

**PUBLIC UTILITIES COMMISSION**505 VAN NESS AVENUE  
SAN FRANCISCO, CA 94102-3298**FILED**07/16/21  
04:14 PM

July 16, 2021

**Agenda ID #19694**  
**Ratesetting**

TO PARTIES OF RECORD IN RULEMAKING 17-09-020:

This is the proposed decision of Administrative Law Judge (ALJ) Debbie Chiv. Until and unless the Commission hears the item and votes to approve it, the proposed decision has no legal effect. This item may be heard, at the earliest, at the Commission's August 19, 2021, Business Meeting. To confirm when the item will be heard, please see the Business Meeting agenda, which is posted on the Commission's website 10 days before each Business Meeting.

Parties to the proceeding may file comments on the proposed decision as provided in Rule 14.3 of the Commission's Rules of Practice and Procedure.

Comments must be filed, pursuant to Rule 1.13, either electronically or in hard copy. Comments should be served on parties to this proceeding in accordance with Rules 1.9 and 1.10. Electronic and hard copies of comments should be sent to ALJ Chiv at [debbie.chiv@cpuc.ca.gov](mailto:debbie.chiv@cpuc.ca.gov) and to the Intervenor Compensation Program at [icompcoordinator@cpuc.ca.gov](mailto:icompcoordinator@cpuc.ca.gov). The current service list for this proceeding is available on the Commission's website at [www.cpuc.ca.gov](http://www.cpuc.ca.gov).

/s/ ANNE E. SIMONAnne E. Simon  
Chief Administrative Law JudgeAES:nd3  
Attachment

Decision PROPOSED DECISION OF ALJ CHIV (mailed 7/16/2021)

**BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA**

Order Instituting Rulemaking to Oversee the Resource Adequacy Program, Consider Program Refinements, and Establish Annual Local and Flexible Procurement Obligations for the 2019 and 2020 Compliance Years.

Rulemaking 17-09-020

**DECISION GRANTING COMPENSATION  
TO GREEN POWER INSTITUTE FOR SUBSTANTIAL CONTRIBUTION  
TO DECISION (D.) 19-06-026 AND D.20-06-002**

|  |  |
|--|--|
| <b>Intervenor:</b> Green Power Institute     | <b>For contribution to Decision (D.) 18-06-030, D.18-06-031, D.19-02-022, D.19-06-026, D.19-10-021, D.20-06-002, D.20-06-028</b> |
| <b>Claimed:</b> \$126,083                    | <b>Awarded:</b> \$84,970.00 (reduced by 33%)   |
| <b>Assigned Commissioner:</b> Marybel Batjer | <b>Assigned ALJ:</b> Debbie Chiv   |

**PART I: PROCEDURAL**

|   |  |
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| <b>A. Brief description of Decisions:</b> | <p><b>D.18-06-030</b> sets local capacity obligations for 2019.<br/> <b>D.18-06-031</b> sets flexible capacity obligations for 2019.<br/> <b>D.19-02-022</b> refines elements of the RA program.<br/> <b>D.19-06-026</b> sets RA obligations for 2020.<br/> <b>D.19-10-021</b> sets rules for RA imports.<br/> <b>D.20-06-002</b> creates central procurement entities.<br/> <b>D.20-06-028</b> sets further rules for RA imports.</p> |
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**B. Intervenor must satisfy intervenor compensation requirements set forth in Pub. Util. Code §§ 1801-1812:**

|   | <b>Intervenor</b>  | <b>CPUC Verified</b> |
|---|--------------------|----------------------|
| <b>Timely filing of notice of intent to claim compensation (NOI) (§ 1804(a)):</b> |                    |                      |
| 1. Date of Prehearing Conference (PHC):   | September 27, 2018 | Verified             |
| 2. Other specified date for NOI:  |                    |                      |
| 3. Date NOI filed:  | October 19, 2018   | Verified             |
| 4. Was the NOI timely filed?  |                    | Yes                  |
| <b>Showing of customer or customer-related status (§ 1802(b)):</b>                |                    |                      |
| 5. Based on ALJ ruling issued in proceeding number:                               |                    | A.16-08-006          |
| 6. Date of ALJ ruling:  |                    | 04/05/17             |
| 7. Based on another CPUC determination (specify):                                 | D.19-12-019        | N/A                  |
| 8. Has the Intervenor demonstrated customer or customer-related status?           |                    | Yes                  |
| <b>Showing of “significant financial hardship” (§ 1802(g)):</b>                   |                    |                      |
| 9. Based on ALJ ruling issued in proceeding number:                               |                    | A.16-08-006          |
| 10. Date of ALJ ruling:   |                    | 04/05/17             |
| 11. Based on another CPUC determination (specify):                                | D.19-12-019        | N/A                  |
| 12. Has the Intervenor demonstrated significant financial hardship?               |                    | Yes                  |
| <b>Timely request for compensation (§ 1804(c)):</b>                               |                    |                      |
| 13. Identify Final Decision:  | D.20-06-028        | Verified             |
| 14. Date of issuance of Final Order or Decision:                                  | July 6, 2020       | Verified             |
| 15. File date of compensation request:  | August 21, 2020    | 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).**

| <b>Intervenor’s Claimed Contribution(s)</b>  | <b>Specific References to Intervenor’s Claimed Contribution(s)</b>  | <b>CPUC Discussion</b>   |
|--|---|--|
|  | (Please note that Attachment 2 includes a list issue areas, and of GPI Pleadings relevant to this Claim.)   | Noted  |
| <p><b>1. Setting Annual System, Local, and Flexible RA Requirements.</b><br/>                     The GPI made substantial contributions to Decisions D.18-06-030, D.18-06-031, and D.19-06-026 by providing commentary on the annual CAISO projections for local, system, and flexible RA needs for 2018 and 2019, by arguing in favor of following the loading order in procuring RA products, and in favor of treating behind-the-meter DR generation as a supply-side resource for purposes of RA procurement.</p> | <p><b>Decision</b><br/>                     GPI, WPTF, and Diamond voice support for the FRAC MOO proposal. (D.18-06-030, pg. 15).<br/>                     In their comments, LS Power, Middle River, Cogentrix, GPI, SWPG, PG&amp;E, CalWEA, NRG and IEP support modeling behind-the-meter PV as supply side (D.18-06-030, pg. 38).<br/>                     The Commission finds the CAISO’s recommended 2020-2022 LCR values to be reasonable and accordingly, we adopt the CAISO’s recommended values set forth in the table above (D.19-06-026, pg. 9).<br/>                     In light of the brief review period available for the Final FCR Report, the FCR figures appear reasonable. Accordingly, we adopt the CAISO’s recommended values set forth in the table above (D.19-06-026, pg. 12).</p> <p><b>Pleadings</b><br/>                     The Sierra Club proposes that all LSE demonstrations of RA compliance should include a demonstration of loading-order compliance, and environmental justice considerations. The GPI supports this proposal. [GPI Comments on the Track 1 Proposals, 10/30/17, pg. 2.]</p> | <p>Verified in part. The Commission notes that some of GPI inputs on Setting Annual System, Local, and Flexible RA Requirements lacked substance; and its efforts in (D.) 18-06-030 and D.18-06-031 did not substantially contribute to the proceeding’s outcomes as GPI often repeated other parties’ comments/proposals or the decision’s remarks.</p> |

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|                                      | <p>The GPI supports the adoption of the LCR and FCR requirements for 2019, as delineated in the two PDs. We look forward to working on a durable flexible capacity rule in Track 2 of this proceeding, following the lead of CAISO’s developing flexible-capacity program. [GPI Comments on 2 PDs, 10/30/17, pg. 1.]</p> <p>The two situations are fundamentally different in that the needs for both system and local RA are concurrent, while the needs for flexible RA, and for system and/or local RA, are consecutive. Local RA and system RA are complementary, and in most cases local RA can concurrently contribute to system RA. Flexible RA sources in many cases can also provide system and/or local RA, but they are separate and non-substitutable products, and can even be supplied to separate buyers when rules permit. [GPI Comments on the PD, 6/13/19, pg. 1.]</p> <p>Although not addressed explicitly in the PD, the GPI is concerned that the potential to exploit the RA rules at the current time is greater than it was when the CAISO originally expressed their concerns. Due to the economic disruption associated with the novel coronavirus, overall demand for electricity is well down from recent years. One result of this circumstance is that it is unlikely that RA resources will be called on for backup power during 2020. This means that it will be possible to bid import RA resources into the day-ahead market at prices well below the maximum,</p> |                 |

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|   | <p>while still being confident that the bids will not be accepted. In other words, it will be possible to masquerade phony bids at lower prices than in past years, making it more difficult than ever to ferret them out. [GPI Comments on the PD, 6/8/20, pg. 1.]</p>  |  |
| <p><b>2. Refining RA Program Rules.</b><br/>                     The GPI made substantial contributions to Decisions D.18-06-030, D.19-02-022 and D.19-06-026 by advocating for the development of durable rules for flexible capacity RA products that are favorable to renewable generating sources, and by supporting the adoption of local capacity obligations that are no longer than three years in duration. The Commission adopted our recommendation to extend local capacity requirements to three years, but neglected to adopt a durable flexible capacity program. Although our advocacy for the durable flexible capacity program was not adopted, we made a substantial contribution by enriching the record upon which the Decisions were based.</p> | <p><b>Decision</b><br/>                     GPI, WPTF, and Diamond voice support for the FRAC MOO proposal. (D.18-06-030, pg. 15).</p> <p>A broad range of parties support a three-year duration [for the local capacity obligation], including ... GPI (D.19-02-022, pg. 21).</p> <p><b>Pleadings</b><br/>                     The key issue for the GPI in the RA proceedings remains the development of a durable flexible-capacity program, including providing full access for preferred resources that can provide flexible-capacity services to participate in the program. [GPI Comments on the OIR, 10/30/17, pg. 1.]</p> <p>With respect to issue no. 5.2 in the Preliminary Scoping Memo, whether to conduct a full overhaul of the RA program in response to changes occurring in California’s energy markets, the GPI supports engaging in such an overhaul. California’s energy markets are undergoing significant structural changes in a variety of areas, including changes in the mix of generating resources, changes in the mix of energy providers, where an explosion of CCAs is underway,</p> | <p>Verified in part. The Commission notes that some of GPI inputs on Refining RA Program Rules lacked substance; and its efforts in D.18-06-030 and D.18-06-031 did not substantially contribute to the proceeding’s outcomes as GPI often repeated other parties’ comments/proposals or the decision’s remarks.</p> |

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|                                      | <p>changes motivated by statewide efforts to reduce greenhouse-gas emissions and other environmental impacts, and other major changes as well. [GPI Comments on the OIR, 10/30/17, pg. 1.]</p> <p>In fact, the Scoping Memo and Ruling does not make any reference at all to the development of durable flexible capacity rules, in effect making the interim rules that have been in use for the past couple of RA cycles the permanent rules. We object to this treatment, and request that before the interim rules become the final rules there at least be a finding in a Commission Decision that determines that this is the right thing to do. Clearly if the record was insufficient for making that determination as of the passage of D.17-06-027, it remains insufficient today. The issue of establishing a durable flexible capacity program should be in the scope of this proceeding. [GPI Comments on the OIR, 10/30/17, pg. 1.]</p> <p>The GPI is strongly supportive of the approach being taken by CAISO. The renewable resources that can supply flexible capacity, including biomass, biogas, and geothermal, are fully capable of participating in the day-ahead market. Biomass generators, for example, can dial down output to approximately 50 percent of rated capacity during the days when there is surplus renewable power on the grid, and ramp back up to full capacity during the afternoon ramp. On the other hand, most</p> |                 |

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|                                      | <p>preferred flexible resources are incapable of participating in the short-term markets. The separation of these two segments of the flexible-capacity market into the predictable and unpredictable portions provides an entree to the baseload renewables to participate fully and effectively in the RA program. [GPI Comments on the Track 1 Proposals, 10/30/17, pg. 1.]</p> <p>The interim flexible capacity rules that have been in force since the inception of the flexible capacity program are narrowly focused on procuring services provided by conventional resources, particularly gas-turbine generators. In fact, most baseload renewables are capable of providing flexible-capacity services to the grid, and it should be a priority of the Commission to tailor a durable flexible-capacity program to facilitate the participation of capable preferred resources. [GPI Testimony on Track 2 Issues, 7/10/18, pg. 1.]</p> <p>A number of gas-turbine power plants appear to be at risk of being retired from service. In order to ensure that these facilities remain online and in-service, the Commission is considering extending the RA program to include multiyear contracting requirements. The GPI believes that before any multiyear RA requirements are imposed, a clear finding of the need for these power plants, as well as for multiyear RA requirements should be established.</p> |                 |



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|                                      | <p>[GPI Testimony on Track 2 Issues, 7/10/18, pg. 2.]</p> <p>The existing fleet of baseload renewables in California is operating under a variety of power-purchase agreements (PPAs), but one thing that virtually all of them have in common is that while the PPAs might not prevent these generators from operating in flexible-operating mode, none of them provide generators with any reason to do so. Not only are payments to renewable generators based on time-of-delivery schedules that no longer reflect the dynamics of the contemporary marketplace, but there are no incentives in the contracts to operate in flexible mode, which entails turning down during the middle of the day, ramping up to full output during the afternoon ramp, and holding steady through the duration of the peak. [GPI Testimony on Track 2 Issues, 7/10/18, pg. 3.]</p> <p>The logical conclusion is that these resources should be operated at constant output most of the time, and in flexible-operating mode during days when the magnitude of the ramp is at its most extreme, and/or when the amount of surplus solar on the grid is at its maximum. [GPI Responsive Testimony on Track 2 Issues, 7/31/18, pg. 4.]</p> <p>In order to take advantage of the flexible operating capabilities of baseload renewable resources, the GPI recommends a two-pronged approach. First, the time-of-delivery profiling of revenues paid to renewable generators</p> |                 |

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|                                      | <p>should be updated and made more granular in order to reflect contemporary market conditions. This will allow the generators with the most compelling cost structures and circumstances to self-select time periods during which they will voluntarily operate in flexible mode. Second, contract provisions should be developed that will allow the CAISO to send signals when grid-conditions indicate an extreme need for flexible operating resources, and that will prompt baseline renewables to respond. These contract provisions need to be made available to be incorporated into existing contracts as well as new contracts, in order to provide for maximum market benefits from preferred RA resources. [GPI Responsive Testimony on Track 2 Issues, 7/31/18, pgs. 5-6.]</p> <p>If the Commission is determined to move forward with the implementation of a multiyear RA obligation, it is the recommendation of the GPI that the duration of the multiyear obligation be as short as possible. For example, if the choice is between three and five years, we strongly prefer three years. We would be happier with two years. In our opinion limiting the duration of the obligation is more important than determining the levels of the obligation in the out-years. [GPI Comments on Track 2 Issues, 8/8/18, pg. 3.]</p> <p>The PD, in establishing a multiyear RA requirement for local-capacity requirements, gets the basic</p> |                 |

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|                                      | <p>parameters right. This includes determining that at least in the beginning the central-procurement function should be carried out by the wires utilities, that central procurement should be full rather than surplus, that the duration of the obligation should be three years, and that the multiyear obligation should only be applied to local capacity obligations, not system and flexible capacity obligations . [GPI Comments on the PD, 10/24/18, pg. 4.]</p> <p>As far as we know SDG&amp;E was the first party to propose unbundling flexible and system RA, which happened in the previous RA proceeding, R.14-10-010. GPI supported the unbundling proposal then, and we have supported it consistently every time it has come up since then. Several parties, including SCE and CESA, have re-advanced the unbundling proposal in their Track 3 proposals, and the GPI continues to support this proposal. The timing of need for flexible capacity and system capacity is consecutive but not overlapping, so there is no good reason for prohibiting their unbundling. [GPI Comments on the Track 3 Proposal, 3/22/19, pg. 1.]</p> <p>The CalWEA proposal assesses the costs of flexible RA procurement to LSEs on the basis of their proportional contribution to the need for the procurement of flexible resources by system operators. LSEs whose procured energy portfolio closely matches their load profile on a real-time basis would face relatively</p> |                 |

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|                                      | <p>low flexible RA cost allocations, while LSEs whose procured energy portfolio is well out-of-phase with their load would face relatively high flexible RA cost allocations. The GPI supports this proposal in principle, although we caution that developing the methodology needed to perform the allocation will be challenging. [GPI Comments on the Track 3 Proposals, 3/22/19, pg. 3.]</p> <p>Several parties, including SCE and CESA, propose various approaches to assessing RA values for hybrid generator/storage projects. In the opinion of the GPI, if a generator of any kind installs and operates an associated storage system on the same side of the meter as the generator, then the RA value of the hybrid facility as a whole should be based on the profile of power that comes through the meter, regardless of whether the power is coming from the generator or the storage system. [GPI Comments on the Track 3 Proposals, 3/22/19, pg. 3.]</p> <p>The GPI believes that the CEERT approach is fundamentally sound, although we are concerned about the difficulty of putting it into practice. As a possibly simpler alternative, we note that it should be possible to assess the RA value of the currently unvalued system components that CEERT is concerned about. For example, the GPI has long supported giving partial RA credit for storage of less than four-hours generating duration, and as detailed above under Fast and Slow Ramping Flexible RA,</p> |                 |

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|   | <p>we support the proposal to bifurcate the flexible RA market into slow-response and fast-response components, which provides an entre for slow-response, flexible-capacity preferred generators to be assessed RA values, and participate in the flexible RA markets</p> <p>The GPI strongly disagrees with this conclusion. For example, if a nuclear facility (or other baseload generator) contributes to the charging of online storage units during periods of surplus on the grid (e.g. noon during April), and contributes its entire output to the grid during the ramp and peak hours of the day, then it is in effect contributing more than its nameplate capacity to the grid at the key RA time periods, and there is no reason why it shouldn’t be credited for providing this service. It should be noted that having baseload generators be credited when they contribute to the charging of storage units does not short-change solar, because the more baseload power that is used for storage charging rather than powering the grid, the more solar can be used for powering the grid, rather than being curtailed. [GPI Comments on the PD, 6/13/19, pg. 3.]</p> |  |
| <p><b>3. Refining RA Import Rules.</b><br/>The GPI made substantial contributions to Decisions D.19-10-021 and D.20-06-028 by advocating for the refinement of RA import rules that ensure that</p> | <p><b>Decision</b><br/>In this decision, the Commission affirms the RA import requirements, as set forth in D.04-10-035 and D.05-10-042. The Commission does not seek to delay affirmation of the RA import requirements, or consider alternative approaches to the import</p>  | <p>Verified in part. The Commission notes that some of GPI inputs on Refining RA Import Rules lacked substance; and its efforts in D.19-10-021 and</p> |

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| <p>out-of-state RA products provide the same level of surety to the grid as RA products that are generated inside California. The Commission agreed with our principles, and modified the rules accordingly.</p> | <p>RA rules at this time (D.19-10-021, pgs. 6-7).</p> <p>Accordingly, the Commission affirms the requirements for RA import contracts established in D.04-10-035 and D.05-10-042, with the clarification that an “energy product” that “cannot be curtailed for economic reasons” is required to be self-scheduled into the CAISO markets, consistent with the timeframe established in the governing contract. (D.19-10-021, pg. 9).</p> <p>GPI, ... support the proposed decision (D.20-06-028, pg. 58).</p> <p><b>Pleadings</b><br/>                     This top priority issue is the one place in the Scoping Memo’s scope where considerations of out-of-market procurement and the growth of CCAs come into play. The GPI believes that these are going to be increasingly important factors in future RA compliance, and we look forward to participating in the resolution of this issue. [GPI Comments on the Scoping Memo, 10/30/17, pg. 2.]</p> <p>One of the concerning trends in the California electricity industry that has been noted in the IRP proceeding is an increasing dependence on RA imports. This trend is likely to accelerate when the state’s OTC generators are retired, possibly up to the physical limit of importable RA capacity during the transition period to the replacement of the OTC generators with preferred energy alternatives. If this indeed is our</p> | <p>D.20-06-028 did not substantially contribute to the proceeding’s outcomes.</p> <p>We urge GPI to provide concise specific references to claimed contributions. We discourage repeated account of already filed documents (comments, responses, and/or briefs) within the claim. Citations and short descriptions suffice.</p> |

| Intervenor’s Claimed Contribution(s)  | Specific References to Intervenor’s Claimed Contribution(s)   | CPUC Discussion  |
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|   | <p>future for the next few years, then it is more important than ever to ensure that RA capacity that is imported from out-of-state is as reliable and dependable as RA capacity that is sourced inside California. This only adds importance to the present clarification effort regarding RA import rules for which this round of comments has been solicited. [GPI Comments on the Import Rules, 7/19/19, pgs. 1-2.]</p> <p>For reasons we stated in our July 19, 2019, Comments, mainly the likelihood that increased RA imports will be needed over the next several years as a bridge resource during the transition to a carbon-free resource mix, it is important that we will be able to depend on RA imports in an equivalent manner to instate RA resources. [GPI Comments on the PD, 9/26/19, pg. 1.]</p> |  |
| <p><b>4. Creating a Central Procurement Entity.</b><br/>The GPI made substantial contributions to Decision D.20-06-002 by advocating in favor of creating a central procurement entity for the procurement of local capacity RA based on the full-procurement model, opposing the proposed settlement agreement for its lack of breadth and buy-in, and encouraging ordering the IOUs to act as the CPEs for procurement within their territorial boundaries. The</p> | <p><b>Decision</b><br/>In Track 2 proposals, the Commission finds support among parties for a central buyer structure for at least some portion of local RA procurement [footnoted to GPI and others] (D.19-02-022, pg. 7).<br/><br/>Multiple parties contest the Settlement, including ... GPI (D.20-06-002, pg. 11).<br/><br/>Parties also claim that the Settlement does not represent a compromise on the fundamental issue of full versus residual central procurement. ... GPI agrees that the Settling Parties previously favored a residual central</p>   | <p>Verified in part. The Commission notes that some of GPI inputs on Creating a Central Procurement Entity lacked substance; and its efforts in D.19-02-022 did not substantially contribute to the proceeding’s outcomes, as GPI often repeated other parties’ comments/proposals</p> |

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| <p>Commission adopted most of our positions in its creation of the CPEs.</p> | <p>buyer structure and “are simply reiterating their positions in this proposed Settlement Agreement.” [D20-06-002, pg. 12.]</p> <p>Several parties support the proposed decision with modifications, including... GPI (D20-06-002, pg. 72).</p> <p><b>Pleadings</b><br/>The GPI believes that some kind of entity that can procure local, RA, and RPS resources in reasonably large quantity to take advantage of economies of scale, on behalf of small-to-medium sized LSEs, would be highly desirable. We do not know whether the ORA proposal is the best structure for accomplishing this, but it certainly should be used to open up an exploration for a workable structure. [GPI Comments on the Track 1 Proposals, 10/30/17, pg. 2.]</p> <p>We support further investigation into the Central Buyer concept, and look forward to dealing with this issue in Track 2. [GPI Comments on 2 PDs, 10/30/17, pg. 1.]</p> <p>Finally, with respect to the question of creating a single-buyer structure for the purchase of RA resources, particularly in light of the explosion in the creation of CCAs that is currently underway, it is the opinion of the GPI that there is potential value in the concept, but a great deal of additional record development is necessary before an optimal single-buyer structure can be specified. [GPI</p> | <p>or the decision’s remarks.</p> |



| <b>Intervenor’s Claimed Contribution(s)</b> | <b>Specific References to Intervenor’s Claimed Contribution(s)</b>   | <b>CPUC Discussion</b> |
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|   | <p>Testimony on Track 2 Issues, 7/10/18, pg. 7.]</p> <p>A central buyer entity, which could procure all RA requirements, or unsubscribed RA requirements, would provide for stable operations on the grid, while leaving the question of how to distribute the costs among retail providers to be resolved later. One of the advantages of procurement through a central-buyer entity is that it is likely to have a better credit rating than some of the retail providers on whose behalf it is procuring. [GPI Comments on Track 2, 8/8/18, pg. 3.]</p> <p>In the opinion of the GPI, if it is the decision of the Commission to move forward with SCE’s proposal or something like it, that is, with the adoption of a central procurement entity structure for procuring the residual RA procurement needs for locally constrained areas after the LSEs make their own system procurements, some of which may also be able to supply local RA capacity, then the IOUs are obviously logical entities that could fulfill the assignment. This is particularly true if the responsibilities of the entity are limited to the purchase of local RA products only, which is a relatively limited activity. On the other hand, if there is an expectation that the duties of the central procurement entity are likely to be extended to cover all kinds of RA products (local, system, flexible), then the creation of a new, independent entity becomes increasingly viable and desirable.</p> |                        |

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|                                      | <p>[GPI Comments on SCE Proposal, 10/17/18, pg. 2.]</p> <p>One of the virtues of the SCE proposal is that there is no apportionment of local RA requirements among LSEs operating in a given service territory, although in the end there is an apportionment of responsibility for the costs incurred by the central-buyer entity through the service-territory-wide wires charges. [GPI Reply Comments on SCE Proposal, 10/17/18, pg. 1.]</p> <p>The creation of a CPE is a balancing act between a variety of interconnected considerations. For example, the choice of the operational scope of the CPE, that is, whether it will be full, hybrid or surplus procurement, affects the volume of the business that will be conducted by the CPE, and the volume of the business that the CPE will pursue will influence the kind of business structure for the entity that makes sense, that is, whether it should be a new, standalone entity, or housed in an existing institution, whether it should be public or private sector, etc. [GPI Comments on Workshop Reports, 8/2/19, pg. 2.]</p> <p>In our informal comments on the workshop reports, the GPI proposed an alternative approach to RA procurement that would involve treating RA procurement as a transmission and distribution (T&amp;D) function rather than as an energy function, and directing the T&amp;D utilities to procure local RA on behalf</p> |                 |

| <b>Intervenor’s Claimed Contribution(s)</b> | <b>Specific References to Intervenor’s Claimed Contribution(s)</b>  | <b>CPUC Discussion</b> |
|---|---|------------------------|
|   | <p>of their service territories, and charging it to their customers as they do all T&amp;D costs. [GPI Comments on Workshop Reports, 8/2/19, pg. 4.]</p> <p>The GPI opposes the proposed Settlement Agreement on both procedural and policy grounds. On the procedural side, we oppose the proposed Settlement Agreement because it does not properly represent a broad coalition of parties. Rather it represents a group of parties who have previously weighed in in favor of a residual center buyer structure, and who are simply reiterating their positions in this proposed Settlement Agreement. On the policy side we oppose the proposed Settlement Agreement because it fails to deliver a workable business plan for a viable and sustainable Central Procurement Entity (CPE). [GPI Comments on the Proposed Settlement, 9/27/19, pg. 1.]</p> <p>The GPI has supported a full procurement model for a CPE throughout the deliberations leading up to this PD. The PD settles on a hybrid structure that is a variant of the full procurement model, and that allows for greater procurement participation by the LSEs than the pure full procurement model. In our opinion the hybrid structure is likely to lead to an outcome that is very similar to what would occur under the full procurement model, but that can only be confirmed after implementation. [GPI Comments on the PD, 4/15/20, pg. 1.]</p> |                        |

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

|  | <b>Intervenor’s Assertion</b> | <b>CPUC Discussion</b>   |
|--|-------------------------------|--|
| <b>a. Was the Public Advocate’s Office of the Public Utilities Commission (Cal Advocates) a party to the proceeding?<sup>1</sup></b>   | <b>Yes</b>                    | Verified   |
| <b>b. Were there other parties to the proceeding with positions similar to yours?</b>  | <b>Yes</b>                    | Verified   |
| <b>c. If so, provide name of other parties:</b> TURN, Sierra Club, CAISO, CEERT, CCCA, AReM.   |                               | Verified   |
| <b>d. Intervenor’s claim of non-duplication:</b> This proceeding covers a wide variety of topics related to the state’s program for ensuring grid stability during the most extreme conditions. The Green Power Institute has been an active participant in the Commission’s RPS, LTPP/IRP, and RA proceedings, and a number of related proceedings. The Green Power Institute coordinated its efforts in this proceeding with other parties in order to avoid duplication of effort, and added significantly to the outcome of the Commission’s deliberations through our own unique perspective. Some amount of duplication has occurred in this proceeding on all sides of contentious issues, but Green Power avoided duplication to the extent possible, and tried to minimize it where it was unavoidable. |                               | Noted. GPI coordinated efforts with other parties in the proceeding. Then again, some amount of duplication occurred in this proceeding resulting in arguments that overlap. GPI does not appear to have provided conceptually unique analysis to support its position, rather it appears to have focused on supporting positions of other parties. Thus it is difficult to conclude that GPI materially supplemented and complemented other’s work in the proceeding. (See Pub. Util. Code. § 1802(5)). |

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<sup>1</sup> The Office of Ratepayer Advocates was renamed the Public Advocate’s Office of the Public Utilities Commission pursuant to Senate Bill No. 854, which the Governor approved on June 27, 2018.

**PART III: REASONABLENESS OF REQUESTED COMPENSATION**

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

|  |  |
|--|--|
| <p><b>a. Intervenor’s claim of cost reasonableness:</b></p> <p>The GPI is providing, in Attachment 2, a listing of all of the pleadings we provided in this Proceeding, R.17-09-020, that are relevant to matters covered by this Claim, and a detailed breakdown of GPI staff time spent for work performed that was directly related to our substantial contributions to Decisions D.18-06-030, D.18-06-031, D.19-02-022, D-19-06-026, D.19-10-021, D.20-06-002, and D.20-06-028.</p> <p>The hours claimed herein in support of Decisions D.18-06-030, D.18-06-031, D.19-02-022, D-19-06-026, D.19-10-021, D.20-06-002, and D.20-06-028 are reasonable given the scope of the Proceeding, and the strong participation by the GPI. GPI staff maintained detailed contemporaneous time records indicating the number of hours devoted to the matters settled by these Decisions in this case. In preparing Attachment 2, Dr. Morris reviewed all of the recorded hours devoted to this proceeding, and included only those that were reasonable and contributory to the underlying tasks. As a result, the GPI submits that all of the hours included in the attachment are reasonable, and should be compensated in full.</p> <p>Dr. Morris is a renewable energy analyst and consultant with more than 35 years of diversified experience and accomplishments in the energy and environmental fields. He is a nationally recognized expert on biomass and renewable energy, climate change and greenhouse-gas emissions analysis, integrated resources planning, and analysis of the environmental impacts of electric power generation. Dr. Morris holds a BA in Natural Science from the University of Pennsylvania, an MSc in Biochemistry from the University of Toronto, and a PhD in Energy and Resources from the University of California, Berkeley.</p> <p>Dr. Morris has been actively involved in electric utility restructuring in California for more than two decades. He served as editor and facilitator for the Renewables Working Group to the California Public Utilities Commission in 1996 during the original restructuring effort, consultant to the CEC Renewables Program Committee, consultant to the Governor’s Office of Planning and Research on renewable energy policy during the energy crisis years, and has provided expert testimony in a variety of regulatory and legislative proceedings, as well as in civil litigation.</p> | <p><b><u>CPUC Discussion</u></b></p> <p>Noted. While we note the expansive scope of the proceeding, we find the claimed costs excessive as compared to the substance of the documents filed.</p> |
|--|--|

|   |  |     |                              |     |                             |     |  |     |  |
|---|--|-----|------------------------------|-----|-----------------------------|-----|--|-----|--|
| <p>Decision D.98-04-059 states, on pgs. 33-34, “Participation must be productive in the sense that the costs of participation should bear a reasonable relationship to the benefits realized through such participation. ... At a minimum, when the benefits are intangible, the customer should present information sufficient to justify a Commission finding that the overall benefits of a customer’s participation will exceed a customer’s costs.” This proceeding is concerned with ensuring stability on the California electricity grid. The cost reductions and environmental benefits of the resource adequacy planning process overwhelm the cost of our participation in this proceeding.</p>                        |  |     |                              |     |                             |     |  |     |  |
| <p><b>b. Reasonableness of hours claimed:</b></p> <p>The GPI made Significant Contributions to Decisions D.18-06-030, D.18-06-031, D.19-02-022, D-19-06-026, D.19-10-021, D.20-06-002, and D.20-06-028, by participating in workshops and working groups, and providing a series of Commission filings on the various topics that were under consideration in the Proceeding, and are covered by this Claim. Attachment 2 provides a detailed breakdown of the hours that were expended in making our Contributions. The hourly rates and costs claimed are reasonable and consistent with awards to other intervenors with comparable experience and expertise. The Commission should grant the GPI’s claim in its entirety.</p> | <p>Noted. However, the Commission finds the hours claimed excessive as compared to the substance of the documents filed. The Commission finds that GPI’s allocation of hours by issue does not align with the actual substance of the documents filed and that GPI failed to provide detailed hour allocation per issue.</p> |     |                              |     |                             |     |  |     |  |
| <p><b>c. Allocation of hours by issue:</b></p> <table border="0" data-bbox="203 1396 1128 1543"> <tr> <td>1. Setting Annual System, Local, and Flexible RA Requirements</td> <td>20%</td> </tr> <tr> <td>2. Refining RA Program Rules</td> <td>35%</td> </tr> <tr> <td>3. Refining RA Import Rules</td> <td>10%</td> </tr> <tr> <td>4. Creating a Central Procurement Entity</td> <td>35%</td> </tr> </table>   | 1. Setting Annual System, Local, and Flexible RA Requirements  | 20% | 2. Refining RA Program Rules | 35% | 3. Refining RA Import Rules | 10% | 4. Creating a Central Procurement Entity | 35% | <p>Noted. The Commission notes that GPI continues to submit vague and imprecise time records. We are unable to confirm hours claimed by issue.</p> |
| 1. Setting Annual System, Local, and Flexible RA Requirements   | 20%  |     |                              |     |                             |     |  |     |  |
| 2. Refining RA Program Rules  | 35%  |     |                              |     |                             |     |  |     |  |
| 3. Refining RA Import Rules   | 10%  |     |                              |     |                             |     |  |     |  |
| 4. Creating a Central Procurement Entity  | 35%  |     |                              |     |                             |     |  |     |  |

**B. Specific Claim:\***

| CLAIMED  |      |                                      |         |                 |          | CPUC AWARD   |             |                   |
|--|------|--------------------------------------|---------|-----------------|----------|--|-------------|-------------------|
| ATTORNEY, EXPERT, AND ADVOCATE FEES  |      |                                      |         |                 |          |  |             |                   |
| Item   | Year | Hours                                | Rate \$ | Basis for Rate* | Total \$ | Hours  | Rate \$     | Total \$          |
| G. Morris  | 2017 | 14.0                                 | \$280   | D.18-05-035     | \$3,920  | 14.0   | \$280       | \$3,920.00        |
| G. Morris  | 2018 | 174.0                                | \$285   | D.18-05-035     | \$49,590 | 141[1]   | \$285       | \$40,185.00       |
| G. Morris  | 2019 | 170.5                                | \$325   | D.19-12-019     | \$55,413 | 137.50[2]  | \$325       | \$44,687.50       |
| G. Morris  | 2020 | 40.0                                 | \$330   | See comment 1   | \$13,200 | 40.0   | \$335[3]    | \$13,400.00       |
| <b>Subtotal: \$122,123</b>   |      |                                      |         |                 |          | <b>Subtotal: \$102,192.50</b>  |             |                   |
| INTERVENOR COMPENSATION CLAIM PREPARATION **   |      |                                      |         |                 |          |  |             |                   |
| Item   | Year | Hours                                | Rate \$ | Basis for Rate* | Total \$ | Hours  | Rate        | Total \$          |
| G. Morris  | 2020 | 24.0                                 | \$165   | ½ rate for 2020 | \$3,960  | 24.0   | \$167.50[3] | <b>\$4,020.00</b> |
| <b>Subtotal: \$3,960</b>   |      |                                      |         |                 |          | <b>Subtotal: \$4,020.00</b>  |             |                   |
| <b>TOTAL REQUEST: \$126,083</b>  |      |                                      |         |                 |          | <b>TOTAL AWARD: \$106,212.50<br/>(after 20% deduction applied)<br/>TOTAL AWARD: \$84,970.00[4]</b> |             |                   |
| <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> <p>**Travel and Reasonable Claim preparation time typically compensated at ½ of preparer's normal hourly rate</p> |      |                                      |         |                 |          |  |             |                   |
| ATTORNEY INFORMATION   |      |                                      |         |                 |          |  |             |                   |
| Attorney   |      | Date Admitted to CA BAR <sup>2</sup> |         | Member Number   |          | Actions Affecting Eligibility (Yes/No?)  |             |                   |
| N/A  |      | N/A                                  |         | N/A             |          | N/A  |             |                   |

<sup>2</sup> This information may be obtained through the State Bar of California's website at <http://members.calbar.ca.gov/fal/MemberSearch/QuickSearch>.

**C. Attachments Documenting Specific Claim and Comments on Part III:**

| <b>Attachment or Comment #</b> | <b>Description/Comment</b>   |
|--------------------------------|--|
| Attachment 1                   | Certificate of Service   |
| Attachment 2                   | Allocation of effort by issue, list of pleadings, breakdown of hourly efforts  |
| Comment 1                      | The Commission has not yet set a COLA for 2020. GPI is basing its rates for 2020 on an assumed COLA of 2.0 percent, which is lower than it has been for the past three years. Assuming that a COLA is set in the time between when this claim is filed and when this claim is decided, we invite the Commission to substitute the actual COLA into the calculations. |

**D. CPUC Disallowances and Adjustments:**

| <b>Item</b>   | <b>Reason</b>  |
|---|--|
| Intervenor Compensation Claim Preparation: PARTS I (B) & IV; and Appendix | Green Power Institute (GPI) did not fully complete Parts I(B), IV and Appendix of the claim. Claim preparation hours include completion of all parts <b>to be completed by intervenor</b> . Also, we note GPI is using an outdated template. We encourage GPI to obtain a new Intervenor Compensation Program form from the CPUC website. We will forgo deduction at this time; however, we inform GPI to use the new form.  |
| Time Records  | GPI continues to submit Time Records in PDF format. Some of the timesheets are vague and imprecise. We previously reminded GPI to provide a more detailed timesheet, in excel format, with detailed description of issues, specific task performed, and amount of time spent on task as stated in the Icomp Program Guide. ( <i>See Icomp Program Guide page 24</i> ). We warn GPI to provide time records accordingly.  |
| [1 & 2] Excessive Hours   | In 2018, Mr. Morris claimed 174 hours; and 170 hours for work done in 2019. Mr. Morris hours are linked with discussion of filed documents on Refining RA Program Rules (issue 2) and Creating a Central Procurement Entity (issue 4). Moreover, per the timesheet provided such hours were spent drafting documents, such as opening testimony, reply testimony, comments, reply comments and informal comments. The claimed hours do not justify the substance of the documents filed in the proceeding, and were spent addressing issues in decisions GPI made no substantial contribution. As such, we deduct a total of 33 hours in 2018 to 141.0 hours, and 32.5 hours in 2019 to 137.50 total hours respectively. |
| [3] 2020 COLA Applied   | GPI requests COLA adjustment rates for 2020. At the time the claim was filed, a COLA rate for 2020 was not available. The Commission adopts a new rate of \$335 for Morris as reasonable.  |



| Item  | Reason  |
|---|---|
| [4] Failure to make Substantial Contribution. | We note GPI often repeated other parties' proposals or decision's remarks and did not perform its own unique analysis. For example, duplication occurred on all contentious issues as well as issues 2 and 4. Furthermore, GPI provide views likened to other Parties in Decision (D.)18-06-030, D.18-06-031, D.19-02-022, D.19-10-021, and D.20-06-028. The Commission compensates efficient effort that contributes to the proceeding's outcomes; however, the Commission also disallows inefficient participation that is not contributory to the underlying issues. We deduct 20% for failure of GPI to uniquely contribute to Decision (D.)18-06-030, D.18-06-031, D.19-02-022, D.19-10-021, and D.20-06-028, to arrive at a total award of \$84,970.00. |

#### **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))**

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

#### **FINDINGS OF FACT**

1. Green Power Institute has made a substantial contribution to Decision (D.)19-06-026 and D.20-06-002. Green Power Institute has not made a unique substantial contribution to D.18-06-030, D.18-06-031, D.19-02-022, D.19-10-021, and D.19-06-028.
2. The requested hourly rates for Green Power Institute'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 reasonable compensation is \$84,970.00.

#### **CONCLUSION OF LAW**

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

**ORDER**

1. Green Power Institute is awarded \$84,970.00.
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 Green Power Institute their respective shares of the award, based on their California-jurisdictional, electric revenues for the 2017 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 November 4, 2020, the 75<sup>th</sup> day after the filing of Green Power Institute's request, and continuing until full payment is made.
3. The comment period for today's decision is not waived.

This decision is effective today.

Dated \_\_\_\_\_, 2021, at San Francisco, California.

## APPENDIX

## Compensation Decision Summary Information

|                                  |  |                              |
|----------------------------------|--|------------------------------|
| <b>Compensation Decision:</b>    |  | <b>Modifies Decision?</b> No |
| <b>Contribution Decision(s):</b> | D1906026, D2006002. Green Power Institute has not made a substantial contribution to D1806030, D1806031, D1902022, D1910021, and D1906028. |                              |
| <b>Proceeding(s):</b>            | R1709020   |                              |
| <b>Author:</b>                   | ALJ Chiv   |                              |
| <b>Payer(s):</b>                 | 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            |
|-----------------------|------------|------------------|----------------|------------|--|
| Green Power Institute | 8/21/2020  | \$126,083        | \$84,970.00    |            | See CPUC Disallowances and Adjustments |

## Advocate Information

| First Name | Last Name | Type   | Intervenor | Hourly Fee Requested | Year Hourly Fee Requested | Hourly Fee Adopted |
|------------|-----------|--------|------------|----------------------|---------------------------|--------------------|
| Gregg      | Morris    | Expert | GPI        | 280                  | 2017                      | \$280              |
| Gregg      | Morris    | Expert | GPI        | 285                  | 2018                      | \$285              |
| Gregg      | Morris    | Expert | GPI        | 325                  | 2019                      | \$325              |
| Gregg      | Morris    | Expert | GPI        | 330                  | 2020                      | \$335              |

END OF APPENDIX