

Decision _____

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

Order Instituting Rulemaking to Continue Implementation and Administration, and Consider Further Development of, California Renewables Portfolio Standard Program.	Rulemaking 15-02-020 (Filed February 26, 2015)
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**DECISION AWARDING INTERVENOR COMPENSATION TO L. JAN REID FOR
SUBSTANTIAL CONTRIBUTION TO DECISION 15-12-025**

Intervenor: L. Jan Reid	For contribution to Decision (D.) 15-12-025
Claimed: \$36,485.48	Awarded: \$36,513.98
Assigned Commissioner: Carla J. Peterman	Assigned ALJs: Robert Mason and Anne Simon

PART I: PROCEDURAL ISSUES

A. Brief description of Decisions:	D.15-12-025 conditionally accepted, as modified, the draft 2015 Renewables Portfolio Standard (RPS) Procurement Plans, including the related solicitation protocols, filed by Pacific Gas and Electric Company (PG&E), Southern California Edison Company (SCE), and San Diego Gas & Electric Company (SDG&E).
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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):	April 16, 2015	Verified.
2. Other specified date for NOI:		
3. Date NOI filed:	May 12, 2015	Verified.
4. Was the NOI timely filed?	Yes, L. Jan Reid (Reid) 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.13-12-010	No, this determination was made in R.12-03-014.
6. Date of ALJ ruling:	March 25, 2014	Verified.
7. Based on another CPUC determination (specify):		
8. Has the Intervenor demonstrated customer or customer-related status?		Yes, Reid demonstrated customer status.
Showing of “significant financial hardship” (§ 1802(g)):		
9. Based on ALJ ruling issued in proceeding number:	R.13-12-010	No, this determination was made in R.12-03-014.
10. Date of ALJ ruling:	March 25, 2014	Verified.
11. Based on another CPUC determination (specify):		
12. Has the Intervenor demonstrated significant financial hardship?		Yes, Reid demonstrated significant financial hardship.
Timely request for compensation (§ 1804(c)):		
13. Identify Final Decision:	N/A See comment below.	D.15-12-025.
14. Date of issuance of Final Order or Decision:	N/A	December 22, 2015
15. File date of compensation request:	February 19, 2016	Verified.
16. Was the request for compensation timely?		Yes, Reid timely filed the request for intervenor compensation.

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

#	Intervenor’s Comment(s)	CPUC Discussion
13,14	A final decision closing proceeding R.15-02-020 has not been issued. Therefore, the request is timely pursuant to Public Utilities Code § 1804(c).	Verified.
16	This request is timely under PU Code §1804(c) because of a standard previously established in D.14-06-024. In its decision on a compensation request filed by Reid, the Commission stated that: (D.14-06-024, slip op. at 2) “A final decision closing proceeding R.10-05-006 has not been issued. Therefore, the request is timely pursuant to Public Utilities Code § 1804(c).” The Commission should apply the same standard to the instant request by finding that Reid’s request is timely under PU Code §1804(c).	Verified.

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
1. RPS Percentage	<p>Reid recommended that “The Commission should increase the IOUs’ RPS percentage requirement to 40% in 2024. 40% RPS requirement will result in costs of \$1.9 billion and a minimum benefit of \$2.04 billion for a benefit/cost ratio of 1.07.” (D.15-12-025, slip op. at 90)</p> <p>After Reid made his recommendation, Governor Brown signed SB350 into law . SB 350 increased the RPS percentage to 40% in 2024 and 50% in 2030. (D.15-12-025, slip op. at 5-6)</p> <p>The Commission should award Reid full compensation for time reasonably spent on the RPS percentage issue because Reid’s recommendation and analysis were consistent with Commission instructions concerning the RPS percentage issue. (See D.15-12-025, slip op. at 5) Although I have no way of knowing whether my recommendation had any impact on SB350, I note that my recommendation for 2024 was identical to the RPS requirement adopted by the legislature for that year.</p>	<p>Verified.</p> <p>Senate Bill 350 was introduced on February 24, 2015. The 40% RPS existed in the original text of the Bill. This proceeding did not open until February 26, 2015.</p>
2. Index Contracts	<p>Reid recommended that “the Commission should order PG&E not to sign index contracts for RPS resources. Mr. Reid is unaware of any PG&E RPS contract that has been indexed to the cost of solar panels or wind turbines. The vast majority of index contracts are based on commodity indices or on inflation rates.” (D.15-12-025, slip op. at 92)</p> <p>Although the Commission did not adopt Reid’s recommendation, Reid made a substantial contribution to the Commission’s resolution of the Index Contracts issue.</p>	<p>Verified.</p>
3. Procurement Bank	<p>Reid argued that “PG&E’s estimated procurement bank size is significantly higher than its RPS need. In 2022, the bank is almost eight times PG&E’s RPS need and falls to 1.25 times PG&E’s need by 2030.” (Reid Public Comments on PG&E’s RPS Plan, August 31, 2015 [Reid Public Plan Comments], p. 11) Reid recommended that the Commission order PG&E to limit its procurement bank size to the number of annual GWh given in Table 2 of Reid’s Confidential Plan Comments. (Reid Public Plan Comments, p. 11)</p> <p>The Commission stated that “We reject any current</p>	<p>Verified.</p>

Intervenor's Claimed Contribution(s)	Specific References to Intervenor's Claimed Contribution(s)	CPUC Discussion
	<p>proposals for 2024 including PG&E's proposal for a bank size." (D.15-12-025, slip op. at 91)</p> <p>Thus, Reid made a substantial contribution to the Commission's resolution of the Procurement Bank issue.</p>	
4. RPS Solicitation	<p>Reid recommended that "If the Commission accepts PG&E's proposal not to hold an RPS solicitation in 2015, the Commission should require PG&E to seek Commission approval before entering into any bilateral contracts; to seek Commission approval before conducting an RPS solicitation in 2015; and to update its solicitation materials and pro-forma contract." (Reid Public Plan Comments, p. 2)</p> <p>Reid discussed this issue in detail on pages 3-4 of his public and confidential RPS Plan Comments.</p> <p>In part, the Commission effectively agreed with Reid when it stated that "PG&E is required to first seek the Commission's permission before entering into any bilateral contracts during the time period covered by PG&E's 2015 RPS Procurement Plan. In addition, should PG&E determine that an RPS solicitation is needed during the time period covered by the 2015 solicitation cycle, PG&E is required to first seek the Commission's permission." (D.15-12-025, slip op. at 24)</p> <p>Thus, Reid made a substantial contribution to the Commission's resolution of the RPS Solicitation issue.</p>	Verified.
5. Contract Escalation Rates	<p>Reid calculated the annual inflation rates for the years 2005-2014 using the Consumer Price Index for all Urban Consumers (CPI-U). (See Reid Public Plan Comments, Table 3, p. 19)</p> <p>Reid argued that "The purpose of an escalation rate is to limit the annual cost of RPS contracts to the benefit of rate-payers. . . the average inflation rate over the ten year period [2005-2014] is significantly lower than the assumed 3% escalation rate for RPS contracts."</p> <p>Reid recommended that "the Commission order the IOUs to establish escalation rates which are no greater than the annual inflation rate for the year in question." (Reid Public Plan Comments, p. 19)</p> <p>Although the Commission did not adopt Reid's recommendation, Reid made a substantial contribution to the Commission's resolution of the Contract Escalation Rates issue.</p>	Verified.

Intervenor’s Claimed Contribution(s)	Specific References to Intervenor’s Claimed Contribution(s)	CPUC Discussion
6. Economic Curtailment	<p>Reid stated that “In footnote 45 of its RPS Plan, PG&E refers to a study presented by the California Independent System Operator (CAISO) in August, 2014 in Rulemaking (R.) 13-12-010, the Long Term Procurement Plan (LTPP) proceeding. Because modeling work in the LTPP proceeding is ongoing, future models may estimate different values for the magnitude of economic curtailment.” (Reid Public Plan Comments, p. 20)</p> <p>Reid recommended that “The Commission should order PG&E to update its plan if future LTPP models estimate a different value for economic curtailment.” (Reid Public Plan Comments, p. 20)</p> <p>Although the Commission did not adopt Reid’s recommendation, Reid made a substantial contribution to the Commission’s resolution of the Economic Curtailment issue.</p>	Verified.

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	Verified.
b. Were there other parties to the proceeding with positions similar to yours?	Yes	Agreed.
c. If so, provide name of other parties: CEERT, IEP, LSA, ORA, SCE (See Part II.D)		Agreed.
d. Intervenor’s claim of non-duplication: Reid collaborated with a number of parties during the course of this proceeding. Although Reid does not seek compensation for all of these communications, they indicate reasonable collaboration with other parties.		Verified.

C. Additional Comments on Part II (use line reference # or letter as appropriate):

Item	Intervenor’s Comment	CPUC Discussion
B.c	<p>Of the six issues identified by Reid in Part II.A above, the Commission did not identify any party whose position was similar to Reid’s on more than one issue. Thus, the Commission can safely find that Reid did not duplicate the work of other parties.</p> <p>Reid’s compensation in this proceeding should not be reduced for</p>	The Commission agrees that in complex proceedings it is difficult to anticipate the showings of other parties. Once such showings are made,

Item	Intervenor’s Comment	CPUC Discussion
	<p>any duplication with respect to the showings of other parties. In a proceeding with subject matter as complex as in this one and with multiple parties, it is virtually impossible for Reid or any party to fully anticipate where showings of other parties may duplicate Reid’s, especially in view of the need to make a coherent and sufficient showing on the issues Reid emphasizes and on the ultimate issues.</p> <p>In evaluating Reid’s claim and the issue of duplication, the Commission should be guided by the standards established in D. 03-03-031</p> <p>In this decision, the Commission stated that: (Westlaw 2003 WL 1715098, Cal P.U.C., D.03-03-031, slip op. at 1)</p> <p>“We have concluded that the application of a duplication penalty to reduce awards to participants that make a substantial contribution is not permissible under the statutes governing compensation of participating customers in commission proceedings.”</p>	<p>however, it is imperative for intervenors to minimize duplication.</p> <p>In D.03-03-031, the Commission held that it could not expand its interpretation of duplication outside of what is found in the intervenor compensation statutes, by adding additional eligibility requirements. The Commission continues to reduce awards when a party’s participation is duplicative of similar interests that are adequately represented in a proceeding.</p>

PART III: REASONABLENESS OF REQUESTED COMPENSATION

A. General Claim of Reasonableness (§ 1801 and § 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)	<u>CPUC Discussion</u>
<p>Reid contributed to the proceeding in a manner that was productive and will result in benefits to ratepayers that exceed the cost of Reid’s participation.</p> <p>In consolidated Rulemaking 97-01-009 and Investigation 97-01-010, the Commission required intervenors seeking compensation to show that they represent interests that would otherwise be underrepresented and to present information sufficient to justify a finding that the overall benefits of a customer's participation will exceed the customer's costs. (D.98-04-059, 79 CPUC2d 628, Finding of Fact 13 at 674, Finding of Fact 42 at 676) The Commission noted that assigning a dollar value to intangible benefits may be difficult.</p> <p>As mentioned previously, Reid made a substantial contribution to the proceeding. It is reasonable to assume that the resolution of the issues raised by Reid in this proceeding will benefit ratepayers in the future.</p> <p>The Commission can safely find that the participation of Reid in this proceeding was productive. Overall, the benefits of Reid’s participation justify compensation in the amount requested.</p>	<p>Verified.</p>

<p>b. Reasonableness of Hours Claimed.</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 \$36,485.48 for time reasonably devoted to the instant rulemaking. 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 PU Code §1804(d).</p>	<p>Verified.</p>																								
<p>c. Allocation of hours by issue:</p> <table border="1"> <thead> <tr> <th>Issue</th> <th>Hours</th> <th>Percent</th> </tr> </thead> <tbody> <tr> <td>Contract Escalation Rates</td> <td>8.90</td> <td>5.44%</td> </tr> <tr> <td>Economic Curtailment</td> <td>3.50</td> <td>2.14%</td> </tr> <tr> <td>Index Contracts</td> <td>2.90</td> <td>1.77%</td> </tr> <tr> <td>Procurement Bank</td> <td>13.40</td> <td>8.20%</td> </tr> <tr> <td>RPS Percentage</td> <td>29.00</td> <td>17.74%</td> </tr> <tr> <td>RPS Solicitation</td> <td>8.80</td> <td>5.38%</td> </tr> <tr> <td>General</td> <td>97.00</td> <td>59.33%</td> </tr> </tbody> </table>	Issue	Hours	Percent	Contract Escalation Rates	8.90	5.44%	Economic Curtailment	3.50	2.14%	Index Contracts	2.90	1.77%	Procurement Bank	13.40	8.20%	RPS Percentage	29.00	17.74%	RPS Solicitation	8.80	5.38%	General	97.00	59.33%	<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	2015	158.4	220	D.15-10-048, Appendix	\$34,848.00	158.40	220.00	\$34,848.00
L. Jan Reid, Expert and Advocate	2016	2.0	220	D.15-10-048, Appendix	\$440.00	2.000	225.00 <i>See Res. ALJ-329.</i>	\$450.00
Subtotal: \$35,288.00						Subtotal: \$35,298.00		

OTHER FEES								
Describe here what OTHER HOURLY FEES you are Claiming (paralegal, travel **, etc.):								
Item	Year	Hours	Rate \$	Basis for Rate*	Total \$	Hours	Rate	Total \$
L. Jan Reid	2015	3.1	110.00	D.15-10-048, Appendix	\$341.00	3.10	110.00	\$341.00
Subtotal: \$341.00						Subtotal: \$341.00		
INTERVENOR COMPENSATION CLAIM PREPARATION **								
Item	Year	Hours	Rate \$	Basis for Rate*	Total \$	Hours	Rate	Total \$
L. Jan Reid	2016	7.4	110.00	D.15-10-048, Appendix	\$814.00	7.40	112.50	\$832.50
Subtotal: \$814.00						Subtotal: \$832.50		
COSTS								
#	Item	Detail			Amount	Amount		
1	2015 Postage	Postage on 3 large envelopes for 7 separate filings			\$19.52	\$19.52		
2	2015 Copying	287 pages at 8 cents/page for 7 separate filings			\$22.96	\$22.96		
TOTAL REQUEST: \$36,485.48						TOTAL AWARD: \$36,513.98		
<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. Intervenors' 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>**Travel and Reasonable Claim preparation time typically compensated at ½ of preparer's normal hourly rate</p>								

Intervenor's Comments on Part III:

Comment #	Intervenor's Comment(s)
4	<p>Reid's Hourly Rate</p> <p>Reid requests that the Commission authorize an hourly rate of \$220 for L. Jan Reid for 2015 and 2016 professional work. Reid also requests an hourly rate for L. Jan Reid of \$110.00 for 2014-2015 compensatory time.</p> <p>In D.15-10-048, the Commission set Reid's hourly rate at \$220 for 2014 professional work. The Commission should authorize the same hourly rate for Reid's 2015-2016 professional work.</p>

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(c)(6))?	Yes.

FINDINGS OF FACT

1. L. Jan Reid has made a substantial contribution to D.15-12-025.
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 \$36,513.98.

CONCLUSION OF LAW

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

ORDER

1. L. Jan Reid shall be awarded \$36,513.98.
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 L. Jan Reid 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 May 4, 2016, the 75th 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.
4. This decision is effective today.

Dated _____, at San Francisco, California.

APPENDIX A**Compensation Decision Summary Information**

Compensation Decision:		Modifies Decision?	No
Contribution Decision(s):	D1512025		
Proceeding(s):	R1502020		
Author:	ALJs Mason and Simon		
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
L. Jan Reid	02/19/2016	\$36,485.48	\$36,513.98	No.	N/A

Advocate Information

First Name	Last Name	Type	Intervenor	Hourly Fee Requested	Year Hourly Fee Requested	Hourly Fee Adopted
L. Jan	Reid	Attorney	L. Jan Reid	\$220.00	2015	\$220.00
L. Jan	Reid	Attorney	L. Jan Reid	\$220.00	2016	\$225.00

(END OF APPENDIX)