July 19, 2010

Advice Letter 3579-E

Jane K. Yura
Vice President, Regulation and Rates
Pacific Gas and Electric Company
77 Beale Street, Mail Code B10B
P.O. Box 770000
San Francisco, CA  94177

Subject:  Confirmation of PG&E’s Nominee to the Committee of its Nuclear Decommissioning Trust Fund

Dear Ms. Yura:

Advice Letter 3579-E is effective June 24, 2010 per Resolution E-4318.

Sincerely,

Julie A. Fitch, Director
Energy Division
December 18, 2009

Advice 3579-E
Pacific Gas and Electric Company (U 39 M)

Public Utilities Commission of the State of California

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

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

**Purpose**

PG&E is requesting California Public Utilities Commission (Commission) confirmation of the reappointment of its nominee, William E. Downing, to the Committee of PG&E’s Nuclear Decommissioning Trust Funds.

**Background**

In response to Commission 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. By this filing, PG&E is requesting Commission reconfirmation
of one member not affiliated with PG&E, in accordance with the provisions set forth in the Trusts.

PG&E has nominated Mr. Downing to serve as a PG&E non-affiliated Committee member for both trusts for another five-year term.

Mr. Downing will complete his most recent five-year term as a non-affiliated Committee member on May 2, 2010, and has served on the Committee since October 5, 2006. Mr. Downing 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 3, 2010 through May 2, 2015. The re-nomination of Mr. Downing was confirmed by PG&E’s Board of Directors on December 16, 2009.

The issues in this filing are limited to the qualifications of the nominee to serve on the Committee of PG&E’s Trusts, and the fee arrangement for the nominee’s service. As described below, the qualifications of the nominee 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 this individual’s appointment.

The education and professional background of the nominee is set forth in Attachment A, included herein. Also, Attachment B contains the “conflict of interest” declaration from the nominee, as required by the Trusts. The recommended fee is $12,000 per year and $500 per meeting, and PG&E requests that the Commission confirm that these fees are reasonable.

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 January 7, 2010, 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:

CPUC Energy Division  
Attention: Tariff Unit, 4th Floor
505 Van Ness Avenue  
San Francisco, California 94102  
Facsimile: (415) 703-2200  
E-mail: mas@cpuc.ca.gov and jnj@cpuc.ca.gov

Copies should also be mailed to the attention of the Director, Energy Division, Room 4005 and Honesto Gatchalian, Energy Division, 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  
Vice President, 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 be approved as soon as possible, with the effective date of May 3, 2010.
Notice

In accordance with General Order 96-B, Section IV, a copy of this advice letter excluding the confidential appendices is being sent electronically and via U.S. mail to parties shown on the attached list and the service list for Application 09-04-007. Address changes should be directed to PGETariffs@pge.com. Advice letter filings can also be accessed electronically at: http://www.pge.com/tariffs.

Brian K. Cherry
Vice President - Regulatory Relations

cc: Service List for Application 09-04-007

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

<table>
<thead>
<tr>
<th>Utility type:</th>
<th>Contact Person: Megan Lawson</th>
</tr>
</thead>
<tbody>
<tr>
<td>☑ ELC ☑ GAS</td>
<td>Phone #: (415) 973-1877</td>
</tr>
<tr>
<td>☐ PLC ☐ HEAT ☐ WATER</td>
<td>E-mail: <a href="mailto:mehr@pge.com">mehr@pge.com</a></td>
</tr>
</tbody>
</table>

**EXPLANATION OF UTILITY TYPE**

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

Advice Letter (AL) #: 3579-E  Tier: [3]

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

AL filing type: ☑ Monthly ☐ Quarterly ☐ Annual ☑ One-Time  ☐ Other

If AL filed in compliance with a Commission order, indicate relevant Decision/Resolution #: Does AL replace a withdrawn or rejected AL? If so, identify the prior AL: No

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

Is AL requesting confidential treatment? If so, what information is the utility seeking confidential treatment for: No

Confidential information will be made available to those who have executed a nondisclosure agreement: N/A

Name(s) and contact information of the person(s) who will provide the nondisclosure agreement and access to the confidential information:

Resolution Required? ☑ Yes  ☐ No

Requested effective date: May 3, 2010  No. of tariff sheets: N/A

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:

Protests, dispositions, 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**
Tariff Files, Room 4005
DMS Branch
505 Van Ness Ave., San Francisco, CA 94102
jnj@cpuc.ca.gov and mas@cpuc.ca.gov

**Pacific Gas and Electric Company**
Attn: Brian K. Cherry, Vice President, Regulatory Relations
77 Beale Street, Mail Code B10C
P.O. Box 770000
San Francisco, CA 94177
E-mail: PGETariffs@pge.com
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 E) for Approval of
Appointment of William E. Downing to Serve on
the Committee of its Nuclear Decommissioning
Trust Funds

Advice Filing No. ________

(U 39 E)

PACIFIC GAS AND ELECTRIC COMPANY
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 no prior business relationship with PG&E;
8. That I am not an employee, officer, or agent of PG&E; and,
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: 

12/10/09

WILLIAM E. DOWNING
BIOGRAPHICAL SKETCH 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
  ~ Assistant Vice President, Resource Planning - improved corporate resource allocation
  ~ Assistant Vice President, Planning - transformed AT&T into a customer-focused competitor
  ~ Assistant Vice President, Planning - planned for the break-up of the Bell System
- Pacific Telesis Group (1982-98) – Held a variety of positions, including:
  ~ Assistant Vice President, Corporate Strategy - developed business strategy for the newly divested Pacific Telesis Group
  ~ Vice President and Treasurer - managed the company’s pension and health benefit funds
  ~ Vice President, Corporate Strategy - created business development strategic plan
  ~ General Manager, Bay Area - managed all service operations in the Bay Area except for Marin County
  ~ Vice President and Chief Financial Officer, Pacific Bell
  ~ Executive Vice President 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
Alcantar & Kahl
Ameresco
Anderson & Poole
Arizona Public Service Company
BART
BP Energy Company
Barkovich & Yap, Inc.
Bartle Wells Associates
C & H Sugar Co.
CA Bldg Industry Association
CAISO
CLECA Law Office
CSC Energy Services
California Cotton Ginners & Growers Assn
California Energy Commission
California League of Food Processors
California Public Utilities Commission
Calpine
Cameron McKenna
Cardinal Cogen
Casner, Steve
Chamberlain, Eric
Chevron Company
Chris, King
City of Glendale
City of Palo Alto
Clean Energy Fuels
Coast Economic Consulting
Commerce Energy
Commercial Energy
Consumer Federation of California
Crossborder Energy
Davis Wright Tremaine LLP
Day Carter Murphy

Defense Energy Support Center
Department of Water Resources
Department of the Army
Dept of General Services
Division of Business Advisory Services
Douglas & Liddell
Douglas & Liddell
Downey & Brand
Duke Energy
Dutcher, John
Ellison Schneider & Harris LLP
FPL Energy Project Management, Inc.
Foster Farms
G. A. Krause & Assoc.
GLJ Publications
Goodin, MacBride, Squeri, Schlotz & Ritchie

Green Power Institute
Hanna & Morton
Hitachi
International Power Technology
Intestate Gas Services, Inc.
Los Angeles Dept of Water & Power
Luce, Forward, Hamilton & Scripps LLP
MBMC, Inc.
MRW & Associates
Manatt Phelps Phillips
Matthew V. Brady & Associates
McKenzie & Associates
Merced Irrigation District
Mirant
Modesto Irrigation District
Morgan Stanley
Morrison & Foerster
New United Motor Mfg., Inc.
Norris & Wong Associates

North Coast SolarResources
Northern California Power Association
Occidental Energy Marketing, Inc.
OnGrid Solar
Praxair
R. W. Beck & Associates
RCS, Inc.
Recon Research
SCD Energy Solutions
SCE
SMUD
SPURR
Santa Fe Jets
Seattle City Light
Sempra Utilities
Sierra Pacific Power Company
Silicon Valley Power
Silo Energy LLC
Southern California Edison Company
Sunshine Design
Sutherland, Asbill & Brennan
Tabors Caramanis & Associates
Tecogen, Inc.
Tiger Natural Gas, Inc.
Tioga Energy
TransCanada
Turlock Irrigation District
U S Borax, Inc.
United Cogen
Utility Cost Management
Utility Specialists
Verizon
Wellhead Electric Company
Western Manufactured Housing
Communities Association (WMA)
eMeter Corporation