

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

Order Instituting Rulemaking on the Commission's Own Motion to Conduct a Comprehensive Examination of Investor Owned Electric Utilities' Residential Rate Structures, the Transition to Time Varying and Dynamic Rates, and Other Statutory Obligations.	Rulemaking 12-06-013 (Filed June 21, 2012)
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NOTICE OF INTENT TO CLAIM INTERVENOR COMPENSATION AND, IF REQUESTED (and [X]¹ checked), ADMINISTRATIVE LAW JUDGE'S RULING ON INTERSTATE RENEWABLE ENERGY COUNCIL, INC.'S SHOWING OF SIGNIFICANT FINANCIAL HARDSHIP

Customer (party intending to claim intervenor compensation): INTERSTATE RENEWABLE ENERGY COUNCIL, INC.			
Assigned Commissioner: Michael R. Peevey		Assigned ALJ(s): Jeanne McKinney and Timothy J. Sullivan	
I hereby certify that the information I have set forth in Parts I, II, III and IV of this Notice of Intent (NOI) is true to my best knowledge, information and belief. I further certify that, in conformance with the Rules of Practice and Procedure, this NOI and has been served this day upon all required persons (as set forth in the Certificate of Service attached as Attachment 1).			
Signature:			/s/ Jason Keyes
Date:	Nov. 26, 2012	Printed Name:	Jason B. Keyes Attorney for the Interstate Renewable Energy Council, Inc.

PART I: PROCEDURAL ISSUES

(To be completed by the party ("customer") intending to claim intervenor compensation)

A. Status as "customer" (see Pub. Util. Code § 1802(b)): The party claims "customer" status because the party (check one):	Applies (check)
1. Category 1: Represents consumers, customers, or subscribers of any electrical, gas, telephone, telegraph, or water corporation that is subject to the jurisdiction of the Commission (§ 1802(b)(1)(A)).	

¹ DO NOT CHECK THIS BOX if no finding of significant financial hardship is needed (in cases where there is a valid rebuttable presumption of eligibility (Part III(A)(3)) or significant financial hardship showing has been deferred to the intervenor compensation claim).

2. Category 2: Is a representative who has been authorized by a “customer” (§ 1802(b)(1)(B)).	
3. Category 3: Represents a group or organization authorized pursuant to its articles of incorporation or bylaws to represent the interests of residential customers, to represent “small commercial customers” (§ 1802(h)) who receive bundled electric service from an electrical corporation (§ 1802(b)(1)(C)), or to represent another eligible group.	X
<p>4. The party’s explanation of its customer status, with any documentation (such as articles of incorporation or bylaws) that supports the party’s “customer” status. Any attached documents should be identified in Part IV.</p> <p><u>IREC is an organization of national scope and experience.</u></p> <p>The Interstate Renewable Energy Council, Inc. (“IREC”) is a non-profit organization within the meaning of Section 501(c)(3) of the United States Internal Revenue Code. As a nonprofit organization, IREC has worked for three decades to expand retail electric customer access to renewable energy resources through the development of programs and policies that reduce barriers to renewable energy deployment and increase consumer access to renewable technologies.</p> <p>Over the past five years, IREC has worked in over 40 states to implement successful regulatory policies and programs that have greatly expanded residential customer access to solar and other distributed renewable energy technologies. IREC focuses on policies that directly impact these customers’ access to renewable technologies, including net metering rules, interconnection procedures, and community renewable power programs. IREC publishes model rules on these policies and its team members are considered national experts on these policies.</p> <p>IREC also works to address rate design issues impacting retail customers’ ability to utilize distributed renewable generation. In 2010 and 2011, IREC participated in and provided expert technical analysis in a general rate case for the Public Service Company of New Mexico, opposing rate proposals that directly and negatively impacted retail customers’ ability to utilize on-site distributed generation.</p> <p><u>IREC has category 3 customer status as an organization that focuses on issues important to residential and small commercial customers.</u></p> <p>IREC’s focus on expanding the access of residential and small commercial customers to solar and other distributed energy technologies qualifies IREC for Category 3 customer status. IREC is authorized by its bylaws, articles of incorporation and policy manual to represent the interests of residential and small commercial customers. See Cal. Pub. Util. Code § 1802(b)(1)(C). Article I of IREC’s Bylaws (“Attachment 2”) authorizes IREC to participate in regulatory proceedings to further its purpose of accelerating the utilization of renewable energy resources:</p> <p style="padding-left: 40px;">“IREC provides a national forum in which public and private agencies involved with renewable energy may gather, disseminate and exchange information, and engages in cooperative efforts to accelerate sustainable utilization of renewable energy sources and technologies in and through</p>	

government activities and to promote safe, quality renewable energy products and fair practices.”

IREC’s members share IREC’s core purposes. Article II, Section 1 of IREC’s Bylaws provides that “Any person, organization, or institution with an interest in promoting renewable energy and the furtherance of IREC’s objectives may become a member.” IREC’s Bylaws, thus, authorize it to advance the interests of its members, which include residential ratepayers located in California.

IREC’s members are motivated by more than just a desire to benefit the environment. They are also motivated by a desire to promote policies and practices that give customers greater choice over the renewable energy content of their power supply. Although IREC’s purpose extends beyond environmental concerns, IREC’s organizational purposes, and its members’ shared interest in those purposes, are consistent with Commission guidance on Category 3 customer eligibility with regard to environmental groups. Indeed, Commission precedent shows that IREC’s Bylaws adequately establish the members’ broad interest in the environmental and societal impacts the Commission has previously recognized as sufficient to establish Category 3 status:

“With respect to environmental groups, we have concluded they were eligible in the past with the understanding that they represent customers whose environmental interests include the concern that, e.g., regulatory policies encourage the adoption of all cost-effective conservation measures and discourage unnecessary new generating resources that are expensive and environmentally damaging. (D.88-04-066, mimeo, at 3). They represent customers who have a concern for the environment which distinguishes their interests from the interests represented by Commission staff, for example.” D.98-04-059, mimeo, fn 14 at 16-17.

The Commission’s Intervenor Compensation Program Guide (“Guide”) also supports IREC’s Category 3 status. The Guide states that certain environmental organizations may qualify as Category 3 customers “as long as these organizations seek to protect the broader interests in the environment held by residential ratepayers, and address the customers’ environmental concerns.” IREC’s focus on expanding customer access to renewable energy resources facilitates ratepayer choices that benefit the environment, which is of considerable benefit to residential ratepayers in California. This places IREC within the spectrum of groups that the Commission has previously recognized as representing residential ratepayer concerns. See, e.g., D. 11-03-025 at 3-4; D.09-09-045 at 6.

IREC’s California membership represents over 15% of its total nationwide membership. Approximately 50% of IREC’s California members are residential customers, including residential customers of electrical corporations subject to the Commission’s jurisdiction. IREC, therefore, satisfies the statutory threshold to qualify as a Category 3 customer, authorized by its bylaws to represent the interest of residential customers of electrical corporations in California. IREC respectfully requests that the Commission recognize

IREC's Category 3 customer status so that IREC may further the interest of its members and California residential and small commercial ratepayers more broadly in removing barriers to the interconnection of renewable generation.

- **Describe if you have any direct economic interest in outcomes of the proceeding.**

IREC is a Section 501(c)(3) non-profit organization and does not have any direct economic interest in the outcome of this proceeding. IREC does not own any generation facilities within the State of California and would not directly benefit from policies adopted by the Commission that change retail residential rate structures. IREC's activities in this proceeding are consistent with its educational, scientific, and charitable purposes, as described in Article I of its Bylaws. *See* Attachment 2.

B. Timely Filing of Notice of Intent (NOI) (§ 1804(a)(1)):	Check
1. Is the party's NOI filed within 30 days after a Prehearing Conference? Date of Prehearing Conference: <u>October 24, 2012</u>	Yes ___ No <u>X*</u>
2. Is the party's NOI filed at another time (for example, because no Prehearing Conference was held, the proceeding will take less than 30 days, the schedule did not reasonably allow parties to identify issues within the timeframe normally permitted, or new issues have emerged)?	Yes ___ No <u>X</u>
2a. The party's description of the reasons for filing its NOI at this other time: * This NOI is timely filed, because the 30 th day after the Prehearing Conference fell on a state holiday, November 23, 2012. The Commission's rules governing computation of time (Rule 1.15) allow IREC to timely file this NOI on November 26, 2012, the next business day after the holiday.	
2b. The party's information on the proceeding number, date, and decision number for any Commission decision, Commissioner ruling, ALJ ruling, or other document authorizing the filing of NOI at that other time:	

PART II: SCOPE OF ANTICIPATED PARTICIPATION

(To be completed by the party ("customer") intending to claim intervenor compensation)

A. Planned Participation (§ 1804(a)(2)(A)(i)):

- **The party's statement of the issues on which it plans to participate.**

IREC seeks to address the full range of issues identified in the Order Instituting Rulemaking (OIR)², while focusing on the impact that any residential rate design proposals developed during this proceeding would have on existing Commission policies

² *Order Instituting Rulemaking on the Commission's own Motion to Conduct a Comprehensive Examination of Investor Owned Electric Utilities' Residential Rate Structures, the Transition to Time Varying and Dynamic Rates, and Other Statutory Obligations*, R.12-06-013 (Issued June 28, 2012).

related to residential customer adoption of renewable energy. In particular, IREC anticipates that it will offer perspectives on how different approaches to rate design proposed in this proceeding could contribute to or detract from the ability of net energy metering to drive a self-sustaining solar market. Additionally, IREC expects to consider how rate design proposals targeted toward low-income customers will affect policies and programs that encourage and enable low-income residential customers to adopt on-site renewable generation. IREC anticipates that it will actively evaluate other parties' rate design proposals and intends to make its own specific proposals.

While it is not clear to what degree IREC will have an opportunity to address the framework issues raised in the Order Instituting Rulemaking (OIR), IREC certainly expects to address proposals and issues encompassed within the following issues or themes identified in the OIR throughout this proceeding:

- The five guiding principles of rate design identified in the OIR at p.5;
- The merits of dynamic pricing; and
- The balance of state policy goals and principles of equitable rates for all residential customers.

- **The party's explanation as to how it plans to avoid duplication of effort with other parties and intervenors.**

IREC anticipates that several parties will share its focus on the effect of rate design proposals on existing distributed generation policies available to residential customers, such as net metering. IREC has long-established working relationships with several parties to this proceeding, including the Vote Solar Initiative, Sierra Club, and the Solar Energy Industries Association. IREC intends to work closely with other aligned parties to maximize the value of our participation to the Commission and, ultimately, to California ratepayers. IREC will communicate with other intervening parties, as necessary, to avoid duplication of effort and to encourage coordination of responses and proposals, where possible.

- **The party's description of the nature and extent of the party's planned participation in this proceeding (as far as it is possible to describe on the date this NOI is filed).**

IREC plans to participate in all meetings and workshops scheduled by the Commission in this proceeding related to issues listed above on which we are engaged; to engage in strategic planning with other parties to avoid duplication of effort and to coordinate positions; to participate in evidentiary hearings, if any; to submit comments and briefing as appropriate; and to undertake all other activities reasonably necessary to effectively participate or substantially contribute to a resolution of the issues and a Commission decision resolving the scoped issues.

B. The party's itemized estimate of the compensation that the party expects to request, based on the anticipated duration of the proceeding (§ 1804(a)(2)(A)(ii)):				
Item	Hours	Rate \$	Total \$	#
ATTORNEY, EXPERT, AND ADVOCATE FEES				
Jason B. Keyes	100	\$300/hr	\$30,000	
David Wooley	30	\$300/hr	\$9,000	
Thadeus B. Culley	80	\$200/hr	\$16,000	
Steven McClary, MRW & Associates, LLC	100	\$300/hr	\$30,000	
Briana Kobor, MRW & Associates, LLC	100	\$160/hr	\$16,000	
		Subtotal:	\$101,000	
OTHER FEES				
		Subtotal:		
COSTS				
		Subtotal:		
TOTAL ESTIMATE \$:				
Estimated Budget by Issues:				
<p>While it is difficult to anticipate the precise issues or rate design proposals upon which IREC will engage, IREC reasonably estimates that it will allocate its time in the following manner:</p> <ol style="list-style-type: none"> 1. Evaluating and commenting on other parties' rate design proposals (50%); and 2. Developing rate design proposals internally or with other parties (50%). <p>As for the issues and themes identified, above, in Part II, Section A, IREC anticipates allocating its time in the following manner to reflect its priorities in this proceeding:</p> <ol style="list-style-type: none"> 1. The five guiding principles of rate design identified in the OIR at p.5 (30%); 2. The merits of dynamic pricing (30%); and 3. The balance of state policy goals and principles of equitable rates for all residential customers (40%). 				
Comments/Elaboration (use reference # from above):				
<p>IREC's time allocations for its team members are a reasonable estimate of the time necessary to effectively participate in this proceeding and in the settlement process. IREC has attached the resume of its expert, Steven McClary or MRW & Associates, LLC, and will attach supporting documentation to justify the hourly rates of its attorneys (Jason Keyes, David Wooley, and Thad Culley), Briana Kobor, and any other persons when it files its compensation request(s) in this proceeding.</p>				

When entering items, type over bracketed text; add additional rows to table as necessary.
 Estimate may (but does not need to) include estimated Claim preparation time. Claim preparation (as well as travel time) is typically compensated at ½ of preparer’s normal hourly rate.

PART III: SHOWING OF SIGNIFICANT FINANCIAL HARDSHIP

(To be completed by party (“customer”) intending to claim intervenor compensation; see instructions for options for providing this information)

A. The party claims “significant financial hardship” for its Intervenor Compensation Claim in this proceeding on the following basis:	Applies (check)
1. “[T]he customer cannot afford, without undue hardship, to pay the costs of effective participation, including advocate’s fees, expert witness fees, and other reasonable costs of participation” (§ 1802(g)); or	
2. “[I]n the case of a group or organization, the economic interest of the individual members of the group or organization is small in comparison to the costs of effective participation in the proceeding” (§ 1802(g)).	X
3. A § 1802(g) finding of significant financial hardship in another proceeding, made within one year prior to the commencement of this proceeding, created a rebuttable presumption of eligibility for compensation in this proceeding (§ 1804(b)(1)).	
<p>ALJ ruling (or CPUC decision) issued in proceeding number:</p> <p>Date of ALJ ruling (or CPUC decision):</p>	

B. The party’s explanation of the factual basis for its claim of “significant financial hardship” (§ 1802(g)) (necessary documentation, if warranted, is attached to the NOI):

As estimated in Part II, Section B, the economic interests of an individual IREC member are small in comparison to the cost of effective participation in this proceeding. IREC’s members wish to further IREC’s objectives to promote “safe, quality renewable energy products and fair practices,” goals that go beyond an easily identified individual economic interest. These are goals that represent a broader public interest perspective, consistent with the Legislature’s intent that the Commission encourage participation by “administer[ing] the provisions of §§ 1801 et seq. in a manner ‘that encourages the effective and efficient participation of all groups that have a stake in the public utility regulation process.’” D.06-05-027, mimeo, at 9.

IREC’s purposes for participating in this proceeding further this intent, reflecting the broader public interest in maintaining a rate design that keeps distributed, renewable resources economical for residential customers who wish to adopt those technologies. The benefits of IREC’s participation to a particular member are difficult to isolate from this broader public benefit. This means that the cost of participation (\$101,000) is much

greater than any one individual IREC member’s benefit. While the potential public benefits of an improved rate design are unknowable at this time, it is very unlikely that the financial benefit to individual members will outweigh the cost of participation.

**PART IV: ATTACHMENTS DOCUMENTING SPECIFIC
ASSERTIONS MADE IN THIS NOTICE**
(The party (“customer”) intending to claim intervenor compensation identifies and attaches documents; add rows as necessary)

Attachment No.	Description
1	Certificate of Service
2	Bylaws of the Interstate Renewable Energy Council, Inc.
3	Resume of Steven McClary, MRW & Associates, LLC

ADMINISTRATIVE LAW JUDGE RULING³
(ALJ completes)

	Check all that apply
1. The Notice of Intent (NOI) is rejected for the following reasons:	
a. The NOI has not demonstrated the party’s status as a “customer” for the following reason(s):	
b. The NOI has not demonstrated that the NOI was timely filed (Part I(B)) for the following reason(s):	
c. The NOI has not adequately described the scope of anticipated participation (Part II, above) for the following reason(s):	
2. The NOI has demonstrated significant financial hardship for the reasons set forth in Part III of the NOI (above).	
3. The NOI has not demonstrated significant financial hardship for the following reason(s):	
4. The ALJ provides the following additional guidance (see § 1804(b)(2)):	

IT IS RULED that:

	Check all
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³ An ALJ Ruling needs not be issued unless: (a) the NOI is deficient; (b) the ALJ desires to address specific issues raised by the NOI (to point out similar positions, areas of potential duplication in showings, unrealistic expectations for compensation, or other matters that may affect the customer’s Intervenor Compensation Claim); or (c) the NOI has included a claim of “significant financial hardship ” that requires a finding under § 1802(g).

	that apply
1. The Notice of Intent is rejected.	
2. Additional guidance is provided to the customer as set forth above.	
3. The customer has satisfied the eligibility requirements of Pub. Util. Code § 1804(a).	
4. The customer has shown significant financial hardship.	
5. The customer is preliminarily determined to be eligible for intervenor compensation in this proceeding. However, a finding of significant financial hardship in no way ensures compensation.	

Dated _____, at San Francisco, California.

ADMINISTRATIVE LAW JUDGE