ALJ/JF2/lil **PROPOSED DECISION**

Agenda ID #16783

 Ratesetting

Decision

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

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| Order Instituting Rulemaking to Develop an Electricity Integrated Resource Planning Framework and to Coordinate and Refine Long‑Term Procurement Planning Requirements (LTPP).  |

 | Rulemaking 16-02-007 |

**DECISION GRANTING COMPENSATION TO THE PROTECT OUR COMMUNITIES FOUNDATION FOR SUBSTANTIAL
CONTRIBUTION TO DECISION 18-02-018**

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| Intervenor: The Protect Our Communities Foundation | For contribution to Decision 18-02-018 |
| Claimed: $63,389.00 | Awarded: $64,306.14 |
| Assigned Commissioner: Liane M. Randolph | Assigned ALJ: Julie A. Fitch |

**PART I: PROCEDURAL ISSUES:**

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| A. Brief description of Decision:  | Decision D.18-02-018 sets forth requirements for load-serving entities (LSEs) to abide by in their integrated resource plans (IRPs). The decision adopts a 2-year cycle in which the Commission will “conduct modeling and analysis, set greenhouse gas (GHG) emissions targets, and consider IRP filings from all LSEs.” The Decision recommends a greenhouse gas (GHG) emission planning target of 42 MMT by 2030 for the statewide electricity sector and describes and adopts an associated optimal resource portfolio. The Decision does not include an order for immediate procurement of additional resources.  |

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

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|  | Intervenor | CPUC Verification |
| Timely filing of notice of intent to claim compensation (NOI) (§ 1804(a)): |
|  1. Date of Prehearing Conference: | 2/25/14 in R.13-12-010 | R.13-12-010 |
|  2. Other specified date for NOI: | NOI in R.13-12-010 accepted in R.16-02-007 | R.13-12-010 |
|  3. Date NOI filed: | 3/27/2014 (for R.13-12-010) 9/8/2014 (Amended for R.13‑12-010) | 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.13-12-010 | Verified |
|  6. Date of ALJ ruling: | 9/26/2014 | Verified |
|  7. Based on another CPUC determination (specify): | R.16-02-007 OIR 2/11/2016 and ALJ email 7/10/2016 | Verified |
|  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: | R.13-12-010 | Verified |
| 10. Date of ALJ ruling: | 6 9/26/2014 | Verified |
| 11. Based on another CPUC determination (specify): | As R.16-02-007 OIR 2/11/2016 and ALJ email 7/10/2016 | Verified |
| 12 Has the Intervenor demonstrated significant financial hardship?  | Yes |
| Timely request for compensation (§ 1804(c)): |
| 13. Identify Final Decision: | D.18-02-018 (R.16-02-007) | Verified |
| 14. Date of issuance of Final Order or Decision:  | 2/13/2018 | Verified |
| 15. File date of compensation request: | 4/13/2018 | Verified |
| 16. Was the request for compensation timely? | Yes |

1. Additional Comments on Part I:

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| # | Intervenor’s Comment(s) | CPUC Discussion |
| 4, 8, 12 | POC is eligible for intervenor compensation for the current proceeding R.16-02-007, which absorbed R.13‑12‑010, because it has previously met and continues to meet the Commission’s long-standing definitions of eligibility. (*See* 9/26/2014 ALJ Ruling on POC’s Amended Showing of Significant Financial Hardship.)The Order Institution Rulemaking (OIR) in R.16-02-007 at pages 34-35 stated that “Parties who were previously found eligible for compensation in R.13-12-010 shall remain eligible in this proceeding and do not need to file an NOI within 30 days, provided there are no material changes in their bylaws or financial status.” Protect Our Communities Foundation (POC) filed an NOI in R.13-12-010 and was ruled eligible for compensation in R.13-12-010 on 9/26/2014 and has not seen any material changes to its bylaws or financial status since the filing of its NOI. Please also see attached 7/10/2016 email from ALJ Julie A. Fitch confirming that “POC’s NOI and finding of significant financial hardship from the 2014 proceeding also follows into this proceeding.” (Attachment 4.)POC sought a ruling on its significant financial hardship in its notice of intent to claim intervenor compensation, timely filed in R.13-12-010 pursuant to Pub. Util. Code § 1804(a). A ruling in favor of POC’s significant financial hardship status was granted on 9/26/2014.POC sought a ruling on its customer status in its notice of intent to claim intervenor compensation, timely filed in R.13-12-010 pursuant to Pub. Util. Code § 1804(a). A ruling in favor of POC’s customer status was issued 9/26/2014. | Verified |

**PART II: SUBSTANTIAL CONTRIBUTION:**

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

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| Intervenor’s Claimed Contribution(s) | Specific References to Intervenor’s Claimed Contribution(s) | CPUC Discussion |
| Issue A: Disadvantaged Communities In multiple comments and at the All Party Meeting, POC took the lead in advocating for a decrease in the use of fossil fuel power plants as the most important part of improving disadvantaged communities. “To meet the objectives of the statutory and moral obligations to ensure that already disadvantaged communities do not further suffer under our state’s energy generation and distribution systems, all PUC planning – IRP, LTPP, PPA, Rulemaking proceedings, etc. - must be directed to ensure that there be no more new fossil fueled power generation permitted and that existing plants are phased out as base load.” (POC Comment On Proposed Reference System Plan And Related Commission Policy Actions at p. 10; See also POC Comment On Ruling Of Assigned Commissioner And Administrative Law Judge Requesting Comments On Disadvantaged Communities And Other Aspects Of Senate Bill 350 at pp. 2-4.)“First and foremost, the policy objective for this proceeding – in particular the reduction of greenhouse gases and improvement of disadvantaged communities – cannot be achieved without a phase out of fossil fuel power plants. (POC Reply Comment On Proposed Reference System Plan And Related Commission Policy Actions at p. 3.)“A decrease in the use of fossil fuel power plants is the most important part of improving disadvantaged communities and failure to sufficiently address the fossil fuel power plant fleet is a failure to those suffering from the harm to their health and quality of life that those living in the shadow of gas power plants suffer.” (POC Reply Comment On Proposed Reference System Plan And Related Commission Policy Actions at pp. 4-5.)   | “On February 17, 2017, the following 23 parties filed comments on the December 21, 2016 ruling…Protect Our Communities Foundation (POC).” (Decision at p. 7.)**“**POC is also concerned that curtailment not be used to enable continued operation of fossil fleets, with the associated impacts on disadvantaged communities.” (Decision at p. 49.)**“**LSE plans must describe policies and evaluation criteria to apply in planning and deciding when to retire, cancel, or not renew contracts for existing gas generation units that emit air pollutants that impact disadvantaged communities.” (Decision at p. 70.)**“**Finally, both because of the clear nexus between natural gas generation and emissions in disadvantaged communities within the electric sector and because a portfolio that includes new gas plant procurement would be inconsistent with the portfolio we are adopting in this decision (the Reference System Portfolio, discussed further in Section 8 below), we will require that any LSE proposing to develop new natural gas resources or re-contract with existing natural gas resources in their IRP for a term of five years or more, regardless of whether it is located in a disadvantaged community, make a showing as to why another lower-emitting or preferably zero-emitting resource could not reasonably meet the need identified. . .” (Decision at p. 70; See also Decision at Conclusion of Law 8.)**“**Any further examination of these issues will be with sensitivity to the location-specific aspects of natural gas generation, including impacts on disadvantaged communities and air quality implications.” (Decision at p. 145.) | Decision at p. 6 Verified |
| Issue A: Disadvantaged Communities In multiple comments and at the All Party Meeting, POC advocated for the Commission for stronger and more proactive actions in regards to addressing disadvantaged communities, in particular directing LSEs to take a closer look at environmental impacts on those living in the disadvantaged communities with gas power plants instead of merely collecting information on disadvantaged communities. “LSE must quantitatively demonstrate that it is meeting requirements of diversity, sustainability, and resilience.” (POC Comment On Ruling Of Assigned Commissioner And Administrative Law Judge Requesting Comments On DisadvantagedCommunities And Other Aspects Of Senate Bill 350 at p. 6.)“The goal of minimizing air pollutants and GHG emissions with a priority on disadvantaged communities should be supported independently of the tax credits and the IRP process time and is not limited to RPS procurement.” (POC Comment On Proposed Reference System Plan And Related Commission Policy Actions at p. 12.) | “Comments focused on a number of issues, including defining the term “disadvantaged community,” possible requirements and metrics to address impacts on disadvantaged communities, consequences of failing to demonstrate meeting a requirement, consideration of disadvantaged communities in procurement-related activities, and coordination between agencies and among Commission proceedings on issues that impact disadvantaged communities.” (Decision at p. 59.)“We also appreciate a number of parties’ suggestions for improving the disadvantaged communities’ analysis in IRP, which we will consider in the next round.” (Decision at p. 70.)“Once procurementactivities are undertaken, we expect that the LSEs will procure the most effective resources within the groups that meet their cost, reliability, and other needs such as impacts on disadvantaged communities, which may look different from what each LSE’s plan proposes.” (Decision at p. 90.)“If this IRP does not already include a demonstration of how disadvantaged communities were considered, a separate demonstration must be submitted that satisfies the requirements for disadvantaged communities as described in Section 6 of this decision.” (Decision at p. 135.)“The Commission should require all LSEs to describe in their IRP filings their planned and completed outreach to and treatment of issues related to disadvantaged communities.” (Decision at Conclusion of Law 15.)“The integrated resource plan of each load-serving entity (LSE) required in Ordering Paragraph 1 shall include the following information related to disadvantaged communities . . .” (Decision at Conclusion of Law 7.) | Verified |
| Issue B: IRP Process POC specifically advocated for the applicability of stronger, across-the-board Integrated Resource Plans (IRP) requirements to all Load Serving Entities (LSEs). POC argued that LSEs filings that do not meet Commission requirements should not be permitted. The Decision recognizes the Commission’s legal authority over LSEs and the importance of maintaining the statutory requirements for all LSEs.“Staff Proposal does not demand strong enough regulation of LSE IRP plans, in particular the IOUs…” (Protect Our Communities Foundation Comment On Staff Proposal For Implementing Integrated Resource Planning At The CPUC at p. 2.) “This suggests then that LSE Portfolios that do not meet CPUC requirements may be permitted thereby rendering the entire IRP process a meaningless exercise. There is no good reason why an LSE portfolio that didn’t meet CPUC requirements would be accepted at any point in the IRP process. Allowing LSE portfolios that don’t meet CPUC requirements would be in violation of the Public Utilities Code as directed by the legislature in SB350.” (Protect Our Communities Foundation Comment On Staff Proposal For Implementing Integrated Resource Planning At The CPUC at p. 3.)“Rather than depending on specific procurement direction from the CPUC, LSEs have the flexibility to use their own models and prepare their own Plans accounting for their specific resource and program costs.” (Protect Our Communities Foundation Comment On Staff Proposal For Implementing Integrated Resource Planning At The CPUC at p. 3.)POC advocated for requiring the filing of separate applications by each LSE for transparency reasons: “POC supports the filing of this information as this is essential for transparency, proper public oversight of regulated utilities, and insuring that misinformation is not spread regarding the cost of the RPS program which can create political and other problems.” (POC Comment On Proposed Reference System Plan And Related Commission Policy at p. 19.) | “In response to the September 19, 2017 ALJ ruling on the proposed RSP, the following 53 parties filed comments on October 26, 2017…POC.” (Decision at p. 8.)“The following 56 parties filed timely comments in response to the May 16, 2017 ALJ ruling and Staff Proposal. . . POC.” (Decision at p. 8.)“POC was concerned that individual LSEs have too much flexibility under the staff proposed approach, thereby potentially rendering the entire IRP process a meaningless exercise.” (Decision at p. 22.)The Decision recognizes the Commission’s legal authority over LSEs and the importance of maintaining the statutory requirements for all LSEs: “Taken together, Sections 454.51 and 454.52 give the Commission the basic authority and requirements to identify the optimal portfolio of resources to meet the state’s GHG emissions goals in the electricity sector, and to adopt a process to require each LSE to file IRP, as stated in Section 454.52(a)(1), to meet those state goals.” Decision at 29…. “Further, with respect to the Commission’s authority over ESP IRP filings, there is nothing in the statute that creates differential responsibility or exceptions for the Commission with respect to the IRP filings of these types of LSEs.” (Decision at p. 30.)“On the subject of requiring IRPs to be filed by individual applications by each LSE, this part of the proposal was supported by the following parties: PG&E, SCE, SDG&E, CEJA/Sierra Club, and POC.” (Decision at p. 128.) | Verified |
| Issue C: RESOLVE Modeling Process and Procedure POC advocated through multiple comments and motions and at the All Party Meeting for the improvement of the RESOLVE model, in particular in regards to assumptions about cost of resources and energy efficiency. The Decision agrees that the RESOLVE model needs improvement and includes plans to adjust assumptions and otherwise improve the model. “There are many disputed issues of material facts that have been raised by POC and other parties throughout this proceeding regarding assumptions made in the model and the extent to which the model reflects realistic conditions. . . .For example, there are disputed issues of material fact regarding the question of the statutorily required increase in energy efficiency as well as the price, availability, and time for procurement of wind, solar, and storage.” (POC Motion for Evidentiary Hearings at p. 16.)POC argued against use 1.5 multiplier instead of doubling of energy efficiency, assumptions of resources costs, treatment of DER, and other issues with the RESOLVE model assumptions and analysis. (See POC Motion for Evidentiary Hearings; POC Comment On Proposed Reference System Plan And Related Commission Policy; POC Reply Comment On Proposed Reference System Plan And Related Commission Policy; POC Comments on the Proposed Decision.) “[The RESOLVE model] does not accurately capture the cost of key resources – solar, wind, and storage.” (POC Comment On Proposed Reference System Plan And Related Commission Policy at p. 2.)“As detailed in POC’s Motion for Evidentiary Hearings, the Commission should take the time required to ensure that it produces a model, and a recommended portfolio based upon the model, that is based in reality…POC identified various faulty assumptions in its comments including price of solar, wind, and storage and other parties.” (POC Reply Comment On Proposed Reference System Plan And Related Commission Policy at p. 5.) | “POC wanted lower cost assumptions for storage.” (Decision at p. 45.)“Several parties were also extremely concerned about the energy efficiency assumptions in the modeling, expressing the desire for the Commission to use the SB 350 statutory “doubling” requirement as the assumption… POC, arguing that the 2016 AAEE estimate from the CEC should be doubled.” (Decision at p. 45.)“On the supply side, the main concern was about the assumption that existing resources, both fossil-fueled and renewable, would be recontracted and available throughout the planning horizon to 2030. This view was shared by numerous parties to some degree, including…POC.” (Decision at p. 46.)“Numerous parties commented on the manner in which resource costs are treated in RESOLVE…POC do[es] not believe that the TRC approach is appropriate for BTM PV and/or storage…For storage costs, some parties felt they were assumed to be too low (National Grid), while other parties believed they were too high (CESA). Vote Solar and POC felt that solar PV cost estimates were too high.” (Decision at p. 47.)“With respect to DERs, because most are not optimized intrinsically in the RESOLVE model, additional work is needed to be able to predict their value with specificity.” (Decision at p. 39.)“[ITC and PTC] assumptions do not take into account some real-world implications, such as the fact that perhaps not all cost savings would be passed on to customers.” (Decision at p. 41.)Assumptions about utilizing existing transmission for import and export “may or may not hold when actual procurement is conducted.” (Decision at p. 42.)“We acknowledge the thoughtful comments of all of the parties on the assumptions and analysis contained in the modeling. Many comments point to improvements that Commission staff intends to make for the next round of optimization analysis that will likely occur beginning in 2019. Commission staff plans to improve the modeling with the participation of parties as part of a public process, similar to this proceeding, where there are workshops and periodic informal work products.” (Decision at p. 51.)“We acknowledged in the previous section that there are a number of improvements we would like to make to the next round of analysis.” (Decision at p. 84.) | Verified |
| Issue D: GHG Emissions 2030 GoalsPOC specifically advocated for 42 MMT as the electric sector GHG planning target for 2030. The Decision adopts this position.“POC agrees with the Staff recommendation of adopting a 42 MMT for 2030 scenario. While POC believes that we have a pressing need to reduce greenhouse gas emissions as much and as quickly as possible, the electricity sector’s contribution to decreasing GHG should not be executed in such a fashion so as to otherwise harm the environment and ratepayers.” (POC Comment On Proposed Reference System Plan And Related Commission Policy at p. 3;See also POC Comments on Proposed Decision at p. 2.) | “A long list of parties agrees with the staff recommendation for the Commission to use 42 MMT as the electric sector GHG planning target, including…. POC.” (Decision at p. 56.) “With respect to the use of the 42 MMT Scenario as the policy-driven scenario for TPP purposes, numerous parties support this proposal, including…. POC.” (Decision at p. 101.)“We intend to adopt the staff recommendation of the 42 MMT Scenario for planning purposes for the first round of IRP filings from LSEs…it would represent achieving somewhere between 53-57% renewables by 2030, without creating overly burdensome costs for the sector that would be represented by the 30 MMT Scenario. (Decision at p. 57.) | Verified |
| Issue D: GHG Emissions 2030 GoalsPOC advocated against raising Renewables Portfolio Standard (RPS) compliance requirements for 2030 as a means to gain cost savings to California ratepayers. The Decision adopted this position.“POC does not support raising RPS compliance requirements for 2030 at this point.” (POC Comment On Proposed Reference System Plan And Related Commission Policy at p. 19.) | “Parties opposed to raising the RPS compliance obligation included…POC.” (Decision at p. 92.)“This benchmark is intended to serve as a planning instrument and will not serve as a compliance obligation.” (Decision at p. 127.)RPS compliance requirements were not raised in the Decision: “All LSEs should be required to continue to comply with the existing energy efficiency, RPS, and resource adequacy requirements.” (Decision at Conclusion of Law 21.) | Verified |
| Issue E: Procurement POC argued in multiple comments and at the All Party Meeting that there should not be any early procurement of out-of-state wind. The Decision reflects POC’s input.“The Proposed Reference System Plan portfolio need not and should not include new out-of-state resources and should not focus on utility scale generation. A shift away from in-state resources in favor of out-of-state resources deprives the California and local economies, especially those in disadvantaged communities, from the economic development of construction and operation of new local, distributed carbon-zero energy infrastructures.” (POC Comment On Proposed Reference System Plan And Related Commission Policy at p. 3.)“The RESOLVE model is supposed to inform that Proposed Reference System Plan. Making a special exception to this planning process for early procurement of utility scale generation, especially out‑of‑state wind, prior to the development of and in exception to the recommended portfolio and approval of IRPs is anathema to this entire process.” (POC Reply Comment On Proposed Reference System Plan And Related Commission Policy at p. 6.)“Procurement of out of state wind is more costly, more detrimental to the environment, and will cause greater harm to disadvantaged communities than other options such as energy efficiency, demand response, and distributed renewable generation.” (POC Comments on the Proposed Decision at p. 12.) | **“**POC argued that there is no need to pursue out-of-state wind when all of the necessary benefits can be achieved with a diverse portfolio of California resources.” (Decision at p. 77.)The Decision adopts a Reference System Portfolio that does not include out-of-state wind. (Decision at pp. 77-91; Decision at Conclusions of Law 18 and 19.)  “For this cycle, we are satisfied that we do not need to direct immediate activity to support additional geothermal development, pumped hydro storage development, or out-of-state wind development, outside of what would naturally occur during LSE-specific procurement activities.” (Decision at p. 78.) | Verified |
| Issue E: Procurement POC advocated throughout the proceeding in multiple comments and at the All Party Meeting against the use of early procurement of renewables as a means to capture federal tax credits. The Decision reflects POC’s input.“Procurement should be based on meeting policy targets, demonstration of need, integrated and diverse resource portfolio planning, and corrected projections of future costs. There should be no rush to procure solely based upon the tax credit schedule if this means a failure to produce a viable model.” (POC Comment On Proposed Reference System Plan And Related Commission Policy at p. 12.)“There is no law or policy that permits the Commission to prioritize buying utility-scale generation with tax credits over investing in energy efficiency, demand response, or customer-sited renewable distributed generation. This is, in fact, in direct conflict with all statutory mandates and policy objectives that the plan need abide by, is unrealistic, and does not provide the alleged cost savings.” (POC Reply Comment On Proposed Reference System Plan And Related Commission Policy at p. 6; See also POC Comments on Proposed Decision at p. 2.)POC raised the issue of the potential impact of the ITC decision on solar procurment: “The PUC Staffs’ assumptions also fail to take into considerations recent action by another government body that may have an impact on the availability and timing of procurement of solar resources . . .The ITC decision has created uncertainty regarding the availability of solar and the timing of procurement.” (POC Motion for Evidentiary Hearings at pp. 18-19.)POC raised the issue of declining price for solar acting as an offset to any savings from future tax credits: “Long term declining costs of solar will almost certainly overwhelm the 2021 reduction in the solar tax credit from 30% to 10%. Utility scale solar has decreased in price by 75% in less than a decade. A reduction of only 20% in cost over the next several years, a reasonable assumption considering the historic solar cost decline trend, would fully compensate for the reduced tax credit.” (POC Comment On Proposed Reference System Plan And Related Commission Policy at pp. 10-11.) “[Attachment A] well demonstrates the continued declining cost of solar and the $1/watt-dc price for 2017 utility scale solar as demonstrate in the following figure found in their testimony.” (POC Reply Comment On Proposed Reference System Plan And Related Commission Policy at pp. 4-5.) POC raised the issue of early procurement forcing IOUs to overprocure due to CCA departing load: “Also, procurement before the resource is actually needed for policy objectives is likely to increase total resource costs, and even create stranded costs for IOUs due to reduced load to CCAs, self-generation, energy efficiency, and customer storage capturing "excess" renewables.” (POC Reply Comment On Proposed Reference System Plan And Related Commission Policy at p. 12.)“If the IOUs are ordered, as CalWEA would have it, to procure more resources even as their customer bases dwindle, the IOUs will over procure and will have more and more stranded assets. IOU customers rates will be increased to pay for the construction and contracts for new generation and associated transmission lines. At the same time, as IOU stranded assets increase, so too does the exit fees for those customers moving to CCAs. CCAs are already burdened with having to contract at much lower rates than the IOU’s due to exit fees and adding new IOU procurement will be fuel on an existing fire.” (POC Reply Comment On Proposed Reference System Plan And Related Commission Policy at p. 11.) | “POC agreed that there is no near-term need for additional renewable energy in IOU portfolios in the near future, and therefore early procurement requirements should not be imposed. They argued that the ITC and PTC should not drive procurement.” (Decision at p. 97.)“Despite the potential for cost savings for ratepayers identified by Commission staff in their optimal portfolio analysis using RESOLVE, we are not persuaded of the need to order near-term procurement of additional renewables at this point in time.” (Decision at p. 98.)“Most importantly, the cost savings estimated by Commission staff that could flow from capturing the federal tax credits are highly uncertain. ITC and PTC eligibility rules have different timing requirements, declining benefits, and expiration dates. In addition, solar tariff actions that have recently occurred since this proposed decision was issued will likely result in an increase in costs, rather than capturing a benefit, if procurement was required. Further, renewable costs have been declining for many years, and likely will continue to do so, regardless of federal tax benefits. Buying additional resources now may lock in higher-than-necessary prices than those that would otherwise occur if renewables were procured commensurate with load growth and portfolio need. Renewable cost forecasts published by Bloomberg New Energy Finance also suggest that for solar PV, improving operational efficiencies may also mitigate against price increases even in the absence of tax benefits. (Decision at pp. 98-99.)“Declining to order additional early procurement of renewables in this decision also allows us to avoid a number of other problematic issues that would be associated with implementing such a requirement now. The prospect of a large amount of departing CCA load in the next decade creates a conundrum for renewable procurement, even in the context of RPS, let alone new IRP requirements. The IOUs have made substantial RPS investments and may not need to engage in a great deal of RPS procurement in the near term, especially while facing the prospect of a large amount of departing load. Thus, the largest “need” for renewables will exist for the CCAs that have yet to be launched, since they will then face an immediate RPS obligation under the law. But such entities not yet serving load are not positioned to be able to take advantage of immediate federal tax credit opportunities by purchasing electricity for customers that they do not yet serve. Therefore, if we ordered immediate additional renewable procurement in this decision, we would be forced, at least to some degree, to rely on IOUs to undertake procurement that they may not need by 2030 to serve their bundled load, and then devise a likely-unpopular cost allocation methodology to ensure that the costs are shared by the benefitting customers.” (Decision at p. 100.) | Verified |

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

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|  | Intervenor’s Assertion | CPUC Discussion |
| a. Was the Office of Ratepayer Advocates (ORA) a party to the proceeding?[[2]](#footnote-2) | Yes | Verified |
| b. Were there other parties to the proceeding with positions similar to yours?  | No | Verified |
| c. If so, provide name of other parties:  | None |
| d. Intervenor’s claim of non-duplication: POC’s positions did not have complete overlap with any other intervenors, and POC’s positions were generally unique from the majority of other intervenors, including other environmental advocacy organizations. Thus, while POC made attempts to coordinate with other intervenors, ultimately such coordination was, for the most part, not possible due to the differing approaches and positions of the intervenors. Such coordination was not needed to prevent duplication of efforts because POC’s arguments and efforts were not duplicative of other intervenors. For example, POC took a unique role in arguing for improvements to the process used to develop the RESOLVE model and POC took the lead on advocating against early procurement and procurement of out-of-state wind resources. In the rare cases where overlap of positions occurred, POC acknowledged this in its comments and did not spend an unduly amount of time making arguments that were sufficiently made by other parties. (See POC Reply Comment On Proposed Reference System Plan And Related Commission Policy at p. 4.)For these reasons, the Commission should find no undue duplication between POC’s participation and other intervenors. | Noted |

**PART III: REASONABLENESS OF REQUESTED COMPENSATION:**

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

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|  | CPUC Discussion |
| 1. Intervenor’s claim of cost reasonableness:

POC’s advocacy, reflected in its request for compensation of $63,389.00,substantially contributed to a decision that will impact all of California’s ratepayers and residents, the state’s environment, and the world’s climate. The resources POC expended to secure this result are minimal relative to the resulting impacts.POC’s costs are reasonable in light of the amount of time, resources, and effort POC put into the proceeding as a party.  | Noted |
| 1. Reasonableness of hours claimed:

POC spent a reasonable and prudent amount of time on this matter, working diligently addressing highly complex and complicated issue in an efficient and expedient manner. A single attorney, experienced in practice before the Commission, drafted all filings with the support of a single expert who has participated in many Commission proceedings over many years. A legal fellow assisted in preparing the intervenor compensation request. POC thus leveraged many years of experience and expertise while limiting its costs.Due to the convoluted and multi-faceted nature of this proceeding, this proceeding, a typical law firm would have expended significantly more resources than that spent by POC. All of the hours claimed in this request were reasonably necessary to the achievement of POC’s substantial contributions, and no unnecessary duplication of effort is reflected in the attached timesheets. | Noted |
| 1. Allocation of hours by issue:

Issue A- Disadvantaged Communities- 20%Issue B- IRP Process-15%Issue C- RESOLVE Modeling Process and Procedure-35%Issue D- GHG Emissions 2030 Goals-10%Issue E- Procurement-20% | Noted |

1. Specific Claim:\*

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| --- | --- |
| Claimed | CPUC Award |
| ATTORNEY, EXPERT, AND ADVOCATE FEES |
| Item | Year | Hours | Rate $ | Basis for Rate\* | Total $ | Hours | Rate $ | Total $ |
| April Maurath Sommer(attorney) | 2017 | 125.5 | $353 | D.16-11-019 established rate of $330 for 2016 + 2.14% COLA for 2017 per ALJ-345 and 5% step increase as authorized in D.07-01-009 | $44,301.00 | 125.31 [A] | $353.00 | $44,234.43 |
| April Maurath Sommer(attorney) | 2018 | 22.5 | $361 | 2017 rate of $353 as explained above + 2.30% COLA for 2018 per ALJ-352 | $8,122.00 | 22.36 [B] | $361.00 | $8,071.96 |
| Robert Freeling(expert) | 2017 | 27.75 | $225 | D.15-10-043 established rate of $190 for 2014 + 1.28% COLA for 2016 per ALJ-329 + 2.14% COLA for 2017 per ALJ-345 + increase for increased experience levels from 7-12 to 13+ year range as set in ALJ-345. | $6,243.00 | 27.45 [C] | $225.00 | $6,176.25 |
| Robert Freeling(expert) | 2018 | 8 | $230 | 2017 rate of $225 as explained above + 2.30% COLA for 2018 per ALJ-352 | $1,840.00 | 7.60 [D] | $230.00 | $1,748.00 |
| *Subtotal: $60,506.00* | *Subtotal: $60,230.64* |
| INTERVENOR COMPENSATION CLAIM PREPARATION \*\* |
| Item | Year | Hours | Rate $  | Basis for Rate\* | Total $ | Hours | Rate  | Total $ |
| April Maurath Sommer(attorney) | 2018 | 6 | $361 | 2017 rate of $353 as explained above + 2.30% COLA for 2018 per ALJ-352½ 2018 rate | $1,083.00 | 6.00 | $180.50 [E] | $1,083.00 |
| Jamie Pang(Law Clerk/Legal Fellow) | 2018 | 24 | $150 | Comparable rates fromD.11-06-012; Attached bio and CV½ 2018 rate | $1,800.00 | 39.90 [G] | $75.00 [F] | $2,992.50 |
| *Subtotal*: $2,883.00 | *Subtotal: $4,075.50* |
| ***TOTAL REQUEST: $63,389.00*** | ***TOTAL AWARD: $64,306.14*** |
|  \*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[[3]](#footnote-3) | Member Number | Actions Affecting Eligibility (Yes/No?)If “Yes”, attach explanation |
| April Maurath Sommer | 2008 | 257967 | No |

1. Attachments Documenting Specific Claim and Comments on Part III:

|  |  |
| --- | --- |
| Attachment or Comment # | Description/Comment |
| 1 | Certificate of Service |
| 2 | Attorney Time Sheets Details & Categorization |
| 3 | Attorney, Advocate, and Expert Resumes |
| 4 | ALJ Emails Regarding Intervenor Compensation Eligibility |

D. CPUC Comments, Disallowances, and Adjustments:

|  |  |
| --- | --- |
| Item | Reason |
| [A] | Reported 2017 time for Sommer was 125.31 hours. |
| [B] | Reported 2018 time for Sommer was 22.36 hours. |
| [C] | Reported 2017 time for Freeling was 27.45 hours. |
| [D] | Reported 2018 time for Freeling was 7.60 hours. |
| [E] | Intervenor Claim Prep rate for Sommer is ½ normal rate, or $180.50 per hour. |
| [F] | Intervenor Claim Prep rate for Pang is ½ normal rate, or $75.00 per hour. |
| [G] | Reported Intervenor Claim Prep time for 2018 was 39.90 hours. |

**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)))

|  |  |
| --- | --- |
| 1. Opposition: Did any party oppose the Claim?
 | No |

|  |  |
| --- | --- |
| B. Comment Period: Was the 30-day comment period waived (*see* Rule 14.6(c)(6))? | Yes |

**FINDINGS OF FACT**

1. Protect Our Communities Foundation has made a substantial contribution to D.18‑02-018.
2. The requested hourly rates for Protect Our Communities Foundation’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 of reasonable compensation is $64,306.14.

**CONCLUSION OF LAW**

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

**ORDER**

1. Protect Our Communities Foundation is awarded $64,306.14.
2. Within 30 days of the effective date of this decision, Pacific Gas and Electric Company ratepayers, Southern California Edison Company ratepayers, and San Diego Gas & Electric Company ratepayers shall pay Environmental Defense Fund 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 June 28, 2018, the 75th day after the filing of Protect Out Communities Foundation’s request, and continuing until full payment is made.
3. The comment period for today’s decision is waived.

This decision is effective today.

Dated \_\_\_\_\_\_\_\_\_\_\_\_\_, at Sacramento, California.

**APPENDIX**

Compensation Decision Summary Information

|  |  |  |  |
| --- | --- | --- | --- |
| Compensation Decision: |  | Modifies Decision?  |  |
| Contribution Decision(s): | D1802018 |
| Proceeding(s): | R1602007 |
| Author: | ALJ Fitch |
| Payer(s): | Pacific Gas and Electric Company ratepayers, Southern California Edison Company ratepayers, and San Diego Gas & Electric Company ratepayers |

Intervenor Information

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
| Intervenor | Claim Date | Amount Requested | Amount Awarded | Multiplier? | Reason Change/Disallowance |
| Protect Our Communities Foundation | 04/13/2018 | $63,389.00 | $64,306.14 | N/A | Time reporting errors. |

Advocate Information

|  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- |
| First Name | Last Name | Type | Intervenor | Hourly Fee Requested | Year Hourly Fee Requested | Hourly Fee Adopted |
| April | Sommer | Attorney | POC | $353.00 | 2017 | $353.00 |
|  April | Sommer | Attorney | POC | $361.00 | 2018 | $361.00 |
| Robert | Freehling | Expert | POC | $225.00 | 2017 | $225.00 |
| Robert | Freehling | Expert | POC | $230.00 | 2018 | $230.00 |
| Jamie | Pang | Law Clerk | POC | $150.00 | 2018 | $150.00 |

**(END OF APPENDIX)**

1. All statutory references are to California Public Utilities Code unless indicated otherwise. [↑](#footnote-ref-1)
2. The Division of Ratepayer Advocates was renamed the Office of Ratepayer Advocates effective September 26, 2013, pursuant to Senate Bill No. 96 (Budget Act of 2013: public resources), which was approved by the Governor on September 26, 2013. [↑](#footnote-ref-2)
3. This information may be obtained through the State Bar of California’s website at <http://members.calbar.ca.gov/fal/MemberSearch/QuickSearch>. [↑](#footnote-ref-3)