

PUBLIC UTILITIES COMMISSION

505 VAN NESS AVENUE
SAN FRANCISCO, CA 94102-3298

Tel. No. (415) 703-1691



October 11, 2006

Advice Letter 2849-E

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

Subject: Confirmation of PG&E's nominee to the committee of its nuclear decommissioning trust funds

Dear Ms de la Torre:

Advice Letter 2849-E is effective October 5, 2006 by Resolution E-4007. A copy of the advice letter and resolution are returned herewith for your records.

Sincerely,

Sean H. Gallagher, Director
Energy Division

REGULATORY RELATIONS	
Tariffs Section	
M Brown	D Poster
R Dela Torre	S Ramaiya
B Lam	
OCT 17 2006	
Records	
Return to	File
cc to	



Brian K. Cherry
Senior 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

June 22, 2006

Advice 2849-E

(Pacific Gas and Electric Company ID U 39 E)

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

Public Utilities Commission of the State of California

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 E-3048.

Purpose

PG&E is requesting California Public Utilities Commission (Commission or CPUC) confirmation of nominee William E. Downing to the Committee of PG&E's Nuclear Decommissioning Trust Funds.

Background

In response to D.87-05-062 and Resolution 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.

Thus, through this filing, PG&E is requesting Commission confirmation of William E. Downing, who is not affiliated with PG&E, in accordance with the provisions set forth in the Trusts.

Nomination of William E. Downing

PG&E has nominated Mr. Downing to serve the remainder of a term for a recently deceased Committee member (John E. Hulse). Mr. Hulse's five-year term, as was requested and approved through PG&E's Advice 2651-E¹, was to conclude May 2, 2010. Therefore, in this filing, PG&E requests Commission confirmation for Mr. Downing to serve on the Committee until that date.

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 education and professional background of the nominees set forth in Appendixes 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 the nominee is not confirmed by the Commission, PG&E may take the following actions to ensure a full Committee:

Confirm the nomination of a PG&E employee, who shall serve as a Committee member, subject to Commission approval, for up to one year of such time as a new nominee has 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 result in an increase in 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 letter sent via U.S. mail, by facsimile or electronically, any of which must be received no later than 20 days after the date of this filing, which is **July 12, 2006**. Protests should be mailed to:

¹ Advice 2651-E was filed April 15, 2005, and was approved on May 27, 2005.

CPUC Energy Division
Attention: Tariff Unit, 4th Floor
505 Van Ness Avenue
San Francisco, California 94102

Facsimile: (415) 703-2200
E-mail: jjr@cpuc.ca.gov and jnj@cpuc.ca.gov

Copies of protests also should be mailed to the attention of the Director, Energy Division, Room 4004, at the address shown above.

The protest also should be sent via U.S. mail (and by facsimile and electronically, if possible) to PG&E at the address shown below on the same date it is mailed or delivered to the Commission:

Pacific Gas and Electric Company
Attention: Brian Cherry
Director, Regulatory Relations
77 Beale Street, Mail Code B10C
P.O. Box 770000
San Francisco, California 94177

Facsimile: (415) 973-7226
E-mail: PGETariffs@pge.com

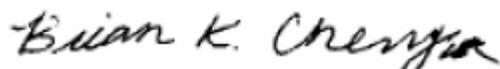
Effective Date

PG&E requests that this advice filing become effective on regular notice, **July 22, 2006**, which is 30 calendar days after the date of filing.

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>



Director, Regulatory Relations

Attachments

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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 Appointment of William E. Downing to Serve on the Committee of its Nuclear Decommissioning Trust Funds

Advice Filing No. 2849-E

U 39 M

DECLARATION OF WILLIAM E. DOWNING

I, William E. Downing, declare as follows:

1. That I have been nominated 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 Executive Vice President 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, except possibly indirectly through a mutual fund;
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;
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:


WILLIAM E. DOWNING

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Biography of

William E. Downing

Education

- Oklahoma State University - BSEE 1962
- Stanford University - MBA with concentration in finance 1970

Career Summary

- Texas Instruments (1962-65; 1997) – Designed ground support systems for NASA space program; trained personnel from tracking stations around the world to operate and maintain data demodulator systems.
- Electronic Instrumentation (1965-66) - Designed one of the first digital oil exploration systems for a major exploration company.
- Bell System(1970-82) – Held a variety of assignments at Pacific Bell and at AT&T headquarters including:
 - ~ District Manager - forecasted System-wide earnings and financing requirements
 - ~ Division Manager - developed corporate pension fund management guidelines
 - ~ AVP Resource Planning - improved corporate resource allocation
 - ~ AVP Planning - transformed AT&T into a customer-focused competitor
 - ~ AVP Planning - planned for the breakup of the Bell System
- Pacific Telesis Group (1982-98) – Held a variety of positions including:
 - ~ AVP Corporate Strategy - developed business strategy for the newly divested Pacific Telesis Group
 - ~ VP and Treasurer- managed the company’s pension and health benefit funds
 - ~ VP Corporate Strategy - created business development strategic plan
 - ~ GM Bay Area - managed all service operations in the Bay Area except for Marin County
 - ~ VP and Chief Financial Officer Pacific Bell
 - ~ EVP and Chief Financial Officer Pacific Telesis Group
- Retired April 1, 1998 following the acquisition of Pacific Telesis Group by SBC Corporation

Other Activities

- San Francisco Museum of Modern Art - Member of Board
- The Marine Mammal Center – Capital Campaign Chairman

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 U39E

Utility type:

ELC GAS
 PLC HEAT WATER

Contact Person: Shilpa Ramaiya

Phone #: (415) 973-3186

E-mail: srrd@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) #: **2849-E**

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

Keywords (choose from CPUC listing): Nuclear, Committee

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

If AL filed in compliance with a Commission order, indicate relevant Decision/Resolution: N/A

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: N/A

Resolution Required? Yes No

Requested effective date: **7-22-06**

No. of tariff sheets: 0

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). N/A

Tariff schedules affected: N/A

Service affected and changes proposed¹: Confirmation of Committee Member

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

Utility Info (including e-mail)
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
Aglet Consumer Alliance
Agnews Developmental Center
Alcantar & Elsesser
Ancillary Services Coalition
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 Texaco
Chevron USA Production Co.
Childress, David A.
City of Glendale
City of Healdsburg
City of Palo Alto
City of Redding
CLECA Law Office
Commerce Energy
Constellation New Energy
CPUC
Cross Border Inc
Crossborder Inc
CSC Energy Services
Davis, Wright, Tremaine LLP
Defense Fuel Support Center
Department of the Army
Department of Water & Power City
DGS Natural Gas Services
Douglass & Liddell
Downey, Brand, Seymour & Rohwer
Duke Energy
Duke Energy North America
Duncan, Virgil E.
Dutcher, John
Dynegy Inc.
Ellison Schneider
Energy Law Group LLP
Energy Management Services, LLC
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.
IUCG/Sunshine Design LLC
JTM, Inc
Kaiser Cement Corp
Luce, Forward, Hamilton & Scripps
Manatt, Phelps & Phillips
Marcus, David
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
OnGrid Solar
Palo Alto Muni Utilities
PG&E National Energy Group
Pinnacle CNG Company
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
Smurfit Stone Container Corp
Southern California Edison
SPURR
St. Paul Assoc
Stanford University
Sutherland, Asbill & Brennan
Tabors Caramanis & Associates
TANSEV
Tecogen, Inc
TFS Energy
Transcanada
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