

Decision 00-03-005 March 2, 2000

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

Application of PACIFIC GAS AND ELECTRIC COMPANY for Authority, Among Other Things, to Decrease its Rates and Charges for Electric and Gas Service, and Increase Rates and Charges for Pipeline Expansion Service.

Application 94-12-005
(Filed December 9, 1994)

O P I N I O N

This decision grants The Utility Reform Network (TURN) an award of \$109,086.30 in compensation for its contribution to Decision (D.) 97-03-017 and D.97-12-044 in Pacific Gas and Electric Company's (PG&E) 1996 General Rate Case (GRC) proceeding. The first of these decisions covered marginal cost issues; the second addressed the remaining revenue allocation and rate design issues.

1. Background

Phase 2 of PG&E's test year 1996 GRC was largely litigated in the early months of 1996, with the first of a number of proposed decisions issued in May of that year. As described in D.97-12-044, events related to the adoption of Assembly Bill (AB) 1890 changed the course of the proceeding:

In many respects this decision has been caught in the transition from our current regulatory environment to the competitive environment we are creating through the implementation of our preferred Policy Decision [cites omitted] and AB 1890. AB 1890 has frozen rates at levels in effect as of June 10, 1996, and requires that the allocation of transition costs are recovered in substantially the same proportion as similar costs are recovered as of June 10, 1996. Therefore, the two main purposes of this decision — revenue allocation and rate design — have largely been precluded by AB 1890. (D.97-12-044, p. 3.)

Therefore, the issuance of a decision in Phase 2 of PG&E's GRC was delayed, with the first decision (D.97-03-017) issued in March, 1997, and the second and final decision (D.97-12-044) issued in December, 1997. In each case the Commission modified the original proposed decision to conform to the requirements of AB 1890.

2. Requirements for Awards of Compensation

Intervenors who seek compensation for their contributions in Commission proceedings must file requests for compensation pursuant to Sections 1801-1812 of the Public Utilities Code.¹ Section 1804(a) requires an intervenor to file a notice of intent (NOI) to claim compensation within 30 days of the prehearing conference or by a date established by the Commission. The NOI must present information regarding the nature and extent of the customer's planned participation and an itemized estimate of the compensation the customer expects to request. The NOI may request a finding of eligibility.

Other code sections address requests for compensation filed after a Commission decision is issued. Section 1804(c) requires an intervenor requesting compensation to provide "a detailed description of services and expenditures and a description of the customer's substantial contribution to the hearing or proceeding." Section 1802(h) states that "substantial contribution" means that,

"in the judgment of the Commission, the customer's presentation has substantially assisted the Commission in the making of its order or decision because the order or decision has adopted in whole or in part one or more factual contentions, legal contentions, or specific policy or procedural recommendations presented by the customer. Where the customer's participation has resulted in a substantial contribution, even if the decision adopts that customer's contention

¹ All statutory references are to the Public Utilities Code unless otherwise noted.

or recommendations only in part, the commission may award the customer compensation for all reasonable advocate's fees, reasonable expert fees, and other reasonable costs incurred by the customer in preparing or presenting that contention or recommendation."

Section 1804(e) requires the Commission to issue a decision that determines whether the customer has made a substantial contribution and what amount of compensation to award. The level of compensation must take into account the market rate paid to people with comparable training and experience who offer similar services, consistent with Section 1806.

3. NOI to Claim Compensation

TURN timely filed its NOI after the first prehearing conference and was found to be eligible for compensation in this proceeding by an Administrative Law Judge's (ALJ) ruling dated March 3, 1995. The same ruling found that TURN had demonstrated significant financial hardship.

4. Contributions to Resolution of Issues

A party may make a substantial contribution to a decision in several ways. (Section 1802(h).) It may offer a factual or legal contention upon which the Commission relied in making a decision. Or it may advance a specific policy or procedural recommendation that the ALJ or Commission adopted. A substantial contribution includes evidence or argument that supports part of the decision even if the Commission does not adopt a party's position in total. The Commission has provided compensation even when the position advanced by the intervenor is rejected.²

² D.89-03-96 (awarding San Luis Obispo Mothers For Peace and Rochelle Becker compensation in Diablo Canyon Rate Case because their arguments, while ultimately unsuccessful, forced the utility to thoroughly document the safety issues involved).

TURN believes that it has contributed substantially to D.97-03-017 and D.97-12-044, in Phase 2 of this proceeding. The two decisions are discussed below.

5. D.97-03-017

This decision addresses the marginal cost principles that were at issue in this proceeding. According to TURN, the face of the decision makes clear that TURN made a substantial contribution on nearly every marginal cost issue it addressed, as follows:

(a) Marginal Energy Cost

The Commission identified four issues under the heading of marginal energy cost; TURN addressed two of those issues. TURN believes it made a substantial contribution to the outcome of each.

The first issue was the overall "Resource Planning Philosophy" (*mimeo.*, p. 5). TURN, along with California Large Energy Consumers Association and California Manufacturers Association (CLECA/CMA), opposed PG&E's request to continue the use of a "built-out" resource plan for marginal cost purposes. Instead, TURN and CLECA/CMA advocated the use of a "bare-bones" plan as more accurately reflecting the short-run cost of providing additional service. The Commission adopted the TURN and CLECA/CMA position, even though it meant reversing the position adopted in the last PG&E Phase 2 decision.

An important sub-issue was the treatment of "uncommitted DSM" (*mimeo.*, p. 7). PG&E would have included the theoretical benefits of these activities that have not yet occurred, while TURN and CLECA/CMA opposed such treatment. TURN points out that, again, the Commission embraced the TURN and CLECA/CMA position, and omitted the uncommitted DSM from the calculation of marginal energy costs.

The second major issue under marginal energy costs was the appropriate cost of natural gas (*mimeo.*, p. 10). On this issue PG&E had the support of CLECA/CMA for its position that the long-run marginal cost of intrastate gas transportation should be used, while TURN, joined this time by the Office of Ratepayer Advocates (ORA), sought to apply the full Utility Electric Generation (UEG) rate. TURN points out that the Commission agreed with TURN and ORA that the UEG rates should be considered in setting marginal costs; however, the Commission used only the volumetric charge for this purpose, but did not include the demand charge as well. The decision specifically embraces the argument put forward by TURN and ORA that the rate/cost distinction raised by PG&E blurred the company's activities as a gas planner and as a gas customer of its own gas division.

(b) Marginal Demand Cost

The marginal demand cost discussion in D.97-03-017 fell into two categories: marginal generation capacity cost, and marginal transmission and distribution capacity costs. TURN states that it was active on both issues, and made substantial contributions on both as follows:

(1) Marginal Generation Capacity Costs (*mimeo.*, p.14)

TURN disputed the estimates PG&E had presented for the cost of a combustion turbine, the main determinant of marginal generation capacity costs. TURN raised a number of challenges based on PG&E's inappropriate use of loaders and scalars. The Commission specifically adopted TURN's position on general plant costs and materials and supplies costs.

TURN also challenged PG&E's assumption that the San Francisco Energy Project would be operating in 1997 for purposes of establishing its marginal costs. TURN notes the Commission agreed with TURN that the plant's

start-up was so uncertain that it would be unreasonable to assume it would be operating in 1997 (*mimeo.*, p. 23).

(2) Marginal Transmission and Distribution Capacity Costs (*mimeo.*, p. 27)

The decision's discussion of these marginal costs focused on the battle between the regression and present worth methods of calculating such costs. However, according to TURN, for purposes of this compensation request, the more important point is one not discussed in the decision. As part of its original showing on distribution annual costs, PG&E relied upon a "class/density" study to calculate the marginal primary distribution capacity factors. TURN contends that had the Commission ever implemented the outcome of that study, residential and small business customers would have been the victims of a huge revenue shift. In December 1995, TURN served supplemental testimony that was largely devoted to demonstrating the flaws in the PG&E study. (Ex. 351, pp. 2-15.) PG&E withdrew the study in response to TURN's testimony. (EX. 311.) The final decision did not mention this activity in the proceeding, as is to be expected since it was not a matter in dispute once PG&E withdrew its recommendation. Still, TURN contends that the removal of this issue constitutes a very important component of TURN's substantial contribution in this proceeding.

(3) Marginal Customer Cost (*mimeo.*, p. 32)

TURN's activities on the marginal customer cost issues focused on working with PG&E to maintain the use of the "New Customer Only" method, and to convince the Commission to adopt a number of adjustments to the calculation of these costs despite PG&E's opposition to those recommendations. TURN contends that its efforts were successful on each front.

While both PG&E and TURN argued in favor of maintaining the New Customer Only methodology, the Commission cited with favor the prior discussion of the issue in D.96-04-050 (*mimeo.*, p. 32). In that decision, the Commission considered the New Customer Only methodology as proposed by TURN, and adopted it despite the opposition of every other party in the proceeding that addressed the issue. Thus, according to TURN, the stated reasoning for concluding that the New Customer Only methodology should be maintained had its roots in TURN's arguments.

TURN and PG&E parted ways over a number of modifications TURN proposed to the utility's formula for calculating marginal customer costs. First, the Commission adopted TURN's proposed replacement rate, rather than PG&E's, as the most reasonable proxy in the face of the company's "unexplained failure to offer real-life information about its replacement practices" (*mimeo.*, p. 33). The Commission also agreed with TURN that it was appropriate to direct PG&E to develop such data for presentation in subsequent proceedings. The Commission also adopted all of TURN's proposed adjustments to PG&E's calculation of variable costs.

6. D.97-12-044

This decision addresses the revenue allocation and rate design issues remaining in Phase 2 of PG&E's 1996 GRC. According to TURN, this decision was more directly impacted by the enactment of AB 1890 than was D.97-03-017. Still, TURN believes that the Commission recognized that D.97-12-044 is important insofar as it might establish certain rate design principles that may be applicable after the AB 1890 transition period is over (*mimeo.*, p. 4). TURN points out that D.97-12-044 also contains numerous references to TURN's substantial contribution thereto.

(a) Revenue Allocation

TURN directly addressed two revenue allocation issues in this proceeding:³ the appropriate treatment of California Alternative Rates for Energy (CARE) revenues, and non-firm credit revenues.

(1) CARE Revenues

TURN states that it sought to maintain the existing equal-cents-per-kWh allocation of CARE surcharge revenue. PG&E had sought to change that allocation, endorsing the proposal Southern California Edison Company (Edison) had put forward in its most recent GRC. The Commission rejected the Edison proposal in D.96-04-020. In each of the numerous versions of proposed decisions that preceded the adoption of D.97-12-044, the Commission rejected the proposal for PG&E as well. However, in D.97-12-044 the Commission accepted PG&E's proposal because the Commission understood its unbundling decision (D.97-08-056) as having adopted a system average percent method to allocate these costs. (D.97-12-044, *mimeo.*, p. 11.)

TURN submits that the Commission erred in its interpretation of D.97-08-056, and filed an application for rehearing of D.97-12-044 and a petition for modification of D.97-08-056 in order to correct this perceived error. TURN argues that regardless of the outcome of these filings, even if no correction is made, the Commission should still find that TURN made a substantial contribution on this issue. TURN points out that the Commission has previously determined that an intervenor's contribution to a final decision may be supported by contributions to the ALJ's proposed decision (PD), even where the

³ TURN contends that much of its work on marginal cost issues would have had an impact on revenue allocation if the newly-adopted marginal costs were to be reflected in rates.

Commission's final decision does not mirror the PD on that issue. (D.92-08-030, *mimeo.*, p. 4.) Also, TURN notes that the Commission reached a similar conclusion in D.96-08-023, where full recovery was granted on issues where TURN's position had been adopted in the ALJ's PD, but was rejected by the full Commission. (D.96-08-023, *mimeo.*, p. 4.)

(2) Allocation of Non-Firm Credit Revenues

TURN states that until this proceeding, the entire cost of non-firm credits was allocated among all customer classes as an equal percentage of marginal cost. TURN, joined by ORA, argued that the adoption of Section 743.1 and its prohibition of cost shifting to other customer classes warranted a change in this practice, so that only the cost-based portions of the discounts would be assigned to other classes. The Commission agreed with this interpretation of Section 743.1, over the interpretation put forward by PG&E and CLECA/CMA. (D.97-12-044, *mimeo.*, pp. 11-12.)

TURN also challenged the practice of including transmission costs in the calculation of the non-firm credit. The Commission rejected that argument because in the recent Edison GRC it had included some transmission costs in the calculation of the cost-based portion of Edison's non-firm discount. (D.97-12-044, *mimeo.*, p. 13.)

(b) Rate Design

TURN's efforts on rate design issues focused on the proposal to introduce a customer charge for PG&E's residential customers. D.97-12-044 refers to TURN's work with PG&E in designing the utility's 1994 customer charge survey. It also refers to TURN's "continued vigorous opposition" to such a charge as evidence of the disproportionate effect it would have on smaller residential customers. In the end, relying in large part on the "legitimate doubts about the merits of instituting a customer charge" raised by TURN and PG&E,

the Commission chose not to adopt one for PG&E. (D.97-12-044, *mimeo.*, pp. 29-31.)

TURN also addressed PG&E's implementation of the residential photovoltaic tariff required by then-newly enacted Section 2827. PG&E's original proposal for a "net metering" tariff included a standby reservation charge. TURN, joined by the California Energy Commission, opposed that charge as being inconsistent with the underlying statute. The Commission agreed with that position.

(c) Impact of AB 1890

TURN states that after the enactment of AB 1890, it successfully advocated its view of the statute's impact on the then-pending proposed decision. Through various formal and informal filings, TURN challenged proposals by PG&E to use newly-enacted Section 378 to revive the utility's rejected reliance on area-specific costs for marginal cost and revenue allocation purposes, and by CLECA/CMA to deem "moot" the non-firm credit revenue allocation issue. TURN also addressed in reply comments and in an application for rehearing the Commission's determination that AB 1890 largely restricts if not eliminates the utility's ability to close existing rate schedules to new customers.

TURN contends that on the issues addressed to date regarding AB 1890 implementation, the Commission has largely embraced TURN's arguments. PG&E was unsuccessful in having substantial changes made to the discussion in D.97-03-017 (the marginal cost decision) of "the importance of good data selection and analysis," and in regard to D.97-12-044, the industrial customer representatives were unsuccessful in their efforts to render the non-firm credit allocation issue moot.

7. The Reasonableness of Requested Compensation

TURN requests compensation in the amount of \$109,086.30 as follows:

Attorney and Expert Witness Fees

Robert Finkelstein	5.5	hours	X	\$200	=	\$ 1,100.00
	50.0	hours	X	\$210	=	\$ 10,500.00
	255.0	hours	X	\$220	=	\$ 56,100.00
	34.5	hours	X	\$235	=	\$ 8,107.50
Michel P. Florio	2.0	hours	X	\$250	=	\$ 500.00
	1.0	hours	X	\$260	=	\$ 260.00
Theresa Mueller	8.25	hours	X	\$185	=	\$ 1,526.25
				Subtotal	=	\$ 78,093.75

Expert Witness Fees and Expenses

JBS ENERGY INC.

William Marcus	137.0	hours	X	\$140	=	\$ 19,180.00
Jeff Nahigian	73.75	hours	X	\$ 80	=	\$ 5,900.00
Greg Ruzsovan	0.3	hours	X	\$ 80	=	\$ 24.00
Gayatri Schilberg	25.5	hours	X	\$100	=	\$ 2,550.00
JBS Expenses						\$ 609.95
				JBS Subtotal	=	\$ 28,263.95

Other Reasonable Costs

Photocopying expense	=	\$ 1,793.00
Postage costs	=	\$ 259.88
Fax charges	=	\$ 446.30
Federal Express charges	=	\$ 46.50
Phone expense	=	\$ 182.92
	Subtotal	= \$ 2,728.60

TOTAL = \$109,086.30

7.1 Hours Claimed

TURN states that Robert Finkelstein, who bears primary responsibility for the organization's legal work on electric industry regulatory matters, handled virtually every aspect of this proceeding on behalf of TURN. Michel P. Florio participated in this proceeding as TURN's Senior Attorney, in which capacity he supervised the work of Finkelstein, reviewing pleadings and discussing general strategy for the case. Theresa Mueller represented TURN at the first several days of hearings, when Finkelstein was unable to be present.

TURN provided a daily listing of the specific tasks performed by Finkelstein, Florio and Mueller in connection with this proceeding. Likewise, TURN provided an allocation of the costs by category of tasks performed by the various members of JBS Energy Inc. who worked on this project. TURN states that in preparing this listing, the responsible attorneys reviewed all of the recorded hours devoted to this proceeding and included only those that were reasonable for the underlying task. TURN submits that all of the hours included in the listing are reasonable, and should be compensated in full. Also, TURN allocated the hours by issue to the extent possible.

TURN argues that its compensation in this proceeding should not be reduced for duplication of the showings of other parties. TURN notes that the intervenor compensation statutes allow the Commission to award full compensation even where a party's participation has overlapped in part with the showings made by other parties. (Section 1802.5.) TURN believes that in light of the breadth of its contribution to the Commission's decisions, as well as its efforts to minimize duplication by working with other parties, no reduction of compensation is warranted.

TURN believes that this case is an unusual one, in that TURN shared positions on the widest range of issues with the widest range of parties, even

though on other issues it was steadfastly opposed to the proposals of those same parties. For example, on the question of a "built-out" versus "bare bones" resource plan, TURN made the same basic recommendation as CLECA/CMA, with PG&E on the other side. However, on the question of non-firm credit revenue allocation, PG&E and CLECA/CMA were aligned, with TURN joined by ORA in opposition. TURN's common ground with ORA was limited by the staff's advocacy of a customer charge for the residential customer; on that point, TURN had the same position as PG&E. And on a large number of marginal cost issues, only TURN challenged PG&E's proposals (cost of a combustion turbine, impact of the San Francisco Energy Project in the resource assumptions, various loaders and scalers in marginal generation costs).

Thus, TURN argues that while there was some duplication of the outcome proposed on specific issues, TURN's efforts in this case were truly unique and, as described above, largely successful. Under such circumstances, TURN believes that it would be inappropriate to reduce its compensation due to duplication.

TURN includes 14.25 hours for Finkelstein's preparation of its fee request pleading. TURN states that the ability to produce its pleading in this small number of hours is a direct product of its attorney's extensive familiarity with the issues and record in this proceeding. According to TURN, a person with a lower billing rate than TURN's attorney might have been able to prepare portions of the pleading; however, the increase in the hours would have offset any cost reduction through the lower rate. TURN believes that there would be no net savings to ratepayers, since the increase in hours devoted to the task would at least offset any cost reduction achieved through the lower rate.

Also, TURN states that consistent with its normal billing practice, TURN has billed for only half the time spent on traveling in relation to this case.

We agree that TURN's request for preparation of its compensation request and its request for travel time is reasonable. Given the complex history of this case and the number of issues involved, we will not adjust the attorney's rate for preparation of TURN's compensation request.

7.2 Hourly Rates

TURN observes that the hourly rates requested for its attorneys Florio, Finkelstein, and Mueller are consistent with those already approved by the Commission in prior decisions. TURN provided a listing of those prior decisions.

We find that the requested hourly rates for TURN's attorneys and experts are comparable to those we have approved in the past and consistent with those of other attorneys and experts. Also, it should be noted that the hourly rates reflect the fact that this GRC proceeding was filed in 1995, and due to AB 1890, the final decision was not issued until December 1997 (D.97-12-044). Therefore, the hourly rates reflect the increases for each successive year.

7.3 Other Costs

TURN's request for \$2,728.85 for ancillary expenses is reasonable, especially considering the amount of work involved in TURN's participation in this proceeding.

7.4 Overall Benefits of Participation

In D.98-04-059, the Commission adopted a requirement that a customer must demonstrate that its participation was "productive," as that term is used in Section 1801.3, where the Legislature gave the Commission guidance on program administration. (See D.98-04-059, *mimeo.*, pp. 31-33, and Finding of Fact 42.) In that decision, we discuss the fact that participation must be productive in the sense that the costs of participation should bear a reasonable relationship to the benefits realized through such participation. Customers are

directed to demonstrate productivity by assigning a reasonable dollar value to the benefits of their participation to ratepayers. This exercise assists us in determining the reasonableness of the request and in avoiding unproductive participation.

Unfortunately, TURN did not address the overall benefits to ratepayers of its participation relative to the compensation it requests. (TURN filed its compensation request two months before our adoption of D.98-04-059.) It is difficult to put a dollar figure on the benefits TURN realized for ratepayers. However, for example, TURN was responsible for PG&E's withdrawal of its class/density study to calculate the marginal primary distribution capacity factors, saving residential and small business customers from becoming the victims of a huge revenue shift. We believe the savings to ratepayers, in this one instance, outweighs the costs TURN claims for participation in this proceeding. We find that TURN's participation was productive in that the costs it claims for its participation were less than the benefits realized.

7.5 Duplication

TURN submits that its hours should not be reduced for duplication. We agree.

On February 22, 2000, TURN filed comments on the Draft Decision. TURN believes the Draft Decision errs in its determination that the compensation award should be reduced by \$10,574.78, calculated as 10% of hours claimed, due to duplication.

TURN is concerned that the Draft Decision could be read to suggest that a reduction is appropriate whenever duplication occurs. TURN points out that its participation often overlaps with that of other parties in a manner that does not in any way lessen the substantial nature of its contribution to the outcome in the proceeding. According to TURN, this proceeding is an excellent

example of such a case. Therefore, TURN asks the Commission to either further clarify what it is about the duplication that occurred in this proceeding that warrants a 10% reduction, or not reduce the compensation award for duplication.

The Legislature intended that the Intervenor Fee Program be administered in a manner that avoids "unnecessary participation that duplicates the participation of similar interests." (Section 1801.3(f).) It also provides that the participation of a customer that "supplements, complements, or contributes to the presentation of another party" may be compensated. (Section 1802.5.) The governing statutes envision that some participation that is duplicative may still make a substantial contribution. It also envisions that participation which is duplicative may be unnecessary and therefore not compensable at all. (See D.98-04-059, *mimeo.*, p. 49, in Rulemaking on the Commission's Intervenor Compensation Program.)

In response to TURN's request for clarification, we might add that duplication by itself does not result in an automatic reduction to the compensation award. Rather, the party requesting compensation must show that notwithstanding any duplication, its position is distinguishable from the others, and its argument was uniquely persuasive in the Commission's adoption of the joint position of the parties.

There is no question that TURN made a significant contribution to D.97-03-017 and D.97-12-044. However, in its Request for Compensation TURN did not sufficiently address the uniqueness of its contribution to the issues where there was duplication. Therefore, the Draft Decision proposed a 10% reduction for duplication.

In its comments on the Draft Decision, TURN throws more light on the uniqueness of its contribution to issues where there was duplication of positions, as follows:

Marginal Energy Cost

While TURN agreed with CLECA/CMA on the need to use a "built-out" resource plan, TURN opposed their position on the appropriate cost of natural gas. But the marginal cost was set based on the outcome of two issues: resource plan and natural gas cost. TURN was the only party that argued for the use of a built-out resource plan and the full Utility Electric Generation (UEG) rate.

Marginal Customer Costs

While TURN and PG&E agreed that the "new customer only" method should be maintained, they disagreed over the modifications to the formula used in that method. The Commission agreed the "new customer only" method should be maintained and adopted TURN's proposed replacement rate and adjustments to PG&E's calculation of variable costs. TURN was the only party to advocate for this outcome.

TURN states that it could go through a similar exercise on every other issue where its position somewhat overlapped with the position of another party. In each case TURN believes that its showing materially supplemented, complemented or contributed to the showing of that other party. (Section 1802.5.) We agree that this may be a time consuming exercise in an extended proceeding involving multiple issues and parties. However, this is a matter that must be fully addressed when any party seeks compensation.

We are satisfied that in this instance, based on the additional information TURN provided in its comments on the Draft Decision, that the

Draft Decision should be revised to remove the 10% reduction for duplication. Accordingly, TURN should be awarded the full amount of its request.

8. Award

We award TURN its total requested amount of \$109,086.30. Consistent with previous Commission decisions, we will order that interest be paid on the award amount (calculated at the three-month commercial paper rate), commencing April 8, 1998 (the 75th day after TURN filed its compensation request),⁴ and continuing until the utility makes its full payment of award.

As in all intervenor compensation decisions, we put TURN on notice that the Commission staff may audit TURN's records related to this award. Thus, TURN must make and retain adequate accounting and other documentation to support all claims for intervenor compensation. TURN's records should identify specific issues for which it requests compensation, the actual time spent by each employee, the applicable hourly rate, fees paid to consultants, and any other costs for which compensation may be claimed.

9. Section 311(g)(1)

The Draft Decision of ALJ Patrick in this matter was mailed to the parties in accordance with Section 311(g) of the Public Utilities Code and Rule 771 of the Rules of Practice and Procedure. Comments were filed by TURN on February 22, 2000, clarifying its role with regard to duplication and causing us to delete the 10% reduction. Thus, we have revised the Draft Decision accordingly.

⁴ TURN's compensation request was filed on February 2, 1998.

Findings of Fact

1. TURN has made a timely request for compensation for its contribution to D.97-03-017 and D.97-12-044. TURN has made a showing of significant financial hardship by demonstrating the economic interests of its individual members would be small compared to the costs of participating in this proceeding.

2. TURN's efforts did result in substantial contribution to D.97-03-017 and D.97-12-044.

3. TURN has requested hourly rates for attorneys and experts that are no greater than the market rates for individuals with comparable training and experience.

4. TURN has requested hourly rates for its attorneys and experts that have already been approved by the Commission.

5. The miscellaneous costs incurred by TURN are reasonable.

10. Conclusions of Law

1. TURN has fulfilled the requirements of Sections 1801-1812 which govern awards of intervenor compensation.

2. TURN should be awarded \$109,086.30 for its contribution to D.97-03-017 and D.97-12-044.

3. This order should be effective today so that TURN may be compensated without unnecessary delay.

O R D E R

IT IS ORDERED that:

1. The Utility Reform Network (TURN) is awarded \$109,086.30 in compensation for its substantial contribution to Decision (D.) 97-03-017 and D.97-12-044.

2. Pacific Gas and Electric Company (PG&E) shall pay TURN \$109,086.30 within 30 days of the effective date of this order. PG&E shall also pay interest on the award at the rate earned on prime, three-month commercial paper, as reported in Federal Reserve Statistical Release G.13, with interest, beginning April 8, 1998, and continuing until full payment is made.

3. This proceeding is closed.

This order is effective today.

Dated March 2, 2000, at San Francisco, California.

RICHARD A. BILAS
President
HENRY M. DUQUE
JOSIAH L. NEEPER
CARL W. WOOD
LORETTA M. LYNCH
Commissioners