

Decision 97-12-047 December 3, 1997

SEP 29 1997

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Application of)
PACIFIC GAS AND ELECTRIC COMPANY U-39-M)
for confirmation of Ms. Gail P. Seneca) Application 97-09-045
to serve on the Committee of its Nuclear) (Filed September 24, 1997)
Decommissioning Trust Funds.)
_____)

O P I N I O N

ORIGINAL

Summary of Decision

This decision confirms the nomination by Pacific Gas and Electric Company (PG&E) of Gail P. Seneca as a member of its Nuclear Facilities Decommissioning Master Trust Committee (Committee) as requested in Application 97-09-045 (Application).

On November 25, 1987, PG&E's two Nuclear Facilities Decommissioning Master Trust Agreements (Trusts) were approved by the Commission in Resolution E-3048. The Committee consists of five members nominated by PG&E, no more than two of whom may be affiliated with PG&E. The three members from outside of the company are to be confirmed by the Commission. In this Application, PG&E is nominating and seeking the required Commission confirmation for Seneca as the third non-PG&E member of the Committee for a term of five years.

Notice of the filing of the Application appeared in the Commission's Daily Calendar of September 29, 1997. No protests have been received.

Confirmation of Nominee

PG&E requests the confirmation of Seneca who has been nominated to serve on the Committee by PG&E's management and approved by its Board of Directors.

Seneca's qualifications, as set forth in Appendix A to the Application, indicate that she is a founder and managing partner of Seneca Capital Management, managing funds in the public

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capital markets on behalf of foundations, endowments, pension plans, and private clients. Prior to that, Seneca was a senior vice president in the Asset Management Division of Wells Fargo Bank. She has a Ph.D from New York University and is a member of Phi Beta Kappa. Seneca serves on the Investment Committee of the San Francisco Foundation and is on the boards of the Fine Arts Museum in San Francisco and the Golden Gate National Park Association.

Seneca has no current or past business relationships with PG&E and does not hold its stock or securities. She has indicated her willingness to serve on the Committee and has reviewed the requirements and restrictions on Committee members not affiliated with PG&E, as contained in the trust agreement for each of the funds.

The Energy Division has reviewed Seneca's qualifications and professional background and finds her capabilities and accomplishments impressive.

PG&E has nominated a competent and reliable individual with a demonstrated record of achievement and integrity who will represent the ratepayers and the public who are intended to be the ultimate beneficiaries of the Trusts. We will confirm the appointment.

The Trusts require a minimum of four members to constitute a quorum. Since the Committee currently has only four members and would not be able to take effective action if any of those were absent, it is important that the fifth member be confirmed without undue delay.

Fee and Compensation Arrangements

PG&E proposes that the current fee and compensation arrangements which were approved by the Commission for outside Committee members in Decision (D.)88-04-027 and D.93-04-060 be continued for the nominee. These include fees equal to \$8,000 per year, plus \$500 per meeting, plus reasonable expenses.

Having determined previously that the fee and compensation arrangements were reasonable, we see no reason to object to them at this time and will allow them to continue.

Findings of Facts

1. The management of PG&E has nominated and its Board of Directors has confirmed Seneca as a non-company member of its Trusts for a five year-term.

2. PG&E's Trusts require Commission confirmation of Committee nominees not affiliated with PG&E.

3. Seneca has served in a succession of highly responsible positions, giving her extensive business experience. She has no business relationships with PG&E that could reasonably be perceived as preventing her from acting independently in the Trusts' best interests.

4. Seneca is qualified and willing to serve as a member of PG&E's Committee.

5. The fee and compensation arrangements currently applicable to non-company Committee members were found reasonable in D.88-04-072 and D.93-04-060 and should continue to apply.

6. Because the Trusts require that four members be present to constitute a quorum, the request for Seneca's confirmation as the fifth member should be granted without delay in the interests of allowing the Committee to function effectively.

Conclusions of Law

1. A public hearing is not necessary.
2. The Application should be granted to the extent set forth in the order which follows.
3. This order should be effective immediately.

O R D E R

IT IS ORDERED that:

1. The nomination of Gail P. Seneca to serve as a non-company member of Pacific Gas and Electric Company's Nuclear Facilities Decommissioning Master Trust Committee (Committee) for a term of five years is confirmed.

2. The current fee and compensation arrangements for non-company members of the Committee as approved in Decisions 88-04-072 and 93-04-060 shall continue until revised through the process set forth in the Trust Agreements.

This order is effective today.

Dated December 3, 1997, at San Francisco, California.

P. GREGORY CONLON
President

JESSIE J. KNIGHT, JR.

HENRY M. DUQUE

JOSIAH L. NEEPER

RICHARD A. BILAS

Commissioners