



BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

FILED

Order Instituting Investigation on the Commission's Own Motion to Determine Whether Pacific Gas and Electric Company and PG&E Corporation's Organizational Culture and Governance Prioritize Safety.

05/20/19
02:22 PM

Investigation 15-08-019

**NOTICE OF INTENT TO CLAIM INTERVENOR COMPENSATION
AND, IF REQUESTED (and [X]¹ checked), ADMINISTRATIVE LAW JUDGE'S
RULING ON [SIERRA CLUB]'S SHOWING OF SIGNIFICANT FINANCIAL
HARDSHIP**

NOTE: AFTER ELECTRONICALLY FILING A PDF COPY OF THIS NOTICE OF INTENT, PLEASE EMAIL THE DOCUMENT IN AN MS WORD FORMAT TO THE INTERVENOR COMPENSATION PROGRAM COORDINATOR AT

Icompcoordinator@cpuc.ca.gov.

Customer or Eligible Local Government Entity (party intending to claim intervenor compensation): Sierra Club

Assigned Commissioner:
Michael Picker

Administrative Law Judge:
Peter Allen

I hereby certify that the information I have set forth in Parts I, II, III and IV of this Notice of Intent is true to my best knowledge, information and belief.

Signature:

/s/ Matthew Vespa

Date: May 20, 2019

Printed Name:

Matthew Vespa

PART I: PROCEDURAL ISSUES

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

A. Status as "customer" (see Pub. Util. Code § 1802(b))² The party claims "customer" status because the party is (check one):	Applies (check)
1. A Category 1 customer is an actual customer whose self-interest in the proceeding arises primarily from his/her role as a customer of the utility and, at the same time, the customer must represent the broader interests of at least some other customers. (See, for example, D.08-07-019 at 5-10).	<input type="checkbox"/>

¹ DO NOT CHECK THIS BOX if a finding of significant financial hardship is not 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 All statutory references are to California Public Utilities Code unless indicated otherwise.

<p>2. A Category 2 customer is a representative who has been authorized by actual customers to represent them. Category 2 involves a more formal arrangement where a customer or a group of customers selects a more skilled person to represent the customer's views in a proceeding. A customer or group of customers may also form or authorize a group to represent them, and the group, in turn, may authorize a representative such as an attorney to represent the group.</p>	<input type="checkbox"/>
<p>3. A Category 3 customer is a formally organized group authorized, by its articles of incorporation or bylaws to represent the interests of residential customers or small commercial customers receiving bundled electric service from an electrical corporation (§1802(b)(1)(C)). Certain environmental groups that represent residential customers with concerns for the environment may also qualify as Category 3 customers, even if the above requirement is not specifically met in the articles or bylaws. <i>See</i> D.98-04-059, footnote at 30.</p>	<input checked="" type="checkbox"/>
<p>4. The party's detailed explanation of the selected customer category.</p> <p><u>The party's explanation of its status as a Category 1 customer.</u> A party seeking status as a Category 1 customer must describe the party's own interest in the proceeding and show how the customer's participation goes beyond just his/her own self-interest and will benefit other customers. Supporting documents must include a copy of the utility's bill.</p> <p><u>The party's explanation of its status as a Category 2 customer.</u> A party seeking status as a Category 2 customer must identify the residential customer(s) being represented and provide authorization from at least one customer.</p> <p><u>The party's explanation of its status as a Category 3 customer.</u> If the party represents residential and small commercial customers receiving bundled electric service from an electrical corporation, it must include in the Notice of Intent either the percentage of group members that are residential ratepayers or the percentage of the members who are receiving bundled electric service from an electrical corporation. Supporting documentation for this customer category must include current copies of the articles of incorporation or bylaws. If current copies of the articles and bylaws have already been filed with the Commission, only a specific reference (the proceeding's docket number and the date of filing) to such filings needs to be made.</p> <p>Sierra Club meets the third definition of "customer" provided in Public Utilities Code section 1802(b)(1)(C). Sierra Club is a "representative of a group or organization authorized pursuant to its articles of incorporation or bylaws to represent the interests of residential customers" Sierra Club is a non-profit, member-based, "public benefit" California corporation with over 790,000 members nationwide and more than 172,000 members living in California. Sierra Club's membership consists entirely (100%) of residential</p>	

<p>ratepayers. (Sierra Club does not, however, have easily obtainable data on the percentage of its California members that are Investor-Owned Utility (“IOU”) customers.)</p> <p>Sierra Club’s Articles, Bylaws, Standing Rules, and policies authorize and require it to represent the environmental interests of its members – including customers of California IOUs. Sierra Club’s Board of Directors is democratically elected by its members. (See Sierra Club Standing Rule (“S.R.”) 4.8.1.)³ Sierra Club is expressly authorized to participate in environmental legal actions to advance its mission, including lawsuits and administrative proceedings. (See S.R. 5.15.1 and 9.1.1.) For decades, Sierra Club has participated in environmental lawsuits and administrative proceedings and has appeared many times before the California Public Utilities Commission. For example, Sierra Club has participated and been awarded intervenor compensation for substantial contributions SCE’s Moorpark Application (A.14-11-006), SCE’s LA Basin Application (A. 14-11-012), and the previous demand response decision that addressed backup generation (R. 13-09-011). Sierra Club is active currently in several open CPUC proceedings, including the Resource Adequacy proceeding (R.17-09-020), the General Rate Case of Southern California Gas Company and San Diego Gas & Electric (A.17-10-007/008), and the OIR on Building Decarbonization (R.19-01-011).</p> <p>Sierra Club’s environmental concerns encompass a broad range of energy and pollution issues. Sierra Club has become a leader in the effort to reduce California’s and the nation’s dependence on fossil fuels. The highest current priority of Sierra Club’s work is eliminating the need for fossil fuel-fired generation through a transition to clean energy resources. Sierra Club is a prominent advocate for zero emissions resources California’s energy and capacity needs, as well as widespread electrification of the transportation and building sectors.</p> <p>To advance these energy-related concerns, Sierra Club has employed litigation, participation in administrative proceedings, public education and organizing, electoral and lobbying efforts, and communications and media work. Sierra Club has brought legal actions numerous times to address pollution from coal-fired power plants, while simultaneously affirmatively supporting energy efficiency and renewable energy projects involving wind and solar. Sierra Club lobbyists and volunteer members actively worked in favor of passage of California’s landmark laws and implementing regulations to address global warming, including AB 32 (“California Global Warming Solutions Act of 2006”).</p>	
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³ Sierra Club’s current Bylaws and Standing Rules and its Articles of Incorporation were last filed with the Commission in A.15-09-013 on October 19, 2016.

<p>The interests of the customers represented by Sierra Club are unique and well suited to this proceeding and are not adequately represented by other parties that have intervened in this proceeding.⁴ The Commission has “granted customer status to organizations, such as environmental groups, that represent ratepayer interests that are not solely economic, recognizing that participation in Commission proceedings by parties representing the full range of affected interests is important.” (D.06-12-041 at 7.) Sierra Club brings to this proceeding its members’ environmental concerns on slowing the climate crisis that has made massive wildfires no longer isolated disasters, but the new normal. To that end, Sierra Club’s focus in this proceeding will be ensuring that a restructured PG&E is both capable of ensuring safe service in the face of increased fire risks and making the investments necessary to rapidly decarbonize the power supply and electrify vehicles and homes so that California can succeed in moving to a zero emissions economy.</p> <p>Sierra Club, consistent with its governing documents, appropriately represents the environmental and energy conservation interests of its members who are customers of California IOUs. Sierra Club, therefore, qualifies as a “customer” as defined in section 1802(b)(1)(C) of the Public Utilities Code and the Commission’s decisions applying this section to environmental organizations.</p> <p>Sierra Club’s current Bylaws and Standing Rules and its Articles of Incorporation were last filed with the Commission in A. 15-09-013 on October 19, 2016.</p>	
<p>Do you have any direct economic interest in outcomes of the proceeding?⁵</p> <p>If “Yes”, explain:</p>	<p><input type="checkbox"/> Yes</p> <p><input checked="" type="checkbox"/> No</p>
<p>B. Conflict of Interest (§ 1802.3)</p>	<p>Check</p>
<p>1. Is the customer a representative of a group representing the interests of small commercial customers who receive bundled electric service from an electrical corporation?</p>	<p><input type="checkbox"/> Yes</p> <p><input checked="" type="checkbox"/> No</p>
<p>2. If the answer to the above question is “Yes”, does the customer have a conflict arising from prior representation before the Commission?</p>	<p><input type="checkbox"/> Yes</p> <p><input type="checkbox"/> No</p>
<p>C. Status as an Eligible Local Government Entity (§§1802(d), 1802.4, 1803.1)</p>	

⁴ See D.07-03-011, p. 7 (“Section 1801.3(f) requires an intervenor to avoid unnecessary participation that duplicates that of similar interests otherwise adequately represented by another party, or unnecessary for a fair determination of the proceeding. Section 1802.5, however, allows an intervenor to be eligible for full compensation if its participation materially supplements, complements, or contributes to that of another party if that participation makes a substantial contribution to the commission order.”).

⁵ See Rule 17.1(e).

The party claims “eligible local government entity” status because the party is a city, county, or city and county that is not a publicly owned public utility that intervenes or participates in a Commission proceeding for the purpose of protecting the health and safety of the residents within the entity’s jurisdiction following a catastrophic material loss suffered by its residents either in significant damage to infrastructure or loss of life and property, or both, as a direct result of public utility infrastructure.	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
<p>The party’s explanation of its status as an eligible local government entity must include a description of</p> <p>(1) The relevant triggering catastrophic event;</p> <p>(2) The impacts of the triggering catastrophic event on the residents within the entity’s jurisdiction as a result of public utility infrastructure; and</p> <p>(3) The entity’s reason(s) to participate in this proceeding.</p>	
D. Timely Filing of Notice of Intent to Claim Intervenor Compensation (NOI) (§ 1804(a)(1)):	
1. Is the party’s NOI filed within 30 days after a Prehearing Conference? Date of Prehearing Conference: 08/01/2017	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
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)?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
2a. The party’s description of the reasons for filing its NOI at this other time: No prehearing conference held in this phase of the proceeding.	
2b. The party’s information on the proceeding number, date, and decision number for any Commission decision, Commissioner ruling, Administrative Law Judge’s ruling, or other document authorizing the filing of NOI at that other time:	
ALJ Allen issued an email ruling on May 6, 2019 providing that a “party that had party status prior to February 13, 2019, may file an NOI no later than May 20, 2019.” Sierra Club was granted Party Status per email ruling dated February 8, 2019.	

PART II: SCOPE OF ANTICIPATED PARTICIPATION
(To be completed by the party intending to claim intervenor compensation)

A. Planned Participation (§ 1804(a)(2)(A)):
<p>The party’s statement of the issues on which it plans to participate:</p> <p>Sierra Club primarily plans to participate on the issue identified in the December 21, 2018 Scoping Memo on the impact of alternative utility structures on “the ability of the state to implement its energy policies, including the need to reduce greenhouse gas (GHG) emissions and local criteria pollutants in both the utility sector and the economy as a whole.” Sierra Club may opine on governance issues to the extent PG&E leadership choices fail to reflect a serious commitment to safety.</p>

The party's explanation of how it plans to avoid duplication of effort with other parties:

As an environmental group that does not have a financial interest in any particular utility ownership structure, Sierra Club provides a unique perspective in this proceeding. For example, Sierra Club was the only party to raise concerns over the potential negative impact of creating a separate gas utility on California's decarbonization objectives. Sierra Club will closely coordinate throughout the proceeding with parties that share Sierra Club's concerns, including ratepayer advocates.

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

Sierra Club plans to participate in hearings, workshops, and other events in this proceeding, particularly to the extent they relate to restructuring and potential sale of PG&E's assets and gas business. At this time, it is difficult to assess the resources required for Sierra Club's effective participation due to uncertainties over the extent to which PG&E will seek to, or be compelled to, restructure its operations.

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)):

Item	Hours	Rate \$	Total \$	#
ATTORNEY, EXPERT, AND ADVOCATE FEES				
Matthew Vespa (attorney)	120	\$390	\$46,800	1
Alison Seel (attorney)	50	\$240	\$12,000	2
Subtotal: \$68,250				
OTHER FEES				
[Person 1]				
Subtotal: \$				
COSTS				
Travel				
Estimated Miscellaneous Expenses (e.g., telephone, photocopying)			\$	
Subtotal: \$				
TOTAL ESTIMATE: \$58,800				

Estimated Budget by Issues:

Sierra Club roughly estimates allocating its hours to issues in this proceeding as follows:

- Impact of restructuring on California's environmental objectives (80%)

- Governance (20%)

Comments/Elaboration (use reference # from above):

The estimated hours ultimately spent in this proceeding and allocated to each issue may change depending on the number and scope of workshops in this proceeding.

The reasonableness of the hourly rates for Sierra Club's attorneys will be addressed in our request for compensation (reference # 1 – 2). Estimated claim preparation time is not included.

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 time is typically compensated at ½ professional hourly rate.

PART III: SHOWING OF SIGNIFICANT FINANCIAL HARDSHIP
(To be completed by party intending to claim intervenor compensation;
see Instructions for options for providing this information)

A. The party claims that participation or intervention in this proceeding without an award of fees or costs imposes a significant financial hardship, on the following basis:	Applies (check)
1. The 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(h))	<input type="checkbox"/>
2. In 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(h))	<input type="checkbox"/>
3. The eligible local government entities' participation or intervention without an award of fees or costs imposes a significant financial hardship. (§ 1803.1(b).)	<input type="checkbox"/>
4. A § 1802(h) or § 1803.1(b) finding of significant financial hardship in another proceeding, made within one year prior to the commencement of this proceeding, created a rebuttable presumption in this proceeding (§ 1804(b)(1)). Commission's finding of significant financial hardship made in proceeding number: R.18-12-006, Order Instituting Rulemaking to Continue the Development of Rates and Infrastructure for Vehicle Electrification Date of Administrative Law Judge's Ruling (or CPUC Decision) in which the finding of significant financial hardship was made: May 13, 2019	<input checked="" type="checkbox"/>

B. The party's explanation of the factual basis for its claim of "significant financial hardship" (§ 1802(h) or § 1803.1(b)) (necessary documentation, if warranted, is attached to the NOI:

Sierra Club has received many findings of significant financial hardship in the past, most recently in a May 13, 2019 ruling in R.18-12-016.

Sierra Club does not anticipate any challenge to its eligibility for compensation in this proceeding. If any party does attempt to challenge Sierra Club's eligibility, Sierra Club requests that it be granted the opportunity to reply to such party's allegations within 10 days after the service of such filing.

**PART IV: ATTACHMENTS DOCUMENTING SPECIFIC
ASSERTIONS MADE IN THIS NOTICE**

**(The party intending to claim intervenor compensation identifies and attaches documents;
add rows as necessary)**

Attachment No.	Description
1	Certificate of Service

ADMINISTRATIVE LAW JUDGE RULING⁶
(Administrative Law Judge completes)

	Check all that apply
1. The Notice of Intent (NOI) is rejected for the following reasons:	<input type="checkbox"/>
a. The NOI has not demonstrated the party's status as a "customer" or an "eligible local government entity" for the following reason(s):	<input type="checkbox"/>
b. The NOI has not demonstrated that the NOI was timely filed (Part I(B)) for the following reason(s):	<input type="checkbox"/>
c. The NOI has not adequately described the scope of anticipated participation (Part II, above) for the following reason(s):	<input type="checkbox"/>
2. The NOI has demonstrated significant financial hardship for the reasons set forth in Part III of the NOI (above).	<input type="checkbox"/>

⁶ A Ruling needs not be issued unless: (a) the NOI is deficient; (b) the Administrative Law Judge 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 or eligible local government entity's Intervenor Compensation Claim); or (c) the NOI has included a claim of "significant financial hardship" that requires a finding under § 1802(h).

3. The NOI has not demonstrated significant financial hardship for the following reason(s):	<input type="checkbox"/>
4. The Administrative Law Judge provides the following additional guidance (see § 1804(b)(2)):	<input type="checkbox"/>

IT IS RULED that:

1. The Notice of Intent is rejected.	<input type="checkbox"/>
2. The customer or eligible local government entity has satisfied the eligibility requirements of Pub. Util. Code § 1804(a).	<input type="checkbox"/>
3. The customer or eligible local government entity has shown significant financial hardship.	<input type="checkbox"/>
4. The customer or eligible local government entity is preliminarily determined to be eligible for intervenor compensation in this proceeding. However, a finding of significant financial hardship in no way ensures compensation.	<input type="checkbox"/>
5. Additional guidance is provided to the customer or eligible local government entity as set forth above.	<input type="checkbox"/>

Dated _____, at San Francisco, California.

Administrative Law Judge