

PUBLIC UTILITIES COMMISSION

505 VAN NESS AVENUE



May 22, 2020

Advice Letter 5797-E-A

Erik Jacobson
Director, Regulatory Relations
Pacific Gas and Electric Company
77 Beale Street, Mail Code B10C
P.O. Box 770000
San Francisco, CA 94177

SUBJECT: Diablo Canyon Independent Safety Committee (DCISC) Yearly Compensation Letter

Dear Mr. Jacobson:

Advice Letter 5797-E-A is effective as of May 08, 2020.

Sincerely,

A handwritten signature in cursive script that reads 'Edward Randolph'.

Edward Randolph
Deputy Executive Director for Energy and Climate Policy/
Director, Energy Division



Erik Jacobson
Director
Regulatory Relations

Pacific Gas and Electric Company
77 Beale St., Mail Code B13U
P.O. Box 770000
San Francisco, CA 94177

Fax: 415-973-3582

May 8, 2020

Advice 5797-E-A
(Pacific Gas and Electric Company ID U 39 E)

Public Utilities Commission of the State of California

**Subject: Supplemental: Diablo Canyon Independent Safety Committee (DCISC)
Yearly Compensation Letter**

Purpose

Pacific Gas and Electric Company (PG&E) hereby submits its annual report (Attachment 1) for establishing the compensation levels for the members of the Diablo Canyon Independent Safety Committee (DCISC or Committee) in compliance with Decision (D.) 88-12-083, dated December 19, 1988, and Resolution E-3152, dated May 19, 1989.

This submittal will not increase any rate or charge, cause the withdrawal of service, or conflict with any rate schedule or rule.

This filing supersedes Advice 5797-E in its entirety.

Background

In D.88-12-083, the California Public Utilities Commission (CPUC or Commission) adopted the Diablo Canyon Settlement Agreement, which included among other things the establishment of the DCISC, to be made up of persons with knowledge, background, and experience in the field of nuclear power facilities. The DCISC is to review Diablo Canyon operations for the purpose of assessing the safety of operations and suggesting any recommendations for safe operation.

In Resolution E-3152, the CPUC adopted compensation rates for DCISC committee members which included:

- An annual retainer of \$8,000;
- An hourly fee of \$200 for committee work in excess of 40 hours per year;
- A flat fee of \$500 for each committee meeting attended; and
- Reimbursement of expenses incurred in performance of committee work.

Resolution E-3152 also established that committee member compensation be set at levels commensurate with fees paid by PG&E for comparable services, such as services received by PG&E from persons overseeing its Nuclear Decommissioning Trust Funds.

Since the Committee's creation, committee member compensation levels have been revised twice. Advice Letter 1857-E, submitted by PG&E on April 1, 1999, as approved by Resolution E-3608 revised the DCISC member compensation by replacing the meeting appearance flat fee of \$500 with an hourly fee. Advice Letter 3677-E-A, submitted by PG&E on April 1, 2011, as approved by the CPUC Energy Division Director revised the annual retainer, hourly meeting fee and the hourly fee for work performed outside of committee meetings in excess of 40 hours per year.

The 2019 DCISC Compensation Advice Letter (Advice Letter 5515-E) retained the revised compensation levels approved in Advice Letter 3677-E-A, which established the current DCISC member compensation as follows:

- An annual retainer of \$10,000;
- A fee of \$250 per hour for attendance at committee meetings;
- An hourly fee of \$250 for committee work performed outside of committee meetings in excess of 40 hours per year; and
- Reimbursement of expenses incurred in performance of committee work.

PG&E examines the current fees paid to members of the DCISC, in comparison to fees paid to members of the Nuclear Facilities Decommissioning Master Trust Committee and the Nuclear Safety Oversight Committee (NSOC). Based on the review, PG&E finds as compared to the compensation paid for comparable services (as defined in Finding #3B of the Resolution E-3152), PG&E recommends that the current fees paid to the DCISC should be increased to \$260 per hour, with the annual retainer increased to \$10,400.

Protests

*****Due to the COVID-19 pandemic and the shelter at home orders, PG&E is currently unable to receive protests or comments to this advice letter via U.S. mail or fax. Please submit protests or comments to this advice letter to EDTariffUnit@cpuc.ca.gov and PGETariffs@pge.com*****

Anyone wishing to protest this submittal may do so by letter sent via U.S. mail, facsimile or E-mail, no later than May 28, 2020, which is 20 days after the date of this submittal. Protests must be submitted to:

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

Facsimile: (415) 703-2200
E-mail: EDTariffUnit@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 shall also be sent to PG&E either via E-mail or U.S. mail (and by facsimile, if possible) at the address shown below on the same date it is mailed or delivered to the Commission:

Erik Jacobson
Director, Regulatory Relations
c/o Megan Lawson
Pacific Gas and Electric Company
77 Beale Street, Mail Code B13U
P.O. Box 770000
San Francisco, California 94177

Facsimile: (415) 973-3582
E-mail: PGETariffs@pge.com

Any person (including individuals, groups, or organizations) may protest or respond to an advice letter (General Order 96-B, Section 7.4). The protest shall contain the following information: specification of the advice letter protested; grounds for the protest; supporting factual information or legal argument; name, telephone number, postal address, and (where appropriate) e-mail address of the protestant; and statement that the protest was sent to the utility no later than the day on which the protest was submitted to the reviewing Industry Division (General Order 96-B, Section 3.11).

Effective Date

PG&E requests that this Tier 1 advice submittal become effective upon date of submittal, which is May 8, 2020.

Notice

In accordance with General Order 96-B, Section IV, a copy of this advice letter is being sent electronically and via U.S. mail to parties shown on the attached list. Address

changes to the General Order 96-B service list should be directed to PG&E at email address PGETariffs@pge.com. For changes to any other service list, please contact the Commission's Process Office at (415) 703-2021 or at Process_Office@cpuc.ca.gov. Send all electronic approvals to PGETariffs@pge.com. Advice letter submittals can also be accessed electronically at: <http://www.pge.com/tariffs>.

_____/S/

Erik Jacobson
Director – Regulatory Relations

Attachment 1 – DCISC Compensation Levels



ADVICE LETTER SUMMARY

ENERGY UTILITY



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

Company name/CPUC Utility No.: Pacific Gas and Electric Company (ID U39E)

Utility type:

- ELC GAS WATER
 PLC HEAT

Contact Person: Kimberly Loo

Phone #: (415)973-4587

E-mail: PGETariffs@pge.com

E-mail Disposition Notice to: KELM@pge.com

EXPLANATION OF UTILITY TYPE

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

(Date Submitted / Received Stamp by CPUC)

Advice Letter (AL) #: 5797-E-A

Tier Designation: 1

Subject of AL: Supplemental: Diablo Canyon Independent Safety Committee (DCISC) Yearly Compensation Letter

Keywords (choose from CPUC listing): Compliance

AL Type: Monthly Quarterly Annual One-Time Other:

If AL submitted in compliance with a Commission order, indicate relevant Decision/Resolution #: D.18-12-083 and Resolution E-3152

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:

Confidential treatment requested? Yes No

If yes, specification of confidential information:

Confidential information will be made available to appropriate parties who execute a nondisclosure agreement. Name and contact information to request nondisclosure agreement/ access to confidential information:

Resolution required? Yes No

Requested effective date: 5/8/20

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).

Tariff schedules affected: N/A

Service affected and changes proposed¹: N/A

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

¹Discuss in AL if more space is needed.

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

CPUC, Energy Division
Attention: Tariff Unit
505 Van Ness Avenue
San Francisco, CA 94102
Email: EDTariffUnit@cpuc.ca.gov

Name: Erik Jacobson, c/o Megan Lawson
Title: Director, Regulatory Relations
Utility Name: Pacific Gas and Electric Company
Address: 77 Beale Street, Mail Code B13U
City: San Francisco, CA 94177
State: California Zip: 94177
Telephone (xxx) xxx-xxxx: (415)973-2093
Facsimile (xxx) xxx-xxxx: (415)973-3582
Email: PGETariffs@pge.com

Name:
Title:
Utility Name:
Address:
City:
State: District of Columbia Zip:
Telephone (xxx) xxx-xxxx:
Facsimile (xxx) xxx-xxxx:
Email:

Attachment 1

DCISC Compensation Levels

DCISC Compensation Levels

I. Purpose

The purpose of this report is to provide an evaluation of the compensation paid to persons who provide comparable services to those of the DCISC as delineated in Finding #3 of CPUC Resolution E-3152 and to make a recommendation regarding adjustments to be made, if any, to the compensation paid to DCISC members.

II. Background

Finding #7 of CPUC Resolution E-3152 "Diablo Canyon Independent Safety Committee - Standards for compensation and accounting guidelines" states the following:

7. PG&E should annually, on April 1, file a report and advice letter with CACD [Commission Advisory and Compliance Division of the CPUC] to update the compensation levels set forth in findings 3 and 4.

Findings 3 and 4 read as follows:

3. Comparable services are those received by PG&E from the persons overseeing its Nuclear Decommissioning Trust Funds and from expert consultants used by PG&E in connection with the Diablo Canyon nuclear power plant.
4. Under the above findings, appropriate levels of compensation for members of the committee are as follows. Each member should receive an annual retainer of \$8,000. Each member should receive an hourly fee of \$200 for hours of committee work in excess of 40 hours per year, except that each member should receive a flat fee of \$500 for each committee meeting that he or she attends. Each member should receive reimbursement, consistent with procedures for such reimbursement as established by the committee, of his or her expenses incurred in the performance of duties as committee member.

Since the Committee's creation, committee member compensation levels have been revised twice. Advice Letter 1857-E, filed by PG&E on April 1, 1999, as approved by Resolution E-3608 revised the DCISC member compensation by replacing the meeting appearance flat fee of \$500 with an hourly fee. Advice Letter 3677-E-A, filed by PG&E on April 1, 2011, as approved by the CPUC Energy Division Director revised the annual retainer, hourly meeting fee and the hourly fee for work performed outside of committee meetings in excess of 40 hours per year.

The 2019 DCISC Compensation Advice Letter (Advice Letter 5515-E) retained the revised compensation levels approved in Advice Letter 3677-E-A, which established the current DCISC member compensation as follows:

- An annual retainer of \$10,000;
- A fee of \$250 per hour for attendance at committee meetings;
- An hourly fee of \$250 for committee work performed outside of committee meetings in excess of 40 hours per year; and
- Reimbursement of expenses incurred in performance of committee work.

III. Compensation Evaluation

A. Nuclear Facilities Decommissioning Master Trust Committee Member Compensation

The Nuclear Facilities Decommissioning Master Trust Committee is composed of two PG&E employee members and three non-PG&E affiliated members. The outside members are senior representatives from the financial community, including a retired chief investment officer and a retired chief financial officer. The outside member compensation level is \$12,000 annual retainer plus \$500 per meeting. Over the last several years, two meetings have been held per year on average with each meeting being approximately one hour in duration. It is estimated that about four hours is required by the committee members to prepare for each meeting.

B. Expert Consultant Compensation

Nuclear Safety Oversight Committee

There are currently six paid outside consultants to the Nuclear Safety Oversight Committee (NSOC). Outside consultants for the NSOC are selected on the basis of their nuclear industry experience and their ability to provide valuable insight to the committee relative to the safe operation of Diablo Canyon. The current consultants bring significant nuclear industry experience to the committee as exemplified by their former positions in the industry:

- Two Retired Nuclear Industry Vice Presidents
- Four Senior Nuclear Industry Consultants

The current NSOC consultants receive compensation of \$250 - \$300 an hour for work performed on NSOC business. NSOC site visit frequency shall not be less than twice per year. The NSOC Site Visits are typically four days duration each. In addition to attendance at the Site Visits, the consultants are expected to review numerous plant documents in support of committee business.

C. Current DCISC Member Compensation

The DCISC is made up of three members. These members are selected on the basis of their nuclear experience and their ability to provide valuable insight to the committee relative to the safe operation of Diablo Canyon. The current membership consists of individuals with extensive nuclear experience from both the power industry and the academic community as follows:

- Retired NRC Administrative Judge
- Nuclear Utility Industry Consultant
- Major University Professor of Nuclear Engineering

The current compensation paid to the DCISC members as originally established by the CPUC in Resolution E-3152 and subsequently revised in Resolution E-3608 and modified in Advice Letter 3677-E-A remains appropriate. Each member receives an annual retainer of \$10,000. In addition, the members receive an hourly fee of \$250 for hours of committee work in excess of 40 hours per year. The members are also compensated for

attendance at public meetings at an hourly rate of \$250. Typically, three one and one-half day public meetings are held each year with a plant tour accompanying each meeting.

IV. Recommendation

The compensation paid to the DCISC members for time spent on committee business as delineated above, PG&E recommends that the current fees paid to the DCISC should be increased to \$260 per hour, with the annual retainer increased to \$10,400.

**PG&E Gas and Electric
Advice Submittal List
General Order 96-B, Section IV**

AT&T	Downey & Brand	Pioneer Community Energy
Albion Power Company	East Bay Community Energy	Redwood Coast Energy Authority
Alcantar & Kahl LLP	Ellison Schneider & Harris LLP	Regulatory & Cogeneration Service, Inc.
Alta Power Group, LLC	Energy Management Service	SCD Energy Solutions
Anderson & Poole	Engineers and Scientists of California	
Atlas ReFuel	GenOn Energy, Inc.	SCE
BART	Goodin, MacBride, Squeri, Schlotz & Ritchie	SDG&E and SoCalGas
Barkovich & Yap, Inc.	Green Power Institute	SPURR
California Cotton Ginners & Growers Assn	Hanna & Morton	San Francisco Water Power and Sewer
California Energy Commission	ICF	Seattle City Light
California Public Utilities Commission	IGS Energy	Sempra Utilities
California State Association of Counties	International Power Technology	Southern California Edison Company
Calpine	Intestate Gas Services, Inc.	Southern California Gas Company
Cameron-Daniel, P.C.	Kelly Group	Spark Energy
Casner, Steve	Ken Bohn Consulting	Sun Light & Power
Cenergy Power	Keyes & Fox LLP	Sunshine Design
Center for Biological Diversity	Leviton Manufacturing Co., Inc.	Tecogen, Inc.
Chevron Pipeline and Power	Los Angeles County Integrated	TerraVerde Renewable Partners
City of Palo Alto	Waste Management Task Force	Tiger Natural Gas, Inc.
City of San Jose	MRW & Associates	TransCanada
Clean Power Research	Manatt Phelps Phillips	Troutman Sanders LLP
Coast Economic Consulting	Marin Energy Authority	Utility Cost Management
Commercial Energy	McKenzie & Associates	Utility Power Solutions
Crossborder Energy	Modesto Irrigation District	Water and Energy Consulting Wellhead
Crown Road Energy, LLC	NLine Energy, Inc.	Electric Company
Davis Wright Tremaine LLP	NRG Solar	Western Manufactured Housing
Day Carter Murphy	Office of Ratepayer Advocates	Communities Association (WMA)
Dept of General Services	OnGrid Solar	Yep Energy
Don Pickett & Associates, Inc.	Pacific Gas and Electric Company	
Douglass & Liddell	Peninsula Clean Energy	