

Decision 25-03-022 March 13, 2025

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, 2023. (U39M)

Application 21-06-021
(Filed June 30, 2021)

**DECISION GRANTING COMPENSATION TO THE UTILITY REFORM NETWORK
FOR SUBSTANTIAL CONTRIBUTION TO DECISION 24-07-008**

Intervenor: The Utility Reform Network (“TURN”)	For contribution to Decision (D.) 24-07-008
Claimed: \$182,766.25	Awarded: \$182,766.25
Assigned Commissioner: John Reynolds	Assigned ALJs: John Larsen and Justin Regnier

PART I: PROCEDURAL ISSUES

A. Brief description of Decision:	In D.24-07-008, the Commission implemented the provisions of Senate Bill (SB) 410 (Becker, 2023) related to a new ratemaking mechanism, the “Electric Capacity and New Business Interim Memorandum Account” (ECNBIMA), for tracking costs for energization projects placed into service after January 1, 2024, that exceed the energization costs included in PG&E’s annual general rate case (GRC) revenue requirement adopted in D.23-11-069. The Commission determined which costs may be tracked and recovered through annual advice letter, on an interim basis and subject to refund upon the Commission’s reasonableness review in PG&E’s next GRC. The Commission adopted a cap for interim cost recovery for 2024, 2025, and 2026. The Commission also adopted requirements for the independent auditor required by SB 410. Finally, the Commission adopted data collection and reporting requirements for PG&E, and addressed factors relevant to the Commission’s reasonableness review of costs tracked in the new ECNBIMA.
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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:	8/30/21	Verified
2. Other specified date for NOI:		
3. Date NOI filed:	9/29/21	Verified
4. Was the NOI timely filed?		Yes
Showing of eligible customer status (§ 1802(b)) or eligible local government entity status (§§ 1802(d), 1802.4):		
5. Based on ALJ ruling issued in proceeding number:	R.20-08-021	Verified
6. Date of ALJ ruling:	12/11/20	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.20-08-021	Verified
10. Date of ALJ ruling:	12/11/20	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.24-07-008	Verified
14. Date of issuance of Final Order or Decision:	7/16/24	Verified
15. File date of compensation request:	9/16/24	Verified
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. Scope of Phase II</p> <p>TURN opposed PG&E's request to add MWC 10 to its Phase II proposal on the grounds that it exceeded the scope of Phase II, as determined by the Commission in the 9/5/23 <i>Assigned Commissioner's Amended Scoping Memo and Ruling</i> and affirmed in the 10/10/23 <i>Amended Phase II Scoping Memo</i>. TURN argued that the Commission should limit its review to the issues identified in the Phase II Scoping Memo unless and until the Commission modifies the scope of Phase II.</p> <p>The Commission amended the scope of Phase II when granting PG&E permission to serve supplemental testimony adding MWC 10 to its Phase II proposal.</p>	<ul style="list-style-type: none"> • TURN Response to PG&E's Motion to Submit Supplemental Phase II Testimony, p. 4. • A.21-06-021, Assigned Commissioner's Third Amended Scoping Memo and Ruling, p. 5. 	Verified
<p>2. Affordability</p> <p>TURN recommended that affordability concerns should inform the Commission's implementation of SB 410. TURN urged the Commission to balance the goal of allowing some interim rate recovery of incremental energization spending with prioritizing affordability for ratepayers, and provided legal analysis on the Commission's discretion under SB 410 to consider affordability in setting the cap.</p> <p>The Commission agreed, explaining, "[o]n balance, this decision adopts annual caps sufficient to meet SB 410 requirements while considering affordability..."</p>	<ul style="list-style-type: none"> • Ex. TURN-PhII-01-E (Freedman/Torres Testimony), pp. 2-4. • TURN Opening Brief, pp. 9-10. • TURN Reply Brief, pp. 1-3. • TURN Reply Comments on Proposed Decision, pp. 1-2. 	Verified

	<ul style="list-style-type: none"> • D.24-07-008, p. 83; Conclusion of Law (COL) 6. 	
<p>3. Costs eligible for tracking in the new Electric Capacity and New Business Interim Memorandum Account (ECNBIMA)</p> <p>TURN recommended that the Commission limit the costs eligible for tracking in the SB 410 ratemaking mechanism to those directly related to customer connections, including certain costs recorded in Major Work Category (MWC) 06, 10, 16, and 46, but not all. TURN pointed out that only some of the line item cost categories (or MAT codes) within these MWC are energization related.</p> <p>The Commission agreed with TURN that “MWCs do not provide sufficient granularity because not all work performed within them is energization related” and instead set eligibility for interim recovery at the MAT or line item level, as TURN recommended.</p> <p>TURN summarizes its contributions to the Commission’s treatment of costs within MWC 06, 10, 46, and 16 below.</p> <p><u>MWC 06</u></p> <p>TURN proposed that MWC 06 costs not associated with applications for service should be excluded from interim recovery, which would exclude costs in MAT codes other than MAT 06H.</p> <p>The Commission agreed with TURN that PG&E’s proposal was overbroad and excluded from interim recovery some of the MAT codes TURN recommended, including costs recorded to MAT 06G, 06I, 06K, 06P, 06#.</p>	<ul style="list-style-type: none"> • TURN Opening Brief, pp. 13-24. • D.24-07-008, pp. 27-28. • <p><u>MWC 06</u></p> <ul style="list-style-type: none"> • TURN Opening Brief, pp. 16-17 (MWC 06). • D.24-07-008, pp. 31-33 (MWC 06). • <p><u>MWC 10</u></p> <ul style="list-style-type: none"> • TURN Opening Brief, p. 18 (MWC 10). • D.24-07-008, pp. 28-29 (MWC 10). • <p><u>MWC 46</u></p> <ul style="list-style-type: none"> • TURN Opening Brief, pp. 22-24 (MWC 46). • D.24-07-008, pp. 29-30 (MWC 46). • 	<p>Verified</p> <p>Verified</p> <p>Verified</p> <p>Verified</p>

<p><u>MWC 10</u></p> <p>TURN did not oppose allowing interim recovery for incremental MWC 10 costs that are necessary to complete customer energization projects, but proposed that 24% of the GRC adopted MWC 10 forecast be assumed to be for energization-related work, whereas PG&E had proposed 22%. The Commission adopted TURN's recommendation for MWC 10.</p>	<p><u>MWC 16</u></p> <ul style="list-style-type: none"> • TURN Opening Brief, pp. 19-21 (exclusion of MWC 16 line items for transformer purchase and scrapping). • D.24-07-008, pp. 33-34 (transformer purchase and scrapping). • 	<p>Verified</p>
<p><u>MWC 46</u></p> <p>TURN recommended that costs tracked in MAT 46A and 46F should not be eligible for interim rate recovery. The Commission agreed with TURN that MAT 46F cost are ineligible, while concluding that some (but not all) MAT 46A costs are eligible for interim recovery.</p>	<p><u>New vs. Existing Customers</u></p> <ul style="list-style-type: none"> • TURN Opening Brief, p. 13 (new connections requests from new vs. existing customers). • D.24-07-008, p. 37 (new connections requests from new vs. existing customers). • 	<p>Verified</p>
<p><u>MWC 16</u></p> <p>TURN opposed interim recovery eligibility for certain line item cost categories within MWC 16, including "transformer purchases" and "transformer scrapping". The Commission reduced eligibility for transformer purchases and scrapping costs in MWC 16 by 70% and adopted conditions that must be met before PG&E can include transformer costs in the ratemaking mechanism in order to link these costs to the purpose of SB 410.</p> <p><u>New vs. Existing Customers</u></p> <p>Finally, TURN recommended that the Commission require PG&E to track which new connection requests (MWC 16 and 10) are attributable to new versus existing customers and include this information in its next GRC application. The Commission agreed that PG&E should separately track</p>		

<p>data for projects initiated by existing customers from projects for new customers because SB 410 distinguishes between new and existing customers.</p>		
<p>4. The annual cap on interim rate recovery through the ECNBIMA</p> <p>TURN recommended that the Commission adopt a lower cap than the 2.5% annual increase in electric distribution revenue requirement proposed by PG&E. TURN proposed a cap of less than half of PG&E's request, commensurate with a narrower scope of costs eligible for SB 410 interim cost recovery and a smaller number of projects. TURN used PG&E's "Base Scenario," not the "Accelerated Scenario" used by PG&E in its brief. TURN's proposed caps were 1.5% in 2024, 0.6% in 2025, and 1.2% in 2026. TURN also proposed that the Commission base its computations on capital additions rather than capital expenditures.</p> <p>The Commission agreed with TURN (and Cal Advocates) that PG&E failed to substantiate its proposed cap. Consistent with TURN's recommended approach, the Commission calculated an alternative, lower cap based only the specific activities within each MWC that it found reasonably related to the purposes of SB 410, as well as PG&E's "Base Scenario" instead of the "Accelerated Scenario". The Commission also required the use of capital additions for purposes of determining the cap. The Commission's resulting annual caps are between TURN's and PG&E's: 1.98% for 2024, 1.18% for 2025, and 1.19% for 2026.</p>	<ul style="list-style-type: none"> • TURN Opening Brief, pp. 13-15, 24-29 (build-up of cost cap by appropriate MAT, PG&E's cap is too high), p. 26 (TURN's annual caps). • TURN Reply Brief, pp. 8-9 (capital additions), pp. 9-10 (use of Base Scenario to determine a reasonable cap). • • TURN Reply Comments on Proposed Decision (PD), p. 2 (defending the PD's use of capital additions). • • D.24-07-008, pp. 48 (use of capital additions and Base Scenario), p. 49 (PG&E's 2.5% cap is unsubstantiated), pp. 50-51 (calculating a cap based on the sum of appropriate MAT line item forecasts), Appendix A (authorized annual caps). 	<p>Verified</p>
<p>5. Exhausting other sources of funding for new connections before using the ECNBIMA</p>		

<p><u>Diablo Canyon Volumetric Payments</u></p> <p>TURN recommended that the Commission direct PG&E to prioritize the use of Diablo Canyon volumetric payments to support customer connection expenditures prior to seeking interim rate recovery of incremental costs covered by SB 410.</p>	<p><u>Diablo Canyon Volumetric Payments</u></p> <ul style="list-style-type: none"> • TURN Opening Brief, pp. 31-34. • D.24-07-008, pp. 72-74. 	Verified
<p>The Commission agreed with TURN that SB 410 makes clear that Diablo Canyon funding may be available for energization. The Commission concluded that this proceeding should remain open to implement any orders by the Commission in A.24-03-018, where the Commission is considering the use of Diablo Canyon volumetric payments, to use those payments to offset energization costs recorded to the SB 410 memorandum account.</p>	<p><u>LCFS Holdback Revenues</u></p> <ul style="list-style-type: none"> • TURN Opening Brief, pp. 35 (use of LCFS funds), pp. 36-37 (reporting on use of LCFS funds in next GRC reasonableness review). • TURN Reply Brief, p. 20. 	Verified
<p><u>LCFS Holdback Revenues</u></p> <p>TURN recommended that other non-ratepayer sources of funding be used, such as the \$20 million in Low-Carbon Fuel Standard (LCFS) holdback revenues PG&E proposed to use for EV charging capacity upgrades in its LCFS Implementation Plan. TURN also recommended that the Commission direct PG&E to include in its reasonableness review showing in the next GRC how it took advantage of alternatives to recording incremental costs to the SB 410 account, including use of LCFS funds. PG&E objected to a requirement that it first exhaust non-ratepayer funding sources.</p> <p>The Commission agreed with TURN that PG&E should exhaust all non-ratepayer sources of funding to support new connections before investing ratepayer funds in electrical distribution infrastructure upgrades, including LCFS funds if authorized by the Commission for EV-related new business capacity upgrades.</p>	<ul style="list-style-type: none"> • D.24-07-008, pp. 71-72. • <p><u>Alternative Approaches to Managing Load and Connection Customers</u></p> <ul style="list-style-type: none"> • TURN Opening Brief, pp. 35-37. • TURN Reply Brief, pp. 17-20. • • D.24-07-008, pp. 74-76. 	Verified

<p>The Commission directed PG&E to submit testimony in its next GRC that demonstrates how it took advantage of LCFS funds to energize customers in lieu of, or to reduce, distribution investment costs recorded to the ECNBIMA, if the Commission approves PG&E's pending LCFS Implementation Plan.</p> <p><u>Alternative Approaches to Managing Load and Connection Customers</u></p> <p>TURN advocated for the pursuit of alternative ways to interconnect customers in grid capacity constrained areas, such as allowing customers to use automated load management systems (ALMS) and dynamic management of consumption based on grid availability. TURN also recommended that the Commission direct PG&E to include in its reasonableness review showing in the next GRC how it took advantage of alternatives to recording incremental costs to the SB 410 account, including ALMS, flexible service connections, etc..</p> <p>The Commission agreed with TURN that DERMS and flexible load management approaches may impact the need for capacity upgrades and thus SB 410 interim relief. The Commission directed PG&E to report in the next GRC on its work and funding for DERMS and its flexible service connection pilot, as well as the impact of those activities on the need for capacity upgrades. The Commission went one step further and also required PG&E to report on its work and funding for dynamic and demand flexibility rates and their impact on reducing the need for capacity upgrades.</p>		
<p>6. Energization targets and reporting requirements under AB 50 and SB 410</p> <p>TURN argued that the Commission should require PG&E to comply with the energization targets and reporting required</p>	<ul style="list-style-type: none"> • TURN Opening Brief, pp. 8-9. 	<p>Verified</p>

<p>by SB 410 and AB 50 through an annual Tier 3 advice letter filing, as well as clarify that failure to comply with the SB 410 energization targets will impact the Commission’s reasonableness review of costs recorded to the ECNBBA.</p> <p>The Commission agreed that PG&E’s performance in meeting the Commission’s energization timelines is relevant to the AB 410 auditor’s scope of work and directed PG&E to report on its energization performance through a Tier 1 advice letter, served to the service list for this proceeding and R.24-01-018. The Commission also agreed with TURN that it “also may be appropriate for these energization targets and reporting requirements to inform that Commission’s consideration of the reasonableness of PG&E’s costs recorded to the ECNBIMA.” The Commission deferred consideration of reporting requirements for AB 50 energization timelines until such timelines are adopted in R.24-01-018, and kept this proceeding open for that purpose.</p>	<ul style="list-style-type: none"> • D.24-07-008, pp. 66-68. 	
<p>7. Requirements for the SB 410 Independent Auditor</p> <p><u>Auditor Selection Process and Contracting</u></p> <p>TURN recommended that the Commission follow the same process for selecting the SB 410 auditor as the Commission adopted in Resolution M-4855, which addressed the Commission’s selection of and PG&E’s contracting with the Independent Safety Monitor pursuant to D.20-05-053, including directing PG&E to allow Commission staff to review, revise (as appropriate), and approve PG&E’s proposed services contract with the auditor prior to execution, and making the Commission a third-party beneficiary of that contract. The Commission implemented TURN’s recommendations.</p>	<p><u>Auditor Selection Process and Contracting</u></p> <ul style="list-style-type: none"> • 2/8/23 PHC Transcript, 2 RT 163: 14 – 165: 3 (TURN/Goodson)(first presenting this recommendation). • TURN Opening Brief, pp. 39-41 (recounting TURN’s recommendation presented at the Phase II PHC). 	<p>Verified</p>

<p><u>Confirming Costs Recorded to the ECNBIMA are Limited to Those Necessary to Enable Energization</u></p> <p>TURN recommended that the Commission require the third-party auditor to confirm costs recorded to the ECNBBA are limited to costs directly necessary to enable pending customer connection requests, including those within the relevant MAT codes within MWCs 06, 10, 16, and 46. PG&E sought flexibility to include new MATs. The Commission agreed with TURN.</p> <p><u>PG&E's Performance Relative to Energization Timeliness Targets</u></p> <p>TURN recommended that the auditor review and report on compliance with the energization timeliness targets adopted by the Commission in R.24-01-008, as part of assessing PG&E's energization performance.</p> <p>The Commission agreed that PG&E's performance related to the energization timelines is within the auditor's scope of work.</p> <p><u>PG&E's Level of Work, Including Number and Scope of Projects</u></p> <p>TURN recommended that the auditor review the costs recorded to the ECNBBA to verify the number and scope of energization projects completed each year and report on PG&E's achievements relative to the Commission's expectations regarding minimum levels of work. TURN suggested that PG&E's achievement relative to expected level of work minimums should be considered in the Commission's reasonableness review of PG&E's costs in the next GRC.</p>	<ul style="list-style-type: none"> • D.24-07-008, pp. 59-60 (recounting the auditor selection and contracting process adopted in this proceeding, and requiring modifications to PG&E's proposed audit services contract to incorporate the Commission's Energy Division); p. 62 (confirming that TURN's recommendations have been implemented). <p><u>Confirming Costs Recorded to the ECNBIMA are Limited to Those Necessary to Enable Energization</u></p> <ul style="list-style-type: none"> • TURN Opening Brief, p. 41. • D. 24-07-008, pp. 64, 76-77. <p><u>PG&E's Performance Relative to Energization Timeliness Targets</u></p> <ul style="list-style-type: none"> • TURN Opening Brief, pp. iv, 37-38. • TURN Reply Brief, pp. 22-24. • D.24-07-008, pp. 62, 66-67. 	<p>Verified</p> <p>Verified</p>
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<p>While the Commission declined to adopt expectations regarding the number of projects to be completed based on the spending cap, the Commission agreed that the SB 410 auditor should verify the number and scope of energization projects completed each year. The Commission further directed the auditor “to recommend which types of projects are similar enough to provide meaningful average costs or costs that correlate with known data (e.g., transformer size, length and size of installed conductor) along with their average costs or correlations.” The Commission noted that this information might be used to develop average project costs per type of common project (e.g., connecting single family residences). The Commission agreed with TURN that providing average project costs (for certain common project types) would improve transparency and accountability and further, could assist the Commission in modifying energization tariff rules to require requesting customers to bear some of the costs, especially the costs of delays caused by factors within the customers’ control. Finally, the Commission noted that such costs may be considered in PG&E’s next GRC.</p> <p><u>PG&E’s Analysis of New Connections Requests from New vs. Existing Customers</u></p> <p>TURN recommended that the auditor review PG&E’s analysis – also recommended by TURN as referenced above -- of the fraction of new connections requests (MWC 16 and 10) attributable to new vs. existing customers to determine how changes in the portion of existing vs. new customers submitting applications affects cost forecasting. TURN suggested this review should inform PG&E’s customer energization forecasts in the next GRC.</p>	<p><u>PG&E’s Level of Work, Including Number and Scope of Projects</u></p> <ul style="list-style-type: none"> • TURN Opening Brief, pp. 42-43. • TURN Reply Brief, pp. 24, 26-28. • D.24-07-008, pp. 62, 69-70. <p><u>PG&E’s Analysis of New Connections Requests from New vs. Existing Customers</u></p> <ul style="list-style-type: none"> • TURN Opening Brief, p. 13. • D.24-07-008, pp. 62-63. <p><u>Submitting Auditor’s Report in Next GRC</u></p> <ul style="list-style-type: none"> • TURN Opening Brief, p. 41. • D.24-07-008, pp. 63, 77. 	<p>Verified</p> <p>Verified</p> <p>Verified</p>
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<p>The Commission agreed with TURN and required PG&E to track this data because it will “provide important information for the reasonableness review...”</p> <p><u>Submitting Auditor’s Report in Next GRC</u></p> <p>TURN recommended that PG&E submit the auditor’s report as part of its reasonableness review showing in the next GRC.</p> <p>The Commission adopted TURN’s recommendation.</p>		
<p>8. PG&E’s showing in the next GRC related to costs recorded to the ECNBIMA</p> <p>TURN recommended that PG&E demonstrate all of the following in its next GRC to permit a meaningful reasonableness review:</p> <p>g. The costs PG&E recorded to the SB 410 account were limited to those associated with the activities within MWC 06, 10, 16, and 46 that are directly related to connecting customers/new load.</p> <p>b. The costs recorded to the ECNBBA were incremental to the costs authorized in D.23-11-069.</p> <p>c. PG&E prioritized the use of Diablo Canyon volumetric payments to support customer connection expenditures.</p> <p>d. Before investing in infrastructure upgrades, PG&E determined that alternative approaches to managing load and connecting customers were infeasible (including an explanation of why).</p>	<ul style="list-style-type: none"> • TURN Opening Brief, p. 45. • TURN Reply Brief, pp. 24-28. • • D.24-07-008, p. 64; Ordering Paragraph 27(a); Ordering Paragraph 4 (costs were limited to those found reasonable for SB 410 tracking in MWC 06, 10, 16, 46 and not beyond). • • D.24-07-008, p. 65; Ordering Paragraph 26 (incrementality). • • D.24-07-008, pp. 73-74 (possible use of Diablo Canyon volumetric 	<p>Verified</p>

<p>e. Before investing ratepayer funds in infrastructure upgrades, PG&E exhausted all non-ratepayer sources of funding to support new connections, including but not necessarily limited to LCFS holdback revenues.</p> <p>f. PG&E has complied with the energization timeliness targets adopted in R.24-01-008, or if not, why non-compliance was reasonable.</p> <p>g. PG&E has met the minimum level of completed projects expected by the Commission, or if not, why achieving a lower level of project completion was reasonable.</p> <p>As documented in the preceding sections, each of these recommendations is reflected in whole, or in part, in the requirements the Commission adopted for data reporting and PG&E's showing in the next GRC to inform the reasonableness review. TURN repeats some of those citations to D.24-07-008 here, while a more complete explanation of TURN's substantial contribution for each of these factors is provided above.</p>	<p>payments to offset costs recorded in DCNBIMA).</p> <ul style="list-style-type: none"> • • D.24-07-008, pp. 74-76; Ordering Paragraph 24 (report in the next GRC on alternative load management and customer connection approaches). • • D.24-07-008, COL 9; Ordering Paragraph 22 (testimony in the next GRC regarding use of alternative funding sources, e.g., LCFS). • • D.24-07-008, p. 67; Finding of Fact 32 (PG&E's performance in meeting energization time periods may inform the Commission's consideration of the reasonableness of PG&E's costs recorded to the ECNBIMA). • • D.24-07-008, COL 8; Ordering Paragraphs 19, 21 (auditor shall verify and report on the number and scope of energization projects completed each year, plus average costs of similar types of projects)(auditor's 	<p>Verified</p>
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	report submitted as an exhibit in the next GRC). <ul style="list-style-type: none"> • 	
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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?	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: Walmart, like TURN, argued that PG&E's proposed cap was too high.		Noted
d. Intervenor's claim of non-duplication: <p>The Commission should find no undue duplication between TURN's participation and that of Walmart. While both parties advocated a lower cost cap to promote affordability, TURN presented the Commission with a unique, detailed analysis of the activities within the MAT codes included within MWC 06, 10, 46, and 16 to demonstrate that PG&E's proposed cap included activities that should not be eligible for tracking and interim rate recovery through the SB 410 ratemaking mechanism. (Compare Ex. TURN-PhII-01-E with Ex. WMT-01-E). Walmart's testimony did not address any of the other issues TURN addressed in its testimony, but Walmart endorsed TURN's recommended reasonableness review factors in its opening brief. (Walmart Opening Brief, p. 15).</p> <p>The Commission should also find no undue duplication between TURN's participation and that of Cal Advocates. Although TURN and Cal Advocates both recommended lower cost caps than PG&E, the two parties conducted completely different analyses and arrived at different recommended caps. In evaluating the reasonableness of PG&E's proposed cap, TURN's testimony focused on the extent to which the specific activities within each MAT code associated with MWC 06, 10, 46, and 16 are related to customer energization. In contrast, Cal Advocates' testimony compared PG&E's request to Cal Advocates' August 2023 Distribution Grid Electrification Model – Study and Report (DGEM), which uses a model built by Cal Advocates to estimate the</p>		Noted

cost of upgrading the three large electric utilities' distribution grids to meet California's electrification goals and other load growth. Cal Advocates also considered the feasibility of PG&E's proposed increased pace of work and recommended a slower pace (clearing the backlog over two years instead of one). Furthermore, both Cal Advocates and TURN addressed accounting for energization-related costs in MWC 10 but offered different proposals. Only TURN recommended adjusting PG&E's estimate of the portion of the GRC budget authorized associated with energization from 22% to 24%, a position adopted by the Commission. (Compare Ex. CALPA-PhII-01-E with Ex. TURN-PhII-01-E).	
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PART III: REASONABLENESS OF REQUESTED COMPENSATION

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

	CPUC Discussion
<p>a. Intervenor's claim of cost reasonableness:</p> <p>TURN's request for intervenor compensation seeks an award of approximately \$183,000 as the reasonable cost of our participation in Phase II of this proceeding related to the implementation of SB 410. The Commission should conclude that the amount requested is reasonable under the circumstances here. As is more fully described in the substantial contribution section above, TURN's participation in the proceeding was instrumental in narrowing the scope of costs eligible for SB 410 interim cost recovery and reducing the annual cost recovery cap, thus tempering potential rate increases faced by PG&E's customers before the next GRC. TURN's participation further resulted in policies that will hold PG&E accountable for exploring the use of less expensive operational approaches than system capacity upgrades, as well as alternative funding sources for customer energization. Finally, TURN's participation resulted in increased transparency and oversight of PG&E's expenditures related to customer energization, specifically through the Commission's requirements related to the SB 410 independent auditor, data reporting, and the reasonableness review of costs recovered through the ECNBIMA in PG&E's next GRC.</p> <p>It is difficult to estimate the actual financial benefits to ratepayers from TURN's participation because PG&E may not record incremental customer energization costs up to the authorized ECNBIMA cap in any year. However, a comparison between the cap authorized in D.24-07-008 and the cap proposed by PG&E results in potential revenue requirement savings to ratepayers of up to \$39 million in 2024, \$105 million in 2025, and \$112 million in 2026. (Compare authorized cost caps in RRQ (D.24-07-008, Appendix A), with PG&E's proposed cost caps (PG&E Opening Brief, p.</p>	Noted

	CPUC Discussion
<p>6)). TURN's costs requested in this intervenor compensation claim -- less than \$183,000 -- are but a mere fraction of these potential financial benefits to ratepayers. As noted above, ratepayers may also reap financial benefits from PG&E's use of alternative funding sources or operational strategies to avoid the need for capacity upgrades.</p> <p>In light of these clear and very substantial potential financial benefits coupled with the ratepayer benefits from improved oversight and transparency, the Commission should conclude that the requested amount of compensation is reasonable.</p>	
<p>b. Reasonableness of hours claimed:</p> <p>This request for compensation includes 295 hours of TURN's staff time since September 2023 devoted to Phase II of this proceeding.</p> <p>Phase II commenced while TURN was still very actively working on Phase I advocacy related to the proposed and alternate proposed decisions and oral argument. With resources already spread very thin due to the GRC and other casework, TURN by necessity assembled a team of three experienced attorneys who would juggle the responsibilities of preparing testimony, drafting briefs, and drafting comments on the proposed decision, based on the availability of each attorney at each stage of this proceeding.</p> <p>TURN attorney Hayley Goodson served as TURN's primary attorney throughout Phase II, with staff attorneys Matthew Freedman and Elise Torres primarily serving as TURN's expert witnesses.</p> <p>While their roles were somewhat fluid, Mr. Freedman generally took the lead on evaluating the activities PG&E proposed to include in the new SB 410 ratemaking mechanism and calculating an alternative, bottoms-up cap on interim rate recovery based on TURN's view of the MAT codes within each MWC directly related to customer energization and the appropriate forecasts of new connections work. Mr. Freedman also covered the use of Diablo Canyon volumetric payments to support customer connection expenditures prior to PG&E's seeking interim rate recovery of incremental costs covered by SB 410. Mr. Freedman is TURN's attorney in the two proceedings addressing issues related to the Diablo Canyon volumetric payments, R.23-01-007 (Implementing SB 846 Concerning Potential Extension of Diablo Canyon Power Plant Operations) and A.24-03-018, making him the right person to address this issue here. Mr. Freedman took primary responsibility for drafting TURN's testimony, briefs, and</p>	Noted

	CPUC Discussion
<p>comments on the proposed decision related to these issue areas, with feedback from Ms. Goodson and Ms. Torres.</p> <p>Ms. Torres generally took the lead on developing TURN's positions related to the Commission's oversight (re: the scope of the audit and data collection and reporting requirements to support the reasonableness review in the next GRC), other alternative funding sources, alternative approaches to managing load and connecting customers, as well as the affordability of PG&E's proposed cap and associated policy implications. Ms. Torres was well-suited to address these issues because she has represented TURN in many matters before the Commission related to transportation electrification, including but not limited to implications for load growth and policies related to connecting customers, as well as the Commission's oversight over utility investments related to transportation electrification. Ms. Torres took primary responsibility for drafting TURN's testimony, briefs, and comments on the proposed decision related to these issue areas, with feedback from Ms. Goodson and Mr. Freedman.</p> <p>Consistent with her primary role as TURN's attorney, Ms. Goodson represented TURN in interactions with the Commission and other parties, including at the PHC, status conferences, evidentiary hearings, and various meet and confers required by the ALJs. Ms. Goodson also took the lead on preparing TURN's response to PG&E's motion seeking to add MWC 10 to the scope of costs to be subject to the SB 410 ratemaking mechanism. Ms. Goodson further advised Mr. Freedman and Ms. Torres and oversaw the development of TURN's positions. She guided the allocation of work responsibilities between Mr. Freedman and Ms. Torres and coordination of TURN's efforts across the small team, so as to allow TURN to efficiently examine and address as many issues as possible. Ms. Goodson also contributed to the drafting of sections of TURN's briefs not covered by Ms. Torres and Mr. Freedman, providing strategic guidance related to responding to other parties' briefs and comments, and otherwise ensuring that TURN's participation in this proceeding would result in quality workproduct and assist the Commission in making its decision – despite TURN's need to juggle resources throughout the course of Phase II.</p> <p>This request for compensation includes time that the TURN team devoted to internal meetings to address issue coverage, division of labor, the development and evolution of TURN's recommendations, and strategy. Usually Ms. Goodson, Ms. Torres, and Mr. Freedman participated in these meetings, and TURN has included time for all participants in this claim. Because of the way TURN staffed this matter by necessity, each person needed to participate in these internal meetings in order to share the results of their analysis and avoid internal duplication in the preparation of TURN's testimony, briefs, and comments. Given these circumstances,</p>	

		CPUC Discussion																														
TURN submits that this time was necessary to support the efficient development and presentation of TURN's positions through testimony, briefing, and comments and does not reflect "internal duplication." TURN also includes 0.75 hours that TURN spent coordinating with Cal Advocates.																																
<p>c. Allocation of hours by issue:</p> <p>TURN has allocated all of our staff time by issue area, as is evident on our attached timesheets (Attachment 2) and in Attachment 3, which shows the allocation of TURN's time included in this request by advocate and issue area. The following codes relate to specific substantive issue and activity areas addressed by TURN.</p> <table border="1"> <thead> <tr> <th>Code</th><th>Description</th><th>Allocation of Time</th></tr> </thead> <tbody> <tr> <td>Ph2-Afford</td><td>Work related to advocating for the consideration of affordability in determining a reasonable cap on interim cost recovery</td><td>2.5%</td></tr> <tr> <td>Ph2-Alts</td><td>Work related to reducing the need for interim cost recovery through alternative funding sources or operational practices</td><td>7.3%</td></tr> <tr> <td>Ph2-Brief</td><td>Work related to briefing that was not specific to one of the major issue areas addressed by TURN in its testimony</td><td>5.3%</td></tr> <tr> <td>Ph2-Comp</td><td>Work preparing TURN's request for intervenor compensation</td><td>4.6%</td></tr> <tr> <td>Ph2-Coord</td><td>Work related to internal or external coordination to inform TURN's efficient and effective participation that was not specific to one of the major issue areas addressed by TURN</td><td>0.5%</td></tr> <tr> <td>Ph2-Costs</td><td>Work related to determining costs eligible for tracking in the SB 410 account and the interim cost recovery cap</td><td>32.3%</td></tr> <tr> <td>Ph2-Disc</td><td>Work related to discovery that was not specific to one of the major issue areas addressed by TURN in its testimony</td><td>1.7%</td></tr> <tr> <td>Ph2-EH</td><td>Preparation for and participation in the evidentiary hearing conducted in Phase II</td><td>7.8%</td></tr> <tr> <td>Ph2-GP</td><td>General participation related to Phase II, such as reviewing rulings on scope and schedule</td><td>0.8%</td></tr> </tbody> </table>		Code	Description	Allocation of Time	Ph2-Afford	Work related to advocating for the consideration of affordability in determining a reasonable cap on interim cost recovery	2.5%	Ph2-Alts	Work related to reducing the need for interim cost recovery through alternative funding sources or operational practices	7.3%	Ph2-Brief	Work related to briefing that was not specific to one of the major issue areas addressed by TURN in its testimony	5.3%	Ph2-Comp	Work preparing TURN's request for intervenor compensation	4.6%	Ph2-Coord	Work related to internal or external coordination to inform TURN's efficient and effective participation that was not specific to one of the major issue areas addressed by TURN	0.5%	Ph2-Costs	Work related to determining costs eligible for tracking in the SB 410 account and the interim cost recovery cap	32.3%	Ph2-Disc	Work related to discovery that was not specific to one of the major issue areas addressed by TURN in its testimony	1.7%	Ph2-EH	Preparation for and participation in the evidentiary hearing conducted in Phase II	7.8%	Ph2-GP	General participation related to Phase II, such as reviewing rulings on scope and schedule	0.8%	Noted
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					CPUC Discussion
Ph2-Oversight	Work related to the Commission's oversight of PG&E's SB 410 costs, including auditor requirements, data tracking and reporting, and reasonableness review	12.6%			
Ph2-PD	Work related to reviewing and commenting on the proposed decision that preceded D.24-07-008	11.3%			
Ph2-Proc	Procedural work required by ALJs, including meet and confers, status conferences, PHCs	2.5%			
Ph2-Scope	Work responding to PG&E's motion to supplement its Phase II request to include MWC 10 costs	2.7%			
Ph2-Test	Work related to developing TURN's Ph II testimony that was not specific to one of the major issue areas addressed by TURN	8.1%			
TOTAL		100.0%			
If the Commission believes that a different approach to issue-specific allocation is warranted here, TURN requests the opportunity to supplement this section of the request.					

B. Specific Claim:*

CLAIMED						CPUC AWARD		
ATTORNEY, EXPERT, AND ADVOCATE FEES								
Item	Year	Hours	Rate \$	Basis for Rate*	Total \$	Hours	Rate \$	Total \$
Matthew Freedman, TURN Attorney	2023	7.50	\$710	D.23-10-013	\$5,325.00	7.50	\$710.00 [1]	\$5,325.00
Matthew Freedman	2024	76.50	\$740	D.24-09-015	\$56,610.00	76.50	\$740.00 [1]	\$56,610.00
Hayley Goodson, TURN Attorney	2023	12.75	\$625	D.24-02-040	\$7,968.75	12.75	\$625.00 [2]	\$7,968.75
Hayley Goodson	2024	59.75	\$680	D.24-09-017	\$40,630.00	59.75	\$680.00 [2]	\$40,630.00

CLAIMED						CPUC AWARD		
Elise Torres, TURN Attorney	2023	38.50	\$510	D.24-01-045	\$19,635.00	38.50	\$510.00 [3]	\$19,635.00
Elise Torres	2024	86.50	\$555	See Comment 1	\$48,007.50	86.50	\$555.00 [3]	\$48,007.50
Subtotal: \$178,176.25						Subtotal: \$178,176.25		
INTERVENOR COMPENSATION CLAIM PREPARATION **								
Item	Year	Hours	Rate \$	Basis for Rate*	Total \$	Hours	Rate \$	Total \$
Hayley Goodson	2024	13.50	\$340	½ of 2024 rate	\$4,590.00	13.50	\$340.00 [2]	\$4,590.00
Subtotal: \$4,590.00						Subtotal: \$4,590.00		
TOTAL REQUEST: \$182,766.25						TOTAL AWARD: \$182,766.25		
<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. 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.</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 ²		Member Number		Actions Affecting Eligibility (Yes/No?) If “Yes”, attach explanation		
Matthew Freedman		March 2001		214812		No		
Hayley Goodson		December 2003		228535		No		
Elise Torres		December 2011		280443		No		

C. Attachments Documenting Specific Claim and Comments on Part III³:
(Intervenor completes)

Attachment or Comment #	Description/Comment
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² This information may be obtained through the State Bar of California's website at <http://members.calbar.ca.gov/fal/MemberSearch/QuickSearch>.

³ Attachments not attached to final Decision

Attachment or Comment #	Description/Comment
Attachment 1	Certificate of Service
Attachment 2	TURN Hours
Attachment 3	Time Allocation by Issue
Comment 1	<p>2024 Hourly Rate for TURN Attorney Elise Torres</p> <p>TURN requests that the Commission apply its annual escalation methodology to determine the 2024 hourly rate for Elise Torres. This annual escalation methodology is based on the annual percentage change in the Bureau of Labor Statistics Employment Cost Index, Table 5, for the Occupational Group “Management, Professional, and Related excluding Incentive Paid Occupations.” (Res. ALJ-393, p. 4; Intervenor Compensation Market Rate Study, Final Report, p. 8). The percent change for this occupational group for 2024 is 4.07%. Furthermore, TURN requests that the Commission adopt a 5% step increase for 2024 Ms. Torres. This will be Ms. Torres’ second step increase before she exits the Attorney – Level III experience tier in 2025. The Commission authorized her first Attorney – Level III step increase for 2023 in D.24-01-045.</p> <p>TURN accordingly requests a 2024 hourly rate of \$555 for Ms. Torres. This rate is equal to her 2023 rate of \$510 (D.24-01-045), increased by 4.07%, plus a 5% step increase, which equals \$555 (rounded to the nearest \$5 increment, as is the Commission's practice).</p>

D. CPUC Comments, Disallowances, and Adjustments

Item	Reason
[1] Matthew Freedman 2023 and 2024 Hourly Rate	<p>D.23-10-013 verified a 2023 rate of \$710.00 for Matthew Freedman. We apply the same rate here.</p> <p>D.24-09-015 verified a 2024 rate of \$740.00 for Matthew Freedman. We apply the same rate here.</p>
[2] Hayley Goodson 2023 and 2024 Hourly Rate	<p>D.24-02-040 verified a 2023 rate of \$625.00 for Hayley Goodson. We apply the same rate here.</p> <p>D.24-09-017 verified a 2023 rate of \$680.00 for Hayley Goodson. We apply the same rate here.</p> <p>Intervenor Compensation Claim Preparation is rated at ½ preparer’s normal rate, bringing the 2024 claim preparation rate to \$340.00.</p>

Item	Reason
[3] Elise Torres 2023 and 2024 Hourly Rate	<p>D.24-01-045 verified a 2023 rate of \$510.00 for Elise Torres. We apply the same rate here.</p> <p>Using our calculation methodology, based on the approved 2023 rate of \$510.00, application of the 2024 4.07% escalation factor, second 5% step-increase as an Attorney – III, and rounding to the \$5 increment:</p> <p>2024: \$510.00 x 1.0907 = \$555.00</p> <p>We find the 2024 rate of \$555.00 for Elise Torres reasonable and adopt it here.</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))

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

FINDINGS OF FACT

1. The Utility Reform Network has made a substantial contribution to D.24-07-008.
2. The requested hourly rates for The Utility Reform Network’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 \$182,766.25.

CONCLUSION OF LAW

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

ORDER

1. The Utility Reform Network is awarded \$182,766.25.
2. Within 30 days of the effective date of this decision, Pacific Gas and Electric Company shall pay The Utility Reform Network 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 November 30, 2024, the 75th day after the filing of The Utility Reform Network'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 13, 2025, at Santa Clara, California.

ALICE REYNOLDS

President

DARCIE L. HOUCK

JOHN REYNOLDS

KAREN DOUGLAS

Commissioners

Commissioner Matthew Baker recused himself from this agenda item and was not part of the quorum in its consideration.

APPENDIX**Compensation Decision Summary Information**

Compensation Decision:	D2503022	Modifies Decision?	No
Contribution Decision(s):	D2407008		
Proceeding(s):	A2106021		
Author:	ALJ John Larsen and ALJ Justin Regnier		
Payer(s):	Pacific Gas and Electric Company		

Intervenor Information

Intervenor	Date Claim Filed	Amount Requested	Amount Awarded	Multiplier?	Reason Change/Disallowance
The Utility Reform Network	9/16/24	\$182,766.25	\$182,766.25	N/A	See Part III.D 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
Matthew	Freedman	Attorney	\$710	2023	\$710.00
Matthew	Freedman	Attorney	\$740	2024	\$740.00
Hayley	Goodson	Attorney	\$625	2023	\$625.00
Hayley	Goodson	Attorney	\$680	2024	\$680.00
Elise	Torres	Attorney	\$510	2023	\$510.00
Elise	Torres	Attorney	\$555	2024	\$555.00

(END OF APPENDIX)