

**BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA**

Order Instituting Rulemaking on the Commission's Own Motion to Conduct a Comprehensive Examination of Investor Owned Electric Utilities Residential Rate Structure, the Transition to Time Varying and Dynamic Rates and Other Statutory Obligations

Rulemaking 12-06-013  
(Filed June 21, 2012)

**NOTICE OF INTENT OF THE CONSUMER FEDERATION OF CALIFORNIA  
TO CLAIM INTERVENOR COMPENSATION IN R.12-06-013**

The Consumer Federation of California ("CFC"), pursuant to Public Utilities Code Section 1804(a) and Rule 17.1 of the Rules of Practice and Procedure of the California Public Utilities Commission ("Commission"), submits its Notice of Intent to Claim Intervenor Compensation in this proceeding, and seeks a determination of its eligibility to be compensated for participation in this Rulemaking.

**I. WHO WE ARE**

The Consumer Federation of California is a non-profit federation of several organizations, as well as individual members. Organizational members include consumer groups, senior citizen groups, labor organizations and other organizations that are composed of California consumers, all of whom are residential customers of California public utilities. The following are among the diverse groups which belong to the Federation:

California Public Interest Research Group  
Communications Workers of America  
Older Women's League  
California Nurses Association  
California Service Employees International Union - State Council

California Teachers Association  
California Federation of Teachers  
Customers for Automobile Reliability and Safety  
Consumer Attorneys of California  
California Teamsters Public Affairs Council

United Food and Commercial Workers –  
States Council

Southern California District Council of  
Laborers

There are approximately 30 to 40 other organizational members and over 400 individual members who reside throughout the state. A list of counties in which they reside are as follows:

Alameda	San Mateo
Alpine	Santa Barbara
Amador	Santa Clara
Butte	Santa Cruz
Calaveras	Shasta
Colusa	Sierra
Contra Costa	Siskiyou
El Dorado	Solano
Fresno	Sonoma
Glenn	Stanislaus
Humboldt	Sutter
Imperial	Tehama
Inyo	Trinity
Kern	Tulare
Kings	Tuolumne
Lake	Ventura
Lassen	Yolo
Los Angeles	Yuba
Madera	
Marin	
Mariposa	
Mendocino	
Merced	
Mono	
Monterey	
Napa	
Nevada	
Orange	
Placer	
Plumas	
Riverside	
Sacramento	
San Benito	
San Bernardino	
San Francisco	
San Joaquin	
San Luis Obispo	

CFC takes a broad view of consumer issues, considering the impact of public policy on the quality and cost of goods and services as well as its effects on working Californians, their families and their communities. The Executive Director of CFC, who is appointed by the Board of Directors and officers of CFC, is authorized by the Bylaws of CFC to represent the interests of members of the CFC in legislative and regulatory proceedings.

## **II. TIMELY FILING**

This Notice is timely under PU Code Section 1804 (a) (1) because it is being filed “within 30 days after the prehearing conference is held.” The relevant prehearing Conference occurred on October 24, 2012. The deadline for an NOI is 30 days hence or November 23, 2012. This NOI is being filed on date November 20, 2012, within that 30 day period. Thus, the NOI is timely.

## **III. CUSTOMER STATUS**

The CFC meets the definition of “customer” under Public Utilities Code Section 1802(b)(1): (b)(1) "Customer" means any of the following:

- (A) A participant representing consumers, customers, or subscribers of any electrical, gas, telephone, telegraph, or water corporation that is subject to the jurisdiction of the commission.
- (B) A representative who has been authorized by a customer.
- (C) A representative of a group or organization authorized pursuant to its articles of incorporation or bylaws to represent the interests of residential customers, or to represent small commercial customers who receive bundled electric service from an electrical corporation.

The CFC intends to participate in this proceeding on behalf of residential customers whose rates may be impacted as a result of this proceeding. CFC's Executive Director is authorized by the bylaws of CFC to, *inter alia*, "promote the interests of urban and rural consumers, using peaceful, lawful methods to achieve the following objectives: ...[r]epresent consumers before public and private agencies at all levels." Consumer Federation of California Bylaws, Article I." A copy of the by-laws of the Consumer Federation of California was filed with the Commission on April 20, 2006 in the Solar Incentive Rulemaking (R.06-03-004) and on July 6, 2006, in the Affiliate Transaction Rulemaking (R.05-10-030). CFC was found eligible to seek compensation in both of those proceedings, on May 16, 2006 in R.06-03-004 and on July 25, 2006 in R.05-10-030. CFC has since been found eligible to seek compensation on March 7, 2007, in A.06-09-016/A.06-09-021; on May 7, 2007, in I.07-01-022; on December 28, 2007 in R.07-01-021; on April 23, 2008 in A.07-12-006; on July 11, 2008 in R.07-05-025; on May 13, 2009, R.08-12-009; on November 2, 2010; and on July 5, 2011.

#### **IV. FINANCIAL HARDSHIP**

The CFC is eligible for intervenor compensation because participation or intervention in this proceeding will cause its membership "significant financial hardship," as that term is defined in Public Utilities Code section 1802(g). The costs of effective participation, including fees paid attorneys and other reasonable costs of participation, are far greater than the economic interest of any individual member of the CFC.

The Commission initiated this rulemaking to examine current residential rate structures as well as the potential transition to time varying rate structure. This rulemaking will directly affect electric utility customers.

Consumer Federation of California represents the interest of Californians who are customers of the utilities under the Commission's jurisdiction. The economic benefit of an individual customer is too small when compared to the cost of effective participation. The cost of researching and drafting documents on issues related to this proceeding, including but not limited to issues related to current residential rate design, policies surrounding the shift to time varying rates, statutory obligations with which the Commission must comply before any change to residential rate design comes into place, and a standard customer outreach program that applies to all IOUs.

#### **V. NATURE AND EXTENT OF REPRESENTATION**

CFC plans to fully participate in this Rulemaking. CFC has already written opening and reply comments in response to the OIR and attended the Prehearing Conference held on October 24<sup>th</sup>. CFC plans to participate in workshops, file comments, submit prepared testimony and written briefs, if deemed to be necessary, as well as other activities that may be required to actively participate. The Commission is at the beginning stages of this proceeding, with the possibility of issues being added or present issues evolving. Consequently, it is premature to accurately state all the issues CFC plans to address. Broadly speaking, CFC does plan to address issues such as development of consistent policies, statutory obligations, the appropriateness of time varying rates, level of customer outreach and education.

The CFC will avoid unnecessary duplication of the presentation of any other party.

#### **VI. ESTIMATE OF COSTS OF PARTICIPATION**

CFC has made a preliminary estimate of the hours and costs it will incur to effectively

participate in both phases of this rulemaking. These estimates may change as the rulemaking progresses:

<b>Fees</b> of Nicole Blake (150 hours at \$225/hour)	\$33, 750.00
<b>Other Costs:</b> Postage, photocopies, deliveries, and supplies	
<b>Total</b>	\$33, 750.00

Rule 17.1(c) requires a party to “identify all issues on which the intervener intends to participate and seek compensation,” and to state the expected budget for participating on each issue. To prepare such a statement, the CFC has preliminarily identified the following issues will be considered by the Commission, and assigned its budget among them. CFC believes at this time that it will allocate time to each issue equally, however, this may change as the proceeding unfolds:

**ISSUE BUDGET**

**Estimated Issue Budget**

1. Coordination	\$3,750.00
2. Rate Design evaluation	\$16, 875.00
3. Statutory Obligations	\$4,375.00
4. Education & Outreach	\$8,750.00

**VII. ECONOMIC INTEREST**

Members of the Consumer Federation of California comprise hardworking Californians who expect utility companies to administer service at lowest possible rates consistent with reliable service. Our members depend on the California Public Utilities

Commission to regulate prices consumers pay for water, gas, telephone and electric service, to ensure that consumers are not paying undue rates. High utility bills hurt the California economy. Bills that are higher than they should be are due, in part, to the many additional costs utilities charge customers instead of bearing the costs themselves. This rulemaking may drastically impact customers rates, without maximizing customer benefits. CFC's interest in this rulemaking is to make sure customers are not paying excessively because of a newly instituted rate design.

### **VIII. CONCLUSION**

The Consumer Federation of California respectfully requests that the Commission find that CFC is eligible for compensation in this proceeding. Specifically, CFC requests that the Commission issue a preliminary ruling in which it finds that: (1) CFC is a customer as defined in Public Utilities Code Section 1802(b); (2) CFC has made an adequate showing of significant financial hardship as defined in Public Utilities Code Section 1802(g); and (3) CFC has met the requirements of Public Utilities Code section 1804(a) for eligibility for compensation. If necessary, CFC will make a further showing of hardship at the time of filing its request for compensation.

Dated: November 20, 2012

Respectfully submitted,

By: \_\_\_\_\_ / s / \_\_\_\_\_  
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