March 20, 2000

ADVICE 1980-E

Public Utilities Commission of the State of California

Pacific Gas and Electric Company (PG&E) hereby submits for filing revisions to its electric tariff sheets. The affected tariff sheets are listed on the enclosed Attachment I.

The purpose of this filing is to submit modifications to Schedules E-19—*Medium General Demand-Metered Time-of-Use Service* and E-20—*Service to Customers with Maximum Demands of 1,000 Kilowatts or More* to re-open the nonfirm option to all qualifying customers.

Currently, the nonfirm program on Schedules E-19 and E-20 is closed to existing customers. However, new customers entering PG&E's territory, or existing customers adding new load are eligible to take nonfirm service. The nonfirm program was closed to existing customers as a result of PG&E's 1993 General Rate Case.

However, due to the forecasted supply constraints this upcoming summer season, it is beneficial to open the program to all customers in order to manage those constraints. This could result in adequate supplies for all firm customers. The re-opened program would still be scheduled to end for all customers on March 31, 2002. For revenue allocation and rate design purposes, the incentives for customers taking nonfirm service as a result of this advice letter will be treated like nonfirm incentives for current customers.

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

PG&E requests that this advice 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 within 20 days after the date of this filing. Protest should be mailed to:

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

Copies shall also be mailed to the attention of the Director, Energy Division (address above), and Les Guliasi, Regulatory Relations Manager, P.O. Box 770000, Mail Code B10C, San Francisco, CA 94177, Facsimile: (415) 973-7226. The protest shall set forth the grounds upon which it is based and shall be submitted expeditiously. There is no restriction on whom may file a protest.

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

Vice President – Regulatory Relations

Attachments

COMMERCIAL/INDUSTRIAL/GENERAL
SCHEDULE E-19—MEDIUM GENERAL DEMAND-METERED TIME-OF-USE SERVICE
(Continued)

8. STANDARD SERVICE FACILITIES: If PG&E must install any new or additional facilities to provide the customer with service under this schedule the customer may have to pay some of the cost. Any advance necessary and any monthly charge for the facilities will be specified in a line extension agreement. See Rules 2, 15, and 16 for details. This section does not apply to customers voluntarily taking service under Schedule E-19.

Facilities installed to serve the customer may be removed when service is discontinued. The customer will then have to repay PG&E for all or some of its investment in the facilities. Terms and conditions for repayment will be set forth in the line extension agreement.

9. SPECIAL FACILITIES: PG&E will normally install only those standard facilities it deems necessary to provide service under this schedule. If the customer requests any additional facilities, those facilities will be treated as "special facilities" in accordance with Section I of Rule 2.

10. ARRANGEMENTS FOR VISUAL-DISPLAY METERING: If the customer wishes to have visual-display metering equipment in addition to the regular metering equipment, and the customer would like PG&E to install that equipment, the customer must submit a written request to PG&E. PG&E will provide and install the equipment within 180 days of receiving the request. The visual-display metering equipment will be installed near the present metering equipment. The customer will be responsible for providing the required space and associated wiring.

PG&E will continue to use the regular metering equipment for billing purposes.

11. NON-FIRM SERVICE PROGRAM: As noted, the rates in the chart in Section 3 of this rate schedule apply to firm service only. ("Firm" means service where PG&E provides a "continuous and sufficient supply of electricity," as described in Rule 14.) A customer may also elect to receive non-firm service under Schedule E-19. Non-firm service is not available to customers taking service under Schedule E-19 on a voluntary basis. Customers participating in the Nonfirm bidding Pilot should refer to Section 19. Customers participating in the Local Nonfirm Bidding Pilot should refer to Section 20.

The Non-firm Service Program is open to all customers on this rate schedule, (T)
except those customers who are taking service under Schedule E-19 on a |
voluntary basis. The new or existing customer's total load must meet the (T)
eligibility criteria in 11.a in order to participate in the Non-firm Service Program. Customers being served, as of December 31, 1992, under the Non-firm Service Program may continue to participate in the Non-firm Service Program.

(Continued)

COMMERCIAL/INDUSTRIAL/GENERAL
SCHEDULE E-20—SERVICE TO CUSTOMERS WITH MAXIMUM DEMANDS OF 1,000 KILOWATTS OR MORE
(Continued)

11. NON-FIRM SERVICE PROGRAM: As noted, the rates in the chart in Section 3 of this rate schedule apply to firm service only. ("Firm" means service where PG&E provides a "continuous and sufficient supply of electricity," as described in Rule 14.) A customer may also elect to receive non-firm service under Schedule E-20. Customers participating in the Nonfirm Pilot Bidding Program should refer to Section 17. Customers participating in the Local Nonfirm Pilot Bidding program should refer to Section 18.

The Non-firm Service Program is open to all customers on this rate schedule. The new or existing customer's total load must meet the eligibility criteria in 11.a in order to participate in the Non-firm Service Program. Customers being served, as of December 31, 1992, under the Non-firm Service Program may continue to participate in the Non-firm Service Program. (T)

Pursuant to the terms and conditions of the non-firm contract, PG&E hereby gives notice that on March 31, 2002, the current non-firm pricing incentive discount is terminated. The current level of non-firm pricing incentives is frozen through March 31, 2002, pursuant to Public Utilities Code Section 743.1 The California Public Utilities Commission has determined in PG&E's Electric Rate Design Window proceeding (D.97-06-024) that PG&E's non-firm customers should be made aware that at the conclusion of the statutory period the current non-firm pricing incentive will be terminated.

After March 31, 2002, non-firm pricing incentives are likely to be based primarily on market conditions and can be expected to changed significantly. This notice is not intended to give non-firm customers the impression that non-firm service will be of no value after March 31, 2002. Instead, this notice is intended to make clear that after March 31, 2002, the value of non-firm service will likely be evaluated based on market principles, and will most likely differ from non-firm incentives in effect at present.

A customer who elects to receive non-firm service under Schedule E-20 must participate in PG&E's Emergency Curtailment Program. A non-firm service customer may also elect to participate in PG&E's Underfrequency Relay (UFR) Program.

– EMERGENCY CURTAILMENT PROGRAM: Under the Emergency Curtailment Program, a non-firm service customer may be required to reduce demand to a designated number of kilowatts (kW), referred to as the customer's contractual "firm service level." PG&E will make requests for such curtailments from its non-firm service customers upon notification from the California Independent System Operator (ISO) that a systemwide or local operating condition exists which will impair the ability of the ISO to meet the demands of PG&E's other customers. The ISO is expected to issue load curtailment directives to PG&E in those instances where load reductions are necessary in order to maintain systemwide operating reserves above the 5 percent level throughout the next operating hour, or if such load reductions are the sole remaining measure available in order to mitigate transmission overloads in the PG&E area.

(Continued)

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RATE SCHEDULES

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Advice Letter No. 1980-E
Decision No.

Issued by
DeAnn Hapner
Vice President
Regulatory Relations

Date Filed March 20, 2000
Effective
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