

Decision 99-10-063 October 21, 1999

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

In the Matter of the Application of SOUTHERN )  
CALIFORNIA EDISON COMPANY [U 338-E] for )  
confirmation of the reappointment of Daniel P. Garcia to the ) Application 99-07-045  
Committees of its Nuclear Decommissioning Trust Funds. ) (Filed July 23, 1999)

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**O P I N I O N**

**1. Summary of Decision**

This decision confirms the nomination, by Southern California Edison Company (Edison), of Daniel P. Garcia as a member of its Nuclear Facilities Decommissioning Master Trust Committee (Committee), for an additional two-year term, as requested in Application 99-07-045 (Application).

On November 25, 1987, in Resolution E-3057, the Commission approved Edison's two Nuclear Facilities Decommissioning Master Trust Agreements (Trusts). The Committee consists of five members nominated by Edison, no more than two of whom may be affiliated with Edison. The three members from outside of the company are to be confirmed by the Commission. In this Application, Edison is re-nominating and seeking the required Commission confirmation for Mr. Garcia as a non-Edison member of the Committee for two more years.

Notice of the filing of the Application appeared in the Commission's Daily Calendar of August 2, 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.

## 2. Confirmation of Nominee

The Committee consists of five members, three of whom are not affiliated with Edison. One of the latter three positions is currently vacant and the terms of the remaining two (which include Mr. Garcia) will expire later this year. Edison's management, with the backing of its Board of Directors, is recommending Mr. Garcia for an additional two-year term to provide some continuity of membership among non-Edison membership of the Committees. Edison intends to nominate two additional members later this year.

By D.94-11-063, the Commission approved the appointment of Daniel P. Garcia to serve on the Committee for a five-year term starting November 22, 1994.

Mr. Garcia's qualifications, as set forth in Appendix A to the Application and a biographical attachment, indicate that he was appointed Senior Vice President (SVP) at Warner Bros. on September 1, 1991. In 1997 he also became an SVP of Warner Music Group. He is responsible for strategic planning, transactions, design and construction, and plant management for Warner Bros. and Warner Music Group real estate holdings around the world. Prior to joining Warner Bros., Mr. Garcia was a partner in the law firm of Munger, Tolles and Olson, and also served as a member of the Los Angeles Planning Commission and President of the Los Angeles Board of Police Commissioners.

Mr. Garcia 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 Edison, as contained in the trust agreement for each of the funds.

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

Edison 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 three members by November 23, 1999, and would not be able to take effective action without a fourth member, it is important that Mr. Garcia be confirmed without undue delay.

### **3. Fee and Compensation Arrangements**

Edison proposes that the current fee and compensation arrangements which were approved by the Commission for outside Committee members in Decision (D.) 88-03-077 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 Edison has re-nominated and its Board of Directors has confirmed Mr. Garcia as a non-company member of its Master Trust Committee for a two-year term.

2. Edison's Trusts require Commission confirmation of Committee nominees not affiliated with Edison.

3. Mr. Garcia has served in a succession of highly responsible positions, giving him extensive business experience. He has no business relationships with Edison that could reasonably be perceived as preventing him from acting independently in the Trusts' best interests.

4. Mr. Garcia is qualified and willing to serve as a member of Edison's Committee.

5. The fee and compensation arrangements currently applicable to non-company Committee members were found reasonable in D.88-03-077 and should continue to apply.

6. Because the Trusts require that four members be present to constitute a quorum, the request for Mr. Garcia's confirmation as the fourth 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 Daniel P. Garcia is confirmed to serve as a non-company member of Southern California Edison Company's Nuclear Facilities

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Decommissioning Master Trust Committee (Committee) for a term of two years starting on November 23, 1999.

2. The current fee and compensation arrangements for non-company members of the Committee as approved in Decisions 88-03-077 shall continue until revised through the process set forth in the Trust Agreements.

3. Application A.99-07-045 is closed.

This order is effective today.

Dated October 21, 1999, at San Francisco, California.

RICHARD A. BILAS

President

HENRY M. DUQUE

JOSIAH L. NEEPER

JOEL Z. HYATT

CARL W. WOOD

Commissioners