

5/21/99

Decision 99-05-037

May 13, 1999

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 DeWitt F. Bowman to serve on the)
Committee of its Nuclear Decommissioning Trust Funds))

Application 99-03-002
(Filed March 3, 1999)

OPINION

ORIGINAL

1. Summary of Decision

This decision confirms the nomination by Pacific Gas and Electric Company (PG&E) of DeWitt F. Bowman as a member of its Nuclear Facilities Decommissioning Master Trust Committee (Committee) as requested in Application 99-03-002 (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 re-nominating and seeking the required Commission confirmation for Mr. Bowman as the third non-PG&E member of the Committee for another five-year term.

Notice of the filing of the Application appeared in the Commission's Daily Calendar of March 5, 1999. In Resolution ALJ-176-3012 dated March 18, 1999, the Commission preliminarily categorized this application as ratesetting and preliminarily determined that hearings were not necessary. Since no protests were filed, public hearing is not necessary, and it is not necessary to alter the preliminary determinations made in Resolution ALJ-176-3012.

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2. Confirmation of Nominee

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

On July 8, 1994, the Commission approved the appointment of DeWitt F. Bowman to serve on the Committee for a five-year term beginning May 2, 1994. His term expires May 1, 1999. Mr. Bowman's qualifications, as set forth in Appendix A to the Application and a biographical attachment, indicate that he retired as Chief Investment Officer of the California Public Employees Retirement System (CALPERS) in February 1994 and thereafter worked as a pension investment consultant. He is a trustee of the PCG Private Equity Fund and presently serves as a director of the Wilshire Target Mutual Funds, the Brandes Institutional International Mutual Fund, the RREEF America I REIT, and the Dresdner/RCM Capital and Equity Mutual Funds. Mr. Bowman has a B.S. degree from the University of Wisconsin and is a licensed Chartered Financial Analyst.

Mr. Bowman has indicated his willingness to continue to serve on the Committee and has reviewed the requirements and restrictions on the Committee members not affiliated with PG&E, as contained in the trust agreement for each of the funds.

The Energy Division has reviewed Mr. Bowman's qualifications and professional background and finds his capabilities and accomplishments impressive.

PG&E has re-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 will have only four members by May 2, 1999, and would not be able to take effective action if any of the four were absent, it is important that the fifth member, Mr. Bowman, be confirmed without undue delay.

3. 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 reimbursement of 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.

4. PU Code Section 311(g)(2)

This is an uncontested matter in which the decision grants the relief requested. Accordingly, pursuant to PU Code Section 311(g)(2), the otherwise applicable 30-day period for public review and comment is being waived.

Findings of Facts

1. The management of PG&E has re-nominated and its Board of Directors has confirmed Bowman as a non-company member of its Master Trust Committee for a five-year term.
2. PG&E's Trusts require Commission confirmation of Committee nominees not affiliated with PG&E.
3. Bowman has served in a succession of highly responsible positions, giving him extensive business experience. He has no business relationships with PG&E that

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could reasonably be perceived as preventing him from acting independently in the Trusts' best interests.

4. Bowman 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 Bowman'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 that follows.
3. This order should be effective immediately.

ORDER

IT IS ORDERED that:

1. The nomination of DeWitt F. Bowman 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.

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3. Application A.99-03-002 is closed.

This order is effective today.

Dated May 13, 1999, at San Francisco, California.

RICAHARD A. BILAS

President

HENRY M. DUQUE

JOSIAH L. NEEPER

Commissioners