

PUBLIC UTILITIES COMMISSION

505 VAN NESS AVENUE
SAN FRANCISCO, CA 94102-3298

Tel. No. (415) 703-1691



May 27, 2005

Advice Letter 2651-E

Ms Rose de la Torre
Pacific Gas and Electric Company
77 Beale Street, Room 1088
Mail Code B10C
San Francisco, CA 94105

Subject: Confirmation of PG&E's Nominees to the Committee of its Nuclear
Decommissioning Trust Funds

Dear Ms de la Torre:

Advice Letter 2651-E is effective May 26, 2005. A copy of the advice letter is sent herewith for your records.

Sincerely,

A handwritten signature in black ink, appearing to read "Sean H. Gallagher".

Sean H. Gallagher
Director
Energy Division



**Pacific Gas and
Electric Company®**

Brian K. Cherry
Director
Regulatory Relations

77 Beale Street, Room 1087
San Francisco, CA 94105
Mailing Address
Mail Code B10C
Pacific Gas and Electric Company
P.O. Box 770000
San Francisco, CA 94177

415.973.4977
Internal: 223.4977
Fax: 415.973.7226
Internet: BKC7@pge.com

April 15, 2005

Advice 2651-E
(Pacific Gas and Electric Company ID U39 E)

Public Utilities Commission of the State of California

**Subject: Confirmation of PG&E'S Nominees to the Committee of its
Nuclear Decommissioning Trust Funds**

Pacific Gas and Electric Company (PG&E) hereby submits for filing this update to PG&E'S Committee for Nuclear Decommissioning Trust Funds established pursuant to Decision ("D") 87-05-062 and Resolution ("R") E-3048.

Purpose

PG&E is requesting California Public Utilities Commission ("Commission") confirmation of the reappointment of its nominees DeWitt F. Bowman and John E. Hulse, to the Committee of PG&E's Nuclear Decommissioning Trust Funds.

Background

In Response to Commission D. 87-05-062 and R. E-3048, PG&E negotiated with the Commission Staff and the Trustee of its decommissioning trusts to develop trust agreements for its nuclear decommissioning costs in accordance with guidelines set forth in that Decision. Two trust agreements were required, one for the decommissioning funds which qualify for an income tax deduction under Section 468A of the Internal Revenue Code (Qualified Trust) and one for the remaining funds (Non-Qualified Trust). The two agreements are collectively referred to herein as the "Trusts."

Both of the Trusts require, among other things, that they be managed by a Committee composed of five members, three of whom are not affiliated with PG&E. The Trusts require that the Committee members be nominated by the management of PG&E, and confirmed by its Board of Directors. Additionally the Trusts require that the committee members not affiliated with PG&E be confirmed by the Commission.

By this filing, PG&E is requesting Commission reconfirmation of two members not affiliated with PG&E, in accordance with the provisions set forth in the Trusts.

PG&E has nominated Mr. Bowman and Mr. Hulse to serve as PG&E non-affiliated Committee members for both trusts, for five-year terms.

Mr. Bowman completed his most recent five-year term as a non-affiliated Committee member on May 1, 2004 and has served on the Committee since May 2, 1994. Mr. Bowman has indicated his willingness to serve another term on the Committee if confirmed by the Commission and PG&E requests that the Commission approve his reappointment for the period May 2, 2004 through May 1, 2009. The re-nomination of Mr. Bowman has been confirmed by PG&E's Board of Directors.

Mr. Hulse, who has served since January 1, 2003, will have completed a five-year term, as of May 1, 2005. He has indicated his willingness to continue to serve on the Committee for a five-year term, beginning May 2, 2005, if confirmed by the Commission. The re-nomination of Mr. Hulse also has been confirmed by PG&E's Board of Directors.

The issues in this filing are limited to the qualifications of the nominees to serve on the Committees of PG&E's Trusts, and the fee arrangements for their services. As described below, the qualifications of the nominees, and all of the information necessary for the Commission to determine the existence of any conflict of interest, are fully set forth herein. The Commission has previously approved these individuals' appointments.

The education and professional background of the nominees are set forth in Appendices A and B included herein. Also, the Attachments contain "conflict of interest" declarations, of the nominees, as required by the Trusts. The recommended fee is \$8,000 per year and \$500 per meeting and PG&E requests that the Commission confirm that these fees are reasonable.

Additionally, PG&E, requests that in the event one or both of the nominees are not reconfirmed by the commission, PG&E may take the following actions to ensure a full Committee:

Confirm the nomination of a PG&E employee(s), who shall serve as Committee members, subject to Commission approval, for up to one year of such time as new nominees have been confirmed by PG&E's Board of

Directors and confirmed by the Commission, as stipulated in Article 3.01 of the Trust Agreements.

This filing will not increase any rates or charges, conflict with any schedules or rules, nor cause withdrawal of service.

Protests

Anyone wishing to protest this filing may do so by sending a letter by **May 5, 2005**, which is 20 days from the date of this filing. The protest must state the grounds upon which it is based, including such items as financial and service impact, and should be submitted expeditiously. Protests should be mailed to:

IMC Branch Chief – Energy Division
California Public Utilities Commission
505 Van Ness Avenue, 4th Floor
San Francisco, California 94102
Facsimile: (415) 703-2200
E-mail: jjr@cpuc.ca.gov

Protests also should be sent by e-mail and facsimile to Mr. Jerry Royer, Energy Division, as shown above, and by U.S. mail to Mr. Royer at the above address.

The protest should be sent via both e-mail and facsimile to PG&E on the same date it is mailed or delivered to the Commission at the address shown below.

Pacific Gas and Electric Company
Attention: Brian K. Cherry
Director, Regulatory Relations
77 Beale Street, Mail Code B10C
P.O. Box 770000
San Francisco, California 94177
Facsimile: (415) 973-7226
E-Mail: RxDd@pge.com

Effective Date

PG&E respectfully requests that this filing become effective on **May 1, 2005** and that the reappointment of Mr. Bowman be confirmed and ratified as to his actions as a member of the Committee since **May 1, 2004**.

Notice

In accordance with General Order 96-A, Section III, Paragraph G, a copy of this advice letter is being sent electronically and via U.S. mail to parties shown on the attached list. Address changes should be directed to Rose De La Torre at (415) 973-4716. Advice letter filings can also be accessed electronically at:

<http://www.pge.com/tariffs>


Brian K. Cherry
Director - Regulatory Relations

Attachments

Appendix A

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

3
4 In the Matter of the Advice Filing of Pacific
5 Gas and Electric Company (U 39 M) for
6 Approval of Reappointment of Mr. DeWitt F.
Bowman to Serve on the Committee of its
Nuclear Decommissioning Trust Funds

Advice Filing No. _____

7
8 **DECLARATION OF DEWITT F. BOWMAN**

9
10 I, DeWitt F. Bowman, declare as follows:

11 1. That I have been renominated by Pacific Gas and Electric Company ("PG&E") to
12 serve on the Nuclear Facilities Decommissioning Master Trust Committee (the "Committee") for
13 its Nuclear Decommissioning Trust Funds ("Funds");

14 2. That I have indicated my willingness to continue to serve on the Committee;

15 3. That I have reviewed the requirements and restrictions on Committee members not
16 affiliated with PG&E contained in the trust agreement for each of the Funds;

17 4. That I presently work as a pension investment consultant, having retired as Chief
18 Investment Officer of the California Public Employees Retirement System ("CALPERS") IN
19 February 1994;

20 5. That my personal and professional background is briefly described on the
21 biography I have attached hereto;

22 6. That I own no PG&E stock or other PG&E securities;

23 7. That I have had no prior business relationship with PG&E, other than my current
24 service on the Committee;

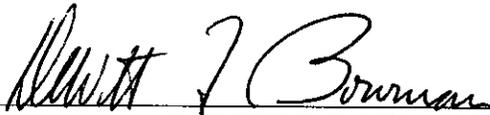
25 8. That I am not an employee, officer, or agent of PG&E; and
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9. That I have no financial or other interest that will conflict with the discharge of my responsibilities as a Committee member.

I declare under penalty of perjury that the foregoing is true and correct.

Dated: April 12, 2005


DEWITT F. BOWMAN

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**Biography of
DeWitt F. Bowman, CFA, Retired
Pension Investment Consulting**

Since my retirement in 1994, I have worked as a part-time consultant to pension funds, financial institutions, and investment funds on matters pertaining to investment department management, evaluation of external contract managers, and comparative investment performance. I currently serve as a director of the Forward Funds, the Brandes Funds, the Sycuan Funds, the Wilshire Mutual Funds, the RREEF American I REIT, the RREEF America III REIT, and as a trustee of the Pacific Gas and Electric Company Nuclear Decommissioning Trust and the PCG Private Equity Fund.

From 2001 to 2001 I filled the position of Interim Treasurer to the Regents of the University of California where I was responsible for the management of the University Treasurer's office and the investment management of the retirement system and endowment funds for the University of California until a permanent treasurer was hired.

From 1989 to 1994 I served as the Chief Investment Officer of the California Public Employees Retirement System and from 1984 to 1989 as the Chief Investment Officer of the San Francisco Employees Retirement System. In these positions I was responsible for formulating, recommending to the Board, and implementing overall investment strategy for these multi-billion dollar funds, directing the investment management of the internally managed segments of the funds, and evaluating the performance of the external investment managers.

From 1973 to 1984 I worked for the California Canadian Bank, San Francisco as Senior Vice President and Senior Trust Officer responsible for the management of the Trust Department, and from 1957 to 1973 for the First Wisconsin Bank, Madison, Wisconsin as Senior Vice President and Trust Officer responsible for the management of the investment division. In these positions I was responsible for the investment management of fiduciary personal trust and agency accounts and employee benefit plans.

I am a 1957 Graduate of the University of Wisconsin with a BS degree in Geology. During the Korean War I served in the U.S. Air Force for five years as a fighter pilot and assistant squadron adjutant.

I was licensed as a Chartered Financial Analyst in 1967 and am currently a member of CFA Institute. Previously I have served as a director of the San Francisco and Sacramento Chapters of the CFA Institute.

Appendix B

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

In the Matter of the Advice Filing of Pacific Gas and Electric Company (U 39 M) for Approval of Reappointment of Mr. John E. Hulse to Serve on the Committee of its Nuclear Decommissioning Trust Funds

Advice Filing No. _____

DECLARATION OF JOHN E. HULSE

I, John E. Hulse, declare as follows:

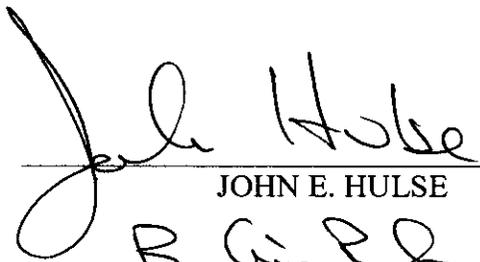
1. That I have been renominated by Pacific Gas and Electric Company ("PG&E") to serve on the Nuclear Facilities Decommissioning Master Trust Committee (the "Committee") for its Nuclear Decommissioning Trust Funds ("Funds");
2. That I have indicated my willingness to continue to serve on the Committee;
3. That I have reviewed the requirements and restrictions on Committee members not affiliated with PG&E contained in the trust agreement for each of the Funds;
4. That I am retired as Vice Chairman and Chief Financial Officer of Pacific Telesis Group;
5. That my personal and professional background is briefly described on the biography I have attached hereto;
6. That I own no PG&E stock or other PG&E securities;
7. That, other than through my prior employer, Pacific Telesis Group, which had routine business relationships with PG&E, I have had no prior business relationship with PG&E, other than my current service on the Committee;
8. That I am not an employee, officer, or agent of PG&E; and

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9. That I have no financial or other interest that will conflict with the discharge of my responsibilities as a Committee member.

I declare under penalty of perjury that the foregoing is true and correct.

Dated: April 14, 2005



JOHN E. HULSE


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Biography of
John E. Hulse
Vice Chairman and Chief Financial Officer, Retired
Pacific Telesis Group and Pacific Bell

John Hulse, 71, began his tenure as Vice Chairman and Chief Financial Officer of Pacific Telesis Group at its inception in January 1984, and served in that position until his retirement in June 1992.

Hulse's career in the Bell System began in 1958 with Northwestern Bell, where he held a variety of management positions in various operating departments. In 1972, he left to spend two years with AT&T as marketing sales project director, and return in 1974 as Vice President and Chief Executive Officer for Northwestern Bell in South Dakota.

A year later, he assumed the same responsibilities for Northwestern Bell in Minnesota and, in 1979, became Senior Vice President of its residence service in Omaha.

Hulse joined Pacific Telephone in January 1981 as Executive Vice President and Chief Financial Officer, and was elected Vice Chairman in February 1983.

From 1990 to 1991, Hulse served as president of the Telephone Pioneers of America, which is the world's largest industry-related volunteer organization totaling more than 800,000 members.

Hulse was a member of the Private Sector Council and served on the CFO Task Force Committee and Operations Task Force; serves on the board of Sit Mutual funds in Minneapolis, Minnesota. Hulse is an emeritus trustee of the San Francisco Ballet and was a member of its Finance Committee; is a member of the Executive Advisory Board of the San Francisco Bay Area Council of the Boy Scouts of America and Chairman of the 1992 Sustaining Membership Enrollment Campaign; a director of the Financial Executives Institute and served as Western Area Vice President in 1988. Hulse was a director of the San Francisco Chamber of Commerce and a member of the Chamber's Finance Committee; served in 1987 as a division chairman of the Bay Area United Way Campaign.

A native of Missouri, Hulse received a degree in business administration in 1955 from the University of South Dakota.

CALIFORNIA PUBLIC UTILITIES COMMISSION

ADVICE LETTER FILING SUMMARY ENERGY UTILITY

MUST BE COMPLETED BY UTILITY (Attach additional pages as needed)

Company name/CPUC Utility No. **Pacific Gas and Electric Company (ID U39)**

Utility type:

ELC GAS
 PLC HEAT WATER

Contact Person: Nicole Richardson

Phone #: (415) 973-6721

E-mail: nmr3@pge.com

EXPLANATION OF UTILITY TYPE

ELC = Electric GAS = Gas
PLC = Pipeline HEAT = Heat WATER = Water

(Date Filed/ Received Stamp by CPUC)

Advice Letter (AL) #: **2651-E**

Subject of AL: Confirmation of PG&E's Nominees To The Committee of its Nuclear Decommissioning Trust Funds

Keywords (choose from CPUC listing): **Nuclear**

AL filing type: Monthly Quarterly Annual One-Time Other _____

If AL filed in compliance with a Commission order, indicate relevant Decision/Resolution #: **D.87-05-062 and R E-3048**

Does AL replace a withdrawn or rejected AL? If so, identify the prior AL: N/A

Summarize differences between the AL and the prior withdrawn or rejected AL¹: _____

Resolution Required? Yes No

Requested effective date: **05/09/2005**

No. of tariff sheets: None

Estimated system annual revenue effect (%): N/A

Estimated system average rate effect (%): N/A

When rates are affected by AL, include attachment in AL showing average rate effects on customer classes (residential, small commercial, large C/I, agricultural, lighting).

Tariff schedules affected: None

Service affected and changes

proposed¹: N/A

Pending advice letters that revise the same tariff sheets: N/A

Protests and all other correspondence regarding this AL are due no later than 20 days after the date of this filing, unless otherwise authorized by the Commission, and shall be sent to:

**CPUC, Energy Division
Attention: Tariff Unit
505 Van Ness Ave.,
San Francisco, CA 94102
jjr@cpuc.ca.gov and jnj@cpuc.ca.gov**

**Pacific Gas and Electric Company
Attn: Brian K. Cherry
Director, Regulatory Relations
77 Beale Street, Mail Code B10C
P.O. Box 770000
San Francisco, CA 94177
E-mail: PGETariffs@pge.com**

¹ Discuss in AL if more space is needed.

**PG&E Gas and Electric Advice
Filing List
General Order 96-A, Section III(G)**

ABAG Power Pool
Accent Energy
Aglet Consumer Alliance
Agnews Developmental Center
Ahmed, Ali
Alcantar & Elsesser
Anderson Donovan & Poole P.C.
Applied Power Technologies
APS Energy Services Co Inc
Arter & Hadden LLP
Avista Corp
Barkovich & Yap, Inc.
BART
Bartle Wells Associates
Blue Ridge Gas
Bohannon Development Co
BP Energy Company
Braun & Associates
C & H Sugar Co.
CA Bldg Industry Association
CA Cotton Ginners & Growers Assoc.
CA League of Food Processors
CA Water Service Group
California Energy Commission
California Farm Bureau Federation
California Gas Acquisition Svcs
California ISO
Calpine
Calpine Corp
Calpine Gilroy Cogen
Cambridge Energy Research Assoc
Cameron McKenna
Cardinal Cogen
Cellnet Data Systems
Chevron USA Production Co.
Childress, David A.
City of Glendale
City of Healdsburg
City of Palo Alto
City of Redding
CLECA Law Office
Constellation New Energy
Cooperative Community Energy
CPUC
Creative Technology
Cross Border Inc
Crossborder Inc
CSC Energy Services
Davis, Wright Tremaine LLP
Davis, Wright, Tremaine, LLP
Defense Fuel Support Center
Department of the Army
Department of Water & Power City

DGS Natural Gas Services
DMM Customer Services
Douglass & Liddell
Downey, Brand, Seymour & Rohwer
Duke Energy
Duke Energy North America
Duncan, Virgil E.
Dutcher, John
Dynergy Inc.
Ellison Schneider
Energy Law Group LLP
Energy Management Services, LLC
Enron Energy Services
Exelon Energy Ohio, Inc
Exeter Associates
Foster Farms
Foster, Wheeler, Martinez
Franciscan Mobilehome
Future Resources Associates, Inc
G. A. Krause & Assoc
Gas Transmission Northwest Corporation
GLJ Energy Publications
Goodin, MacBride, Squeri, Schlotz &
Hanna & Morton
Heeg, Peggy A.
Hitachi Global Storage Technologies
Hogan Manufacturing, Inc
House, Lon
Imperial Irrigation District
Integrated Utility Consulting Group
International Power Technology
Interstate Gas Services, Inc.
J. R. Wood, Inc
JTM, Inc
Kaiser Cement Corp
Korea Elec Power Corp
Luce, Forward, Hamilton & Scripps
Marcus, David
Masonite Corporation
Matthew V. Brady & Associates
Maynor, Donald H.
McKenzie & Assoc
McKenzie & Associates
Meek, Daniel W.
Mirant California, LLC
Modesto Irrigation Dist
Morrison & Foerster
Morse Richard Weisenmiller & Assoc.
Navigant Consulting
New United Motor Mfg, Inc
Norris & Wong Associates
North Coast Solar Resources
Northern California Power Agency

Office of Energy Assessments
Palo Alto Muni Utilities
PG&E National Energy Group
Pinnacle CNG Company
PITCO
Plurimi, Inc.
PPL EnergyPlus, LLC
Praxair, Inc.
Price, Roy
Product Development Dept
R. M. Hairston & Company
R. W. Beck & Associates
Recon Research
Regional Cogeneration Service
RMC Lonestar
Sacramento Municipal Utility District
SCD Energy Solutions
Seattle City Light
Sempra
Sempra Energy
Sequoia Union HS Dist
SESCO
Sierra Pacific Power Company
Silicon Valley Power
Simpson Paper Company
Smurfit Stone Container Corp
Southern California Edison
SPURR
St. Paul Assoc
Stanford University
Sutherland, Asbill & Brennan
Tabors Caramanis & Associates
Tansev and Associates
Tecogen, Inc
TFS Energy
Transwestern Pipeline Co
Turlock Irrigation District
U S Borax, Inc
United Cogen Inc.
URM Groups
Utility Cost Management LLC
Utility Resource Network
Wellhead Electric Company
Western Hub Properties, LLC
White & Case
WMA