

Decision 09-05-015 May 7, 2009

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

Order Instituting Rulemaking to Develop the Commission's Energy Efficiency Strategic Plan.

Rulemaking 08-07-011
(Filed July 10, 2008)

Joint Application of Pacific Gas and Electric Company (U39E), Southern California Edison Company (U338E), San Diego Gas & Electric Company (U902E), and Southern California Gas Company (U904G) Submitting the California Energy Efficiency Strategic Plan.

Application 08-06-004
(Filed June 2, 2008)

**DECISION GRANTING INTERVENOR COMPENSATION
TO THE UTILITY REFORM NETWORK
FOR ITS SUBSTANTIAL CONTRIBUTION TO DECISION 08-09-040**

Claimant: The Utility Reform Network	For Contribution to D.08-09-040
Claimed: \$56,338.40	Awarded: \$56,338.40
Assigned Commissioner: Grueneich	Assigned ALJ: Gamson

PART I: PROCEDURAL ISSUES**A. Brief Description of Decision:**

Decision (D.) 08-09-040 adopts the California Long-Term Energy Efficiency Strategic Plan (the Plan), which sets forth a roadmap for energy efficiency in California through 2020 and beyond, including a long-term vision and goals for each economic sector, as well as near-term, mid-term and long-term strategies to achieve those goals. D.08-09-040 requires that the strategies articulated in the Plan be incorporated into energy efficiency program planning and implementation beginning in 2009.

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 (§ 1804(a)):		
1. Date of Prehearing Conference:	July 18, 2008	YES
2. Other Specified Date for NOI:		
3. Date NOI Filed:	August 18, 2008	YES
4. Was the notice of intent timely filed?		YES
Showing of customer or customer-related status (§ 1802(b)):		
5. Based on ALJ ruling issued in proceeding number:	A.08-06-011	YES
6. Date of ALJ ruling:	Sept. 29, 2008	YES
7. Based on another CPUC determination (specify):		
8. Has the claimant demonstrated customer or customer-related status?		YES
Showing of "significant financial hardship" (§ 1802(g)):		
9. Based on ALJ ruling issued in proceeding number:	A.07-12-021	YES
10. Date of ALJ ruling:	April 18, 2008	YES
11. Based on another CPUC determination (specify):		
12. Has the claimant demonstrated significant financial hardship?		YES

Timely request for compensation (§ 1804(c)):		
13. Identify Final Decision	D.08-09-040	YES
14. Date of Issuance of Final Decision:	September 19, 2008	YES
15. File date of compensation request:	November 18, 2008	YES
16. Was the request for compensation timely?		YES

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

#	Claimant	CPUC	Comment
5	TURN		Since ALJ Gamson has not yet issued a ruling on TURN’s NOI filed in the instant proceeding, TURN here provides the Commission with a ruling very recently issued by ALJ O’Donnell (in another docket, A.08-06-011), where the Commission accepted TURN’s showing of customer status.

PART II: SUBSTANTIAL CONTRIBUTION

A. In the fields below, describe in a concise manner Claimant’s contribution to the final decision (see § 1802(i), § 1803(a) & D.98-04-059) (For each contribution, support with specific reference to final or record.)

Contribution	Citation to Decision or Record	Showing Accepted by CPUC
(Admin) TURN demonstrated that the IOUs should not have responsibility for coordinating strategic planning (and market transformation).	See TURN Comments on the IOUs’ “Preliminary Energy Efficiency Strategic Plan,” submitted to the IOUs on 3-24-08, pp. 18-22. Order Instituting Rulemaking 08-07-011, pp. 2-3: “Because of the importance to California of developing far-sighted, robust energy efficiency programs, we want to be able to embrace an energy efficiency strategic plan as our own. A Commission Strategic Plan has the benefit of signaling our ongoing	YES

	<p>commitment to a long-lasting vision of continuous improvement, whether through utility programs we authorize, partnerships with other governmental agencies, or other important public initiatives. We intend to lead the way to achieve the next generation of energy efficiency through all possible means at our disposal. To accomplish this, we intend to undertake and engage actions by leaders and stakeholders both within our regulatory jurisdiction and beyond."</p>	
<p>(Admin) TURN demonstrated that California would benefit from having market transformation coordinated by a truly statewide or regional independent entity, such as the Northwest Energy Efficiency Alliance or Northeast Energy Efficiency Partnerships.</p>	<p><i>See</i> TURN Reply Comments on the Commission's Draft EE Strategic Plan, 8-7-08, p. 3 and Attachment A ("Successful Regional Energy Efficiency Market Transformation in the U.S.", discussing the Northwest Energy Efficiency Alliance and Northeast Energy Efficiency Partnerships).</p> <p><i>See also</i> TURN Comments on the IOUs' "Preliminary Energy Efficiency Strategic Plan," submitted to the IOUs on 3-24-08, pp. 18-22.</p> <p>D.08-09-040, p. 10: "A dedicated California Energy Efficiency organization with membership and mandate to match the scope of the goals presented in the Plan could be organized on a non-profit or quasi-governmental basis. While the Commission has limited authority to unilaterally implement this recommendation, we generally agree that the scope of the Plan demands a broad-based alliance which invites participation by all stakeholders. The Plan now reflects this aspiration. However, until such an entity is formed, the Commission will continue to take the lead in moving the Plan's directives forward, with</p>	<p>YES</p>

	<p>increasing participation by non-Commission and non-IOU entities.”</p> <p>D.08-09-040, p. 13: “At this time, we do not commit to setting up a California Energy Efficiency Alliance (CEEA), as suggested by several parties. ... Nevertheless, we recognize that California would benefit from establishment of a broadly based neutral and independent statewide group, to help guide energy efficiency policy recommendations and market transformation activities across the state. An organized statewide group would assist this Commission, ratepayers, and the IOUs in achieving our energy efficiency goals. Such an organization likely would be similar to other market transformation groups already established elsewhere in the country, including the Northeast Energy Efficiency Partnership and the Northwest Energy Efficiency Alliance. As discussed in the Plan, we will set up working groups that will pursue specific goals and sector strategies; out of that effort, a statewide group or organization may well develop.”</p> <p><i>See also</i> D.08-09-040, p. 18, Finding of Fact 5: “California would benefit from establishment of a broadly based neutral and independent organization to help guide energy efficiency policy recommendations and market transformation activities across the state.”</p>	
<p>(Admin) TURN demonstrated the importance of adopting definitions and metrics for evaluating progress towards market transformation.</p>	<p><i>See</i> TURN Reply Comments on the Commission’s Draft EE Strategic Plan, 8-7-08.</p> <p><i>See also</i> TURN Protest of A.08-06-004, pp. 9-13 (arguing that the IOU Strategic Plan failed to adequately address market transformation,</p>	<p>YES</p>

	<p>including goals and metrics for determining progress towards transformed markets, and urging the Commission to correct this defect in its own Plan).</p> <p>D.08-09-040, pp. 9-10: “A number of parties called for more language on the topic of market transformation. NRDC, Community Environmental Council, TURN and DRA commented that the Commission should establish a schedule for adopting definitions and metrics for evaluating progress toward the market transformation goals envisioned by the Plan. While, due to time constraints, a schedule was not developed, the discussion on market transformation in the Plan has been substantially expanded. The Plan recognizes that work remains in developing rules and guidelines for tracking market-transformation but it also presents a clear definition of the term and affirms market transformation as a unifying objective of the Plan itself. The Commission will take action by the end of 2009, or when the IOU 2009-2011 portfolio’s [sic] are approved, whichever is sooner, on the remaining issues that need to be addressed in market transformations [sic]. This includes, at a minimum, identifying the process to track progress towards defined end points for program efforts and progress metrics.”</p>	
<p>(C/E) TURN demonstrated that the Strategic Plan should not incorporate the policy rule changes advocated by the IOUs, which would have diluted existing ratepayer protections related to the costs of and benefits from implementing the Plan.</p>	<p><i>See</i> TURN Protest of A.08-06-004, pp. 4-9. <i>See also</i> TURN Comments on the IOUs’ “Preliminary Energy Efficiency Strategic Plan,” submitted to the IOUs on 3-24-08, pp. 7-11.</p> <p><i>Compare</i> D.08-09-040, Attachment A, p. 5 (merely recognizing that the Commission should consider whether to make changes to “the policy rules</p>	<p>YES</p>

	<p>on counting savings from IOU programs to attribute gains from market transformation and long-term strategies resulting from IOU actions”) and A.08-06-004, IOUs’ Strategic Plan, Chapter 14 (advocating numerous specific revisions to EE policies related to accounting for the costs and benefits associated with implementing the Strategic Plan).</p>	
<p>(C/E) TURN demonstrated that the Draft Plan misleadingly stated that it had not undergone “rigorous cost-benefit analysis” when actually no cost-benefit analysis had been done. Similarly, TURN demonstrated that the Plan should provide assurance that the EE “activities envisioned in the plan and subject to the Commission’s jurisdiction will only be funded by utility ratepayers as part of cost-effective EE portfolios.”</p>	<p><i>See</i> TURN Comments on the Commission’s Draft EE Strategic Plan, 7-31-08, pp. 7-88.</p> <p><i>Compare</i> D.08-09-040, Attachment A, p. 7 (“... this <i>Plan</i> has not undergone cost-benefit analysis. However, the efficiency activities envisioned in this <i>Plan</i> subject to the Commission’s jurisdiction will only be funded by ratepayers as part of cost-effective portfolios.”) and 7-14-08 Draft Strategic Plan, p. 6.</p> <p>D.08-09-040, p. 17: “The Commission will take action when the IOU 2009-2011 portfolio’s [sic] are approved to address cost-effectiveness of the elements in the Plan which are proposed or under consideration in the current applications consistent with the Commission’s Energy Efficiency Policy Manual.”</p>	<p>YES</p>
<p>(Financing) TURN demonstrated that more attention should be given to financing strategies, particularly for residential customers, than provided in the IOUs’ proposed strategic plan. TURN advocated a detailed timeline, milestones, and action steps related to brining a variety of financing options on board in 2009, including strategies that belong in utility EE portfolios, like on-bill financing, as well as governmental strategies like Berkeley’s proposed tax assessment strategy.</p>	<p><i>See</i> TURN Protest of A.08-06-004, pp 13-17 (arguing that the IOU Strategic Plan did not place enough emphasis on the role of financing strategies in mitigating market barriers to customer EE investment). <i>See also</i> TURN Comments on the IOUs’ “Preliminary Energy Efficiency Strategic Plan,” submitted to the IOUs on 3-24-08, pp. 11-15.</p> <p>D.08-09-040, Attachment A, p. 18 (discussing the importance of</p>	<p>YES</p>

	<p>financing options for single family and multi-family retrofit markets). <i>See also</i> 7-14-08 Draft EE Strategic Plan, pp. 16, 18 (showing the expanded discussion of financing relative to the IOUs' Strategic Plan submitted in A.08-06-004).</p> <p>D.08-09-040, Attachment A, p. 20, Implementation Plan and Timeline for Existing Homes, Strategy 2-4: "Develop financial products and programs such as on-bill financing to encourage demand for energy efficiency building products, homes systems, and appliances," with near-term and longer term action steps (including developing partnerships for innovating financing programs, such as Berkeley's solar and EE property loans, investigating the feasibility of on-bill financing and other lending products, and convening a task force on financing with attention to multi-family housing and paying for actions with longer-term paybacks).</p> <p>D.08-09-040, p. 11: "We agree that innovative financing mechanisms will be a critical component in achieving the Plan's vision."</p>	
<p>(Lighting) TURN demonstrated that ratepayer-funded CFL programs should place minimum mercury content requirements on participating CFL manufacturers and promote proper CFL disposal.</p>	<p><i>See</i> TURN Comments on the Commission's Draft EE Strategic Plan, 7-31-08, p. 9. <i>See also</i> TURN/DRA Protest to PG&E Advice Letter 3257-E - Modification of Existing Mass Market Program to Offer Limited Marketing Campaign of Fluorescent Lamp Recycling, 5-12-08; DRA/TURN Response to PG&E Advice Letter 3257-E-A (both urging the Commission to require the utilities to place mercury-content limits on CFL bulbs distributed through</p>	<p>YES</p>

	<p>ratepayer-funded programs and to reduce the hazardous waste associated with efficient lighting measures by encouraging proper disposal).</p> <p>D.08-09-040, p. 10: "In addition we respond to party comments (DRA, TURN) on the importance of proper compact fluorescent light (CFL) disposal, and suggest strategies to address the management of toxics in lighting disposal."</p> <p>D.08-09-040, Attachment A, p. 24 (Residential Sector Goal 4-5: "Ensure environmental safety of CFLs and other emerging lighting solutions" by "Establish[ing] minimum mercury content requirements on the CFL manufacturers participating in utility programs," "Determin[ing] cost-effective convenient methods for collection and recycling of any end-of-life light bulbs," "Coordinat[ing] consumer education and marketing programs to improve disposal habits.")</p>	
<p>(Lighting) TURN demonstrated that IOU lighting programs in California should not be pointed to as providing a "road map to success in achieving market transformation for other end use technologies," as suggested in the Draft Strategic Plan.</p>	<p>See TURN Comments on the Commission's Draft EE Strategic Plan, 7-31-08, pp. 8-10.</p> <p>Compare D.08-09-040, Attachment A, p. 10 ("These changes in the lighting market provide [sic] will allow opportunities to redirect utilities' residential energy efficiency resources towards new lighting technologies and other innovative programs focused on whole-building efficiency measures.") and 7-14-08 Draft Strategic Plan, p. 9 ("These changes in the lighting market provide a road map to success in achieving market transformation for other end use technologies and creating new</p>	<p>YES</p>

	opportunities to move the utilities’ residential energy efficiency resources from mass market light bulb promotions and give-aways to new lighting technologies and other innovative programs that focus on whole-building efficiency measures.”).	
(Lighting) TURN demonstrated that the Plan should be modified to acknowledge that “dramatic changes in national and international lighting markets” have impacted the context for lighting programs in California, in addition to the recent state and federal legislation, which the Plan mentioned.	<p><i>See</i> TURN Comments on the Proposed Decision, pp. 5-6 (citing to TURN Comments on the Commission’s Draft EE Strategic Plan, 7-31-08, p. 10).</p> <p><i>Compare</i> D.08-09-040, Attachment A, pp. 22-23 (adding TURN’s proposed sentence and expanding the discussion of the impact of market changes in the following paragraph) and PD, Attachment A, p. 22.</p>	YES
(Lighting) TURN demonstrated that the coordinated phase-out of utility incentives for CFLs should be accompanied by the following: “California should first ensure that the big box / home improvement retailers such and Wal-Mart and Home Depot are ready to stock their Energy Star price discounted CFLs in California, as the IOUs’ phase their CFLs out. At the same time, California should begin negotiations with manufacturers and retailers to buy-down and stock the next generation of high efficiency lighting such as LEDs (light-emitting diodes).”	<p><i>See</i> TURN Comments on the Commission’s Draft EE Strategic Plan, 7-31-08, p. 4.</p> <p>D.08-09-040, Attachment A, p. 24 (Residential Sector Goal 4-4: “Coordinated phase out of Utility incentives for purchase of CFLs” should be implemented by “Ensuring that big box and home improvement retailers such as Wal-Mart and Home Depot are ready to stock Energy Star price discounted CFLs in CA as IOUs phase CFL programs out” and having the “Utilities engage in negotiations with manufacturers and retailers to buy-down prices and stock the next generation of high efficiency lighting”).</p>	YES
(Lighting) TURN demonstrated that the Commission’s Strategic Plan should include specific guidance for how the IOUs’ 2009-2011 EE portfolios should respond to recent dramatic changes in the California lighting	<i>See</i> TURN Protest of A.08-06-004, pp. 11-13. <i>See also</i> TURN Comments on the Commission’s Draft EE Strategic Plan, 7-31-08, p. 4 (advocating steps for phase-out of CFLs).	YES

<p>market, particularly for CFL bulbs.</p>	<p>D.08-09-040, Attachment A, p. 10, 22: “In the past few years, the CFL market has undergone a major transformation, as evidenced by the ubiquity of CFL products in the retail market and recent energy measurement and verification studies. ... These changes in the lighting market provide will allow [sic] opportunities to redirect utilities’ residential energy efficiency resources towards new lighting technologies and other innovative programs focused on whole-building efficiency measures.” “While significant savings potential still exists today, as these new standards and market changes come into force, utility programs targeting these same applications will provide little incremental benefit. Ratepayer-funded programs must re-orient towards measures which extend beyond these new standards and measures accepted in the marketplace to usher in the next generation of high-efficiency lighting. Accordingly, there is a need to move quickly beyond current lighting programs...”</p> <p>D.08-09-040, Attachment A, p. 11, Residential Goal 4 Results: “Utilities will begin to phase traditional mass market CFL bulb promotions and giveaways out of program portfolios and shift focus toward new lighting technologies and other innovative programs that focus on lasting energy savings and improved consumer uptake.”</p>	
<p>(HVAC) TURN demonstrated that noncompliance with California codes and standards, particularly related to HVAC, must be aggressively targeted in the Plan in order for the HVAC</p>	<p><i>See, i.e.,</i> HVAC Convenors’ January 2008 Report (CEC draft HVAC Report), Chapter 1 (importance of new and retrofit quality installation);</p>	<p>YES</p>

<p>goals to be achieved. TURN demonstrated through our participation in the HVAC working group that the CEC's AB 2021 HVAC Report (relied upon by the Commission in D.08-09-040 (<i>See</i> D.08-09-040, Attachment A, p. 59)) should have as a primary focus increasing quality installation and maintenance of HVAC systems, rather than focus predominantly on acceleration of penetration of certain existing or new HVAC technologies. TURN likewise contributed recommendations for increasing compliance with Title 24's requirements related to HVAC, which were captured in the Convenors' Report and the CEC's Final HVAC Report, including the following: utility programs should require proof of permit for HVAC rebate; better enforcement of permit requirements by state and local building officials; creation of a new tracking database to link HVAC system sales to contractors to permits and quality installation verification. TURN also demonstrated that HVAC improvements should occur in the context of whole building design, rather than in isolation.</p>	<p>Chapter 2, Strategy 1, Chapter 4, Strategy 3 (more permits, increased enforcement); Chapter 5, Strategy 10 (whole building design).</p> <p><i>See</i> CEC June 2008 Final HVAC Report, p. 8 (tracking database); p. 18 (more permits, increased enforcement); p. 18 (utility rebates linked to permits); pp. 8-9, 27 (whole building design).</p> <p>Due to the informal (albeit labor intensive) nature of the strategic planning process, TURN did not file any documents with the Commission during the fall of 2007 and winter of 2008. Thus, TURN cannot point to record evidence to support attribution of these contributions to us. However, TURN has numerous emails and documents prepared and distributed to working group members during the strategic planning process that support this attribution, which we would be glad to share with the Commission upon request. TURN also notes that our consultant on EE matters, Cynthia Mitchell, is listed in the Acknowledgements section of the CEC's Final HVAC Report due to her work throughout the strategic planning working group process.</p>	
<p>(Admin) TURN demonstrated that the PD should be modified to refer to an "administrative structure for ratepayer-funded programs which encourages appropriate allocations of portfolio dollars to market transformational initiatives, in combination with governmental and private sector funds" (rather than "an administrative structure for utility programs which encourages aggressive allocations of portfolio dollars to market transformational initiatives").</p>	<p><i>See</i> TURN Comments on the Proposed Decision (PD), 9-8-08, pp. 3-4.</p> <p><i>Compare</i> D.08-09-040, p. 15 and PD, p. 14.</p>	<p>YES</p>

<p>(Residential Sector) TURN demonstrated that the Plan’s description of barriers to the whole-house approach to residential retrofits should be modified to improve its accuracy and clarity, and TURN’s proposed language was adopted by the Commission.</p>	<p>See TURN Comments on the PD, p. 5. Compare D.08-09-040, Attachment A, pp. 18-19 and PD, Attachment A, p. 17 (paragraph starting with “While many residential building retrofit measures ...”).</p>	<p>YES</p>
<p>(Proposed Decision) TURN demonstrated that the PD erroneously referred to the IOUs’ 2006-2008 EE portfolios as producing \$2.7 billion in net resource benefits, when this estimated was derived from outdated net benefit calculation methodologies and is no longer credible.</p>	<p>See TURN Comments on the Commission’s Draft EE Strategic Plan, 7-31-08, pp. 5-7. Compare D.08-09-040, Attachment A, p. 2 (“The IOUs’ 2006-2008 energy efficiency portfolio marks the single-largest energy efficiency campaign in U.S. history, with a \$2 billion investment by California’s energy ratepayers.”) and 7-14-08 Draft Strategic Plan, p. 3 (“The IOUs’ 2006-2008 energy efficiency portfolio marks the single-largest energy efficiency campaign in U.S. history and one that will produce an estimated \$2.7 billion in net resource benefits, representing a 2-to-1 return on the efficiency investment.”).</p>	<p>YES</p>
<p>(Proposed Decision) TURN proposed corrections for errors in the PD that were adopted by the Commission.</p>	<p>See TURN Comments on the PD, p. 6. Compare D.08-09-040, p. 6 and PD, p. 6; D.08-09-040, p. 15 and PD, p. 15.</p>	<p>YES</p>

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

	Claimant	CPUC Verified
a. Was DRA a party to the proceeding? (Y/N)	Yes	YES
b. Were there other parties to the proceeding? (Y/N)	Yes	YES
<p>c. If so, provide name of other parties: As explained by D.08-09-040, “Our adoption of the Plan culminates an extensive collaborative process involving the Commission’s major regulated energy utilities – Pacific Gas & Electric Company, Southern California Edison Company, San Diego Gas & Electric Company, and Southern California Gas Company – and over 500 individuals and organizations working together over an eleven-month period initiated by Decision 07-10-032 in October 2007, our</p>	<p>YES</p>	

<p>order regarding future energy efficiency planning.” (D.08-09-040, p. 2.) More specifically, at least 25 of those 500 entities formally participated in R.08-07-011/ A.08-06-004 by filing comments with the Commission. (See D.08-09-040, Appendices 1 and 2 (containing a partial listing of parties submitting comments and reply comments on the Commission’s draft Plan); see also the docket card for R.08-07-011/ A.08-06-004, http://docs.cpuc.ca.gov/published/proceedings/R0807011.htm, which reflects comments from additional parties on the draft Plan, as well as on the Proposed Decision that preceded D.08-09-040.) Rather than include this extensive list of active parties here, TURN respectfully refers the Commission to those sources.</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: TURN coordinated, as much as possible, with DRA and with other intervenors in order to avoid unnecessary duplication of effort. As a result of this coordination, TURN addressed only a subset of the many issues raised by A.08-06-004 and R.08-07-011 in our protest and comments.</p>	<p>YES</p>

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

#	Claimant	CPUC	Comment
II.A	TURN		TURN has grouped our contributions to D.08-09-040 into issue categories and indicated the category to which each contribution described in Table II.A. belongs. These categories include strategic planning/ market transformation administration (Admin), cost-effectiveness issues related to strategic planning and implementation (C/E), particular strategies, including financing (Financing), lighting (Lighting), Heating, Ventilation and Air Conditioning (HVAC), and residential sector (Residential Sector), and contributions correcting miscellaneous errors in the Proposed Decision (PD).

PART III: REASONABLENESS OF REQUESTED COMPENSATION:

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

<p>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>CPUC Verified</p>
<p>The Commission should treat this compensation request as it has treated similar past requests with regard to the difficulty of establishing specific monetary benefits associated with TURN’s participation on energy</p>	<p>YES</p>

efficiency policy work. (See i.e. D.07-12-040, p. 21 (awarding TURN intervenor compensation for energy efficiency policy work in A.05-06-004 et al.)) Because TURN’s contributions to D.08-09-040 were directed primarily at policy matters, rather than the establishment of specific rates, funding levels, or disputes over particular dollar amounts, it is nearly impossible to identify precise monetary benefits associated with TURN’s participation. However, TURN’s participation benefited ratepayers because the establishment of energy efficiency policies can have a direct and lasting impact on customer rates. Energy efficiency investments yield demand side resources designed to displace supply side resource procurement. As the energy crisis demonstrates, procurement costs can be a major driver of utility outlays and retail rates. The astronomical rate increases of 2001 can be linked to the extraordinary costs of wholesale electricity. In the future, procurement expenditures may continue to represent the least predictable component of utility costs. Therefore, appropriate energy efficiency (and integrated resource planning) policies and prudent planning practices will be essential to maintaining both low and stable rates. Thus, TURN’s contributions to this proceeding may assist the Commission in achieving its energy efficiency goals, as well as the mandates of AB 32, while also promoting long-term rate stability, reducing risks to ratepayers and contributing to resource diversity that should help to mitigate the impact of future market dysfunction.

B. Specific Claim:

CLAIMED						CPUC AWARD			
ATTORNEY AND ADVOCATE FEES									
Item	Year	Hours	Rate \$	Basis for Rate*	Total \$	Year	Hours	Rate \$	Total \$
Hayley Goodson	2007	0.50	\$210	D.07-12-026, p. 24.	\$105	2007	0.50	\$210	\$105
Hayley Goodson	2008	77.75	\$280	D.08-08-027, p. 5.	\$21,770	2008	77.75	\$280	\$21,770
Subtotal:					\$21,875	Subtotal:			\$21,875
EXPERT FEES									
Item	Year	Hours	Rate \$	Basis for Rate*	Total \$	Year	Hours	Rate \$	Total \$
Cynthia K. Mitchell, Energy Economics Inc.	2007	73	\$140	D.06-02-016 (issued in R.01-08-028) adopted this rate for Ms. Mitchell’s work in 2005.	\$10,220	2007	73	\$140	\$10,220
Cynthia K. Mitchell,	2008	104	\$170	See Comment 3 in Part III.C below	\$17,680	2008	104	\$170	\$17,680

Energy Economics Inc.				for rationale.						
Gillian Court, Energy Economics Inc.	2008	30	\$120	See Comment 4 in Part III.C below for rationale.	\$3,600	2008	30	\$120	\$3,600	
Subtotal:					\$31,500	Subtotal:				
OTHER FEES										
Describe here what OTHER HOURLY FEES you are claiming (paralegal, travel, etc.):										
Item	Year	Hours	Rate \$	Basis for Rate*	Total \$	Year	Hours	Rate \$	Total \$	
N/A										
Subtotal:					\$0	Subtotal:				
INTERVENOR COMPENSATION CLAIM PREPARATION **										
Item	Year	Hours	Rate \$	Basis for Rate*	Total \$	Year	Hours	Rate \$	Total \$	
Hayley Goodson	2008	19.75	\$140	½ of normal rate	\$2,765	2008	19.75	\$140	\$2,765	
Cynthia Mitchell	2008	2.0	\$85	½ of normal rate	\$170	2008	2.0	\$85	\$170	
Subtotal:					\$2,935	Subtotal:				
COSTS										
#	Item	Detail			Amount	Amount				
1	Photocopying	Photocopies of pleadings related to A.08-06-004			\$9.60	\$ 9.60				
2	Photocopying	Photocopies of pleadings related to R.08-07-011			\$18.80	\$18.80				
Subtotal:					\$28.40	Subtotal:				
TOTAL REQUEST \$:					56,338.40	TOTAL AWARD \$:				
<p>When entering items, type over bracketed text; add additional rows as necessary.</p> <p>*If hourly rate based on CPUC decision, provide decision number; otherwise, attach rationale.</p> <p>**Reasonable claim preparation time typically compensated at ½ of preparer's normal hourly rate.</p>										

C. Attachments or Comments Documenting Specific Claim (attachments not attached to final Decision)

Attachment or Comment #	Description/Comment
Comment 1	As TURN indicated in our NOI, TURN has included in this request our time devoted

	<p>to participating in the strategic planning process held pursuant to D.07-10-032 (issued in R.06-04-010). Prior to the utilities' filing of A.08-06-004, TURN participated extensively in the strategic planning workshops and submitted comments to the utilities on their proposed "Preliminary Energy Efficiency Strategic Plan," also pursuant to D.07-10-032. While these strategic planning activities occurred before the formal commencement of the instant consolidated proceeding, R.08-07-01/A.08-06-004, TURN seeks compensation for that time in this docket, since this is where the Commission resolved issues related to energy efficiency strategic planning which stemmed from the implementation of D.07-10-032. However, if the Commission would prefer that we seek compensation for that earlier time in R.06-04-010 instead of this docket, we would of course follow that directive. TURN's timesheets, included as Attachment 2, separately identify these hours under two activity codes: "PY0911-SP" (referring to our participation related to various strategic planning issues) and "PY0911-SP-HVAC" (referring to our work on HVAC strategies in particular).</p>
<p>Comment 2</p>	<p>In addition to separately identifying our hours related to the strategic planning process, TURN has separately coded our hours related to A.08-06-004 (the IOUs' proposed EE Strategic Plan), and R.08-07-011 (the Commission's proposed EE Strategic Plan). Approximately 50% of TURN's time incurred in A.08-06-004/R.08-07-011 has been devoted to issues related to statewide coordination and market transformation planning (identified as "(Admin)" in Part II.A. above), 15% to cost-effectiveness issues (identified as "(C/E)" in Part II.A. above), and 35% to particular strategies (identified as "(Financing)", "(Lighting)", and "(Residential Sector)" in Part II.A. above).</p>
<p>Comment 3</p>	<p>Rationale for Cynthia Mitchell's 2008 Rate: In D.06-02-016, the Commission approved an hourly rate of \$140 for Ms. Mitchell's work in 2005, noting that the guidelines permitting larger-than-usual increases (as a percentage of the rate) applied since Ms. Mitchell had not raised her rate for many years and because her rate has historically been at or below the range of rates for her peers. Ms. Mitchell has continued billing at that rate for work in 2006 and 2007. In 2008, Ms. Mitchell increased her hourly rate to \$170. In light of her having left her 2005 rate in place for 2006 and 2007, and her 30-year involvement in energy and utility matters, the Commission should find this rate reasonable for work performed in 2008.</p> <p>In D.08-04-010, the Commission adopted a 2008 range of \$155-390 for experts with 13 or more years of experience; the requested rate for Ms. Mitchell would place her just above the lower end of that range. Furthermore, Ms. Mitchell's experience compares favorably with that of Jeff Nahigian at JBS Energy, who regularly performs economic analysis of utility programs on behalf of consumers. The Commission has approved a \$175 hourly rate for Mr. Nahigian's work in 2007. In D.05-11-031 (p. 18, fn. 7), the Commission noted that Bill Marcus of JBS Energy had consistently requested small rate increases at rates below those of his peers. This is equally true for other members of the JBS Energy firm such as Mr. Nahigian. The fact that Ms. Mitchell's 2008 rate is below the 2007 rate for Mr. Nahigian should amply demonstrate to the Commission the reasonableness of her rate.</p>
<p>Comment 4</p>	<p>Rationale for Gillian Court's 2008 Rate:</p>

	TURN asks the Commission to set an hourly rate for the work of Dr. Gillian Court for the first time in this proceeding. Dr. Court holds a PhD. in Urban Studies from the University of Bristol, and an MA in Urban Planning from UCLA. Her work with Ms. Mitchell focuses on analysis of life-cycle savings from energy efficiency programs, and energy efficiency behaviors in the United States (among other things). Her hourly rate, \$120, is below the floor set in D.08-04-010 for 2008 (\$125-185 for expert witnesses with 0-6 years experience). Under similar circumstances, the Commission approved the requested rate of \$110 for work performed by Kenji Takahashi in 2006 on nuclear decommission trust fund issues (D.07-05-018, issued in A.05-11-008, p. 10). The Commission should approve the requested rate of \$120 for Dr. Court's work in 2008.
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D. CPUC Disallowances & Adjustments (CPUC completes):

#	Reason
	NONE

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 (Y/N)?

NO

B. Comment Period: Was the 30-day comment period waived (see Rule 14.6(2)(6)) (Y/N)?

YES

FINDINGS OF FACT

1. Claimant has made a substantial contribution to Decision 08-09-040.
2. The claimed fees and costs are comparable to market rates paid to experts and advocates having comparable training and experience and offering similar services.
3. The total of reasonable contribution is \$56,338.40.

CONCLUSION OF LAW

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

ORDER

1. Claimant is awarded \$56,338.40.
2. Within 30 days of the effective date of this decision, Pacific Gas and Electric Company, San Diego Gas & Electric Company, Southern California Gas Company, and Southern California Edison Company shall pay claimant the total award by allocating payment responsibility among themselves based upon their California-jurisdictional gas and electric revenues for the 2007 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 February 1, 2009, the 75th day after the filing of claimant's request, and continuing until full payment is made.
3. The comment period for today's decision is waived.
4. Rulemaking 08-07-011 and Application 08-06-004 are closed.
5. This decision is effective today.

Dated May 7, 2009, at San Francisco, California.

MICHAEL R. PEEVEY
President
DIAN M. GRUENEICH
JOHN A. BOHN
RACHELLE B. CHONG
TIMOTHY ALAN SIMON
Commissioners

APPENDIX**Compensation Decision Summary Information**

Compensation Decision:	D0905015	Modifies Decision? No
Contribution Decision(s):	D0809040	
Proceeding(s):	R0807011 and A0806004	
Author:	ALJ Gamson	
Payer(s):	Pacific Gas and Electric Company, San Diego Gas & Electric Company, Southern California Gas Company, and Southern California Edison Company	

Intervenor Information

Intervenor	Claim Date	Amount Requested	Amount Awarded	Multiplier?	Reason Change/Disallowance
The Utility Reform Network	11/18/08	\$56,338.40	\$56,338.40	No	--

Advocate Information

First Name	Last Name	Type	Intervenor	Hourly Fee Requested	Year Hourly Fee Requested	Hourly Fee Adopted
Hayley	Goodson	attorney	The Utility Reform Network	\$210	2007	\$210
Hayley	Goodson	attorney	The Utility Reform Network	\$280	2008	\$280
Cynthia	Mitchell	expert	The Utility Reform Network	\$140	2007	\$140
Cynthia	Mitchell	expert	The Utility Reform Network	\$170	2008	\$170
Gillian	Court	expert	The Utility Reform Network	\$120	2008	\$120

(END OF APPENDIX)