

Decision 20-11-037 November 19, 2020

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

Application of San Diego Gas & Electric Company (U902E) for Approval of its 2018 Energy Storage Procurement and Investment Plan.	Application 18-02-016
And Related Matters.	Application 18-03-001 Application 18-03-002

DECISION GRANTING COMPENSATION TO SMALL BUSINESS UTILITY ADVOCATES FOR SUBSTANTIAL CONTRIBUTION TO DECISIONS (D.) 19-06-032 AND D.18-10-036

Intervenor: Small Business Utility Advocates	For contribution to Decisions (D.) 19-06-032 and D.18-10-036
Claimed: \$119,936.64	Awarded: \$90,823.39 (reduced by 24.3%)
Assigned Commissioner: Marybel Batjer	Assigned ALJ: Brian Stevens

PART I: PROCEDURAL ISSUES

A. Brief description of Decision:	Decision (D.) 19-06-032 adopts the Assembly Bill (AB) 2868 components of the Applications of San Diego Gas & Electric Company (SDG&E), Pacific Gas and Electric Company (PG&E), and Southern California Edison Company (SCE) with modification. PG&E’s behind-the-retail-meter thermal storage program is approved, while the front-of-the-meter investment proposals of all three Applicants and the behind-the-meter-programs proposed by SDG&E and SCE are not granted as proposed. The Decision provides guidance on requests for offers for front-of-the-meter energy storage resources and invites
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	<p>additional programs to be proposed pursuant to Assembly Bill 2868.</p> <p>D.18-10-036 approves AB 2514 components of the applications of PG&E, SCE, and SDG&E, but determines not to adopt policies related to technology diversity in energy storage deployed in California, instead determining that the Commission will consider technology diversity in a future energy storage rulemaking.</p>
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B. Intervenor must satisfy intervenor compensation requirements set forth in Pub. Util. Code §§ 1801-1812¹:

	Intervenor	CPUC Verification
Timely filing of notice of intent to claim compensation (NOI) (§ 1804(a)):		
1. Date of Prehearing Conference:	May 1, 2018	Verified
2. Other specified date for NOI:		
3. Date NOI filed:	May 31, 2018	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:	A.18-11-005	A.16-09-001
6. Date of ALJ ruling:	June 24, 2019	October 27, 2017
7. Based on another CPUC determination (specify):		
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:	A.18-11-005	A.16-09-001
10. Date of ALJ ruling:	June 24, 2019	October 27, 2017
11. Based on another CPUC determination (specify):		
12. Has the Intervenor demonstrated significant financial hardship?		Yes

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

	Intervenor	CPUC Verification
Timely request for compensation (§ 1804(c)):		
13. Identify Final Decision:	D.19-06-032	Verified
14. Date of issuance of Final Order or Decision:	July 5, 2019	Verified
15. File date of compensation request:	Sept. 3, 2019	Verified
16. Was the request for compensation timely?		Yes

PART II: SUBSTANTIAL CONTRIBUTION

A. Did the Intervenor substantially contribute to the final decision (see § 1802(j), § 1803(a), 1803.1(a) and D.98-04-059): (For each contribution, support with specific reference to the record.)

Intervenor’s Claimed Contribution(s)	Specific References to Intervenor’s Claimed Contribution(s)	CPUC Discussion
<p>A. SDG&E Energy Storage Proposals</p> <p>SBUA recommended that the Commission not adopt SDG&E’s micro-grid projects as proposed. SBUA’s expert, Paul Chernick, presented testimony that the Commission found compelling to demonstrate that the utility failed to make a cost effectiveness showing. SBUA’s expert also provided evidence that SCE’s micro-grid proposals were radically oversized, and the projects should be sited closer to substations to provide greater resiliency and other benefits to small businesses and other ratepayers. In addition, SBUA contended that SDG&E’s front-of-the-meter proposals failed to meet AB 2868 requirements because costs</p>	<p><u>Decision:</u></p> <p>D.19-06-032 (AB 2868), p. 18 (SBUA argued that SDG&E proposals are ill-conceived, the utility failed to prove that its programs are “cost effective or are the preferable method for it to maximize benefits and minimize costs,” and SDG&E fails to minimize costs when it “oversized its substation storage projects by orders of magnitude”).</p> <p>D.19-06-032, p. 21 (the Commission stated that “SBUA also made a compelling showing that SDG&E’s proposal to forego a cost effectiveness showing for these projects is not reasonable.”).</p> <p>D.19-06-032, pp. 25-26 (SBUA argues energy storage sited closer to customer load provides more benefits than energy storage sited at the substation).</p>	<p>Verified</p>

Intervenor’s Claimed Contribution(s)	Specific References to Intervenor’s Claimed Contribution(s)	CPUC Discussion
<p>were over-allocated to small commercial customers, and the projects need to be better designed to benefit small business and other ratepayers. And SBUA’s expert opined that if the front-of-the-meter proposals are not improved upon, a wide range of potential AB 2868 benefits would be foregone.</p> <p>D.19-06-032 rejects SDG&E’s microgrid projects, relies on several legal arguments submitted by SBUA and others, and sets forth guidance for future energy storage applications to comply with AB2868 in a manner that address the concerns of the intervening parties.</p>	<p>D.19-06-032, Ordering Par. #1-3, p. 93 (SDG&E projects are not adopted, and the utility must justify the reasonableness of its future proposed energy storage projects pursuant to AB 2868 and this decision, including guidance set forth in Appendix A).</p> <p>D.19-06-032, Ordering Par. #13, p. 95 (future proposed energy storage programs pursuant to Assembly Bill 2868 shall propose a reasonable mechanism for rate recovery).</p> <p><u>Claimant’s Presentations:</u></p> <p>SBUA Opening Brief on AB 2868, Oct. 5, 2018, pp. 17-18 (arguing against approval of SDG&E’s oversized substation storage projects).</p> <p>SBUA Reply Brief on AB 2868, Oct. 19, 2018, pp. 9-11 (as above), pp. 14-15 (recommending the Commission require new applications and improvements to SDG&E’s proposals).</p> <p>Exh. SBUA-01 (Direct Testimony of Paul Chernick), Aug. 9, 2018, pp. 15-21 (discussing SDG&E projects’ strong bias towards substation-sited storage systems, failure of storage plans to maximize benefits for small business and other ratepayers, and analyzing the cost recovery issues).</p> <p>Exh. SBUA-02 (Rebuttal Testimony of Paul Chernick), Aug. 24, 2018, p. 2 (SDG&E has oversized projects at substations), pp. 9-12 (SDG&E’s substation storage projects are radically oversized).</p>	

Intervenor’s Claimed Contribution(s)	Specific References to Intervenor’s Claimed Contribution(s)	CPUC Discussion
	<p><i>See also</i> SBUA Opening Comments on Proposed Decision, Mar. 18, 2019, pp. 1-2 (supporting requirements for the utilities to engage in a rigorous cost effectiveness showing in any future energy storage applications with clear calculations of the net costs and benefits to ratepayers of their proposed projects).</p>	
<p>B. SCE’s Energy Storage Proposals</p> <p>SBUA demonstrated that SCE’s Local Storage Management Systems proposal had numerous shortcomings, including with benefits that were too speculative and, likewise, because SCE failed to show that the projects will maximize benefits and minimize costs. SBUA further contended that SCE’s proposal failed to substantiated greenhouse gas emission reductions. For these reasons, SBUA recommended that the Commission reject SCE’s Local Storage Management Systems projects.</p> <p>D.19-06-032 rejects SCE’s proposed Local Energy Storage and Management Systems proposals and in doing so relies on several SBUA legal arguments as “compelling” along with other parties’ arguments.</p>	<p><u>Decision:</u></p> <p>D.19-06-032, p. 42 (SBUA takes issue with SCE’s Local Energy Storage and Management Systems proposal as having fundamental shortcomings), p. 43 (SBUA agrees that SCE’s storage proposals could be used to help reduce system emissions, but argues that SCE has not proved that its storage program will).</p> <p>D.19-06-032, p. 45 (“SBUA makes a compelling argument that SCE’s touted benefits are too speculative, with any benefits beyond pure operation in the CASIO market qualified with soft words like ‘can’ and ‘could.’”).</p> <p>D.19-06-032, p. 45 (“SBUA additionally points out with compelling reasoning that SCE cannot know if its Local Energy Storage and Management Systems proposal will maximize benefits and minimize costs when it does not even provide a comprehensive list of how it intends to use these storage resources.”).</p> <p>D.19-06-032, p. 46 (the Commission does not approve the SCE projects as filed, and SCE’s future proposals must</p>	<p>Verified</p>

Intervenor’s Claimed Contribution(s)	Specific References to Intervenor’s Claimed Contribution(s)	CPUC Discussion
	<p>be consistent this decision “in a way that addresses the reasoned concerns of the intervening parties” and SCE must make a showing that the projects will reduce greenhouse gas emissions, consistent with AB 2868.).</p> <p><u>Claimant’s Presentations:</u></p> <p>SBUA Opening Brief on AB 2868, pp. 9-11 (the IOU programs fail to maximize benefits under AB 2868 and must be improved upon), pp. 18-19 (applications should be rejected or substantially modified).</p> <p>SBUA Reply Brief on AB 2868, pp. 6-9 (advocating against approval of SCE’s Local Energy Storage and Management Systems proposal), p. 14 (recommending the Commission require new applications and improvements to SCE’s proposals).</p> <p>Exh. SBUA-01, p. 15-21 (discussing flaws in utilities’ proposals, including speculative benefits of SCE’s proposals, and recommending the Commission not adopt the front-of-the-meter proposals).</p> <p>Exh. SBUA-02, p. 2-3 (SCE provides sparse support for and fails to justify the costs and benefits of its projects).</p> <p><i>See also</i> SBUA Opening Comments on Proposed Decision, pp. 1-2 (supporting the requirements for the utilities to engage in a rigorous cost effectiveness showing in any future energy storage applications with clear calculations of the net costs and benefits to the ratepayers of their proposed projects).</p>	

Intervenor’s Claimed Contribution(s)	Specific References to Intervenor’s Claimed Contribution(s)	CPUC Discussion
<p>C. PG&E Energy Storage Proposals</p> <p>SBUA recommended that the Commission approve PG&E’s behind-the-meter proposals with only minor modifications. SBUA’s expert, Mr. Chernick, testified that thermal energy storage is an essential tool to help small commercial customers adopt new energy storage technologies, and SBUA recommended that customer sited energy storage be increased across California to increase benefits to customers. SBUA further submitted legal arguments in opposition to Cal Advocates’ position that thermal energy storage should not qualify under AB2868 as “energy storage.” Finally, SBUA also requested that the Commission require PG&E to set aside a budget and specific outreach plan for small commercial customers with its water project for heat-pump water heaters.</p> <p>SBUA spent relatively lesser time on PG&E’s other proposal (front-of-the-meter), and contended that PG&E had not defined these programs well enough for the Commission to make any decision on their cost-effectiveness or least-cost-best-fit characteristics.</p>	<p><u>Decision:</u></p> <p>D.19-06-032, pp. 25-26 (SBUA contends that energy storage sited closer to customer load provides more benefits and suggests the Commission should “direct the IOUs to procure more customer sited storage”).</p> <p>D.19-06-032, p. 36 (“Contrary to Cal Advocates, SBUA recommends that the Commission approve PG&E’s proposed behind the meter thermal energy storage program with only minor modifications.”).</p> <p>D.19-06-032, p. 37 (PG&E is authorized to move forward to spend up to approximately \$6.4 Million in connection with PG&E’s proposed behind the meter thermal storage program).</p> <p>D.19-06-032, Findings of Fact, #25 (“It is not apparent from this record that proximity to a front of the meter energy storage resource provides direct benefits specifically to nearby communities”).</p> <p>D.19-06-032, Ordering Par. #4, p. 93 (the Commission authorizes PG&E’s behind-the-meter thermal program).</p> <p>D.19-06-032, Ordering Par. #6, p. 94 (PG&E’s Tier 3 Advice Letter to implement its the behind the meter thermal storage program must include an outreach plan to ensure that customers understand how their rates will change and what the bill impact would have been based on historical usage).</p>	<p>Verified</p>

Intervenor’s Claimed Contribution(s)	Specific References to Intervenor’s Claimed Contribution(s)	CPUC Discussion
<p>In D.19-06-032, the Commission authorizes PG&E’s proposed behind-the-meter water heat pump program but does not approve PG&E’s front-of-the-meter programs as proposed.</p> <p>Although the decision does not fully adopt all of SBUA’s recommendations on outreach to small businesses, the Commission requires PG&E to submit a Tier 3 Advice Letter with an outreach plan to ensure that customers understand how their rates, and SBUA submits that its voice on the outreach issue was valuable advocacy for small businesses and added to enrich the discussion and record of customer participation.</p>	<p><i>See also</i> D.19-06-032, p. 37 (the Commission declines to adopt a carve out budget and outreach plan for small businesses; however, the decision comments that the IOUs are “welcome to work with SBUA and other stakeholders to develop programs that deploy energy storage projects for small businesses”).</p> <p><u>Claimant’s Presentations:</u></p> <p>SBUA Opening Comments on PD, pp. 1-2 (ALJ Stevens correctly approves of PG&E’s behind-the-meter thermal storage program proposal, which will benefit low-income communities and small businesses alike).</p> <p>SBUA Opening Brief on AB 2868, pp. 11-13 (recommending PG&E’s behind-the-meter thermal storage program be approved with only minor modifications and opposing Cal Advocates’ position that thermal energy storage not be eligible as storage under AB2868), pp. 15-16 (customer sited behind-the-meter investments should be increased).</p> <p>SBUA Opening Brief on AB 2868, p. 4 (recommending PG&E set aside a budget and specific outreach plan for small commercial customers).</p> <p>SBUA Reply Brief on AB 2868, pp. 3-4 (PG&E has not defined its front-of-the-meter programs well enough for the Commission to make any decision on their cost-effectiveness or least-cost-best-fit characteristics),</p>	

Intervenor’s Claimed Contribution(s)	Specific References to Intervenor’s Claimed Contribution(s)	CPUC Discussion
	<p>pp. 4-6 (contrary to Cal Advocates, SBUA recommends that the Commission approve PG&E’s proposed behind the meter thermal energy storage program).</p> <p>Exh. SBUA-01, pp. 5-8 (recommending more customer-sited storage; the IOUs proposed for customer-sited (i.e., behind-the-meter) resources is less than 2% of total capacity, far below the 25% cap on BTM resources, and also far lower than the 15% requirement from AB2514), p. 9 (with the exception of PG&E’s thermal storage pilot, small business customers are excluded from receiving direct benefits from the AB 2868 programs and investments).</p> <p>Exh. SBUA-02, p. 2-3 (supporting PG&E’s behind-the-meter project for heat-pump water heaters and opposing Cal Advocates’ conclusion that thermal storage should not be considered “energy storage”).</p>	
<p>D. Other Issues (non-utility ownership, diversity of energy storage technology, advice letter process)</p> <p>SBUA’s advocacy included submitting testimony and argument on several other issues, including: (i) supporting non-utility ownership; (ii) the need to increase thermal energy and a diversity of energy storage technologies in California; and (iii) the need to</p>	<p><u>Decision:</u></p> <p>D.19-06-032, pp. 25-26 (AB 2868 should not be limited to IOU-owned programs and investments, and that RFOs should allow bid participation and be evaluated without any bias towards ownership model), p. 74 (the Applications thus far are not complete enough to justify future approval through and Advice Letter process).</p> <p>D.18-10-036 (AB 2514), p. 5 (the assigned Commissioner and ALJ issued a ruling requesting comments from parties on issues pertaining to energy</p>	<p>Verified</p>

Intervenor’s Claimed Contribution(s)	Specific References to Intervenor’s Claimed Contribution(s)	CPUC Discussion
<p>require new applications rather than advice letters.</p> <p>SBUA recommended that AB 2868 programs not be restricted to IOU-owned investments and submitted testimony demonstrating that non-utility ownership is essential to increase small business participation in energy storage programs. SBUA submitted testimony demonstrating that California needs to increase the use of thermal energy and diversify energy storage technologies, in regard to both D.19-06-032 (AB 2868) and D.18-10-036 (AB 2514). And SBUA argued that future AB 2868 programs should be submitted as new applications rather than through the advice letter process.</p>	<p>storage technology diversity, and SBUA submitted testimony in response to this request), pp. 24-25 (discussing responses to technology diversity ruling, how some parties argued in favor of additional storage diversity (like SBUA), and deferring consideration to a potential future energy storage rulemaking).</p> <p>D.19-06-032, Findings of Fact, #24 (requiring IOUs to consider third party owned projects to meet the requirement that the projects not unreasonably limit or impair the ability of non-utility enterprises to market and deploy energy storage systems),</p> <p>D.19-06-032, Findings of Fact, #27 (with the exception of PG&E’s proposed behind the meter thermal storage program, the Applications of SDG&E, PG&E, and SCE are not complete enough to justify preapproval through an Advice Letter process).</p> <p><u>Claimant’s Presentations:</u></p> <p>SBUA Opening Brief, pp. 13-14 (a diversity of technologies should be promoted to advance AB 2868 goals), pp. 16-17 (private ownership fosters learning for more parties, reduces the direct costs of AB 2868 on ratepayers, and will benefit small businesses that engage in energy storage solutions), pp. 18-19 (the Commission should require the utilities to file applications rather than advice letters).</p> <p>SBUA Reply Brief, pp. 11-12 (supporting non-utility ownership), pp. 12-13 (the goals of AB 2868 will be better advanced if a diversity of storage</p>	

Intervenor’s Claimed Contribution(s)	Specific References to Intervenor’s Claimed Contribution(s)	CPUC Discussion
	<p>technologies is pursued), p. 13 (the Commission should require the utilities to file applications for future projects), pp. 13-14 (none of the front-of-the-meter proposals is sufficiently advanced to warrant approval through an advice letter).</p> <p>Exh. SBUA-01, p. 21 (utility procurement and ownership of energy storage systems will impair non-utility enterprises from marketing and deploying energy storage).</p> <p>Exh. SBUA-02, pp. 4-5 (less storage should be utility owned, and SBUA’s expert explains that private ownership fosters learning for more parties and reduces the direct costs of AB 2868 on ratepayers).</p> <p>Exh. SBUA-03 (Direct Testimony of Paul Chernick Concerning Energy Storage Diversity Technology), Aug. 28, 2018, p. 3 (spurring diversification can benefit all ratepayers, including small businesses, by elucidating the least-cost, best-fit technologies for a wide range of applications), pp. 4-15 (responding to questions in Commissioner’s and ALJ’s technology diversity ruling).</p>	

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?²	Yes	Verified

² The Office of Ratepayer Advocates was renamed the Public Advocate’s Office of the Public Utilities Commission pursuant to Senate Bill No. 854, which the Governor approved on June 27, 2018.

	Intervenor’s Assertion	CPUC Discussion
b. Were there other parties to the proceeding with positions similar to yours?	Yes	Verified
c. If so, provide name of other parties: The Utility Reform Network (TURN), the California Energy Storage Alliance, the Natural Resources Defense Council (NRDC), Green Power Institute, and LS Power Development, LLC, were all parties to the proceeding with positions that may have overlapped with SBUA in some instances.		Verified
d. Intervenor’s claim of non-duplication: SBUA sought to reduce overlap of efforts by presenting unique perspectives on the concerns of small business ratepayers as a group as opposed to other customer classes. Although the interests of various customer classes can overlap, SBUA’s was the only party whose expert analyzed and presented the perspectives of small commercial customers. SBUA’s advocacy in many instances was unique with our expert contending, for example, that proposed cost recovery mechanisms were over-allocating costs to small commercial customers or arguing that the approved PG&E BTM project should better serve small businesses with outreach plans targeted to these customers. In other instances, SBUA’s expert, Paul Chernick, offered unique analysis on common issues with his testimony and SBUA’s positions being discussed by and in instances being found compelling to the Commission, as mentioned above. Also, SBUA’s advocacy and positions differed from Cal Advocates, for example, on PG&E’s behind-the-meter thermal project with Cal Advocates arguing against the project as not qualifying for energy storage and SBUA arguing the opposite and for Commission approval of the project. Therefore, while other parties may have had positions that were similar to SBUA in some degrees, our perspectives and goals were necessarily different, and were supplemented, not duplicated, by efforts on common issues.		Verified

PART III: REASONABLENESS OF REQUESTED COMPENSATION

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

	CPUC Discussion
a. Intervenor’s claim of cost reasonableness: SBUA intervened in this proceeding to protect and advance the interests of small business ratepayers that in the past have been underrepresented in	Noted

	CPUC Discussion
<p>distributed energy proceedings. SBUA actively participated throughout the process by submitting direct and rebuttal testimony, providing opening and reply briefs and analysis, opposing SCE’s motion to strike SBUA’s rebuttal testimony, and commenting on the Proposed Decision. As discussed above, the Commission addressed many of SBUA’s arguments, which were intended to benefit small business and other ratepayers.</p> <p>There will be benefits for small business ratepayers based on the issues and matters SBUA has pursued, although precise quantitative dollar values are difficult to attribute. For example, the Commission agreed with SBUA’s positions that SDG&E’s microgrid proposals (revenue requirement of \$284.6 million) were unreasonable for foregoing a cost-effectiveness analysis and that SCE’s Local Energy Storage and Management Systems project (with unspecified costs) was fatally flawed by failing to maximize benefits and minimize cases and with its emissions shortcomings. SBUA’s analysis added to the Commission’s deliberations, and in denying approval for these front-of-the-meter projects, small business and other ratepayers are spared significant costs for programs that are unreasonable. In addition, SBUA advocated for and the Commission approved PG&E’s behind-the-meter thermal storage program (approved for \$6.4 million). Our advocacy for this project, and its approval, will provide benefits for small commercial customers that are eligible and wish to transition to smart water heaters.</p> <p>Given the proposed energy storage programs collectively entail the potential expenditures of up to hundreds of millions of dollars and they will impact small commercial customers, both with benefits and costs, it is reasonable for SBUA to have participated on behalf of these ratepayers. For these reasons, the Commission should find that SBUA’s efforts here have been valuable.</p>	
<p>b. Reasonableness of hours claimed:</p> <p>SBUA devoted approximately 130 hours of attorney time and 174 hours of expert time to this proceeding, and our pleadings and contributions to the decision were achieved by the assembly of a team of professionals, highly experienced in details of regulatory and utility proceedings.</p> <p>SBUA’s senior attorney and President James Birkelund served as principal counsel in this proceeding. In this capacity, he was responsible for managing the work efforts and contributions of the litigation team, researching and developing positions, drafting and editing pleadings, and for the final review and production of the work product. SBUA’s expert Paul Chernick served as SBUA’s lead consultant and utility expert. He has</p>	<p>Noted</p>

	CPUC Discussion
<p>over 40 years of experience in the utility field and is the founder and President of Resource Insights, a nationally recognized consulting firm that specializes in the regulation of electric and gas utilities. Mr. Chernick played a key role in analyzing the Applications and developing and promoting SBUA’s positions. SBUA also employed expert Benjamin W. Griffith, who has 8 years of professional experience, and was responsible for researching and analyzing the Applications, including drafting portions of testimony, researching energy storage technologies, and compiling cost-benefit analysis. Finally, SBUA’s junior-level attorney Ivan Jimenez participated in a more limited capacity (after joining SBUA’s litigation team), primarily to assist on SBUA’s reply brief.</p> <p>SBUA submits that it made significant contributions to the proceeding and all of the recorded hours claimed were reasonably and efficiently expended and appropriate in the context of the level of effort required to participate in this energy storage case. Therefore, SBUA seeks compensation for all of the hours recorded by our attorneys and experts and included in this request.</p>	
<p>c. Allocation of hours by issue:</p> <p>SBUA has assigned the following issue codes:</p> <ol style="list-style-type: none"> 1. SDG&E’s Energy Storage Proposals – 91.75 hours or 30% 2. SCE’s Energy Storage Proposals – 68.7 hours or 23% 3. PG&E’s Energy Storage Proposals – 66.9 hours or 22% 4. Other Issues (non-utility ownership, diversity of energy storage technology, advice letter process) – 58.2 hours or 19% 5. General Participation – 28.1 hours or 6% <p>SBUA submits that the categories above are well defined to allow SBUA to accurately assign hours to various tasks in its time entries. Should the Commission wish to see different information on this point or some other breakdown of SBUA’s hourly work, SBUA requests that we be so informed and provided an opportunity supplement this request accordingly.</p>	Noted

B. Specific Claim:*

CLAIMED						CPUC AWARD		
ATTORNEY, EXPERT, AND ADVOCATE FEES								
Item	Year	Hours	Rate \$	Basis for Rate*	Total \$	Hours	Rate \$	Total \$
James Birkelund	2018	90.8	\$485	D.18-07-036; escalated by a 5% step increase (<i>see</i> Comment 1 below)	\$44,946	65 [1]	\$485 [2]	\$31,525.00
James Birkelund	2019	27.1	\$495	As above; escalated by a 2.35% COLA per Resolution ALJ-357	\$13,143.5	27.1	\$495 [3]	\$13,414.50
Paul Chernick	2018	68.65	\$390	Resolution ALJ-352; see Comment 2 below	\$26,773.5	68.65	\$390 [4]	\$26,773.50
Paul Chernick	2019	4.5	\$400	As above; escalated by a 2.35% COLA per Resolution ALJ-357	\$1,800	4.5	\$400 [5]	\$1,800.00
Benjamin Griffiths	2018	101.5	\$260	Resolution ALJ-329; see Comment 3 below	\$26,390	48 [6]	\$260 [7]	\$12,480.00
Ivan Jimenez	2018	13.1	\$175	D.18-09-041, escalated by a 2.3% COLA per ALJ-352	\$2,292.5	10 [8]	\$175 [9]	\$1,750.00
Subtotal: \$114,861						Subtotal: \$87,743.00		
INTERVENOR COMPENSATION CLAIM PREPARATION **								
Item	Year	Hours	Rate \$	Basis for Rate*	Total \$	Hours	Rate \$	Total \$
James Birkelund	2018	3.9	\$242.5	50% of 2018 rate	\$945.75	2 [10]	\$242.50	\$485.00

CLAIMED					CPUC AWARD			
James Birkelund	2019	16.2	\$247.5	50% of 2019 rate	\$4,009.5	10 [11]	\$247.50	\$2,475.00
Subtotal: \$4,955.50					Subtotal: \$2,960.00			
COSTS								
#	Item	Detail		Amount	Amount			
1.	Expenses	Print / deliver filings to Commission		\$120.39	\$120.39			
Subtotal: \$120.39					Subtotal: \$120.39			
TOTAL REQUEST: \$119,936.64					TOTAL AWARD: \$90,823.39			
<p>*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. Intervenors' records should identify specific issues for which it seeks compensation, the actual time spent by each employee or consultant, the applicable hourly rates, fees paid to consultants and any other costs for which compensation was claimed. The records pertaining to an award of compensation shall be retained for at least three years from the date of the final decision making the award.</p> <p>**Travel and Reasonable Claim preparation time are typically compensated at ½ of preparer's normal hourly rate</p>								
ATTORNEY INFORMATION								
Attorney		Date Admitted to CA BAR ³		Member Number		Actions Affecting Eligibility (Yes/No?) If "Yes", attach explanation		
James M. Birkelund		March 2000		206328		No		
Ivan R. Jimenez		December 2016		313644		No		

**C. Attachments Documenting Specific Claim and Comments on Part III:
(attachments not attached to final Decision)**

Attachment or Comment #	Description/Comment
Attachment 1	Time Sheet Records with Allocation of Hours by Issue
Attachment 2	Resumé / Professional Qualifications of Paul L. Chernick
Attachment 3	Resumé of Ben W. Griffiths

³ This information may be obtained through the State Bar of California's website at <http://members.calbar.ca.gov/fal/MemberSearch/QuickSearch>.

Attachment or Comment #	Description/Comment
Attachment 4	Costs and Expenses (with receipts for individual expenses exceeding \$20)
Comment 1	<p><u>Hourly Rate for Attorney James M. Birkelund</u></p> <p>SBUA’s requested 2018 hourly rate for Mr. Birkelund of \$485 is identical to the 2018 rate request submitted in our compensation filings pending in A.16-06-013, A.17-06-031, and A.17-06-030. Pending a decision on those requests, the same rate for Mr. Birkelund should apply here.</p> <p>As discussed in those other cases, Mr. Birkelund’s rate in D.18-07-036 was set at \$460 per hour. In addition, we are asking for a 5% step increase for Mr. Birkelund, resulting in a 2018 rate in this case of \$485 per hour (460*1.05, rounded to the nearest five, per D.13-05-009). Resolutions ALJ-345 and ALJ-352 both state: “It is reasonable to allow individuals an annual ‘step increase’ of 5%, twice within each experience level and capped at the maximum rate for that level, as authorized by D.07-01-009.” Mr. Birkelund who has 20 years of legal experience is in the 13+ years of experience bracket has not yet received a second step increase in this experience level and his requested rate with the second step increase is well below the cap of \$600 per hour.</p>
Comment 2	<p><u>Hourly Rate for Expert Paul L. Chernick</u></p> <p>The Commission has not previously approved an hourly rate for Mr. Chernick’s work in a CPUC proceeding. SBUA seeks an hourly rate of \$390 for the work he performed in 2018, the rate Resource Insight, Inc. charged for his work in this proceeding. Mr. Chernick’s requested compensation “take[s] into consideration the market rates paid to persons of comparable training and experience who offer similar services,” <i>see</i> PUC § 1806, is within the established 2018 range of rates for his level of experience, and is in accordance with the Commission’s guidelines in D. 05-11-031.</p> <p>Mr. Chernick has been an expert, consultant, and analyst since 1977 – a period of over 40 years – specializing throughout that time in utility and energy matters. Mr. Chernick is a leading expert in the field with exceptionally strong credentials. He has acted as an expert witness, submitted reports, and/or testified in over 230 utility-related proceedings at PUCs, courts, and other tribunals. He has a national and international reputation for providing expert support to companies and organizations in utility matters, including at Public Utility Commissions. Additionally, Mr. Chernick is the author or co-author of over 40 publications or articles dealing with utility and energy issues, and he has prior experience testifying at the CPUC on behalf of the Natural Resources Defense Counsel in 1990.</p> <p>Since 1986, Mr. Chernick has served as the President of Resource Insight, Inc. From 1981-1986, he served as a Research Associate at Analysis and Inference, Inc., and he started his career from 1977-1981 as a Utility Rate Analyst for the Massachusetts</p>

Attachment or Comment #	Description/Comment
	<p>Attorney General in 1977. Mr. Chernick has two degrees from the Massachusetts Institute of Technology, a Master of Science, Technology and Policy Program, February 1978, and a Bachelor of Science, Civil Engineering Department, June 1974.</p> <p>A copy of Mr. Chernick’s professional qualifications is included herewith as <u>Attachment #2</u>.</p> <p>The reasonableness of the \$390 rate is confirmed when compared to the rates the Commission has approved for other experts with comparable qualifications and experience in the energy industry and administrative proceedings. <i>See</i> PUC § 1806; guidelines in D.05-11-031. For example, the Commission granted an hourly rate of \$435 for work performed by A4NR’s expert, Richard Wolfe, in 2018. D.18-10-050. Mr. Wolfe is a founding and principle consultant for his company (Resero Consulting) and has over 30 years of experience as an expert and consultant. <i>Id.</i>, at pp. 30-31. By comparison, Mr. Chernick is a founding and principal consultant for his company (Resource Insight) but with over 40 years of experience and is requesting a rate considerably lower (\$45 less an hour) than Mr. Wolfe. The Commission also granted an hourly rate of \$395 for work performed by TURN’s expert, Bruce Lacy, in 2017. D.18-10-045. Mr. Lacy has approximately 34 years of experience as an expert in 2017, slightly less experience than Mr. Chernick and rates have increased since 2017. <i>See</i> D.11-03-022, p. 12 (Mr. Lacy had 28 years of experience in 2011). Mr. Wolfe and Mr. Lacy are apt comparisons because both are colleagues with high levels of experience in energy law and administrative proceedings, like Mr. Chernick. If anything, Mr. Chernick has been even more single-mindedly focused his career in the utility field than these other two experts. Mr. Chernick should be compensated at a high level within Resolution ALJ-352, given his strong qualifications, extensive experience, and favorable comparisons with colleagues.</p> <p>Furthermore, Mr. Chernick has proven himself a valuable asset in this proceeding with the Commission often relying on his analysis in determining the final outcome (<i>see, e.g.,</i> Mr. Chernick’s analysis of SDG&E’s microgrid projects). His salient experience in the utility industry was critical to the development of SBUA’s testimony and advocacy.</p> <p>In sum, the requested 2018 hourly rates for services provided by Mr. Chernick in this proceeding are justified on the years of experience this expert has in the energy industry based on the schedule of hourly rates adopted by the Commission in Resolution ALJ-352 for experts with comparable experience. For 2018, the PUC compensated expert with 13+ yrs. of experience in the range of \$180-\$445 per hour. Resolution ALJ-352. Mr. Chernick’s requested rate of \$390 is within the adopted range and represents approximately the 80th percentile between \$180 and \$445. In light of his 40+ years of experience and credentials and comparisons with colleagues,</p>

Attachment or Comment #	Description/Comment
	<p>the requested rate is clearly reasonable and consistent with the range adopted by the Commission.</p> <p>For 2019, SBUA’s request to increase Mr. Chernick’s hourly rate is due to the Commission approved Cost-of-Living Adjustment (COLA) adopted by Resolution ALJ-357. In accordance with the Resolution, Mr. Chernick’s request for hourly rates has been raised to \$400 per hour to reflect the 2.35% COLA for intervenor hourly rates.</p>
Comment 3	<p><u>Hourly Rate for Expert Benjamin W. Griffiths</u></p> <p>The Commission has not previously approved an hourly rate for Mr. Griffith’s work in a CPUC proceeding. SBUA seeks a 2018 hourly rate of \$260 for his work, the rate Resource Insight, Inc. charged for his work in this proceeding. Mr. Griffith’s requested compensation “take[s] into consideration the market rates paid to persons of comparable training and experience who offer similar services,” <i>see</i> PUC § 1806, is within the established 2018 range of rates for his level of experience, and is in accordance with the Commission’s guidelines in D. 05-11-031.</p> <p>Mr. Griffiths has substantial experience as an expert. His academic qualifications include a BS and MS in Energy and Earth Science, and in 2018 he had eight years of professional experience. During his career, he has worked with Resource Insights, Inc., both as an Energy Consultant during this proceeding and prior to that in 2012 as a Research Associate. A copy of Mr. Giffith’s professional qualifications is included herewith as <u>Attachment #3</u>. Mr. Giffith’s 2018 commercial billing rate is \$260 per hour, which is within the range for experts with 7-12 years of experience and reasonable for an energy consultant with his level of experience. <i>See</i> Resolution ALJ-352.</p>

D. CPUC Comments, Disallowances, and Adjustments

Item	Reason
[1]	Number of hours requested excessive compared to other intervenors with comparable experience and size of contribution.
[2]	James Birkelund’s 2018 rate has been adjusted with an added 5% step increase. The established rate for 2018 is \$485.00.
[3]	James Birkelund’s 2019 rate has been adjusted with 2.35% COLA per Resolution ALJ-357. The established rate for 2019 is \$495.00.
[4]	Paul Chernik’s 2018 rate of \$390 is consistent with his experience and Resolution ALJ-352.

Item	Reason
[5]	Paul Chernik’s 2019 rate of \$400 is consistent with his experience and the 2.35% COLA per Resolution ALJ-357.
[6]	Number of hours requested excessive compared to other intervenors with comparable experience and size of contribution.
[7]	Benjamin Griffith’s 2018 rate of \$360 is consistent with his years of experience per Resolution ALJ-329.
[8]	Number of hours requested excessive compared to other intervenors with comparable experience and size of contribution.
[9]	Ivan Jimenez’ 2018 rate of \$175 is consistent with his 2019 rate of \$170 approved by D.18-09-041, and escalated by a 2.3% COLA for 2018.
[10]	Hours reduced to amount of time that should spent on preparing claim, based on size of filings and level of experience of the preparer.
[11]	Hours reduced to amount of time that should spent on preparing claim, based on size of filings and level of experience of the preparer.

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

1. Small Business Utility Advocates has made a substantial contribution to D.19-06-032 and D.18-10-036.
2. The requested hourly rates for Small Business Utility Advocates’ 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 \$90,823.39.

CONCLUSION OF LAW

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

ORDER

1. Small Business Utility Advocates shall be awarded \$90,823.39.
2. Within 30 days of the effective date of this decision, Pacific Gas and Electric Company, Southern California Edison Company and San Diego Gas & Electric Company shall pay Small Business Utility Advocates their respective shares of the award, based on their California-jurisdictional electric revenues for the 2018 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 November 17, 2019, the 75th day after the filing of Small Business Utility Advocates' request, and continuing until full payment is made.
3. The comment period for today's decision is waived.

This decision is effective today.

Dated November 19, 2020 at San Francisco, California.

MARYBEL BATJER
President
LIANE M. RANDOLPH
MARTHA GUZMAN ACEVES
CLIFFORD RECHTSCHAFFEN
GENEVIEVE SHIROMA
Commissioners

APPENDIX**Compensation Decision Summary Information**

Compensation Decision:	D2011037	Modifies Decision?	No
Contribution Decision(s):	D1906032, D1810036		
Proceeding(s):	A1802016, et al.		
Author:	ALJ Stevens		
Payer(s):	Pacific Gas and Electric Company, Southern California Edison Company and San Diego Gas & Electric Company		

Intervenor Information

Intervenor	Date Claim Filed	Amount Requested	Amount Awarded	Multiplier?	Reason Change/Disallowance
Small Business Utility Advocates	September 3, 2019	\$119,936.64	\$90,823.39	N/A	See CPUC Comments, Disallowances, and Adjustments above.

Hourly Fee Information

First Name	Last Name	Attorney, Expert, or Advocate	Hourly Fee Requested	Year Hourly Fee Requested	Hourly Fee Adopted
James	Birkelund	Attorney	\$485	2018	\$485
James	Birkelund	Attorney	\$495	2019	\$495
Paul	Chernick	Expert	\$390	2018	\$390
Paul	Chernick	Expert	\$400	2019	\$400
Benjamin	Griffith	Expert	\$260	2018	\$260
Ivan	Jimenez	Attorney	\$175	2018	\$175

(END OF APPENDIX)