

PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

COMMISSION ADVISORY AND COMPLIANCE DIVISION RESOLUTION NO. T-13070
Telecommunications Branch May 10, 1989

RESOLUTION REQUESTING APPROVAL OF THE PURCHASE OF
INSURANCE AS PROPOSED
BY THE TELECOMMUNICATIONS EDUCATION TRUST

SUMMARY

The Disbursements Committee (DC) of Telecommunications Education Trust (TET) has identified the need for an insurance policy to properly protect the assets of the Fund. This resolution would approve the agreement to purchase insurance from Iris Rideau and Associates for \$8,432.

BACKGROUND

D. 87-12-067 established a Trust to educate ratepayers about telecommunication issues. The DC of the Trust has met unanimously recommends that the Commission approve this resolution.

DISCUSSION

The policy under consideration is for \$1 million for each claim against the Trust. This policy will protect the Trust against any awards made against the Trust or the Disbursements Committee for any mistakes which may be made in making grants on behalf of the Trust. This policy will ensure that the Trust's assets are protected and used only for the intended purposes.

FINDINGS

1. The Disbursements Committee (DC) of the Telecommunications Education Trust has recommended purchasing insurance to protect the Trust.
2. The firm recommended today, Iris Rideau and Associates, is an insurance specialist who has secured the best available policy.
3. This contract and policy have been reviewed by Mr. Tom Silk, the Trust's outside counsel.
4. This resolution constitutes an emergency under Section 306(b) of the Public Utilities Code and was therefore not placed upon the public agenda. The insurance policy under consideration must be executed by May 12th, 1989 or else the Trust must reapply for insurance. This situation presents an emergency because without Commission action today, the T.E.T. might not be able to secure insurance before the first disbursements from the Trust, are made next month.

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THEREFORE, IT IS ORDERED that:

1) The DC is authorized to contract for the expenditure of \$8,432 to buy the insurance policy described herein.

I certify that this Resolution was adopted by the Public Utilities Commission at its regular meeting on May 10th, 1989. The following Commissioners approved it:

G. MITCHELL WILK
President
FREDERICK R. DUDA
STANLEY W. HULETT
JOHN B. OHANIAN
PATRICIA M. ECKERT
Commissioners


Executive Director

