STATE OF CALIFORNIA GAVIN NEWSOM, *Governor*

PUBLIC UTILITIES COMMISSION
505 VAN NESS AVENUE
SAN FRANCISCO, CA 94102-3298

FILED
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November 14, 2025

Agenda ID #23861
Ratesetting

TO PARTIES OF RECORD IN APPLICATION 21-08-013, et al.:

This is the proposed decision of Administrative Law Judge Zhen Zhang. 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 December 18, 2025 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. Electronic copies of comments should also be sent to the Intervenor Compensation Program at icompcoordinator@cpuc.ca.gov.

/s/ AVA TRAN for
Michelle Cooke
Chief Administrative Law Judge

MLC:jnf
Attachment

Decision **PROPOSED DECISION OF ALJ ZHANG (Mailed 11/14/2025)**

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

Application of Southern California Edison Company (U338-E) for Authority to Establish Its Authorized Cost of Capital for Utility Operations for 2022 and Reset the Annual Cost of Capital Adjustment Mechanism.	Application 21-08-013
And Related Matters.	Application 21-08-014 Application 21-08-015

DECISION GRANTING COMPENSATION TO ENVIRONMENTAL DEFENSE FUND FOR SUBSTANTIAL CONTRIBUTION TO DECISION 22-11-018

Intervenor: Environmental Defense Fund	**For contribution to Decision (D.) 22-11-018**
Claimed: $ 161,483.00	**Awarded:** $70,096.64
Assigned Commissioner: Alice Reynolds	**Assigned ALJ:** Zhen Zhang

PART I: PROCEDURAL ISSUES

A. Brief description of Decision:	Decision on Off-Cycle Applications of Southern California Edison Company, San Diego Gas & Electric Company, and Pacific Gas And Electric Company (D.22-11-018)

B. Intervenor must satisfy intervenor compensation requirements set forth in Pub. Util. Code §§ 1801-1812[1]:

	Intervenor	CPUC Verification
Timely filing of notice of intent to claim compensation (NOI) (§ 1804(a)):		
1. Date of Prehearing Conference:	October 15, 2021	Verified
2. Other specified date for NOI:	N/A	
3. Date NOI filed:	November 15, 2021	Verified
4. Was the NOI timely filed?		Yes
Showing of eligible customer status (§ 1802(b)) or eligible local government entity status (§§ 1802(d), 1802.4):		
5. Based on ALJ ruling issued in proceeding number:	R.12-06-013	R.21-06-017
6. Date of ALJ ruling:	February 25, 2013	November 9, 2021
7. Based on another CPUC determination (specify):	N/A	
8. Has the Intervenor demonstrated customer status or eligible government entity status?		Yes
Showing of "significant financial hardship" (§1802(h) or §1803.1(b)):		
9. Based on ALJ ruling issued in proceeding number:	D.21-11-017	R.21-06-017
10. Date of ALJ ruling:	November 19, 2021	November 9, 2021
11. Based on another CPUC determination (specify):	N/As	
12. Has the Intervenor demonstrated significant financial hardship?		Yes
Timely request for compensation (§ 1804(c)):		
13. Identify Final Decision:	D.22-01-018	D.22-11-018
14. Date of issuance of Final Order or Decision:	November 4, 2022	Verified
15. File date of compensation request:	January 4, 2023	Verified
16. Was the request for compensation timely?		*See* Part I.C, Comment A

[1] All statutory references are to California Public Utilities Code unless indicated otherwise.

C. Additional Comments on Part I:

#	Intervenor's Comment(s)	CPUC Discussion
9 / 10	In D.20-09-007, the CPUC found that EDF had demonstrated customer status and significant financial hardship.	Noted
A		Per Rule 17.3[2] and § 1804(c), a request for an award of compensation may be filed after the issuance of a final decision that resolves an issue on which the intervenor believes it made a substantial contribution, but in no event later than 60 days after the issuance of the decision that closes the proceeding. Per Rule 17.3, if an application for rehearing challenges a decision on an issue on which the intervenor believes it made a substantial contribution, the request for an award of compensation may be filed within 60 days of the issuance of the decision denying rehearing on that issue, the order or decision that resolves that issue after rehearing, or the decision closing the proceeding. Decision (D.) 22-11-018 was issued on November 4, 2022, and closed the instant proceeding. The period to file a request for an award of compensation for contributions towards D.22-11-018 was November 4, 2022-January 3, 2023. However, on December 5, 2022, an application for rehearing (AFR) was filed, which reopened the proceeding. D.23-11-046 was issued on November 9, 2023, which modified D.22-11-018, denied the AFR, and closed the proceeding. The period to file a request for an award of compensation for the specific issues raised in the AFR was November 9, 2023 - January 9, 2024.

[2] All rule references are to California Code of Regulations Title 20, Division 1, Chapter 1 unless indicated otherwise.

#	Intervenor's Comment(s)	CPUC Discussion
		EDF filed this instant claim on January 4, 2023, 61 days after the issuance of D.22-11-018, but during the period the proceeding was reopened due to the AFR. D.15-07-017 provides precedent for how to proceed. In that case, EDF filed a request for compensation related to D.14-03-004, which closed Rulemaking (R.) 12-03-014, after the 60-day deadline. However, prior to EDF's late filing, an application for rehearing was filed in that proceeding on a separate decision, which reopened the proceeding. Subsequently, a series of additional requests for rehearing and petitions for modification were filed, causing the proceeding to be reopened and closed multiple times. The key point is that when EDF filed its request for compensation related to D.14-03-014, the proceeding had technically been reopened, just as in this current request. Nonetheless, the Commission denied EDF's request, stating that "none of these petitions [and applications for rehearing which reopened the proceeding] addressed the issues upon which EDF based its claimed substantial contribution," D.15-07-017 at 2. As stated in D.15-07-017, a request for compensation for substantial contribution towards a decision may only be filed outside the normal 60-day deadline in §1804(c) and Rule 17.3 if: (1) the request is filed after a decision closes the proceeding, (2) the request is filed while the proceeding has been reopened, and (3) the request is filed before the issuance of a decision closing the reopened proceeding. Even when all three conditions are met, an intervenor may only receive compensation for issues that are addressed in both the filing that

#	Intervenor's Comment(s)	CPUC Discussion
		led to the reopening of the proceeding and the request for compensation. At the request of the Commission, EDF filed a supplement to this claim (Supplement), on March 7, 2025, which reallocated the number of hours worked by the following issues: 1. Are there extraordinary circumstances that warrant a departure from the [Cost of Capital Mechanism] CCM for 2022? [310 hours] 2. If so, should the Commission leave the cost of capital components at pre-2022 levels for the year 2022, or open a second phase to consider alternative cost of capital proposals for the year 2022? [79 hours][3] The Commission finds that with respect to EDF's first issue listed in the Supplement, the AFR did not contest whether there were "extraordinary circumstances." Accordingly, EDF is not eligible for compensation for its work on that portion of the first issue. However, the Commission did find that the AFR did contest whether a departure from the 2022 CCM was warranted, as well as the entirety of the second issue. Therefore, EDF may claim compensation for its contributions to the later portion of the first issue and all of the second issue.

[3] EDF's March 7, 2025 supplement to this request for compensation contained five timesheet entries where the allocation of hours by issue did not match the total hours. This resulted in 309.63 hours instead of 310.00 hours allocated to Issue 1 and 79.23 hours instead of 79.00 hours allocated to Issue 2.

PART II: SUBSTANTIAL CONTRIBUTION

A. Did the Intervenor substantially contribute to the final decision (*see* § 1802(j), § 1803(a), 1803.1(a) and D.98-04-059

Intervenor's Claimed Contribution(s)	Specific References to Intervenor's Claimed Contribution(s)	CPUC Discussion
EDF argued that the utilities failed to meet the requirements for D.08-05-035 Opening Brief of EDF at 2. Reply Brief of EDF at 4-5. Opening Comments of EDF on Proposed Decision and Alternate Proposed Decision (Opening Comments of EDF) at 3.	The assigned Commissioner and the assigned Administrative Law Judges (ALJs) found that the utilities failed to meet the requirements of D.08-05-035. D.22-11-018 at 5. E-Mail Ruling of the Assigned Commissioner and the ALJs Ordering Compliance with Decision 08-05-035 at 3.	The AFR did not contest this issue. Thus, EDF is not eligible for compensation for its contributions on this issue as noted in Part I.C.A.
EDF argued that the CCM deviations were historically based on consensus; and that the utilities' request are not in line with such precedence. Opening Brief of EDF at 3.	The assigned Commissioner and the assigned Administrative Law Judges (ALJs) found that the utilities failed to meet the requirements of D.08-05-035. D.22-11-018 at 5. E-Mail Ruling of the Assigned Commissioner and the ALJs Ordering Compliance with Decision 08-05-035 at 3.	The AFR did not contest this issue. Thus, EDF is not eligible for compensation for its contributions on this issue as noted in Part I.C.A.
EDF argued that due to the lack of consensus, triggering the CCM was warranted and reasonable. Prepared Direct Testimony of Richard McCann, Ph.D. (EDF Testimony) at 7.	While finding that the utilities failed to meet the requirements of D.08-05-035, the Commission declined to accept EDF's request. D.22-11-018 at 5. E-Mail Ruling of the Assigned Commissioner and the ALJs Ordering Compliance with Decision 08-05-035 at 3.	The AFR did not contest this issue. Thus, EDF is not eligible for compensation for its contributions on this issue as noted in Part I.C.A.

Intervenor's Claimed Contribution(s)	Specific References to Intervenor's Claimed Contribution(s)	CPUC Discussion
EDF argued that maintaining the CCM streamlines the cost of capital determination process. Opening Brief of EDF at 7.	The Commission rejected EDF's argument and found that maintaining cost of capital at levels already authorized in 2019 would better mitigate regulatory uncertainty; however, EDF developed the record on this matter. D.22-11-018 at 27.	Noted
EDF argued that the CCM provides regulatory certainty and clarity. EDF Testimony at 7.	The Commission rejected EDF's argument and found that maintaining cost of capital at levels already authorized in 2019 would better mitigate regulatory uncertainty; however, EDF developed the record on this matter. D.22-11-018 at 27.	Noted
EDF argued that the utilities must be required to submit a joint petition for modification per precedent Commission decisions. Opening Comments of EDF at 5.	While acknowledging intervenor comments on this matter and reminding the utilities of their responsibility to comply with all applicable, laws, orders, decisions, and regulations, the Commission declined to require the utilities to file petitions to modify. D.22-11-018 at 29-30.	The AFR did not contest this issue. Thus, EDF is not eligible for compensation for its contributions on this issue as noted in Part I.C.A.
EDF did not dispute that an "extraordinary or catastrophic event" had occurred during the COVID-19 pandemic. Opening Brief of EDF at 10-11. Reply Brief of EDF at 4.	The Commission found that the COVID-19 pandemic was "an extraordinary event" extending beyond October 2020 through September 2021. D.22-11-018 at 9.	The AFR did not contest this issue. Thus, EDF is not eligible for compensation for its contributions on this issue as noted in Part I.C.A.

Intervenor's Claimed Contribution(s)	Specific References to Intervenor's Claimed Contribution(s)	CPUC Discussion
EDF highlighted that both the state of California and the Commission took significant action to mitigate the impacts of the pandemic on the utilities, including relief for the most significant risk of rising uncollectible billing revenues. EDF Testimony at 9.	The Commission did not accept EDF's argument; however, EDF developed the record on this matter. D.22-11-018 at 9.	The AFR did not contest this issue. Thus, EDF is not eligible for compensation for its contributions on this issue as noted in Part I.C.A.
EDF argued that the utilities' costs of capital and/or capital structures were not materially impacted since the utilities did not demonstrate any inability to raise capital or issue debt. Opening Brief of EDF at 12. Reply Brief of EDF at 7. EDF Testimony at 8.	The Commission rejected EDF's argument, finding that the threshold for filing off-cycle applications does not require events such as a credit downgrade or lack of access to capital; however, EDF developed the record on this matter. D.22-11-018 at 18.	The AFR did not contest this issue. Thus, EDF is not eligible for compensation for its contributions on this issue as noted in Part I.C.A.
EDF argued that the COVID-19 pandemic did not impact the utilities differently from overall financial markets. Opening Brief of EDF at 13.	The Commission rejected EDF's argument; however, EDF developed the record on this matter. D.22-11-018 at 18 and 27.	The AFR did not contest this issue. Thus, EDF is not eligible for compensation for its contributions on this issue as noted in Part I.C.A.
EDF argued that the California utilities' share prices show rising valuations over a longer period of time; and that the focus on short-term betas should be disregarded as myopic. EDF Testimony at 15-23.	The Commission rejected EDF's argument; however, EDF developed the record on this matter. D.22-11-018 at 18 and 27.	The AFR did not contest this issue. Thus, EDF is not eligible for compensation for its contributions on this issue as noted in Part I.C.A.

Intervenor's Claimed Contribution(s)	Specific References to Intervenor's Claimed Contribution(s)	CPUC Discussion
EDF argued that the focus on short-term betas should be disregarded as myopic. Reply Brief of EDF at 10.	The Commission rejected EDF's argument; however, EDF developed the record on this matter. D.22-11-018 at 18 and 27.	The AFR did not contest this issue. Thus, EDF is not eligible for compensation for their contributions on this issue as noted in Part I.C.A.
EDF argued that the Commission should apply enhanced scrutiny to whether the utilities' coordination have been in violation of antitrust laws or Commission decisions. Opening Brief of EDF at 6.	The Commission did not rule on this matter; however, EDF developed the record on this matter.	The AFR did not contest this issue, therefore, EDF is not eligible for compensation for its contributions on this issue as noted in Part I.C.A.
EDF argued that the triggered CCM rates would be just and reasonable. Opening Brief of EDF at 18. Opening Comments of EDF at 2.	The Commission found EDF's argument "unpersuasive"; however, EDF developed the record on this matter. D.22-11-018 at 29.	Verified
EDF argued that the utilities' request would amount to a *de facto* $400 million rate increase, which would not be just and reasonable given the impact of the pandemic on ratepayers, as well as the environmental toll of excessive rates. Opening Brief of EDF at 19-24. Opening Comments of EDF at 2.	The Commission found EDF's argument "unpersuasive"; however, EDF developed the record on this matter. D.22-11-018 at 29.	The AFR did not contest this issue. Thus, EDF is not eligible for compensation for its contributions on this issue as noted in Part I.C.A.
EDF argued that a second phase was required, ***if*** the Commission determined the utilities met their burden of proof for diverging from the CCM.	The Commission found EDF's argument "unpersuasive"; however, EDF developed the record on this matter.	Verified

Intervenor's Claimed Contribution(s)	Specific References to Intervenor's Claimed Contribution(s)	CPUC Discussion
Reply Brief of EDF at 15.	D.22-11-018 at 29.	
EDF filed a motion to name Southern California Gas Company as a respondent. Motion of EDF et al. filed February 4, 2022	The ALJ addressed the motion during the Prehearing Conference held February 16, 2022. Transcript of the Prehearing Conference at 23:17.	The AFR did not contest this issue. Thus, EDF is not eligible for compensation for its contributions on this issue as noted in Part I.C.A.

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

	Intervenor's Assertion	CPUC Discussion
a. Was the Public Advocate's Office of the Public Utilities Commission (Cal Advocates) a party to the proceeding?	Yes	Verified
b. Were there other parties to the proceeding with positions similar to yours?	Yes	Verified
c. If so, provide name of other parties: Utility Consumers' Action Network (UCAN), Protect Our Communities Foundation, The Utility Reform Network (TURN), Indicated Shippers, Wild Tree Foundation		Noted
d. Intervenor's claim of non-duplication: Intervenors participating in this proceeding focused on the rates impact on customers. EDF focused on the consequences of rate impacts, not only for customers, but for the environment. As noted by EDF in its Opening Brief (at 22): "Beyond the human toll exacerbated by excessive rates, California must maintain just and reasonable rates in order to achieve its critical environmental objectives. 'If rates are set too high, customers will be discouraged from investing in the building and transportation decarbonization measure that will be required to meet our GHG goals.'" [Citing to EDF Testimony]		Noted, however *see* Part III.D, Item [7].

PART III: REASONABLENESS OF REQUESTED COMPENSATION

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

	CPUC Discussion
a. Intervenor's claim of cost reasonableness: EDF requests a total intervenor compensation claim of $161,483.00. This is reasonable for the scale of the proceeding, number of issues presented, and also given the fact that EDF addressed unique environmental issues in the proceeding that required research, evidence, testimony and briefing that could not otherwise be shared across intervenors.	Noted
b. Reasonableness of hours claimed: Attorney Time: EDF devoted a total of approximately 121.10 hours of attorney time for work performed by EDF's attorney, Elizabeth Kelly. This is reasonable for the scale of the proceeding and wide range of issues presented in the proceeding. Expert Time: EDF utilized approximately 55.10 hours of the expert time of Mr. Colvin, EDF's Director of Regulatory and Legislative Affairs, California Energy Program. EDF also utilized approximately 212.75 hours of the expert time of Dr. Richard McCann as expert witness. This is reasonable in light of the issues presented, particularly the issues uniquely raised by EDF including: - The appropriateness of the utilities' request, particularly in line with Commission guidance on cost of capital mechanism (CCM) as established in previous decisions and precedence; - The specific impacts of COVID-19 on the utilities' cost of capital and/or capital structures, including their ability to raised capital or issue debt; - Relative impacts of COVID-19 on the utilities' compared to overall financial market; and - Need for a second phase to the proceeding if the Commission were to determine that a suspension of the CCM were reasonable.	Noted

c. Allocation of hours by issue:

In this proceeding, the substantive issues of EDF were intertwined in the Staff Proposal and Proposed Decision.

Issue	Allocation
Procedural appropriateness of the utilities' request and whether the request is in line with the CCM as established in previous decisions and precedence	108 hours
The specific impacts of COVID-19 and the existence of extraordinary financial circumstances that justify the utilities' request	226 hours
The need for a second phase to the proceeding	58 hours

On March 7, 2025, EDF filed a supplement to this request for compensation and corrected their allocation of hours by issue to be as follows:

1. Are there extraordinary circumstances that warrant a departure from the [Cost of Capital Mechanism] CCM for 2022? [310 hours]

2. If so, should the Commission leave the cost of capital components at pre-2022 levels for the year 2022, or open a second phase to consider alternative cost of capital proposals for the year 2022? [79 hours]

EDF allocated 389 hours to these two issues, which is different from the 388.95 hours EDF claimed in Part III.B and their supplemental timesheets. As stated in footnote 3, EDF's supplemental timesheets allocate 309.63 hours to Issue 1 and 79.23 hours to Issue 2. Therefore, this decision relies on the timesheets for accuracy.

B. Specific Claim:*

CLAIMED						CPUC AWARD		
ATTORNEY, EXPERT, AND ADVOCATE FEES								
Item	**Year**	**Hours**	**Rate $**	**Basis for Rate***	**Total $**	**Hours**	**Rate $**	**Total $**
Elizabeth Kelly	2021	36.90	$550	D.22-06-036; Intervenor Compensation Hourly Rate Chart Effective 1/1/2021 for Attorney V	$20,295.00	24.65 [5, 6]	$550.00 [1] [8]	$13,557.50
Elizabeth Kelly	2022	84.20	$625	Intervenor Compensation Hourly Rate Chart Effective 1/1/2021 for Attorney V	$52,625.00	52.80 [5, 6]	$570.00 [1] [8]	$30,096.00
Michael Colvin	2021	20.90	$490	ALJ-393; Public Policy Analyst IV	$10,241.00	13.475 [6]	$480.00 [2]	$6,468.00
Michael Colvin	2022	34.20	$515	2021 rate and 5% step increase per D.07-01-009	$17,613.00	22.675 [5, 6]	$505.00 [2]	$11,450.88
Richard McCann	2021	13	$269	ALJ-393; Economist V	$3,497.00	7.00 [5, 6]	$269.00 [3] [8]	$1,883.00
Richard McCann	2022	199.75	$282	2021 rate for Expert Economist V and 5% step increase per D.07-01-009	$56,329.50	103.3125 [5, 6]	$282.00 [3] [8]	$29,134.13
				Subtotal: $ 160,600.50				***Subtotal: $92,589.51 [25% overall reduction] [7]: $69,442.13***

CLAIMED						CPUC AWARD		
INTERVENOR COMPENSATION CLAIM PREPARATION **								
Item	**Year**	**Hours**	**Rate $**	**Basis for Rate***	**Total $**	**Hours**	**Rate $**	**Total $**
Joon Hun Seong	2022	1.75	$165	ALJ-393; Public Policy Analyst III with 5% increase per D.07-01-009 (divided by two)	$288.75	1.75	$112.50 [4]	$196.88
Joon Hun Seong	2023	2.25	$173	ALJ-393; Public Policy Analyst III with 5% increase per D.07-01-009 (divided by two)	$389.25	2.25	$122.50 [4]	$275.63
Elizabeth Kelly	2022	0.2	$312.5	Intervenor Compensation Hourly Rate Chart Effective 1/1/2021 for Attorney V (divided by two)	$62.50	0.20	$285.00 [1] [8]	$57.00
Elizabeth Kelly	2023	0.4	$355	Intervenor Compensation rate with 7.1% escalation and 5% step ($710/hour) divided by two. Note: Updated IComp spreadsheet for 2023 not available at time of filing.	$142	0.40	$312.50 [1] [8]	$125.00
					Subtotal: $882.50			***Subtotal: $654.51***
					TOTAL REQUEST: $161,483.00			***TOTAL AWARD: $70,096.64***

CLAIMED	CPUC AWARD
*We remind all intervenors that Commission staff may audit the records and books of the intervenors to the extent necessary to verify the basis for the award (§1804(d)). Intervenors must make and retain adequate accounting and other documentation to support all claims for intervenor compensation. Intervenor's records should identify specific issues for which it seeks compensation, the actual time spent by each employee or consultant, the applicable hourly rates, fees paid to consultants and any other costs for which compensation was claimed. The records pertaining to an award of compensation shall be retained for at least three years from the date of the final decision making the award. **Travel and Reasonable Claim preparation time are typically compensated at ½ of preparer's normal hourly rate	

ATTORNEY INFORMATION			
Attorney	**Date Admitted to CA BAR[4]**	**Member Number**	**Actions Affecting Eligibility (Yes/No?) If "Yes", attach explanation**
Elizabeth Kelly	12/28/2009 (CA) 3/5/2007 (NY)	268401 (CA) 4488938 (NY)	No

C. Attachments Documenting Specific Claim and Comments on Part III[5]:

Attachment or Comment #	Description/Comment
Attachment 1	Certificate of Service
Attachment 2	Resume of Elizabeth Kelly
Attachment 3	Resume of Michael Colvin
Attachment 4	Resume of Dr. Richard McCann
Attachment 5	Resume of Joon Hun Seong
Comment 1	Rate for Elizabeth Kelly, Attorney Ms. Kelly's legal energy experience (15+ years) and expert energy economics and rate design experience prior to becoming an attorney are set forth on her resume, Attachment 2. Above the midpoint of the range is appropriate for Ms. Kelly due to her unique and extensive energy and regulatory experience, including:

[4] This information may be obtained through the State Bar of California's website at http://members.calbar.ca.gov/fal/MemberSearch/QuickSearch.

[5] Attachments not included in final Decision.

Attachment or Comment #	Description/Comment
	• Her economics degree which allows for a greater degree of understanding of financial and technical matters before the Commission; • Her experience in energy economic and rate design consulting which contributes to her substantive knowledge in energy; • The extent and depth of her experience in energy and project finance transactions; • Her experience in launching MCE, California's first Community Choice Aggregator, which required extensive legal and regulatory advocacy, in many cases without specific precedent before the California Public Utilities Commission; • Her experience serving clients specifically before the California Public Utilities Commission; and • Her service within energy and legal groups that have advanced her knowledge and experience, including: o Founder of the San Francisco Women General Counsel Circle o 2018 National Association of Women Lawyers General Counsel Institute, Member of Planning Committee and Workshops Subcommittee o 2017 National Association of Women Lawyers General Counsel Institute, Member of Planning Committee, Workshops Subcommittee, and Logistics Subcommittee. o 2016 CAISO Energy Imbalance Market Governing Body Nominating Committee, Public Interest and Consumer Advocate Committee Member o 2015 CAISO Board of Governors Nominee Review Committee, End User and Retail Provider Committee Member

Attachment or Comment #	Description/Comment
Comment 2	Rate for Michael Colvin, Expert Michael Colvin spent over 10 years at the California Public Utilities Commission and another 4 at Environmental Defense Fund. Given his experience he is classified as public policy analyst IV
Comment 3	Rate of Richard McCann, Expert Dr. McCann specializes in environmental and energy resource economics and policy. His expertise and experience with testimonies and reports on behalf of numerous federal, state, and local regulatory agencies on energy, air quality, and water supply and quality issues are detailed in his resume, Attachment 4.
Comment 4	Rate for Joon Hun Seong, Expert Joon Hun Seong has received a Master's in Public Policy from UC Berkeley and has two years of previous policy analysis experience working for American Solar Partners, a solar developer based in Mt. Vernon, New York. Given his academic qualifications and professional experience, he is classified as public policy analyst III.

D. CPUC Comments, Disallowances, and Adjustments

Item	Reason
[1] Kelly 2021, 2022, & 2023 Hourly Rates	Upon further review, we note EDF's failure to identify Kelly as a consultant, instead of a full-time staff member of EDF. The Commission requested supplemental documentation be submitted by EDF to verify Kelly's 2021, 2022, and 2023 consultant rates. EDF confirmed that Kelly is a consultant by submitting supplemental documentation upon request by the Commission. EDF confirms that they have made preliminary payments to Kelly, while the remainder is to be paid upon award of intervenor compensation. Pursuant to Commission policy, the rate requested by an intervenor must not exceed the rate billed to that intervenor by any outside consultant it hires, even if the consultant's billed rate is below the floor for a given experience level. Per the IComp Program Guide at 24, the Commission may audit the records and books of the intervenors to the extent necessary to verify the basis for the award (§ 1804(d)). EDF has confirmed that Kelly serves as a consultant for EDF under contract on a contingency basis, meaning Kelly has agreed to defer all, or part of her consulting fee contingent upon receipt of this

Item	Reason
	Intervenor Compensation award. Given this contingency, we utilize the reasonable rates established by Resolution ALJ-393 to determine Kelly's hourly rate for their work in this proceeding. EDF requested a 2021 hourly rate of $550.00 for Kelly. We find that as of 2021 Kelly qualified for the Legal – Attorney – Level IV classification with a rate range of $381.81 to $619.29 with a median of $497.15. We find a 2021 hourly rate of $550.00 to be reasonable for Kelly and apply it here. EDF requested a 2022 hourly rate of $625.00 for Kelly. We find that as of 2022 Kelly qualified for the Legal – Attorney – Level V classification with a rate range of $506.38 to $719.10 with a median of $626.38. We find a 2022 hourly rate of $570.00 to be reasonable for Kelly and apply it here. We apply one-half of Kelly's 2022 hourly rate of $570.00 adopted here for a 2022 rate of $285.00 for the preparation of this claim. EDF requested a 2023 hourly rate of $710.00 for Kelly. Given the 2023 Legal – Attorney – Level V rate range is $534.32 to $747.04 with a median of $654.32, we find a 2023 hourly rate of $625.00 to be reasonable for Kelly and apply it here. We apply one-half of Kelly's 2023 hourly rate of $625.00 adopted here for a 2023 rate of $312.50 for the preparation of this claim. The award determined herein for the consultant's contribution in this proceeding shall be paid in full to the consultant, and no portion of this part of the award shall be kept by the intervenor. Additionally, the rates approved here are specific to work in this proceeding and the contract terms between the consultant and intervenor, as they are established in accordance with the Commission's policy on consultant compensation, and the understanding that the consultant has not billed or collected full compensation for the work performed until the final award is given. We reiterate that it is the responsibility of the intervenor to be forthcoming about engaging consultants and the terms of the contract, to adhere to the Commission's policy on compensation for consultant fees, and to provide the appropriate documentation with the initial claim to ensure efficient processing and thus avoid the need for the Commission to request supplemental documentation. In this instance, the Commission needed to request supplemental documentation pertaining to the contract terms between EDF and Kelly which delays the processing of the claim.

Item	Reason
[2] Colvin 2021 & 2022 Hourly Rates	D.22-11-037 approved a 2021 rate of $480.00 for Colvin. D.24-05-026 approved a 2022 rate of $505.00 for Colvin.
[3] McCann 2021 & 2022 Hourly Rates	Upon further review, we note that EDF failed to identify McCann as a consultant, instead of a full-time staff member of EDF. The Commission requested supplemental documentation be submitted by EDF to verify McCann's 2021 and 2022 consultant rates. The documentation provided by EDF verified a 2022 hourly rate of $269.00 and a 2023 hourly rate of $282.00 for McCann. We apply these rates here for McCann's work performed in this proceeding.
[4] Seong 2022 & 2023 Hourly Rates and Preparation Hourly Rates	D.23-11-064 verified that Seong had more than 2 years but less than five of policy analysis experience in 2022, appropriately placing him within the Expert – Public Policy Analyst – Level II classification, with an hourly rate of $225 for 2022 and $245 in 2023. Unlike in this claim, EDF did not request a 5% step increase for 2022 in D.23-11-064. If EDF intended to seek a step increase for Seong's work in 2022, it should have consistently requested step increases in each compensation request involving Seong's 2022 hours. Because that did not occur, we cannot retroactively apply a step increase for 2022 in this proceeding. We note that D.23-11-115 and D.24-03-028 incorrectly authorized a 2022 hourly rate of $330 and a 2023 rate of $345 for Seong as an Expert- Public Policy Analyst - Level III (5-10 years of experience). These rates do not align with the rates authorized in D.23-11-064 nor reflect the appropriate experience level for Seong as outlined in the Market Rate Study established by Resolution ALJ-393. We recognize this error and apply the 2022 rate of $225.00 and 2023 rate of $245 as an Expert-Public Policy Analyst II in alignment with D.23-11-064 to this claim and all future claims. We apply one-half of Seong's 2022 rate of $225.00 for an intervenor compensation preparation rate of $112.50. We apply one-half of Seong's 2023 rate of $245.00 for an intervenor compensation preparation rate of $122.50.
[5] Reductions for Vagueness and Lack of Substantial Contribution to the	We reduce 20.45 hours for lack of contribution to the decision-making process for the following reasons. <u>Vague Timesheet Entries (7.00 hours disallowed)</u> EDF claimed 7.00 hours across 10 timesheet entries for McCann where the description lacked sufficient detail for the Commission to determine the purpose of the work or how it related to a substantial contribution to the

Item	Reason
Decision-Making Process	decision-making process. Rule 17.4 requires that each time entry clearly identify the specific task performed. The entries below lack the necessary detail to assess their relevance or value to the proceeding, and do not comply with program requirements. Accordingly, we reduce the following timesheet entries. Intervenors bear the burden of proof to show that all claimed hours were spent efficiently and made a substantial contribution, as required under program guidelines. *2021 McCann (2.00 hours disallowed)* • October 19, 2021: "schedule call" (0.25 hours) • October 26, 2021: "experts call" (1.25 hours) • November 4, 2021: "emails" (0.25 hours) • November 19, 2021: "Download DRs" (0.25 hours) *2022 McCann (5.00 hours disallowed)* • January 14, 2022: "BS-call" (0.25 hours) • February 7, 2022: "SDG&E DR" (1.00 hours) • February 18, 2022: "emails; planning tasks" (0.50 hours) • May 12, 2022: "Innovations & incentives webinar" (1.50 hours) • May 16, 2022: "edit report" (1.25 hours) • July 18, 2022: "research" (0.50 hours) <u>Work After the Deadline for Reply Comments to the Proposed and Alternate Proposed Decisions (13.45 hours disallowed)</u> EDF claimed nine timesheet entries between October 31 and December 5, 2022, with descriptions referencing work on the proposed decision (PD), the alternate proposed decision (APD), "reply comments," oral arguments, and a team call. However, these entries fall after the deadline for reply comments on the PD and APD (October 25, 2022), and EDF's last Ex Parte meeting (October 27, 2022). Additionally, no oral arguments were scheduled during this time. Because these activities occurred after EDF had any further opportunity to contribute to the decision-making process, we find it reasonable to reduce all 13.45 hours associated with these time entries, which breaks down as follows: • 2022 Kelly: 0.10 hours • 2022 Colvin: 0.10 hours • 2022 McCann: 13.25 hours
[6] Reduction for Untimely Filing	In EDF's March 7, 2025 Supplement, they reallocated their work by issue as follows: • 309.63 hours for "Are there extraordinary circumstances that warrant a departure from the CCM for 2022?" and

Item	Reason
	• 79.23 hours for "If so, should the Commission leave the cost of capital components at pre-2022 levels for the year 2022, or open a second phase to consider alternative cost of capital proposals for the year 2022?"[6] As discussed in Part I.C.A, EDF is not eligible for compensation for the first part of the first issue regarding whether there were extraordinary circumstances. Accordingly, we reduce half of the 289.175 hours that remain allocated to the first issue, a total of 144.5875 hours, which breaks down as follows: • 2021 Kelly: 12.25 hours • 2022 Kelly: 31.30 hours • 2021 Colvin: 7.425 hours • 2022 Colvin: 11.425 hours • 2021 McCann: 4.00 hours • 2022 McCann: 78.1875 hours
[7] Reduction for Duplication of Effort	Section 1801.3(f) states that it is the Legislature's intent that the Intervenor Compensation program is "administered in a manner that avoids unproductive or unnecessary participation that duplicates the participation of similar interests otherwise adequately represented." The Commission may reduce a request for compensation for being duplicative if we find that an intervenor "expressed similar concerns and made similar arguments" with another intervenor even if they represented different ratepayers' interests. D.25-02-028 at 7-9. In Part II.B.d, "Intervenor's claim of non-duplication," EDF claimed that other intervenors in this proceeding focused on the rates impact on customers, whereas EDF focused on the consequences of those rate impacts, not only for customers, but for the environment. However, in Part II.A, where EDF listed its claimed contributions to D.22-11-018, the environment is mentioned in only one of the seventeen identified areas of contribution. Thus, we find that the majority of EDF's claimed contributions were focused on the customer related rate impacts rather than the environmental concerns, contrary to EDF's assertion. We also find that many of EDF's claimed contributions overlapped with the work of other intervenors. This is evident in D.22-11-018, where every citation to EDF's work is made alongside citations to other parties'

[6] *Ante*, fn. 3.

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	contributions.[7] While it is true that an intervenor does not have to be cited in a final decision to have made a substantial contribution, the overlap and repetition of EDF's claimed contributions that were ultimately included in D.22-11-018 did not consistently supplement, complement, or materially enhance the contributions made by other parties. Additionally, we find that several of EDF's claimed contributions were unproductive and unnecessary due to the duplication of efforts. EDF's participation did not consistently provide unique value to the Commission's deliberative process. The Commission compensates efficient effort that contributes to the proceeding's outcomes but disallows inefficient participation that is not contributory to the underlying issues. We therefore reduce 25% of EDF's total award remaining in Part III.B after accounting for the above disallowances.
[8] Intervenor Responsibility for Transparency and Accuracy in Compensation Requests	The Commission takes this opportunity to remind all intervenors that they bear the burden of providing accurate, complete, and honest information in all compensation requests. The Commission relies on intervenors' good faith representations, particularly regarding consultant agreements and payments, as it does not have the resources to review every contract or non-standard arrangement in detail. Intervenor compensation is funded by ratepayers, and the Commission takes seriously any effort to mislead or obscure the financial basis for a claim. Although no violation of Rule 1.1 has been found in this instance, we remind intervenors that under Rule 1.1, intent to deceive is not required for a violation, misstatements may still be actionable. Dishonest or misleading claims not only risk denial of compensation but may also subject the intervenor to penalties. The Commission has clear authority to audit intervenors' books and records to verify the basis for any award. Intervenors must therefore ensure full transparency regarding actual time spent on issues, consultant fees, payment arrangements, and the actual disbursement of funds. Failure to meet this obligation undermines the integrity of the compensation process and may lead to denial of claims or further enforcement action.

[7] D.22-11-018 at 16, fn 65 (EDF Opening Brief cited along with work by Cal Advocates (CA), Wild Tree Foundation (WT). and Energy Producers and Users Coalition and the Indicated Shippers (EPUC/IS)); *Id.* at 18, fn 78 (Exhibit EDF-01 cited along with work from Utility Consumers' Action Network (UCAN)); *Id.* at 27, fn 109 (Exhibit EDF-01 cited along with work from The Utility Reform Network (TURN), the Protect Our Communities Foundation (PCF), and EPUC/IS); *Id.* at 28, fn 117 (EDF Opening Brief cited along with work by CA, WT, and EPUC/IS); *Id.* at 29, fn 118 (EDF Opening Brief cited along with work by TURN); and *Id.* at 29, fn 120 (EDF Opening Brief cited along with work by TURN and WT).

PART IV: OPPOSITIONS AND COMMENTS
Within 30 days after service of this Claim, Commission Staff or any other party may file a response to the Claim (*see* § 1804(c))

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

B. Comment Period: Was the 30-day comment period waived (*see* Rule 14.6(c)(6))?	No

If not:

Party	Comment	CPUC Discussion

FINDINGS OF FACT

1. Environmental Defense Fund has made a substantial contribution to D.22-11-018.
2. The requested hourly rates for Environmental Defense Fund's representatives, as adjusted herein, are comparable to market rates paid to experts and advocates having comparable training and experience and offering similar services and/or reflect the actual rates billed to, and paid by the intervenor, for services rendered.
3. The claimed costs and expenses, as adjusted herein, are reasonable and commensurate with the work performed.
4. The total of reasonable compensation is $70,096.64.

CONCLUSION OF LAW

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

ORDER

1. Environmental Defense Fund is awarded $70,096.64.
2. Within 30 days of the effective date of this decision, Southern California Edison Company, San Diego Gas & Electric Company, and Pacific Gas and Electric Company shall pay Environmental Defense Fund their respective shares of the award, based on their California-jurisdictional electric revenues for the 2022 calendar year, to reflect the year in

which the proceeding was primarily litigated. If such data is unavailable, the most recent electric revenue data shall be used. 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 March 20, 2023, the 75th day after the filing of Environmental Defense Fund's request, and continuing until full payment is made.

3. The comment period for today's decision is not waived.

4. Application (A.) 21-08-013; A.21-08-014; and A.21-08-015 are closed.

This decision is effective today.

Dated _____, at Sacramento, California

APPENDIX

Compensation Decision Summary Information

Compensation Decision:		**Modifies Decision?**	No
Contribution Decision(s):	D2211018		
Proceeding(s):	A2108013; A2108014; and A2108015		
Author:	ALJ Zhen Zhang		
Payer(s):	Southern California Edison Company, San Diego Gas & Electric Company, and Pacific Gas and Electric Company		

Intervenor Information

Intervenor	Date Claim Filed	Amount Requested	Amount Awarded	Multiplier?	Reason Change/Disallowance
Environmental Defense Fund	01/04/2023	$161,483.00	$70,096.64	N/A	*See* Part III.D CPUC Comments, Disallowances and Adjustments

Hourly Fee Information

First Name	Last Name	Labor Role	Hourly Fee Requested	Year Hourly Fee Requested	Hourly Fee Adopted
Elizabeth	Kelly	Consultant/ Attorney[8]	$550	2021	$550.00
Elizabeth	Kelly	Consultant/ Attorney[8]	$625	2022	$570.00
Elizabeth	Kelly	Consultant/ Attorney[8]	$710	2023	$625.00
Michael	Colvin	Expert[9]	$490	2021	$480.00
Michael	Colvin	Expert[9]	$515	2022	$505.00

[8] Kelly is a consultant as discussed in Part III.D, Item [1].

[9] Colvin is classified as an Expert – Public Policy Analyst – Level IV for 2021 and 2022.

First Name	Last Name	Labor Role	Hourly Fee Requested	Year Hourly Fee Requested	Hourly Fee Adopted
Richard	McCann	Consultant/ Expert[10]	$269	2021	$269.00
Richard	McCann	Consultant/ Expert[10]	$282	2022	$282.00
Joon Hun	Seong	Expert[11]	$330	2022	$225.00
Joon Hun	Seong	Expert[11]	$347	2023	$245.00

(END OF APPENDIX)

[10] McCann is a consultant as discussed in Part III.D, Item [3].

[11] Seong is classified as an Expert – Public Policy Analyst – Level II for 2022 and 2023.