that the revenue requirement should be updated to reflect the new pole attachment charge when it is determined.	OOR	D.09-03-025, p. 121 (Section 4.18.4); Ex. TURN-05, pp. 11-13	Yes
47	TURN demonstrated that SCE's revenue lag days should be adjusted for summary billing lag and meter to service billing lag, reducing SCE's cash working capital requirement by \$16.6 million.	RB	D.09-03-025, p. 248 (summary billing lag) and p. 253 (meter to service billing lag) (Section 9.1.2); Ex. TURN-05, pp. 133-136	Yes
48	TURN demonstrated that SCE's expense lag for pensions should be 96.5 days, rather than SCE's zero-day lag, reducing SCE's cash working capital requirement by \$15,082 million.	RB	D.09-03-025, pp. 263-264 (Section 9.3); Ex. TURN-05, pp. 136-138	Yes
49	TURN demonstrated that SCE's expense lag for PBOPs should be 118.2 days, rather than SCE's zero-day lag, reducing SCE's cash working capital requirement by \$18.973 million.	RB	D.09-03-025, pp. 263-264 (Section 9.3); Ex. TURN-05A, pp. 137-138	Yes
50	TURN demonstrated that SCE's cash working capital requirement associated with Prepayments should be reduced by \$1.974 million.	RB	D.09-03-025, p. 269 (Section 9.5.1); Ex. TURN-05, pp. 129-131	Yes
51	TURN demonstrated that SCE's cash working capital requirement associated with Other Accounts Receivable should be reduced by \$3.981 million.	RB	D.09-03-025, p. 271 (Section 9.5.2); Ex. TURN-05, pp. 131-132	Yes
52	TURN demonstrated that Customer Deposits should	RB	D.09-03-025, pp. 280-287 (Section 9.10); Ex. TURN-	Yes

	offset SCE's cash working capital requirement, reducing SCE's rate base by \$232,611,000, while also increasing SCE's O&M expense forecast by \$8,141,000. TURN and DRA successfully opposed SCE's proposal to offset this benefit by effectively including nuclear fuel inventories in rate base.		05, pp. 138-140	
53	TURN demonstrated the expense lag for Purchased Power should be adjusted, reducing SCE's cash working capital requirement by \$29 million.	RB	Ex. SCE-24A, p. 103 (agreeing with TURN); Ex. TURN-05, p. 136	Yes
54	While the Commission adopted the RIIM Settlement between SCE and CCUE, the ALJ's Proposed Decision would have rejected the Settlement, as recommended by TURN (though TURN noted that we could support a RIIM mechanism for capital expenditures with different attributes). President Peevey's original Alternate Proposed Decision would have likewise rejected the RIIM settlement.	RIIM	D.09-03-025, pp. 323-324 (Section 23.1); Proposed Decision, Rev. 3, p. 314; Alternate Proposed Decision of President Peevey (mailed 11/18/08), pp. 319-322; Ex. TURN-12A, pp. 2-6	Yes
55	TURN demonstrated that SCE's forecast for intrusive wood pole inspections (Account 583.400) should be reduced by 17% (\$855,000) because the number of intrusive inspections planned by SCE was excessive.	TDBU	D.09-03-025, p. 84 (Section 3.15.4); TURN Opening Brief, pp. 47-58	Yes
56	While the Commission did not adopt TURN's proposed reduction to Account 593.200 for tree trimming and removal costs based on an analysis of the trim cycle, the	TDBU	D.09-03-025, pp. 99-100 (Section 3.20.1) ("SCE has raised legitimate concerns regarding the viability of TURN's recommendation regarding using a 2-year	Yes

	Commission was persuaded by TURN's showing that SCE should be directed to research the benefits of the trim cycle advocated by TURN and provide the Commission with the results in SCE's next GRC.		trim cycle. Nevertheless, TURN provides sound evidence to support its recommendation. Accordingly, while we are not convinced that SCE's failure rely on such a trim cycle warrants a reduction to its TY 2009 forecast, we direct SCE to research the benefits of the trim cycle (or similar concept) and provide the Commission with the results of its research in its next GRC."). See also OP #11: "We direct SCE to research the benefits of The Utility Reform Network's (TURN) proposal to rely on a two-year tree trimming cycle (or similar proposal) and provide the Commission with the results of its inquiry in SCE's next GRC."	
57	TURN demonstrated that SCE's forecast for distribution capital for new customer growth should be reduced by \$6,805,000 (Prefabrication District Stores) and by \$1,793,000 (Distribution Line Easements).	TDBU	Ex. SCE-17C, p. 13 (Prefab Stores), pp. 15-16 (Easements) (agreeing with TURN); Ex. TURN-05, pp. 65-67	Yes
58	TURN (and DRA) demonstrated that SCE's meter set forecast for capital expenditures related to residential, commercial, agricultural, and streetlight customer growth was too high, reducing SCE's forecast of distribution capital for new customer growth by a total of	TDBU	D.09-03-025, p. 198 (Section 8.3.1.1); Ex. TURN-05, pp. 61-65	Yes

	\$125 million.			
59	TURN demonstrated that SCE's forecasted capital expenditures for New Business Transformers should be reduced to account for reduced meter sets, reducing SCE's forecast by \$8.2 million.	TDBU	D.09-03-025, p. 199 (Section 8.3.1.2); Ex. TURN-05, p. 66; Ex. TURN-25, p. 1 (accepting SCE's revised estimate of costs for new business transformers in 2008-2009)	Yes
60	TURN demonstrated that Joint Pole Credits should be used to offset pole costs (B.I. 586), reducing SCE's test year capital budget by \$3.4 million.	TDBU	Ex. SCE-17H, pp. 27-28 (agreeing with TURN); Ex. TURN-03, p. 12	Yes
61	TURN demonstrated that Line Rents (Account 567.100) should be classified as an expense, thus reducing SCE's expense forecast by \$80,000.	TDBU	Ex. SCE-17B, p. 32 (agreeing with TURN); Ex. TURN-03, p. 3	Yes
62	TURN demonstrated that SCE's forecast of Workers' Compensation Reserve Expense (Account 925) should be reduced by \$16.25 million.	WC	D.09-03-025, p. 157 (Section 6.12.2); Ex. TURN-05A, pp. 84-97	Yes

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

	Claimant	CPUC Verified
a. Was DRA a party to the proceeding? (Y/N)	Yes	Yes
b. Were there other parties to the proceeding? (Y/N)	Yes	Yes
c. If so, provide name of other parties: Disability Rights Advocates, Greenlining Institute, Inland Aquaculture Group, LLC, California Farm Bureau Federation, Alliance for Nuclear Responsibility (on behalf of a coalition of groups), Coalition of California Utility Employees, Transphase Company, Western Riverside Council of Governments, Alliance for Retail Energy Markets, Independent Energy Producers Association, Western Power Trading Forum, Rancho Cucamonga Municipal Utility, San Diego Gas & Electric Company		Yes
d. Describe how you coordinated with DRA and other parties to avoid duplication or how your participation supplemented, complemented, or contributed to that of another party: TURN's work in a GRC is typically very closely and efficiently coordinated with		Yes

other like-minded groups, and this case was no different. In light of the scope of the proceeding and the unprecedented magnitude of the requested rate increase, TURN worked especially hard to achieve such coordination and, as a result, maximum coverage for ratepayers. Our time records include a number of entries (usually coded as "coordination" or "GP") for efforts that were primarily devoted to communicating with the other intervenors about procedural strategies and issue area allocation.

TURN coordinated extensively with DRA to limit any duplication. TURN's witnesses in most cases identified whether their recommendations were incremental to or overlapped with a recommendation by DRA. Where TURN presented an overlapping recommendation, TURN provided unique arguments in support of that outcome, thus providing the Commission with a more robust record upon which to evaluate the issue at hand. In many instances, however, TURN raised unique issues, thus complementing the overall presentation of DRA and other intervenors.

In sum, the Commission should find that TURN's participation was efficiently coordinated with the participation of other intervenors wherever possible, so as to avoid undue duplication.

C. Additional Comments on Part II:

#	Claimant	CPUC	Comment																										
II.A	TURN		TURN has added the column titled “Code” to the form table in Part II.A. This column shows the code assigned to the time TURN devoted to the issue described in each contribution. For instance, the time TURN devoted to Workers’ Compensation (“WC”), as indicated on our timesheets attached to this request, resulted in the contribution coded “WC”. The codes used in Part II.A stand for the following issues:																										
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PART III: REASONABLENESS OF REQUESTED COMPENSATION**A. General Claim of Reasonableness (§§ 1801 & 1806):**

Concise explanation as to how the cost of claimant's participation bears a reasonable relationship with benefits realized through participation (include references to record, where appropriate)	CPUC Verified
<p>TURN's participation resulted in a reduction to SCE's test year 2009 revenue requirement of approximately \$118 million, as described in Part II. This figure reflects approximately \$54 million in reduced expense and \$636 million in capital. For the purpose of quantifying the benefits of our participation, TURN has very conservatively calculated the revenue requirement impacts associated with reductions to SCE's test year capital budget as 10% of the total capital reductions, or \$64 million. SCE's ratepayers will enjoy these benefits each year during the three-year rate case cycle, a cumulative benefit of \$354 million (plus avoided attrition dollars). TURN's participation also resulted in benefits to SCE's customers that are more difficult to quantify, including the adoption of a moratorium on new payday lenders as Authorized Payment Agencies, a lower (and thus more affordable) field assignment charge which will be paid by customers already struggling to avoid service termination, and clarifying revisions to SCE's tariff Rule 17-D, governing billing error.</p> <p>Based on these calculations, TURN's participation costs – \$794,479.41 – represent a mere 0.67% of the quantifiable benefits to ratepayers from TURN's participation in the test year. Over the rate case cycle, TURN's costs represent just 0.22% of the ratepayer benefits stemming from our participation.</p>	<p>After the adjustments and disallowances we make to this claim, the remainder of TURN's requested hours and costs are reasonable.</p>

B. Specific Claim:

CLAIMED						CPUC AWARD			
ATTORNEY AND ADVOCATE FEES									
Item	Year	Hours	Rate \$	Basis for Rate*	Total \$	Year	Hours	Rate \$	Total \$
Robert Finkelstein	2007	3.75	435	D.07-12-026, p. 24	1,631.25	2007	3.75	435	1,631.25
Robert Finkelstein	2008	451.50	470	D.08-08-027, p. 5	212,205.00	2008	451.50	470	212,205.00
Robert Finkelstein	2009	55.75	470	Res. ALJ-235 (3/12/09)	26,202.50	2009	55.75	470	26,202.50
Michel Florio	2008	0.50	535	D.08-07-043, p. 8	267.50	2008	.50	535	267.50
Hayley Goodson	2007	7.00	210	D.07-12-026, p. 24	1,470.00	2007	7.00	210	1,470.00
Hayley Goodson	2008	446.25	280	D.08-08-027, p. 5	124,950.00	2008	446.25	280	124,950.00
Hayley Goodson	2009	32.00	280	Res. ALJ-235 (3/12/09)	8,960.00	2009	32.00	280	8,960.00
Marcel	2008	54.00	325	D.08-08-027, p. 5	17,550.00	2008	54.00	325	17,550.00

Hawiger									
Nina Suetake	2007	2.75	210	D.07-12-026, p. 24	577.50	2007	2.75	210	577.50
Nina Suetake	2008	186.00	225	D.08-04-010 principles; 3% COLA plus 5% “step increase” applied to 2007 authorized rate of \$210 (D.07-12-026)	41,850.00	2008	186.00	225	41,850.00
Subtotal:					\$435,663.75	Subtotal: \$435,663.75			
EXPERT FEES									
Item	Year	Hours	Rate \$	Basis for Rate*	Total \$	Year	Hours	Rate \$	Total \$
Jim Helmich, JBS Energy	2008	5.50	195	First time request	1,072.50	2008	5.50	190	1,045.00
Garrick Jones, JBS Energy	2007	275.26	110	D.08-11-053, p. 11	30,278.60	2007	275.26	110	30,278.60
Garrick Jones, JBS Energy	2008	889.49	130	Reconsideration requested	115,633.70	2008	889.49	120	106,738.80
Garrick Jones, JBS Energy	2009	44.85	130	2008 rate	5,830.50	2009	44.85	120	5,382.00
Bill Marcus, JBS Energy	2007	11.00	235	D.08-11-053, p. 10	2,585.00	2007	11.00	235	2,585.00
Bill Marcus, JBS Energy	2008	263.70	250	D.08-11-053, p. 10	65,925.00	2008	263.70	250	65,925.00
Bill Marcus, JBS Energy	2009	4.42	250	2008 rate	1,105.00	2009	4.42	250	1,105.00
Jeff Nahigian, JBS Energy	2007	1.75	175	D.08-08-024, p. 11	306.25	2007	1.75	175	306.25
Jeff Nahigian, JBS Energy	2008	273.00	195	Reconsideration requested	53,235.00	2008	273.00	190	51,870.00
Greg Ruszovan, JBS Energy	2008	10.78	195	Reconsideration requested	2,102.10	2008	10.78	180	1,940.40
Gayatri Schilberg, JBS Energy	2007	1.34	185	D.08-08-024, p. 10	247.90	2007	1.34	185	247.90
Gayatri Schilberg, JBS Energy	2008	193.39	200	D.09-04-027, p. 9	38,678.00	2008	193.39	200	38,678.00

Margaret Kenney, Snavely King	2008	73.00	160	D.06-10-018, pp. 41-42 (for work in 2006), rate is equal to 2007 rate	11,680.00	2008	73.00	160	11,680.00
Michael Majoros, Snavely King	2008	64.00	240	D.06-10-018, pp. 41-42 (for work in 2006), equal is equal to 2007 rate	15,360.00	2008	64.00	240	15,360.00
James Weil	2008	17.70	300	D.08-05-033, p. 18	5,310.00	2008	17.70	300	5,310.00
Subtotal: \$349,349.55						Subtotal: 338,451.95			
OTHER HOURS (Travel)									
Item	Year	Hours	Rate \$	Basis for Rate*	Total \$	Year	Hours	Rate \$	Total \$
Robert Finkelstein	2008	6.00	235	Travel time: ½ normal hourly rate	1,410.00	2008	6.00	235	1,410.00
Subtotal:					\$1,410.00	Subtotal: \$1,410.00			
INTERVENOR COMPENSATION CLAIM PREPARATION									
Item	Year	Hours	Rate \$	Basis for Rate*	Total \$	Year	Hours	Rate \$	Total \$
Robert Finkelstein	2009	7.00	235	½ normal hourly rate	1,645.00	2009	7.00	235	1,645.00
Hayley Goodson	2009	23.00	140	½ normal hourly rate	3,220.00	2009	23.00	140	3,220.00
Nina Suetake	2008	0.75	112.50	½ normal hourly rate	84.38	2008	0.75	112.5	84.38
Subtotal:					\$4,949.38	Subtotal: \$4,949.38			
COSTS									
#	Item	Detail			Amount \$	Amount \$			
1	Photocopying	Photocopies of pleadings related to A.07-11-011			1,238.14	1,238.14			
2	Courier	FedEx delivery of TURN testimony			36.03	36.03			
3	Legal Research	LexisNexis costs associated with TURN’s participation in A.07-11-011			908.90	908.90			
4	Postage	Postage costs related to TURN’s participation in A.07-011-011			23.85	23.85			
5	Phone	Telecommunications related to TURN’s participation in A.07-11-011			177.41	177.41			
6	Fax	Fax communication related to TURN’s participation in A.07-11-011			11.00	11.00			

7	Travel	Robert Finkelstein's Travel to L.A. for first 2 days of evidentiary hearings: Air travel to LA roundtrip; Bus from LAX to hearing; BART+ AirBART	207.60	207.60
8	Lodging	Robert Finkelstein's Travel to L.A. for first 2 days of evidentiary hearings: Hotel 5/28-5/29	503.80	503.80
Subtotal:			\$3,106.73	\$3,106.73
TOTAL REQUEST: \$794,479.41			TOTAL AWARD: \$783,581.81	

C. Attachments or Comments Documenting Specific Claim:

Attachment or Comment #	Description/Comment																										
Attachment 1	Certificate of Service																										
Attachment 2	Time sheets for attorneys showing coded time entries.																										
Attachment 3	Time sheets for expert consultant work.																										
Attachment 4	Excel spreadsheet allocating Attorney time by issue. Submitted in spreadsheet format.																										
Attachment 5	Direct expense detail.																										
Comment 1	<p>Allocation of TURN Attorney Hours by Issue/Activity Code: TURN has allocated all of our attorney time by issue area or activity, as evident on our attorney timesheets attached to this request for compensation. The following codes (the same codes used in the Substantial Contribution Table, above) relate to specific substantive issue areas addressed by TURN:</p> <table border="1"> <thead> <tr> <th>Code</th><th>Stands for:</th></tr> </thead> <tbody> <tr> <td>A&G</td><td>Administrative and General (other than workers comp)</td></tr> <tr> <td>CS</td><td>Customer Service (other than OOR)</td></tr> <tr> <td>Dep</td><td>Depreciation</td></tr> <tr> <td>Esc</td><td>Escalation Rates</td></tr> <tr> <td>Gen</td><td>Generation related -- all technologies</td></tr> <tr> <td>Non-elec Facilities</td><td>Non-electric facilities -- capital projects for non-electric buildings (new HQ, field offices, etc.)</td></tr> <tr> <td>NTP&S</td><td>Non-Tariffed products and services, not general OOR</td></tr> <tr> <td>OOR</td><td>Other Operating Revenue -- revenues from fees and charges</td></tr> <tr> <td>RB</td><td>Rate base -- customer deposits, working cash, etc.</td></tr> <tr> <td>RIIM</td><td>Reliability Investment Incentive Mechanism</td></tr> <tr> <td>TDBU</td><td>Transmission and Distribution Business Unit</td></tr> <tr> <td>WC</td><td>Workers Compensation</td></tr> </tbody> </table>	Code	Stands for:	A&G	Administrative and General (other than workers comp)	CS	Customer Service (other than OOR)	Dep	Depreciation	Esc	Escalation Rates	Gen	Generation related -- all technologies	Non-elec Facilities	Non-electric facilities -- capital projects for non-electric buildings (new HQ, field offices, etc.)	NTP&S	Non-Tariffed products and services, not general OOR	OOR	Other Operating Revenue -- revenues from fees and charges	RB	Rate base -- customer deposits, working cash, etc.	RIIM	Reliability Investment Incentive Mechanism	TDBU	Transmission and Distribution Business Unit	WC	Workers Compensation
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	<p>TURN has additionally allocated attorney time to the following codes:</p> <table border="1" data-bbox="394 352 1409 772"> <tr> <th>Code</th><th>Stands for:</th></tr> <tr> <td>Coord</td><td>Coordination with other parties -- meetings and e-mails w/ DRA, other intervenors about issue coverage, strategy, etc.</td></tr> <tr> <td>GH</td><td>General Hearing -- Hearing-related, but work that cannot be allocated to a specific issue</td></tr> <tr> <td>GP</td><td>General Participation -- work that spans multiple issues and/or would not vary with the number of issues that TURN addresses, for the most part</td></tr> <tr> <td>PD</td><td>PD/AD -- work on analyzing, commenting on, lobbying on, strategizing on the PD/AD/revisions thereto</td></tr> <tr> <td>Policy</td><td>Substantive work on policy issues</td></tr> <tr> <td>Proc</td><td>Procedural -- Procedural motions, etc.</td></tr> </table> <p>Finally, TURN has hours coded “Comp” and “Travel”, as discussed in Comments 3 and 7 below.</p> <p>Attachment 4 to this request is an Excel spreadsheet showing the allocation of our attorney hours by code.</p>	Code	Stands for:	Coord	Coordination with other parties -- meetings and e-mails w/ DRA, other intervenors about issue coverage, strategy, etc.	GH	General Hearing -- Hearing-related, but work that cannot be allocated to a specific issue	GP	General Participation -- work that spans multiple issues and/or would not vary with the number of issues that TURN addresses, for the most part	PD	PD/AD -- work on analyzing, commenting on, lobbying on, strategizing on the PD/AD/revisions thereto	Policy	Substantive work on policy issues	Proc	Procedural -- Procedural motions, etc.
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Policy	Substantive work on policy issues														
Proc	Procedural -- Procedural motions, etc.														
Comment 2	<p>Reasonableness of Hours / Depreciation: TURN’s more limited approach to depreciation issues is reflected in the reduced number of hours included here for depreciation-related work. TURN primarily used the services of the same expert witness on these issues as we had in three previous GRCs. The hours included here for the firm’s work (137) is substantially lower than the amounts for which intervenor compensation was sought in the past GRCs (759 hours in the SCE 2006 GRC, 610 hours in the PG&E GRC, and 289 in the Sempra GRC). TURN used additional expert witness resources to address issues raised for the first time in SCE’s rebuttal testimony for an additional 17.7 hours of expert witness time. TURN obtained the services of James Weil to assist with challenging the claims in SCE’s rebuttal testimony regarding the impact TURN’s depreciation recommendation might have on the utility’s finances and credit ratings. Through his work with Aglet Consumer Alliance, Mr. Weil has served as the principal non-DRA consumer representative in Commission cost of capital proceedings in the last several years. Given the dramatically reduced amount of hours included in this compensation request for depreciation-related work, the Commission should find these hours reasonable.</p>														
Comment 3	<p>Reasonableness of Hours / Preparation of Compensation Request: TURN seeks compensation for approximately 30 hours of time devoted to preparation of this compensation request, coded “Comp” on our attorney timesheets. While somewhat higher than the hours TURN typically seeks for preparation of these pleadings, the Commission should find the figure reasonable under the circumstances. Preparation of any request for compensation requires careful review of the final decision and the underlying record to address substantial contribution and the variety of other substantive issues that a compensation request must address. Where, as here, TURN’s efforts and resulting substantial contributions span a wide array of the issues covered in the proceeding that produced a final decision which encompasses nearly 400 pages, the time devoted to such a review is going to be substantial. TURN submits that the level of effort evident on the face of our request for compensation demonstrates that the time included in the request for this effort is reasonable</p>														

	and should be compensated in full.
Comment 4	<p>Reasonableness of Hours / JBS Energy: TURN requests compensation for more JBS hours than were included in recent compensation requests for GRCs. This is a product of TURN having asked JBS both to cover a broader array of issues than is typical for the firm when working with TURN on a GRC, and to conduct a more in-depth review of past spending patterns.</p> <p>TURN's review of the SCE showing in this GRC began earlier in the process than it normally has in previous GRCs. When SCE served its "Notice of Intent" in late summer 2008 and, in doing so, indicated that the magnitude of the SCE request was substantially greater than in past GRCs, TURN determined to conduct a broader review than we typically do in a GRC. Therefore, TURN undertook (through JBS Energy) a data- and labor-intensive review of the most recent past SCE GRCs, using data for both forecasted and recorded expenses to compare the utility's spending predictions to actual spending. The results of this effort informed TURN's general strategy in this proceeding, helped target certain areas as likely examples of forecasting greater amounts than would be spent, and permitted TURN's testimony to cover a broader array of issues than in past GRCs.</p> <p>This larger effort was a lynchpin of TURN's generally successful efforts in this GRC, both in terms of developing a general strategy and for identifying issues that TURN should focus on. The increased hours included in this request for compensation for the associated work of JBS Energy were a critical part of this approach. In light of the breadth of TURN's substantial contribution and the dollar impact of many of the issues on which we prevailed (either in whole or in part), the increased amount of intervenor compensation is a very cost-effective investment for SCE ratepayers.</p>
Comment 5	<p>Allocation of JBS Energy Hours by Issue/Activity: Included in this request are hours devoted to this proceeding by 6 members of the JBS Energy staff: Jim Helmich, Garrick Jones, Bill Marcus, Jeff Nahigian, Greg Ruzovan, and Gayatri Schilberg. The time of these experts can be allocated across the issue codes used by TURN in this proceeding as follows:</p> <p>Jim Helmich: Gen = 100%.</p> <p>Garrick Jones: A&G = 50%; GP = 25%; WC = 25%.</p> <p>Bill Marcus: A&G = 8%; CS = 2%; Gen = 45%; Non-elec Facilities = 3%; OOR = 5%; RB = 20%; TDBU = 15%; WC = 2%.</p> <p>Jeff Nahigian: Non-elec Facilities = 95%; CS = 5%.</p> <p>Greg Ruzovan: GP = 100%.</p> <p>Gayatri Schilberg: CS = 25%; NTP&S = 2%; RIIM = 11%; TDBU = 62%.</p>
Comment 6	<p>Hourly Rates for JBS Energy:</p> <p><u>Jim Helmich, 2008 Rate</u></p> <p>This is the first request for compensation that includes work performed in 2008 by Jim Helmich of JBS Energy. According to TURN's records, the Commission last adopted a rate of \$160 for work Mr. Helmich performed in 2005 (D.06-10-018, p. 39). In D.07-01-009, the Commission adopted a 3% COLA for 2006 hourly rates, and an additional 3% COLA for 2007 hourly rates, plus an opportunity to seek up to a 5% step increase. Using these figures, Mr. Helmich's hourly rate would have increased to \$165 in 2006 and \$180 in 2007. With the</p>

<p>additional 3% COLA and 5% step increase provided for in D.08-04-010, the 2008 hourly rate for Mr. Helmich would increase to \$195. This is the same amount JBS invoiced TURN for Mr. Helmich's work in 2008, and should be adopted here.</p> <p><u>Garrick Jones, Jeff Nahigian and Greg Ruszovan, 2008 Rates</u></p> <p>TURN is seeking approval of 2008 rates for several members of JBS Energy at levels slightly higher than recently approved for each individual's work in 2008, including Garrick Jones, Jeff Nahigian and Greg Ruszovan. In A.07-07-026 (the SCE AMI proceeding), TURN's request for compensation sought 2008 rates for the first time for four members of JBS Energy. In D.09-04-027, the Commission approved the requested rate of one firm member, but lower-than-requested rates for the other three. TURN specifically requests that the Commission reconsider the recently-approved rates. There is precedent for such reconsideration. In D.06-10-018 (in the SCE TY 2006 GRC), the Commission reconsidered recently-established hourly rates for TURN's consultants and agreed with TURN that a higher hourly rate was appropriate. D.06-10-018, pp. 39-40.</p> <p>In D.08-04-010 the Commission explicitly recognized that where a firm has historically sought rates at the low end of a given range, a larger increase may be requested and awarded. D.08-04-010, p. 9. In D.09-04-027, the Commission did not directly address TURN's showing; instead, rates approved for 2007 work were increased by 8% (the cost-of-living adjustment plus a 5% "step" increase) without further explanation. D.09-04-027, p. 15. In the case of Mr. Jones's rate, the result of this approach falls below the bottom of the scale set for 2008 rates (a rate of \$120 was approved when the lowest range for expert witness services starts at \$125).</p> <p>TURN may separately seek a change to D.09-04-027 to correct the problems that appeared in that decision. For purposes of this Request for Compensation, TURN asserts that D.09-04-027 adopted rates below appropriate levels for these three individuals, and those rates should be reconsidered.</p> <p>TURN sought the same 2008 hourly rate for Mr. Nahigian and Mr. Ruszovan because JBS Energy bills the same rate for their work and because, as the Commission has acknowledged in the past, the two individuals have very comparable background and experience. D.06-10-018, pp. 39-40. Both have more than twenty years experience with utility regulatory matters and their work during that period has largely focused on such matters. In D.08-04-010, the Commission adopted a range of \$155 to \$390 for outside consultants providing expert witness services in 2008 where those consultants have thirteen or more years of experience. D.08-04-010, p. 5. The requested rate of \$195 is in the bottom 20% of the range for consultants with this level of experience.</p> <p>The requested 2008 rate of \$195 is reasonable when compared to other consultants with approved rates during a similar period. In D.09-03-018, the Commission adopted a \$200 hourly rate for work performed in 2007 by Neal Casper, an expert on architectural access for people with disabilities whose credentials include nine years as a construction project manager. And in D.08-09-036, the Commission adopted a \$225 hourly rate for work performed in 2007 by Dr. Gregory Morris of Green Power Institute. Dr. Morris has a doctorate in a related field, but at the time of the compensation award had far less experience than Mr. Ruszovan or Mr. Nahigian in Commission proceedings.</p> <p>The recently-adopted rate for Garrick Jones presents a very different problem. For work performed in his first year with JBS Energy, the firm charged \$110, a rate below the bottom</p>
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	<p>of the range set in D.07-01-009 for 2007 rates for experts with 0-6 years of experience (\$120). In 2008, the range for such experts increased to \$125 to \$180. With a year's experience under his belt, it is entirely reasonable for JBS Energy to increase the 2008 billing rate for Mr. Jones to \$130. While a greater increase than the up to 8% adjustment applied as a general matter under D.08-04-010, the move from \$110 to \$130 more reflects the fact that JBS Energy charged a below-market rate for Mr. Jones in 2007 and is only beginning to move him to a market rate in 2008. The resulting 2008 rate is only slightly above the floor that would apply to a consultant with <u>no</u> experience.</p> <p>In summary, TURN urges the Commission to reconsider the 2008 rates applied in D.09-04-027 and adopt the rates requested here for the work of Nahigian, Ruszovan and Jones.</p> <p><u>Garrick Jones and Bill Marcus, 2009 Rates</u></p> <p>TURN requests that the Commission apply the 2008 rates for Garrick Jones and Bill Marcus to their limited number of hours in 2009 in this proceeding. However, we reserve the right to seek a higher billing rate for Mr. Jones' and Mr. Marcus' work in 2009 in future requests for compensation.</p>
Comment 7	<p>Travel Time and Expenses: TURN seeks recovery for the time devoted to traveling (billed at half-rate) and the full amount of travel expenses for work on this proceeding. TURN's attorney Robert Finkelstein traveled to Los Angeles on May 28, 2008, to participate in the first two days of evidentiary hearings, which took place at the Commission's L.A. office. Mr. Finkelstein also traveled once, on May 21, 2008, to the offices of JBS Energy in West Sacramento in order to meet with our expert witnesses during the testimony and hearing preparation process. Both trips meet the criteria set forth in D.07-10-014: the amount of travel time and expense was reasonable, both when considered in isolation (one trip to Sacramento and one round-trip from San Francisco to Los Angeles) and in context of this compensation request; the travel was <u>not</u> routine commuting, but rather trips that would not have occurred but for TURN's participation in this proceeding; the expenses were reasonably incurred; and there was no less expensive way to participate in the proceeding (TURN has found that face-to-face group meetings with our expert witnesses at a few critical times – or at least once – during the course of a proceeding tend to be far more productive and efficient than serial telephone meetings with each individual). Therefore, the Commission should grant compensation for the requested travel time and expenses.</p> <p>Mr. Finkelstein's 6 hours of travel time appear in his timesheets with the code "Travel" and have been separated from his other time for purposes of calculating fees. These hours were excluded from the "Attorney and Advocate Fees" table above and instead appear in the "Other Fees" table. These hours have also been excluded from the summary spreadsheet in Attachment 4.</p>

D. CPUC Adoptions, Disallowances & Adjustments:

#	Reason
2008 Hourly rate for Helmich	The Commission adopted a rate of \$160 in D.06-10-018 for Helmich's work in 2005. After applying COLA and step increases as outlined in D.07-01-009 and D.08-04-010, a rate of \$190.00 for Helmich's 2008 work is reasonable, and we adopt it here.

2008 and 2009 Hourly rates for Jones	We have reviewed TURN's request for reconsideration of the 2008 hourly rate of Jones and adjust the requested hourly rate to \$120, equal to Jones's adopted 2007 rate of \$110 in D.08-11-053, in addition to a 3% COLA increase and a 5% step increase. We find this amount to be reasonable and adopt it here as we did previously in D.09-04-027. Pursuant the guidelines in ALJ-235, we then apply the same rate for 2009 work.
2008 Hourly rate for Nahigian	We have reviewed TURN's request for reconsideration of the 2008 hourly rate of Nahigian and adjust the requested hourly rate to \$190, equal to Nahigian's adopted 2007 rate of \$175 in D.08-08-024, in addition to a 3% COLA increase and a 5% step increase. We find this amount to be reasonable and adopt it here as we did previously in D.09-04-027.
2008 Hourly rate for Ruzzovan	We have reviewed TURN's request for reconsideration of the 2008 hourly rate of Ruzzovan and make no adjustment to the previously adopted rate of \$180 for 2008 in D.09-04-027. This amount was correctly computed based on his previously adopted 2007 rate of \$165 in D.08-03-012, in addition to a 3% COLA increase and a 5% step increase.

PART IV: OPPOSITIONS AND COMMENTS

A. Opposition: Did any party oppose the claim (Y/N)?

No

B. Comment Period: Was the 30-day comment period waived (*see* Rule 14.6(2)(6)) (Y/N)?

Yes

FINDINGS OF FACT

1. Claimant has made a substantial contribution to Decision (D.) 09-03-025.
2. The claimed fees and costs, as adjusted herein, are comparable to market rates paid to experts and advocates having comparable training and experience and offering similar services.
3. The total of reasonable contribution is \$783,581.81.

CONCLUSION OF LAW

1. The claim, with any adjustment set forth above, satisfies all requirements of Public Utilities Code §§ 1801-1812.

ORDER

1. Claimant is awarded \$783,581.81.
2. Within 30 days of the effective date of this decision, Southern California Edison shall pay claimant the total award. Payment of the award shall include interest at the rate earned on prime, three-month commercial paper as reported in Federal Reserve Statistical Release

H.15, beginning August 1, 2009, the 75th day after the filing of claimant's request, and continuing until full payment is made.

3. The comment period for today's decision is waived.
4. This proceeding remains open to address other related matters.
5. This order is effective today.

Dated October 29, 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:	D0910051	Modifies Decision? N
Contribution Decision(s):	D0903025	
Proceeding(s):	A0711011/I0801026	
Author:	ALJ DeAngelis	
Payer(s):	Southern California Edison Company	

Intervenor Information

Intervenor	Claim Date	Amount Requested	Amount Awarded	Multiplier?	Reason Change/Disallowance
The Utility Reform Network	05-18-09	\$794,479.41	\$783,581.81	No	adjusted hourly rates

Advocate Information

First Name	Last Name	Type	Intervenor	Hourly Fee Requested	Year Hourly Fee Requested	Hourly Fee Adopted
Robert	Finkelstein	Attorney	The Utility Reform Network	\$435	2007	\$435
Robert	Finkelstein	Attorney	The Utility Reform Network	\$470	2008	\$470
Robert	Finkelstein	Attorney	The Utility Reform Network	\$470	2009	\$470
Michel	Florio	Attorney	The Utility Reform Network	\$535	2008	\$535
Hayley	Goodson	Attorney	The Utility Reform Network	\$210	2007	\$210
Hayley	Goodson	Attorney	The Utility Reform Network	\$280	2008	\$280
Hayley	Goodson	Attorney	The Utility Reform Network	\$280	2009	\$280
Marcel	Hawiger	Attorney	The Utility Reform Network	\$325	2008	\$325
Nina	Suetake	Attorney	The Utility Reform Network	\$210	2007	\$210
Nina	Suetake	Attorney	The Utility Reform Network	\$225	2008	\$225
Jim	Helmich	Expert	The Utility Reform Network	\$195	2008	\$190
Garrick	Jones	Economist	The Utility Reform Network	\$110	2007	\$110

Garrick	Jones	Economist	The Utility Reform Network	\$130	2008	\$120
Garrick	Jones	Economist	The Utility Reform Network	\$130	2009	\$120
Bill	Marcus	Expert	The Utility Reform Network	\$235	2007	\$235
Bill	Marcus	Expert	The Utility Reform Network	\$250	2008	\$250
Bill	Marcus	Expert	The Utility Reform Network	\$250	2009	\$250
Jeff	Nahigian	Expert	The Utility Reform Network	\$175	2007	\$175
Jeff	Nahigian	Expert	The Utility Reform Network	\$195	2008	\$190
Greg	Ruszovan	Expert	The Utility Reform Network	\$195	2008	\$180
Gayatri	Schilberg	Expert	The Utility Reform Network	\$185	2007	\$185
Gayatri	Schilberg	Expert	The Utility Reform Network	\$200	2008	\$200
Margaret	Kenney	Expert	The Utility Reform Network	\$160	2008	\$160
Michael	Majoros	Expert	The Utility Reform Network	\$240	2008	\$240
James	Weil	Expert	The Utility Reform Network	\$300	2008	\$300

(END OF APPENDIX)