

Decision _____

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Application of San Diego Gas & Electric Company (U902E) for Approval of its Proposals for Dynamic Pricing and Recovery of Incremental Expenditures Required for Implementation	Application 10-07-009 (Filed July 6, 2010)
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DECISION GRANTING COMPENSATION TO THE GREENLINING INSTITUTE FOR SUBSTANTIAL CONTRIBUTION TO DECISION 12-12-004

Claimant: The Greenlining Institute	For contribution to Decision 12-12-004
Claimed (\$): \$22,130.00	Awarded (\$): \$19,492.50 (reduced 12%)
Assigned Commissioner: Michael R. Peevey	Assigned ALJ: Jessica T. Hecht

PART I: PROCEDURAL ISSUES

A. Brief Description of Decision:	Decision (D.) 12-12-004 adopts a limited set of time-varying electric rates to be offered to residential and small commercial customers of San Diego Gas & Electric Company (SDG&E). It authorizes SDG&E to collect up to \$92.7 million to fund the implementation of dynamic pricing and the associated activities adopted in the Decision. It also requires specified education and outreach measures, and reports on its expenditures, implementation, and education efforts.
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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:	August 25, 2010	Correct
2. Other Specified Date for NOI:	n/a	
3. Date NOI Filed:	September 24, 2010	Correct

4. Was the NOI timely filed?		Yes
Showing of customer or customer-related status (§ 1802(b)):		
5. Based on ALJ ruling issued in proceeding number:	R.10-02-005	Correct
6. Date of ALJ ruling:	March 29, 2010	Correct
7. Based on another CPUC determination (specify):		
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:	R.08-12-009	Correct
10. Date of ALJ ruling:	July 29, 2010	Correct
11. Based on another CPUC determination (specify):		
12. Has the Claimant demonstrated significant financial hardship?		Yes
Timely request for compensation (§ 1804(c)):		
13. Identify Final Decision:	D.12-12-004	Correct
14. Date of Issuance of Final Order or Decision:	December 27, 2012	Correct
15. File date of compensation request:	February 26, 2013	Correct
16. Was the request for compensation timely?		No. However, Greenlining’s Motion to Late-File its Request For Intervenor Compensation is hereby granted.

C. Additional Comments on Part I:

#	Claimant	CPUC	Comment
16	X		Please see Motion to Late-File Greenlining Request for Intervenor Compensation, filed concurrently with this request.

PART II: SUBSTANTIAL CONTRIBUTION**A. Claimant’s description of its 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
A. Engaging hard to reach customers		A.

<p>Greenlining argued that dynamic pricing requires customers to think more actively about a service that they are not used to thinking about at all. As such, the utilities must design their outreach programs to start from essentially zero knowledge and no established behaviors. The then-recent backlash in Bakersfield against smart meters is a critical lesson in how necessary public education and engagement is in making smart energy technologies and services successful.</p> <p>Greenlining argued that special engagement efforts should be focused on lower-income customers who are unlikely to be early adopters or to respond to general mass-market communications campaigns. Low-income customers especially need to be aware of how they can use PeakShift rates to reduce energy costs, and how to avoid cost increases.</p> <p>Greenlining submitted that SDG&E and other utilities need to understand how customers behave, how they interact with their utilities, and why they interact the way they do. They also need to know which energy use habits will change more easily and which will be more difficult to change. Customer segmentation is one valuable resource for learning about customers, but much can also be learned from community based organizations (CBOs) and other advisory panels, such as the Low-Income Oversight Board.</p> <p>Greenlining argued that marketing is not the same as true education or engagement, and that engagement must be a true two-way dialogue. SDG&E must build relationships with customers who are used to simply paying a bill and forgetting about them until next month. Greenlining argued that while social media is useful for maintaining already-built relationships, it is not useful for building</p>	<p>Prepared Testimony, at 1-3. D.12-12-004 Findings of Fact (FOF) 13.</p> <p>Prepared Testimony, at 5-6, 24. D.12-12-004 FOF 14.</p> <p>Prepared Testimony, at 7-9, 24. D.12-12-004, at 11 (summarizing all of Greenlining’s arguments from its prepared testimony).</p> <p>Prepared Testimony, at 9-13, 24.</p>	<p>Yes as to Prepared Testimony, at 1-3, contributing to FOF 13; Prepared Testimony, at 5-6, 24, contributing to FOF 14; Prepared Testimony, 21-22, 24, contributing to FOF 23; and contributions of the Joint Party Settlement Agreement.</p> <p>No in all other regards.</p>
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<p>relationships where none exist, especially for communities who are less likely to use the internet (including low-income communities and some communities of color).</p> <p>Greenlining noted that customer trust in SDG&E is necessary for utility outreach efforts to work, but that customers often do not trust the utility. Greenlining urged utilities to partner with CBOs to do outreach in hard-to-reach communities, where trust is often particularly low, in order to get the customer engaged despite their potential lack of trust in the utility.</p> <p>Greenlining argued that SDG&E must pay particular attention to its outreach to limited English proficient customers, and ensure that its customer research is conducted in a manner that will reveal any language barriers, so that they may be properly addressed (i.e. conduct surveys in languages other than English, do not use online-only surveys, etc.).</p> <p>Greenlining argued that the customer care model must transition from a bill-and-serve model focused on dispute resolution and billing issues, to a more holistic model in which the customer care representatives can serve as trusted energy advisors who can accurately discuss the individual customer’s energy usage and other related circumstances, and not merely agents for the bill collector.</p> <p>Greenlining noted that while shadow billing presents vital information, it must be accompanied by information about the difference between the two rate structures, and what actions must be taken to “succeed” under the new rate structure, if it is to be effective and actually get customers to change their habits.</p> <p style="text-align: center;">***</p>	<p>Prepared Testimony, at 13-16, 24.</p> <p>Prepared Testimony, at 16-17, 24.</p> <p>Prepared Testimony, at 18-21, 24.</p> <p>Prepared Testimony, at 21-22, 24.</p> <p>D.12-12-004 adopted shadow billing in Spanish and English, at 39-45; FOF 23.</p>	
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<p>Greenlining also participated actively in settlement discussions around customer outreach and engagement. The substance of the discussions is confidential under Rule 12.6.</p> <p>In the Joint Party Settlement Agreement, SDG&E agreed to design clear materials explaining Peak Shift at Home (PSH) and Time-of-Day (TOD) rates for residential customers, and to share draft materials with consumer groups, including Greenlining, for feedback and review. SDG&E also agreed to conduct periodic meetings with consumer groups during implementation of the new rates.</p> <p>In the Joint Party Settlement Agreement, SDG&E agreed to provide shadow billing message information in Spanish for customers who have indicated such a preference.</p> <p>In the Joint Party Settlement Agreement, SDG&E agreed to track the number and type of call center requests for in-language assistance, and to report these numbers in its meetings with interested parties.</p> <p>The Settling Parties' Joint Statement clarifies that the amount of money dedicated for marketing, education and outreach had been reduced by the settlement, but allocated only generally to broad categories under this header, to allow the company flexibility in engaging in appropriate activities.</p> <p style="text-align: center;">***</p> <p>D.12-12-004 agreed that hard to reach customers should be targeted through alternative methods designed to meet their unique needs, and required SDG&E to include targeted activities in its outreach plan, including education and outreach materials in multiple languages. It adopted a process for modifying the</p>	<p>Joint Party Settlement Agreement, at 4-5.</p> <p>Joint Party Settlement Agreement, at 5; Settling Parties Joint Statement, at 16-17.</p> <p>D.12-12-004 adopted shadow billing in Spanish and English, at 39-45; FOF 23.</p> <p>Joint Party Settlement Agreement, at 6</p> <p>D.12-12-004 adopted call center tracking, at 39, 45; Ordering Paragraph (OP) 7.</p> <p>Settling Parties' Joint Statement, at 9-11.</p> <p>D.12-12-004, at 44-46; FOF 29, 36; COL 6, 9; OPs 8-12.</p>	
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<p>outreach plan pursuant to feedback given at periodic meetings with interested stakeholders.</p>		
<p>B. Optional vs. Default vs. Mandatory</p> <p>Greenlining participated actively in settlement discussions around whether to make dynamic rates optional, mandatory, or default with an opt-out option. The substance of the discussions is confidential under Rule 12.6.</p> <p>The Joint Party Settlement Agreement proposed that TOD rates for small nonresidential customers be optional starting March 1, 2013, and then default beginning March 1, 2014. Small nonresidential customers would have an optional PeakShift at Work (PSW) Critical Peak Pricing component. Both models would be optional for residential customers, effective March 1, 2013.</p> <p>In response to ALJ Hecht’s inquiry, the Settling Parties’ Joint Statement clarified that SDG&E’s original proposal (mandatory TOD pricing for nonresidential customers, with either a default PSW component or an optional monthly demand charge) was modified by the Settlement Agreement to propose default TOD pricing effective March 1, 2014.</p> <p>In its comments on the Proposed Decision, Greenlining argued that one year of voluntary TOD pricing would help customers transition more smoothly and give Marketing Education & Outreach activities a chance to take root and become effective, in addition to providing vital protections to small businesses.</p> <p>Greenlining also argued that the Commission must maintain an option to opt-out of TOD pricing onto a flat rate (nonresidential customers), in order to</p>	<p>Joint Party Settlement Agreement, at 2.</p> <p>Settling Parties’ Joint Statement, at 7.</p> <p>Opening Comments on the proposed decision (PD), at 2-3.</p> <p>D.12-12-004 adopted 12 months of voluntary TOD and PSW for non-residential customers, at 31-33, 64.</p> <p>Opening Comments on the PD,</p>	<p>B. Yes</p>

<p>prevent significant and unmanageable bill impacts.</p>	<p>at 3-4. D.12-12-004 declined to maintain the option for customers to default out to a flat rate, but noted that no changes are locked in, and that Greenlining or another party would be free to make the case for a flat rate option in the future, at 33-34; OP 4.</p>	
<p>C. Consumer protection measures</p> <p>Greenlining participated actively in settlement discussions around consumer protection measures, including bill protection, snap credits, and types of non-residential customers for which public policy may weigh against implementing time varying pricing – cooling centers, community clinics, senior centers, etc. The substance of the discussions is confidential under Rule 12.6.</p> <p>The Joint Party Settlement Agreement proposed that all customers on TOD pricing would receive bill protection compared to their previously applicable rate for 12 months. Additionally, any customers whose plan includes a Critical Peak Pricing component (PeakShift at Work) would receive bill protection for 24 months.</p> <p>The Joint Party Settlement Agreement proposed that customers whose rate plan includes a PeakShift component have access to a snap credit arrangement whereby customers who experience unusually high summer bills may have the option to amortize the high component of the bill over the next 3-6 months.</p> <p>The Joint Party Settlement Agreement noted the public health and safety concerns inherent to certain types of customers, and SDG&E agreed to develop</p>	<p>Joint Party Settlement Agreement, at 3. D.12-12-004 adopted 12 months of bill protection for PSW and PSH customers, at 39; FOF 24; OP 7.</p> <p>Joint Party Settlement Agreement, at 5. D.12-12-004 adopted snap credits, at 39; FOF 25; OP 7.</p> <p>Joint Party Settlement Agreement, at 5; Settling Parties’ Joint</p>	<p>C. Yes</p>

<p>reasonable criteria and a procedure for exempting such customers from the default PSW rate. The Settling Parties' Joint Statement clarified that Commission staff would be involved in the collaborative process of determining criteria for these exemptions and eventually presented to the Commission for approval.</p> <p>Greenlining supported SDG&E's proposal to implement dynamic rates on a rolling basis, to allow more focused and cost-effective outreach, and to detect and resolve any problems in the implementation process early on, before they impact potentially all customers.</p>	<p>Statement, at 17.</p> <p>Opening Comments on the PD, at 4. D.12-12-004 adopted a 6 month rolling implementation period, at 35, 64; FOF 26; OP 7.</p>	
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B. Duplication of Effort (§§ 1801.3(f) & 1802.5):

	Claimant	CPUC Verified
a. Was the Division of Ratepayer Advocates (DRA) a party to the proceeding?	Yes	Correct
b. Were there other parties to the proceeding with positions similar to yours?	Yes	Correct
c. If so, provide name of other parties: California Farm Bureau Federation, City of San Diego, the Utility Consumers' Action Network, DRA, Energy Users Forum, Disability Rights Advocates, Alliance for Retail Energy Markets, Federal Executive Agencies, California Small Business Roundtable, California Small Business Association.		Correct
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: Greenlining's position differed from that of other intervenors in that it focused on engagement of, and impacts on, hard to reach customers, both residential and non-residential. This difference naturally minimizes overlap. Where there was overlap, the parties worked together to ensure that they supported each other's advocacy without duplicating it. This was aided by the fact that a substantial amount of work was done in settlement negotiations and related procedural matters, which are naturally collaborative in nature.		Yes

C. Additional Comments on Part II:

#	Claimant	CPUC	Comment
II(A)	X		While D.12-12-004 declined to adopt the Settlement Agreement, the parties put a substantial number of hours into debating the issues, building a confidential record, and negotiating a compromise position that the parties continue to believe in. Greenlining submits that the process, though it did not resolve in adoption of the Settlement, contributed substantially to the Decision. In fact, D.12-12-004 adopted some features of the Settlement agreement, which the Decision itself notes at p. 29, despite declining to adopt the full agreement. As such, Greenlining submits that its time working on the Settlement Agreement constitutes a substantial contribution for which compensation is warranted.

PART III: REASONABLENESS OF REQUESTED COMPENSATION

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

a. Concise explanation as to how the cost of Claimant’s participation bears a reasonable relationship with benefits realized through participation:	CPUC Verified
<p>In a proceeding of this nature, it’s extremely difficult to quantify the benefits of Greenlining’s participation, which focused on the way the utility will engage and work with its customers to learn and adapt to the proposed rates. Much of the potential benefits to customers would come from avoided burden, if a customer who would not otherwise be properly engaged was able to learn and adapt to the new rates. Similarly, the number of customers who can benefit from bill protection, snap credits, and other consumer protection measures is unknowable, and the degree to which they will benefit is likewise unknowable. However, if each SDG&E customer who will be subject to the new rates saves just \$1 as a result of Greenlining’s advocacy, the cost of Greenlining’s participation will be vastly exceeded by the resulting benefits. Greenlining submits that this is a reasonable relationship between the benefits that will materialize from Greenlining’s advocacy and the modest cost of its participation.</p>	<p>Yes</p>
<p>b. Reasonableness of Hours Claimed.</p> <p>Greenlining’s claimed hours were reasonable. First, Greenlining’s total time and costs were approximately half of what was originally anticipated in its Notice of Intent. Second, Greenlining limited its participation only to issues of specific interest to its constituency, which minimized the number of hours required for effective participation. Third, much work was done in collaboration with other parties, through the settlement and related matters, which minimized the number of hours required of Greenlining.</p> <p>It should be noted that much of the work in the proceeding, during 2010 and 2011, was done by Ryan Young (Young), who was at the time a Legal Fellow in his first full year of practice out of law school. It is only reasonable that it took Young more time to complete certain tasks than it would take a more experienced attorney. The reduced rates at which Greenlining claims Young’s work accounts for this lack of experience and assumes that it will take a newer attorney longer than a more experienced one to achieve a similar end result.</p>	<p>Yes, with the exception of 20.1 hours claimed for general background research and education by Young.</p> <p>Greenlining claims 26.3 hours for Young’s preparation of Greenlining’s expert witness’s Prepared Testimony. While this is excessive in view of the general</p>

	<p>nature of the bulk of the Prepared Testimony, we agree that Young’s reduced rate somewhat accounts for his lack of experience and the number of hours claimed.</p> <p>However, we disallow the claimed 20.1 hours for Young’s general background research on the general subject matter of the proceeding. It is inappropriate to claim expenses for attaining subject-matter competency.</p>										
<p>c. Allocation of Hours by Issue</p> <p>Greenlining’s time is allocated by issue category as follows:</p> <table border="1" style="width: 100%; border-collapse: collapse;"> <tr> <td style="width: 70%;">A. Engaging Hard to Reach Customers</td> <td style="text-align: right;">44.71%</td> </tr> <tr> <td>B. Optional vs. Default vs. Mandatory</td> <td style="text-align: right;">9.03%</td> </tr> <tr> <td>C. Consumer Protection Measures</td> <td style="text-align: right;">14.25%</td> </tr> <tr> <td>D. General/Procedural/Confidential</td> <td style="text-align: right;">32.02%</td> </tr> <tr> <td>Total</td> <td style="text-align: right;">100%</td> </tr> </table>		A. Engaging Hard to Reach Customers	44.71%	B. Optional vs. Default vs. Mandatory	9.03%	C. Consumer Protection Measures	14.25%	D. General/Procedural/Confidential	32.02%	Total	100%
A. Engaging Hard to Reach Customers	44.71%										
B. Optional vs. Default vs. Mandatory	9.03%										
C. Consumer Protection Measures	14.25%										
D. General/Procedural/Confidential	32.02%										
Total	100%										

B. Specific Claim:*

CLAIMED						CPUC AWARD		
ATTORNEY, EXPERT, AND ADVOCATE FEES								
Item	Year	Hours	Rate	Basis for Rate*	Total \$	Hours	Rate	Total \$
Ryan Young	2010	30.1	\$125	D.12-04-043	\$3,762.50	15	\$125	\$1,875.00
Ryan Young	2011	92.3	\$150	D.12-04-043	\$13,845.00	87.3	\$150	\$13,095.00
Stephanie Chen	2010	2.9	\$185	D.12-04-043	\$536.50	2.9	\$185	\$536.50
Stephanie Chen	2011	11.1	\$185	D.12-04-043	\$2,053.50	11.1	\$185	\$2,053.50
Stephanie Chen	2012	5.4	\$220	See comment below	\$1,188.00	5.4	\$220	\$1,188.00
Subtotal:					\$21,385.50	Subtotal:		\$18,748.00

INTERVENOR COMPENSATION CLAIM PREPARATION **								
Item	Year	Hours	Rate	Basis for Rate*	Total \$	Hours	Rate	Total \$
Ryan Young	2010	1	\$62.50	D.12-04-043	\$62.50	1	\$62.50	\$62.50
Stephanie Chen	2012	6.2	\$110	See Comment below	\$682.00	6.2	\$110	\$682.00
Subtotal:					\$744.50	Subtotal:		\$744.50
TOTAL REQUEST \$:					\$22,130.00	TOTAL AWARD \$:		\$19,492.50

*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.

**Travel and Reasonable Claim preparation time typically compensated at ½ of preparer's normal hourly rate

Attorney	Date Admitted to CA BAR ¹	Member Number	Actions Affecting Eligibility (Yes/No?) If "Yes", attach explanation
Stephanie Chen	August 23, 2010	270917	No
Ryan Young	December 16, 2010	274828	No

C. Attachments Documenting Specific Claim and Comments on Part III:

Attachment or Comment #	Description/Comment
Attachment A	Recorded Hours for Greenlining Attorneys
III(A)(c)	Time spent in confidential settlement negotiations was recorded in the General/Procedural/Confidential category to avoid indicating what issues were more contentious than others, or otherwise running afoul of Rule 12.6.
II(B)	Ms. Chen (Chen) was admitted to practice in 2010, making 2012 her third year of practice. Chen has substantial experience appearing before the CPUC even prior to bar admission. Resolution ALJ-281 sets the range of rates for attorneys with 3-4 years of experience at \$205-\$240. Given Chen's substantial experience before the CPUC (for an attorney of her years of practice), a rate of \$220 is justified and solidly within the range of acceptable rates as set forth in Resolution ALJ-281.

D. CPUC Disallowances & Adjustments:

#	Reason
III.A, B	Inappropriately claimed hours as described in Part III A.

¹ This information may be obtained at: <http://www.calbar.ca.gov/>.

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. The Greenlining Institute has made a substantial contribution to D.12-12-004.
2. The requested hourly rates for The Greenlining 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 contribution is \$19,492.50.

CONCLUSION OF LAW

The Claim, with any adjustment set forth above, [satisfies/fails to satisfy] all requirements of Pub. Util. Code §§ 1801-1812.

ORDER

1. The Greenlining Institute is awarded \$19,492.50.
2. Within 30 days of the effective date of this decision, San Diego Gas & Electric Company shall pay Claimant the total award. 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 13, 2013, the 75th day after the filing of The Greenlining Institute's request, and continuing until full payment is made.
3. The motion to accept late-filed request for intervenor compensation is granted.
4. The comment period for today's decision is waived.

This decision is effective today.

Dated _____, at Redding, California.

APPENDIX**Compensation Decision Summary Information**

Compensation Decision:		Modifies Decision?	No
Contribution Decision(s):	D1212004		
Proceeding(s):	A1007009		
Author:	ALJ Hecht		
Payer(s):	San Diego Gas & Electric Company		

Intervenor Information

Intervenor	Claim Date	Amount Requested	Amount Awarded	Multiplier?	Reason Change/Disallowance
The Greenlining Institute	2/26/2013	\$22,130.00	\$19,492.50	no	Inappropriately claimed expenses

Advocate Information

First Name	Last Name	Type	Intervenor	Hourly Fee Requested	Year Hourly Fee Requested	Hourly Fee Adopted
Ryan	Young	Attorney	Greenlining	\$125	2010	\$125
Ryan	Young	Attorney	Greenlining	\$150	2011	\$150
Stephanie	Chen	Attorney	Greenlining	\$185	2010	\$185
Stephanie	Chen	Attorney	Greenlining	\$185	2011	\$185
Stephanie	Chen	Attorney	Greenlining	\$220	2012	\$220

(END OF APPENDIX)