

February 5, 2001

Advice 2078-E

(Pacific Gas and Electric Company ID U 39 E)

Public Utilities Commission of the State of California

**Subject: Revenue Adjustment Proceeding
2000 Rate Component Adjustments**

Pacific Gas and Electric Company (PG&E) hereby submits for filing updated electric rate component changes approved for the year 2000 for distribution, nuclear decommissioning, and public purpose program with offsetting rate changes to generation. Supporting workpapers, including the rate components, are enclosed.¹ On or before February 26, 2001, PG&E will submit a separate advice filing to incorporate electric rate component adjustments into its electric tariffs for use prospectively.

Purpose

The purpose of this filing is to revise its electric rate schedules as a result of the adopted revenue requirement changes that occurred in 2000, pursuant to the 1999 Revenue Adjustment Proceeding (RAP) Decision (D.) 01-01-019 dated January 4, 2001 (See Findings of Fact 96 and 97 and Ordering Paragraph (OP) 2.) D. 01-01-019 adopted a procurement adder of 0.007 cents per kilowatt-hour (kWh) as part of the 1999 RAP for PG&E, Southern California Edison Company, and San Diego Gas and Electric Company. On January 19, 2001, PG&E filed Advice 2074-E to implement the Schedule PX procurement adder.

Rate Component Adjustments for 2000

D. 01-01-019 ordered that within 15 days of the effective date of the decision, utilities should file tariffs implementing OP 1 and other provisions authorized in the decision. In a letter dated January 18, 2001, Wes Franklin, Commission Executive Director, granted a request by PG&E dated January 12, 2001, for an extension until February 5, 2001, to file updated year 2000 electric rate component revisions to adjust

¹ Copies of the workpapers are being provided to the Commission and are available upon request—see the Notice section of this advice filing.

distribution, nuclear decommissioning, and public purpose program functional revenues, with offsetting changes to the generation component.

These rate component changes for 2000 will be used only to determine bill adjustments for departing and Competition Transition Cost (CTC)-exempt customers who paid only a portion of utility charges in 2000. Customers who took either bundled or direct access service in 2000 are not affected by these changes to 2000 rates.

The 2000 component adjustments are as follows:

- 1) Advice 1942-E-A, revising the Fixed Transition Amount (FTA) effective January 1, 2000, and the related CPUC jurisdictional revenue requirement and rate changes for 2000 resulting from consolidation in the RAP.
- 2) CPUC jurisdictional revenue requirement and rate changes due to the Cost of Capital change effective February 17, 2000, pursuant to D. 00-06-040, OP 2.
- 3) FERC transmission rate change filed in Advice 2042-E dated October 18, 2000, resulting from the Approved Settlement in FERC Docket No. ER99-4323-000 effective April 1, 2000, subject to refund.
- 4) FERC Reliability Services (RS) rate change filed in Advice 1999-E-A pursuant to FERC's acceptance of these rates in ER00-2360-000, effective June 29, 2000, subject to refund.

Each rate change described above produces an offsetting change to the generation rate component to maintain the electric rate freeze.

Protests

Anyone wishing to protest this filing may do so by sending a letter within 20 days of 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:

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

Copies should also be mailed to the attention of the Director, Energy Division, Room 4005 and Jerry Royer, Energy Division, at the address shown above. It is also requested that a copy of the protest be sent via postal mail and facsimile to Pacific

Gas and Electric Company on the same date it is mailed or delivered to the Commission at the address shown below.

Pacific Gas and Electric Company
Attention: Les Guliasi
Director, Regulatory Relations
77 Beale Street, Mailcode B10C
P.O. Box 770000
San Francisco, CA 94177
Facsimile: (415) 973-7226

Effective Date

PG&E requests this advice letter be approved upon regular notice, **March 17, 2001**, which is 40 days after the date of this filing.

Notice

In accordance with Section III, Paragraph G, of General Order 96-A, a copy of this advice letter is being sent electronically and via U.S. mail to parties shown on the attached list and the service list for A. 99-08-022. Since the workpapers are voluminous, they are not being mailed to all recipients of this filing, but a copy may be obtained by telephoning Nel Avendano at (415) 973-3529. Address changes should be directed to Ms. Avendano.

Vice President - Regulatory Relations

cc: Service List – A. 99-08-022 (via electronic mail)

Attachments