

Decision 22-02-023 February 24, 2022

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

Application of Pacific Gas and Electric Company for Authority, Among Other Things, to Increase Rates and Charges for Electric and Gas Service Effective on January 1, 2020 (U39M).

Application 18-12-009

**DECISION GRANTING COMPENSATION TO L. JAN REID  
FOR SUBSTANTIAL CONTRIBUTION TO DECISION 20-12-005**

<b>Intervenor:</b> L. Jan Reid	<b>For contribution to Decision (D.) 20-12-005</b>
<b>Claimed:</b> \$70,676.50	<b>Awarded:</b> \$70,346.50
<b>Assigned Commissioner:</b> Clifford Rechtschaffen <sup>1</sup>	<b>Assigned ALJs:</b> Elaine Lau and Rafael Lirag

**PART I: PROCEDURAL ISSUES**

<b>A. Brief description of Decision:</b>	D.20-12-005 addressed the Test Year (TY) 2020 General Rate Case (GRC) application of Pacific Gas and Electric Company (PG&E).
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**B. Intervenor must satisfy intervenor compensation requirements set forth in Pub. Util. Code § § 1801-1812<sup>2</sup>:**

	<b>Intervenor</b>	<b>CPUC Verification</b>
<b>Timely filing of notice of intent to claim compensation (NOI) (§ 1804(a)):</b>		
1. Date of Prehearing Conference:	February 11, 2019	Verified
2. Other specified date for NOI:		

<sup>1</sup> The proceeding was re-assigned to Commissioner Clifford Rechtschaffen on May 3, 2021.

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

	<b>Intervenor</b>	<b>CPUC Verification</b>
3. Date NOI filed:	March 13, 2019	Verified
4. Was the NOI timely filed? Yes		Yes
<b>Showing of eligible customer status (§ 1802(b) or eligible local government entity status (§ § 1802(d), 1802.4):</b>		
5. Based on ALJ ruling issued in proceeding number:		
6. Date of ALJ ruling:		
7. Based on another CPUC determination (specify):	See D.18-09-043, Section I.B.8, p. 2	Verified. See Part I(C)(1), of D.18-09-043
8. Has the Intervenor demonstrated customer status or eligible government entity status? Yes.		Yes, see Part I(C)(1), of D.18-09-043
<b>Showing of “significant financial hardship” (§ 1802(h) or § 1803.1(b)):</b>		
9. Based on ALJ ruling issued in proceeding number:		
10. Date of ALJ ruling:		
11. Based on another CPUC determination (specify):	The Commission has found that “L. Jan Reid has demonstrated significant financial hardship as set forth in Part I (C)(1).” (D.18-09-043, p. 19, Finding of Fact 1)	Verified
12. Has the Intervenor demonstrated significant financial hardship? Yes		Yes, see Part I(C)(1), of D.18-09-043
<b>Timely request for compensation (§ 1804(c)):</b>		
13. Identify Final Decision:	D.20-12-005	Verified
14. Date of issuance of Final Order or Decision:	December 11, 2020	Verified
15. File date of compensation request:	February 6, 2021	Verified
16. Was the request for compensation timely? Yes		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):**

<b>Intervenor's Claimed Contribution(s)</b>	<b>Specific References to Intervenor's Claimed Contribution(s)</b>	<b>CPUC Discussion</b>
1. Motion to Strike	<p>The Commission stated that “On July 29, 2019, PG&amp;E filed a motion to strike the prepared testimony of A4NR. Responses opposing PG&amp;E’s motion were filed by WEM on August 6, 2019, Reid on August 7, 2019, and by both TURN, and A4NR on August 13, 2019. A Response was also filed by CUE on August 13, 2019 supporting PG&amp;E’s motion. The assigned ALJs issued a ruling on September 6, 2019 denying PG&amp;E’s motion to strike.” (D.20-12-005, slip op. at 9)</p> <p>Reid argued that “The issue before the Commission is whether A4NR’s testimony is consistent with the scope of this proceeding, and not whether the Commission agrees with A4NR’s proposals. If the Commission strikes A4NR’s testimony, they will have effectively rejected A4NR’s proposals without the benefit of hearing cross-examination of A4NR witness John Geesman, or of reading rebuttal testimony, opening briefs, or reply briefs. Therefore, the Commission should not prejudge ANR’s proposals based solely on PG&amp;E’s motion” (Reid Response to PG&amp;E Motion, p. 2)</p> <p>The Commission effectively agreed with Reid when it rejected PG&amp;E’s motion. Thus, Reid made a substantial contribution to the Commission’s Resolution of the Motion to Strike issue.</p>	Verified
2. Customer Service Offices (CSOs)	<p>The Commission stated that “In the settlement agreement, TURN, Cal Advocates, and CUE agree to have PG&amp;E close only 10 of the 17 CSOs it originally proposed to close.” . . . “L. Jan Reid opposes the settling parties’ proposal, noting that the settlement did not indicate which CSOs PG&amp;E would close and whether and how PG&amp;E would consider the demographic characteristics of the</p>	Verified

Intervenor's Claimed Contribution(s)	Specific References to Intervenor's Claimed Contribution(s)	CPUC Discussion
	<p>people using the CSOs when selecting the CSOs to close.” (D.20-12-005, slip op. at 178)</p> <p>Reid pointed out that “the closure of the CSOs disproportionately affects low-income, elderly, and Hispanic/Latino customers. L. Jan Reid noted that 62 percent of customers using the targeted CSOs have annual incomes lower than \$50,000, 38 percent are Hispanic/Latino, 30 percent are 65 years of age and older, and 22 percent have a disability.” (D.20-12-005, slip op. at 179)</p> <p>The Proposed Decision (PD) agreed with some of Reid’s comments on this issue.</p> <p>The PD stated that “We share L. Jan Reid’s concerns that the proposal set forth by the settlement parties did not indicate the CSOs PG&amp;E will close and the criteria PG&amp;E will consider in selecting the CSO for closure. Even though PG&amp;E indicates that 95 percent of the people it surveyed has the capability to conduct utility transactions with a method other than in person, we are concerned with the impact a CSO closure may have on the 5 percent of people who cannot perform utility transactions other than in person. In particular, we are concerned that these people may be part of the more vulnerable portion of the population, since a majority of the surveyed CSO users are low income customers.</p> <p style="text-align: center;">. . .</p> <p>Thus, we modify the settling parties’ proposal and direct PG&amp;E to file a Tier 3 Advice Letter with Energy Division to specify the CSOs PG&amp;E proposes to close and the amount of savings PG&amp;E will achieve through the CSO closures.” (PD, p. 181)</p> <p>Thus, Reid made a substantial contribution to the Commission’s resolution of the CSO issue.</p>	

<b>Intervenor's Claimed Contribution(s)</b>	<b>Specific References to Intervenor's Claimed Contribution(s)</b>	<b>CPUC Discussion</b>
3. Overall Revenue Requirement	<p>The Commission has stated that “The above changes result in the adoption of a TY2020 revenue requirement of \$9.102 billion which is equal to the settlement amount and \$474 million less than PG&amp;E’s initial request in its application.” (D.20-12-005, slip op. at 2)</p> <p>The Commission also stated that “We also considered the state of the economy and the economic outlook described in the parties’ exhibits.” (D.20-12-005, slip op. at 21)</p> <p>Reid argued that “PG&amp;E is a single company, not a series of different companies. Therefore, it would be prudent for the Commission to consider all relevant facts concerning PG&amp;E. The Commission should pay close attention to the total rate increases that may occur in 2020, not just the rate increase that PG&amp;E requests in this GRC.” (Reid Opening Brief, p. 2)</p> <p>Reid recommended two changes to PG&amp;E’s proposed revenue requirement. Reid stated that “I propose that PG&amp;E’s budget for the Community Wildfire Safety Program (CWSP) be reduced by \$500 million; (Exh. 56 13:23-30, 14:1-14), and that PG&amp;E’s budget for Customer Service Offices (CSOs) be increased by \$3.3 million. (Exh. 56 2:1-9), which yields a decrease of approximately \$496.7 million.” Reid Opening Brief, p. 4)</p> <p>Reid’s pleadings presented data that supported reductions in PG&amp;E’s initial request. This data concerned:</p> <ul style="list-style-type: none"> <li>• Billing Impacts (Reid Opening Testimony, pp. 3-7)</li> <li>• Reasonableness of Proposed Costs (Reid Opening Testimony, pp. 13-14)</li> </ul>	Verified

<b>Intervenor's Claimed Contribution(s)</b>	<b>Specific References to Intervenor's Claimed Contribution(s)</b>	<b>CPUC Discussion</b>
	<ul style="list-style-type: none"> <li>• Safety Performance (Reid Opening Testimony, pp. 15-16, and Reid Rebuttal Testimony, p. 2)</li> <li>• Community Wildfire Safety Program (Reid Opening Brief, pp. 4-5, 14-15; Reid PD Comments, p. 9; and Reid Comments on the Settlement Agreement, p. 9)</li> <li>• Economic Conditions (Reid PD Comments, p. 8)</li> <li>• Balancing Accounts (Reid Comments on the Settlement Agreement, p. 5)</li> </ul> <p>Thus, Reid made a substantial contribution to the Commission's resolution of the Overall Revenue Requirement issue.</p>	

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

	<b>Intervenor's Assertion</b>	<b>CPUC Discussion</b>
<b>a. Was the Public Advocate's Office of the Public Utilities Commission (Cal Advocates) a party to the proceeding?<sup>3</sup></b>	Yes	Verified
<b>b. Were there other parties to the proceeding with positions similar to yours?</b>	Yes	Verified
<b>c. If so, provide name of other parties:</b>  There were 28 parties (including Reid) in A.18-12-009. (See <a href="https://ia.cpuc.ca.gov/service/ia1812009_86236.htm">https://ia.cpuc.ca.gov/service/ia1812009_86236.htm</a> )  The Commission identified 5 parties (18% of the total number of parties) who agreed with Reid on at least one issue. These parties were A4NR, Cal Advocates, CUE, TURN, and WEM. Of the three issues listed in Section A by Reid, only one part (TURN) agreed with Reid on more than one issue.		Verified

<sup>3</sup> 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.

	<b>Intervenor's Assertion</b>	<b>CPUC Discussion</b>
<b>d. Intervenor's claim of non-duplication:</b>		Noted
Reid collaborated with a number of parties during the course of this proceeding. Although Reid does not seek compensation for all of these communications, they indicate reasonable collaboration with other parties. See Section C, Item B.d below.		

**C. Additional Comments on Part II:**

<b>#</b>	<b>Intervenor's Comment</b>	<b>CPUC Discussion</b>
B.d	<p>Reid's compensation in this proceeding should not be reduced for any duplication with respect to the showings of other parties. In a proceeding with subject matter as complex as in this one and with multiple parties, it is virtually impossible for Reid or any party to fully anticipate where showings of other parties may duplicate some of Reid's showing, especially in view of the need to make a coherent and sufficient showing on the issues Reid emphasizes and on the ultimate issues.</p> <p>In evaluating Reid's claim and the issue of duplication, the Commission should be guided by the standards established in D. 03-03-031. In this decision, the Commission stated that: (Westlaw 2003 WL 1715098, Cal P.U.C., D.03-03-031, slip op. at 1)</p> <p>"We have concluded that the application of a duplication penalty to reduce awards to participants that make a substantial contribution is not permissible under the statutes governing compensation of participating customers in commission proceedings."</p> <p>Given these circumstances, no reduction to Reid's requested compensation due to duplication is warranted, pursuant to the standards adopted by the Commission in D.03-03-031.</p>	Noted

### PART III: REASONABLENESS OF REQUESTED COMPENSATION

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

	CPUC Discussion
<p><b>a. Intervenor's claim of cost reasonableness:</b></p> <p>Reid contributed to the proceeding in a manner that was productive and that will result in benefits to ratepayers that exceed the cost of Reid's participation.</p> <p>In consolidated Rulemaking 97-01-009 and Investigation 97-01-010, the Commission required intervenors seeking compensation to show that they represent interests that would otherwise be underrepresented and to present information sufficient to justify a finding that the overall benefits of a customer's participation will exceed the customer's costs. (D.98-04-059, 79 CPUC2d 628, Finding of Fact 13 at 674, Finding of Fact 42 at 676) The Commission noted that assigning a dollar value to intangible benefits may be difficult.</p> <p>Reid made a substantial contribution to the proceeding. It is reasonable to assume that the resolution of the issues raised by Reid in this proceeding will benefit ratepayers in the future.</p> <p>As mentioned previously, Reid recommended that PG&amp;E's initial revenue requirement be reduced by \$496.7 million. PG&amp;E's revenue requirement was reduced by \$474 million or over 6,000 times the compensation sought by Reid.</p> <p>The Commission can safely find that the participation of Reid in this proceeding was productive. Overall, the benefits of Reid's participation justify compensation in the amount requested.</p>	<p>The Commission finds Claim of Costs as reasonable.</p>
<p><b>b. Reasonableness of hours claimed:</b></p> <p>In this pleading, Reid requests compensation in the total amount of \$70,676.50 for time reasonably devoted to A.18-12-009. A more detailed breakdown of the time devoted to this proceeding by Reid is provided in Attachment A to this pleading.</p> <p>Reid's work was performed efficiently. L. Jan Reid is a former Commission employee who has testified on many occasions on issues such as long-term procurement plans, renewables procurement,</p>	<p>The Commission finds hours Claimed as reasonable.</p>



	CPUC Discussion										
<p>cost-of-capital, utility finance, and electricity and natural gas procurement issues.</p> <p>Daily listings of the specific tasks performed by Reid in connection with this proceeding are available in Attachment A to this pleading. The cost listings demonstrate that the hours claimed are reasonable given the scope and timeframe of the proceeding.</p> <p>No compensation for administrative time is requested, in accordance with Commission practice. (D.99-06-002, discussion, slip op. at 8-10). I understand that the Commission may audit my books and records to the extent necessary to verify the basis for any award, pursuant to PU Code § 1804(d).</p>											
<p><b>c. Allocation of hours by issue:</b></p> <table> <tr> <td><b>Issue</b></td><td><b>Percent</b></td></tr> <tr> <td>Customer Service Offices</td><td>7.79%</td></tr> <tr> <td>Motion to Strike</td><td>1.90%</td></tr> <tr> <td>Revenue Requirement</td><td>52.68%</td></tr> <tr> <td>General</td><td>37.62%</td></tr> </table>	<b>Issue</b>	<b>Percent</b>	Customer Service Offices	7.79%	Motion to Strike	1.90%	Revenue Requirement	52.68%	General	37.62%	The Commission finds the Allocation of hours by issue as reasonable.
<b>Issue</b>	<b>Percent</b>										
Customer Service Offices	7.79%										
Motion to Strike	1.90%										
Revenue Requirement	52.68%										
General	37.62%										

**B. Specific Claim:\***

CLAIMED						CPUC AWARD		
ATTORNEY, EXPERT, AND ADVOCATE FEES								
Item	Year	Hours	Rate \$	Basis for Rate*	Total \$	Hours	Rate \$	Total \$
L. Jan Reid, Expert and Advocate	2019	173.1	\$240.00	Resolution ALJ-357	\$41,544.00	173.1	\$240.00	\$41,544.00
L. Jan Reid, Expert and Advocate	2020	110.5	\$245.00	Resolution ALJ-387	\$27,072.50	110.5	\$245.00	\$27,072.50
Subtotal: \$68,616.50						Subtotal: \$68,616.50		

CLAIMED						CPUC AWARD		
<b>OTHER FEES</b>								
Describe here what OTHER HOURLY FEES you are Claiming (paralegal, travel **, etc.):								
Item	Year	Hours	Rate \$	Basis for Rate*	Total \$	Hours	Rate	Total \$
L. Jan Reid (preparation of NOI)	2019	3.6	\$120.00	Resolution ALJ-357	\$432.00	3.6	\$120.00	\$432.00
<i>Subtotal: \$432.00</i>						<i>Subtotal: \$432.00</i>		
<b>INTERVENOR COMPENSATION CLAIM PREPARATION **</b>								
Item	Year	Hours	Rate \$	Basis for Rate*	Total \$	Hours	Rate \$	Total \$
L. Jan Reid	2021	8.8	\$185.00	Resolution ALJ-393. See Comment in Section III.C.	\$1,628.00	8.8	\$147.50 [1]	\$1,298.00
<i>Subtotal: \$1,628.00</i>						<i>Subtotal: \$1,298.00</i>		
<b>TOTAL REQUEST: \$70,676.50</b>						<b>TOTAL AWARD: \$70,346.50</b>		
<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>								
<b>ATTORNEY INFORMATION</b>								
Attorney	Date Admitted to CA BAR <sup>4</sup>		Member Number		Actions Affecting Eligibility (Yes/No?) If "Yes", attach explanation			
NA								

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

Attachment or Comment #	Description/Comment
1	Certificate of Service

<sup>4</sup> 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
2	Attachment A, Hours of L. Jan Reid
3	Attachment B, Resume of L. Jan Reid
Comment	<p>I request a rate of \$370 for L. Jan Reid. This is based on the Intervenor Compensation Market Rate Study Final Report and CPUC 2021 Hourly Rate Chart guidelines for an Economist. Reid's resume is provided as Attachment 3.</p> <p>Reid is an Economist with 22 years of experience and is in the top tier of experts. Reid should receive the top rate for economists of \$370/hr. for professional work and \$185/hr. for compensation work.</p>

#### D. CPUC Comments, Disallowances, and Adjustments

Item	Reason
[1] Adoption of 2021 Hourly rate for Reid	<p><b><u>Request for 2021 Hourly Rate Pursuant to Resolution ALJ-393</u></b></p> <p>L. Jan Reid requests a rate of \$370 for work performed in 2021. This is based on the Intervenor Compensation Market Rate Study Final Report and CPUC 2021 Hourly Rate.</p> <p>Reid is an Economist with 22 years of experience and is in the top tier of experts.</p> <p>We acknowledge Reid's 22 years' experience and level of expertise. However, the Commission finds Reid's request of \$370 excessive. The rate of \$295 per hour, which is in the middle of the Median and High hourly rate ranges, is reasonable and appropriate for Reid's level of experience and expertise in 2021. It is 20% more than Reid's hourly rate of \$245/hour in 2020. The median range of \$295 would be more reasonable and fitting rate for the work performed in 2021. Correspondingly, the Commission adopts a new 2021 hourly rate of \$295 for Reid as reasonable.</p>

#### 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))**

<b>A. Opposition: Did any party oppose the Claim?</b>	No
<b>B. Comment Period: Was the 30-day comment period waived (<i>see</i> Rule 14.6(c)(6))?</b>	Yes

**FINDINGS OF FACT**

1. L. Jan Reid has made a substantial contribution to D.19-04-040.
2. The requested hourly rates for L. Jan Reid's representatives 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 \$70,346.50.

**CONCLUSION OF LAW**

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

**ORDER**

1. L. Jan Reid shall be awarded \$70,346.50.
2. Within 30 days of the effective date of this decision, Pacific Gas and Electric Company shall pay L. Jan Reid 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 April 24, 2021, the 75<sup>th</sup> day after the filing of L. Jan Reid'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 February 24, 2022, at San Francisco, California.

ALICE REYNOLDS  
President  
CLIFFORD RECHTSCHAFFEN  
GENEVIEVE SHIROMA  
DARCIE HOUCK  
JOHN R.D. REYNOLDS  
Commissioners

## APPENDIX

### Compensation Decision Summary Information

<b>Compensation Decision:</b>	D2202023	<b>Modifies Decision?</b>	No
<b>Contribution Decision(s):</b>	D2012005		
<b>Proceeding(s):</b>	A1812009		
<b>Author(s):</b>	ALJ Lau and ALJ Lirag		
<b>Payer(s):</b>	Pacific Gas and Electric Company		

### Intervenor Information

<b>Intervenor</b>	<b>Date Claim Filed</b>	<b>Amount Requested</b>	<b>Amount Awarded</b>	<b>Multiplier?</b>	<b>Reason Change/ Disallowance</b>
L. Jan Reid	February 6, 2021	\$70,676.50	\$70,346.50	N/A	N/A

### Hourly Fee Information

<b>First Name</b>	<b>Last Name</b>	<b>Attorney, Expert, or Advocate</b>	<b>Hourly Fee Requested</b>	<b>Year Hourly Fee Requested</b>	<b>Hourly Fee Adopted</b>
L. Jan	Reid	Expert and Advocate	\$240	2019	\$240
L. Jan	Reid	Expert and Advocate	\$245	2020	\$245
L. Jan	Reid	Expert and Advocate	\$370	2021	\$295

(END OF APPENDIX)