

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 12-03-014  
(Filed March 22, 2012)**DECISION GRANTING INTERVENOR COMPENSATION CLAIM  
TO L. JAN REID FOR CONTRIBUTION TO RULEMAKING 12-03-014**

<b>Claimant: L. Jan Reid</b>	<b>For contribution to Rulemaking (R.) 12-03-014</b>
<b>Claimed: \$35,795.25</b>	<b>Awarded: \$35,362.75 (reduced 1.2%)</b>
<b>Assigned Commissioner: Michel Peter Florio</b>	<b>Assigned Administrative Law Judge (ALJ): David M. Gamson</b>

**PART I: PROCEDURAL ISSUES**

<b>A. Brief Description of Decision:</b>	
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**B. Claimant must satisfy intervenor compensation requirements set forth in Public  
Utilities Code (Pub. Util. Code) Sections 1801-1812:**

	<b>Claimant</b>	<b>CPUC Verified</b>
<b>Timely filing of notice of intent to claim compensation (NOI) (§ 1804(a)):</b>		
1. Date of Prehearing Conference:	April 18, 2012	Verified
2. Other Specified Date for Notice of Intent (NOI):		
3. Date NOI Filed:	May 17, 2012	Verified
4. Was the NOI timely filed?		Yes
<b>Showing of customer or customer-related status (§ 1802(b)):</b>		
5. Based on ALJ ruling issued in proceeding number:		R.12-03-014
6. Date of ALJ ruling:		March 25, 2014

7. Based on another California Public Utilities Commission (Commission) determination (specify):		
8. Has the Claimant demonstrated customer or customer-related status? Yes		Yes
<b>Showing of "significant financial hardship" (§ 1802(g)):</b>		
9. Based on ALJ ruling issued in proceeding number:		R.12-03-014
10. Date of ALJ ruling:		March 25, 2014
11. Based on another Commission determination (specify):		
12. Has the Claimant demonstrated significant financial hardship? Yes		Yes
<b>Timely request for compensation (§ 1804(c)):</b>		
13. Identify Final Decision:	N/A <i>See</i> comment below.	Not issued in conjunction with any decision.
14. Date of Issuance of Final Order or Decision:	N/A	N/A
15. File date of compensation request:	October 31, 2013	November 1, 2013
16. Was the request for compensation timely?		Yes

**C. Additional Comments on Part I:**

#	L. Jan Reid	CPUC	Comment
3	X		<p>On May 17, 2012 in R.12-03-014, I filed a Public NOI, a Confidential NOI, and a Motion for Leave to File Confidential Materials Under Seal. The Confidential NOI consisted of two attachments: Attachment A, a Statement of Income and Attachment B, a Statement of Assets. Attachments A and B were for the year ending December 31, 2011.</p> <p>On June 3, 2013 in A.12-04-015 et. al., I filed a Public Compensation Claim, a Confidential Compensation Claim, a Motion for Leave to File Confidential Materials Under Seal. The Confidential Compensation Claim consisted of two attachments: Attachment A, a Statement of Income and Attachment B, a Statement of Assets. Attachments A and B were for the year ending December 31, 2012.</p> <p>The Commission has not acted on the motions, the Compensation Claims, or the NOIs.</p>
13	X		A final decision closing proceeding R.12-03-014 has not been

			issued. Therefore, the request is timely pursuant to Pub Util. Code § 1804(c).
16	X		<p>This request is timely under Pub. Util. Code §1804(c) because of a standard previously established in D.11-03-019. In its decision on a compensation request filed by Reid, the Commission stated that: (D.11-03-019, slip op. at 6)</p> <p>“Reid filed his request for compensation on September 16, 2010. Considering that Procurement Review Group (PRG) and cost allocation mechanism (CAM) group activities are ongoing and we have not established time-lines for requesting intervenor compensation for this work, we find this request timely.”</p> <p>The Commission should apply the same standard to the instant request by finding that Reid’s request is timely under Pub. Util. Code §1804(c).</p>
		X	<p>In NOI’s filed in R.10-05-006 and in R.12-03-014 Reid stated that he would seek compensation for his participation in PRG groups. Both NOIs were accepted, and the NOI in R.12-03-014 was ruled to have shown significant financial hardship on March 25 and April 09, 2014. PRG groups are typically ineligible for compensation unless specifically stated in a proceeding. However, because both NOIs filed by Reid stated he was seeking compensation for PRG group participation, and the NOIs were not rejected, we will compensate Reid for his PRG and CAM group participation related to these proceedings.</p>

**PART II: SUBSTANTIAL CONTRIBUTION**

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

<b>Contribution</b>	<b>Specific References to Claimant’s Presentations and to Decision</b>	<b>Showing Accepted by CPUC</b>
1. PRG and CAM Groups	<p>Reid claims compensation for his participation in Pacific Gas and Electric Company’s (PG&amp;E’s) PRG and PG&amp;E’s CAM group for the period October 1, 2011 to September 30, 2013.</p> <p>Reid made a substantial contribution to the PRG and CAM process during the period reflected in the request through unique analysis, perspective or work product, and through specific expertise or skills.</p>	

	<p>The Commission has previously stated that: (D.11-03-019, slip op. at 7)</p> <p>“D.07-11-024 clarifies what information intervenors need to provide when they request compensation for participation in PRGs. That decision directed intervenors to explain the types of programs, policies, practices or documents reviewed in connection with its PRG work and how that work contributed to an outcome that benefited ratepayers. The intervenors should address how their work added value to the review or advisory process because of the intervenor’s unique analysis, perspective or work product or because of specific expertise or skills of the intervenor. The intervenor should also demonstrate reasonable collaboration with other group members to minimize the duplication of effort.”</p> <p>I address the requirements of D.07-11-024 in Attachment B of the instant pleading.</p>	<p>Yes</p>
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**B. Duplication of Effort (§§ 1801.3(f) & 1802.5):**

	<b>Claimant</b>	<b>CPUC Verified</b>
<b>a. Was the Division of Ratepayer Advocates (ORA) a party to the proceeding?<sup>1</sup></b>	Yes	Verified
<b>b. Were there other parties to the proceeding with positions similar to yours?</b>	Yes	Verified
<b>c. If so, provide name of other parties: Division of Ratepayer Advocates (DRA) and The Utility Reform Network (TURN).</b>		Verified
<b>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:</b>  Reid collaborated with a number of PRG members during the period from October 2011 through September 2013. Reid had private meetings or teleconferences with the following individuals: Marcel Hawiger of TURN; Fred Mobasheri, consultant for DRA; Independent Evaluators Lewis Hashimoto and Wayne Oliver; Kevin Woodruff, consultant for TURN; and Brian Stevens of the Energy Division.  Although Reid does not seek compensation for all of these communications, they indicate reasonable collaboration with other PRG members.		Verified

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<sup>1</sup> The DRA was renamed the ORA effective September 26, 2013, pursuant to Senate Bill 96 (Budget Act of 2013), which was approved by the Governor on September 26, 2013.

**PART III: REASONABLENESS OF REQUESTED COMPENSATION**

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

<p><b>a. Concise explanation as to how the cost of Claimant’s participation bears a reasonable relationship with benefits realized through participation</b></p> <p>My participation in PG&amp;E’s PRG allowed me to identify issues in advance of an application and to focus on disputed cases that I believed were the highest priority for ratepayers. Ratepayers benefited because I was able to resolve many issues in the PRG process, thereby reducing the amount of protracted and expensive litigation.</p> <p>San Diego Gas &amp; Electric Company (SDG&amp;E) has pointed out: (R.06-02-013, Reply Comments of SDG&amp;E On Proposed Decision Regarding Intervenor Compensation Related to PRGs, Peer Review Groups and Public Advisory Groups (PAG), June 25, 2007, at 2.)</p> <p>“Although the PRGs and PAGs are advisory in nature, they have greatly minimized potential litigation and contention in advance of filings being made because of the opportunity to confer at an early stage and on an ongoing basis.”</p> <p>PG&amp;E has withdrawn or modified numerous proposals as a result of Reid’s participation in the PRG process, thereby saving ratepayers millions of dollars. At a public workshop on June 11, 2007, Sandra Burns of PG&amp;E pointed out that PG&amp;E considered certain transactions, but decided against executing them after consultation with its PRG.</p> <p>Discovery in the PRG setting is more efficient than discovery conducted in a formal proceeding. In the PRG process, PG&amp;E often provides requested data within 48 hours. There has been no instance where PG&amp;E has refused to furnish information to Reid. In a formal application, this is not always the case. Commission may take up to two weeks to respond to discovery requests and can object, refuse to answer, or provide incomplete answers to discovery questions. Because discovery in the PRG process is more efficient than discovery in a formal proceeding, Reid was able to reduce ratepayer costs when he participated in a subsequent formal proceeding.</p> <p>In 2002, the Commission found that: (D.02-10-062, Finding of Fact 28, slip op. at 72)</p> <p>“Participation in the procurement review group makes a significant contribution to effective implementation of this decision and parties eligible to receive intervenor compensation awards in this proceeding should be eligible to seek compensation for their work in these groups and in the on-going review of procurement advice letters and expedited</p>	<p><b>CPUC Verified</b></p> <hr/> <p>Verified</p>
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<p>applications.”</p> <p>My contract analysis in the PRG process allowed me to determine whether I would formally protest subsequent application and advice letter (AL) filings. During the period covered by this pleading, I reviewed three ALs: AL 3402-G, AL 4107, and AL 4155. Based upon my review and analysis, I decided not to protest these PG&amp;E ALs.</p> <p>Reid’s PRG participation saved ratepayers the cost of participation in the procedural process for the above-cited ALs. Reid contributed to the proceeding in a manner that was productive and will result in benefits to ratepayers that exceed the costs of participation.</p> <p>The Commission can safely find that the participation of Reid in this proceeding was productive. Overall, the benefits of Reid’s contributions to The PRG and CAM process justify compensation in the amount requested.</p>	
<p><b>b. Reasonableness of Hours Claimed.</b></p> <p>All of Reid’s work in this proceeding was performed by L. Jan Reid. Thus, no unnecessary internal duplication took place.</p> <p>In this pleading, Reid requests compensation in the total amount of \$35,795.25 for time reasonably devoted to PG&amp;E’s PRG and CAM group. A more detailed breakdown of the time devoted to this proceeding by Reid is provided in Attachment A to this pleading.</p> <p>Reid’s work was performed efficiently. L. Jan Reid is a former Commission employee who has testified on many occasions on issues such as long term procurement plans, renewables procurement, cost-of-capital, utility finance, and electricity and natural gas procurement issues.</p> <p>Daily listings of the specific tasks performed by Reid in connection with this proceeding are available in Attachment A to this pleading. The cost listings demonstrate that the hours claimed are reasonable given the scope and timeframe of this part of the instant rulemaking.</p> <p>No compensation for administrative time is requested, in accordance with Commission practice. (D.99-06-002, discussion, slip op. at 8-10). I understand that the Commission may audit my books and records to the extent necessary to verify the basis for any award, pursuant to Pub.Util. Code §1804(d).</p>	<p>Verified</p>

<p><b>c. Allocation of Hours by Issue</b></p> <p>Due to the confidential nature of the PRG and CAM groups, the Commission does not require intervenors to allocate hours by issue. The Commission has previously stated:</p> <p>“Compensation requests need not publicly disclose confidential information.” (D.07-11-024, slip op. at 6)</p> <p>“The intervenor must determine what information it can or will provide to support its request.” (D.07-11-024, slip op. at 7-8)</p>	<p>Verified</p>
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**B. Specific Claim:\***

CLAIMED						CPUC AWARD		
ATTORNEY, EXPERT, AND ADVOCATE FEES								
Item	Year	Hours	Rate \$	Basis for Rate*	Total \$	Hours	Rate \$	Total \$
L. Jan Reid, Expert and Advocate	2011	28.8	200	D.12-06-011, Appendix, Resolutions ALJ-281 and ALJ-287	5,760	28.8	\$185.00 <sup>2</sup>	\$5,328.00
L. Jan Reid, Expert and Advocate	2012	72.4	200	D.12-06-011, Appendix, Resolutions ALJ-281 and ALJ-287	14,480	72.4	\$200 <sup>3</sup>	\$14,480.00
L. Jan Reid, Expert and Advocate	2013	70.1	215	D.12-06-011, Appendix, Resolutions ALJ-281 and ALJ-287	15,071.50	70.1	\$215 <sup>4</sup>	\$15,071.00
<b>Subtotal: \$ 35,311.50</b>						<b>Subtotal: \$34,879.00</b>		

<sup>2</sup> Approved in D.12-01-029. There was no cost of living adjustment in 2011.

<sup>3</sup> Approved in D.13-12-018.

<sup>4</sup> Approved in D.14-12-072.

<b>INTERVENOR COMPENSATION CLAIM PREPARATION **</b>								
<b>Item</b>	<b>Year</b>	<b>Hours</b>	<b>Rate \$</b>	<b>Basis for Rate*</b>	<b>Total \$</b>	<b>Hours</b>	<b>Rate</b>	<b>Total \$</b>
L. Jan Reid	2013	4.5	107.50	D.12-06-011, Appendix, Resolutions ALJ-281 and ALJ-287	483.75	4.5	107.5	\$483.75
<i>Subtotal: \$ 483.75</i>						<i>Subtotal: \$483.75</i>		
<b>TOTAL REQUEST: \$35,795.25</b>						<b>TOTAL AWARD: \$35,362.75</b>		
<p>*We remind all intervenors that Commission staff may audit their records related to the award and that intervenors must make and retain adequate accounting and other documentation to support all claims for intervenor compensation. Claimant’s records should identify specific issues for which it seeks compensation, the actual time spent by each employee or consultant, the applicable hourly rates, fees paid to consultants and any other costs for which compensation was claimed. The records pertaining to an award of compensation shall be retained for at least three years from the date of the final decision making the award.</p> <p>**Reasonable claim preparation time typically compensated at ½ of preparer’s normal hourly rate</p>								

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

<b>Attachment or Comment #</b>	<b>Description/Comment</b>
1	<b>Certificate of Service</b>
2	<b>Attachment A, A daily listing of the work performed by Reid.</b>
3	<b>Attachment B, The Requirements of D.07-11-024</b>
4	<p><b>Reid Hourly Rate</b>                      Reid requests that the Commission authorize an hourly rate of \$200 for L. Jan Reid for 2011 and 2012 professional work, and \$215 for 2013 professional work. Reid also requests an hourly rate for L. Jan Reid of \$100 for 2011-2012 compensatory time, and \$107.50 for 2013 compensatory time.</p> <p>The Commission has previously awarded Reid compensation for 2010 professional work at a rate of \$185 per hour. (D.12-06-011, Appendix) Intervenor compensation rates for experts are separated into three tiers based on experience. The tiers are Tier I (0-6 years), Tier II (7-12 years), and Tier III (13 years and over). (See Resolution ALJ-281, slip op. at 5)</p> <p>Reid now has 15 full years of experience (1998-2013). Thus, Reid moved from Tier II to Tier III in 2011 after Reid had 13 years of experience. The Commission has pro-</p>

	<p>vided that intervenors will receive two step increases of 5% within each tier, rounded up to the nearest \$5 increment. (Resolution ALJ-281, Ordering Paragraph 2, slip op. at 7; and D.08-04-010, slip op. at 11-13) The Commission has also adopted two cost of living adjustments (COLAs): a 2.2% COLA for 2012 (See Resolution ALJ-281, slip op. at 1.) and a 2.0% COLA for 2013 (See Resolution ALJ-287, slip op. at 1).</p> <p>Thus, Reid should receive two increases for calendar year 2012: a 5% step increase and a 2.2% Cost of Living Adjustment. Five % of Reid’s 2010 rate (\$185) is \$9.25, which rounds to an hourly increase of \$10 for a total rate of \$195/hr. for 2011-2012 work. Two and two-tenths percent of \$195 is \$4.29, which rounds to an hourly increase of \$5 for a total rate of \$200/hr. for 2011-2012 work.</p> <p>For 2013, Reid should receive a step increase of 5% (\$5/hr.) for work performed in 2013 and a 2.0% COLA (\$5 hour). Thus, Reid should be awarded a 2013 rate of \$215/hr.</p>
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**PART IV: OPPOSITIONS AND COMMENTS**

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

**FINDINGS OF FACT**

1. L. Jan Reid has made a substantial contribution to Rulemaking 12-03-014.
2. The requested hourly rates for L. Jan Reid 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 compensation is \$35,362.75.

**CONCLUSION OF LAW**

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

**ORDER**

1. L. Jan Reid is awarded \$35,362.75.
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 L. Jan Reid their respective shares of the award, based on their California-jurisdictional electric revenues for the 2012 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 January 15, 2014, the 75<sup>th</sup> day after the filing of L. Jan Reid's request, 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**

<b>Compensation Decision:</b>		<b>Modifies Decision?</b>	No
<b>Contribution Decision(s):</b>			
<b>Proceeding(s):</b>	R1203014		
<b>Author:</b>	ALJ Gamson		
<b>Payer(s):</b>	Pacific Gas and Electric Company, San Diego Gas & Electric Company, and Southern California Edison Company		

**Intervenor Information**

<b>Intervenor</b>	<b>Claim Date</b>	<b>Amount Requested</b>	<b>Amount Awarded</b>	<b>Multiplier?</b>	<b>Reason Change/ Disallowance</b>
L. Jan Reid	11/01/2013	\$35,795.25	\$35,362.75	N/A	Reduction for lower hourly rate.

**Advocate Information**

<b>First Name</b>	<b>Last Name</b>	<b>Type</b>	<b>Intervenor</b>	<b>Hourly Fee Requested</b>	<b>Year Hourly Fee Requested</b>	<b>Hourly Fee Adopted</b>
L.	Jan Reid	Expert	L. Jan Reid	\$200.00	2011	\$185.00
L.	Jan Reid	Expert	L. Jan Reid	\$200.00	2012	\$200.00
L.	Jan Reid	Expert	L. Jan Reid	\$215.00	2013	\$215.00

**(END OF APPENDIX)**