

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

Application of Pacific Gas and Electric Company for Authority to Establish Its Authorized Cost of Capital for Utility Operations for 2026.	A.25-03-010	7/25/25 4:59 PM 2503010
And related proceedings.	A.25-03-011 (March 20, 2025) A.25-03-012 (March 20, 2025) A.25-03-013 (March 20, 2025)	

NOTICE OF INTENT TO CLAIM INTERVENOR COMPENSATION AND, IF REQUESTED (and [X]¹checked), ADMINISTRATIVE LAW JUDGE'S RULING ON SIERRA CLUB'S SHOWING OF SIGNIFICANT FINANCIAL HARDSHIP

NOTE: AFTER ELECTRONICALLY FILING A PDF COPY OF THIS NOTICE OF INTENT, PLEASE EMAIL THE DOCUMENT IN AN MS WORD FORMAT TO THE INTERVENOR COMPENSATION PROGRAM COORDINATOR AT

Icompcoordinator@cpuc.ca.gov.

Customer or Eligible Local (compensation): Sierra Club		tity (party intending to claim intervenor
Assigned Commissioner:		Administrative Law Judge:
President Alice Reynolds		ALJ Jonathan Lakey
I hereby certify that the informatis true to my best knowledge, in		orth in Parts I, II, III and IV of this Notice of Intent elief.
	Signature:	/s/Katherine Ramsey
Date: July 25, 2025	Printed Name:	Katherine Ramsey

PART I: PROCEDURAL ISSUES (To be completed by the party intending to claim intervenor compensation)

<sup>&</sup>lt;sup>1</sup> DO NOT CHECK THIS BOX if a finding of significant financial hardship is not needed (in cases where there is a valid rebuttable presumption of eligibility (Part III(A)(3)) or significant financial hardship showing has been deferred to the intervenor compensation claim).

A. Status as "customer" (see Pub. Util. Code § 1802(b)) <sup>2</sup> The party claims "customer" status because the party is (check one):	Applies (check)
1. A Category 1 customer is an actual customer whose self-interest in the proceeding arises primarily from his/her role as a customer of the utility and, at the same time, the customer must represent the broader interests of at least some other customers. See, for example, D.08-07-019 at 5-10).	
2. A Category 2 customer is a representative who has been authorized by actual customers to represent them. Category 2 involves a more formal arrangement where a customer or a group of customers selects a more skilled person to represent the customer's views in a proceeding. A customer or group of customers may also form or authorize a group to represent them, and the group, in turn, may authorize a representative such as an attorney to represent the group.	
3. A Category 3 customer is a formally organized group authorized, by its articles of incorporation or bylaws to represent the interests of residential customers or small commercial customers receiving bundled electric service from an electrical corporation (§1802(b)(1)(C)). Certain environmental groups that represent residential customers with concerns for the environment may also qualify as Category 3 customers, even if the above requirement is not specifically met in the articles or bylaws. See D.98-04-059, footnote at 30.	Ø
4. The party's detailed explanation of the selected customer category.	
The party's explanation of its status as a Category 3 customer. If the party represents residential and small commercial customers receiving bundled electric service from an electrical corporation, it must include in the Notice of Intent either the percentage of group members that are residential ratepayers or the percentage of the members who are receiving bundled electric service from an electrical corporation. Supporting documentation for this customer category must include current copies of the articles of incorporation or bylaws. If current copies of the articles and bylaws have already been filed with the Commission, only a specific reference (the proceeding's docket number and the date of filing) to such filings needs to be made.	
Sierra Club meets the third definition of "customer" provided in Public Utilities	
Code section 1802(b)(1)(C). Sierra Club is a "representative of a group or organization authorized pursuant to its articles of incorporation or bylaws to represent the interests of residential customers" Sierra Club is a non-profit, member-based, "public benefit" California corporation with over 613,700 members nationwide and more than 131,600 members living in California, including many	
who are ratepayers of investor-owned utilities. Sierra Club's membership consists entirely (100%) of residential ratepayers. (Sierra Club does not, however, have	

 $<sup>^2</sup>$  All statutory references are to California Public Utilities Code unless indicated otherwise.

easily obtainable data on the percentage of its California members that are Investor-Owned Utility ("IOU") customers.)

Sierra Club's Articles, Bylaws, Standing Rules, and policies authorize and require it to represent the environmental interests of its members – including customers of California IOUs. Sierra Club's Board of Directors is democratically elected by its members. (See Sierra Club Standing Rule ("S.R.") 4.8.1.) Sierra Club is expressly authorized to participate in environmental legal actions to advance its mission, including lawsuits and administrative proceedings. (See S.R. 5.15.1 and 9.1.1.)

For decades, Sierra Club has participated in environmental lawsuits and administrative proceedings and has appeared many times before the California Public Utilities Commission ("CPUC" or "Commission"). Sierra Club has consistently been awarded fees for its substantial contributions to CPUC decisions. Most recently, Sierra Club was awarded fees for its contribution to two decisions in R.20-05-003 (IRP Proceeding). In 2024, Sierra Club was awarded fees for its substantial contributions to decisions in Commission dockets R.20-08-020 (NEM 3.0 Rulemaking), A.22-05-005 (IOUs' 2024-2031 Energy Efficiency Business Plan Applications), and R.20-01-007 (the predecessor Long-Term Gas Planning Proceeding prior to the opening on R.24-09-012), among other dockets. Sierra Club is currently active in several open CPUC proceedings, including the Integrated Resource Planning docket (R.20-05-003), the Rulemaking on Building Decarbonization (R.19-01-011), and gas utility applications for hydrogen projects (A.22-09-006, Hydrogen Blending Pilot Application; A.24-12-011, Angeles Link Application Phase 2; and A.25-06-011, Angeles Link Phase 1 Cost Recover).

Sierra Club's environmental concerns encompass a broad range of energy and pollution issues. Sierra Club has become a leader in the effort to reduce California's and the nation's dependence on fossil fuels and to avoid costly buildout of gas system infrastructure that is likely to become stranded assets in the transition away from fossil gas.

To advance its members' concerns regarding grid decarbonization and utility costs, Sierra Club regularly employs litigation, participation in administrative proceedings, public education and organizing, electoral and lobbying efforts, and communications and media work. Sierra Club has and continues to actively participate in numerous Commission proceedings on the intersection between utilities and decarbonization: advocating for utility planning and policies that support reduction of greenhouse gas emissions from the electric, transportation, and building sectors; broad electrification of building and transportation end uses; ending line extension allowances for gas lines in new construction; and supporting equitable reform of the residential net metering tariff to continue the growth of distributed solar and battery storage. Sierra Club engages in this advocacy not only due to its members' concerns regarding climate change, but also regarding the human health and environmental risks associated with fossil fuel combustion and infrastructure generally, as well as concerns regarding system costs and equity in the face of the transition to clean energy. Sierra Club is advancing solely its members' interests in promoting the

responsible use of the Earth's resources and protecting and restoring the quality of the natural and human environment, rather than advocating for any particular technology.		
The interests of the customers represented by Sierra Club are unique and well suited to this proceeding and are not adequately represented by other parties that have intervened in this proceeding. The Commission has "granted customer status to organizations, such as environmental groups, that represent ratepayer interests that are not solely economic, recognizing that participation in Commission proceedings by parties representing the full range of affected interests is important." (D.06-12-041 at 7.) Sierra Club brings to this proceeding its members' unique perspective on electric and gas ratemaking and system planning issues, including ways to reduce the cost of the clean energy transition, support rapid decarbonization of the electric, building, and transportation sectors, and alignment of utility system planning and operations with Commission policies.		
Sierra Club, consistent with its governing documents, appropriately represents the environmental and energy conservation interests of its members who are customers of California IOUs. Sierra Club, therefore, qualifies as a "customer" as defined in section 1802(b)(1)(C) of the Public Utilities Code and the Commission's decisions applying this section to environmental organizations.		
Sierra Club's current Bylaws and Standing Rules were last updated August 3, 2024. Sierra Club's Bylaws and its Articles of Incorporation are available at <a href="https://www.sierraclub.org/policy">https://www.sierraclub.org/policy</a> .		
Do you have any direct economic interest in outcomes of the proceeding? <sup>3</sup>	□Yes	
If "Yes", explain:	☑ No	
B. Conflict of Interest (§ 1802.3)	Check	
1. Is the customer a representative of a group representing the interests of small commercial customers who receive bundled electric service from an electrical corporation?	□Yes ☑ No	
2. If the answer to the above question is "Yes", does the customer have a conflict arising from prior representation before the Commission?	□Yes □No	
C. Status as an Eligible Local Government Entity (§§1802(d), 1802.4, 1803.1)		
The party claims "eligible local government entity" status because the party is a city,		
county, or city and county that is not a publicly owned public utility that intervenes or	□Yes	
participates in a Commission proceeding for the purpose of protecting the health and safety of the residents within the entity's jurisdiction following a catastrophic material	☑ No	
safety of the residents within the entity's jurisdiction following a catastrophic material		

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<sup>&</sup>lt;sup>3</sup> See Rule 17.1(f).

loss suffered by its residents either in significant damage to infrastructure or loss of	
life and property, or both, as a direct result of public utility infrastructure.	
The party's explanation of its status as an eligible level government entity must	
The party's explanation of its status as an eligible local government entity must	
include a description of	
(1) The relevant triggering catastrophic event;	
(2) The impacts of the triggering catastrophic event on the residents within the	
entity's jurisdiction as a result of public utility infrastructure; and	
(3) The entity's reason(s) to participate in this proceeding.	
D. Timely Filing of Notice of Intent to Claim Intervenor Compensation (NOI) (§	
1804(a)(1)):	
1. Is the party's NOI filed within 30 days after a Prehearing Conference?	<b></b> ✓Yes
Date of Prehearing Conference: 6/25/2025	□No
2. Is the party's NOI filed at another time (for example, because no Prehearing	
Conference was held, the proceeding will take less than 30 days, the schedule did	□Yes
not reasonably allow parties to identify issues within the timeframe normally	⊠No
permitted, or new issues have emerged)?	
2a. The party's description of the reasons for filing its NOI at this other time:	
2b. The party's information on the proceeding number, date, and decision number f	•
Commission decision, Commissioner ruling, Administrative Law Judge's ruling, or other	
document authorizing the filing of NOI at that other time:	

### PART II: SCOPE OF ANTICIPATED PARTICIPATION (To be completed by the party intending to claim intervenor compensation)

#### A. Planned Participation (§ 1804(a)(2)(A)):

#### The party's statement of the issues on which it plans to participate:

Sierra Club plans to engage on all issues listed in the Scoping Memo with a particular focus on PG&E and SCE's cost of capital applications, including:

- Appropriate capital structure
- Appropriate cost of long-term debt, preferred stock, common equity
- Appropriate rate of return

While Sierra Club intends to focus its participation in this proceeding on the applications of PG&E and SCE, it reserves its right to participate on issues related to all of the IOUs.

#### The party's explanation of how it plans to avoid duplication of effort with other parties:

Sierra Club intends to coordinate with all other parties that have similar positions to avoid duplication of efforts and limited organizational resources. These parties include Protect Our Communities Foundation (PCF), The Utility Reform Network (TURN), Environmental Defense Fund (EDF), the Public Advocates Office (Cal Advocates), and others where positions align on specific scoped issues.

Sierra Club plans to closely coordinate with PCF by submitting expert testimony jointly. PCF hired Mr. Ellis with respect to SDG&E's and SoCalGas's applications, and Sierra Club hired Mr. Ellis with respect to SCE's and PG&E's applications. PCF and Sierra Club will share the same expert to streamline the presentation of the testimony to the Commission, and to facilitate the Commission's review of the issues that cut across all the IOU's cost of capital applications and with respect to each utility in this consolidated proceeding.

The party's description of the nature and extent of the party's planned participation in this proceeding (to the extent that it is possible to describe on the date this NOI is filed). Sierra Club intends to fully participate in this proceeding, including conducting discovery, submitting intervenor testimony, participating in evidentiary hearings (if hearings are required), filing briefs, and participating in any other opportunities that may arise (e.g., oral arguments, comments on Commission rulings seeking comment on particular issues, etc.).

B. The party's itemized estimate of the compensation that the party expects to request, based on the anticipated duration of the proceeding  $(8\ 1804(a)(2)(A))$ :

based on the anticipated duration of the proceeding (§ 1004(a)(2)(11)).				
Item	Hours	Rate \$	Total \$	#
ATTOR	NEY, EXP	ERT, AND AI	OVOCATE FEES	
Katherine Ramsey	100	\$545	\$54,500	
Mark Ellis	40	\$1,165	\$46,600	
Subtotal: \$101,100				
OTHER FEES				
Thomas Phillips	50	\$200	\$10,000	
Subtotal: \$10,000				
	CC	DSTS		
Subtotal: \$0				
TOTAL ESTIMATE: \$111,100				

#### **Estimated Budget by Issues:**

Capital structure: 25%Cost of equity: 25%Cost of debt: 20%

- Relevant legal principles and requirements: 20%

- Other: 10%

# PART III: SHOWING OF SIGNIFICANT FINANCIAL HARDSHIP (To be completed by party intending to claim intervenor compensation; see Instructions for options for providing this information)

A. The party claims that participation or intervention in this proceeding	Applies
without an award of fees or costs imposes a significant financial hardship, on	(check)
the following basis:	

1. The customer cannot afford, without undue hardship, to pay the costs of effective participation, including advocate's fees, expert witness fees, and other reasonable costs of participation. (§ 1802(h))	
2. In the case of a group or organization, the economic interest of the Individual members of the group or organization is small in comparison to the costs of effective participation in the proceeding. (§ 1802(h))	
3. The eligible local government entities' participation or intervention without an award of fees or costs imposes a significant financial hardship. (§ 1803.1(b).)	
4. A § 1802(h) or § 1803.1(b) finding of significant financial hardship in another proceeding, made within one year prior to the commencement of this proceeding, created a rebuttable presumption in this proceeding (§ 1804(b)(1)).	
Commission's finding of significant financial hardship made in proceeding number:	
Date of Administrative Law Judge's Ruling (or CPUC Decision) in which the finding of significant financial hardship was made:	

# B. The party's explanation of the factual basis for its claim of "significant financial hardship" (§ 1802(h) or § 1803.1(b)) (necessary documentation, if warranted, is attached to the NOI:

Sierra Club is requesting an ALJ Ruling here finding that Sierra Club has demonstrated significant financial hardship. Sierra Club has received many findings of significant financial hardship in the past in similar proceedings, including in A.10-03-014, R.08-08-009, R.10-05-006, R.12-06-013, R.14-02-001, A.17-01-020, A.14-11-016, R.18-02-006, and A.20-08-002.

A finding of "significant financial hardship" was granted most recently in A.21-12-009 (ALJ Ruling, May 18, 2022), where ALJ Liang-Uejio found that "Sierra Club has shown significant financial hardship." In a similar ruling in R.18-12-006, ALJs Doherty and Goldberg also found that Sierra Club has demonstrated significant financial hardship. On July 25, 2014, in R.14-02-001, ALJ David Gamson found that "Sierra Club demonstrated that its estimated cost of participation in this proceeding far exceeds the economic interests of the individual members of Sierra Club or of Sierra Club itself."

The same reasoning applies to this proceeding. We estimate the cost of Sierra Club's effective participation in this proceeding is approximately \$111,100. The individual benefit to a Sierra Club member stemming from the organization's participation in this proceeding will be very small, and no member would see financial benefits that exceed the cost of Sierra Club's participation. The maximum direct financial benefit to a member would be any bill savings or reduced bill increases for Sierra Club members who are IOU ratepayers, which will not come anywhere near the estimated cost of participation. While Sierra Club members across California may benefit from reduced bill impacts and lower cost capital infrastructure in support of grid decarbonization as a result of Sierra Club's participation in this proceeding,

such benefits are not directly financial and, if quantified economically at an individual level, would still be very small. Therefore, Sierra Club requests a finding of significant financial hardship pursuant to Public Utilities Code section 1802(h).

Sierra Club does not anticipate any challenge to its eligibility for compensation in this proceeding. If any party does attempt to challenge Sierra Club's eligibility, Sierra Club requests that it be granted the opportunity to reply to such party's allegations within 10 days after the service of such filing.

## PART IV: ATTACHMENTS DOCUMENTING SPECIFIC ASSERTIONS MADE IN THIS NOTICE

(The party intending to claim intervenor compensation identifies and attaches documents; add rows as necessary)

Attachment No.	Description
1	Certificate of Service

## **ADMINISTRATIVE LAW JUDGE RULING<sup>4</sup>** (Administrative Law Judge completes)

	Check all
	that apply
1. The Notice of Intent (NOI) is rejected for the following reasons:	
a. The NOI has not demonstrated the party's status as a "customer" or an "eligible local government entity" for the following reason(s):	
b. The NOI has not demonstrated that the NOI was timely filed (Part I(B)) for the following reason(s):	
c. The NOI has not adequately described the scope of anticipated participation (Part II, above) for the following reason(s):	
2. The NOI has demonstrated significant financial hardship for the reasons set forth in Part III of the NOI (above).	
3. The NOI has not demonstrated significant financial hardship for the following reason(s):	

<sup>&</sup>lt;sup>4</sup> A Ruling needs not be issued unless: (a) the NOI is deficient; (b) the Administrative Law Judge desires to address specific issues raised by the NOI (to point out similar positions, areas of potential duplication in showings, unrealistic expectations for compensation, or other matters that may affect the customer or eligible local government entity's Intervenor Compensation Claim); or (c) the NOI has included a claim of "significant financial hardship" that requires a finding under § 1802(h).

4. The Administrative Law Judge provides the following additional guidance (see § 1804(b)(2)):	
IT IS RULED that:	
1. The Notice of Intent is rejected.	
2. The customer or eligible local government entity has satisfied the eligibility requirements of Pub. Util. Code § 1804(a).	
3. The customer or eligible local government entity has shown significant financial hardship.	
4. The customer or eligible local government entity is preliminarily determined to be eligible for intervenor compensation in this proceeding. However, a finding of significant financial hardship in no way ensures compensation.	
5. Additional guidance is provided to the customer or eligible local government entity as set forth above.	
Dated, at San Francisco, California.  Administrative Law Jud	ge