

Decision 88-03-020 March 9, 1988

ORIGINAL

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

Application of Pacific Gas and Electric Company for authority to adjust its electric rates effective August 1, 1986. (Electric) (U 39 M)

Application 86-04-012 (Filed April 4, 1986)

INTERIM OPINION

Summary

This decision requires the Power Users Protection Council (PUPC) to provide additional information in support of its Request for a Finding of Eligibility for Compensation for its participation in Pacific Gas and Electric Company (PG&E) Application (A.) 86-04-012. Once this information is provided, the Commission will rule on the merits of PUPC's Request.

Eligibility Request

PUPC filed a Request for Finding of Eligibility for Compensation on January 2, 1987. In its request PUPC states that it is a non-profit organization, representing farmers, run by volunteers, and funded through donations and fund raising activities. Additionally, PUPC argues that because the financial interests of its individual members are small in comparison to the cost of participation in this proceeding it would experience a financial hardship without compensation for its expenses. PUPC provided no specific information about the electric bills of its members which would document this assertion.

While other parties addressed issues for the entire agricultural class, PUPC's representation was focused on rate design for farmers who use electricity to pump water for agricultural purposes. PUPC maintains that without its participation the interests of this narrow group of customers would not have been adequately represented. Additionally, PUPC had only

received \$23,544.84 in donations when its eligibility request was filed, which is just over half of its compensation request. Since all funding for PUPC has been from contributions and no grants have been received, PUPC maintains that without additional funding it could not pay the costs of effective participation.

Discussion

To be eligible for intervenor compensation, a participant in one of our proceedings must meet the two-pronged test for "significant financial hardship" which is set forth in Rule 76.52(f) of our Rules of Practice and Procedure:

- "(1) That, in the judgement of the Commission, the customer has or represents an interest not otherwise adequately represented, representation of which is necessary for a fair determination of the proceeding; and,
- "(2) Either that the customer cannot afford to pay the costs of effective participation, including advocate's fees, expert witness fees, and other reasonable costs of participation and the costs of obtaining judicial review, or that, in the case of a group or organization, the economic interest of the individual members of the group or organization is small in comparison to the costs of effective participation in the proceeding."

We agree that in this proceeding PUPC represented an interest--farmers--who might not have otherwise been adequately represented. Our concern with PUPC's Request for Eligibility focuses on the second part of the hardship test. We have generally interpreted this test as requiring us to judge whether a hypothetical individual ratepayer would suffer financial hardship in order to participate effectively in our proceedings. As we explained in D.85-06-028, in granting a request by the group Toward Utility Rate Normalization (TURN) for a finding of eligibility to receive compensation:

"...when determining significant financial hardship for an organization representing individual customers we look only to the economic hardship posed by the hypothetical individual customer within the class represented instead of to the organization's financial condition." (P. 4.)

Although PUPC has provided us with some information on its own financial condition, it has not shown any specifics on the economic interests of the customers which it represents. We have reviewed our previous compensation decisions, and note that PUPC's request is the first time that a group representing ratepayers in the agricultural class has applied for eligibility for intervenor compensation. Indeed, this is the first compensation request in an energy utility proceeding from a group representing other than individual persons or the residential and small commercial classes. We note that the agricultural class contains a wide variety of customers, with a wide range of economic interests, some of them very large, in their power bills. We must recognize the possibility that for some agricultural customers the costs of participating in our proceedings might not be small in comparison to the economic interests of such customers. In this instance we have nothing but PUPC's simple assertion that this is not the case for its members.

Due to the diverse nature of the agricultural class, we feel that PUPC should provide us with more substantial information about the economic interests of its members. We will allow PUPC to supplement its Request in recognition of the groundbreaking nature of its application. Therefore, before we act on PUPC's request, we will require PUPC to provide us with the average annual PG&E electric bill of its members, and the range of annual bills, from the lowest to the highest, of its membership.

Findings of Fact

1. PUPC filed a Request for Finding of Eligibility for Compensation on January 2, 1987.

2. PUPC is a non-profit organization, representing farmers, run by volunteers, and funded through donations and fund raising activities.

3. The agricultural class contains ratepayers with a wide range of financial interests in their power bills.

4. PUPC's Request is the first compensation application which we have received from a group representing agricultural ratepayers.

5. PUPC's Request contains no specific information on the economic interests of its members.

Conclusions of Law

1. PUPC's representation of farmers in PG&E's service territory was necessary for a fair determination of agricultural rate design.

2. PUPC has not made an adequate showing of significant financial hardship under Rule 76.25.

3. PUPC should be allowed to supplement its Request with more detailed information on the economic interests of its membership; specifically, the average and the range of the annual power bills of its membership. This information will allow us to rule on the merits of PUPC's eligibility request.

INTERIM ORDER

IT IS ORDERED that before we act on its Request for Finding of Eligibility for Compensation or on its Request for Compensation, the Power Users Protection Council shall supplement

its eligibility request to include information on the average annual power bill of its members, and on the range, from the lowest to the highest, of those annual bills.

This order is effective today.

Dated March 9, 1988, at San Francisco, California.

STANLEY W. HULETT
President
DONALD VIAL
FREDERICK R. DUDA
G. MITCHELL WILK
JOHN B. OHANIAN
Commissioners

I CERTIFY THAT THIS DECISION
WAS APPROVED BY THE ABOVE
COMMISSIONERS TODAY.



Victor Weisser, Executive Director

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