

March 20, 2000

ADVICE 1979-E

Public Utilities Commission of the State of California

The purpose of this filing is to submit revised versions of Appendices B, C, and D of Decision (D.) 00-02-046, issued in Application (A.) 97-12-020, PG&E's Test Year 1999 General Rate Case (GRC). These revised Appendices incorporate and reflect the resolution of issues adopted in the decision based on the complete tax version of PG&E's Results of Operations model. The revised Appendices are included as Attachment I.

On March 1, 2000, PG&E submitted Advice 1972-E, in compliance with Ordering Paragraph 1.a. of D. 00-02-046. Advice 1972-E submitted revised rate components based on the electric revenue requirement adopted in D. 00-02-046. The rate components filed in Advice 1972-E became effective March 1, 2000.

Ordering Paragraph 1.b. requires that PG&E file this advice letter within 30 days of the effective date of the GRC decision. Attachment II includes workpapers showing: (1) the revision to claims expense (account 925) to remove the effect of claims associated with the December 1995 storm as required in Ordering Paragraph 29 of D. 99-06-080, as modified by D. 99-11-055, and discussed on pages 304 and 305 of D.00-02-046, and (2) the differences between the revenue requirement, tax expense and rate base computations adopted in D.00-02-046 and those which result from the complete tax model as described in Ordering Paragraph 1.b. of D.00-02-046. The impact of the complete tax revenue requirement model results in a decrease of annual electric revenue requirements of \$2.2 million. This revenue requirement change is effective January 1, 1999.

Due to the volume of the documentation supporting the revised tax data, copies of the tax workpapers are being provided under separate cover to the Commission only. Parties may request copies of these workpapers by contacting Nel Avendano at (415) 973-3529.

Ordering Paragraph 1.b. also requires PG&E to submit tariffs reflecting the revised revenue requirement. Due to the small amount of the decrease, PG&E proposes that the rate components not change at this time. PG&E will reflect the revised revenue requirement in the Transition Revenue Account. For informational purposes, revised rate tables are included in Attachment III.

Revenue allocation and rate design workpapers are available electronically upon request.

For final rates for 1999, PG&E proposes to provide bill adjustments for the period January 1, 1999, through December 31, 1999, for departing and Competition Transition Cost (CTC)-exempt customers. PG&E will use 1999 rates filed in Advice 1972-E on March 1, 2000, for these bill adjustments, assuming the Commission adopts PG&E's proposal described above. PG&E requests authorization to suspend any bill adjustments for the period beginning January 1, 2000, since rates effective January 1, 2000, will not be final until decisions are rendered in the 1999 Revenue Adjustment Proceeding, the 2000 Cost of Capital proceeding, the 1999 Annual Earnings Assessment Proceeding, the Catastrophic Event Memorandum Account (CEMA) proceeding, and the System Safety and Reliability Enhancement Funds Balancing Account (SSREFBA) proceeding.

As required by the GRC decision, PG&E and the Commission's Energy Division will convene a workshop to discuss the revised revenue requirements and answer parties' questions about the revised revenue requirements. The workshop will be held on Thursday, March 30, 2000, beginning at 9:30 A.M. at:

Pacific Gas and Electric Company
245 Market Street, Room 1417
San Francisco, California

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

PG&E requests that this filing become effective on **April 29, 2000**, which is 40 days after the date of filing.

Anyone wishing to protest this filing may do so by sending a letter, in accordance with Ordering Paragraph 1.b. of D. 00-02-046, within 20 days after the conclusion of the workshop. Protests should be mailed to:

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IMC Branch Chief
Energy Division
California Public Utilities Commission
505 Van Ness Avenue, Room 4002
San Francisco, California 94102
Facsimile: (415) 703-2200

Copies should also be mailed to the attention of the Director, Energy Division (address above), and Les Guliasi, Regulatory Relations Manager, 77 Beale Street, Mail Code B10C, P.O. Box 770000, San Francisco, California 94177, Facsimile (415) 973-7451. The protest should set forth the grounds upon which it is based and shall be submitted expeditiously. There are no restrictions on who may file a protest.

In accordance with Section III, Paragraph G of General Order 96-A, PG&E is mailing copies of this advice filing to the utilities and interested parties shown on the attached list and all parties in A. 97-12-020. Address change requests should also be directed to Ms. Nelia Avendano at (415) 973-3529.

Vice President – Regulatory Relations

Attachments