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Spokesperson: WEM Exec. Dir. Barbara George: (c) 510-915-6215 (o) 415-457-1737
Media Contact: Hannah Doress: 415-450-0110

RECOGNITION OF WEM'S IMPACT ON CALIFORNIA ENERGY POLICY STRENGTHENS ROLE OF CLEAN ENERGY ADVOCATES

A unanimous decision by the California Public Utilities Commission (CPUC) recognized Women's Energy Matters for its role as an effective advocate for "preferred resources" (energy efficiency, demand response, renewables and cogeneration) in power purchasing by California's investor-owned utilities. The decision acknowledged that WEM's participation in the Long-Term Procurement proceeding led the Commission to cut PG&E's demand forecast in half, and to order all utilities to seek more renewables and other preferred resources, instead of automatically approving more gas-fired power plants.

The compensation decision set a significant precedent that makes it more likely for public interest groups such as WEM to be paid for their participation in future CPUC proceedings.

A 1978 federal law established the principle of "intervenor compensation" for customer representatives that participate in regulatory proceedings at state energy agencies, in recognition that public representatives are at a steep disadvantage against utility lawyers and experts whose costs are automatically included in rates. California's intervenor compensation law, created in response to the federal mandate, has been one of the better ones in the country, but it was marred by the difficulty of proving that the intervenor had made a "substantial contribution" to the proceeding, "as evidenced by the Commission's decisions."

The CPUC denied compensation for Women's Energy Matters in energy efficiency proceedings from 2004-2007 on the grounds that the decisions failed to mention WEM's role, even though WEM's positions were nearly identical to key aspects of the decisions. The recent decision sets a new precedent by stating, "[T]he fact that WEM is not specifically credited with making a substantial contribution on a particular issue does not mean that a substantial contribution was not made. Where a decision states a position that is consistent with that asserted by a party we may infer that the party made a contribution on that issue." Decision 09-03-043, p. 7.

http://docs.cpuc.ca.gov/PUBLISHED/FINAL_DECISION/99073.htm

WEM believes that this language paves the way for WEM and other intervenors to have a greater impact on energy policy in California. WEM's Executive Director Barbara George stated, "The uncertainty of compensation has made it very difficult for WEM to assemble the resources to provide in-depth, ongoing analysis of utility plans. This decision helps us to expand WEM's coverage of the proceedings and to encourage other intervenors to participate. In most proceedings, only one to three public interest organizations in all of California were active parties. WEM has trained a number of other organizations and individuals to become involved, because we felt the public needed a voice, however the difficulty of accessing compensation remained very discouraging."

"In energy efficiency and procurement, for example, utilities' program plans typically consist of thousands of pages of documents, and the review process requires months and even years of sustained attention in order to follow the process, attend meetings and workshops, and provide comments on rulings and proposed decisions."

CPUC's historic decision acknowledged WEM's contribution to the CPUC's earlier Decision 07-12-052 in the Long-Term Procurement proceeding. Link to the compensation decision: http://docs.cpuc.ca.gov/PUBLISHED/FINAL_DECISION/99073.htm

Link to the procurement decision: http://docs.cpuc.ca.gov/PUBLISHED/FINAL_DECISION/76979.htm

Another recent proposed decision also acknowledged WEM for influencing the Commission's decision to take charge of the state's Strategic Plan for Energy Efficiency through 2020. The Commission initially allowed utilities to create the Strategic Plan, but WEM argued that for-profit utilities should not be empowered to cross jurisdictional boundaries and take an inappropriate role in state and local government processes or programs in schools and colleges. Link to this compensation decision:

<http://docs.cpuc.ca.gov/EFILE/PD/100151.htm>

Link to the Strategic Plan proceeding:

<http://docs.cpuc.ca.gov/published/proceedings/R0807011.htm#decisions>

George commented, "A similar issue is highly contended in current energy efficiency proceedings — whether utilities should be allowed to continue administering energy efficiency programs conducted by local governments. Utilities demand profits on energy saved by these programs and also claim carbon credits for them, but local governments want these credits for themselves, to fulfill their AB32 mandates. California also needs to ensure that the results of programs funded by the federal stimulus will not be confused with utility programs. WEM supports independent administration of energy efficiency, on the grounds that independent energy efficiency providers have saved more energy per dollar than utilities, which have an irreconcilable conflict of interest with saving energy."

Utilities have strongly opposed WEM's compensation in all proceedings. George commented, "We feel that this confirms we are doing our job. However, it means that WEM has had to fight what amounts to a whole other legal case just to get paid, while few intervenors have faced such concerted opposition. Responding to utilities' objections to our compensation cuts into the time we can spend on the issues in the proceedings."

WEM's visionary role in California energy policy include the following current efforts:

WEM warns against PG&E's use of energy efficiency money as a political slush fund. Women's Energy Matters warned CPUC against utilities' use of billions of dollars of untracked energy efficiency money as a political slush fund, in WEM's April 17, 2009 *Protest* of utility plans for future energy efficiency programs. <http://docs.cpuc.ca.gov/EFILE/CM/100274.htm> In particular, WEM complained that PG&E is offering increased energy efficiency to persuade Marin cities to reject *Marin Clean Energy* (see below).

WEM encourages Marin to allow energy efficiency to bid on a par with energy supplies. Marin is expected to incorporate WEM's recommendation to solicit energy efficiency along with power generation resources in its upcoming request for proposals for *Marin Clean Energy*. This will be the first time energy efficiency will be eligible to bid on power procurement in California, and it is likely to dramatically reduce *Marin Clean Energy's* costs, while supporting energy reliability. WEM has released a short preview of a video documenting a similar model that has proved effective in New York: http://www.womensenergymatters.org/video/pgvideo_sneak.htm

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Women's Energy Matters (WEM) is a Marin-based non-profit that helps regular people understand and influence energy policy. One of the best-informed energy policy organizations in California, WEM advocates on behalf of ratepayers in statewide energy proceedings at the California Public Utilities Commission. In 2008 WEM put its expertise, advocacy and community organizing skills to work to

help Marin County and eight Marin towns to make the choice to support Marin Clean Energy. WEM is fundraising to support its work on behalf of Marin Clean Energy with an evening of comedy with Swami Beyondanda May 3rd in San Rafael. For more information and to purchase tickets, see <http://www.womensenergymatters.org>

Marin Clean Energy (MCE) is Marin's program to become the default provider of electricity for Marin residents and businesses, pursuant to the state's Community Choice law, passed in 2002 (AB117). MCE plans to more than double the renewable energy and energy efficiency for all its customers, in contrast to PG&E's programs. The County believes that MCE is the biggest single thing it can do to reduce greenhouse gases. *Marin Clean Energy* is being developed by a new agency (called the *Marin Energy Authority*), which the County and eight cities voted to establish in December 2008. It will purchase power for everyone who chooses to stay with the MCE program, while PG&E will continue to handle the power lines, billing and customer service. (See <http://www.marincleanenergy.info>)