Decision _____

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

Order Instituting Rulemaking on the Commission's own motion to determine the impact on public benefits associated with the expiration of ratepayer charges pursuant to Public Utilities Code Section 399.8.	Rulemaking 11-10-003 (Filed October 6, 2011)

DECISION GRANTING INTERVENOR COMPENSATION TO SUSTAINABLE CONSERVATION FOR SUBSTANTIAL CONTRIBUTION TO DECISION 12-05-037

Claimant: Sustainable Conservation	**For contribution to** Decision 12-05-037
Claimed ($): $8,009.50	**Awarded ($): $8,164**
Assigned Commissioner: Michael Peevey[1]	**Assigned Administrative Law Judge (ALJ):** ALJ David Gamson

PART I: PROCEDURAL ISSUES

A. Brief Description of Decision:	Decision (D.) 12-05-037 establishes a framework for Commission oversight of the Electric Program Investment Charge (EPIC) established by D.11-12-035 in Phase 1 of this proceeding. The funding is to provide public interest investments in applied research and development, technology demonstration and deployment (RD&D), market support, and market facilitation, of clean energy technologies and approaches for the benefit of electricity ratepayers of Pacific Gas and Electric Company, San Diego Gas & Electric Company, and Southern California Edison Company. Decision 12-05-037 establishes electricity ratepayer benefits as a mandatory guiding principle, adopts several other related and complementary principles designed to guide investment decisions and determines that EPIC funds will be administered 80% by the California Energy Commission and 20% by the three Investor Owned Utilities' under the oversight and control of the Commission.

[1] Claimant incorrectly listed Commission Mark Ferron as the assigned Commissioner in this proceeding.

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 (PHC):	None held	Confirmed. No PHC was held for phase two.
2. Other Specified Date for Notice of Intent (NOI):	In absence of specific guidance regarding date of filing, NOI can be filed any time after the start of proceeding until 30 days after the time for filing responsive pleadings (Rule 17.1(a)(2)).	Confirmed
3. Date NOI Filed:	11/8/2011 (OIR was filed 10/6/2011)	Confirmed
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:	Rulemaking (R.) 08-08-009	Confirmed
6. Date of ALJ ruling:	November 10, 2010	Confirmed
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.08-08-009
10. Date of ALJ ruling:		11/10/2010
11. Based on another CPUC determination (specify):	D.09-09-045, D.09-12-039, D.11-06-036, D.12-06-017	Confirmed
12. Has the Claimant demonstrated significant financial hardship?		Yes
Timely request for compensation (§ 1804(c)):		
13. Identify Final Decision:	D.12-05-037	Confirmed
14. Date of Issuance of Final Order or Decision:	May 31, 2012	Confirmed
15. File date of compensation request:	July 30, 2012	Confirmed
16. Was the request for compensation timely?		Yes

C. Additional Comments on Part I:

#	Claimant	CPUC	Comment
5	Customer status.	Confirmed. There was no ruling on customer status for Sustainable Conservation in this proceeding. The ruling on customer eligibility in R. 08-08-009 from November 10, 2010 found that Sustainable Conservation is eligible for intervenor compensation.	Sustainable Conservation's records do not reflect a Ruling granting eligibility for intervenor status in this docket. Because Sustainable Conservation has been awarded intervenor compensation in other proceedings, the lack of ALJ Ruling should not prejudice our eligibility in this proceeding.

PART II: SUBSTANTIAL CONTRIBUTION

A. Claimant's 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
1. <u>Prioritize technologies that reduce greenhouse gas emissions</u>. The cornerstone of Sustainable Conservation's advocacy over many years at the Commission has been the opportunity for win-win solutions for greenhouse gas reductions and baseload renewable energy generation through greater deployment of farm-scale biogas and gasification. D.12-05-037 establishes reduction of greenhouse gas emissions as a criterion for the EPIC program.	In October 20, 2011 *Comments* Sustainable Conservation argued the program "…must recognize the contributions of different renewable technologies (baseload vs. intermittent), and the importance of resource diversity within California's renewable energy portfolio." (at 1, 3) Sustainable Conservation continued this advocacy in subsequent filings: March 2012 *Initial Comments on Staff Proposal*, at 5-6; *Reply Comments*, at 4. **Commission Action:** FOF 2: "The following guiding principles for EPIC expenditures, while complements to the principle of electricity ratepayer benefits, are also reasonable: societal benefits; *GHG emissions reductions in the electricity sector at the lowest possible cost*; the loading order; low-emission vehicles and transportation; economic development; and efficient use of ratepayer monies." (emphasis added) The same language is restated in Ordering	Confirmed

	Paragraph 2.	
2. Ensure diversity of resources in EPIC program. Sustainable Conservation's advocacy focused on the benefits of a diverse renewable resource portfolio, particularly the benefits of biogas technology. Sustainable Conservation performed analysis of utility RPS reports, demonstrating that by 2020, under current policies, biogas will comprise a minute portion (about 1%) of California's RPS portfolio. D.12-05-027 directs that 20% of technology demonstration and deployment funds be directed to bioenergy projects.	*Initial Comments Of Joint Parties [AECA, Sustainable Conservation]On Staff Proposal*, March 7, 2012 For this filing, Sustainable Conservation provided data and analysis on the low percentage of total RPS procurement that biogas will represent in 2020, as evidence of the importance of targeted funding for biogas. **Commission Action:** FOF 20: "It is reasonable to set aside 20% of the technology demonstration and deployment funds for 2012-2014 being administered by the CEC to fund bioenergy projects or activities. This percentage should be re-evaluated in the second triennial investment plans."	Confirmed
3. Dedicated funding for biogas. Sustainable Conservation advocated throughout the proceeding for funds that will specifically advance the development of biogas projects in agriculture and related industries. The Final Decision set aside 20% of the technology demonstration funds for bioenergy projects, including biogas. It also recognized the value of biogas projects.	In October 20, 2011 *Comments* Sustainable Conservation described the different categories of biomass, and how funding for biomass must be increased to accommodate the diversity of biomass technologies. (at 5-6) Sustainable Conservation further recommended a new program for farm-scale biogas and gasification projects, funded at $25 million/year. *Initial Comments Of Joint Parties [AECA, Sustainable Conservation]On Staff Proposal*, March 7, 2012 Sustainable Conservation advocated that in addition to technology demonstration, the Commission should direct market support funds to biogas at $20 million/year. **Commission Action:** D.12-05-037, at 45-46: "There are many different types of bioenergy technologies and fuels, each with different electricity production, environmental protection, public safety, and other benefit profiles. While biomass, specifically at community-scale, has potential forestry and fire prevention benefits, dairy digesters and other anaerobic digesters offer other potential environmental benefits for cleaner water, decreased GHG emissions, and onsite electricity production. Biomethane production for pipeline injection and landfill gas electricity production also reduce GHG emissions. Given these varied potential	Confirmed

	benefits, we believe that setting aside 20% of the technology demonstration and deployment funding, during the three-year period of the first investment plan, to fund bioenergy projects is just and reasonable. For subsequent investment plan cycles, we will reevaluate this set-aside, depending on the results during 2012-2014…." at 53-54: "In general, we agree with many of the parties representing bioenergy interests in this proceeding that the bioenergy technologies have the potential to create win-win projects for the state. As stated earlier, biomass offers the potential for forestry and fire prevention benefits, biodigesters may help protect water quality and reduce GHG, and landfill gas and other biomethane production may also help reduce GHG." Conclusion of Law 18: "Bioenergy technologies represent significant potential benefits to California that are not necessarily exclusively electricity-related. The Commission should support multi-agency action on bioenergy development and explore alternative funding sources beyond electricity rates."	
4.Market Facilitation funds for biogas. Sustainable Conservation advocated that a portion of EPIC funds should be allocated to biogas projects in the Market Facilitation category. While D.12-05-037 did not direct any funds to Market Facilitation – for any technology – it did leave open the opportunity to revisit the allocation for biogas.	March 2012 *Initial Comments*: "While the Staff Proposal designates a minimum of $10 million annually from the demonstration funding, and provides discretion to the program administrator to designate additional dollars contingent on demand, Joint Parties believe providing $20 million annually in Market Support programs is necessary given the current commercial viability status of the industry. Funding will be better and more appropriately spent developing, as well as further demonstrating, the technology. Under this approach, a minimum of $25 million annually will be required. Joint Parties believe this will best be accomplished with $5 million in annual funding for up-front demonstration grants and $20 million annually for a Market Support program which could include direct grants, production payments or other programs designed to achieve a commercial biogas industry in California." (at 7-9) PD *Comments*, at 7.	Confirmed

	Commission Action: The Commission indicated the significant potential of biogas, and the opportunity to revisit the allocation for biogas, per discussion on pp. 45-46, quoted above. The Commission did not allocate any funds to market facilitation at this time, for any technology type.	
5. Advisory structure must include agriculture interests. The Commission agreed. D.12-05-037 names agriculture as an interest group that should be included in advisory activities.	In *Comments on the Proposed Decision*, Sustainable Conservation requested that any advisory structure include agriculture representatives. (at 2, 8) **Commission Action:** COL 27: "Agricultural interests are listed as stakeholders with whom the administrators should consult."	Confirmed
6. Funding must be reliable over a long period of time.	In October 20 *Comments*, Sustainable Conservation argued: "Funding for farm-scale biomass should be made available through these programs for at least five years. " (at 4) **Commission Action:** Ordering Paragraph 1 directs that the EPIC program continue from 2013 to 2020.	Confirmed
7. The Commission should ensure periodic program review, and adjustment if necessary.	In October 20 *Comments*, Sustainable Conservation said: "We encourage the CPUC to evaluate whether the program in its entirety is achieving its goals at regular intervals, and to take corrective action if required to adjust the program." (at 4) **Commission Action:** Ordering Paragraphs 11 and 12 direct the California Energy Commission and the investor-owned utilities file triennial investment plans that will be reviewed and approved by the Commission.	Confirmed

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

	Claimant	CPUC Verified
a. Was the Office of Ratepayer Advocates (ORA) a party to the proceeding?[2]	Yes.	**Confirmed**
b. Were there other parties to the proceeding with positions similar to yours?	Yes.	**Confirmed**
c. If so, provide name of other parties: Agricultural Energy Consumers Alliance; Green Power Institute, the California Biomass Energy Alliance, California Forestry Association, and Wheelabrator Technologies (Joint Biomass Parties); Bay Area Biosolids to Energy Coalition (BAB2E); California Farm Bureau Federation.		**Confirmed**
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: Sustainable Conservation took a leadership role in coordinating with other parties that advocate on biogas issues to determine areas of mutual interest and opportunities to file jointly where appropriate, in order to streamline the Commission's review of similar positions. Sustainable Conservation filed joint comments and reply comments on the Staff Proposal with AECA.		**Coordination is supported in Sustainable Conservation's time records and filings.**

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 (include references to record, where appropriate)	**CPUC Verified**
Sustainable Conservation is the only non-profit environmental organization actively promoting biogas digesters in these proceedings. Sustainable Conservation's focus on ensuring a diversity of renewable resources in California's electricity portfolio should provide numerous benefits to ratepayers. Biogas digesters provide baseload renewable power, which assists with peak demand and load management. Installing biogas digesters on farms and food processing facilities throughout California should relieve congestion on distribution lines and reduce the need to construct new transmission. Biogas digesters have the additional benefit of significantly reducing emissions of methane, a powerful greenhouse gas. While the policy and procedural contributions from Sustainable Conservation can be difficult to quantify in monetary terms, we submit that Sustainable Conservation contributed substantially to the adoption of D.12-05-037.	The Commission confirms the benefits to ratepayers that Sustainable Conservation lists here, in addition to the fact that the benefits to ratepayers will outweigh the cost of Sustainable Conservation's participation in this proceeding.
b. Reasonableness of Hours Claimed.	Confirmed. Sustainable

[2] The Division of Ratepayer Advocates was renamed the Office of Ratepayer Advocates effective September 26, 2013, pursuant to Senate Bill No. 96 (Budget Act of 2013), which was approved by the Governor on September 26, 2013.

Sustainable Conservation participated in this proceeding with minimal staff: one in-house staff person (Stacey Sullivan), and a regulatory consultant (Jody London). Ms. London has taken the lead in reviewing and summarizing relevant documents and communications, developing written comments, coordinating and consulting with other parties as part of the organization's development of positions, and setting meetings with CPUC staff and decision makers. Mr. Sullivan has provided technical review, researched technical issues related to the feed-in tariff and biogas technology, and ensured consistency with Sustainable Conservation's mission. Mr. Sullivan participated in key conference calls and meetings along with Ms. London to ensure the technical aspects and organizational priorities were fully represented.	Conservation made a small yet substantial contribution to D.12-05-037. Its small request of hours claimed bears a reasonable relationship with the benefits realized in its contribution to D.12-05-037.
c. Allocation of Hours by Issue **ISSUE AREAS** **A** Prioritize projects that reduce greenhouse gas emissions **B** Ensure diversity of resources in EPIC program **C** Dedicated funding for biogas **D** Market Facilitation funds for biogas **E** Advisory structure must include agriculture interests **F** Funding must be reliable over a long period of time **G** Ensure periodic program review	Confirmed

	A	B	C	D	E	F	G	
London	5.25	7.95	4.7	3.6	1.7	1.5	1.6	26.3
Sullivan	2.1	2.5	1.8	1	0.7	0.4	0.4	8.9
Total	7.35	10.45	6.5	4.6	2.4	1.9	2	35.2
Percent	20.88	29.69	18.47	13.07	6.82	5.40	5.68	

B. Specific Claim:

CLAIMED						CPUC AWARD		
ATTORNEY, EXPERT, AND ADVOCATE FEES								
Item	**Year**	**Hours**	**Rate**	**Basis for Rate***	**Total $**	**Hours**	**Rate**	**Total $**
Jody London, Advocate	2011, 2012	26.3	$200	D.12-06-017	$5,260.00	5.5	$200	$1,100
						20.8	$205	$4,264
Stacey Sullivan, Expert	2011, 2012	8.9	$230	Resolutions ALJ-247, 267	$2,047.00	1.5	$230	$345
						7.4	$235	$1,739
				Subtotal:	**$7,307.00**		***Subtotal:***	**$7,448**
INTERVENOR COMPENSATION CLAIM PREPARATION **								
Item	**Year**	**Hours**	**Rate**	**Basis for Rate***	**Total**	**Hours**	**Rate**	**Total $**

Jody London	2011, 2012	5.3	$100	D.12-06-017	$530.00	1.3	$100	$130
						4.0	$102.5	$410
Stacey Sullivan	2011, 2012	1.5	$130	Resolutions ALJ -247, ALJ 267	$172.50	1.5	$117.50	$176.25
				Subtotal:	***$702.50***		***Subtotal:***	***$716.25***
				TOTAL REQUEST:	**$8,009.50**		**TOTAL AWARD:**	**$8,164.25**

* We remind all intervenors that Commission staff may audit its 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.

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

Attachment or Comment #	Description/Comment
Hourly Rates applied for Jody London's 2011 and 2012 work	Sustainable Conservation requests an hourly rate of $200 for Jody London's work performed in 2011 and 2012. Decision 13-10-039 granted an hourly rate for London of $200 for 2011 and $205 for 2012. We apply those rates here.
Hourly Rates Applied for Stacey Sullivan's 2011 and 2012 work	Sustainable Conservation requests an hourly rate of $230 for Stacey Sullivan's work performed in 2011 and 2012. Decision 13-10-039 granted an hourly rate for Sullivan of $230 for 2011 and $235 for 2012. We apply those rates here.

PART IV: OPPOSITIONS AND COMMENTS

Within 30 days after service of this Claim, Commission Staff or any other party may file a response to the Claim (*see* § 1804(c))

A. Opposition: Did any party oppose the Claim?	No

B. Comment Period: Was the 30-day comment period waived (*see* Rule 14.6(2)(6))?	Yes

FINDINGS OF FACT

1. Sustainable Conservation has made a substantial contribution to Decision 12-05-037.

2. The requested hourly rates for Sustainable Conservation'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 total of reasonable contribution is $8,164.25.

CONCLUSION OF LAW

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

ORDER

1. Sustainable Conservation is awarded $8,164.25.

2. Within 30 days of the effective date of this decision, Pacific Gas and Electric Company, Southern California Edison Company, and San Diego Gas & Electric Company shall pay Sustainable Conservation their respective shares of the award, based on their California-jurisdictional electric revenues for the 2011 calendar year, reflecting 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 October 13, 2012, the 75th day after the filing of Sustainable Conservation's request for intervenor compensation, and continuing until full payment is made.

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

This decision is effective today.

Dated _____, at San Francisco, California

APPENDIX

Compensation Decision Summary Information

Compensation Decision:		**Modifies Decision?** No
Contribution Decision(s):	D1205037	
Proceeding(s):	R1110003	
Author:	ALJ David Gamson; ALJ Julie Fitch	
Payer(s):	Pacific Gas and Electric Company, Southern California Edison Company, and San Diego Gas & Electric Company	

Intervenor Information

Intervenor	Claim Date	Amount Requested	Amount Awarded	Multiplier	Reason Change/Disallowance
Sustainable Conservation	7/30/2012	$8,009.50	$8,164.25	No	Cost-of-Living increase to rates based on D1310039.

Advocate Information

First Name	Last Name	Type	Intervenor	Hourly Fee Requested	Year Hourly Fee Requested	Hourly Fee Adopted
Jody	London	Advocate	Sustainable Conservation	$200	2011	$200
Jody	London	Advocate	Sustainable Conservation	$200	2012	$205
Stacey	Sullivan	Expert	Sustainable Conservation	$230	2011	$230
Stacey	Sullivan	Expert	Sustainable Conservation	$230	2012	$235

(END OF APPENDIX)