



**PUBLIC UTILITIES COMMISSION**

505 VAN NESS AVENUE  
SAN FRANCISCO, CA 94102-3298

**FILED**  
3-26-15  
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March 26, 2015

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Quasi-legislative

TO PARTIES OF RECORD IN RULEMAKING 13-02-008:

This is the proposed decision of Commissioner Peterman. Until and unless the Commission hears the item and votes to approve it, the proposed decision has no legal effect. This item may be heard, at the earliest, at the Commission's May 7, 2015 Business Meeting. To confirm when the item will be heard, please see the Business Meeting agenda, which is posted on the Commission's website 10 days before each Business Meeting.

Parties of record may file comments on the proposed decision as provided in Rule 14.3 of the Commission's Rules of Practice and Procedure.

/s/ MARYAM EBKE for  
Karen V. Clopton, Chief  
Administrative Law Judge

KVC:jt2

Attachment

Decision **PROPOSED DECISION OF COMMISSIONER PETERMAN**  
(Mailed 3/26/2015)

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

|  |   |
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| Order Instituting Rulemaking to Adopt Biomethane Standards and Requirements, Pipeline Open Access Rules, and Related Enforcement Provisions. | Rulemaking 13-02-008<br>(Filed February 13, 2013) |
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**DECISION GRANTING COMPENSATION TO THE GREEN POWER INSTITUTE FOR  
SUBSTANTIAL CONTRIBUTION TO DECISION 14-01-034**

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| <b>Claimant: The Green Power Institute</b>      | <b>For contribution to Decision (D.)14-01-034</b> |
| <b>Claimed: \$36,209.00</b>                     | <b>Awarded: \$8,286.36 (77.1% reduction)</b>      |
| <b>Assigned Commissioner: Carla J. Peterman</b> | <b>Assigned ALJ: John S. Wong</b>                 |

**PART I: PROCEDURAL ISSUES**

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| <b>A. Brief Description of Decision:</b> | <b>D.14-01-034:</b> This Decision sets the rules for the injection of biomethane into the common-carrier natural gas pipeline system. |
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**B. Claimant must satisfy intervenor compensation requirements set forth in Public Utilities Code §§ 1801-1812:**

|   | <b>Claimant</b> | <b>CPUC Verified</b> |
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| <b>Timely filing of notice of intent to claim compensation (NOI) (§ 1804(a)):</b> |                 |                      |
| 1. Date of Prehearing Conference:   | Mar. 27, 2013   | Verified             |
| 2. Other Specified Date for NOI:  |                 |                      |
| 3. Date NOI Filed:  | Apr. 24, 2013   | Verified             |
| 4. Was the NOI timely filed?  |                 | Yes                  |
| <b>Showing of customer or customer-related status (§ 1802(b)):</b>                |                 |                      |
| 5. Based on ALJ ruling issued in proceeding number:                               | R.13-02-008     | Verified             |
| 6. Date of ALJ ruling:  | Jun. 4, 2013    | Verified             |
| 7. Based on another CPUC determination (specify):                                 |                 |                      |
| 8. Has the Claimant demonstrated customer or customer-related status?             |                 | Yes                  |

| <b>Showing of “significant financial hardship” (§ 1802(g)):</b>   |               |          |
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| 9. Based on ALJ ruling issued in proceeding number:               | R.13-02-008   | Verified |
| 10. Date of ALJ ruling:   | Jun. 4, 2013  | Verified |
| 11. Based on another CPUC determination (specify):                |               |          |
| 12. Has the Claimant demonstrated significant financial hardship? |               | Yes      |
| <b>Timely request for compensation (§ 1804(c)):</b>               |               |          |
| 13. Identify Final Decision:                                      | D.14-01-034   | Verified |
| 14. Date of Issuance of Final Order or Decision:                  | Jan. 22, 2014 | Verified |
| 15. File date of compensation request:                            | Feb. 20, 2014 | Verified |
| 16. Was the request for compensation timely?                      |               | Yes      |

## PART II: SUBSTANTIAL CONTRIBUTION

A. In the fields below, describe in a concise manner Claimant’s contribution to the final decision (*see* § 1802(i), § 1803(a) & D.98-04-059).

| <b>Contribution</b>  | <b>Specific References to Claimant’s Presentations and to Decision</b>   | <b>Showing Accepted by CPUC</b>                       |
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| <b>D.14-01-034, sets rules for the injection of biomethane into the common-carrier pipeline system.</b>  | (Please note that Attachment 2 includes a list of GPI Pleadings relevant to this Claim.)   |   |
| <p><b>1. Identify Constituents of Concern</b></p> <p>[ D.]14-01-034 adopts the 12 constituents of concern for biomethane recommended by the ARB/OEHHA report, based on health and worker-safety considerations, and an additional 5 constituents of concern recommended by the gas utilities, based on pipeline-integrity considerations.</p> <p>The GPI initially recommended adopting the findings of the ARB/OEHHA report, and rejecting the adoption of any further constituents not recommended</p> | <p>GPI’s <i>Reply Comments on the OIR</i>, 3/14/13, pg. 1.</p> <p>Agreeing with DRA, the GPI argued that the standards adopted in this proceeding for biomethane injection should apply to other sources of unconventional gas that is injected into common-carrier pipelines.</p> <p>GPI’s <i>Supplemental Testimony on the Scoping Memo and ARB Report</i>, 7/8/13, pg. 3.</p> <p>On pg. 3 of our <i>Supplemental Testimony</i>, we argue: “If biomethane injection does not present additional health risk as compared to natural gas, then in our opinion the essential regulatory role for this Commission is to ensure that adequate engineering standards and protections are in place to</p> | <p>No substantial contribution. The PD adopted 17</p> |

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| <p>in the report. When the PD was issued, we supported the PD’s determination to adopt all 17 constituents of concern.</p>  | <p>prevent the injection of gas into a common-carrier pipeline that does not meet specifications.”</p> <p><i>GPI’s Comments on the Proposed Decision of Commissioner Peterman, 1/2/14, pg. 2.</i></p> <p>On pg. 2 of our <i>Comments</i>, we argue: “In our Brief, we argued against adding any additional constituents of concern to the monitoring and reporting requirements beyond the twelve recommended in the CARB/OEHHA report. The PD adopts 17 constituents of concern, the 12 recommended by CARB/OEHHA, and an additional 5 recommended by the gas utilities. We are not qualified to be able to judge the degree of risk to the pipeline system represented by the additional five constituents, but we do note that adding five constituents to the list of components subject to testing has far lower cost implications than, for example, adding more frequent testing requirements.”</p> <p>The Decision adopts 17 Constituents of Concern, explaining, on pg. 80: “Accordingly, we adopt the following as the constituents of concern for biomethane, which include the 12 constituents recommended by CARB and OEHHA and the five constituents recommended by the four utilities.”</p> | <p>Constituents of Concern, more than the 12 suggested by GPI. The 12 constituents suggested by GPI simply came from the ARB/OEHHA report. Additionally, GPI supported DRA’s testimony regarding application of the biomethane injection standards.</p> |
| <p><b>2. No Testing of Raw Biogas</b></p> <p>The gas utilities urged the Commission to include the analysis of raw biogas resources in its testing protocols for biomethane injection. [ D.]14-01-034 determined that while the Commission may have the</p> | <p><i>GPI’s Rebuttal Testimony on the Scoping Memo and ARB Report, 8/5/13, pg.1.</i></p> <p>On pg. 1 of our <i>Rebuttal Testimony</i>, we argue: “Chemical processing operations of the kind that are used in the conversion of biogas into biomethane are subject to the same kinds of regulation that apply to all industrial operations, and that is not the domain of this Commission. This Commission’s</p>   |   |

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| <p>statutory authority to order the testing of raw biogas, there was no compelling reason to do so. The Decision declines to include testing of raw biogas in its adopted testing protocols. The GPI argued strongly against the need for the testing of raw biogas.</p> | <p>regulatory interest begins with the injection of the product biomethane into to the natural gas pipeline system.”</p> <p>GPI’s <i>Brief on Rules and Standards for Biomethane Pipeline Injection</i>, 9/4/13, pg. 4.</p> <p>On pg. 4 of our <i>Brief</i>, we argue: “Exhibit no. 3, the Joint Utilities’ <i>Supplemental Testimony</i>, argues that the Commission has a regulatory interest in the injection of biomethane into the natural-gas pipeline system that extends all the way back to the raw biogas from which the biomethane is made. There is simply no basis in the record for supporting this position, and it is not consistent with either the letter or the intent of AB 1900.”</p> <p>The Decision rejects ordering the testing of raw biogas, reasoning, on pg. 125: “Although the four utilities contend that startup testing of the biogas source will allow the utilities to develop a baseline of the different constituents found in each biogas source, and to recommend appropriate biomethane processing equipment specific to the risks associated with each producer, we are not persuaded that there is a compelling need to test the biogas prior to startup. As the proponents of biomethane point out, it is processed biomethane that will be injected into the common carrier pipeline.”</p> | <p>Yes, but duplicative of participation of other parties, including Waste Management, Bioenergy Association of California, and Coalition for Renewable Gas.</p> |
| <p><b>3. Minimum Energy Specification for Biomethane</b></p> <p>The biomethane proponents proposed to set a minimum energy specification for injection biomethane of 950 btu/scf, based on the fact that biomethane lacks the higher</p>                                 | <p>GPI’s <i>Brief on Rules and Standards for Biomethane Pipeline Injection</i>, 9/4/13, pg. 6.</p> <p>On pg. 6 of our <i>Brief</i>, we argue: “We believe that the utility proposal for this specification is an example of an unnecessarily stringent specification that would do nothing to protect the integrity of the pipeline system, but would do a</p>  |  |

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| <p>hydrocarbons that boost the energy content of natural gas above that of pure methane. [D.]14-01-034 declines to set any biomethane-specific energy-content specifications, citing a lack of basis in the record of the proceeding, and inviting parties to file a petition for rulemaking if they so desire.</p> <p>The GPI argued for a more flexible approach to the determination of minimum energy-content requirement, similar to the current process that is in effect in the PG&amp;E system. Our proposal provides for a determination of the energy specification for each injection point, based on not diminishing downstream gas-energy content by more than a de minimis amount. On this issue the Decision declined to adopt our position, but we made a Significant Contribution by enriching the record on which the Decision is based, and adding to the options that the Commission was able to consider.</p> | <p>great deal of harm with respect to keeping biomethane out of the system. The evidence in the docket clearly shows that with the kinds of dilution that biomethane will experience in the common-carrier system, the 950 btu/ft<sup>3</sup>, spec will result in no perceptible effect on the gas that pipeline customers receive.”</p> <p><i>GPI’s Comments on the Proposed Decision of Commissioner Peterman, 1/2/14, pgs. 4-7.</i></p> <p>On pg. 4 of our <i>Comments</i>, we argue: “The minimum specification in the PD is set at 990 btu/scf. This specification can only be met with biomethane if a hydrocarbon, most likely of fossil origin, is blended into the biomethane prior to pipeline injection. The GPI believes that a better balancing of the tradeoffs between biomethane energy content and the carbon-intensity of the gas that is injected, as well as the cost consequences, can be achieved.”</p> <p>On pg. 6, we argue: “The PD sets a rigid minimum energy-content specification for biomethane of 990 btu/scf. In the opinion of the GPI, it would be preferable to set a minimum blended fuel-energy content for biomethane immediately downstream of the injection point at a point of de minimis loss below 990 btu/scf. This specification could then be used to determine the minimum energy-content specification for biomethane to be injected into a given pipeline section at a given maximum rate of injection.”</p> <p>On pg. 92, the Decision sticks to its determination to maintain the status quo: “Based on the above discussion, it is reasonable to maintain the current standards for heating value.”</p> | <p>No substantial contribution. The decision maintained the already in use heating standards, and declined to lower the heating value for the reasons stated in D.14-01-034. The decision notes that proposed changes in the heating value of gas entering the gas utilities pipeline systems should be addressed in a separate proceeding.</p> |
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| <p><b>4. Monitoring, Testing, Reporting, Recordkeeping</b></p> <p>The ARB/OEHHA report proposes a monitoring, testing, reporting and recordkeeping protocol to be applied to biomethane injection into pipelines. The gas utilities proposed a far more expansive protocol that would have added considerable costs to biomethane suppliers. The Decision adopts the protocols recommended by ARB/OEHHA.</p> <p>The GPI cautioned against overburdening biomethane sources with unnecessary and unproductive regulatory costs that do not enhance safety. We strongly supported the ARB/OEHHA recommended protocols.</p> | <p>GPI’s <i>Supplemental Testimony on the Scoping Memo and ARB Report</i>, 7/8/13, pg. 3.</p> <p>On pg. 3 of our <i>Supplemental Testimony</i>, we argue in favor of the necessity to keep compliance costs at a minimum in order to allow biomethane to compete in the marketplace. This economically-marginal fuel source has been found by ARB/OEHHA to present no additional health risk to users of the pipeline system.</p> <p>GPI’s <i>Rebuttal Testimony on the Scoping Memo and ARB Report</i>, 8/5/13, pgs.1-2.</p> <p>On pgs. 1-2 of our <i>Rebuttal Testimony</i>, we argue: “Considering the fact that the conversion of various forms of biogas into biomethane with subsequent injection of the biomethane into the common-carrier pipeline system is a proven commercial enterprise that has numerous operating units across the country, we are perplexed at the level of preliminary testing and analysis that the utilities argue is necessary before allowing biomethane injection to proceed in California, consistent with the intent of AB 1900. By adding time and unnecessary expense to the development of this industry, the utilities’ proposal is decidedly detrimental to the prompt implementation of AB 1900.”</p> <p>GPI’s <i>Brief on Rules and Standards for Biomethane Pipeline Injection</i>, 9/4/13, pgs. 1-7.</p> <p>On pg. 2 of our <i>Brief</i>, we argue: “We note that the evidence in this docket clearly shows that by virtually every measure biomethane is less harmful and less risky to the integrity of the existing pipeline infrastructure than all of the unconventional resources that currently provide gas to the pipeline system</p> | <p>No substantial contribution. GPI merely points out facts and evidence provided by other parties or in the ARB/OEHHA report.</p> |
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|  | <p>(Exhibit nos. 1, 5). In light of these facts, the GPI believes that, as a bottom-line principle in this proceeding, biomethane injection should not have to face greater scrutiny or costs than the injection of the other, dirtier unconventional resources that currently supply the system. ... Suggestions that the state should order extensive and onerous testing and monitoring as a precondition for allowing injection should be rejected.”</p> <p>On page 4, we argue: “Given this set of facts, we believe that there is a compelling policy rationale for the Commission to try to minimize the testing, monitoring and reporting burden that is imposed on producers of biogas. At a maximum, the burden should not be any greater than what is imposed on other providers of gas to the common-carrier pipeline system.”</p> <p>On pages 6-7 we argue: “As stated previously in this Brief, the successful implementation of AB 1900 depends in no small part on keeping the compliance costs associated with biomethane injection as low as possible, commensurate with getting the job done properly. We are not in any way suggesting that effective compliance rules need not be developed for biomethane injection. We are suggesting that reasonable rules and regulations can be formulated that minimize the burden on the enterprise, including the reporting and recordkeeping requirements. The evidence in this docket shows that this is absolutely doable, and necessary for the financial viability of this expensive but highly beneficial enterprise.”</p> <p><i>GPI’s Brief on Rules and Standards for Biomethane Pipeline Injection, 9/4/13, pgs. 1-2.</i></p> |  |
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|   | <p>On pgs. 1-2 of our <i>Brief</i>, we argue: “While the conversion of raw biogas resources to useful energy products clearly has environmental benefits for California, the fact is that producing and compressing biomethane in preparation for pipeline injection is at best marginally cost effective, and adding non-productive costs to the enterprise exacerbates this problem. That is exactly what would happen if the extensive, expensive, and frankly unnecessary testing protocols proposed by the gas utilities in their <i>Joint Opening Brief</i> were to be adopted by this Commission.”</p> <p>On pg. 127 the Decision adopts the ARB/OEHHA protocols: “Based on our comparisons and analysis of the three recommended protocols, we adopt the monitoring and testing protocol that the Joint [ARB/OEHHA] Report recommends be adopted. The adopted monitoring and testing protocol consists of both the startup testing and the periodic testing as summarized in this section of the decision, and more fully detailed in the Joint Report.”</p> |  |
| <p><b>5. Do Not Charge Cost of Probes and Monitors to Biomethane Suppliers</b></p> <p>The gas utilities argued that they should be able to install safety equipment like resistance probes and corrosion coupons in pipelines that have biomethane injection points, and charge the cost of this equipment to biomethane suppliers. The GPI acknowledged the need for this kind of equipment all over the integrated pipeline system, but</p> | <p>GPI’s <i>Rebuttal Testimony on the Scoping Memo and ARB Report</i>, 8/5/13, pg.2.</p> <p>On pgs. 2 of our <i>Rebuttal Testimony</i>, we argue: “We do not question whether the system would benefit from the installation of this safety equipment. We do question as to whether the equipment is needed only because of the impending injection of biomethane, or whether the equipment is needed in any case, and the implementation of AB 1900 is an opportunity to try to get it. As real world experience has so starkly demonstrated, California’s natural-gas pipeline infrastructure is in serious need of</p>  |  |

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| <p>we argued strongly against allowing the utilities to assess the cost of the equipment to biomethane suppliers.</p> <p>The Decision adopts the GPI’s position, allowing the utilities to install the safety equipment, but determining that it must be done at the utility’s own expense, not that of the biomethane suppliers.</p> | <p>upgrading. This notwithstanding, we believe it is counterproductive to tie system upgrades that are needed in any case to AB 1900, in the process quite possibly hindering the development of this industry.”</p> <p><i>GPI’s Brief on Rules and Standards for Biomethane Pipeline Injection, 9/4/13, pgs. 5-6.</i></p> <p>On pgs. 5-6 of our <i>Brief</i>, we essentially repeat our argument from our <i>Rebuttal Testimony</i>: “We do not question whether the system would benefit from the installation of this safety equipment. We do question whether the equipment is needed solely or specifically because of the impending injection of biomethane, or whether the equipment is, in fact, needed in any case, and the implementation of AB 1900 presents a promising opportunity for the gas utilities to try to get it. As real world experience has so starkly demonstrated, California’s natural-gas pipeline infrastructure is in serious need of upgrading. This notwithstanding, we believe it is counterproductive to tie system upgrades that are not needed in order to accommodate biomethane injection, but rather are simply needed with or without biomethane injection, to the implementation of AB 1900, in the process hindering the development of this desirable industry.”</p> <p>On pg. 128, the Decision adopts our position: “We will also permit the utilities to install electrical resistance probes, corrosion coupons, and other testing equipment in their pipelines to monitor for possible adverse effects from the injection of the processed biomethane. Allowing the utilities to do so is reasonable because such actions will allow the utilities to monitor for possible pipeline integrity and safety</p> | <p>Yes</p> |
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|  | <p>issues. However, this additional monitoring is to be done at the utility’s expense, and does not limit the biomethane supplier’s ability to inject into the common carrier pipeline.”</p>   |   |
| <p><b>6. Design Reporting to Support Other Programs</b></p> <p>In order to minimize overall regulatory-compliance costs for biomethane suppliers, the GPI urged the Commission to adopt reporting protocols that collect all of the data necessary to prove and track renewable product claims, as well as the data needed for monitoring health and safety. We supported adopting the reporting protocols proposed by the ARB/OEHHA report, and they are adopted in Decision D.14-01-034.</p> | <p>GPI’s <i>Comments on the OIR</i>, 3/7/13, pgs. 1-2.</p> <p>The GPI suggested introducing into the topic of reporting in the preliminary scoping memo the concept of designing the reporting protocol in a way that provides the information needed to trace the renewable attributes of biomethane in order to allow it to be counted in the RPS program.</p> <p>GPI’s <i>Supplemental Testimony on the Scoping Memo and ARB Report</i>, 7/8/13, pg. 4.</p> <p>On pg. 4 of our <i>Supplemental Testimony</i>, we argue: “As a renewable fuel, it is worth noting that whatever reporting requirements are enacted for biomethane, they ought to be adequate to support renewable energy program claims for the use of biomethane in programs for which they are eligible, such as the RPS and the RFS.”</p> <p>GPI’s <i>Brief on Rules and Standards for Biomethane Pipeline Injection</i>, 9/4/13, pg. 7.</p> <p>On pg. 7 of our <i>Brief</i>, we argue: “As a renewable fuel, it is worth noting that whatever reporting requirements are enacted for biomethane, they ought to be adequate to support renewable energy program claims for the use of biomethane in programs for which they are eligible, particularly the RPS and the RFS programs.”</p> <p>The Decision adopts the reporting protocols recommended in the ARB/OEHHA report, stating, on pg.</p> | <p>No substantial contribution. GPI’s comments did not aid the Commission’s decisionmaking.</p> |

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|  | <p>129: “We have reviewed the reporting and recordkeeping protocol contained in the Joint Report, along with the comments and arguments of the parties. We adopt the Joint Report’s reporting and recordkeeping protocol.”</p> |  |
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**B. Duplication of Effort (§§ 1801.3(f) & 1802.5):**

|  | <b>Claimant</b>                                  | <b>CPUC Verified</b> |
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| <p><b>a. Was the Office of Ratepayer Advocates (ORA) a party to the proceeding?<sup>1</sup></b></p>  | <p><b>Yes</b></p>                                | <p>Verified</p>      |
| <p><b>b. Were there other parties to the proceeding with positions similar to yours?</b></p>   | <p><b>Yes</b></p>                                | <p>Verified</p>      |
| <p><b>c. If so, provide name of other parties:</b> California Association of Sanitation Agencies, Bioenergy Association of California, Waste Management, Coalition For Renewable Natural Gas, Consumer Federation of California, Southern California Generation Coalition, Shell, Lodi Gas Storage, Independent Storage Providers, Central Valley Gas Storage, Gill Ranch Storage, Wild Goose Storage, DRA (now ORA), Southern California Gas Company, San Diego Gas &amp; Electric Company, Pacific Gas and Electric Company, Southwest Gas Corporation.</p>  | <p>Verified</p>                                  |                      |
| <p><b>d. Describe how you coordinated with ORA and other parties to avoid duplication or how your participation supplemented, complemented, or contributed to that of another party:</b> This proceeding covers a wide variety of topics related to the injection of biomethane into natural-gas pipelines. The Green Power Institute coordinated its efforts in this proceeding with other parties in order to avoid duplication of effort, and added significantly to the outcome of the Commission’s deliberations. In particular, Green Power regularly discussed the case with members of a loose coalition of parties calling themselves the biomethane parties. Some amount of duplication has occurred in this proceeding on all sides of contentious issues, but Green Power avoided duplication to the extent possible, and tried to minimize it where it was unavoidable.</p> | <p>Verified, but duplication still occurred.</p> |                      |

<sup>1</sup> The Division of Ratepayer Advocates was renamed the Office of Ratepayer Advocates effective September 26, 2013, pursuant to Senate Bill No. 96 (Budget Act of 2013), which was approved by the Governor on September 26, 2013. (See Statutes 2013, Chapter 356, Section 42.)

**PART III: REASONABLENESS OF REQUESTED COMPENSATION**

**A. General Claim of Reasonableness (§§ 1801 & 1806):**

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| <p><b>a. Concise explanation as to how the cost of Claimant’s participation bears a reasonable relationship with benefits realized through participation</b></p>   | <p><b>CPUC Verified</b></p>           |
| <p>The GPI is providing, in Attachment 2, a listing of all of the pleadings we provided in this Proceeding, R.13-02-008 that are relevant to matters covered by this Claim, and a detailed breakdown of GPI staff time spent for work performed that was directly related to our substantial contributions to Decision D.14-01-034.</p>  | <p>Verified, but reductions made.</p> |
| <p>The hours claimed herein in support of [ D.]14-01-034 are reasonable given the scope of the Proceeding, and the strong participation by the GPI. GPI staff maintained detailed contemporaneous time records indicating the number of hours devoted to the matters settled by these Decisions in this case. In preparing Attachment 2, Dr. Morris reviewed all of the recorded hours devoted to this proceeding, and included only those that were reasonable and contributory to the underlying tasks. As a result, the GPI submits that all of the hours included in the attachment are reasonable, and should be compensated in full.</p> |                                       |
| <p>Dr. Morris is a renewable energy analyst and consultant with more than thirty years of diversified experience and accomplishments in the energy and environmental fields. He is a nationally recognized expert on biomass and renewable energy, climate change and greenhouse-gas emissions analysis, integrated resources planning, and analysis of the environmental impacts of electric power generation. Dr. Morris holds a BA in Natural Science from the University of Pennsylvania, an MSc in Biochemistry from the University of Toronto, and a PhD in Energy and Resources from the University of California, Berkeley.</p>        |                                       |
| <p>Dr. Morris has been actively involved in electric utility restructuring in California throughout the past two decades. He served as editor and facilitator for the Renewables Working Group to the California Public Utilities Commission in 1996 during the original restructuring effort, consultant to the CEC Renewables Program Committee, consultant to the Governor’s Office of Planning and Research on renewable energy policy during the energy crisis years, and has provided expert testimony in a variety of regulatory and legislative proceedings, as well as in civil litigation.</p>                                       |                                       |
| <p>Ms. Whiddon is a highly capable professional in the early stages of her career. Ms. Whiddon has a Masters from Towson University, and is working in the renewable energy field. Ms. Whiddon worked for 5 years for Washington Counsel / Ernst and Young, a Washington, DC, based consulting and lobbying firm, and is now working on her own, including as an associate of the Green Power Institute.</p>   |                                       |
| <p>[ D.]98-04-059 states, on pgs. 33-34, “Participation must be productive in the sense that the costs of participation should bear a reasonable relationship to the benefits realized through such participation. ... At a minimum, when the benefits</p>   |                                       |

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| <p>are intangible, the customer should present information sufficient to justify a Commission finding that the overall benefits of a customer's participation will exceed a customer's costs." This proceeding is concerned with setting the rules that will enable biogas resources to be upgraded and injected into natural gas pipelines, a practice that previously has not been allowed in California. Biogas is converted into electricity in California using small engines at existing installations. However, new installations for untapped sources of biogas have been stymied due to increasingly strict NOx emissions standards for small engines. Biomethane injection has the potential to allow the beneficial use of biogas resources that currently cannot be permitted for use in small engines. If successful, the efforts that have begun in this proceeding have the potential to reduce the carbon intensity of pipeline gas, and to enable a host of currently unusable sources of biogas to enter the marketplace and be put to beneficial use. The value of these benefits overwhelms the cost of our participation in this proceeding.</p> |                                       |     |                             |     |  |     |  |     |  |     |   |     |                 |
| <p><b>b. Reasonableness of Hours Claimed.</b></p> <p>The GPI made Significant Contributions to [D.]14-01-034 by participating in workshops, and providing a series of Commission filings on the various topics that were under consideration in the Proceeding, and are covered by this Claim. Attachment 2 provides a detailed breakdown of the hours that were expended in making our Contributions. The hourly rates and costs claimed are reasonable and consistent with awards to other intervenors with comparable experience and expertise. The Commission should grant the GPI's claim in its entirety.</p>   | <p>Verified, but reductions made.</p> |     |                             |     |  |     |  |     |  |     |   |     |                 |
| <p><b>c. Allocation of Hours by Issue</b></p> <table border="0"> <tr> <td>1. Identify Constituents of Concern</td> <td>15%</td> </tr> <tr> <td>2. No testing of raw biogas</td> <td>15%</td> </tr> <tr> <td>3. Minimum energy specification for biomethane</td> <td>15%</td> </tr> <tr> <td>4. Monitoring, testing, reporting, recordkeeping, compliance costs</td> <td>30%</td> </tr> <tr> <td>5. Do not charge cost of probes and monitors to biomethane suppliers</td> <td>15%</td> </tr> <tr> <td>6. Design reporting to support other programs</td> <td>10%</td> </tr> </table>  | 1. Identify Constituents of Concern   | 15% | 2. No testing of raw biogas | 15% | 3. Minimum energy specification for biomethane | 15% | 4. Monitoring, testing, reporting, recordkeeping, compliance costs | 30% | 5. Do not charge cost of probes and monitors to biomethane suppliers | 15% | 6. Design reporting to support other programs | 10% | <p>Verified</p> |
| 1. Identify Constituents of Concern   | 15%                                   |     |                             |     |  |     |  |     |  |     |   |     |                 |
| 2. No testing of raw biogas   | 15%                                   |     |                             |     |  |     |  |     |  |     |   |     |                 |
| 3. Minimum energy specification for biomethane  | 15%                                   |     |                             |     |  |     |  |     |  |     |   |     |                 |
| 4. Monitoring, testing, reporting, recordkeeping, compliance costs  | 30%                                   |     |                             |     |  |     |  |     |  |     |   |     |                 |
| 5. Do not charge cost of probes and monitors to biomethane suppliers  | 15%                                   |     |                             |     |  |     |  |     |  |     |   |     |                 |
| 6. Design reporting to support other programs   | 10%                                   |     |                             |     |  |     |  |     |  |     |   |     |                 |

**Specific Claim:\***

| CLAIMED                             |      |       |         |                 |          | CPUC AWARD                  |                       |            |
|-------------------------------------|------|-------|---------|-----------------|----------|-----------------------------|-----------------------|------------|
| ATTORNEY, EXPERT, AND ADVOCATE FEES |      |       |         |                 |          |                             |                       |            |
| Item                                | Year | Hours | Rate \$ | Basis for Rate* | Total \$ | Hours                       | Rate \$               | Total \$   |
| G. Morris                           | 2013 | 130   | 250     | See comment 1   | 32,500   | 24.06 <sup>[A]</sup>        | \$250.00 <sup>2</sup> | \$6,015.00 |
| G. Morris                           | 2014 | 6     | 250     | See comment 2   | 1,500    | 2.16 <sup>[A]</sup>         | \$250.00              | \$540.00   |
| V. Whiddon                          | 2013 | 9     | 75      | See comment 3   | 675      | 2.625 <sup>[A]</sup>        | \$75.00 <sup>3</sup>  | \$196.88   |
| <b>Subtotal: \$34,675</b>           |      |       |         |                 |          | <b>Subtotal: \$6,751.88</b> |                       |            |

<sup>2</sup> Application of Res-ALJ 287 2% Cost-of-Living Adjustment to approved 2012 rate of D. 13-10-012.

<sup>3</sup> Application of Res-ALJ 287 2% Cost-of-Living Adjustment to approved 2012 rate of D. 13-10-012.

| INTERVENOR COMPENSATION CLAIM PREPARATION **  |         |                  |         |                 |          |                                |          |            |
|---|---------|------------------|---------|-----------------|----------|--------------------------------|----------|------------|
| Item  | Year    | Hours            | Rate \$ | Basis for Rate* | Total \$ | Hours                          | Rate     | Total \$   |
| G. Morris   | 2014    | 12               | 125     | ½ rate for 2014 | 1,500    | 12                             | \$125.00 | \$1,500.00 |
| <b>Subtotal: \$</b>   |         |                  |         |                 |          | <b>Subtotal: \$1,500.00</b>    |          |            |
| COSTS   |         |                  |         |                 |          |                                |          |            |
| #   | Item    | Detail           |         |                 | Amount   | Amount                         |          |            |
|   | Postage | See Attachment 2 |         |                 | 34.48    | \$34.48                        |          |            |
| <b>TOTAL REQUEST: \$36,209</b>  |         |                  |         |                 |          | <b>TOTAL AWARD: \$8,286.36</b> |          |            |
| <p>*We remind all intervenors that Commission staff may audit their records related to the award and that intervenors must make and retain adequate accounting and other documentation to support all claims for intervenor compensation. Claimant's records should identify specific issues for which it seeks compensation, the actual time spent by each employee or consultant, the applicable hourly rates, fees paid to consultants and any other costs for which compensation was claimed. The records pertaining to an award of compensation shall be retained for at least three years from the date of the final decision making the award.</p> <p>**Reasonable claim preparation time typically compensated at ½ of preparer's normal hourly rate.</p> |         |                  |         |                 |          |                                |          |            |

**B. Attachments Documenting Specific Claim and Comments on Part III:**

| Attachment or Comment # | Description/Comment   |
|-------------------------|---|
| Comment 1               | Approved rate for 2012 was \$245, per D.13-05-009. Res. ALJ-287 provides for a 2013 COLA of 2% over 2012 rates, resulting in a 2013 rate of \$250/hr (rounded to the nearest five, per D.13-05-009)   |
| Comment 2               | Due to the very small number of hours in 2014, and the lack of a proposal for a 2014 COLA, we are using 2013 rates for 2014 work in this Claim. We reserve the right to request both a COLA adjustment and a merit adjustment for Dr. Morris for 2014 rates in future Claims. |
| Comment 3               | Approved rate for 2011 was \$70, per D.13-05-009. Res. ALJ-281 provides for a 2012 COLA of 2.2% over 2011 rates, and Res. ALJ-287 provides for a 2013 COLA of 2% over 2012 rates, resulting in a 2013 rate of \$75/hr (rounded to the nearest five, per D.13-05-009).         |
| Attachment 1            | <b>Certificate of Service</b>   |
| Attachment 2            | <b>Allocation of effort by issue, list of pleadings, breakdown of hourly efforts</b>  |

**D. CPUC Disallowances and Adjustments:**

| Item | Reason   |
|------|--|
| A    | Reductions for non-substantial contribution, as discussed in Part II. Because the provided accounting of hours mixed issues, the reduction is based on the percentage of non-substantial contribution to Issues attributable to any given time period. For example, where time was allotted to all six Issues discussed, the Commission reduced 66%, as substantial contribution was only found on Issues 2 and 5. |

**PART IV: OPPOSITIONS AND COMMENTS**

|  |    |
|--|----|
| <b>A. Opposition: Did any party oppose the Claim?</b>  | No |
| <b>B. Comment Period: Was the 30-day comment period waived (<i>see</i> Rule 14.6(2)(6))?</b> | No |

**FINDINGS OF FACT**

1. The Green Power Institute made a substantial contribution to portions of D. 14-01-034.
2. The requested hourly rates for The Green Power Institute's representatives, as adjusted herein, are comparable to market rates paid to experts and advocates having comparable training and experience and offering similar services.
3. The claimed costs and expenses, as adjusted herein, are reasonable and commensurate with the work performed.
4. The total of reasonable compensation is \$8,286.36.

**CONCLUSION OF LAW**

1. The Claim, with the adjustments set forth above, satisfies all requirements of Public Utilities Code §§ 1801-1812.

**ORDER**

1. The Green Power Institute is awarded \$8,286.36.
2. Within 30 days of the effective date of this decision, Pacific Gas and Electric Company, San Diego Gas & Electric Company, and Southern California Gas Company shall pay The Green Power Institute their respective shares of the award, based on their California-jurisdictional natural gas revenues for the 2013 calendar year, to reflect the year in which the proceeding was primarily litigated. Payment of the award shall include compound interest at the rate earned on prime, three-month non-financial commercial paper as reported in Federal Reserve Statistical Release H.15, beginning May 05, 2014, the 75<sup>th</sup> day after the filing of The Green Power Institute's request, and continuing until full payment is made.

3. The comment period for today's decision is not waived.
4. This decision is effective today.

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

**APPENDIX****Compensation Decision Summary Information**

|                                  |  |                           |    |
|----------------------------------|--|---------------------------|----|
| <b>Compensation Decision:</b>    |  | <b>Modifies Decision?</b> | No |
| <b>Contribution Decision(s):</b> | D1401034   |                           |    |
| <b>Proceeding(s):</b>            | R1302008   |                           |    |
| <b>Author:</b>                   | ALJ Wong   |                           |    |
| <b>Payer(s):</b>                 | Pacific Gas & Electric Company, San Diego Gas & Electric Company,<br>Southern California Gas Company |                           |    |

**Intervenor Information**

| <b>Intervenor</b>               | <b>Claim Date</b> | <b>Amount Requested</b> | <b>Amount Awarded</b> | <b>Multiplier?</b> | <b>Reason Change/Disallowance</b>           |
|---------------------------------|-------------------|-------------------------|-----------------------|--------------------|---|
| The Green Power Institute (GPI) | 2/20/14           | \$36,209.00             | \$8,286.36            | N/A                | Reductions for Non-Substantial Contribution |

**Advocate Information**

| <b>First Name</b> | <b>Last Name</b> | <b>Type</b> | <b>Intervenor</b> | <b>Hourly Fee Requested</b> | <b>Year Hourly Fee Requested</b> | <b>Hourly Fee Adopted</b> |
|-------------------|------------------|-------------|-------------------|-----------------------------|----------------------------------|---------------------------|
| Gregg             | Morris           | Expert      | GPI               | \$250.00                    | 2013                             | \$250.00                  |
| Gregg             | Morris           | Expert      | GPI               | \$250.00                    | 2014                             | \$250.00                  |
| Venessia          | Whiddon          | Expert      | GPI               | \$75.00                     | 2013                             | \$75.00                   |

**(END OF APPENDIX)**