

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 PACIFIC ENVIRONMENT FOR SUBSTANTIAL CONTRIBUTION TO DECISIONS (D.) 12-01-033 and D.12-04-046

Claimant: Pacific Environment	For contribution to Decisions (D.) 12-01-033 and D.12-04-046
Claimed (\$): 226,399.44¹	Awarded (\$): \$225,139.94 (reduced 0.5%)
Assigned Commissioner: Michael Peevey	Assigned ALJ: Peter Allen

PART I: PROCEDURAL ISSUES

A. Brief Description of Decision: The decisions D.12-01-033 and D.12-04-046 addressed the issues raised in the 2010 Long-Term Procurement Plan (LTPP) proceeding. D.12.01-033 approved each of the three main California electric utilities’ bundled procurement plans as modified by the decision. It also provided guidance to the utilities for their future bundled procurement plans. D.12-04-046 approved a multi-party settlement that resolved the issues of system and renewable integration need, and it provided guidance on several policy issues related to utility procurement practices.

¹ In the original filed claim, the amount claimed by Pacific Environment was listed as \$226,224.00. However, after reviewing the timesheets Pacific Environment submitted, there were errors in both the calculation of the hours as well as the rates applied. Therefore the correct total claimed by Pacific Environment in this proceeding is \$226,399.44. This error has been corrected.

**B. Claimant must satisfy intervenor compensation requirements set forth in
Pub. Util. 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:	August 13, 2010; <i>See</i> Comment 1	Correct
3. Date NOI Filed:	August 10, 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:	Application (A.) 09-09-021, D.11-03-025; <i>See</i> Comment 2	Correct
6. Date of ALJ ruling:	March 10, 2011	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:	A.09-09-021, D.11-03-025; <i>See</i> Comment 3	Correct
10. Date of ALJ ruling:	March 10, 2011	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.12-04-046	Correct
14. Date of Issuance of Final Order or Decision:	April 19, 2012 ²	April 24, 2012
15. File date of compensation request:	June 14, 2012	Correct
16. Was the request for compensation timely?		Yes

² Please note although the Decision Date is April 19, 2012, the Date of Issuance is April 24, 2012.

C. Additional Comments on Part I:

#	Claimant	CPUC	Comment
1	Pacific Environment		In the ALJ's June 22, 2010 Ruling Revising the Schedule for the Proceeding and Regarding Staff's Proposal for Resource Planning Assumptions – Part 2, the ALJ extended the deadline for filing a NOI to August 13, 2010. ALJ's June 22, 2010 Ruling at 7.
2	Pacific Environment		During the course of A.09-09-021, D.11-03-025 was issued on March 16, 2011, granting Pacific Environment Intervenor Compensation for their substantial contribution to the Application. In D.11-03-025, the Commission noted that, "PE's concerns related to California energy policy represent the concerns of California residents and ratepayers. These concerns include issues related to rates and reliability of energy, as well as the impact that this energy has on health, the climate, and the environment." D.11-03-025 at 3. The Commission further stated, "PE, consistent with its governing documents and Strategic Plan, appropriately represents the environmental, environmental justice, and energy rate interests of its supporters." D.11-03-025 at 2. Based on these findings, the Commission determined that Pacific Environment met the definition of a Category 3 customer under § 1802 (b)(1)(C).
3	Pacific Environment		In A.09-09-021, PE showed significant financial hardship by arguing that the costs of effective participation in the Application (<i>i.e.</i> , attorneys fees, payment of expert witnesses, and other reasonable costs of participation) were far greater than both the value to individual members of PE and the cost to each member of PE for effective participation. The Commission accepted this argument and noted that, "PE has satisfied the "comparison test" required of Category 3 customers. Pursuant to Section 1802(g), we find that it would be a significant financial hardship for PE to participate in this proceeding without an award of fees or costs." D.11-03-025 at 4.

PART II: SUBSTANTIAL CONTRIBUTION**A. Claimant's description of its claimed contribution to the final decision:**

Contribution	Specific References to Claimant's Presentations and to Decision	Showing Accepted by CPUC
In general, Pacific Environment argued that no new procurement was needed in order to intergrade renewable resources. Pacific Environment also advocated for procurement policies that will help support the development of alternative resources including energy efficiency,	<i>See generally</i> PE's Opening Brief on Track I and III Issues; PE's Opening Brief on Track II Issues. <i>See e.g.</i> , D.12-04-046 at 8 (finding settlement reasonable because "[t]here is clear evidence on the record that additional generation is not needed by 2020.").	Yes

<p>demand response, and renewables. Pacific Environment also advocated for increased transparency in the procurement process and opposed utility attempts to erode certain procedural protections and Commission oversight.</p> <p>As advanced by Pacific Environment, no new procurement was allowed for in the 2010 LTPP. Further, the Commission adopted many of Pacific Environment’s recommendations, as detailed further below, in terms of refining procurement policy and improving the procurement process.</p>	<p><i>See e.g.</i>, D.12-01-033, at 18-22 (adopting Pacific Environment’s interpretation of the loading order).</p>	
<p>1. <u>Compliance with the Loading Order:</u></p> <p>Pacific Environment urged the Commission to clarify that the loading order’s requirements should apply to all procurement decisions. D.12-01-033 agreed with Pacific Environment’s interpretation that the utility obligation to follow the loading order is ongoing and that satisfying Commission-established targets for certain resources does not alter their place in the loading order. Additionally, the Final Decision stated, “It appears necessary to reiterate here the centrality of the loading order, and to direct the utilities to procure all of their generation resources in the sequence set out in the loading order,” expressly ordering that utility procurement must comply on an ongoing basis with the Commission’s loading order.</p>	<p>D.12-01-033 at 20-22; D.12-01-033 Findings of Fact # 7; D.12-01-033 Conclusions of Law # 7; D.12-01-033 Order # 4; PE Opening Track II Brief at 6-15; PE Reply Track II Brief at 2-4; PE Response to PG&E’s and SCE’s Motion to Strike at 2-5; Exhibit 500: Testimony of R. Cox at 2-3, 6-7, 29-30; and Exhibit 501: Testimony of B. Powers at 7-9, 13-17, 19-20. Comments of PE on Resource Planning Assumptions (June 21, 2010) at 9-10. PE’s Response to IEP’s Motion (February 4, 2011) at 2-3. PE also argued for the loading order to be considered in comments related to the modeling. <i>See</i> PE Renewable Integration Comments (September 2010) at 8-12;</p>	<p><i>See</i> D.12-01-033 at 17.</p> <p>Yes</p>
<p>2. <u>Renewable Integration Products:</u></p> <p>Pacific Environment opposed Commission approval of SCE’s and PG&E’s requests for “Renewable Integration Products” on the grounds that these requests were neither informative nor clear. In the Track II Final Decision, the Commission denied SCE’s and</p>	<p>D.12-01-033 at 28-30; D.12-01-033 Findings of Fact # 12; D.12-01-033 Conclusions of Law # 12; D.12-01-033 Order # 7; PE Opening Brief at 28-29; and PE Reply Brief at 8-9.</p>	<p>Yes</p>

<p>PG&E’s request for “Renewable Integration Products,” stating that it “agree[d] with Pacific Environment,” and other parties that, “the request of SCE and PG&E is simply too vague and broad for the Commission to know what exactly it would be approving.”</p>		
<p><u>3. Approval of Settlement Finding No Need for System and Renewable Integration Procurement in 2010 LTPP:</u></p> <p>Pacific Environment advocated throughout the proceeding that new procurement authority was not needed. Pacific Environment participated in the Track I Settlement and urged for it to be approved. The Settlement resolved the majority of the need and renewable integration issues in the proceeding. This Settlement was the result of considerable work by the parties in workshops and comments to refine the assumptions used to determine need in the modeling effort. Pacific Environment advocated for many changes in the renewable integration modeling effort to help the model better reflect reality. <i>See</i> Comment 1. Because of the confidential nature of the Settlement, Pacific Environment is not able to describe the role it took in the settlement discussions and negotiations. The Commission approved the Track I settlement finding that “[t]here is clear evidence on the record that additional generation is not needed by 2020, so there is record support for deferral of procurement.”</p>	<p>D.12-04-046 at 5-12</p> <p>D.12-04-046 Findings of Fact # 1-2</p> <p>D.12-04-046 Conclusions of Law # 1</p> <p>D.12-04-046 Order # 1</p> <p>PE’s Reply Brief on Tracks I and III Issues (October 3, 2011) at 2-8.</p> <p>PE’s Opening Brief on Tracks I and III Issues (September 16, 2011) at 5-9</p>	<p>Yes</p>
<p><u>4. Increased Oversight of Once-Through Cooling Facilities:</u></p> <p>Pacific Environment advocated for increased oversight of the State’s Once-Through Cooling facilities due to the policy’s direction for facilities to comply “as soon as possible.” Pacific Environment also advocated for adoption of the staff proposal that would have limited utility contracts with OTC facilities to one year. D.12-04-046</p>	<p>D.12-04-046 at 20-27</p> <p>D.12-04-046 Findings of Fact # 5-6</p> <p>D.12-04-046 Conclusions of Law # 3</p> <p>D.12-04-046 Order # 3</p> <p>PE’s Opening Brief on Tracks I and III Issues (September 16, 2011) at 30-35.</p> <p>PE’s Reply Brief on Tracks I and III Issues (October 3, 2011) at 9.</p> <p>PE’s Prepared Track III Testimony (August 4,</p>	<p>Yes</p>

<p>weighed Pacific Environment’s arguments in support of the staff proposal imposing strict limits on OTC contracting, and ultimately agreed to an “interim approach” that allowed for longer OTC contracting but with increase Commission oversight through an advice letter process and required procurement to be consistent with the Once-Through Cooling policy.</p>	<p>2011) at 1-6.</p>	
<p><u>5. Greenhouse Gas Product Procurement Limits:</u> Pacific Environment urged the Commission to limit the forward purchasing power of allowances and to limit on offset procurement. The Commission’s final decision included limits on the forward purchasing power of allowances and on utility procurement of offsets.</p>	<p>D.12-04-046 at 49-55 D.12-04-046 Findings of Fact # 12-14 D.12-04-046 Conclusions of Law # 8-9 D.12-04-046 Order # 8 PE’s Opening Brief on Tracks I and III Issues (September 16, 2011) at 23-28; PE’s Prepared Track III Testimony (August 4, 2011) at 33-39.</p>	<p><i>See</i> D.12-04-046 at 41-59. Yes</p>
<p><u>6. Increased Transparency:</u> Pacific Environment advocated throughout the proceeding for increased transparency in the procurement process. The final decision agreed that one of the Commission’s goals is to increase transparency in the process, and required QCR audit reports to be publicly available.</p>	<p>D.12-04-046 at 63-66 D.12-04-046 Finding of Fact # 16 D.12-04-046 Conclusions of Law # 11 D.12-04-046 Order # 13-15 PE’s Opening Brief on Tracks I and III Issues (September 16, 2011) at 35, 45, 50. PE’s Reply Brief on Tracks I and III Issues (October 3, 2011) at 9-11 PE’s Prepared Track III Testimony (August 4, 2011) at 22, 24-31.</p>	<p>Yes</p>
<p><u>7. Independent Evaluator:</u> Pacific Environment advocated for the Independent Evaluator to be hired by Energy Division. Although the Decision did not adopt this recommendation due to “administrative hurdles,” it agreed that it “would be preferable for IEs to be hired by and report to the Commission, rather than utilities.” Further, the Commission ruled that it would consider this proposal again in the future.</p>	<p>D.12-04-046 at pp. 67-68 PE’s Opening Br. on Tracks I and III Issues (September 16, 2011) at 46-48. PE’s Prepared Track III Testimony (August 4, 2011) at 31-32.</p>	<p>Yes</p>
<p><u>8. Use of Advice Letters for Approval of Biomethane Contracts:</u> Pacific Environment urged the</p>	<p>D.12-01-033 at 33-34; PE Reply Brief at 9-10; and</p>	<p>Yes</p>

<p>Commission to reject Pacific Gas & Electric Company's (PG&E)'s request to skip the advice letter process. The Final Decision determined that biomethane was still subject to the Commission's Tier 3 Advice Letter Process.</p>	<p>Exhibit 503: Redacted Testimony of R. Cox at 7-8.</p>	
<p>9. <u>Nuclear Fuel Procurement Plan:</u> Pacific Environment urged the Commission to reject PG&E's request to approve forward contracting authority for obtaining uranium for its Diablo Canyon Power Plant. Pacific Environment cautioned that Commission approval of such contracts would negate necessary application processes. Pacific Environment also submitted that PG&E's proposal would significantly expand the permitted contract duration. Pacific Environment urged the Commission to limit PG&E's Nuclear Fuel Procurement Plan contracts and the Commission responded with limitations. The Final Decision granted PG&E authority to enter into Nuclear Fuel contracts, but the Commission, agreeing with Pacific Environment that PG&E had not shown why it needed to exceed its contracting authority, limited the length of those contracts so as not to exceed the expiration of the facility's operating license.</p>	<p>D.12-01-033 at 34-36; D.12-01-033 Finding of Fact # 19; D.12-01-033 Conclusion of Law # 16; D.12-01-033 Order # 11; and PE Opening Brief at 35-36; Exhibit 503: Redacted Testimony of R. Cox at 5-7.</p>	<p>Yes</p>
<p>10. <u>"Strong Showing" Standard for Bilateral Contracts:</u> Pacific Environment opposed PG&E's request for removal of the Commission's "strong showing" standard for justification of bilateral contracts. In the Final Decision, the Commission agreed and declined to remove the "strong showing" requirement.</p>	<p>D.12-01-033 at 40; D.12-01-033 Finding of Fact # 23; D.12-01-033 Conclusion of Law # 20; D.12-01-033 Order # 15; PE Opening Brief at 18-20; PE Reply Brief at 5; and Exhibit 500: Testimony of R. Cox at 8-10.</p>	<p><i>See</i> D.12-01-033 at 41. Yes</p>
<p>11. <u>Contract Duration:</u> Pacific Environment opposed PG&E's proposal to allow for contracting further in advance. In the Final Decision, the Commission rejected PG&E's proposed changes to contract duration consistent</p>	<p>D.12-01-033 at pp. 40-41; D.12-01-033 Conclusion of Law # 21; D.12-01-033 Order # 16; PE Opening Brief at 16-18; and</p>	<p>Yes</p>

with Pacific Environment’s recommendation.	Exhibit 500: Testimony of R. Cox at 3-6.	
<p><u>12. Adoption of Energy Division’s Proposal for Procurement “Rulebook”</u></p> <p>Pacific Environment, along with other parties, opposed Energy Division’s proposal to establish a procurement “rulebook” as a fully enforceable document. Because this proposal was nearly unanimously opposed by the parties, including Pacific Environment, the Commission declined to adopt the Rulebook as a stand-alone enforceable document.</p>	<p>D.12-04-046 at 62-63.</p> <p>PE Opening Brief on Track I and III Issues at 54-55; <i>see also</i> PE Comments on Draft Rulebook.</p>	Yes

B. Duplication of Effort (§§ 1801.3(f) & 1802.5):

	Claimant	CPUC Verified
<p>a. Was the Office of Ratepayer Advocates (ORA)³ a party to the proceeding?</p>	Yes	Verified
<p>b. Were there other parties to the proceeding with positions similar to yours?</p>	Yes	Verified
<p>c. If so, provide name of other parties:</p> <p><i>See Service List for R.10-05-006 in the attached certificate of service for a listing of all the parties that participated in this proceeding. Communities for a Better Environment, Division of Ratepayer Advocates, and Sierra Club California were the primary intervenors taking positions similar to Pacific Environment.</i></p>		Verified
<p>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:</p> <p>During the proceeding, Pacific Environment identified three parties as having positions similar to our own: CBE, Sierra Club California, and DRA. Pacific Environment was in regular contact with these three organizations to discuss positions and ensure that duplication was avoided. Before submitting any testimony, Pacific Environment met and discussed proposed testimony with DRA, CBE and Sierra Club to prevent duplication. Pacific Environment also participated in a meeting with TURN, DRA, CBE and Sierra Club to discuss Tracks I and III testimony and briefing.</p>		Verified Pacific Environment adequately coordinated with other parties with similar interests to avoid unnecessary duplication.

³ The Division of Ratepayer Advocates (DRA) was renamed the Office of Ratepayer Advocates effective September 26, 2013, pursuant to Senate Bill No. 96 (Budget Act of 2013: public resources), which was approved by the Governor on September 26, 2013.

<p>When similar issues were covered, Pacific Environment provided analysis, studies, and expert materials which highlighted its own arguments from its perspective as a public interest environmental group. The result was complementary showings that built off each other toward common objectives. A review of the decisions reveals that when multiple parties worked on an issue, the results were cumulative, not duplicative. Multi-party participation was necessary in this case in light of the many parties advocating opposing positions for nearly every issue.</p> <p>When coordinating with CBE and Sierra Club California, Pacific Environment agreed to take on issues in its testimony that the other parties were not addressing. For example, Pacific Environment was the only environmental group that provided testimony on the importance of the loading order and a discussion of PG&E’s several suggestions for modifying Commission oversight. In particular, Pacific Environment provided extensive testimony regarding the importance of following the loading order and suggesting steps that can be taken to ensure that the loading order is followed. Pacific Environment also presented testimony from a once-through cooling expert, Linda Sheehan, whom provided direct information related to the once-through cooling process. Furthermore, Pacific Environment made arguments, which were supported and adopted by other parties, including DRA. Pacific Environment also advanced arguments relating to Commission oversight practices that were not addressed by other parties. As a result, the Track II and the Track I and III Final Decisions quoted and cited portions of Pacific Environment’s briefs, especially as related to the need for compliance with the loading order. The Final Decision also pointed to Pacific Environment as being persuasive in a number of other areas including the standard used to justify and the duration of bilateral contracts, and Renewable Integration Products.</p> <p>With regards to the Settlement, Pacific Environment was an active participant in the Settlement discussions including preliminary discussions among parties that helped facilitate a later agreement. Pacific Environment worked closely in this process to avoid duplication with other settling parties especially the other non-profit environmental interests in the proceeding.</p>	
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C. Additional Comments on Part I:

#	Claimant	CPUC	Comment
1	Pacific Environment substantially contributed to the modeling effort by presenting many detailed comments to improve the		<p>Some of PE’s comments on the modeling are available at: PE’s November 30 Workshop Comments (January 14, 2011) at 3-13. PE’s Comments on October 22 Renewable Integration Workshop (November 22, 2010) at 2-12. Reply Comments of PE on Renewable Integration Models (October 8, 2010) at 11-15. Comments of PE on Renewable Integration Models (September 21, 2010) at 13-25.</p>

	accuracy of the model.	<p>PE Comments on Renewable Portfolio Standards (July 9, 2010) at 10-20 Comments of PE on Resource Planning Assumptions (June 21, 2010) at 10-15.</p> <p>CAISO took PE’s modeling comments into account to improve its assumptions:</p> <p><i>See</i> Post November 30 Workshop Reply Comments of CAISO (January 26, 2011) at 12 (As suggested by PE, when CAISO updates its models it will re-assess including certain storage facilities); at 9, 13 (“some of these additional studies [suggested by PE] could be incorporated into the RPS scenario analysis” depending on the schedule), at 13 (“The ISO fully agrees with Pacific Environment and is exploring sub-hourly interchange schedules in a separate forum.”); at 14 (“Pacific Environment states that the ISO should not rely on the seasonal maximum . . . ISO is aware of such concerns raised by Pacific Environment and other parties and plans to use hourly values for future production simulations.”).</p> <p>Pacific Environment’s work related to modeling assumptions was also considered in rulings made in the proceeding. <i>See</i> May 31, 2011 ALJ Ruling at 6, 10 (citing Pacific Environment when considering CAISO’s requests to change modeling assumptions);</p>
2	Pacific Environment’s participation assisted the Commission in several other areas related to oversight and transparency.	<p>For example, Pacific Environment opposed PG&E’s request to participate in RFOs and RFPs offered by other market participants, including Load Serving Entities (LSEs). Pacific Environment also opposed PG&E’s request to participate in electronic offers, stating that allowing such participation would result in a decrease in transparency. While the Commission granted both of PG&E’s requests in the Final Decision, it did issue limitations – that PG&E could not participate in electronic solicitations with utility-owned resources, and could only participate if there was a guarantee of a competitive process. The fact that the Commission ensured limitations on PG&E’s actions and did not grant them unchecked discretion to participate in any type of solicitations demonstrates that Pacific Environment’s arguments were considered and contributed to the Final Decision in this area.</p> <p>D.12-01-033 at 41-43; D.12-01-033 Finding of Fact # 28; D.12-01-033 Conclusion of Law # 22; D.12-01-033 Conclusion of Law #23; D.12-01-033 Order # 17; D.12-01-033 Order # 18; PE Opening Brief at 25-27; PE Reply Brief at 4; and Exhibit 500: Testimony of R. Cox, at 16-20.</p>

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>
<p>Pacific Environment is asking for \$226,224 in fees and costs for advocating as a party in the 2010 Long-Term Procurement Plan. Pacific Environment is an environmental organization with a continued interest in environmental and ratepayer protection that represents the environmental, environmental justice, and energy rate interests of its supporters. Pacific Environment participated in all major aspects of this proceeding, including filing multiple briefs, comments, and submitting expert testimony on multiple topics. Pacific Environment also participated in attending workshops and participated in hearings, including cross-examining utility witnesses. In general, Pacific Environment advocated for no unneeded procurement and for expansion of Commission oversight and transparency in procurement. Pacific Environment’s arguments were a factor in ensuring that the IOU’s bundled procurement plans coincided with Commission precedent and protected both the environmental and energy rate interests of ratepayers. The costs saved to ratepayers by Pacific Environment’s participation in this proceeding far exceed what Pacific Environment requests. For example, the clarification of the Loading Order is an important decision that has already been referenced in other proceedings and should help reduce costs to ratepayers. It also should help California meet its environmental goals.</p> <p>Pacific Environment’s total request is \$226,224. This is likely to be a very small portion of the benefits that utility customers are likely to ultimately realize under the Track II and Tracks I and III Final Decisions. Importantly, these Final Decisions do not authorize unnecessary procurement and include several protections for ratepayers including protections related to procurement of GHG products.</p>	<p>Verified</p>
<p>b. Reasonableness of Hours Claimed.</p> <p>Pacific Environment participated in every stage of this proceeding, which began in May 2010 and ended in April 2012. Considering the length and the extensive nature of the proceeding, Pacific Environment’s hours are reasonable. Pacific Environment’s hours in the proceeding average out to less than 15 hours a week. This amount of time is minimal considering the volume of submissions made by Pacific Environment and the number of contributions to complex substantive issues. All of the hours claimed are related to understanding the issues, preparing and presenting expert opinion, coordinating work with other parties, drafting briefs and comments, appearing and participating in hearings, workshops, conferences and settlement</p>	<p>Verified</p>

meetings and negotiations.

In particular, Pacific Environment submitted many sets of comments and reply comments on assumptions used in the proceeding related to the need issue. Then, for Track II, Pacific Environment completed discovery, submitted extensive testimony, and briefed many issues that other parties did not address. Pacific Environment was the only environmental group that addressed many of the oversight and transparency issues that arose in Track II. As related to Tracks I and III, Pacific Environment prepared extensive testimony related to Track I, which it was prepared to submit. Although most of the Track I issues were settled, Pacific Environment's significant work on the issues was consistent with the ultimate result of the Settlement. Pacific Environment also prepared extensive testimony on Track III issues, and briefed

Pacific Environment and the Environmental Law and Justice Clinic were conscious of using staff with the appropriate amount of work experience for the tasks they performed; tasks that were appropriate for law students were mainly handled by law students, while tasks that required more experience were handled by the more experienced attorneys or experts. This kept fees reasonable. For example, to prepare testimony, Pacific Environment's witnesses directed students to perform necessary research and prepare initial drafts. Students also prepared initial drafts of sections of briefs to save attorney time. Pacific Environment and the Clinic also coordinated for meetings to assure that only necessary staff attended workshops, coordination meetings, and internal meetings. When attendance was not necessary by multiple staff, Pacific Environment is not requesting compensation for those hours. In addition, the hours claimed do not include time spent on issues ultimately not addressed in the decision and time spent mentoring or assisting students. Pacific Environment did not include hours that were clerical in nature, hours related to issues that it did not substantially contribute including all the hours spent on convergence bidding, and hours related to SDG&E's local capacity request.

The rates requested for these tasks are at the low end of the ranges authorized by the CPUC for attorneys, experts, and law students. The above considerations are reflected in the attached timesheets.

Although Pacific Environment is requesting more than it initially estimated in its Notice of Intent to Claim Compensation, Pacific Environment is only asking the Commission to award what is fair and reasonable with respect to the extent of its participation in the proceeding that lasted nearly two years. Pacific Environment did not anticipate the scope of the participation that would be necessary because it did not anticipate that the utilities would attempt to change Commission oversight and transparency. Pacific Environment also did not anticipate that it compile the majority of the testimony submitted by the environmental public interest groups that were participating in the proceeding. Pacific Environment coordinated with Sierra Club California and Communities for a Better Environment to avoid

<p>duplication. When Pacific Environment learned that issues were not being covered by the other groups, it took these on in its testimony and briefing.</p> <p>Pacific Environment performed a detailed reasonableness review of its hours in this proceeding. The final request represents a significant reduction in the total hours on this proceeding. The student hours requested only represents approximately half of the hours that students worked on the case. After a reasonableness assessment was performed to take out hours that were duplicative and excessive, ELJC took out an additional 200 hours off of the students' hours. This reduction accounts for any additional excessiveness in the proceeding. Importantly, ELJC students took a lead role in drafting all of the Pacific Environment testimony at the direction of the experts, and a lead role in drafting all of the main briefs in the case. Therefore, the hours claimed for ELJC students is small in comparison to the significant work that was produced. When students were not available, or when the deadline would not allow student participation, ELJC attorneys took a lead role in drafting comments and briefs.</p> <p>ELJC attorney, Deborah Behles, was the lead attorney for the entire case. Her hours over the nearly two year span of the proceeding reflect a minimal amount of hours for the lead counsel on the case. Indeed, Ms. Behles' hours average to less than 5 hours per week over the entire course of the proceeding. Considering the over 600 documents in the proceeding, the number of issues that Pacific Environment worked on, the comprehensive briefs Pacific Environment filed, the substantial testimony that Pacific Environment served for each of the Tracks in the proceeding, and the length of the proceeding, this request is fair and reasonable.</p>									
<p>c. Allocation of Hours by Issue</p> <p>Pacific Environment divided its work up into six different issues: (1) the need issue, (2) loading order compliance; (3) procurement oversight and transparency, (4) procurement of new products and fuel, (5) coordination, meetings, hearings, and (6) general work on proceeding including briefing on multiple issues. The detailed breakdown for each issue is provided in the timesheets, which are attached to this request.</p> <table data-bbox="292 1470 941 1869"> <tr> <td style="vertical-align: top;">19%</td> <td>Issue 1: Need Issue, the Track I analysis including renewable integration modeling work</td> </tr> <tr> <td style="vertical-align: top;">12.5%</td> <td>Issue 2: Loading order compliance</td> </tr> <tr> <td style="vertical-align: top;">25.8%</td> <td>Issue 3: Procurement oversight and transparency</td> </tr> <tr> <td style="vertical-align: top;">4 %</td> <td>Issue 4: Procurement of new products and fuel</td> </tr> </table>	19%	Issue 1: Need Issue, the Track I analysis including renewable integration modeling work	12.5%	Issue 2: Loading order compliance	25.8%	Issue 3: Procurement oversight and transparency	4 %	Issue 4: Procurement of new products and fuel	<p>Verified</p>
19%	Issue 1: Need Issue, the Track I analysis including renewable integration modeling work								
12.5%	Issue 2: Loading order compliance								
25.8%	Issue 3: Procurement oversight and transparency								
4 %	Issue 4: Procurement of new products and fuel								

7%	Issue 5: Coordination, Meetings, Hearings	
31.7%	Issue 6: General work on proceeding including briefing on multiple issues	
Other –		
Hours Spent on Intervenor Compensation Claim		= 32.2

B. Specific Claim:*

CLAIMED ⁴						CPUC AWARD		
ATTORNEY, EXPERT, AND ADVOCATE FEES								
Item	Year	Hours	Rate	Basis for Rate*	Total \$	Hours	Rate	Total \$
Deborah Behles	2010	115.1	\$300	Resolution ALJ-267 adopting Intervenor Compensation Rates for 2011; <i>See</i> Comment 5.	\$34,530.00	115.1	\$300	\$34,530.00
Deborah Behles	2011	198.8	\$300	Resolution ALJ-267 adopting Intervenor Compensation Rates for 2011; <i>See</i> Comment 5.	\$59,640.00	198.8	\$300	\$59,640.00
Deborah Behles	2012	12.3	\$315	Resolution ALJ-267 adopting Intervenor Compensation Rates for 2011; <i>See</i> Comment 5.	\$3,874.00	12.3	\$315	\$3,874.50
Lucas Williams	2011	98.3	\$ 150	Resolution ALJ-267 adopting Intervenor Compensation Rates for 2011; <i>See</i> Comment 5.	\$14,745.00	98.3	\$150	\$14,745.00

⁴ The Commission has edited Pacific Environment’s information contained in the yearly rate table. In future claims, Pacific Environment must not combine years for the same individual in one line. The proper format for completing this table is to list each individual and the amount of hours he/she completed in the proceeding one year at a time.

Shanna Foley	2011	52.9	\$150	Resolution ALJ-267 adopting Intervenor Compensation Rates for 2011; <i>See</i> Comment 5.	\$7,935.00	52.9	\$150	\$7,935.00
Bill Powers	2011	5	\$250	Resolution ALJ-267 adopting Intervenor Compensation Rates for 2011; D.11-03-025 at 13; D.09-09-024 at 20; <i>See</i> Comment 3.	\$1,250.00	5	\$250	\$1,250.00
Rory Cox	2010	76	\$ 160	Resolution ALJ-267 adopting Intervenor Compensation Rates for 2011; D.11-03-025 at 13; <i>See</i> Comment 4.	\$12,160.00	76	\$160	\$12,160.00
Rory Cox	2011	131.75	\$160	Resolution ALJ-267 adopting Intervenor Compensation Rates for 2011; D.11-03-025 at 13; <i>See</i> Comment 4.	\$21,080.00	131.75	\$160	\$21,080.00
Rory Cox	2012	10	\$160	Resolution ALJ-267 adopting Intervenor Compensation Rates for 2011; D.11-03-025 at 13; <i>See</i> Comment 4.	\$1,600.00	10	\$165	\$1,650.00
				Subtotal:	\$156,814.00		Subtotal:	\$156,864.50

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 \$
ELJC Law Students	2011	655.45 ⁵	\$ 100	D.04-04-012 at 14; D.07-04-032 at 17; D.11-03-025 at 12; and <i>see</i> Comment 1.	\$65,545.00	655.45	\$100	\$65,545.00
Subtotal:					\$65,545.00	Subtotal:		\$65,545.00
INTERVENOR COMPENSATION CLAIM PREPARATION **								
Item	Year	Hours	Rate	Basis for Rate*	Total \$	Hours	Rate	Total \$
Deborah Behles	2010	1.25	\$150	Resolution ALJ-267 adopting Intervenor Compensation Rates for 2011; <i>See</i> Comment 5	\$187.50	1.25	\$150	\$187.50
Deborah Behles	2012	5.7	\$ 157.50	Resolution ALJ-267 adopting Intervenor Compensation Rates for 2010 D.04-04-012 at 15; <i>see</i> Comments 1, 5.	\$897.75	5.7	\$157.50	\$897.75
ELJC Law Students	2012	26.2	\$ 100	D.04-04-012 at 14-15; D.07-04-032 at 17; D.11-03-025 at 12; and <i>see</i> Comments 1-2.	\$2,620.00	26.2	\$50	\$1,310.00
Subtotal:					\$3,705.25⁶	Subtotal:		\$2,395.25

⁵ After reviewing the timesheets Pacific Environment submitted with its claim, the actual total listed for the Law Students in 2011 is 855.45. However, Pacific Environment purposefully eliminated 200 hours from the total in this Claim to reflect a more reasonable claim.

⁶ The original subtotal in this section was \$3,570.25. However, there were errors in calculating time spent on the Intervenor Compensation Claim and the application of hourly rates. These errors have been corrected.

COSTS				
#	Item	Detail	Amount	Amount
1.	Postage Costs	See Attachment 3	\$111.59	\$111.59
2.	Copying Costs	See Attachment 3	223.60	\$223.60
Subtotal:			335.19⁷	Subtotal: \$335.19
TOTAL REQUEST:			\$226,399.44	TOTAL AWARD: \$225,139.94

*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 ⁸	Member Number	Actions Affecting Eligibility (Yes/No?) If "Yes", attach explanation
Deborah Behles	December 21, 2001	218281	No.
Lucas Williams	November 2, 2009	264518	No.
Shanna Foley	December 31, 2010	274996	No.

C. Additional Comments on Part III:

Attachment or Comment #	Comment
Attachment 1	Certificate of Service
Attachment 2	2010 LTPP Pacific Environment Timesheets
Attachment 3	2010 LTPP Pacific Environment Expenses
Attachment 4	Shanna Foley CV (Other CVs Attached to NOI in A.09-09-021)
Comment 1	A rate of \$100 per hour for ELJC law student work was approved in D.11-03-025 at the beginning of 2011. D.04-04-012 approved ELJC law students for a rate of \$90 per hour for work done in 2003. The rate took into account that the ELJC law students received academic credits for the work they did. D.07-04-032 approved \$100 per hour for work a law student did in 2006 (the decision deemed it within the guidelines set forth in D.07 10-014). We request the same \$100 per hour rate for ELJC law students that was previously approved in D.11-03-025.
Comment 2	D.04-04-012 cites the usual method of cutting in half the approved rate of an attorney for work they do on applications for intervenor compensation because the task does not need the

⁷ The original subtotal in this section was \$345.19. However, the correct subtotal in this section is \$335.19. This error has been corrected.

⁸ This information may be obtained at: <http://www.calbar.ca.gov>.

	<p>expertise of an attorney. However, D.04-04-012 did award the full rate approved for ELJC law students for time spent on the application for intervenor compensation. Accordingly, we have cut the attorney rate for time spent on the application for intervenor compensation in half, while leaving the law student rate the same. As these rates were approved in D.11-03-025, we request their approval in this proceeding as well.</p>
Comment 3	<p>Bill Powers is an engineering expert with an emphasis on energy related issues and has over 30 years of experience in the field. Bill Powers has provided expert testimony in nine separate matters involving energy efficiency and compliance with the loading order. Resolution ALJ-267 sets rates for experts with 13+ years of experience at \$155 to \$390 per hour. In D.11-03-025, Bill Powers' approved rate was \$225 per hour; however, in D.09-09-024, Bill Powers' approved rate was \$250 per hour. D. 09-09-024 was issued 3 years ago in 2009 for work completed during 2007-2008. We request a rate of \$250 per hour for Bill Powers because of his extensive expertise and experience with the issues Pacific Environment addressed in R.10-05-006, and because his years of experience doubles the minimum number of years needed to qualify for this rate range. In addition, Mr. Powers was able to use information that he generated for another Pacific Environment project in this case, which saved significant time. Mr. Powers' CV was attached to the NOI in A.09-09-021.</p>
Comment 4	<p>Rory Cox was the California Program Director for Pacific Environment and he has over a decade of experience with environmental issues. Resolution ALJ-267 sets rates for experts with 7-12 years of experience at \$155 to \$270 per hour. In D. 11-03-025, Rory Cox's approved rate was \$155 per hour which is at the very lowest end of the range for experts with 7-12 years of experience. Rory Cox's rate is \$160, which includes a step increase from the rate approved in D.11-03-025 for work in 2009. This increase is also due to his 12 years of work at Pacific Environment and his previous experience with environmental justice issues. Rory Cox has the maximum years of experience for this category of experts. The rate is at the lower end of the range for experts with 7-12 years of experience. Mr. Cox's resume was attached to the NOI in A.09-09-021.</p>
Comment 5	<p>Pacific Environment, consistent with and in furtherance of its environmental justice approach, retained outside counsel, the Environmental Law and Justice Clinic, which has previously been found by the Commission to bring specific environmental justice expertise to Commission proceedings. D.04-04-012; D.99-09-023; D.99-01-020. Deborah Behles, Lucas Williams, and Shana Foley were the attorneys at the ELJC who worked on R.10-05-006. Deborah Behles has been practicing environmental law for over 10 years and has been practicing at the ELJC for over 3 years. In D. 11-03-025, Deborah Behles's approved rate was \$280 per hour. ALJ-267 increased the minimum rate for attorneys with 8-12 years of experience to \$300 per hour. It also authorized a 5% step annual increase for individuals within each experience level. Accordingly, Deborah Behles rate for 2012 reflects a 5% increase over the 2011 rate of \$300. Lucas Williams has been practicing environmental law since 2008. In D. 11-03-025, Lucas Williams' approved rate was \$150 per hour, the same rate claimed in this proceeding. Shanna Foley has been a practicing attorney since 2010. The lowest rate for an attorney established in ALJ-267. We request \$150 per hour for the work Ms. Foley performed in the proceeding. The ELJC attorneys' rates are set at the lowest end of the range established in ALJ-267 for attorneys with the same years of experience. Ms. Behles' and Mr. Williams' resumes were attached to the NOI in A.09-09-021. Ms. Foley's resume is attached hereto.</p>
Comment 6	<p>The ELJC is not requesting compensation for work done in areas to which it did not substantially contribute or for work that was duplicative or required excessive hours. This includes work that was clerical in nature, work below the experience level of the time keeper, and excessive hours on specific tasks. Specifically we are not requesting compensation for</p>

	our work organizing community groups, drafting/filing notices of ex-parte communication, excessive time for work done on the application for intervenor compensation and excessive time for work done by law students. The time entries that reflect this work have been removed from the time sheets.
Comment 7	We are not asking for compensation for work Rory Cox did in reviewing the notice of intent to request intervenor compensation, and the application for intervenor compensation. The time entries that reflect this work have been removed from the time sheets.

D. CPUC Disallowances & Adjustments:

#	Reason
1. Adoption of Ms. Behles Hourly Rate(s).	Resolution ALJ-267 sets 2010 rates for Attorneys with 8-12 years of experience at \$300-\$355 per hour. Having been licensed in 2001, the Commission finds Ms. Behles to be within the range of Attorneys with 8-12 years of experience. After reviewing her credentials, the Commission awards Ms. Behles the following rates: (1) for 2010, \$300 per hour; (2) for 2011, \$300 per hour; and (3) for 2012, \$315 per hour. These rates are reasonable and reflective of Ms. Behles' years of experience.
2. Adoption of Mr. William's 2011 Hourly Rate.	Resolution ALJ-267 sets 2011 rates for Attorneys with 0-2 years of experience at \$150-\$205 per hour. Having been licensed in 2009, the Commission finds Mr. William to be within the range of Attorneys with 0-2 years of experience. After reviewing his credentials, the Commission awards Mr. William the rate of \$150 per hour for work he completed in 2011.
3. Adoption of Ms. Foley's 2011 Hourly Rate.	Resolution ALJ-267 sets 2011 rates for Attorneys with 0-2 years of experience at \$150-\$205 per hour. Having been licensed in 2009, the Commission finds Ms. Foley to be within the range of Attorneys with 0-2 years of experience. After reviewing Ms. Foley's credentials, the Commission awards Ms. Foley the rate of \$150 per hour for work she completed in 2011.
4. Adoption of Mr. Powers' 2011 Hourly Rate.	Resolution ALJ-267 sets 2011 rates for Experts with 13-plus years of experiences at \$155-\$390 per hour. After reviewing previous award decisions and Mr. Powers' credentials, the Commission awards Mr. Powers the rate of \$250 per hour for work he completed in 2011. This rate is reasonable and reflective of Mr. Powers' years of experience as an energy expert.
5. Adoption of Mr. Cox's Hourly Rate(s).	Resolution ALJ-267 sets 2010 rates for Experts with 7-12 years of experience at \$155-\$270 per hour. After reviewing previous award decisions and Mr. Cox's credentials, the Commission awards Mr. Cox the rate of \$160 per hour for work he completed in 2010, 2011, and 2012.
6. Adoption of Law Student Hourly Rate(s).	Decision 11-03-025 approved an hourly rate of \$100 per hour for work completed by law students. This rate takes into account that law students receive academic credits for the work they perform. After consulting Pacific Environment's staff, it was determined that the Law Students directly involved in this proceeding were second and third year students. As such these upper-classmen did receive academic credit linked with Golden Gate University's Environmental Law & Justice Clinic. Thus, the Commission awards the Law Students the rate of \$100 per hour for work they completed in this proceeding.
7. Increase in 2012 hourly rates.	Abiding by Resolution ALJ-281, 2012 hourly rates have been raised to reflect the 2.2% Cost-of-Living Adjustment adopted by the resolution. Please note, Ms. Behles 2012

	hourly rate remains at \$315 per hour as this increase was reflective of a step increase, and not the 2.2% COLA.
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PART IV: OPPOSITIONS AND COMMENTS

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

1. Pacific Environment has made a substantial contribution to Decisions (D.) 12-01-033 and D.12-04-046.
2. The requested hourly rates for Pacific Environment'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 \$225,139.94.

CONCLUSION OF LAW

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

ORDER

1. Pacific Environment is awarded \$225,139.94.
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 Pacific Environment 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 compound interest at the rate earned on prime, three-month non-financial commercial paper as reported in Federal Reserve Statistical Release H. 15, beginning August 28, 2012, the 75th day after the filing of Pacific Environment'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 San Francisco, California.

APPENDIX**Compensation Decision Summary Information**

Compensation Decision:		Modifies Decision? No
Contribution Decision(s):	D1201033, 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
Pacific Environment	6/14/12	\$226,399.44	\$225,139.94	No	Resolution ALJ-281; Resolution ALJ-267

Advocate Information

First Name	Last Name	Type	Intervenor	Hourly Fee Requested	Year Hourly Fee Requested	Hourly Fee Adopted
Deborah	Behles	Attorney	Pacific Environment	\$300	2010	\$300
Deborah	Behles	Attorney	Pacific Environment	\$300	2011	\$300
Deborah	Behles	Attorney	Pacific Environment	\$315	2012	\$315
Lucas	Williams	Attorney	Pacific Environment	\$150	2011	\$150
Shanna	Foley	Attorney	Pacific Environment	\$150	2011	\$150
Bill	Powers	Expert	Pacific Environment	\$250	2011	\$250
Rory	Cox	Expert	Pacific Environment	\$160	2010	\$160
Rory	Cox	Expert	Pacific Environment	\$160	2011	\$160
Rory	Cox	Expert	Pacific Environment	\$160	2012	\$165
		Law Students	Environmental Law & Justice Clinic (Golden Gate Law School)	\$100	2010	\$100
		Law Students	Environmental Law & Justice Clinic (Golden Gate Law School)	\$100	2012	\$100

(END OF APPENDIX)