

Decision _____

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

Order Instituting Rulemaking to Consider Policy and Implementation Refinements to the Energy Storage Procurement Framework and Design Program (D.13-10-040, D.14-10-045) and Related Action Plan of the California Energy Storage Roadmap.	Rulemaking 15-03-011 (Filed March 26, 2015)
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DECISION GRANTING COMPENSATION TO ENVIRONMENTAL DEFENSE FUND FOR SUBSTANTIAL CONTRIBUTION TO DECISION 16-01-032

Intervenor: Environmental Defense Fund	For contribution to Decision (D.) 16-01-032
Claimed: \$47,408	Awarded: \$43,592.50
Assigned Commissioner: Carla J. Peterman	Assigned ALJ: Regina DeAngelis

PART I: PROCEDURAL ISSUES

<p>A. Brief description of Decision:</p>	<p>D. 16-01-032 addresses energy storage policy and program issues that must be resolved prior to commencement of the investor-owned utilities’ (IOU) 2016 energy storage procurement solicitations.</p> <p>D. 16-01-032:</p> <ol style="list-style-type: none"> 1) Approves the investor-owned utilities’ request for additional flexibility of energy storage targets between grid domains. The Commission allow the IOUs to satisfy some of their transmission and distribution domain targets through customer-connected projects, up to a “ceiling” of 200% of the existing customer domain targets. 2) Denies the requests for modifications to the Request for Offer process to require additional specificity regarding operational need or location. 3) Clarifies that DC-based storage used as part of a DC microgrid is an eligible storage product for purposes of meeting the storage targets established in Decision (D.) 13-10-040 and the requirements of Assembly Bill (AB) 2514 (Skinner, 2010), but finds that hydrogen-based power-to-gas option (P2G) is ineligible to meet the
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	<p>storage targets established in D.13-10-040 and the requirements of AB 2514 when injected into the natural gas pipeline.</p> <p>4) Finds that credit for SGIP-funded energy storage projects should be split evenly between an unbundled customer’s IOU and the Community Choice Aggregation/Energy Service Provider for purposes of meeting the storage targets.</p> <p>5) Finds that voluntary energy storage deployments should count towards the storage target established for that customer’s Load Serving Entity.</p> <p>6) Extends the authorization of the Power Charge Indifference Adjustment mechanism to recover potential above-market costs associated with departing load for market/”bundled” energy storage services procured via the 2016 solicitation.</p> <p>7) Defers the resolution of the request for extension of the Power Charge Indifference Adjustment (PCIA) mechanism for market/”bundled” energy storage contracts beyond 10 years until the Commission has addressed the Joint IOU PCIA Protocol, filed with the applications for approval of contracts resulting from the 2014 storage solicitation process.</p>
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B. Intervenor must satisfy intervenor compensation requirements set forth in Pub. Util. Code §§ 1801-1812:

	Intervenor	CPUC Verified
Timely filing of notice of intent to claim compensation (NOI) (§ 1804(a)):		
1. Date of Prehearing Conference (PHC):	May 20, 2015	Verified.
2. Other specified date for NOI:		
3. Date NOI filed:	June 17, 2015	Verified.
4. Was the NOI timely filed?		Yes, Environmental Defense Fund (EDF) 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:	R. 12-06-013	Verified.
6. Date of ALJ ruling:	February 25, 2013	Verified.
7. Based on another CPUC determination (specify):		
8. Has the Intervenor demonstrated customer or customer-related status?		Yes, EDF demonstrated appropriate status.
Showing of “significant financial hardship” (§ 1802(g)):		
9. Based on ALJ ruling issued in proceeding number:	A. 14-11-003/A.14-11-004	Verified.
10. Date of ALJ ruling:	April 1, 2015	Verified.
11. Based on another CPUC determination (specify):		
12. Has the Intervenor demonstrated significant financial hardship?		Yes, EDF demonstrated significant financial hardship in A.14-11-003, which provides intervenor with a rebuttable presumption of hardship in the present proceeding.
Timely request for compensation (§ 1804(c)):		
13. Identify Final Decision:	D. 16-01-032	Verified.
14. Date of issuance of Final Order or Decision:	January 29, 2016	Verified.
15. File date of compensation request:	March 17, 2016	Yes.
16. Was the request for compensation timely?		Yes, EDF timely filed the request for intervenor compensation with 60 days of the issuance of the final decision.

PART II: SUBSTANTIAL CONTRIBUTION

A. Did the Intervenor substantially contribute to the final decision (see § 1802(i), § 1803(a), and D.98-04-059).

Intervenor’s Claimed Contribution(s)	Specific References to Intervenor’s Claimed Contribution(s)	CPUC Discussion
<p>2.1 Procurement Best Practices - What changes, if any, should be made to the energy storage specific request for offer (RFO) process in advance of the second biennial RFOs?</p> <p>EDF advocated for the need of greater transparency and specificity in the RFO process.</p>	<p>“Several energy storage developers and consumer groups, including, but not limited to, the Green Power Institute (GPI) and Environmental Defense Fund (EDF), commented that they would like to see greater specificity of need and more flexibility of eligibility requirements in the RFOs, such as relaxed interconnection requirements and no RFO requirements for bidders to aggregate their sites, or identify them ahead of time for evaluation.” Page 9. “GPI and EDF request that the Commission require more sharing of energy storage solicitation data such as prices, capacity and technical capabilities of winning and losing bids to “strengthen the RFO process.”²² Page 11. “Therefore, we see no need to prescribe any changes to the RFO process and eligibility requirement framework at this time. We note that both PG&E and SDG&E provided a fair amount of specificity in their RFOs without Commission direction. We also decline to require the IOUs to share energy storage solicitation data such as prices, capacity and technical capabilities of winning and losing bids to “strengthen the RFO process” as recommended by GPI and EDF. Maintaining the confidentiality of bid information is critical in preventing market-sensitive information from disclosure and protecting the integrity of the market. Rather than require specific additional information or prescribe specific system needs or use-cases in this decision, we prefer to provide broad guidance to the IOUs on incorporating lessons learned from the joint IOU experience. We encourage the IOUs to coordinate their energy storage RFO processes, to the</p>	<p>Verified.</p>

<p>2.2 Refinement of the CEP - What refinements are necessary?</p> <p>EDF proposed changes to the CEP to fully incorporate the grid and environmental benefits of energy storage.</p>	<p>extent possible, with directions provided in the Distributed Resource Plan Rulemaking¹ and Integrated Distributed Energy Resource Rulemaking² for purposes of identifying optimal locations for the deployment of distributed resources.” Pages 12-13.</p> <p>“The Sierra Club, the Clean Coalition and EDF maintain that the CEP ‘does not adequately incorporate the environmental and grid benefits that storage resources can provide.’ The Sierra Club, along with EDF and the Clean Coalition also suggest that we require the IOUs to modify the CEP to ‘include the full range of costs and benefits to ratepayers, including all quantifiable transmission and distribution benefits.’ EDF also suggests that we require the IOUs to employ a “ranking” process to consider environmental and grid impacts, that groups bids into categories depending on whether they: ‘1)...facilitate meeting GHG emissions targets, 2) are likely to be neither helpful or harmful regarding GHG emissions, or 3) whether a technology will increase emissions.’ ORA, along with the Sierra Club, CESA, EDF and the Clean Coalition, all suggest that the CEP quantify GHG emissions reductions. ORA states that this will enable the Commission to ‘better evaluate the cost-effectiveness of incorporating energy storage into California’s GHG emission reduction policy.’” Page 16.</p> <p>“We find that the current CEP format will provide sufficient information to compare bids across the IOUs and establish general benchmarks for storage, and that it is premature to make changes at this time.” Page 19.</p> <p>“We also decline to adopt recommendations by EDF and others that would require the IOUs to group or “rank” bids based on certain subsets of estimated impacts.” Page 20.</p>	<p>Verified.</p>
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¹ R.14-08-013.

² R.14-10-003.

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

	Intervenor's Assertion	CPUC Discussion
a. Was the Office of Ratepayer Advocates (ORA) a party to the proceeding?	Yes	Yes.
b. Were there other parties to the proceeding with positions similar to yours?	Yes	Agreed.
c. If so, provide name of other parties: Sierra Club, Green Power Institute, Clean Coalition		Agreed.
d. Intervenor's claim of non-duplication: EDF's advocacy was not duplicative of other parties' efforts. EDF produced stand-alone documents and presentation materials during the proceeding that outlined 1) it is critical that GHG reduction potential is taken into consideration in order to help ensure achievement of climate and clean energy goals, including conceptualizing a ranking system for the CEP, based on environmental impact; 2) the importance to take the potential of managed charging of electric vehicles to provide storage capability into consideration when determining a list eligible technologies, albeit with the understanding that the Commission should be careful not to let that technology dominate a nascent storage market; 3) the limitations of the RFO process, including a lack of transparency and failure to adequately take GHG emissions into account.		Agreed.

PART III: REASONABLENESS OF REQUESTED COMPENSATION**A. General Claim of Reasonableness (§ 1801 and § 1806):**

	CPUC Discussion
a. Intervenor's claim of cost reasonableness: EDF's costs were reasonable during Track 1 of the proceeding. The office carefully considered its advocacy during Track 1 and attempted to use cost-effective methods over the course of the proceeding.	Verified.
b. Reasonableness of hours claimed: EDF worked diligently throughout the process to only spend a reasonable and prudent amount of time.	Verified, but see CPUC Disallowances and Adjustments, below.
c. Allocation of hours by issue: All of EDF's work involved the implementation and benefits of energy storage.	Verified.

B. Specific Claim:*

CLAIMED						CPUC AWARD		
ATTORNEY, EXPERT, AND ADVOCATE FEES								
Item	Year	Hours	Rate \$	Basis for Rate*	Total \$	Hours	Rate \$	Total \$
Larissa Koehler	2015	96.5	\$222	D. 15-11-037	\$21,423	83.50 [1]	\$220.00 [2]	\$18,370.00
Larissa Koehler	2016	20	\$222	D. 15-11-037	\$4,440	18.00	\$220.00	\$3,960.00
James Fine	2015	26	\$365	D. 16-01-042	\$9,490	26.00	\$365.00	\$9,490.00
James Fine	2016	3.5	\$365	D. 16-01-042	\$1,277.50	3.50	\$365.00	\$1,277.50
Jennifer Weberski	2015	19.5	\$400	D. 15-11-037	\$7,800	19.50	\$400.00	\$7,800.00
Jennifer Weberski	2016	1.5	\$400	D. 15-11-037	\$600	1.50	\$400.00	\$600.00
Subtotal: \$45,030.50						Subtotal: \$ 41,497.50		
INTERVENOR COMPENSATION CLAIM PREPARATION **								
Item	Year	Hours	Rate \$	Basis for Rate*	Total \$	Hours	Rate	Total \$
Jennifer Weberski	2016	8	\$200	D. 15-11-037	\$1,600	8.00	\$200.00	\$1,600.00
Larissa Koehler	2015					2.00	\$110.00	\$220.00
Larissa Koehler	2016	2.5	\$111	D. 15-11-037	\$277.50	2.50	\$110.00	\$275.00
Subtotal: \$1,877.50						Subtotal: \$2,095.00		
COSTS								
#	Item	Detail			Amount	Amount		
1	Postage	Cost of mailing for duration of proceeding			\$500	\$00.00 [3]		
TOTAL REQUEST: \$ 47,408						TOTAL AWARD: \$43,592.50		
<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. Intervenor'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>								

**Travel and Reasonable Claim preparation time typically compensated at ½ of preparer’s normal hourly rate			
ATTORNEY INFORMATION			
Attorney	Date Admitted to CA BAR ³	Member Number	Actions Affecting Eligibility (Yes/No?) If “Yes”, attach explanation
Larissa Koehler	June 4, 2013	289581	No

C. CPUC Disallowances and Adjustments:

Item	Reason
[1]	<p>The Commission does not compensate attorneys for work that is clerical in nature, as compensation for such work has been factored into the approved hourly rate. The filing of documents is clerical and the Commission disallows the following hours from Koehler’s claimed hours:</p> <p>1 hour on May 4, 2015; 1 hour on June 17, 2015; 1 hour on July 17, 2015; 1 hour on July 20, 2015; 1 hour on October 2, 2015; 1 hour on October 7, 2015; 1 hour on January 4, 2016; and 1 hour on January 11, 2016.</p> <p>The Commission removed 2 hours of work related to the notice of intent. Such work is compensated at ½ the normal rate. Koehler’s hours have been placed in the appropriate heading.</p> <p>Lastly, 5 hours are claimed related to internal authorization to participate in the proceeding. These hours did not assist the Commission’s decisionmaking process and are disallowed.</p>
[2]	The Commission notes a typographical error on page 5 of D.15-11-037, which states Koehler’s 2014 rate is \$222. This should read \$220, as is reflected by the calculation of the award and the appendix to D.15-11-037.
[3]	EDF did not provide receipts for the cost of mailings. The Commission will not compensate for expenses without sufficient documentation.

³ This information may be obtained through the State Bar of California’s website at <http://members.calbar.ca.gov/fal/MemberSearch/QuickSearch>.

PART IV: OPPOSITIONS AND COMMENTS

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

FINDINGS OF FACT

1. Environmental Defense Fund has made a substantial contribution to D.16-01-032.
2. The requested hourly rates for Intervenor'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 are reasonable and commensurate with the work performed.
4. The total of reasonable compensation is \$43,592.50.

CONCLUSION OF LAW

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

ORDER

1. Environmental Defense Fund shall be awarded \$43,592.50.
2. Intervenor is awarded \$43,592.50. 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 Environmental Defense Fund their respective shares of the award, based on their California-jurisdictional gas and electric revenues for the 2015 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 May 31, 2016 the 75th day after the filing of Environmental Defense Fund'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 Sacramento, California.

APPENDIX**Compensation Decision Summary Information**

Compensation Decision:		Modifies Decision?	No
Contribution Decision(s):	D1601032		
Proceeding(s):	R1503011		
Author:	ALJ DeAngelis		
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
Environmental Defense Fund (EDF)	3/17/2016	\$47,408.00	\$43,592.50	N/A	See CPUC Disallowances and Adjustments, above.

Advocate Information

First Name	Last Name	Type	Intervenor	Hourly Fee Requested	Year Hourly Fee Requested	Hourly Fee Adopted
James	Fine	Expert	EDF	\$320	2015	\$365
James	Fine	Expert	EDF	\$320	2016	\$365
Jennifer	Weberski	Advocate	EDF	\$400	2015	\$400
Jennifer	Weberski	Advocate	EDF	\$400	2016	\$400
Larissa	Koehler	Attorney	EDF	\$220	2015	\$220
Larissa	Koehler	Attorney	EDF	\$220	2016	\$220

(END OF APPENDIX)