

Decision _____

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

Order Instituting Rulemaking to Integrate and Refine Procurement Policies and Consider Long-Term Procurement Plans.

Rulemaking 10-05-006 (Filed May 6, 2010)

**DECISION GRANTING COMPENSATION TO THE NATURAL RESOURCES
DEFENSE COUNCIL FOR SUBSTANTIAL CONTRIBUTION TO
DECISION 12-04-046**

Claimant: Natural Resources Defense Council (NRDC)	For contribution to Decision (D.) 12-04-046
Claimed (\$): \$55,463.00	Awarded (\$): \$55,500.50
Assigned Commissioner: Michael Peevey	Assigned ALJ: Peter Allen

PART I: PROCEDURAL ISSUES

- A. Brief Description of Decision:** D.12-04-046 addresses issues in the Long-term Procurement Proceeding's System Track I, approves a multi-party settlement finding no current need for new procurement authority for Pacific Gas and Electric Company (PG&E) or Southern California Edison Company (SCE), and addresses a number of Rules for Track III issues (including once-through-cooling and greenhouse gas compliance costs). In addition, D.12-04-046 moved the System Track I issue relating to procurement for local reliability in San Diego Gas & Electric Company's (SDG&E) territory to Application (A.) 11-05-023.

B. Claimant must satisfy intervenor compensation requirements set forth in Public Utilities Code §§ 1801-1812:

	Claimant	CPUC Verified
Timely filing of notice of intent to claim compensation (NOI) (§ 1804(a)):		
1. Date of Prehearing Conference:	June 14, 2010	Correct
2. Other Specified Date for NOI:	n/a	On June 22, 2010, the Administrative Law Judge (ALJ) issued a ruling granting parties an additional 30 days to file NOIs. This extended the deadline to August 13, 2010.
3. Date NOI Filed:	August 3, 2010	Correct
4. Was the NOI timely filed?		Yes
Showing of customer or customer-related status (§ 1802(b)):		
5. Based on Administrative Law Judge (ALJ) ruling issued in proceeding number:	R.09-08-009	Correct
6. Date of ALJ ruling:	January 28, 2010	Correct
7. Based on another CPUC determination (specify):		N/A
8. Has the Claimant demonstrated customer or customer-related status?		Yes
Showing of "significant financial hardship" (§ 1802(g)):		
9. Based on ALJ ruling issued in proceeding number:	A.11-05-017 et al.	Correct
10. Date of ALJ ruling:	October 28, 2011	Correct
11. Based on another CPUC determination (specify):		N/A
12. Has the Claimant demonstrated significant financial hardship?		Yes
Timely request for compensation (§ 1804(c)):		
13. Identify Final Decision:	D.12-04-046	Correct
14. Date of Issuance of Final Order or Decision:	April 24, 2012	Correct
15. File date of compensation request:	June 25, 2012	Correct
16. Was the request for compensation timely?		Yes

C. Additional Comments on Part I:

#	Claimant	CPUC	Comment
3	Part I A. Brief Description of Decision		D.12-04-046 is the culmination of two successive long-term procurement plan (LTPP) proceedings: this proceeding Rulemaking (R.) 10-05-006) and its predecessor (R.08-02-007). NRDC was an active participant in R.08-02-007, and the Commission ultimately did not issue any final decision in that proceeding. Instead, in the Order Instituting Rulemaking (OIR) for R.10-05-006, the Commission closed R.08-02-007 (Ordering Paragraph 12), incorporated its record into this proceeding (OIR, at 8) and stated that the CPUC “expected that all matters resolved in good faith through ACRs, ALJ Ruling, as well as those resolved in good faith amongst parties in R.08-02-007 remain in effect, and that these matters will not be revisited in the current proceeding unless the Commission determines otherwise.” (OIR, at 8.) The OIR further outlines the scope of this proceeding with reference to issues that were addressed in R.08-02-007. In essence, all of the work that NRDC and other parties contributed in R.08-02-007 became part of the foundation of this proceeding. In addition, the OIR states that “contributions made during the pendency of R.08-02-007 to issues within the scope of this proceeding may be considered for compensation in this proceeding.” (OIR, at 26.) As such, NRDC is requesting compensation herein for work performed in both R.08-02-007 and R.10-05-006 that contributed to the final decision in this proceeding (D.12-04-046.)
3	Part I A. Brief Description of Decision		NRDC has <u>not</u> requested compensation for time spent in this proceeding on issues relating to procurement for local reliability in SDG&E’s territory, since D.12-04-046 moved consideration of that issue to A.11-05-023.

PART II: SUBSTANTIAL CONTRIBUTION

A. Claimant’s claimed contribution to the final decision (see § 1802(i), § 1803(a) & D.98-04-059):

Contribution	Specific References to Claimant’s Presentations and to Decision	Showing Accepted by CPUC
<ul style="list-style-type: none"> The following italicized headers correspond to the substantive issue areas used to categorize the timesheets, with the exception of once-through-cooling (OTC). Since no hours were claimed for work pertaining to OTC, there is no associated timesheet issue area. See Part III “C. Additional Comments on part II” (Number 11 below) for a discussion of how contributions from 		

<p>work in the 2008 LTPP (R.08-02-007) and pertaining to the December 3, 2010 Ruling led directly to the final decision D.12-04-046.</p> <ul style="list-style-type: none"> Where no page numbers are indicated, the entire document (or a majority of the document) supports the substantive claim. 		
<p><i>1. CPUC LTPP Guidance and Standardized Planning Assumptions (Issues A&C)</i></p> <p>NRDC was an active participant in the prior LTPP proceeding (R.08-02-007), which laid the foundation for this proceeding. NRDC filed numerous comments (jointly with UCS), participated in workshops, and submitted responses to Energy Division’s “homework questions.”</p> <p>NRDC’s contribution focused on the Commission’s guidance to the utilities on how to develop LTPP scenarios, conduct sensitivity analysis, the timeframe for the analysis, specific assumptions to use in the scenarios and sensitivity analysis, and criteria and specific metrics to evaluate the various scenarios.</p> <p>For example, NRDC proposed specific steps for the LTPP analytical process, urged the Commission to recognize the difference between scenario and sensitivity analysis (and to require the utilities to perform both), recommended varying multiple related variables in single sensitivity analyses, urged the Commission to extend the LTPP analysis beyond 2020 and to conduct analysis with the State’s 2050 GHG goals in mind, and recommended specific metrics for analyzing the performance of each scenario portfolio (including prioritizing the net present value revenue requirement as the top priority cost metric). In addition, NRDC recommended numerous specific assumptions for the base case scenario and sensitivity analysis, including efficiency, demand response and renewables. Furthermore, NRDC provided extensive input on the need to consider GHG</p>	<p>The Commission integrated many of NRDC’s recommendations into the OIR and subsequent assigned Commissioner and ALJ rulings, culminating in the December 3, 2010 Scoping Ruling which provided direction to the utilities on LTPP scenarios, sensitivity analysis, standardized planning assumptions and metrics for evaluating the scenarios.</p> <ul style="list-style-type: none"> See, in particular, Attachment A to the Assigned Commissioner and Administrative Law Judge’s Joint Scoping Memo and Ruling (December 3, 2010). <p>For example, the Scoping Ruling lays out analytical requirements, requires both scenario and sensitivity analysis, requires a longer timeframe for the analysis of cost metrics (of at least 20 years) and includes the net present value revenue requirement as a key evaluation metric, updates the GHG cost estimates and requires a sensitivity analysis of plus or minus 25%, and requires a qualitative assessment of long-term GHG implications of scenarios.</p> <ul style="list-style-type: none"> See, e.g., at 5, 7, 14, and 21 of Attachment A to the Assigned Commissioner and Administrative Law Judge’s 	<p>Yes</p> <p>Attachment 1 to the Assigned Commissioner and Administrative Law Judge’s Joint Scoping Memo and Ruling</p> <p>Attachment 1 to the Assigned Commissioner and Administrative Law</p>

<p>costs in LTPP scenarios, recommended that the CPUC update GHG cost estimate from the “adder” adopted in D.04-12-048 and consider a broad range of GHG price scenarios to address uncertainty, and we provided substantial detailed information to inform the selection of GHG price sensitivities.</p> <ul style="list-style-type: none"> • NRDC/UCS, <i>Pre-Workshop Comments of the Natural Resources Defense Council and the Union of Concerned Scientists on Greenhouse Gas (GHG) Uncertainty</i> (June 30, 2008); see, e.g., at 1, 6, 11. • NRDC/UCS, <i>Pre-Workshop Comments of the Natural Resources Defense Council and the Union of Concerned Scientists on Planning Scenarios and Metrics</i>, August 22, 2008. • NRDC/UCS, <i>Comments of the Natural Resources Defense Council and the Union of Concerned Scientists in Response to the August 29, 2008 Energy Division Request Regarding LTPP Scenarios and Metrics</i>, September 5, 2008. • NRDC/UCS, <i>“Homework” Response of the Natural Resources Defense Council and the Union of Concerned Scientists in Response to the Energy Division Request Regarding LTPP Environmental Issues</i>. 	<p><i>Joint Scoping Memo and Ruling</i>; December 3, 2010.</p> <p>This Scoping Ruling laid the foundation for the utilities’ resource plan analyses, which ultimately led to D.12-04-046’s conclusion that no new procurement is needed at this time.</p>	<p><i>Judge’s Joint Scoping Memo and Ruling</i></p>
<p>2. <i>Goals for LTPP proceeding (Issues A&D)</i></p> <p>“NRDC urges the Commission to use the CED 2009 plus CEC Incremental Impacts Report savings estimates (incorporating the aforementioned recommendations) as the base case assumption for total energy efficiency in the minimum required analyses ordered in the Track I Scoping Memo.”</p> <ul style="list-style-type: none"> • <i>Comments Of The Natural Resources Defense Council (NRDC) on the Administrative Law Judge’s ruling Regarding Resource Planning Assumptions – Part 3 (EE)-Track 1</i> 	<p>The Commission agreed. The December 3, 2010 “Assigned Commissioner and Administrative Law Judge’s Joint Scoping Memo and Ruling” (Joint Scoping Memo and Ruling) set out common assumptions for ‘Loads and Resources’ using the following information, including the CEC Demand Forecast, but not the CPUC’s Total Market Gross goals: “The L&R tables are designed to</p>	<p>Yes</p>

<p>(July 2, 2010); at 11.</p>	<p>provide guidance on the forecast of system demand and supply between 2011 and 2020. The assumptions underlying these tables are based upon numerous publicly available data sources, including the demand forecast, taken from the CEC, forecasts of demand-side programs, and forecasted retirements and additions.”</p> <ul style="list-style-type: none"> • <i>Assigned Commissioner and Administrative Law Judge’s Joint Scoping Memo and Ruling</i> (December 3, 2010); at 10. 	
<p>3. <i>Peak Growth Rates (Issues A&D)</i> “NRDC believes it is reasonable to modify the economic and demographic drivers as well as consumption and peak growth rates for the 2010 LTPP since the economic landscape has changed significantly since the 2008 Goals Study¹ was completed and the CED 2009 provides updated information.”</p> <ul style="list-style-type: none"> • <i>Comments Of The Natural Resources Defense Council (NRDC) on the Administrative Law Judge’s ruling Regarding Resource Planning Assumptions – Part 3 (EE) – Track 1</i>(July 2, 2010); at 3. 	<p>While it wasn’t discussed in the scoping memo, the Attached Tables to the Joint Scoping Memo and Ruling seem to indicate that the peak growth rates were in fact updated.</p>	<p>Yes</p>
<p>4. <i>Attribution (Issues A&E)</i> NRDC stated: “for the purpose of long-term procurement planning, NRDC strongly supports focusing on total gross savings as the correct value to use (rather than net savings) since it most accurately reflects the impact on consumption, and thereby contributes to the Commission’s determination of additional resource need for California.”</p> <ul style="list-style-type: none"> • <i>Comments Of The Natural Resources Defense Council (NRDC) on the</i> 	<p>There is no mention of using attribution in the base case scenarios in the Scoping Memo. Therefore we conclude that the Commission decided that attribution was not necessary in assessing resource needs.</p>	<p>Yes</p>

¹ Itron, “Assistance in Updating the Energy Efficiency Savings Goals for 2012 and Beyond – Volume 1 – Main Report” March 24, 2007.

<p><i>Administrative Law Judge’s ruling Regarding Resource Planning Assumptions – Part 3 (EE) – Track 1 (July 2, 2010); at 5.</i></p>		
<p>5. <i>Decay (Issues A&G)</i></p> <p>“NRDC agrees that the additional savings potential associated with 50% of replacement for savings decay should be used to make an adjustment to the adopted 2009 IEPR base line demand forecast, and recommends that 50% decay replacement from post 2012 programs also be considered.”</p> <ul style="list-style-type: none"> • <i>Comments Of The Natural Resources Defense Council (NRDC) on the Administrative Law Judge’s ruling Regarding Resource Planning Assumptions – Part 3 (EE) – Track 1, (July 2, 2010); at 8.</i> 	<p>The Commission reduced the demand forecast based on 50% replacement of decay.</p> <p>“DRA, TURN, SCCA, NRDC, and Reid all support the inclusion of savings decay replacement, while the three IOUs oppose including savings decay replacement.”</p> <p>“Additionally, the demand forecast will be further reduced by the inclusion of the CEC’s recommended decrement for EE measure savings decay.”</p> <ul style="list-style-type: none"> • <i>Assigned Commissioner and Administrative Law Judge’s Joint Scoping Memo and Ruling; (December 3, 2010); at 37.</i> 	<p>Yes</p>
<p>6. <i>Savings from BBEEs (Issues A&E)</i></p> <p>“With respect to the LTPP, NRDC also strongly supports assuming realistic outcomes to ensure reliability. We therefore recommend that the LTPP include the mid case BBEEs scenario (as recommended) and urge that the sensitivity analysis include the high and low BBEEs outcomes.”</p> <ul style="list-style-type: none"> • <i>Comments Of The Natural Resources Defense Council (NRDC) on the Administrative Law Judge’s ruling Regarding Resource Planning Assumptions – Part 3 (EE) – Track 1 (July 2, 2010); at 9.</i> 	<p>While the Commission decided to use the low BBEEs scenario, it did not omit the BBEEs altogether due to party comments.</p> <p>“The IOUs, recommended against including any savings from BBEEs in the analysis... In contrast, other parties recommended using 100% of the BBEEs savings. Given the uncertainties raised by parties over BBEEs in particular, we have decremented the savings attributed by BBEEs by employing the low case values from the CEC’s final Committee Report on Incremental Uncommitted Energy Efficiency.”</p> <ul style="list-style-type: none"> • <i>Assigned Commissioner and Administrative Law Judge’s Joint Scoping Memo and Ruling; (December 3, 2010);</i> 	<p>Yes</p>

<p>7. <i>System Track I Proposed Settlement on Need for New Resources (Issue H)</i></p> <p>The proposed settlement (agreed to by NRDC, PG&E, SCE, SDG&E, and numerous other stakeholders) recommended that the Commission find that it did not need to authorize new procurement authority for PG&E and SCE at that time. (Motion for Expedited Suspension of Track 1 Schedule, And for Approval of Settlement Agreement Between and Among Pacific Gas and Electric Company, Southern California Edison Company, San Diego Gas & Electric Company...The Natural Resource Defense Council...”, filed August 3, 2011).</p> <p>NRDC and the parties agreed that additional analysis is needed to determine any renewable integration resource need.</p> <p>NRDC showed throughout the proceeding that adequately accounting for efficiency resources through 2020 produces no need for new generation at this time.</p> <ul style="list-style-type: none"> • NRDC/UCS, <i>Comments Of The Natural Resources Defense Council And The Union Of Concerned Scientists On Resource Planning Assumptions – Part 1, Procurement Planning Assumptions And Rulebook</i>, (June 21, 2010); at 5. • NRDC, <i>Comments Of The Natural Resources Defense Council (NRDC) On The Administrative Law Judge’s Ruling Regarding Resource Planning Assumptions – Part 3 (Energy Efficiency) – Track 1</i> (July 2, 2010). • NRDC, <i>Reply Comments Of The Natural Resources Defense Council (NRDC) On The Administrative Law Judge’s Ruling Regarding Resource Planning Assumptions – Part 3 (Energy Efficiency) – Track 1</i> (July 9, 2010). 	<p>at 36.</p> <p>The CPUC adopted the settlement, and agreed with NRDC and the other settling parties that there is no need for new generation before 2020, and that the need for generation past 2020 is uncertain.</p> <p>“Many potential issues in System Track I are resolved, or at least deferred, by a proposed settlement supported by most of the parties. We approve the proposed settlement...”</p> <ul style="list-style-type: none"> • See <i>D.12-04-046</i>, at 2. <p>“There is clear evidence on the record that additional generation is not needed by 2020, so there is record support for deferral of procurement.”</p> <ul style="list-style-type: none"> • See <i>D.12-04-046</i>, at 8. <p>“In looking at the whole record, it would be reasonable to find that there is no need for additional generation by 2020 at this time, and accordingly it is reasonable to defer authorization to procure additional generation based on system and renewable integration need.”</p> <ul style="list-style-type: none"> • See <i>D.12-04-046</i>, at 10. 	<p>Yes</p>
<p>8. <i>Rules Track III: Rulebook (Issue B)</i></p> <p>NRDC urged the Commission to make the</p>	<p>The Commission agreed.</p>	<p>Yes</p>

<p>Rulebook a useful reference document but not attempt to have it supersede the Commission’s rules. In addition, we provided several examples of rules that were missing or needed improvement.</p> <p>“NRDC/UCS support the use of the Rulebook as a compendium only that does not supersede omitted or summarized rules.”</p> <p>“NRDC/UCS support the Commission’s efforts to develop the Rulebook as a complete compendium of the Commission’s procurement requirements. However, we do not support the use of the Rulebook as a document that supersedes all rules not included or completely described therein because currently (i) it omits entire fields within procurement, like renewable portfolio standard rules, as the ALJ Rulebook Ruling notes, and (ii) by its nature, it summarizes rules and therefore does not encompass the full extent and context of those rule that are included, like the emissions performance standard rules.”</p> <ul style="list-style-type: none"> • NRDC/UCS, <i>Comments Of The Natural Resources Defense Council And The Union Of Concerned Scientists On Resource Planning Assumptions – Part 1, Procurement Planning Assumptions And Rulebook</i>, (June 21, 2010); at 2. 	<p>“While some parties expressed support for specific rules contained in the Rulebook, all parties that addressed the nature of the Rulebook itself opposed the proposal to make it a fully enforceable document...Accordingly, at this time we do not adopt the Rulebook as a stand-alone enforceable document.”</p> <ul style="list-style-type: none"> • See <i>D.12-04-046</i>, at 63. 	
<p><i>3. Once-through-cooling</i></p> <p>NRDC supported the Energy Division proposal to require the base case scenario to comply with the State Water Resource Control Board on once-through-cooling, as well as the Proposed Decision’s limit on procurement authority to PPAs that do not commit the utilities to purchases beyond the applicable SWRCB compliance deadline, even if the OTC policy compliance date is extended. NRDC urged the Commission to only provide exceptions if a plant is “critical for local or system reliability.”</p> <ul style="list-style-type: none"> • NRDC/UCS, <i>Comments Of The Natural Resources Defense Council And The</i> 	<p>The CPUC largely agreed.</p> <p>The decision notes that: “Several parties support adoption of the staff proposal... On the other side, the utilities and independent generators, as well as some other parties, oppose the staff proposal.”</p> <ul style="list-style-type: none"> • See <i>D.12-04-046</i>, at 20, 21. <p>And the decision rules that: “The utilities are authorized to sign power purchase agreements with power plants using OTC, but those agreements may not commit to</p>	<p>Yes</p>

<p><i>Union Of Concerned Scientists On Resource Planning Assumptions – Part 1, Procurement Planning Assumptions And Rulebook</i>, (June 21, 2010); at 8.</p> <ul style="list-style-type: none"> NRDC, <i>Comments Of The Natural Resources Defense Council on the Proposed Decision on System Track I and Rules Track III of the Long-term Procurement Plan Proceeding and Approving Settlement</i>, (March 12, 2010); at 3-4. 	<p>purchases beyond the applicable SWRCB compliance deadline, except under the specific conditions...”</p> <ul style="list-style-type: none"> See <i>D.12-04-046</i>, at 24-25. 	<p><i>D.12-04-046</i> at 25.</p>
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B. Duplication of Effort (§§ 1801.3(f) & 1802.5):

	Claimant	CPUC Verified
<p>a. Was the Division of Ratepayer Advocates (DRA) a party to the proceeding?</p>	Yes	Yes
<p>b. Were there other parties to the proceeding with positions similar to yours?</p>	Yes	Yes
<p>c. If so, provide name of other parties:</p> <p>Numerous other parties participated in this proceeding, including the four investor owned utilities, DRA, TURN, Union of Concerned Scientists, Pacific Environment, Sierra Club California, Center for Energy Efficiency and Renewable Technologies, Green Power Institute, and Vote Solar Initiative.</p>		Verified
<p>d. Describe how you coordinated with DRA and other parties to avoid duplication or how your participation supplemented, complemented, or contributed to that of another party:</p> <p>When possible, NRDC worked cooperatively with other parties to write joint comments and/or to ensure no duplication in our separate comments. In particular, we wrote joint comments with the Union of Concerned Scientists, and coordinated with DRA and numerous other environmental organizations to discuss our positions in the proceeding, and when consensus or joint comments were not possible, to confirm that our comments would not offer duplicative recommendations. In addition, we participated actively in several multi-party settlement discussions and contributed to a settlement agreement that was supported by “most of the parties” in the proceeding. (<i>D.12-04-046</i>, at 2.) This directly minimized the amount of time required for the Commission to understand various parties’ positions, and areas of agreement and disagreement. As a result of the efforts described above, NRDC’s compensation in this proceeding should not be reduced for duplication of the showing of other parties.</p> <p>In addition, NRDC took steps to ensure no duplication of work within our organization by assigning specific issues, tasks, and workshops/meetings to one team member. We also designated one person the primary writer per issue area, with other team members providing substantive review (e.g., additional policy recommendations, context, new</p>		Verified; we make no reductions to the NRDC’s hours for duplication of efforts with other parties.

language, etc.) and/or technical analysis.	
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C. Additional Comments on Part II:

#	Claimant	CPUC	Comment
9	Part II A. Substantial Contribution		NRDC provided numerous substantial contributions that were integrated into the OIR and subsequent assigned Commissioner and ALJ rulings, culminating in the December 3, 2010 AC and ALJ Scoping Memo and Ruling. This Ruling provided direction to the utilities on LTPP scenarios, sensitivity analysis, standardized planning assumptions, and metrics for evaluating the scenarios. This Ruling also formed the basis for the resource plan analyses, which led to the conclusion in D.12-04-046 that no new procurement was needed. Since NRDC provided substantial contributions to this Ruling, which ultimately provided the foundation for the final decision, NRDC’s contributions to the Ruling as noted above are also directly linked to the final decision.
1		Citation Correction	All citations referring to <u>Attachment A</u> of the Assigned <i>Commissioner and Administrative Law Judge’s Joint Scoping Memo and Ruling</i> should be changed to <u>Attachment 1</u> .

PART III: REASONABLENESS OF REQUESTED COMPENSATION

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

<p>a. Concise explanation as to how the cost of Claimant’s participation bears a reasonable relationship with benefits realized through participation:</p>	<p>CPUC Verified</p>
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<p>Throughout R.10-05-006 and R.08-02-007, NRDC advocated for Commission guidance and policies to ensure that the LTPP process produces meaningful scenarios about future demand and resource plans to meet that demand, in order for the Commission to make a well-informed decision about whether new resources are needed, and if so, what resources will best meet the Commission’s criteria. NRDC’s participation in these proceedings contributed to CPUC guidance that improves the analysis and evaluation of LTPP scenarios, and the assumptions that drive those scenarios. In particular, NRDC provided detailed information about the ability of energy efficiency to reduce expected demand and therefore the need for resources.</p> <p>NRDC substantially contributed to the analyses of future demand and resources, and the CPUC’s ultimate finding that no new resources are needed for PG&E and SCE at this time. As such, NRDC helped ensure that the Commission did not authorize the utilities to procure hundreds to thousands of MW of unnecessary resources. This potentially saved customers millions to billions of dollars, providing benefits that vastly exceed the cost of NRDC’s participation in this proceeding.</p>	<p>Correct</p>
<p>b. Reasonableness of Hours Claimed. <i>NRDC’s Claims are Reasonable and Conservative</i></p>	<p>Verified</p>

The substantial contributions to Commission policy described above would not have been possible without the individual contributions of each of the three main members the NRDC team. Devra Wang, who has over 11 years of relevant experience, provided technical expertise and knowledge of California's energy resource planning efforts and energy efficiency. Sierra Martinez, who has over four years of experience participating in CPUC proceedings, wrote a substantial portion of NRDC's comments on energy efficiency and participated in settlement discussions. Lara Ettenson, who has over six years of experience working on CPUC proceedings - and directs NRDC's California energy efficiency policy work - provided detailed language on efficiency issues, contributed her in-depth expertise of the Commission's efficiency policies and goals, and made sure there was no duplication of work within the team. The rates requested by NRDC for Mr. Martinez, are purposefully conservative and low on the ranges approved by the Commission, even though the levels of expertise of would justify higher rates.

NRDC maintained detailed time records indicating the number of hours that were devoted to proceeding activities. All hours represent substantive work related to this proceeding. When staff 'reviewed' other staff work, this involved detailed comments, additional language, clarity of position, and effectiveness of recommendations, to ensure that the work product delivered to the Commission was substantive and useful. This activity was not merely grammar checking, but added significant value to the end product. When we claim two staff for attending the same meeting (either internal or external), we do so because each staff member possesses a distinct area of expertise. We also only claim half time for each participant to ensure we are conservative in requesting reimbursement for time.

The amounts claimed are conservative for the following reasons: (1) None of the hours were claimed from time spent by other NRDC staff who consulted regularly on this proceeding and the predecessor LTPP proceeding. This included Audrey Chang, Noah Long, Peter Miller, and Sheryl Carter; (2) No time was claimed for pure coordination among the staff, only for discussions of substantive issues to outline comments and define advocacy strategy; (3) we do not claim time for informal conversations with CPUC staff or other stakeholders throughout the proceeding (unless over 2 hours); (4) we claim half time for each staff person present for a substantive internal conversation, (5) we do not request all hours for prepping this claim, and (6) we use staff's 2010 hours to claim for time spent on the NOI and request.

In sum, NRDC made numerous and significant contributions which required extensive research and analysis. We took every effort to coordinate with other stakeholders to reduce duplication and increase the overall efficiency of the proceeding. Since our work was efficient, hours conservative, and billing rates low, NRDC's request for compensation should be granted in full.

c. Allocation of Hours by Issue:		
Letter	Issue Area	%
A	Resource Planning Assumptions (Track 1) – all issues	57%
B	Rulebook (Track III)	1%
C	RPA – ED Proposal (planning standards for system resource plans and bundled procurement planning standards)	3%
D	RPA – EE (Track 1 Part 3) - General	18%
E	RPA – EE (Track 1 Part 3) – Addressing savings from BBEEs and/or attribution	4%
F	RPA – EE (Track 1 Part 3) – Gross vs. Net	2%
G	RPA – EE (Track 1 Part 3) - Decay issues include reasonableness of values and how to use the identified decay in the LTPP	2%
H	Resource Plans (Track 1)	11%
I	General (e.g., review OIR, coordination w/ other parties, etc.)	1%
J	RPA - Renewables (Track 1 Part 2)	0.2%

B. Specific Claim*:

CLAIMED						CPUC AWARD		
ATTORNEY, EXPERT, AND ADVOCATE FEES								
Item	Year	Hours	Rate	Basis for Rate*	Total \$	Hours	Rate	Total \$
C. Murley	2008	144.1	\$ 205	D1107022 Comment 5	\$29,540.50	144.10	\$205	\$29,540.50
C. Murley	2009	18.50	\$ 205	D1107022 Comment 5	\$3,792.50	18.50	\$205	\$3,792.50
S. Martinez	2010	56.00	\$ 150	Res ALJ 267 Comment 2	\$8,400.00	56	\$150	\$8,400.00
D. Wang	2010	25.50	\$ 165	D1004022 Comment 3	\$4,207.50	25.5	\$165	\$4,207.50
L. Ettenson	2010	26.75	\$ 130	D1005014 Comment 4 D0804010	\$3,477.50	26.75	\$130	\$3,477.50
S. Martinez	2011	16.50	\$ 200	Res ALJ 267 D0804010 Comment 2	\$3,300.00	16.5	\$200	\$3,300.00
D. Wang	2011	4	\$ 170	D0804010 Comment 3	\$680.00	4	\$170	\$680.00
L. Ettenson	2011	3.50	\$ 135	D0804010 Comment 4	\$472.50	3.5	\$135	\$472.50
S. Martinez	2012	4.25	\$ 210	Res ALJ 267	\$892.50	4.25	\$210	\$892.50

				Comment 2 D0804010					
Subtotal:					\$54,763.00	Subtotal:			\$54,763.00
OTHER FEES									
Describe here what OTHER HOURLY FEES you are Claiming (paralegal, travel **, etc.):									
Item	Year	Hours	Rate	Basis for Rate*	Total \$	Hours	Rate	Total \$	
n/a			\$						
n/a									
Subtotal:					n/a	Subtotal:			
INTERVENOR COMPENSATION CLAIM PREPARATION **									
Item	Year	Hours	Rate	Basis for Rate*	Total \$	Hours	Rate	Total \$	
S. Martinez	2010	1.5	\$75	Res ALJ 267 1/2 of normal rate	\$112.50	1.5	\$75	\$112.50	
L. Ettenson	2012	6.5	\$65	D1005014 D0804010 1/2 of normal rate	\$422.50	6.5	\$70	\$455.00	
D. Wang	2012	2	\$82.50	D1004022 1/2 of normal rate	\$165.00	2	\$85	\$170.00	
Subtotal:					\$700.00	Subtotal:			\$737.50
COSTS									
#	Item	Detail			Amount	Amount			
	n/a								
Subtotal:					n/a	Subtotal:			
TOTAL REQUEST \$:					\$55,463	TOTAL AWARD \$:			\$55,500.50
<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>**Travel and Reasonable Claim preparation time typically compensated at 1/2 of preparer's normal hourly rate</p>									
Attorney				Date Admitted to CA BAR			Member Number		
Sierra Martinez				December 2008			260510		

C. NRDC's Comments and Attachments on Part III:

Comment #	Description/Comment
Comment 1	<p>Clyde Murley's hours were compiled prior to the more recent direction on recording and categorizing issues. However, to comply with current procedure, we categorize the entirety of Mr. Murley's 2008 hours as issue area A: "Resource Planning Assumptions (Track 1) – all issues" since a number of NRDC's recommendations were ultimately integrated into the OIR of R.10-05-006 and subsequent AC and ALJ Rulings, culminating in the December 3, 2010 Scoping Ruling. This Ruling provided direction to the utilities on LTPP scenarios, sensitivity analysis, etc., and ultimately led to the conclusion in D.12-04-046 that no additional procurement resources are needed for PG&E and SCE. These hours represent only C. Murley's time, even though additional NRDC staff contributed to the overall comment writing and advocacy efforts.</p>
Comment 2	<p>Rationale for Sierra Martinez's rate</p> <p><u>2010 Rate:</u> We propose \$150 for Sierra Martinez. The rate proposed for Mr. Martinez is at the lowest end of the range adopted in Res ALJ-267 for attorneys with two years of experience for 2010 (\$150-\$205). Mr. Martinez was a second-year energy attorney at NRDC in 2010. We also use this lower rate for work on the NOI.</p> <p><u>2011 Rate:</u> In 2011, Mr. Martinez was a third-year attorney. We accordingly request a rate of \$200 here, which is at the low range of Attorneys with 3-4 years of experience (\$200-235) adopted in Res ALJ-267. Per D.08-04-010, intervenors can qualify for a rate increase when "moving to a higher experience level: where additional experience since the last authorized rate moved a representative to a higher level of experience." (D.08-04-010, at p.8).</p> <p><u>2012 Rate:</u> Mr. Martinez is now fourth year attorney. We request one step increase of 5%, which is allowable within "any given level of experience" per D.08-04-010 (at.8). Assuming a rate in 2011 of \$200 based on the above rationale, we now request a rate of \$200*1.05 or \$210 for Mr. Martinez for work done in 2012.</p> <p>Mr. Martinez represents NRDC at state and local fora to promote energy efficiency and renewable energy resources as solutions to climate change that stimulate California's economy. Mr. Martinez holds a B.A. from Stanford University and a J.D. from Stanford Law School, where he focused on environmental and energy law.</p>
Comment 3	<p>Rationale for Devra Wang's rate</p> <p><u>2010 Rate:</u> Devra Wang was previously awarded intervenor compensation at the hourly rate of \$165 in D.10-04-022 for work in R.06-04-009. We request that rate here for work done in 2010. We also use this lower rate to claim work done preparing this claim.</p> <p><u>2011 Rate:</u> For work done in 2011, we propose one 5% step for 2011 work based on D.08-04-010 (at.8), which states "Step increases: limited to two annual increases of no more than 5% each year within any given level of experience for each individual." We therefore request a rate of \$170 for Ms. Wang.</p>

	<p>Ms. Wang has over eleven years of experience working on energy and environmental policy. Ms. Wang is the Director of NRDC's California Energy Program and holds a Master's degree in Energy and Resources and a Bachelor's degree in Bioengineering, both from the University of California at Berkeley.</p>
Comment 4	<p>Rationale for Lara Ettenson's rate</p> <p><u>2010 Rate:</u> The Commission previously awarded Ms. Ettenson a 2009 hourly rate of \$125 in D.10-05-014. One 5% step increase from the \$125 rate (2009) equals \$130 for the 2010 rate per D.08-04-010 (p.8) This rate is still conservative at the lower half of the range adopted in Res ALJ-267 for experts with zero to six years of experience for 2010 (\$125-185). In 2010, Ms. Ettenson had five years of experience in energy and environmental policy in 2010.</p> <p><u>2011 Rate:</u> In 2011, we request one additional 5% step increase (which will be the second of the two allowable step increases within any given level of experience per D.08-04-010). Assuming \$130 for Ms. Ettenson's rate in 2010, we request \$130*1.05 or \$135 for 2011.</p> <p>Ms. Ettenson has a Master's in Public Administration from Columbia University School of International and Public Affairs and a Bachelor's degree in Biology and Environmental Studies from Oberlin College.</p>
Comment 5	<p>Rationale for Clyde Murley's rate</p> <p><u>2008 and 2009 Rate:</u> NRDC requests an hourly rate of \$205, which was the most recently authorized rate for Mr. Murley in D.11-07-022 in R.06-02-012 "Decision Granting Intervenor Compensation to the Union of Concerned Scientists for Substantial Contribution to Decision (D.) 08-08-028, D.08-10-026, D.10-03-021, and D.11-01-025," July 14, 2011 for work done in 2008. This rate is still conservative for experts with 20 years as the 2008 range for experts with 13+ years of experience is \$155-\$390.</p> <p>Mr. Murley is an independent consultant with 20 years of professional experience in energy and environmental issues, including policy and technical experience and expertise in the areas of efficiency, renewables, demand response, integrated resource planning, energy economics, energy procurement, and environmental protection, and he has served as an expert witness in several of these areas. Mr. Murley represents clients both as a subject-matter expert and as an advocate in evidentiary and settlement proceedings. Mr. Murley's experience includes four-plus years with Grueneich Resource Advocates, where he represented clients before this Commission; three-plus years on the staff of the CPUC, where he managed environmental studies and advised the Commission on integrated resource planning and efficiency matters; three-plus years with NRDC, and four years during which he founded, directed, and taught in a graduate environmental studies program at Antioch University. Mr. Murley has also worked for PG&E as a research manager and has held various energy and environmental consulting</p>

	positions. Mr. Murley holds two degrees from the University of California, Berkeley, a B.A. in Environmental Sciences, and a M.A. in Energy and Resources.
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D. CPUC Disallowances & Adjustments:

#	Reason
1. Rate adoption for Sierra Martinez.	The Commission finds NRDC's reasoning for Mr. Martinez's rates compelling and awards Mr. Martinez the requested rates of \$200 per hour for work done in 2011 and \$210 per hour for work done in 2012.
2. Rate adoption for Devra Wang.	The Commission finds NRDC's reasoning for Ms. Wang's rates compelling and awards Ms. Wang the requested rate of \$170 for work done in 2011.
3. Rate adoption for Lara Ettenson.	The Commission finds NRDC's reasoning for Ms. Ettenson's rates compelling and awards Ms. Ettenson the requested rates of \$130 per hour for work done in 2010 and \$135 per hour for work done in 2011.
4. Rate adoption for Clyde Murley.	The Commission supports the pre-established rate for Mr. Murley of \$205 per hour and applies it to the work Mr. Murley completed in this proceeding.
5. Increased award amount.	NRDC's increased award amount is due to the Commission approved Cost-of-Living Adjustment [COLA] adopted by Resolution ALJ-281. Although Mr. Martinez completed work in 2012, his hourly rate has not been adjusted because of adopting a 5% step-increase for his hourly rate in 2012. However, the 2.2% COLA is applied to the hourly rates of Ms. Wong and Ms. Ettenson for work they completed in 2012.

PART IV: OPPOSITIONS AND COMMENTS

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

FINDINGS OF FACT

1. Natural Resources Defense Council (NRDC) has made a substantial contribution to Decision 12-04-046.
2. The requested hourly rates for NRDC's representatives 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 are reasonable and commensurate with the work performed.
4. The total of reasonable contribution is \$55,500.50.

CONCLUSION OF LAW

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

ORDER

1. Natural Resources Defense Council is awarded \$55,500.50.
2. Within 30 days of the effective date of this decision, Pacific Gas and Electric Company, San Diego Gas & Electric Company, and Southern California Edison Company shall pay the Natural Resources Defense Council their respective shares of the award, based on their California-jurisdictional electric revenues for the 2011 calendar year, to reflect the year in which the proceeding was primarily litigated. Payment of the award shall include interest at the rate earned on prime, three-month commercial paper as reported in Federal Reserve Statistical Release H.15, beginning September 8, 2012, the 75th day after the filing of the claimant's request, and continuing until full payment is made.

3. The comment period for today's decision is waived.

4. This decision is effective today.

Dated _____, at Carmel-by-the-Sea, California.

APPENDIX**Compensation Decision Summary Information**

Compensation Decision:		Modifies Decision?	No
Contribution Decision(s):	D1204046		
Proceeding(s):	R1005006		
Author:	ALJ Peter Allen		
Payer(s):	Pacific Gas and Electric Company, San Diego Gas & Electric Company, and Southern California Edison Company		

Intervenor Information

Intervenor	Claim Date	Amount Requested	Amount Awarded	Multiplier?	Reason Change/Disallowance
NRDC	6/25/12	\$55,463.00	\$55,500.50	No	N/A

Advocate Information

First Name	Last Name	Type	Intervenor	Hourly Fee Requested	Year Hourly Fee Requested	Hourly Fee Adopted
Clyde	Murley	Expert	NRDC	\$205	2008	\$205
Clyde	Murley	Expert	NRDC	\$205	2009	\$205
Sierra	Martinez	Attorney	NRDC	\$150	2010	\$150
Sierra	Martinez	Attorney	NRDC	\$200	2011	\$200
Sierra	Martinez	Attorney	NRDC	\$210	2012	\$210
Devra	Wang	Expert	NRDC	\$165	2010	\$165
Devra	Wang	Expert	NRDC	\$170	2011	\$170
Devra	Wang	Expert	NRDC	\$165	2012	\$170
Lara	Ettenson	Expert	NRDC	\$130	2010	\$130
Lara	Ettenson	Expert	NRDC	\$135	2011	\$135
Lara	Ettenson	Expert	NRDC	\$130	2012	\$140

(END OF APPENDIX)