

**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.

Rulemaking 13-11-006  
(Filed November 14, 2013)

**SECOND ROUND REPLY COMMENTS OF UTILITY CONSUMERS' ACTION  
NETWORK (UCAN) TO REVISE GENERAL RATE CASE PLANS FOR ENERGY  
UTILITIES**

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**INTRODUCTION**

In accordance with the Assigned Commissioner's Scoping memo issued on May 15, 2014, the Utility Consumers' Action Network (UCAN) hereby submits our second round reply comments on promoting more efficient and effective management of the overall General Rate Case (GRC) process.

**I. FULL RATE CASE PLAN REVIEW WITH WORKSHOPS AND STAFF  
REPORT ARE NEEDED TO REEVALUATE THE RATE CASE PLAN**

UCAN has reviewed the second round opening comments of the parties and their recommendations about the efficiency and presentation of the electric utility GRC filings. Of the comments UCAN has reviewed, we believe that the recommendations of TURN and ORA are particularly insightful. TURN's recommendations to reduce the complexity of the GRC filings

by simplifying forecasting methods, improving the presentation of utility data to increase transparency and streamlining the GRC process are well thought out and deserve serious Commission consideration. ORA's comments to establish a 4 year GRC cycle, keep the NOI but shorten the time to file the GRC application and assign two ALJ's to the GRC cases are also significant and serious recommendations that the Commission should heed. While UCAN is not in agreement with all of PG&E's recommendations, their discussion on why a second ALJ assigned to GRC cases would help with the GRC filings, comments in accord with ORA's position on the matter, also deserve attention.

In the second round comments UCAN urged the Commission not to miss the opportunity presented in this Rulemaking to improve the GRC process. Throughout the course of these proceedings, the parties have provided the Commission insight to multiple issues that arise in the GRC process. The Commission last did a comprehensive review of the RCP in 1989. The parties to this Rulemaking are prepared, have consulted experts and have advanced ideas that deserve serious consideration by the Commission.

At the Prehearing Conference in April in this case, Mr. Long from TURN expressed the view of many of the parties when he suggested that the Commission should open a second phase of this proceeding to consider the recommendations advanced by the parties regarding the GRC process. The recommendations of the parties in both the initial comments in January to the OIR, as well as subsequent second round comments show serious reflection and effort. Rather than limit the discussion of these recommendations to comments, the Commission would be well served to take this opportunity to hold a series of second round workshops to consider the serious and thoughtful issues raised.

In the OIR the Commission noted that the last comprehensive revisions to the RCP were done in 1989.<sup>1</sup> Twenty-five years for a comprehensive review is a long time, especially when most parties in this Rulemaking have noted how complex and difficult the current GRC process is. Given the ever increasing complexity of the electric utilities GRC filings and the amount of time the Commission has needed to properly evaluate them, the Commission should not let this opportunity pass.

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<sup>1</sup> OIR at pg 2

As UCAN noted in our second round comments, the Commission should authorize a second round of workshops, similar to the Phase 1 workshop dealing with safety issues, to allow the parties the opportunity to discuss the shortcomings of the present GRC process, and find ways to improve it. Given the problems presented, a full review, with workshops, a staff report with all parties reviewing the staff proposal is warranted.

## **II. SDG&E’S RECOMMENDATION ON IMMEDIATE SACTIONS AGAINST AN INTERVENOR’S PROSPECTIVE COMENSATION FOR INEFFICENCY SHOULD BE DISREGARDED**

While UCAN disagrees with several second round comments advanced by SDG&E, UCAN chooses to respond to only one. In SDG&E’s second round comments they advance the argument that even though the Commission has the authority to enforce its own RCP, schedules, rules of practice and scoping limitations, better enforcement of existing rules is needed. SDG&E then notes that the “only question is how to facilitate the use of that authority.”<sup>2</sup>

SDG&E’s comments asks that the Commission allow party motions to be brought and sua sponte orders to be issued to sanction intervenors for inefficiency by reducing the amount of compensation they may be awarded. SDG&E notes that since after-the-fact sanctions have less effect than timely ones, it would be appropriate for the Commission to allow for immediate “inefficiency adjustments to compensation.”<sup>3</sup> SDG&E suggests that parties be allowed to file motions against intervenors for being inefficient or have inefficiency adjustments put in place sua sponte by the ALJ with due process and after warnings.

With all due respect to SDG&E, allowing the IOUs and other parties to file motions that seek to immediately reduce an intervener’s prospective compensation by claiming an intervenor is inefficient is not unwarranted, would be onerous to any intervening party and would have a chilling effect on intervenor participation.

Allowing other parties, IOUs for example, to file motions saying an intervenor is wasting the Commissions time, and then seek to reduce that intervenors prospective compensation is the wrong message for the Commission to send regarding customer participation in Commission proceedings.

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<sup>2</sup> SDG&E second round comments at pg 4

<sup>3</sup> SDG&E second round comments at pg 4

As SDG&E is well aware, customer groups (intervenors) participate in Commission cases, and sometimes for intervenors it is a very costly process to actively participate. The Commission has an entire set of rules detailing what is required to claim intervenor compensation and how to value an intervenor's participation. SDG&E's suggestions that the Commission augment those rules to allow for party motions or sua sponte ALJ orders which could reduce an intervenor's prospective compensation for inefficiency is not something the Commission should decide through this Rulemaking. UCAN urges the Commission to ignore this suggestion by SDG&E.

### **III. CONCLUSION**

For all the reasons stated here, UCAN asks that the Commission to open a second round of workshops to address the issues raised by the parties in their second round comments.

Respectfully submitted,

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