

Decision: D.13-10-040

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

**1**

Order Instituting Rulemaking Pursuant to Assembly Bill 2514 to Consider the Adoption of Procurement Targets for Viable and Cost-Effective Energy Storage Systems.	Rulemaking 10-12-007 (Filed December 16, 2010)
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**INTERVENOR COMPENSATION CLAIM OF CONSUMER FEDERATION OF CALIFORNIA  
AND DECISION ON INTERVENOR COMPENSATION CLAIM OF CONSUMER FEDERATION OF CALIFORNIA**

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<b>Claimant:</b> Consumer Federation of California	<b>For contribution to D. 13-10-040</b>	
<b>Claimed (\$):</b> \$48,882.25	<b>Awarded (\$):</b>	
<b>Assigned Commissioner:</b> Carla Peterman (Assigned Jan 29, 2013)	<b>Assigned ALJ:</b> Amy C. Yip-Kikugawa (Assigned Dec 21, 2010) Colette Kersten (Assigned Jul 11, 2013)	
I hereby certify that the information I have set forth in Parts I, II, and III of this Claim is true to my best knowledge, information and belief. I further certify that, in conformance with the Rules of Practice and Procedure, this Claim has been served this day upon all required persons (as set forth in the Certificate of Service attached as Attachment 1).		
<b>Signature:</b>		/s/
<b>Date:</b> 12/16/2013	<b>Printed Name:</b>	Nicole Johnson

**PART I: PROCEDURAL ISSUES (to be completed by Claimant except where indicated)**

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<b>A. Brief Description of Decision:</b>	Decision adopting Energy Storage Procurement Framework and Design Program issued 10/17/13.
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**B. Claimant must satisfy intervenor compensation requirements set forth in Public Utilities Code §§ 1801-1812:**

	<b>Claimant</b>	<b>CPUC Verified</b>
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Timely filing of notice of intent to claim compensation (NOI) (§ 1804(a)):		
4	1. Date of Prehearing Conference:	March 27, 2013
	2. Other Specified Date for NOI:	N/A
	3. Date NOI Filed:	April 12, 2013
	4. Was the NOI timely filed?	
Showing of customer or customer-related status (§ 1802(b)):		
5	5. Based on ALJ ruling issued in proceeding number:	R.13-02-008
	6. Date of ALJ ruling:	October 25, 2013
	7. Based on another CPUC determination (specify):	N/A
	8. Has the Claimant demonstrated customer or customer-related status?	
Showing of "significant financial hardship" (§ 1802(g)):		
6	9. Based on ALJ ruling issued in proceeding number:	R.13-02-008
	10. Date of ALJ ruling:	October 25, 2013
	11. Based on another CPUC determination (specify):	N/A
	12. Has the Claimant demonstrated significant financial hardship?	
Timely request for compensation (§ 1804(c)):		
7	13. Identify Final Decision:	D.13-10-040
	14. Date of Issuance of Final Order or Decision:	October 21, 2013
	15. File date of compensation request:	December 17, 2013
	16. Was the request for compensation timely?	

**C. Additional Comments on Part I (use line reference # as appropriate):**

#	Claimant	CPUC	Comment
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**PART II: SUBSTANTIAL CONTRIBUTION (to be completed by Claimant except where indicated)**

**A. In the fields below, describe in a concise manner Claimant's contribution to the final decision (see § 1802(i), § 1803(a) & D.98-04-059). (For each contribution, support with specific reference to the record.)**

9	Contribution	Specific References to Claimant's Presentations and to Decision	Showing Accepted by CPUC

<p>1. Market needs and procurement mechanisms, including a reverse auction.</p> <p>The Assigned Commissioner Ruling (ACR) asked parties address the proposed mechanisms, mainly, reverse-auctions and a set procurement target.</p> <p>CFC asserted from the beginning that one of the primary issues relating to energy storage is the lack of a procurement method which would apply uniformly with no unforeseen consequences. CFC asserted that the chosen procurement mechanism will, ultimately, have a great impact on the development of cost-effective energy storage systems, their cost, and their impact on ratepayers and must be carefully selected. Ultimately, CFC argued against the reverse-auction mechanism and set targets. They would likely lead to a stunting of growth and lock ratepayers into technologies available now from a select few ready to sell.</p> <p>The Commission found reverse auctions were not appropriate and some flexibility in procurement targets is necessary.</p>	<p>Assigned Commissioner’s Ruling Proposing Storage Procurement Targets and Mechanisms and Noticing All-Party Meeting (ACR), P.17-20</p> <p>Opening Comments of the Consumer Federation of California on the Energy Division Staff Interim Report (Phase 2) on Energy Storage in Rulemaking R.10-12-007 (Workshop Report), pp.2-3.</p> <p>CFC Reply Comments on ACR pp. 2-3.</p> <p>Opening Comments of the Consumer Federation of California on the Assigned Commissioner’s Proposed Decision (PD), pp. 2-3.</p> <p>Reply comments on PD, pp. 3-4.</p> <p>D.13-10-040, pp.26-27, 52-57.</p>	
<p>2. Market Barriers</p> <p>CFC suggested market barriers can best be minimized through the coordination of pertinent proceedings addressing the same issues, thus maintaining consistency in approach.</p> <p>The Commission found that coordination with other proceedings should not only occur but should be ongoing to accommodate changing environmental conditions, thus reducing barriers.</p>	<p>CFC Opening Comments on workshop Report, pp. 2-3.</p> <p>CFC Reply Comments on ACR p. 2.</p> <p>CFC Opening Comments on PD, p. 3.</p> <p>CFC Reply Comments on PD, p. 2.</p> <p>D.13-10-040, pp. 7, 67.</p>	
<p>3. Cost Effectiveness</p> <p>CFC asserted that, should the PUC adopt cost effective methodologies, more concrete data on the suggested methods is necessary before any can be selected. CFC</p>	<p>Opening Comments on Workshop Report, pp. 4-5.</p> <p>Reply Comments ACR, pp. 2</p>	

<p>suggested the Commission wait for information thereby avoiding inaccurate assumptions which would be costly to the ratepayer.</p> <p>The Commission ultimately determined the providers should not be required to use a specific model nor meet a cost cap. A decision consistent with CFC’s position. It required projects to be installed and operational by the end of 2024 and that electric service providers shall provide a description of the best applicable methodology for measuring cost effectiveness.</p>	<p>CFC Opening Comments on PD, p. 4. CFC Reply Comments on PD, pp. 4-5.</p> <p>D.13-10-040, pp.59-64, 77</p>	
<p>4. Demand Response/loading order/preferred resources</p> <p>One issue prominent in the proceeding was whether the “Loading Order,” which prioritized the order in which energy resources are procured, should be revised to include energy storage.</p> <p>CFC asserted it was not necessary to revise the loading order as energy storage is not a preferred resource but a tool, a technology which assists each of the preferred resources; energy efficiency, demand response, renewable and clean distributed resources.</p> <p>Ultimately the Commission agreed and found that it was not necessary to formally revise the loading order to include energy storage.</p>	<p>ACR p. 21; D.13-10-040, p.10</p> <p>Opening Comments on workshop Report, pp. 3-4. Opening Comments on ACR, pp. 2-4.</p> <p>D.13-10-040, pp. 10-11.</p>	

<p>5. Procurement Targets</p> <p>CFC did not favor allowing the IOUs to carry over procurement volumes from one year to the next. CFC felt “carry over” as presented would delay development by locking rate payers into a set few early technologies.</p> <p>D.13-10-040 ultimately allowed procurement carry-over but chose to allow flexibility at the early stages of the program avoiding some of the potential problems pointed out by the CFC.</p>	<p>Opening Comments on Workshop Report, p 2.</p> <p>Reply Comments on ACR, pp. 2-4.</p> <p>D.13-10-040, pp.16-21</p> <p>CFC Opening Comments on PD, p. 3.</p> <p>CFC Reply Comments on PD, p. 1.</p> <p>D.13-10-040, p.20-25.</p>	
<p>6. Ownership Model</p> <p>CFC supported RFO’s, tolling arrangements, and fixed storage payments rather than an auction. These would allow the purchaser of energy storage to “own” the energy output but not lock the ratepayers into specific types of technologies for long periods of time.</p> <p>The Commission ultimately agreed that these and other ownership models were appropriate. It is determined that the program would benefit from a mix of ownership models.</p>	<p>Reply Comments on ACR, pp. 3.</p> <p>D.13-10-040, pp. 49-52.</p>	

<p>7. Use Cases/"Buckets"</p> <p>Another essential part of the proceeding was the three use-case buckets: transmission-connected, distribution-connected, and customer-side applications.</p> <p>CFC posited that the Use Cases, as illustrative tools, are adequate to show the value, variety, and potential costs of energy storage application. But use cases are not based on real data and should not be used as the sole foundation for state mandates or Commission Decisions. As illustrations, they showed flexibility is necessary.</p> <p>Like the CFC, Commission relied on use cases and "buckets" (isolated connection points and types of associated technology) in making this decision. Ultimately, it was decided that focusing on a storage system's point of interconnection, rather than the type of function, will allow for multiple ownership models, providing the IOUs flexibility in breaking down their procurement targets by functions depending on their needs. This approach would prevent market power concerns since it does not give preference to one technology over another.</p>	<p>D.13-10-040, pp. 11-14</p> <p>Opening Comments on Workshop Report, pp. 3-5.</p> <p>Opening Comments on ACR, p.2.</p> <p>D.13-10-040, p. 13</p>	
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**B. Duplication of Effort (§§ 1801.3(f) & 1802.5):**

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	Claimant	CPUC Verified
a. Was the Division of Ratepayer Advocates (DRA) a party to the proceeding?	Yes	
b. Were there other parties to the proceeding with positions similar to yours?	Yes	
c. If so, provide name of other parties: EDF, ORA, TURN		
d. Describe how you coordinated with ORA and other parties to avoid duplication or how your participation supplemented, complemented, or contributed to that of another party:  CFC shared similar views with other parties regarding ultimate outcome but differed in		

<p>which approach it preferred to reach that outcome; each party had a particular take on the argument making it an original contribution. CFC argued an application based approach to energy storage not relying heavily on Use Cases or allowing carry over of previously purchased energy contracts. CFC offered a consumer-based argument that an application specific, RFP approach might be the most efficient approach and an important step to avoid unnecessary spending, especially since utility customers would be the ones ultimately bearing the cost of energy storage technology purchasing.</p>	
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**C. Additional Comments on Part II (use line reference # or letter as appropriate):**

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#	Claimant	CPUC	Comment

**PART III: REASONABLENESS OF REQUESTED COMPENSATION (to be completed by Claimant except where indicated)**

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

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<p><b>a. Concise explanation as to how the cost of Claimant's participation bears a reasonable relationship with benefits realized through participation (include references to record, where appropriate)</b></p> <p>There will be monetary benefits for ratepayers based on CFC's participation, although it is difficult to estimate a specific amount of monetary benefits. Some of the CFC's contributions adopted by the final decision will result in a clearer framework that will, in part, help to focus any cost recovery model and rates. Though currently abstract, these issues will be necessary in developing policy that will save utility customers money in the long term.</p> <p>Because of CFC's contribution, the Commission adopted an official definition of energy storage which will minimize confusion in the future and make it easier to develop uniform standards and policies. CFC also supported an application based approach, a valuation framework and a clear cost recovery model for energy storage which, CFC believes, will help avoid unnecessary spending .</p>	<p><b>CPUC Verified</b></p>
<p><b>b. Reasonableness of Hours Claimed.</b></p> <p>CFC worked efficiently and recorded hours rounding down to the nearest decimal. The attorney fee hours are equal to just 4 week's time while the intervenor compensation claim preparation hours are equal to just 2 days. Both hourly amounts are reasonable in light of the work performed and product produced.</p>	
<p><b>c. Allocation of Hours by Issue</b></p> <p><b>See Attachment</b>          B = Barriers to Entry          C = Cost Effectiveness          D = Demand Response/loading order/preferred Resources</p>	

M = Market Needs/Methodologies O = Ownership Model P = Procurement Target (If Any) U = Use Cases W = Issues related to Workshops GP = General Prep. # = Where time entries cannot easily be identified with a specific activity code. For these entries, the allocation of time spent on activities can be broken equally.	
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**B. 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 \$
Nicole A. Blake	2013	12.75	\$205	D.12-09-017	\$2,613.75			
Nicole D. Johnson	2013	144.90	\$305	D.13-02-008	\$43,843.75			
<b>Subtotal:</b>					\$46,457.50	<b>Subtotal:</b>		

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OTHER FEES								
Describe here what OTHER HOURLY FEES you are Claiming (paralegal, travel **, etc.):								
Item	Year	Hours	Rate	Basis for Rate*	Total \$	Hours	Rate	Total \$
[Person 1]	N/A							
[Person 2]	N/A							
<b>Subtotal:</b>						<b>Subtotal:</b>		

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INTERVENOR COMPENSATION CLAIM PREPARATION **								
Item	Year	Hours	Rate	Basis for Rate*	Total \$	Hours	Rate	Total \$
Nicole Johnson	2013	15.9	152.5	½ D.13-02-008	\$2,424.75			
<b>Subtotal:</b>					\$2,424.75	<b>Subtotal:</b>		

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COSTS					
#	Item	Detail	Amount	Amount	
<b>Subtotal:</b>				<b>Subtotal:</b>	
<b>TOTAL REQUEST \$:</b>			\$48,882.25	<b>TOTAL AWARD \$:</b>	

When entering items, type over bracketed text; add additional rows as necessary.  
\*If hourly rate based on CPUC decision, provide decision number; otherwise, attach rationale.  
\*\*Travel and Reasonable Claim preparation time typically compensated at ½ of preparer's normal hourly rate.



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

<b>18</b>	<b>Attachment or Comment #</b>	<b>Description/Comment</b>
	1	<b>Certificate of Service</b>
	2	<b>Hours Allocated by Issue</b> B = Barriers to Entry C = Cost Effectiveness D = Demand Response/loading order/preferred Resources M = Market Needs/Methodologies O = Ownership Model P = Procurement Target (If Any) U = Use Cases W = Issues related to Workshops GP = General Prep. # = Where time entries cannot easily be identified with a specific activity code. For these entries, the allocation of time spent on activities can be broken equally.

**D. CPUC Disallowances, Adjustments, and Comments (CPUC completes):**

<b>19</b>	<b>#</b>	<b>Reason</b>

**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))

(CPUC completes the remainder of this form)

<b>A. Opposition: Did any party oppose the Claim?</b>	
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If so:

Party	Reason for Opposition	CPUC Disposition

<b>B. Comment Period: Was the 30-day comment period waived (see Rule 14.6(2)(6))?</b>	
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If not:

Party	Comment	CPUC Disposition

**FINDINGS OF FACT**

1. Claimant [has/has not] made a substantial contribution to Decision (D.) \_\_\_\_\_.
2. The requested hourly rates for Claimant’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 contribution is \$ \_\_\_\_\_.

**CONCLUSION OF LAW**

1. The Claim, with any adjustment set forth above, [satisfies/fails to satisfy] all requirements of Public Utilities Code §§ 1801-1812.

**ORDER**

1. Claimant is awarded \$ \_\_\_\_\_.

2. Within 30 days of the effective date of this decision, \_\_\_\_\_ shall pay Claimant the total award. [for multiple utilities: “Within 30 days of the effective date of this decision, ^, ^, and ^ shall pay Claimant their respective shares of the award, based on their California-jurisdictional [industry type, for example, electric] revenues for the ^ calendar year, to reflect the year in which the proceeding was primarily litigated.”] Payment of the award shall include interest at the rate earned on prime, three-month commercial paper as reported in Federal Reserve Statistical Release H.15, beginning \_\_\_\_\_, 200\_\_, the 75<sup>th</sup> day after the filing of Claimant’s request, and continuing until full payment is made.
3. The comment period for today’s decision [is/is not] waived.
4. This decision is effective today.

Dated \_\_\_\_\_, at San Francisco, California.