Decision _____

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Application of California Water Service Company (U 60 W), a Corporation, for an Order Authorizing It to Increase Rates Charged for Water Service at Each of Its Operating Districts to Recover Increased Operating Expenditures at Its General Office.	Application 01-09-062 (Filed September 10, 2001)
And Related Matters.	Application 01-09-063 Application 01-09-064 Application 01-09-065 Application 01-09-066 Application 01-09-067 Application 01-09-068 Application 01-09-069 Application 01-09-070 Application 01-09-071 Application 01-09-072 Application 01-09-073 Application 01-09-074

OPINION GRANTING INTERVENOR COMPENSATION AWARD

This decision grants Aglet Consumer Alliance (Aglet) $44,454.44 for its substantial contribution to Decision (D.) 03-09-021.

Background

In D.03-09-021, the Commission resolved applications for rate increases in 15 out of the 24 districts in which California Water Service Company (Cal Water)

provides water service, affecting water rates for 286,689 customers. The 15 districts are located throughout most of the state – from East Los Angeles to Chico – and present different service challenges to Cal Water. Each district must be looked at individually to evaluate the proposed rate increases. In addition to district-specific items, each district is allocated a share of Cal Water's general office costs. These are the costs associated with Cal Water's headquarters, where the operational functions of accounting, engineering, water quality control, purchasing/stores, and customer billing are performed.

The Commission's Office of Ratepayer Advocates (ORA) protested the applications. On January 7, 2002, Aglet Consumer Alliance (Aglet) filed an appearance at a Public Participation Hearing held in Dixon, California. A Prehearing Conference was held on April 22, 2002, and Aglet filed its Notice of Intent to Claim Compensation on April 26, 2002. On May 30, the assigned Administrative Law Judge (ALJ) found Aglet to have established significant financial hardship and to be eligible to file a request for compensation.

Evidentiary hearings were held in San Francisco April 18, 19, 22, 23, 25, and 26, 2002. During the hearings, ORA and Cal Water were able to resolve their differences on many issues and to present a Joint Recommendation. Aglet joined in certain portions of the Joint Recommendation, and took no position or opposed other portions. Also during the evidentiary hearings, all parties reached agreement on a Reclaimed Water Rate Joint Recommendation.

After filing briefs and the comparison exhibit, the proceeding was submitted. Submission, however, was set aside twice to allow the parties to respond to ALJ rulings directing that additional information be supplied for the record. The proceeding was finally submitted on November 4, 2002.

Requirements for Awards of Compensation

The intervenor compensation program, enacted in Pub. Util. Code §§ 1801-1812, requires that the intervenor satisfy all of the following procedures and criteria to obtain a compensation award:

1. The intervenor must be a customer or a participant representing consumers, customers, or subscribers of a utility subject to our jurisdiction. (§ 1802(b).)
2. The intervenor must satisfy certain procedural requirements including the filing of a sufficient notice of intent to claim compensation within 30 days of the prehearing conference (or in special circumstances, at other appropriate times that we specify). (§ 1804(a).)
3. The intervenor must file and serve a request for a compensation award within 60 days of our final order or decision in a hearing or proceeding. (§ 1804(c).)
4. The intervenor must demonstrate significant financial hardship. (§ 1804(b)(1).)
5. The intervenor's presentation must have made a substantial contribution to the proceeding, through the adoption, in whole or in part, of the intervenor's contention or recommendations by a Commission order or decision. (§ 1803(a).)
6. The claimed fees and costs are comparable to the market rates paid to experts and advocates having comparable training and experience and offering similar services. (§ 1806.)

For discussion here, the procedural issues in Items 1-3, and the significant financial hardship issue identified in Item 4, above, are combined, followed by separate discussion on Items 5-6.

Procedural Issues

The second Prehearing Conference in this matter was held on April 22, 2002. Aglet timely filed its NOI on April 26, 2002, and ALJ Bushey

issued a ruling that found Aglet to be a customer under the Public Utilities Code, and to have made the required showing of significant financial hardship. Aglet filed its request for compensation on September 22, 2003, within the required 60 days of D.03-09-021. Aglet has satisfied all the procedural requirements necessary to make its request for compensation.

Substantial Contribution

Aglet has been an active and productive participant in this proceeding. The record, including numerous citations in D.03-09-021, shows that Aglet concentrated its efforts on the appropriate standard of review, general office costs, costs of capital, attrition relief, and other ratemaking issues. As one example, we note that on the issue of outside services the Commission rejected the Cal Water/ORA joint recommendation of $1.9 million and adopted Aglet's $1.7 million recommendation. We therefore find that Aglet made a substantial contribution to D.03-09-021. That contribution was also productive, in that the quantifiable and other benefits to ratepayers arising from Aglets contribution greatly exceed Aglet's costs.

Reasonableness of the Requested Compensation

Aglet requested $44,454.44 as follows:

Professional Time	177.7 hours @ $220	$39,094.00
Travel and Compensation Request	40.8 hours @ $110.	$4,488.00
Misc. Expenses	(copies, fax, travel)	872.44
	TOTAL	$44,454.44

The components of this request, which is unopposed, constitute reasonable fees and costs when compared to market rates, as reflected in prior Commission awards, for similar services from comparably qualified persons. The claimed

expense amount constitutes less than 1% of the total award, which we also consider reasonable.

Award

We award Aglet $44,545.44, to be paid by Cal Water. Consistent with previous Commission decisions, we will order that, after the 75th day after Aglet filed its compensation request, interest be paid on the award amount at the rate earned on prime, three-month commercial paper, as reported in Federal Reserve Statistical Release H.15. Interest will continue on this award until the utility makes full payment.

We remind all intervenors that Commission staff may audit their records related to this award and that intervenors must make and retain adequate accounting and other documentation to support all claims for intervenor compensation.

Waive of Period

This is an intervenor compensation matter. Accordingly, as provided by Rule 77.7(f)(6) of our Rules of Practice and Procedure, we waive the otherwise applicable 30-day comment period for this decision.

Assignment of Proceeding

Susan P. Kennedy is the Assigned Commissioner and Maribeth A. Bushey is the assigned Administrative Law Judge in this proceeding.

Findings of Fact

1. Aglet represents consumers, customers, or subscribers of Cal Water, and it has met the requirement to demonstrate financial hardship.

2. Aglet timely filed its NOI to claim compensation and its request for compensation.

3. Aglet participated continuously and extensively, and materially contributed to this proceeding.

4. Aglet's requested hourly rates are reasonable when compared to the market rates for persons with similar training and experience, and its other expenses are reasonable.

5. The total of these reasonable fees and expenses is $44,454.44.

Conclusion of Law

Aglet has fulfilled the requirements of Pub. Util. Code §§ 1801-1812, which govern awards of intervenor compensation, and is entitled to intervenor compensation for its claimed fees and expenses incurred in making substantial contributions to D.03-09-021.

O R D E R

IT IS ORDERED that:

1. The Aglet Consumer Alliance (Aglet) is awarded $44,454.44 as compensation for its substantial contributions to Decision 03-09-021.

2. Within 30 days of the effective date of this decision, California Water Services Corporation (Cal Water) shall pay Aglet $44,454.44.

3. Cal Water shall also pay interest on the award beginning December 6, 2003, at the rate earned on prime, three-month commercial paper as reported in Federal Reserve Statistical Release H.15, and continuing until full payment is made.

This order is effective today.

Dated _____, at San Francisco, California.

Compensation Decision Summary Information

Compensation Decision:	
Contribution Decisions:	D0305030
Proceeding:	A0102062 (assigned to ALJ Bushey)
Author:	ALJ Bushey
Payer:	California Water Service Company

Intervenor Information

Intervenor	Claim Date	Amount Requested	Amount Awarded	Reason
Aglet Consumer Alliance (Aglet)	9/22/2003	$44,454.44	$44.545.44	

Advocate Information

First Name	Last Name	Type	Intervenor	Hourly Fee Requested	Year Hourly Fee Requested	Hourly Fee Adopted
Jim	Weil	Expert	Aglet	$220	2002	$220