Decision 16-06-023 June 9, 2016

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

Order Instituting Rulemaking to Develop a Successor to Existing Net Energy Metering Tariffs Pursuant to Public Utilities Code Section 2827.1, and to Address Other Issues Related to Net Energy Metering.	Rulemaking 14-07-002 (Filed July 10, 2014)

DECISION GRANTING COMPENSATION TO NATURAL RESOURCES DEFENSE COUNCIL FOR CONTRIBUTION TO DECISION 16-01-044

Intervenor: NRDC	**For contribution to Decision (D.) 16-01-044**
Claimed: $27,256.25	**Awarded: $23,412.40** (reduced 14.1%)
Assigned Commissioner: Michael Picker	**Assigned ALJ: Anne E. Simon**

PART I: PROCEDURAL ISSUES

A. Brief description of Decision:	This decision implements some of the provisions of Assembly Bill (AB) 327 (Perea), Stats. 2013, ch. 611. AB 327, among other things, adds Section 2827.1 to the Public Utilities Code, requiring the Commission to develop "a standard contract or tariff, which may include net energy metering (NEM), for eligible customer-generators with a renewable electrical generation facility that is a customer of a large electrical corporation."

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):	October 30, 2014	Verified
2. Other specified date for NOI:	n/a	
3. Date NOI filed:	November 25, 2014	Verified
4. Was the NOI timely filed?		
Showing of customer or customer-related status (§ 1802(b)):		
5. Based on ALJ ruling issued in proceeding number:	R.14-07-002	Verified
6. Date of ALJ ruling:	December 18, 2014	Verified
7. Based on another CPUC determination (specify):	n/a	
8. Has the Intervenor demonstrated customer or customer-related status?		Yes
Showing of "significant financial hardship" (§ 1802(g)):		
9. Based on ALJ ruling issued in proceeding number:	R14-07-002	Verified
10. Date of ALJ ruling:	December 18, 2014	Verified
11. Based on another CPUC determination (specify):	n/a	
12. Has the Intervenor demonstrated significant financial hardship?		Yes
Timely request for compensation (§ 1804(c)):		
13. Identify Final Decision:	D. 16-01-044	Verified
14. Date of issuance of Final Order or Decision:	February 5, 2016	Verified
15. File date of compensation request:	March 30, 2016	Verified
16. Was the request for compensation timely?		Yes

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
A. NRDC recommended the successor to the current NEM tariff should remain intact as a tariff using net energy metering with only slight modifications to evolve the tariff to adhere to the three tenets adopted in AB 327 (Perea) – Public Utilities Code Section 2827.1. In addition, NRDC conducted the required minimum of six modeling runs in the Public Tool and provided the input assumptions, market drivers and results as requested.	• *D.16-01-044, pp. 113-115, "Conclusions of Law … 1. In order to ensure that customer-sited renewable DG continues to grow sustainably, the successor to the current NEM tariff should be a tariff using net energy metering, with modifications."* • "Proposal of the NRDC in Determining a Successor NEM Tariff," submitted August 3, 2015. • "Response of the NRDC to Party Proposals," submitted September 1, 2015. • "Reply of the NRDC to Responses to Party Proposals," submitted September 15, 2015. • "Opening Testimony of the NRDC," submitted September 21, 2015 and entered into the record in evidentiary hearings as exhibit no. 31 on October 6, 2015. • "Opening Brief of the NRDC," submitted October 19, 2015. • "Response of the NRDC to the Proposed Decision," submitted January 7, 2016.	Verified, but reductions taken. NRDC proposed full retail rate NEM with a continuously variable demand charge. D.16-01-044 at 26. However, the Commission found NRDC's proposal for a NEM successor tariff to lack sufficient specificity to be considered; for example, NRDC did not present a quantitative example of how the demand charge would be calculated. D.16-01-044, Finding of Fact 24, and at 78. The Commission also found NRDC's proposal to be unfeasibly complex in comparison to past proposals. D.16-01-044 at 79.

B. NRDC proposed that all customers on the NEM successor tariff pay nonbypassable charges – in particular the specific charges that fund public purpose programs that go toward energy efficiency and low income assistance programs – that are levied on each kilowatt-hour (kWh) of electricity the customer obtains from the IOU in each metered time interval, regardless of the monthly netting of the kWh obtained from the IOU and exported to the grid by the customer	• *D.16-01-044, pp. 113-115, "Conclusions of Law … 4. In order to better align the responsibilities of customers under the NEM successor tariff with the responsibilities of other customers in the same customer class, customers on the NEM successor tariff should pay all nonbypassable charges identified in this decision in each metered interval for each kWh of electricity they consume from the grid."* • "Proposal of the NRDC in Determining a Successor NEM Tariff," submitted August 3, 2015, pp. 8.	Verified
C. NRDC recommended in its original proposal that customers on the NEM successor tariff be required to take service on a TOU rate.	• *D.16-01-044, pp. 113-115, "Conclusions of Law … 12. In order to promote the use of TOU rates, any residential customers interconnecting under the NEM successor tariff between the date the successor tariff goes into effect and the date that default residential TOU rates go into effect should be required to take service on a TOU rate or participate in any TOU pilots that are designed to include NEM successor tariff customers, without the option to opt out to a rate that is not time differentiated."* • "Proposal of the NRDC in Determining a Successor NEM Tariff," submitted August 3, 2015, pp. 6.	Verified

D. NRDC recommended that the Commission closely track NEM program uptake and regularly report market findings.	• *D.16-01-044, pp. 122, "It Is Ordered that … 11. Pacific Gas and Electric Company, Southern California Edison Company, and San Diego Gas & Electric Company must each develop tracking and reporting tools that will allow an evaluation of growth of customer-sited renewable DG under the net energy metering successor tariff, in accordance with instructions from the Director of Energy Division."* • "Response to the Proposed Decision," submitted January 7, 2016, pp. 2.	Verified

E. 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**	Verified
b. Were there other parties to the proceeding with positions similar to yours?	**Yes**	Verified
c. If so, provide name of other parties: NRDC was unique in our position on this matter.		ORA's proposal was similar.
d. Intervenor's claim of non-duplication: NRDC's advocacy was not duplicative as we worked closely with other parties during any opportunity to work out differences or sign on to comments. In addition, NRDC took steps to ensure no duplication of work within our organization by assigning specific issues, tasks, and workshops/meetings to one team member when possible, including having Pierre Bull as the sole contributor to work done in this proceeding. In addition, no other position aligned exactly with NRDC, therefore there was no overlap or duplication.		Verified

PART III: REASONABLENESS OF REQUESTED COMPENSATION

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

a. Intervenor's claim of cost reasonableness:	**CPUC Discussion**
NRDC consistently advocates for policies to maximize cost-effective procurement and use of clean energy resources, ensure that the benefits of clean energy resources are properly accounted for, and that policies and goals align to enable the utilities to use clean energy as their first energy resource choice (as required by California law). NRDC's continued focus in this and other proceedings is on policies that ensure a reliable, affordable, and environmentally sustainable energy resource portfolio that should have lasting benefits to customers. NRDC contributed substantially toward the modest set of modification that were necessary to evolve the residential NEM successor tariff in adherence to AB 327 (Perea) and the specific tenets for the NEM successor tariff in Public Utilities Code 2827.1.	Verified
b. Reasonableness of hours claimed: The substantial contributions to Commission policy described above would not have been possible without the individual contributions of the Pierre Bull. Mr. Bull has three years of experience working on distributed energy resources and CPUC proceedings, with 6 additional years in general energy policy. For this NEM successor tariff proceeding, he conversed with the major parties who each brought their own proposals into the proceeding – aiming to establish a reasonable middle ground among competing interests; established and refined NRDC's proposal in the proceeding; conducted the required minimum of six analysis runs in the Public Tool along with analyzing the results and publishing the inputs, assumptions and results; and supplied testimony on specific components of the NRDC proposed NEM successor tariff. In addition, the rate requested by NRDC are purposefully conservative and low on the ranges approved by the Commission, even though the levels of expertise of would justify higher rates. NRDC maintained detailed time records indicating the number of hours that were devoted to proceeding activities. All hours represent substantive work related to this proceeding.	Verified, but reductions were still taken.
c. Allocation of hours by issue: **A – 48.5%** **B – 7.3%** **C – 22.4%** **D – 6.0%** **E – 10.6%** **F – 5.2%**	Verified

B. Specific Claim:*

CLAIMED						CPUC AWARD		
ATTORNEY, EXPERT, AND ADVOCATE FEES								
Item	**Year**	**Hours**	**Rate $**	**Basis for Rate***	**Total $**	**Hours**	**Rate $**	**Total $**
P. Bull	2015	140.75	$175	Resolution ALJ-308	$24,631.25	230.38	$175	$21,049.00
P. Bull	2016	13.00	$175	Resolution ALJ-308	$2,275	11.13	$180[1]	$2,003.40
					***Subtotal:* $26,906.25**			***Subtotal:* $22,996.75**
INTERVENOR COMPENSATION CLAIM PREPARATION **								
Item	**Year**	**Hours**	**Rate $**	**Basis for Rate***	**Total $**	**Hours**	**Rate**	**Total $**
P. Bull	2016	4.0	$87.50	Resolution ALJ-308	$350.00	4	$90.00	$360.00
					***Subtotal:* $ 350.00**			***Subtotal:* $360.00**
					TOTAL REQUEST: $27,256.25			**TOTAL AWARD: $23,412.40**

*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.

**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
1	Staff Hours and Issue Areas
Comment #1	Pierre Bull's 2015 and 2016 Rate Rationale: NRDC requests a rate of $175 for Pierre Bull's work in 2015 per Resolution ALJ-308. This is at the low end of the range for experts with 7-12 years of experience for experts and is consistent with the rate awarded for Lara Ettenson in 2014, who similarly had 9 years of experience at that time (see D.15-10-041). We request the same rate for 2016 hours as no resolution has been issued authorizing 2016 hourly rate. Mr. Bull has nine years of experience and has been an advocate and expert at NRDC for 6 years. Prior to working at NRDC, Mr. Bull was an energy efficiency implementer at the New York State Energy and Development Authority (NYSERDA) for 3 years. Mr. Bull holds a Bachelor's of Science degree in environmental science from the University of Illinois at Urbana-

[1] Application of 2016 Cost-of-Living Adjustment, per Resolution ALJ-329.

	Champaign and a Master's of Science degree in natural resource policy and behavior from the University of Michigan.

D. CPUC Disallowances and Adjustments:

Item	Reason
[A]	Reduction in Bull's Issue A hours of 30% for vague NEM proposal. (*See* discussion in Part A.) This amounts to a reduction of 20.47 hours for 2015 and 1.87 hours for 2016.
[B]	NRDC requests a rate of $175 per hour for work done by Bull in 2015 and 2016. Bull has 9 years of experience working in energy efficiency. The Commission finds reasonable a rate of $175 per hour for work completed by Bull in 2015 and for 2016 as adjusted pursuant to Res. ALJ-329.

PART IV: OPPOSITIONS AND COMMENTS

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

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

FINDINGS OF FACT

1. Natural Resources Defense Council (NRDC) has made a substantial contribution to D.16-01-044.

2. The requested hourly rates for NRDC'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 $23,412.40.

CONCLUSION OF LAW

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

ORDER

1. Natural Resources Defense Council shall be awarded $23,412.40.

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 NRDC their respective shares of the award, based on their California-jurisdictional 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 June 13, 2016 the 75th day after the filing of NRDC'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 June 9, 2016, at San Francisco, California.

MICHAEL PICKER
President
MICHEL PETER FLORIO
CATHERINE J.K. SANDOVAL
CARLA J. PETERMAN
LIANE M. RANDOLPH
Commissioners

APPENDIX

Compensation Decision Summary Information

Compensation Decision:	D1606023	**Modifies Decision?**	No
Contribution Decision(s):	D1601044		
Proceeding(s):	R1407002		
Author:	ALJ Simon		
Payer(s):	Pacific Gas and Electric Company, San Diego Gas and Electric Company, and Southern California Edison Company		

Intervenor Information

Intervenor	Claim Date	Amount Requested	Amount Awarded	Multiplier?	Reason Change/Disallowance
Natural Resources Defense Council	March 30, 2016	$27,256.25	$23,412.40	N/A	Non-substantial Contribution

Advocate Information

First Name	Last Name	Type	Intervenor	Hourly Fee Requested	Year Hourly Fee Requested	Hourly Fee Adopted
Pierre	Bull	Expert	NRDC	$175	2015	$175
Pierre	Bull	Expert	NRDC	$175	2016	$180

(END OF APPENDIX)