ALJ/RWH/smt **Date of Issuance 3/22/2023**

Decision 23-03-028 March 16, 2023

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

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| In the Matter of the Application of Pacific Gas and Electric Company for (1) Administration of Stress Test Methodology Developed Pursuant to Public Utilities Code Section 451.2(b) and (2) Determination That $7.5 Billion of 2017 Catastrophic Wildfire Costs and Expenses Are Stress Test Costs That May Be Financed Through Issuance of Recovery Bonds Pursuant to Section 451.2(c) and Section 850 et seq. (U39E) |  Application 20-04-023 |

**DECISION GRANTING COMPENSATION TO AGRICULTURAL
ENERGY CONSUMERS ASSOCIATION FOR SUBSTANTIAL**

**CONTRIBUTION TO DECISION 21-04-030**

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| **Intervenor:** Agricultural Energy Consumers Association | **For contribution to Decision (D.) 21-04-030** |
| **Claimed:** $ 20,740.80 [2] | **Awarded:** $27,328.50 |
| **Assigned Commissioner:** Alice Reynolds[[1]](#footnote-1) | **Assigned ALJ:** Robert Haga |

**PART I: PROCEDURAL ISSUES**

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| **A. Brief description of Decision:**  | D.21-04-030 determines that Pacific Gas and Electric Company (PG&E) satisfies the Stress Test Methodology created pursuant to Public Utilities (Pub. Util.) Code Section 451.2(b) and that $7.5 billion of 2017 catastrophic wildfire costs and expenses are Stress Test Costs that may be financed through the issuance of recovery bonds pursuant to Pub. Util. Code Sections 850 *et. seq.*  |

1. **Intervenor must satisfy intervenor compensation requirements set forth in Pub. Util. Code §§ 1801-1812[[2]](#footnote-2):**

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|  | **Intervenor** | **CPUC Verification** |
| **Timely filing of notice of intent to claim compensation (NOI) (§ 1804(a)):** |
|  1. Date of prehearing conference: | June 18, 2020 | Verified |
|  2. Other specified date for NOI: |  |  |
|  3. Date NOI filed: | July 17, 2020 | 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.20-04-023 | Verified |
|  6. Date of ALJ ruling: | November 20, 2020 | 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: | R.A.20-04-023 | Verified |
| 10. Date of ALJ ruling: | 12November 20, 2020 | Verified |
| 11. Based on another CPUC determination (specify): |  |  |
| 12 12. Has the Intervenor demonstrated significant financial hardship? | Yes |
| **Timely request for compensation (§ 1804(c)):** |
| 13. Identify Final Decision: | D.21-04-030 | Verified |
| 14. Date of issuance of Final Order or Decision:  | April 23, 2021; Order Denying Rehearing of D.21-04-030 issued August 12, 2021 (D.21-08-023) (applications for rehearing addressed issues on which AECA believes it made a substantial contribution); request for compensation is timely filed pursuant to Commission Rule 17.3. | D.21-08-023 denied the application for rehearing. According to Rule 17.3 of the Rules of Practice and Procedure, if an application for rehearing challenges a decision on an issue on which the intervenor believes it made a substantial contribution, the request for an award of compensation may be filed within 60 days of the issuance of the decision denying rehearing on that issue. |
| 15. File date of compensation request: | September 29, 2021 | 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** |
|  | In multiple decisions over the past two decades (*See, e.g*., D.95-07-093; D.96-08-040; D.96-11-048; D.02-06-014; D.03-09-067; D.06-04-065; D.13.02-019; D.13-02-019; D.14-12-069; D.15-12-014; D.16-08-013; D.19-04-032) and most recently in D. 19-11-010, the Commission has found that the Agricultural Energy Consumers Association (AECA) represents individual farmers who have annual electricity bills of less than $50,000, and that AECA’s members’ economic interest has been considered small in comparison to the costs of participation. AECA currently has 280 active individual members (excluding agricultural associations and water district members); 178 of those members have electricity bills of less than $50,000. As a result, AECA is seeking 64% (178÷280) of the total compensation found reasonable in this proceeding. | 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** |
| **1. AECA Participation**AECA was an active party in the proceeding, including filing or serving (as applicable) a response to the Application, a joint prehearing conference statement, direct testimony, opening and reply briefs, opening comments on the Proposed Decision, and comments on the applications for rehearing of D.21-04-030. Additionally, AECA served several data requests and responded to data requests. “In addition, the Agricultural Energy Consumers Association (AECA) submitted a response … .”“A joint PHC Statement was filed on June 17, 2020 by …AECA… .”“Opening Briefs were filed by …, AECA…on January 19, 2021.”“Reply Briefs were filed by… AECA……on February 1, 2021.”“Comments [on Proposed Decision] were filed on April 12, 2021 by …AECA… .”As shown herein, AECA’s participation in this proceeding substantially contributed to the final Decision issued in this proceeding.  | D. 21-04-030, at 9.D. 21-04-030, at 9.D. 21-04-030, at 10.D. 21-04-030, at 10.D. 21-04-030, at 82. | Noted |
| **2. PG&E’s proposal for securitization unreasonably poses substantial risk to ratepayers and is not revenue neutral.***Summary of AECA Contributions*:“AECA also seeks to ensure that the proposed Securitization is revenue neutral…” “AECA is additionally interested in avoiding a scenario where customers are asked to bear costs because funds in the Customer Credit Trust are exhausted before the repayment of the recovery bonds and associated financing costs.” “PG&E’s approach, which requires ratepayers to pay the FRC [Fixed Recovery Charge] even if PG&E’s forecasts and expectations are not realized and Customer Credits sufficient to offset the FRC do not exist, is not neutral, on average, to ratepayers.”“The unprecedented size and duration of the proposed Securitization emphasize the need to address the risk to ratepayers posed by a shortfall in PG&E’s forecasts and expectations.” “Notwithstanding repeated assertions of favorable expectations and forecasts regarding the state of the Customer Trust and the availability of Customer Credits, PG&E cannot, as discussed above, guarantee the structure of the Customer Trust. In fact PG&E anticipates shortfalls in the Customer Credits from time to time… . PG&E also acknowledges a scenario where the Customer Credit Trust is exhausted before the end of the 30-year period, resulting in a shortfall amount that would preclude a credit to customers.”“Under PG&E’s Securitization proposal, ratepayers are required to pay FRCs regardless of whether PG&E is able to provide speculative offsetting credits (which PG&E cannot guarantee). PG&E has not demonstrated that its proposal would provide other benefits to adequately mitigate this risk to ratepayers… Accordingly, PG&E has not reasonably accounted for the risk to ratepayers and, therefore, has not demonstrated that its Securitization proposal is neutral to ratepayers as required by law and D.20-05-053.” “Under the Securitization proposed by PG&E, ratepayers will be required to pay, through the nonbypassable FRC, actual debt service on securities issued to fund claims associated with 2017 wildfires over a period of 30 years. PG&E ‘forecasts’ and ‘expects’ that it will be able to reimburse ratepayers for these payments and that it will be able to share 25% of any balance remaining in the Customer Credit Trust at the end of 30 years, but makes it clear it does not guarantee either result. This proposal, which puts the risk of an inadequately funded Customer Credit Trust squarely on ratepayers is not neutral, on average, as required by D.20-05-053.”“PG&E’s proposed [ratepayer neutrality standard] requires ratepayers to cover the risk of any shortfalls in the Customer Credit Trust over its expected 30-year life. … PG&E’s proposed standard does not achieve the required ratepayer neutrality. It therefore also does not meet all legal requirements as determined by the CPUC (*e.g*., in D.20-05-053), as contemplated by Governor Newsom.”“PG&E is clear that it will not guarantee or otherwise backstop a Customer Credit Trust Shortfall.”“PG&E explicitly states that it cannot guarantee the sufficiency of Customer Credits … .”“Customers face other substantial uncertainties with respect to the FRC during its 30-year term.”“PG&E explains that other than the initial and additional shareholder contributions and the Customer Credit Trust investment returns, PG&E is not obligated to make any contributions to the Customer Credit Trust. Based on PG&E’s projections it will take approximately 15 years to fully fund the Customer Credit Trust. … To the extent there are deviations from the assumptions and projections used by PG&E to develop the capped shareholder contribution amount of $7.59 billion, there is a real risk that there will not be sufficient funds in the Customer Credit Trust to cover FRCs over the planned 30-year amortization of the Securitization bonds. PG&E’s allocation of risk is unreasonably lopsided – ratepayers’ potential exposure to cover insufficient Customer Credit Trust funds is not capped, while shareholder contributions to the Trust are capped. … The Commission should ensure that shareholders’ contributions to the Customer Credit Trust are in amounts that avoid these unreasonable ratepayer risks.”“PG&E’s argument that its securitization proposal is rate neutral is largely based on modeling, which in turn relies on assumptions that have been disputed. An extensive evidentiary record has been developed showing the deficiencies in PG&E’s assumptions and forecasts and indicating the risk to customers is likely higher.” “The Proposed Decision correctly determines that ‘[a]s originally presented, PG&E’s securitization plan was not likely to be neutral on average to ratepayers over the course of the 30 plus year term.’ The Proposed Decision identifies some of the ‘key risks’ that parties to the proceeding identified as PG&E’s failure to meet its income projections (leading to delayed or insufficient net operating loss (NOL) realization), the risk of catastrophic loss of the value of the NOLs, and the risk associated with investment returns.”“An extensive evidentiary record has been developed to support a Commission determination that PG&E’s proposed securitization is not ratepayer neutral and should be denied. Additionally recent events highlight the ongoing risks posed to ratepayers by PG&E’s actions and inactions. …”“Clarity is required to determine whether the Commission’s interpretation of the ratepayer neutrality requirement is legally sound and whether a decision on PG&E’s securitization proposal is based on a correct legal interpretation.” *Decision*:“PG&E presented a model evaluating projected returns that showed cash flow to customers is positive in 84 percent of the Monte Carlo simulations of returns.” (*i.e*., as discussed above “Even under PG&E’s projections, there is a 16 percent chance of a shortfall in the Customer Credit Trust that customers will have to cover.” “In reviewing the options presented by this application there are risks associated with any decision we make. … As originally presented, PG&E’s securitization plan was arguably neutral, on average to ratepayers over the course of the 30 plus year term. However neutral it was, when taken as a whole, PG&E’s modifications developed at and from the evidentiary hearing provide a higher level of assurance that the securitization plan will be neutral, on average.” (*See also*, discussion below regarding conditions/alternatives to PG&E’s originally proposed securitization plan.)It is only with the modifications proposed by PG&E and “other changes described in this decision” that that the Commission was able “to determine that PG&E has meet its burden to show the securitization is neutral, on average to ratepayers as required by D.20-05-053.”“…[w]e have not waived an ability to utilize our standing regulatory authority to satisfy ratepayer neutrality arguments brought by Intervenors (with the expectation that such authority will never be invoked).”“Therefore, rather than continue to seek to adjust the proposal in an attempt to eliminate all risks that, structurally, will always remain, we conclude that the potential benefits are broad enough and the potential risk is narrow enough at this point to approve PG&E’s proposal with a modified version of the subsequent proceeding that preserves the ability to consider ratemaking and other proposals in the unlikely event the conditions described above occur. We view these conditions as necessary to ensure rate neutrality.” | Response of AECA to PG&E’s Application, at 2.Response of AECA to PG&E’s Application, at 2.Prepared Direct Testimony of Michael Boccadoro, at 5, lines 17-19.Prepared Direct Testimony of Michael Boccadoro, at 6, lines 10-12.Prepared Direct Testimony of Michael Boccadoro, at 8, line 16 through at 9, line 3.Prepared Direct Testimony of Michael Boccadoro, at 10, lines 7-14.Opening Brief of AECA, p. 8.Opening Brief of AECA, at 9-10.Opening Brief of AECA, at 9.Opening Brief of AECA, at 10.Opening Brief of AECA, at 11-12.Opening Brief of AECA, at 12-14.Reply Brief of AECA, at 6.Opening Comments of AECA on Proposed Decision, at 4.Opening Comments of AECA on Proposed Decision, at 3-5.Response of AECA in Support of Applications for Rehearing of D.21-04-030D.21-04-030, at 44.D.21-04-030, at 53.D.21-04-030, at 53-54.D.21-04-030, at 68.D.21-04-030, at 72. | Verified |
| **3. Conditions/Alternatives to PG&E’s Proposal to Reduce Risk that Securitization Will Not Be Ratepayer Neutral***Summary of AECA Contributions*:“Ratepayers should not be asked to bear the risk that there will not be sufficient funds in the Customer Credit Trust to repay the Recovery Bonds. The Commission could consider denying PG&E’s Securitization application, or requiring PG&E to implement measures to avoid or minimize the risk to ratepayers.” For *example*, the Commission should consider :… dollar for dollar rate credit, use of cash flows from the net operating losses, continuation of implementation of meaningful cost control measures.  “In order to ensure the required ratepayer neutrality, … The Commission could consider denying PG&E’s Securitization application, or it should properly apply the ratepayer neutrality requirement, and require PG&E to implement measures to avoid or minimize the risk to ratepayers.” For *example*, the Commission should consider :… dollar for dollar rate credit, increase in initial shareholder contribution, use of cash flows from the net operating losses, continuation of implementation of meaningful cost control measures. “If the Commission determines that it is appropriate to approve the Application, any such approval should include conditions that avoid the risk of a Customer Credit Trust shortfall, thereby satisfying the requirements of law and Commission order.”PG&E’s proposed alternative structure is not sufficient to mitigate risk to ratepayers and achieve revenue neutrality. “According to PG&E, the alternative structure would ***reduce*** the risk of the shortfall in the Customer Credit Trust. PG&E does not commit to ***eliminating*** that risk.” … If the Commission determines that the Application or PG&E’s alternative should be approved, then AECA recommends that any such approval be conditioned to avoid risk to ratepayers. Parties have proposed reasonable measures … .”“PG&E, in response to concerns raised by parties and ALJ Haga, developed a modified proposal based on factors established in the record.”“The Proposed Decision’s description of an expanded mechanism [for a subsequent Commission proceeding] is unfortunately general and brief, providing merely that if a subsequent proceeding is needed, ‘the Commission, with the participation of PG&E and interested parties, would consider whether an appropriate regulatory solution can be developed, consistent with an appropriate overall rate structure for PG&E.’”“Accordingly, if the Commission nonetheless determines it is appropriate to approve the proposed securitization … it should make clear that it will take whatever action is required, whenever it is required, to ensure the securitization is ratepayer neutral. The Commission should not agree to be constrained to a single review of the sufficiency of the Customer Credit Trust in 2040 as PG&E proposes. At a minimum, given the remaining risk to ratepayers even under the modified proposal, the Commission should commit to scheduled periodic reviews of the Customer Credit Trust… The Commission should retain the ability to modify the review schedule as necessary to make sure it has timely information regarding any shortfalls in the Customer Credit Trust. The Commission should also commit to take whatever action is necessary to ensure ratepayer neutrality.” *Decision*:“Key risks identified through the presentation of testimony and briefs include the risk that PG&E does not meet its income projections (resulting in delayed or insufficient NOL realization), the risk of catastrophic loss of value of the NOLs (including from events such as change of control for tax purposes, changes in tax law or enhanced enforcement), and the risk associated with investment returns. “While PG&E’s modified proposal does help mitigate some of the highlighted key risks, it does not eliminate them entirely.”The Commission adopted an additional requirement that, “if subsequent to the issuance of a financing order, PG&E receives additional insurance proceeds, tax benefits other than Shareholder Tax Benefits or other amounts or reimbursements Catastrophic Wildfire Amounts included in the recovery costs addressed in a financing order, PG&E shall credit customers in a manner determined at the time by the Commission.”“We view the risk of shortfall as real but not significant, … . The modifications made by PG&E reduce the likelihood of shortfall due to insufficient funds in the early period of the Customer Credit Trust, but do not eliminate the possibility for any period.”“The Commission will avail itself of any and all similar provisions of state and federal law to ensure the Customer Credit Trust operates as intended in any situation where a change of control (for tax purposes) might occur. In other words, the Customer Credits will be considered by the Commission in its review of future proposed transactions.” “Accordingly, with the exception of the surplus sharing discussed above, we approve PG&E’s modified proposal, but will expand upon the mechanism PG&E proposed where a subsequent Commission proceeding, commenced according to Commission procedures in effect at that time by an appropriate party, if needed, could address unexpected shortfalls in the Customer Credit Trust. If such subsequent Commission proceeding were needed, based on the criteria articulated below, the Commission, at that time, and with the participation of PG&E and interested parties, would consider whether an appropriate regulatory solution can be developed, consistent with an appropriate overall rate structure for PG&E.”“We view these conditions as necessary to ensure rate neutrality.” | Prepared Testimony of Michael Boccadoro, at 10, line 17, through at 12, line 11.Opening Brief of AECA, at 14-16.Reply Brief of AECA, at 6.Reply Brief of AECA, at 8-11 and 12.Opening Comments of AECA on Proposed Decision, at 3.Opening Comments of AECA on Proposed Decision, at 5.Opening Comments of AECA on Proposed Decision, at 5.D. 21-04-030, at 66D.21-04-030, at 66.D.21-04-030, at 67.D.21-04-030, at 67-68.D.21-04-030, at 70.D.21-04-030, at 71.D.21-04-030, at 72 (*see also* Ordering Paragraph 17). | Verified |
| **4. The Record Does Not Support a Finding that Improvement in PG&E’s Credit Rating Will Be Accelerated.***Summary of AECA Contributions*:“PG&E touts an earlier return to investment-grade credit rating as providing benefits to customers. PG&E states that ‘[p]ursuant to the analysis of Citigroup Global Markets Inc., the proposed Securitization would provide PG&E the ***opportunity*** to achieve metrics consistent with an investment-grade issuer credit rating under S&P’s methodology within its five-year financial projections, ***potentially*** two years or more before it otherwise would absent the Securitization.’ According to PG&E’s testimony, this results in estimated nominal interest savings of $441 million. Compared to a $7.5 billion Securitization, the benefit to ratepayers of a potential two-year improvement in the schedule for PG&E’s return to investment-grade status appears minimal, and would not offset the risk to customers of shortfalls in the Customer Credit Trust over a 30 year period. Additionally, while PG&E would benefit from a ratepayer funded improvement in credit rating, it is possible that that benefit outweighs the interest savings to ratepayers that PG&E has estimated.” “The analysis by three credit agencies that PG&E provided does not support a conclusion that the proposed Securitization will accelerate improvement of PG&E’s credit ratings. In fact, none of S&P, Moody’s or Fitch indicates that securitization would motivate improved credit ratings for PG&E. … The ratings agencies noted concerns regarding the ongoing risk of catastrophic wildfires, as well as ongoing maintenance and governance issues.” “The ratings agencies have indicated that PG&E’s operational failures, ongoing concerns regarding wildfire risk, and doubts regarding management and governance create qualitative problems that cause them to state that it is ‘highly unlikely’ (S&P) or ‘unlikely’ (Moody’s) that they would upgrade PG&E’s credit rating over the near term.” *Decision*:PG&E has met the requirement to show that it has a path to an investment grade credit rating. The requirement was not established to compare whether through application of the Stress Test Methodology an electric utility could achieve an investment grade rating or even if the application would accelerate its achievement of an investment grade rating. The requirement was that the utility establish a path toward financial health. PG&E has complied with this requirement.” “In enacting AB 1054 the legislature recognized that credit ratings below investment grade jeopardize the ability of electric corporations to provide safe and reliable electric and gas service, provide service at just and reasonable rates, and meet other state goals. In reviewing the options presented by this application, there are risks associated with any decision we make.”  | Prepared Testimony of Michael Boccadoro, at 9, lines 4-15; Opening Brief of AECA, at 6-7; Reply Brief of AECA, at 5.Opening Brief of AECA, at 7-8.Reply Brief of AECA, at 4-5.D.21-04-030, at 36; *see also* Finding of Fact 4.D.21-04-030, at 53. | Verified |
| **5. The Commission Should Ensure Proper Application of the Stress Test Methodology.***Summary of AECA Contributions*:“AECA intends to participate in this proceeding to ensure proper application of the Stress Test Methodology the Commission adopted in D.19-06-027.”“The Commission should address the threshold legal issue whether PG&E is eligible for the Stress Test. … [I]n D.19-06-027, the Commission stated that ‘[a]n electrical corporation that has filed for relief under chapter 11 of the Bankruptcy Code may not access the Stress Test to recover costs in an application under Pub. Util. Code Section 452.2(b).’”“D.19-06-027 appears to exclude from Stress Test eligibility applications of electrical corporations filed after bankruptcy. In order ‘for PG&E to emerge from chapter 11, the treatment of all of PG&E’s pre-petition debt, including PG&E’s wildfire liabilities for 2017 as well as 2018, must be addressed in a confirmed chapter 11 plan, subject to Commission regulatory approvals.’ D.19-06-027 also states that ‘[a]ny reorganization plan of an electrical corporation in a chapter 11 case confirmed by the Bankruptcy Court and approved by the Commission in the future will inevitably address all pre-petition debts, including 2017 wildfire costs in the bankruptcy process.’”“PG&E appears to acknowledge that D.19-06-27 may be inconsistent with its Application when it states ‘[b]ut even if some of the language of D.19-06-027 were inconsistent with the Application, the Commission has the authority to clarify its prior decision in this proceeding.’”“AECA … notes in this testimony its support for clarification regarding PG&E’s eligibility for the Stress Test.”“PG&E has even filed an application for rehearing of D.19-06-027 regarding, among other issues, the provisions relating to the eligibility for the Stress Test of a utility that has filed for Chapter 11 relief.”“The Commission should deny the Application, at least until it resolves PG&E’s pending application for rehearing of D.19-06-026. If the Commission determines it is appropriate to approve PG&E’s Application, it should do so only after requiring PG&E to implement the measures (discussed herein) that avoid the risk to ratepayers posed by the Securitization.”“PG&E misleads with its truncated characterization of AECA’s position on the Stress Test eligibility issue… .”“AECA’s position is that D.19-06-027, PG&E’s statements regarding D.19-06-027 and in connection with its bankruptcy proceedings, and its application for rehearing of D.19-06-027 provide ample basis for the Commission to affirm that Ordering Paragraph 3 of D.19-06-027 precludes Stress Test applications filed by an electrical corporation or to otherwise clarify its intent.” *Decision*:The Commission clarified that “[t]he proposed $7.5 billion of securitization bonds is allowable under the Stress Test methodology established pursuant to § 451.2(b).” | Response of AECA to PG&E’s Application, at 2.Prepared Testimony of Michael Boccadoro, at 3, lines 7-8 and 10-12.Prepared Testimony of Michael Boccadoro, at 3, lines 13-20; *see also* Opening Brief of AECA, at 4.Prepared Testimony of Michael Boccadoro, at 4, lines 4-6; *see also* Opening Brief of AECA, at 5.Prepared Testimony of Michael Boccadoro, at 4, lines 8-10.Opening Brief of AECA, at 5.Opening Brief of AECA, at 6.Reply Brief of AECA, at 3.Reply Brief of AECA, at 4.D.21-04-030, Finding of Fact 6 (*see also* at 20-21). | 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?** | Yes | Verified |
| **b. Were there other parties to the proceeding with positions similar to yours?**  | Yes | Verified |
| **c. If so, provide name of other parties:** Alliance for Nuclear Responsibility (A4NR), California Large Energy Consumers Association, City and County of San Francisco, Energy Producers and Users Coalition, The Utility Reform Network, and Wild Tree Foundation took positions similar to or generally in line with AECA’s regarding ratepayer neutrality and accelerated credit rating issues, and the need for conditions or modifications to PG&E’s proposal.  | Verified |
| **d. Intervenor’s claim of non-duplication:** AECA is the only party in the proceeding representing the interests of agricultural customers. AECA carefully focused its efforts on the issues crucial to agricultural ratepayers and coordinated with other parties as appropriate to avoid duplication of effort by AECA. In order to directly present the perspective of agricultural customers, AECA’s witness was its Executive Director, Michael Boccadoro. Based on his decades of work in the agricultural industry, Mr. Boccadoro was able to analyze the potential effects of PG&E’s application from the practical perspective of an agricultural customer. Additionally, this approach allowed AECA to avoid the cost and duplication of using a technical expert as its witness. While impact to rates is important to all ratepayers, it is important to recognize the potential for harm to agricultural ratepayers due to the fact that farmers and food processors cannot pass on costs in a highly competitive market. AECA’s efforts to present a direct customer perspective and avoid duplication with other parties, and its dedicated pursuit of important issues to the agricultural community should be recognized by the Commission.  | Noted |

**PART III: REASONABLENESS OF REQUESTED COMPENSATION**

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

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|  | **CPUC Discussion** |
| **a. Intervenor’s claim of cost reasonableness:** AECA requests an intervenor compensation award of $20,704.80 ($32,407.50 x .64). The requested amount is well below the NOI estimate of about $47,000. The requested award is reasonable in light of the benefits, summarized above, achieved through AECA’s participation in the proceeding. AECA’s efforts helped to minimize the risk that ratepayers will be responsible for any shortfalls in the Customer Trust. Finally, AECA diligently worked to avoid duplication of effort with other parties. | Noted |
| **b. Reasonableness of hours claimed:** AECA’s request is reasonable in light of the scope and magnitude of the proceeding. AECA is not seeking travel or other costs of participation. AECA submits that documented hours claimed are reasonable, both for each attorney and expert individually, and in the aggregate, and AECA respectfully asks that this request be granted.  | Noted |
| **c. Allocation of hours by issue:** Hours are allocated by issue as follows (*see* Excel spreadsheet for further detail):Proper Application of Stress Test: 14.4 hours/15.27%Credit Rating: 15.2 hours/16.17%Ratepayer Neutrality: 40.1 hours/42.52%Conditions/Alternatives to PG&E Proposal: 15 hours/15.91%General Policy: 9.5 hours/10.13%Total: 94.3 hours/100%  | Verified, 100% |

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 $** |
| Ann L. Trowbridge | 2020 | 11.5 | $425.00 | D.19-11-010, and ALJ-357, ALJ-387,ALJ-393 | $4,887.50 | 34.4 [2] | $435 [3] | $14,964.00 |
| Ann L. Trowbridge | 2021 | 37.3 | $425.00 | D.19-11-010, and ALJ-357, ALJ-387, ALJ-393 | $15,825.50 | 37.3 | $435 [3] | $16,225.50 |
| Michael Boccadoro | 2020 | 31.55 | $215.00 | D.19-11-010 and ALJ-357, ALJ-387, ALJ-393 | $6,783.25 | 31.35 [4] | $215 | $6,740.25 |
| Michael Boccadoro | 2021 | 13.95 | $215.00 | D. 19-11-010 and ALJ-357, ALJ-387,ALJ-393 | $2,999.25 | 13.95 | $220 [5] | $3,069.00 |
| ***Subtotal: $30,495.50*** | ***Subtotal:* $40,998.75**  |
| **INTERVENOR COMPENSATION CLAIM PREPARATION \*\*** |
| **Item** | **Year** | **Hours** | **Rate $**  | **Basis for Rate\*** | **Total $** | **Hours** | **Rate**  | **Total $** |
| Michael Boccadoro | 2020 | .5 | $107.50 | D.19-11-010 and ALJ-357, ALJ-387, ALJ-393 | $53.75 | 0.45 [7] | $107.50 | $48.38 |
| Beth Olhasso | 2020 | 1.8 | $77.50 | D.19-11-010 and ALJ-357, ALJ-387, ALJ-393 | $139.50 | 1.62 [7] | $55.50 | $89.91 |
| Ann Trowbridge | 2020 | .6 | $212.50 | D.19-11-010 and ALJ-357, ALJ-387, ALJ-393 | $127.50 | 0.54 [7] | $212.50 [3] | $114.75 |
| Michael Boccadoro | 2021 | 2.5 | $107.50 | D.19-11-010 and ALJ-357, ALJ-387, ALJ-393 | $268.75 | 2.25 [7] | $110 [5] | $247.50 |
| Beth Olhasso | 2021 | 5 | $77.50 | D.19-11-010 and ALJ-357, ALJ-387, ALJ-393 | $4387.50 | 4.5 [7] | $80 [6] | $360.00 |
| Ann Trowbridge | 2021 | 4.4 | $212.50 | D.19-11-010 and ALJ-357, ALJ-387, ALJ-393 | $935 | 3.96 [7] | $212.50 [3] | $841.50 |
| ***Subtotal: $1,912.00*** | ***Subtotal: $1,702.04*** |
| ***TOTAL REQUEST: $32,407.50*** | ***TOTAL AWARD: $42,700.79*** |
|  | **64% of TOTAL:** **$27,328.50 [1]**  |
|  \*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** |
| Ann L. Trowbridge | December 1993 | 169591 | No |

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

|  |  |
| --- | --- |
| **Attachment or Comment #** | **Description/Comment** |
| 1 | Certificate of Service |
| 2 | List of relevant AECA Submittals in A.20-04-023 |
| 3 | Staff time records |
| Comment 1 | AECA is not claiming any costs in this request. AECA has used electronic mail communication, phone and conference calls to reduce filing and meeting costs and keep overall costs to a minimum, further demonstrating the reasonableness of this claim. |
| Comment 2 | Rationale for Ann Trowbridge’s hourly rate: AECA is requesting an hourly rate of $425 for Ms. Trowbridge. Ms. Trowbridge last received $415 for work performed in 2018 (D.19-11-010). Her rate for 2020 and 2021 places her at the low end of the range for attorneys with 15-plus years of relevant experience (*see* Res. ALJ-357, ALJ 387 and ALJ-393). Ms. Trowbridge graduated from University of the Pacific, McGeorge School of Law in 1993, and has practiced extensively before the Commission since the late 1990s. |
| Comment 3 | Rationale for Michael Boccadoro’s hourly rate: AECA is requesting an hourly rate of $215 for Mr. Boccadoro. He last received $215 for work performed in 2019 (D.19-11-010). His rate of $215 for 2020, and 2021 places him at the low end of the range for experts with 13-plus years of relevant experience (*see* Res. ALJ-357, ALJ-387 and ALJ-393). He has over 25 years of experience as an energy policy and resource management expert.  |
| Comment 4 | Rationale for Beth Olhasso’s hourly rate: AECA is requesting an hourly rate of $155 for Ms. Olhasso. She last received $155 for work performed in 2019 (D.19-11-010). Her rate of $155 for 2019 and 2021 places her at the low end of the range for experts with 0 to 6 years of relevant experience (*see* Res. ALJ-357 and ALJ-387 and ALJ-393). She has approximately 10 years of relevant experience. |

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

|  |  |
| --- | --- |
| **Item** | **Reason** |
| [1] Compensation % | In accordance with the additional guidance provided by ALJ Haga in the December 2, 2019, Ruling issued in R.19-01-006 on AECA’s Showing of Significant Financial Hardship, AECA shall provide information on the percentage of AECA members who are agricultural customers with annual electric bills below $50,000. For purposes of this proceeding, AECA currently has 280 active individual members (excluding agricultural associations and water district members); 178 of those members have electricity bills of less than $50,000. As a result, AECA is seeking 64% (178÷280) of the total compensation found reasonable in this proceeding. Pursuant to the December 2, 2019, Ruling, the total award of $42,614.16 found reasonable by the Commission shall be compensated at 64% for a total award of $27,273.06. |
| [2] Ann L. Trowbridge (Trowbridge) 2020 hours | Trowbridge’s time records for 2020 substantiate 34.3 hours but AECA included only 11.2 hours in Part III. B. of this claim. There appears to be a calculation error in the excel timesheet provided. We adjust Trowbridge’s 2020 hours to reflect the hours itemized in the timesheet submitted by AECA. We note that as this time was inadvertently omitted from calculations, the total amount requested should have been $27,408.55. |
| [3] Trowbridge hourly rate | D.22-06-016 approved a 2020 hourly rate of $435 for Trowbridge. In that Decision, AECA requested the Commission apply the 2020 COLA of 2.55% to Trowbridge’s approved 2019 rate of $425. Trowbridge’s resume indicates she is a consultant, so we assume the rate requested by AECA is the actual rate charged to AECA by the consulting firm. We approve the rate of $435 for 2021 also. |
| [4] Michael Boccadoro (Boccadoro) 2020 hours  | We adjust Boccadoro’s 2020 hours to match the time records provided. |
| [5] Boccadoro 2021 hourly rate | Boccadoro has over 30 years’ experience in Agriculture and Natural Resource Policy and a B.A. in Political Science and Economics. Although AECA requests a 2021 rate of $215 for Boccadoro, we ultimately adopt a rate of $220. According to the hourly rate chart implemented by Resolution ALJ-393, the rate range for Expert- Energy and Resource Expert, Level V (15+ years) is $170 to $357. A rate near the median of the range is appropriate for Boccadoro. |
| [6] Beth Olhasso (Olhasso) hourly rate | Olhasso has 10 years’ experience as a Senior Account Executive with The Dolphin Group/ West Coast Advisors and a B.A. in Political Science and Public Administration. Although AECA requests a 2021 hourly rate of $155 for Olhasso, we ultimately adopt an hourly rate of $160. According to the hourly rate chart implemented by Resolution ALJ-393, the rate range for Expert- Energy and Resource Expert, Level IV (10 - 15 years) is $157 to $331. A rate near the low end of the range is appropriate for Olhasso.  |
| [7] IComp Hours | We remind AECA that they need to fully complete Part IV and Appendix of the claim ***(Green items to be completed by Intervenor)***. Claim preparation hours include completion of all parts to be completed by intervenor. We disallow 10% of IComp hours claimed.  |

**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. Agricultural Energy Consumers Association has made a substantial contribution to D.21-04-030.
2. The requested hourly rates for Agricultural Energy Consumers Association ’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 $27,328.50 .

**CONCLUSION OF LAW**

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

**ORDER**

1. Agricultural Energy Consumers Association is awarded $27,328.50 .
2. Within 30 days of the effective date of this decision, Pacific Gas and Electric Company shall pay Agricultural Energy Consumers Association 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 December 13, 2021, the 75th day after the filing of Agricultural Energy Consumers Association’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 March 16, 2023, at San Francisco, California.

ALICE REYNOLDS

 President

GENEVIEVE SHIROMA

DARCIE L. HOUCK

JOHN REYNOLDS

KAREN DOUGLAS

 Commissioners

**APPENDIX**

Compensation Decision Summary Information

|  |  |  |  |
| --- | --- | --- | --- |
| Compensation Decision: | D2303028 | Modifies Decision?  | No |
| Contribution Decision(s): | D2104030 |
| Proceeding(s): | A2004023 |
| Author: | ALJ Robert Haga |
| Payer(s): | Pacific Gas and Electric Company |

Intervenor Information

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
| Intervenor | Date Claim Filed | Amount Requested | Amount Awarded | Multiplier? | Reason Change/Disallowance |
| Agricultural Energy Consumers Association | 9/29/2021 | $20,740.80 | $27,328.50 | N/A | Hourly rate adjustment, hours adjusted to match timesheets provided |

Hourly Fee Information

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
| First Name | Last Name | Attorney, Expert, or Advocate | Hourly Fee Requested | Year Hourly Fee Requested | Hourly Fee Adopted |
| Michael  | Boccadoro | Expert | $215 | 2020 | $215 |
| Beth  | Olhasso | Expert | $155 | 2020 | $155 |
| Ann  | Trowbridge | Attorney | $425 | 2020 | $435 |
| Michael  | Boccadoro | Expert | $215 | 2021 | $220 |
| Beth  | Olhasso | Expert | $155 | 2021 | $160 |
| Ann  | Trowbridge | Attorney | $425 | 2021 | $435 |

**(END OF APPENDIX)**

1. This proceeding was re-assigned to President Alice Reynolds on May 05, 2022. [↑](#footnote-ref-1)
2. All statutory references are to California Pub. Util. Code unless indicated otherwise. [↑](#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)