

Decision _____

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

Order Instituting Rulemaking to Enhance the Role of Demand Response in Meeting the State's Resource Planning Needs and Operational Requirements.

Rulemaking 13-09-011
(Filed September 19, 2013)

**DECISION AWARDING INTERVENOR COMPENSATION TO THE UTILITY REFORM NETWORK FOR SUBSTANTIAL CONTRIBUTION TO DECISIONS
14-01-004, 14-03-026, 14-05-025, 14-12-024 and 15-02-007**

Claimant: The Utility Reform Network	For contributions to D.14-01-004, D.14-03-026, D.14-05-025, D.14-12-024 and D.15-02-007
Claimed (\$): 176,064.75	Awarded (\$): 171,850.07 (~2.39% reduction)
Assigned Commissioner: Michel P. Florio	Assigned ALJ: Kelly A. Hymes

PART I: PROCEDURAL ISSUES

A. Brief Description of Decision:	<p>D.14-01-004 authorized bridge funding for demand response programs for 2015-2016 capped at the level of 2013-2014 budgets.</p> <p>D.14-05-025 authorized specific budgets for bridge programs in 2015, and 2016, authorized certain program modifications and pilots for 2015-2016 programs.</p> <p>In D.14-03-026, the Commission differentiated and defined demand response into Load Modifying Resources and Supply Resources. The Commission set a target of 2017 for complete bifurcation, but agreed with parties that multiple issues concerning program categorization, integration with the CAISO markets, and resource adequacy requirements should be addressed prior to completely bifurcating demand response programs.</p> <p>In D.14-12-024, the Commission accepted a proposed Settlement Agreement, subject to modifications</p>
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	<p>accelerating the implementation of bifurcation, increasing reporting and oversight requirements, and deleting certain provisions related to resource adequacy valuation of demand response.</p> <p>In D.15-02-007, the Commission modified certain language in D.14-12-024 at the request of the Joint Sponsoring Parties.</p>
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B. Claimant must satisfy intervenor compensation requirements set forth in Public Utilities Code §§ 1801-1812:

	Claimant	CPUC Verified
Timely filing of notice of intent to claim compensation (NOI) (§ 1804(a)):		
1. Date of Prehearing Conference:	October 24, 2013	Verified.
2. Other Specified Date for NOI:		
3. Date NOI Filed:	November 25, 2013	Verified.
4. Was the NOI timely filed?		Yes, The Utility Reform Network (TURN) timely filed the notice of intent to claim intervenor compensation.
Showing of customer or customer-related status (§ 1802(b)):		
5. Based on ALJ ruling issued in proceeding number:		
6. Date of ALJ ruling:		
7. Based on another CPUC determination (specify):	See Note	
8. Has the Claimant demonstrated customer or customer-related status?		Yes, TURN has demonstrated customer-related status.
Showing of “significant financial hardship” (§ 1802(g)):		
9. Based on ALJ ruling issued in proceeding number:	A.12-11-009	Verified.
10. Date of ALJ ruling:	9/6/2013	Verified.
11. Based on another CPUC determination (specify):		

12. Has the Claimant demonstrated significant financial hardship?		Yes, TURN demonstrated significant financial hardship.
Timely request for compensation (§ 1804(c)):		
13. Identify Final Decision:	D.15-02-007	Verified.
14. Date of Issuance of Final Order or Decision:	February 13, 2015	Verified.
15. File date of compensation request:	April 14, 2015	Verified.
16. Was the request for compensation timely?		Yes, TURN timely filed the request for compensation.

C. Additional Comments on Part I (use line reference # as appropriate):

#	Claimant	CPUC	Comment
5,9	TURN	Verified. TURN meets the eligibility requirements for intervenors and is eligible for compensation.	TURN timely filed an NOI on November 25, 2013. Since the ALJ did not issue an eligibility ruling on the NOI, TURN hereby requests that the Commission, based on the information submitted in the NOI, issue a finding in this decision that TURN is a customer, has met the requirements for significant financial hardship, and is eligible for compensation in this proceeding. TURN is a Category 3 customer and had received a finding of significant hardship on 9/6/2013 in A.12-11-009, issued within one year of the filing of this Rulemaking.

PART II: SUBSTANTIAL CONTRIBUTION

Contributions to D.14-01-004	Specific References to Claimant’s Presentations and to Decision	CPUC Discussion
Phase 1 – Length and Amount of Bridge Funding: While certain parties supported one-year or two-year bridge funding for existing programs, TURN and ORA advocated for two year funding for programs with certain modifications to improve performance. TURN recommended significantly reduced budgets. The Commission agreed that a two-year	TURN Responses, October 31, 2013, p. 1-4. TURN Comments at PHC, October 24, 2013.	Verified.

<p>bridge cycle was most practical, and that such a cycle warranted program improvements that could be implemented on an expedited basis. The Commission rejected TURN's recommendation to reduce authorized budgets.</p>	<p>D. 14-01-004, p. 6-7</p>	
<p style="text-align: center;">Contributions to D.14-05-025</p>	<p style="text-align: center;">Specific References to Claimant's Presentations and to Decision</p>	
<p>Phase 1 - Behavior Study Pilot</p> <p>TURN argued that this proposed pilot was duplicative of other work and could be funded by existing education and outreach funding.</p> <p>The Commission agreed with TURN and other parties and denied authority for this pilot.</p>	<p>TURN Responses, October 31, 2013, p. 8-11.</p> <p>D.14-05-025, p. 18-19</p>	<p>Verified.</p>
<p>Phase 1 – IRM2 Pilots</p> <p>TURN objected to the proposed staff IRM2 Northern California pilot as duplicative of existing projects. TURN recommended that at most only one IRM2 pilot should be authorized for Southern California.</p> <p>The Commission agreed and declined to approve expanded IRM2 pilots for either northern or southern California.</p>	<p>TURN Responses, October 31, 2013, p. 5-8.</p> <p>D.14-05-025, p. 21-25</p>	<p>Verified.</p>
<p>Phase 1 – PG&E T&D Pilot</p> <p>TURN explained in comments on the proposed decision that the Commission should authorize PG&E's T&D pilot without any incremental funding, since funding was still available from the prior budget cycle.</p> <p>The Commission agreed with PG&E and the Clean Coalition that continuing the T&D pilot was worthwhile, but denied incremental funding consistent with TURN's recommendation.</p>	<p>TURN Reply Comments on PD, May 12, 2014, p. 2-3.</p> <p>D.04-05-025, p. 32.</p>	<p>Verified. D.14-05-025 at 32.</p>

Contributions to D.14-03-026	Specific References to Claimant’s Presentations and to Decision	
<p>Bifurcation of Demand Response:</p> <p>TURN supported bifurcation but also agreed with other parties that various theoretical and practical issues concerning program definition, integration into CAISO markets, and valuation should be addressed prior to full bifurcation of demand response into two distinct categories.</p> <p>The Commission agreed with parties to provide additional time to reach bifurcation by 2017.</p>	<p>TURN Responses to Phase 2 Questions, December 13, 2013, p. 1-8.</p> <p>D.14-03-026, p. 6-14</p>	<p>Verified, but we note TURN put forth arguments that were duplicative of other parties, including Sierra Club and Consumer Federation of California, on this issue. This demonstrates that the parties failed to adequately coordinate on this issue, which resulted in a duplicative effort.¹</p>
Contributions to D.14-12-024	Specific References to Claimant’s Presentations and to Decision	Showing Accepted by CPUC
<p>Phase 3 Settlement – Goals</p> <p>TURN had recommended that all goals be interim and aspirational in nature, and that a potential study provide data for adopting future DR procurement goals.</p> <p>The Settlement establishes an “interim state-wide goal of 5%,” to be superseded in the future by utility-specific goals which would be informed by the DR Potential Study.</p> <p>The Commission accepted the proposed interim goal and the process of using the</p>	<p>Woodruff Direct Testimony, May 6, 2014, p. 13-15.</p> <p>Hawiger Direct Testimony, May 6, 2014, p. 11-13.</p> <p>Settlement Agreement, Sec. II.A.</p> <p>D.14-12-024, p. 10</p> <p>D.14-12-024, p. 18-22.</p>	<p>Verified.</p> <p>Pursuant to D.94-10-029, the Commission has discretion to award compensation to parties who participated in settlement agreements, when there is a finding that they made a</p>

¹ See Pub. Util. Code §1801.3(f) (stating that intervenor compensation program articles “shall be administered in a manner that avoids unproductive or unnecessary participation that duplicates the participation of similar interests otherwise adequately represented or participation that is not necessary for a fair determination of the proceeding.”); see also D.15-05-016.

<p>potential study. The Commission modified the SA to state that Emergency or reliability programs do not count toward interim 5% goal, and that staff should design the Study using the settlement as a guideline.</p>		<p>substantial contribution to a decision. We find that TURN’s participation in the settlement made a substantial contribution to D.14-12-024.</p>
<p>Ph. 3 Settlement Agreement – Design of DRAM</p> <p>TURN submitted testimony supporting the use of the DRAM mechanism. TURN described potential issues that needed to be resolved, such as product definition, cost caps, bid selection and types of products. TURN discussed the trade-offs in different auction and product designs.</p> <p>Most of the utilities and DRPs opposed the DRAM proposal, and specifically opposed the proposed use a single clearing price mechanism.</p> <p>The Settlement Agreement adopted a pilot DRAM for 2015 and 2016 with an as-bid price selection for RA tags, consistent with TURN’s recommendations.</p>	<p>Woodruff Testimony, May 6, 2014, p. 3-12. Woodruff Rebuttal Testimony, May 22, 2014, p. 1-6. Hawiger Direct Testimony, May 6, 2014, p. 13-16.</p> <p>See various testimonies.</p> <p>Settlement Agreement, Section II.C.4. D.14-12-024, p. 32-38.</p>	<p>Verified.</p> <p>Pursuant to D.94-10-029, the Commission has discretion to award compensation to parties who participated in settlement agreements, when there is a finding that they made a substantial contribution to a decision. We find that TURN’s participation in the settlement made a substantial contribution to D.14-12-024.</p>
<p>Ph. 3 - DRAM as Preferred Method of Procurement</p> <p>TURN argued that the DRAM should be a preferred procurement mechanism, and recommended a transition period until DRAM would replace utility tariffed programs by 2018.</p> <p>TURN subsequently argued that some type of set-aside or preference for DRAM participation was necessary to ensure the DRAM might succeed if the IOUs procure supply-side resources through other</p>	<p>Hawiger Direct Testimony, May 6, 2014, p. 13-16.</p> <p>TURN Opening Brief, August 25, 2014, p. 5-10.</p>	<p>Verified.</p>

<p>mechanisms at the same time.</p> <p>The Commission determined that it was “premature” to determine whether DRAM should be the preferred method for procuring DR, but found that “establishing set-asides for each utility’s DRAM pilot auction would strike a balance....”</p> <p>The Commission thus ordered the DRAM working group to propose a set-aside mechanism.</p>	<p>D.14-12-024, Ordering Paragraph 5.b.</p> <p>See, also, D.14-12-024, p. 62 (“We agree with TURN that establishing set-asides for each utility’s DRAM pilot auction would strike a balance between providing a reasonably-sized market and enabling current procurement mechanisms to continue. We assign this task, as further described below, to the DRAM pilot design working group.”)</p> <p>And p. 70 (“Instead we find TURN’s suggestion to create set-asides to tackle the crowding out effect to be a reasonable manner to create a level playing field for the DRAM pilot.”)</p>	
<p>Ph. 2 - Cost Allocation</p> <p>TURN generally argued that DR costs should be broadly allocated since DR provides reliability benefits and/or is implemented to meet state environmental goals.</p> <p>The Commission adopted a policy based on “tariff eligibility.”</p>	<p>TURN Responses, December 13, 2013, p. 10.</p> <p>Woodruff Direct Testimony, May 6, 2014, p. 13.</p> <p>TURN Comments on PD and APD, November 17, 2014, p. 2-4.</p> <p>Joint Reply Brief, September 8, 2014.</p> <p>D.14-12-024, p. 48.</p>	<p>Verified.</p>
<p style="text-align: center;">Contributions to D.15-02-007</p>	<p style="text-align: center;">Specific References to Claimant’s Presentations and to Decision</p>	
<p>TURN participated in settlement negotiations which resulted in a Compliance Letter filed by the Settling Parties, requesting certain technical and nomenclature changes to D.14-12-024 based on the inability of settling parties to</p>	<p>The Commission modified D.14-12-024 as requested by the Settling Parties.</p> <p>D.15-02-007, <i>passim</i>.</p>	<p>Verified.</p> <p>Pursuant to D.94-10-029, the Commission has</p>

<p>accept the modifications to the settlement proposed in D.14-12-024. Settling parties agreed to work in good faith to comply with the orders contained in D.14-12-024.</p>		<p>discretion to award compensation to parties who participated in settlement agreements, when there is a finding that they made a substantial contribution to a decision. We find that TURN's participation in the settlement made a substantial contribution to D.15-02-007.</p>
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A. Duplication of Effort (§§ 1801.3(f) & 1802.5):

	Claimant	CPUC Verified
<p>a. Was the Division of Ratepayer Advocates (DRA) a party to the proceeding?</p>	<p>Yes</p>	<p>Verified.</p>
<p>b. Were there other parties to the proceeding with positions similar to yours?</p>	<p>On some issues</p>	<p>Yes.</p>
<p>c. If so, provide name of other parties: In addition to the electric utilities and the California ISO, numerous organizations, companies and associations are parties to this proceeding, primarily representing demand response businesses and environmental organizations. Some of the positions of certain parties on particular issues were similar to TURN's. However, none of the parties has positions similar to TURN's on all of the issues in contention in this proceeding. Most parties had contrary positions with respect to the design and use of the DRAM procurement tool.</p>		<p>Verified.</p>
<p>d. Describe how you coordinated with DRA and other parties to avoid duplication or how your participation supplemented, complemented, or contributed to that of another party: In this proceeding TURN engaged in several communications with ORA, as well as with other parties, in order to better identify issues that require TURN's input. TURN focused on issues related to the DRAM and future valuation of demand response. Due to the participation of other parties, TURN did not focus on the categorization of programs or the use of back-up generators.</p>		<p>Verified. As discussed, above, hours claimed related to bifurcation were duplicative. Hours claimed</p>

<p>TURN's compensation in this proceeding should not be reduced for duplication of the showings of other parties. In a proceeding involving multiple participants, it is virtually impossible for TURN to completely avoid some duplication of the work of other parties. In this case, TURN took all reasonable steps to keep such duplication to a minimum, and to ensure that when it did happen, our work served to complement and assist the showings of the other parties.</p> <p>Any incidental duplication that may have occurred here was more than offset by TURN's unique contribution to the proceeding. Under these circumstances, no reduction to our compensation due to duplication is warranted given the standard adopted by the Commission in D.03-03-031.</p>	<p>in this area are reduced by 30%.</p>
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B. Additional Comments on Part II (use line reference # or letter as appropriate):

#	Intervenor's Comment	CPUC Discussion
	<p><u>Partial Contribution</u></p> <p>The Commission has interpreted the Section 1802 definition, in conjunction with Section 1801.3, so as to effectuate the legislature's intent to encourage effective and efficient intervenor participation. The statutory provision of "in whole or in part," as interpreted by multiple Commission decisions on intervenor compensation requests, has established as a general proposition that when a party makes a substantial contribution in a multi-issue proceeding, it is entitled to compensation for time and expenses even if it does not prevail on some of the issues. See, for example, D.98-04-028 (awarding TURN full compensation in CTC proceeding, even though TURN did not prevail on all issues); D.98-08-016, pp. 6, 12 (awarding TURN full compensation in SoCalGas PBR proceeding); D.00-02-008, pp. 4-7, 10 (awarding TURN full compensation even though we unsuccessfully opposed settlement).</p> <p>The standard for an award of intervenor compensation is whether TURN made a substantial contribution to the Commission's decision, not whether TURN prevailed on a particular issue, or on every issue. For example, the Commission recognized that it "may benefit from an intervenor's participation even where the Commission did not adopt any of the intervenor's positions or recommendations." D.08-04-004, p. 5-6 (in the review of SCE's contract with Long Beach Generation, A.06-11-007). The Commission reached</p>	<p>Verified.</p>

	<p>a similar conclusion in D.09-04-027, awarding intervenor compensation for TURN’s efforts in the SCE AMI proceeding (A.07-07-026) even on issues where TURN did not prevail, as TURN’s efforts “contributed to the inclusion of these issues in the Commission’s deliberation” and caused the Commission to “add more discussion on the issue, in part to address TURN’s comments.” D.09-04-027, p. 4. See, also, D.10-06-046, p. 5.</p> <p>In this proceeding, the Commission adopted positions consistent with TURN’s recommendations on many key issues. The Commission rejected some of TURN’s recommendations (for example, to reduce bridge year budgets, to allocate demand response costs to all customers).TURN suggests that the scope of TURN substantial contributions warrants compensation for all of TURN’s time and expenses in this proceeding. However, if the Commission determines that some disallowance is needed, TURN has attempted to itemize our work consist with the primary issues we addressed.</p>	
	<p><u>Contribution to Settlement Negotiations and Settlement Agreement</u></p> <p>While the Commission has held that mere “participation in settlement negotiations” is not sufficient to guarantee productive participation, it has also recognized that active participation in settlements does justify compensation, especially when it contributes to the development of a record that assists the Commission. D.00-07-046, <i>mimeo.</i> at 6; D.00-07-015, <i>mimeo.</i> at 5.</p> <p>TURN was a signatory to the proposed settlement and advocated for the adoption of the proposed settlement. Due to confidentiality provisions governing settlements, TURN cannot reveal details regarding the positions TURN took on specific elements of the proposed Settlement. However, the provisions of the Settlement Agreement can be compared to TURN’s positions in testimony and pleadings filed in this proceeding.</p> <p>TURN’s substantial contributions to D.14-12-024 can be inferred by comparing TURN’s analyses and</p>	<p>Verified.</p> <p>Pursuant to D.94-10-029, the Commission has discretion to award compensation to parties who participated in settlement agreements, when there is a finding that they made a substantial contribution to a decision. We find that TURN’s participation in the settlement made a substantial contribution to D.14-12-024.</p>

	arguments, as presented in testimonies and briefs, with the actual terms of the settlement agreement and with the findings, conclusions and text of the decision itself, as discussed in the substantial contribution to section.	
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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 (include references to record, where appropriate)</p> <p>The primary issues in this proceeding concern general policy related to the use of demand response in planning and operations. Those issues, in turn, will impact the cost effectiveness of demand response, the potential use of demand response, and the potential prices paid for demand response products and services. The underlying issue is how best to integrate demand response into wholesale markets and thus ensure avoidance of generation capacity; and how to value demand response that cannot be integrated into CAISO markets.</p> <p>These issues will thus impact ratepayer costs in the long run, because they will affect how demand response can be used cost-effectively to reduce conventional generation. TURN’s participation at this stage is important to ensure that the eventual planning, valuation and operation decisions provide ratepayers with the optimum amount of cost-effective demand response, and ensure that the use of demand response actually reduces the procurement of conventional generation.</p> <p>More immediately, TURN’s recommendations to eliminate duplicative pilots and use existing funds for 2015-2016 bridge year programs reduced authorized budgets for these two years by at least \$3 million.</p>	<p>CPUC Verified</p> <hr/> <p>Verified.</p>
<p>b. Reasonableness of Hours Claimed.</p> <p>TURN requests compensation for about 515 hours of professional time, including 300 hours of attorney time and 215 hours of expert witness time. This significant amount of time reflects the fact that this proceeding addressed foundational policy and operational issues related to the future operation and use of demand response. The bifurcation of demand response programs entails a fundamental restructuring of demand response from a retail program with significant flexibility in dispatch parameters and operations, based on operational control by the utilities, to a wholesale program that could function within the very strict parameters of a wholesale market originally designed to accommodate a small number of</p>	<p>Verified. <i>But see</i> CPUC Disallowances and Adjustments, below.</p>

large generators.

A key issue in this proceeding involved the resource adequacy value of load modifying, versus supply resource, demand response. Fundamentally, parties had different perspectives on whether utility-controlled demand response programs can and will reduce load during future peak conditions (system and/or local) with sufficient certainty so that California can avoid building new power plants and instead rely on demand response to provide the necessary reductions to maintain future reliability, when planning reserve margins provided by generation are reduced. Parties engaged in extensive litigation (phase 3 testimonies) and negotiations (settlement agreement) necessary to create a path where demand response can be operationally used in a manner that provides sufficient certainty so as to warrant including demand response capacity in the various planning scenarios (RA, LTPP, TPP) that determine the need for future physical generation and transmission assets.

TURN's hours in this proceeding were devoted primarily to the preparation of testimony on Phase Three issues and to participation in settlement negotiations regarding Phase Three issues. As summarized in D.14-12-024 (p. 7), parties engaged in extensive multi-party settlement negotiations over the course of June and July 2014. These negotiations involved multiple in-person meetings and telephonic meetings, as well as the review of draft settlement documents addressing different topic areas for resolution. The proposed settlement agreement covered the four major issue areas discussed in D.14-12-024, and also provided detailed "charters" for four working groups created to address ongoing issues related to the valuation of load modifying and supply resource demand response and to the integration of supply resource demand response into the CAISO markets.

Attorney Hours:

Almost all of the attorney hours in this proceeding were due to the work of TURN's lead attorney, Marcel Hawiger. Mr. Hawiger has been a staff attorney with TURN since 1998. Mr. Hawiger has been the lead attorney on several proceedings related to demand response and DSM issues, including prior rulemakings addressing the cost effectiveness of demand response and prior applications for demand response programs and cost recovery.

In this proceeding, Mr. Hawiger was responsible for drafting and/or editing most of TURN's comments and pleadings, including the following documents:

- Response to Questions Concerning Bridge Funding and Pilots, October 21, 2013

- Responses to Phase 2 Foundational Issues Regarding Bifurcation and Cost Allocation, December 13, 2013
- Comments on Proposed Decision Approving Demand Response Programs for 2015-2016, May 5, 2014
- Reply Comments on Proposed Decision Approving Demand Response Programs for 2015-2016, May 12, 2014
- Opening Brief on DRAM, August 25, 2014
- Joint Reply Brief on Cost Allocation, September 8, 2014
- Opening Comments on PD and APD Regarding Litigated Phase 3 Issues, November 17, 2014

Additionally, Mr. Hawiger sponsored direct testimony in Phase 3 (Exh. TRN-02) concerning demand response costs, goals, and the DRAM.

As shown in the issue allocation table in Attachment 4, approximately 70% of Mr. Hawiger's hours were devoted to participation in the settlement negotiations and to litigation on Phase 3 issues.

Expert Witness Hours:

Kevin Woodruff

TURN retained Mr. Kevin Woodruff as an expert witness in this proceeding. Mr. Woodruff has been an expert witness for TURN for over a decade, working on conventional procurement, resource adequacy and wholesale market issues. His resume is included as Attachment 5. While Mr. Woodruff had not previously focused on retail demand response, his expertise in procurement and CAISO market issues made related directly to questions concerning the integration of demand response with wholesale markets (bifurcation), and the design of a procurement mechanism for demand response capacity (the DRAM).

Mr. Woodruff submitted the following expert testimonies in Phase 3 of this proceeding:

- Woodruff Direct Testimony Regarding DRAM, May 6, 2014 (Exh. TRN-01)
- Woodruff Rebuttal Testimony Regarding DRAM, May 22, 2014 (Exh. TRN-03)

Additionally, Mr. Woodruff provided extensive assistance in the drafting and editing of various pleadings related to bifurcation and the DRAM.

Mr. Woodruff devoted approximately 168 hours of time to work in this proceeding. Mr. Woodruff's time was divided between three primary issue

and/or activity areas. First, Mr. Woodruff wrote testimonies concerning the design and use of the demand response auction mechanism (DRAM). Second, Mr. Woodruff had to read the testimonies and pleadings of many other parties (the utilities, the CAISO, the demand response providers, and several other intervenors) concerning the DRAM and bifurcation issues. Third, Mr. Woodruff assisted TURN attorney Hawiger in settlement negotiations, and was the lead negotiator when Mr. Hawiger was unavailable.

The Phase 3 testimonies and pleadings show that TURN was one of the only active parties affirmatively promoting use of the DRAM.

TURN suggests that the complexity of the topics and the need for extensive multi-party negotiations warrant the amount of time devoted by Mr. Woodruff to this proceeding.

JBS Energy Inc.

TURN retained the services of Ms. Gayatri Schilberg and Mr. Jeffrey Nahigian of JBS Energy, Inc. Both experts have previously testified on numerous occasions before the CPUC. Ms. Schilberg has previously worked on load impact evaluations related to demand response. Mr. Nahigian had represented TURN in demand response proceedings concerning both the design and cost of retail programs, as well as on the cost effectiveness method for demand response.

In this proceeding, Mr. Nahigian devoted approximately 18 hours of time with factual and policy analysis concerning certain Phase 3 issues related to the cost of demand response programs and cost effectiveness evaluation of demand response.

Ms. Schilberg devoted approximately 30 hours of time related to bridge funding for 2015-2016. Ms. Schilberg reviewed the staff proposal for pilot programs and drafted TURN's comments concerning bridge funding, responding to questions posed in an ALJ Ruling.

Participation in Working Groups:

The working groups created in the Settlement Agreement started work by September of 2014, even prior to the issuance of D.14-12-024. TURN has actively participated in the working group process. TURN does not, however, include any hours related to working group work in this request. TURN intends to request compensation for work related to the working groups after the Commission takes further actions in response to working group reports and recommendations.

c. Allocation of Hours by Issue				Verified.
<p>This proceeding addressed several policy issues related to the bifurcation of demand response and future procurement of demand response. Attorney and consultant time was allocated both by issue as well as activities. Certain work activities, such as participation in settlement negotiations (including settlement meetings, reviewing settlement documents, drafting settlement documents) cannot be allocated by issue due to confidentiality restrictions, and are thus codes as “settlement.”</p> <p>TURN uses a combination of activity and issue codes when itemizing the hourly work performed by attorneys and consultants. The main activity codes used for time accounting in this proceeding include the following:</p>				
Code	Description of Issue	Consultant Hours	Attorney Hours	
Ph1; Bridge	Desirability of bridge term funding; Length of period; Desirability of program modifications	17.04	28.50	
Ph3	Issues related to the May 2014 Phase 3 testimony (including bifurcation, other policy) but excluding DRAM	2.25	100.25	
BF, Policy	Policy issues concerning bifurcation proposal not already included in Ph. 3	12.00	26.25	
DRAM	All issues related to demand response auction mechanism	67.25	13.50	
GP	General work necessary for participation which does not necessarily vary with the number of issues	43.75	36.25	
#	Work covering multiple issues that cannot be easily segregated	0.00	2.75	
GH Sett	General hearing work Participation in settlement discussions and reviewing settlement offers and documents; relevant for both 2006-08 and 2010-12	0.00 57.25	13.75 59.75	

ca	Cost allocation of demand response program costs	1.00	7.00
c/e	Cost effectiveness methodology for DR	4.00	1.00
Coord	Coordinate with other parties to discuss issues and minimize duplication	0.00	5.50
		204.54	294.50

An expanded version of this allocation table is included as Attachment 4. As is apparent from that table, the major issue/activity areas addressed by TURN in this proceeding were: 1) the policy basis for bifurcation; 2) settlement negotiations; and 3) the design and use of the demand response auction mechanism (DRAM).

Some of the daily work in this proceeding spanned multiple issues and could not be separately coded by issue. TURN generally used the activity code “#” to denote work that covers multiple issues and cannot be easily allocated to specific issues.

Some work is fundamental to active participation in a Commission proceeding, and may not be allocable by issue and/or the amount of time required may not vary by the number of issues. Examples of these tasks include reviewing other parties’ testimony and filings, reviewing the proposed and any alternate decision; attending prehearing conferences and ex parte meetings; and preparing compensation filings. TURN uses the activity code “GP” to represent such general participation time that is not allocable by issue.

As TURN described in the opening section of this compensation request, our substantial contribution to the Commission’s decision was of such magnitude and so wide ranging that it warrants an award of full compensation. However, should the Commission determine that a reduction is called for on any particular issue, it should determine the appropriate reduction to the hours that fall into that category and, if necessary, apply an appropriate percentage reduction to the hours designated “#.”

B. Specific Claim:

CLAIMED						CPUC AWARD		
ATTORNEY, EXPERT, AND ADVOCATE FEES								
Item	Year	Hours	Rate	Basis for Rate*	Total \$	Hours	Rate	Total \$

Marcel Hawiger	2013	57.25	\$400	D.14-05-015, p. 28	\$22,900.00	49.0 [1]	\$400.00	\$19,600.00
Marcel Hawiger	2014	241.75	\$410	Resolution ALJ-303 (2.56% COLA)	\$99,117.50	239.4 2	\$410.00	\$98,162.20
Thomas Long	2013	1.00	\$555	D.14-05-015, p. 28	\$555.00	1.00	\$555.00	\$555.00
Kevin Woodruff	2013	8.75	\$240	D.12-11-050, p. 17	\$2,100.00	7.55 [2]	\$240.00	\$1,812.00
Kevin Woodruff	2014	159.25	\$240	D.12-11-050, p. 17	\$38,220.00	158	\$245.00	\$38,710.00
Jeffrey Nahigian	2014	17.50	\$205	D.14-05-015	\$3,587.50	16.3 [3]	\$210.00 <i>See Res. ALJ-303.</i>	\$3,423.00
Gayatri Schilberg	2013	29.79	\$210	D.14-05-015	\$6,255.90	29.79	\$210.00	\$6,255.90
Subtotal:					\$172,735.90	Subtotal:		\$168,518.10
INTERVENOR COMPENSATION CLAIM PREPARATION **								
Item	Year	Hours	Rate	Basis for Rate*	Total \$	Hours	Rate	Total \$
Marcel Hawiger	2013	0.25	\$187.5	Res. ALJ-281 + 5% step A.10-11-015 (SCE GRC)	\$46.88	0.25	\$200.00	\$50.00
Marcel Hawiger	2015	15.25	\$205	Res. ALJ-303 (2.56% COLA); Res. ALJ-308	\$3,126.25	15.25	\$205.00	\$3,126.25
Subtotal:					\$3,173.13	Subtotal:		\$3,176.25
COSTS								
Item	Detail			Amount		Amount		
Copying	Copying of testimony and pleadings for ALJ and Commissioner offices			\$28.80				\$28.80
FedEx/Postage	Postage and FedEx for testimonies and pleadings to CPUC			\$61.28				\$61.28

Phone	Phone bills for long-distance call re. R13-09-011	\$65.64		\$65.54
Subtotal:		\$155.72	Subtotal:	\$155.72
TOTAL REQUEST \$:		\$176,064.75	TOTAL AWARD \$:	\$171,850.07

When entering items, type over bracketed text; add additional rows as necessary.

*If hourly rate based on CPUC decision, provide decision number; otherwise, attach rationale.

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

Attorney	Date Admitted to CA BAR ²	Member Number	Actions Affecting Eligibility (Yes/No?)
Marcel Hawiger	1/23/1998	194244	No.
Thomas Long	12/11/1986	124776	No.

C. Attachments Documenting Specific Claim and Comments on Part III

Comment #	TURN's Comment(s)
Comment 1	<p>Hourly Rates:</p> <p>All hourly rates have either been previously authorized, or have been escalated by the appropriate COLA adjustment pursuant to adopted Commission resolutions.</p> <p>Hawiger Hourly Rate for 2015:</p> <p>This request includes approximately 20 hours of time for Mr. Hawiger for work performed in 2015, primarily for preparing the compensation request. Consistent with Resolution ALJ-308, TURN has used the 2014 hourly rate for Mr. Hawiger to calculate the requested compensation for these hours.</p>

D. CPUC Disallowances and Adjustments:

#	Reason
[1]	Because of duplication related to bifurcation, the Commission removes 30% of the hours claimed on this issue. For Hawiger, we disallow 8.25 hours in 2013 and 2.33 hours in 2014.
[2]	Because of duplication related to bifurcation, the Commission removes 30% of the hours claimed on this issue. For Woodruff, we disallow 1.2 hours in 2013 and 1.2 hours in 2014.

² This information may be obtained at: <http://www.calbar.ca.gov>.

[3]	Because of duplication related to bifurcation, the Commission removes 30% of the hours claimed on this issue. For Nahigian, we disallow 1.2 hours.
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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. TURN has made a substantial contribution to D.14-01-004, D.14-03-026, D.14-05-025, D.14-12-024 and D.15-02-007.
2. The requested hourly rates for TURN's representatives, as adjusted herein, are comparable to market rates paid to experts and advocates having comparable training and experience and offering similar services.
3. The claimed costs and expenses, as adjusted herein, are reasonable and commensurate with the work performed.
4. The total of reasonable compensation is \$171,850.07.

CONCLUSION OF LAW

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

ORDER

1. The Utility Reform Network is awarded \$171,850.07.
2. Within 30 days of the effective date of this decision Pacific Gas and Electric Company, San Diego Gas & Electric, and Southern California Edison Company shall pay The Utility Reform Network their respective shares of the award, based on their California-jurisdictional electric revenues for the 2014 calendar year, to reflect the year in which the proceeding was primarily litigated. Payment of the award shall include interest at the rate earned on prime, three-month commercial paper as reported in Federal Reserve Statistical Release H.15, beginning June 28, 2015, the 75th day after the filing of The Utility Reform Network'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 _____, 2015, at San Francisco, California.

APPENDIX

Compensation Decision Summary Information

Compensation Decision:		Modifies Decision?	No
Contribution Decision(s):	D1401004, D1403026, D1405025, D1412024 and D1502007		
Proceeding(s):	R1309011		
Author:	ALJ Hymes		
Payer(s):	Pacific Gas and Electric Company, San Diego Gas & Electric, and Southern California Edison Company		

Intervenor Information

Intervenor	Claim Date	Amount Requested	Amount Awarded	Multiplier?	Reason Change/Disallowance
The Utility Reform Network (TURN)	04/14/15	\$176,064.75	\$171,850.07	No	See CPUC Disallowances and Adjustments, above.

Advocate Information

First Name	Last Name	Type	Intervenor	Hourly Fee Requested	Year Hourly Fee Requested	Hourly Fee Adopted
Marcel	Hawiger	Attorney	TURN	\$400.00	2013	\$400.00
Marcel	Hawiger	Attorney	TURN	\$410.00	2014	\$410.00
Marcel	Hawiger	Attorney	TURN	\$410.00	2015	\$410.00
Thomas	Long	Attorney	TURN	\$555.00	2013	\$555.00
Kevin	Woodruff	Expert	TURN	\$240.00	2013	\$240.00
Kevin	Woodruff	Expert	TURN	\$240.00	2014	\$245.00
Jeffrey	Nahigian	Expert	TURN	\$205.00	2014	\$210.00
Gayatri	Schilberg	Expert	TURN	\$210.00	2013	\$210.00

(END OF APPENDIX)