

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

Order Instituting Rulemaking to Develop a Risk-Based Decision-Making Framework to Evaluate Safety and Reliability Improvements and Revise the General Rate Case Plan for Energy Utilities.	R.13-11-006 (Issued November 14, 2013)
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**NOTICE OF INTENT TO CLAIM INTERVENOR COMPENSATION AND, IF REQUESTED (and  checked), ADMINISTRATIVE LAW JUDGE'S RULING ON MUSSEY GRADE ROAD ALLIANCE'S SHOWING OF SIGNIFICANT FINANCIAL HARDSHIP**

Customer (party intending to claim intervenor compensation):  Mussey Grade Road Alliance	
Assigned Commissioner: Peevey	Assigned ALJ: Wong
I hereby certify that the information I have set forth in Parts I, II, III and IV of this Notice of Intent (NOI) is true to my best knowledge, information and belief. I further certify that, in conformance with the Rules of Practice and Procedure, this NOI and has been served this day upon all required persons (as set forth in the Certificate of Service attached as Attachment 1).	
Signature:	/s /
Date: March 3, 2014	Printed Name: Diane J. Conklin

**PART I: PROCEDURAL ISSUES**

(To be completed by the party ("customer") intending to claim intervenor compensation)

<b>A. Status as "customer" (see Pub. Util. Code § 1802(b)):</b> The party claims "customer" status because the party is (check one):	<b>Applies (check)</b>
1. A <b>Category 1</b> customer that is an actual customer whose self-interest in the proceeding arises primarily from his/her role as a customer of the utility and, at the same time, the customer must represent the broader interests of at least some other customers. In addition to describing your own interest in the proceeding you must show how your participation goes beyond just your own self-interest and will benefit other customers. See, for example, discussion in D.08-07-019 at 5-10.	

<sup>1</sup> DO NOT CHECK THIS BOX if a finding of significant financial hardship is not needed (in cases where there is a valid rebuttable presumption of eligibility (Part III(A)(3)) or significant financial hardship showing has been deferred to the intervenor compensation claim).

<p>2. A <b>Category 2</b> customer that is a representative who has been authorized by actual customers to represent them. Category 2 involves a more formal arrangement where a customer or a group of customers selects a more skilled person to represent the customer's views in a proceeding. A customer or group of customers may also form or authorize a group to represent them, and the group, in turn, may authorize a representative such as an attorney to represent the group. A representative authorized by a customer must identify the residential customer(s) being represented and provide authorization from at least one customer (D.98-04-059 at 30).</p>	
<p>3. A <b>Category 3</b> customer that is a formally organized group authorized, by its articles of incorporation or bylaws to represent the interests of residential customers or small commercial customers receiving bundled electric service from an electrical corporation.<sup>2</sup> Certain environmental groups that represent residential customers with concerns for the environment may also qualify as Category 3 customers, even if the above requirement is not specifically met in the articles or bylaws.</p>	X
<p>4. The party's explanation of its customer status must include the percentage of the intervenors members who are residential ratepayers or the percentage of the intervenors members who are customers receiving bundled electric service from an electrical corporation, and must include supporting documentation: (i.e., articles of incorporation or bylaws).</p> <p>The Mussey Grade Road Alliance (MGRA or Alliance) is an unincorporated association organized as a 501(c)(4) non-profit with the federal and California state government that is authorized by our by-laws (attached) to advocate on behalf of rural residents of the Mussey Grade Road area to preserve their quality of life and the environment of the Mussey Grade Road area, including advocating on their behalf as residential customers of electrical service. To the best of our knowledge, all (100% of) MGRA members are residential electric customers in the San Diego Gas and Electric Company's service area.</p> <p>The Alliance represents homeowners who are SDG&amp;E customers and who are concerned with wildfire safety. The Mussey Grade area was overrun by the Cedar fire in 2003, with a loss of over 60% of its homes, and in 2007 was surrounded by the Witch fire, which was started by an SDG&amp;E power line. Residents have a strong interest in protecting this area and their property from further fires. Area residents are in a position to be exposed both to the risk of utility ignited fires and to increased costs of preventative measures. Therefore, Alliance members have a key interest in this proceeding. Furthermore, Mussey Grade Road is recognized by the California State Historic Preservation Officer as an "Point of Historical Interest" since 2003. This historic canopy road, once a stagecoach route from the port of San Diego to the gold mines of Julian, is lined by historic and heritage native oaks, some estimated to be 100 years of age or more. Devastated in the 2003 Cedar Fire, the largest recorded fire in the history of the State of California, the oak riparian area of Mussey Grade was hard hit in the conflagration. Dozens of heritage trees were lost in the fire or in the ensuing long-term drought affecting the area. This has left them particularly susceptible to additional fires.</p>	

<sup>2</sup> Intervenors representing either a group of residential customers or small commercial customers who receive bundled electric service from an electrical corporation, must indicate in Part I, Section A, Item #4 of this form, the percentage of their members who are residential customers or the percentage of their members who receive bundled electric service from an electrical corporation. The NOI may be rejected if this information is omitted.

Additionally, the Mussey Grade community is economically diverse, and electrical rates can have a significant impact on the quality of life of residents. Our previous interventions at the Commission have always supported careful balancing of safety and costs to best solve for the needs of rural electrical customers.

The Mussey Grade Road Alliance was previously determined to be a customer in CPUC proceedings A.06-08-010, A.08-12-021, R.08-11-005, and A.09-08-021.

Identify all attached documents in Part IV.

Mussey Grade Road Alliance By-Laws are attached.

•• Do you have any direct economic interest in outcomes of the proceeding?<sup>3</sup> If so, explain:

<b>B. Conflict of Interest (§ 1802.3)</b>	<b>Check</b>
1. Is the customer a representative of a group representing the interests of small commercial customers who receive bundled electric service from an electrical corporation?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
2. If the answer to the above question is “Yes”, does the customer have a conflict arising from prior representation before the commission?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No

<b>C. Timely Filing of Notice of Intent (NOI) (§ 1804(a)(1)):</b>	<b>Check</b>
1. Is the party’s NOI filed within 30 days after a Prehearing Conference? Date of Prehearing Conference: _____	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
2. Is the party’s NOI filed at another time (for example, because no Prehearing Conference was held, the proceeding will take less than 30 days, the schedule did not reasonably allow parties to identify issues within the timeframe normally permitted, or new issues have emerged)?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
2a. The party’s description of the reasons for filing its NOI at this other time:  The Order Instituting Rulemaking authorized filing of an NOI within 30 days of reply comments or within 30 days of a pre-hearing conference, if one was scheduled. Since as of the date of preparation no pre-hearing conference has been scheduled, this NOI is filed timely before the due date, 30 days after the reply comment filing date of January 30, 2014.	

<sup>3</sup> See Rule 17.1(e).

2b. The party's information on the proceeding number, date, and decision number for any Commission decision, Commissioner ruling, ALJ ruling, or other document authorizing the filing of NOI at that other time:

See: R.13-11-006; ORDER INSTITUTING RULEMAKING TO DEVELOP A RISK-BASED DECISION-MAKING FRAMEWORK TO EVALUATE SAFETY AND RELIABILITY IMPROVEMENTS AND REVISE THE GENERAL RATE CASE PLAN FOR ENERGY UTILITIES; November 14, 2013; p. 19.

**PART II: SCOPE OF ANTICIPATED PARTICIPATION**  
(To be completed by the party ("customer") intending to claim intervenor compensation)

**A. Planned Participation (§ 1804(a)(2)(A)(i)):**

- The party’s statement of the issues on which it plans to participate.

MGRA has been intervening at the Commission since 2006, primarily on the issue of utility-related wildfire, its prevention, and its impacts on residents and ratepayers. The goal of this OIR is closely related to work that MGRA has previously done at the Commission, and we therefore expect to make a significant contribution. For instance, in A.08-12-021, the Alliance proposed a cost-benefit approach (adopted by the Commission<sup>4</sup>) for dealing with the question of whether utilities could turn off power in order to prevent fires under fire weather conditions. We note that utility-caused fires have now been included in the initial “straw proposal” issued by the Commission.<sup>5</sup> While wildfire issues are likely to be our primary area of participation, we will also utilize the expertise of our expert, a physicist, in identifying and analyzing other areas where low-probability, high-impact events need to be taken into account when prioritizing risk-mitigation strategies.

- The party’s explanation of how it plans to avoid duplication of effort with other parties.

In its past work at the Commission, MGRA has regularly and actively collaborated as appropriate with other parties, including SED, ORA, TURN, UCAN, the Farm Bureau, Los Angeles County, CALFIRE, and others. In fact, on numerous occasions we have initiated such collaboration, reaching out to other parties and organizing conference calls. Such collaboration often leads to joint filings with other parties, reducing duplication and also the administrative burden of the Commission and other parties. Even when joint filings do not result, collaboration allows parties to clearly identify their differences and unique perspectives in a succinct way that reduces duplication. MGRA has collaborated with utilities when common interests are identified (for instance, in the ongoing rulemaking R.08-11-005 a number of consensus proposals were put forward).

In general, what differentiates MGRA from other parties representing ratepayers is our emphasis on safety, a quantitative approach to statistical, physical and engineering problems, as well as a big-picture view of solving the power line fire problem in a way that works best for residents and ratepayers.

- The party’s description of the nature and extent of the party’s planned participation in this proceeding (to the extent that it is possible to describe on the date this NOI is filed). Based upon our experience in previous proceedings, we believe that the MGRA participation may include (non-exclusively):
  - Quantitative analysis of assertions made by utilities and other parties
  - Statistical analysis of risk and potential costs
  - Identification and analysis of wildfire risks and mitigation
  - Proposals to incorporate information from R.08-11-005 outputs that MGRA has proposed and supported (specifically fire data collection and fire hazard mapping)
  - Multidisciplinary literature search and identification of key references, including contact with domain experts
  - Proposals to quantify avoided risks in order to balance against costs

<sup>4</sup>D.09-09-030; p. 2.

<b>B. The party's itemized estimate of the compensation that the party expects to request, based on the anticipated duration of the proceeding (§ 1804(a)(2)(A)(ii)):</b>				
<b>Item</b>	<b>Hours</b>	<b>Rate \$</b>	<b>Total \$</b>	<b>#</b>
<b>ATTORNEY, EXPERT, AND ADVOCATE FEES</b>				
Diane J. Conklin [Advocate]	40	\$110	\$4,400	1
Dr. Joseph W. Mitchell [Expert]	200	\$275	\$55,000	1
			<i>Subtotal: \$ 59,400</i>	
<b>OTHER FEES</b>				
			<i>Subtotal: \$</i>	
<b>COSTS</b>				
Travel Expenses	10 trips	\$1000/trip	\$10,000	[2]
			<i>Subtotal: \$10,000</i>	
<b>TOTAL ESTIMATE: \$69,400</b>				
<p>Estimated Budget by Issues:</p> <p>It is very difficult to identify primary issues at this time. However, we tentatively estimate the following:  Wildfire issues: 70% (\$48,580)  Risk quantification: 30% (\$20,820)</p> <p>Comments/Elaboration (use reference # from above):  [1] Rates for Conklin and Mitchell approved in D.13-10-038  [2] Includes time traveled at ½ approved compensation rate</p>				
<p>When entering items, type over bracketed text; add additional rows to table as necessary.  Estimate may (but does not need to) include estimated Claim preparation time. Claim preparation is compensated at ½ professional hourly rate.</p>				

<sup>5</sup> Staff Straw Proposal; circulated to parties on February 20, 2014; p. 4.

**PART III: SHOWING OF SIGNIFICANT FINANCIAL HARDSHIP**

(To be completed by party (“customer”) intending to claim intervenor compensation;  
see Instructions for options for providing this information)

A. The party claims “significant financial hardship” for its Intervenor Compensation Claim in this proceeding on the following basis:	Applies (check)
1. “[T]he customer cannot afford, without undue hardship, to pay the costs of effective participation, including advocate’s fees, expert witness fees, and other reasonable costs of participation” (§ 1802(g)); or	
2. “[I]n 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” (§ 1802(g)).	X
3. A § 1802(g) finding of significant financial hardship in another proceeding, made within one year prior to the commencement of this proceeding, created a rebuttable presumption in this proceeding ( § 1804(b)(1)).	
ALJ ruling (or CPUC decision) issued in proceeding number:	
Date of ALJ ruling (or CPUC decision):	

**B. The party’s explanation of the factual basis for its claim of “significant financial hardship” (§ 1802(g)) (necessary documentation, if warranted, is attached to the NOI):**

MGRA members cannot afford the costs of effective participation in lieu of intervenor compensation. At the same time, MGRA will gain no economic benefit from participating in the proceeding. MGRA is concerned that potential outcomes of this proceeding will affect fire hazard and/or utility costs for Mussey Grade residents.

MGRA is, to date, is the sole grass roots group intervening in the Rulemaking and as such brings a valuable perspective from the view of rural electricity customers in wildfire-prone areas. Wildfire is one issue regarding which MGRA brings specific and relevant expertise developed over years of experience by interventions in multiple Commission proceedings. Additionally, MGRA brings experience in analysis of risks and costs relative to safety issues. Additionally, the area in which Mussey Grade Road is located, and the area of the unincorporated town of Ramona, has been historically subjected to wildland fires ignited by power lines.<sup>6</sup> Furthermore, there is no other party to the proceeding representing this particular area in the 59-square mile jurisdiction of the Ramona Community Planning Group or similar wildfire-prone rural districts.

The cost of the MGRA’s participation in Commission proceedings substantially outweighs the potential economic benefit to the individual members it represents. The members of the Alliance are residential electricity customers whose individual interests in this proceeding are small relative to the costs of participation. It is unlikely that MGRA members will see financial benefits that exceed the costs of the Alliance’s intervention. Additionally, any improvement to safety or cost efficiency due to MGRA participation will be shared by all California residents and ratepayers, and it would be unfair to burden one neighborhood group with the cost of obtaining these benefits. Furthermore, the Alliance intervenor and expert also do not have an economic interest exceeding the cost of their participation.

**PART IV: ATTACHMENTS DOCUMENTING SPECIFIC ASSERTIONS MADE IN THIS NOTICE**

**(The party (“customer”)intending to claim intervenor compensation identifies and attachesdocuments;add rows as necessary)**

<b>Attachment No.</b>	<b>Description</b>
1	Certificate of Service
2	Mussey Grade Road Alliance By-Laws

<sup>6</sup> The Witch Fire, which started on Sunday, October 21, 2007, began in the unincorporated area of Ramona on the Tulloch Ranch and spread across the northeastern and northwestern sections of Ramona, destroying hundreds of homes in the area before merging with the Guejito Fire. Mussey Grade Road was threatened by the Witch Fire, but the fire fortunately did not reach the Mussey Grade Road valley.



## ADMINISTRATIVE LAW JUDGE RULING<sup>7</sup>

(ALJ completes)

<b>1. The Notice of Intent (NOI) is rejected for the following reasons:</b>	
a. The NOI has not demonstrated the party's status as a "customer" for the following reason(s):	
b. The NOI has not demonstrated that the NOI was timely filed (Part I(B)) for the following reason(s):	
c. The NOI has not adequately described the scope of anticipated participation (Part II, above) for the following reason(s):	
<b>2. The NOI has demonstrated significant financial hardship for the reasons set forth in Part III of the NOI (above).</b>	
<b>3. The NOI has not demonstrated significant financial hardship for the following reasons.</b>	
<b>4. The ALJ provides the following additional guidance (see § 1804(b)(2)):</b>	

### IT IS RULED that:

1. The Notice of Intent is rejected.	
2. Additional guidance is provided to the customer as set forth above.	
3. The customer has satisfied the eligibility requirements of Pub. Util. Code § 1804(a).	
4. The customer has shown significant financial hardship.	
5. The customer is preliminarily determined to be eligible for intervenor compensation in this proceeding. However, a finding of significant financial hardship in no way ensures compensation.	

Dated \_\_\_\_\_, at San Francisco, California.

\_\_\_\_\_  
Administrative Law Judge

<sup>7</sup> An ALJ Ruling needs not be issued unless: (a) the NOI is deficient; (b) the ALJ desires to address specific issues raised by the NOI (to point out similar positions, areas of potential duplication in showings, unrealistic expectations for compensation, or other matters that may affect the customer's Intervenor Compensation Claim); or (c) the NOI has included a claim of "significant financial hardship" that requires a finding under § 1802(g).