

Decision 22-01-016 January 13, 2022

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

Application of PACIFIC GAS AND ELECTRIC COMPANY for authorization to enter into interest rate hedges in connection with its financing to exit Chapter 11 of the Bankruptcy Code and related requests (U39M).

Application 19-11-002

**DECISION GRANTING COMPENSATION TO
ALLIANCE FOR NUCLEAR RESPONSIBILITY
FOR SUBSTANTIAL CONTRIBUTION TO DECISION 20-03-008**

Intervenor: Alliance for Nuclear Responsibility (A4NR)	For contribution to Decision (D.) 20-03-008
Claimed: \$6,308.93	Awarded: \$6,137.30
Assigned Commissioner: Marybel Batjer	Assigned ALJ: Regina DeAngelis

PART I: PROCEDURAL ISSUES

A. Brief description of Decision:	In D.20-03-008, the Commission granted, with conditions, the request of Pacific Gas and Electric Company (PG&E) to enter into interest rate hedges to mitigate costs of financing its emergence from bankruptcy.
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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:	12/17/20	12/17/19
2. Other specified date for NOI:		
3. Date NOI filed:	01/15/20	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.18-03-009	Verified
6. Date of ALJ ruling:	09/26/19	Verified
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.18-03-009	Verified
10. Date of ALJ ruling:	09/26/19	Verified
11. Based on another CPUC determination (specify):		
12. Has the Intervenor demonstrated significant financial hardship?		Yes
Timely request for compensation (§ 1804(c)):		
13. Identify Final Decision:	D.20-03-008	Verified
14. Date of issuance of Final Order or Decision:	03/18/20	Verified
15. File date of compensation request:	04/29/20	5/5/20
16. Was the request for compensation timely?		Yes

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

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
<p>1. A4NR protested the prejudicial effect of approving PG&E’s application to hedge up to \$27.35 billion in debt while the Commission was considering a competing Plan of Reorganization that eschewed the need for ratepayers to incur any hedging costs. In the ALJ-ordered meet-and-confer session, A4NR suggested a 30-day pause in the proceeding to enable PG&E to clarify its application. PG&E utilized this hiatus to negotiate the withdrawal of the competing Plan and reduce its hedging request to no more than \$5.825 billion in debt.</p>	<p>A4NR Protest, pp. 1 – 3; D.20-03-008, pp. 5, 16</p> <p>PHC Transcript, p. 27, line 28 – p. 31, line 27.</p> <p>D.20-03-008, p. 3; FOF #2; FOF #3.</p>	<p>Verified</p>
<p>2. A4NR protested the reasonableness of PG&E’s proposed hedging strategy in light of the unknown costs incurred and benefits achieved by PG&E’s use of a similar strategy in exiting its earlier bankruptcy. PG&E disclosed that its prior strategy had incurred costs of \$44 million to hedge \$4.2 billion in debt, and the Commission identified this experience (despite</p>	<p>A4NR Protest, pp. 2 – 3.</p> <p>D.20-03-008, p. 17.</p>	<p>Verified</p>

Intervenor’s Claimed Contribution(s)	Specific References to Intervenor’s Claimed Contribution(s)	CPUC Discussion
objection in PG&E Comments on the PD) as a potential “benchmark” for future reasonableness review of the A.19-11-002 hedging costs.	Joint TURN/A4NR Reply Comments, pp. 3 – 4.	

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.	Yes
b. Were there other parties to the proceeding with positions similar to yours?	Yes.	Yes
c. If so, provide name of other parties: With respect to Issue #1 above: TURN, PAO, CCSF, UCC, and (until withdrawal) AHC.		Noted
d. Intervenor’s claim of non-duplication: A4NR coordinated extensively with TURN beginning in mid-2018 on matters related to PG&E’s bankruptcy maneuvers. In this proceeding, A4NR avoided duplication by reliance on TURN to represent its interests at the PHC and by filing Joint Reply Comments on the PD. Conversations with PAO, CCSF, UCC, and AHC in the I.19-09-016 proceeding assured a lack of overlap here.		Noted

PART III: REASONABLENESS OF REQUESTED COMPENSATION

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

	CPUC Discussion
a. Intervenor’s claim of cost reasonableness: A4NR’s active presence in the proceeding, and successful recommendation of a 30-day hiatus (during which the amount of debt covered by PG&E’s hedging plan was significantly reduced), avoided an unnecessary expenditure of Commission and party resources and ultimately resulted in providing an	Noted

² The Office of Ratepayer Advocates was renamed the Public Advocate’s Office of the Public Utilities Commission pursuant to Senate Bill 854, which the Governor approved on June 27, 2018.

	CPUC Discussion
important benchmark for future reasonableness review of PG&E hedging costs. Measured against hedging costs still likely to be in the tens of millions, A4NR's request of \$6,308.93 is infinitesimal.	
b. Reasonableness of hours claimed: A4NR's hours were limited to essential communications, attendance at a PG&E webinar on its hedging plans and prior experience, and required reading of documents.	Noted
c. Allocation of hours by issue: Issue #1 – 6.24 hours – 46.7% Issue #2 – 7.04 hours – 52.6% Other – .1 hours – .7%	Noted

B. Specific Claim:*

CLAIMED						CPUC AWARD		
ATTORNEY, EXPERT, AND ADVOCATE FEES								
Item	Year	Hours	Rate \$	Basis for Rate*	Total \$	Hours	Rate \$	Total \$
John Geesman	2019	6	\$615.00	Res. ALJ-357	\$3,690.00	6	\$605.00 [1]	\$3,630.00
John Geesman	2020	1.38	\$615.00*	Res. ALJ-357 (see Comment 1 below)	\$848.70	1.38	\$620.00 [2]	\$855.60
Rochelle Becker	2019	4.72	\$150.00	D.19-09-049 and Res. ALJ-357	\$708.00	3.84 [3]	\$150.00	\$576.00
Rochelle Becker	2020	1.28	\$150.00*	D.19-09-049 and Res. ALJ-357 (see Comment 1 below)	\$192.00	1.28	\$155.00 [4]	\$198.40
Subtotal: \$5,438.70						Subtotal: \$5,260.00		
INTERVENOR COMPENSATION CLAIM PREPARATION **								
Item	Year	Hours	Rate \$	Basis for Rate*	Total \$	Hours	Rate \$	Total \$
John Geesman	2020	2.83	\$307.50*	Res. ALJ-357 (see Comment 1 below)	\$870.23	2.83	\$310.00 [2]	\$877.30
Subtotal: \$870.23						Subtotal: \$877.30		
TOTAL REQUEST: \$6,308.93						TOTAL AWARD: \$6,137.30		

*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			CPUC AWARD
<p>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
John Geesman	06/28/77	74448	No

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

Attachment or Comment #	Description/Comment
1	Certificate of Service
2	Time Records of John Geesman
3	Time Records of Rochelle Becker
Comment 1	If the Commission adopts a 2020 COLA for hourly rates, A4NR requests that it be applied to 2020 hours instead of the Res. ALJ-357 rates reflected in this claim.

D. CPUC Comments, Disallowances, and Adjustments

Item	Reason
[1]	Decision 21-07-023 authorized a 2019 rate of \$605 for Geesman.
[2]	The 2020 COLA of 2.55%, per Resolution ALJ-387, is applied to John Geesman’s approved 2019 rate of \$605.00 to establish a 2020 approved rate of \$620.00 after rounding to the nearest \$5.
[3]	Time reflected in the following entries was reduced by half to reflect a reasonable review time of the documents at issue given their length: 1) 11/19/19- Review UCC Protest; 2) 11/19/19- review AHC Senior Noteholders Protest; and 3) 11/19/19- review TURN Protest
[4]	The 2020 COLA of 2.55%, per Resolution ALJ-387, is applied to Rochelle Becker’s approved 2019 rate of \$150.00 to establish a 2020 approved rate of \$155.00 after rounding to the nearest \$5 increment.

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

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))?	Yes

FINDINGS OF FACT

1. Alliance for Nuclear Responsibility has made a substantial contribution to D.20-03-008.
2. The requested hourly rates for Alliance for Nuclear Responsibility'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 are reasonable and commensurate with the work performed.
4. The total of reasonable compensation is \$6,137.30.

CONCLUSION OF LAW

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

ORDER

1. Alliance for Nuclear Responsibility shall be awarded \$6,137.30.
2. Within 30 days of the effective date of this decision, Pacific Gas and Electric Company shall pay Alliance for Nuclear Responsibility the total award. 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 July 13, 2020, the 75th day after the filing of Alliance for Nuclear Responsibility'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 January 13, 2022, at San Francisco, California.

ALICE REYNOLDS
President
CLIFFORD RECHTSCHAFFEN
GENEVIEVE SHIROMA
DARCIE HOUCK
Commissioners

APPENDIX

Compensation Decision Summary Information

Compensation Decision:	D2201016	Modifies Decision?	No
Contribution Decision(s):	D2003008		
Proceeding(s):	A1911002		
Author:	ALJ DeAngelis		
Payer(s):	Pacific Gas and Electric Company		

Intervenor Information

Intervenor	Date Claim Filed	Amount Requested	Amount Awarded	Multiplier?	Reason Change/ Disallowance
Alliance for Nuclear Responsibility	04/29/20	\$6,308.93	\$6,137.30	N/A	See CPUC Comments, Disallowances, and Adjustments

Hourly Fee Information

First Name	Last Name	Attorney, Expert, or Advocate	Hourly Fee Requested	Year Hourly Fee Requested	Hourly Fee Adopted
John	Geesman	Attorney	\$615	2019	\$605
John	Geesman	Attorney	\$615 plus COLA	2020	\$620
Rochelle	Becker	Advocate	\$150	2019	\$150
Rochelle	Becker	Advocate	\$150 plus COLA	2020	\$155

(END OF APPENDIX)