

July 13, 2000

## **ADVICE 2016-E**

Public Utilities Commission of the State of California

In accordance with Preliminary Statement Part BU -- *Vegetation Management Balancing Account (VMBA)*, Pacific Gas and Electric Company (the Company): (1) submits for filing a summary of the entries made to the VMBA for the period January 1 through December 31, 1999, and (2) requests approval to transfer the year end 1999 balance to the Transition Revenue Account.

The Company's 1999 General Rate Case (GRC) Decision (D.00-02-046) adopted a one-way balancing account mechanism to track vegetation management expenditures during the time the [1999] GRC revenue requirement is in effect. Advice Letter 1977-E, filed March 14, 2000 and accepted by the Energy Division on June 13, 2000, submitted the one-way VMBA under Preliminary Statement Part BU in compliance with the decision. This preliminary statement includes the provision for PG&E to file an annual advice letter, which shall include a summary of the entries to this account and a proposal for the disposition of any credit balance in the account.

Attachment I is a summary of the entries made to the VMBA for the period January 1 through December 31, 1999. The recorded expenses for 1999 totaled \$119,793,144. In accordance with the accounting procedure of the preliminary statement, this amount excludes expenses relating to the vegetation management quality assurance program, shareholder-funded expenses as defined in D.99-07-029 (Tree Trimming OII Settlement), and vegetation management expenses allocated to Federal Energy Regulatory Commission (FERC) jurisdiction.

D.00-02-046 adopted an estimated vegetation management expense of \$121,070,000 (\$130,518,843 in 1999 dollars). However, excluding the vegetation management quality assurance program and the allocated FERC jurisdiction amounts, the net adopted 1999 expense is \$129,145,918.

The difference between the amount adopted in D.00-02-046 and the amount recorded for 1999 is \$9,352,774. This amount represents an overcollection, or credit balance, to the VMBA. PG&E requests approval to transfer this overcollection, including interest as required by the preliminary statement, to the Transition Revenue Account.

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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 **August 22, 2000**, which is 40 days after the date of this filing.

Anyone wishing to protest this filing may do so by sending a letter within 20 days of this filing. Protests should be mailed to:

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, Manager, Regulatory Relations, 77 Beale Street, Mail Code B10C, P.O. Box 770000, San Francisco, California 94177. 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, the Company is mailing copies of this advice filing to the utilities and interested parties shown on the attached list, and interested parties in A. 97-12-020. Address change requests should be directed to Nelia Avendano at (415) 973-3529.

Vice President -- Regulatory Relations

Attachment