

March 28, 2001

ADVICE 2094-E

(Pacific Gas and Electric ID U39E)

Public Utilities Commission of the State of California

Subject: Transmission Rate Change for Retail Electric Customers (TO5)

This advice letter notifies the Commission of pending Pacific Gas and Electric Company (PG&E) electric retail transmission rate changes that have been accepted by the Federal Energy Regulatory Commission (FERC), and are scheduled to become effective, subject to refund, on May 6, 2001.

Purpose:

PG&E hereby provides the Commission with notice of the upcoming transmission rate changes for its retail electric customers, and consistent with past practice, requests the authority to make certain offsetting rate changes to its retail generation rate components in order to preserve the overall retail electric rate freeze that continues to be in effect. The purpose of the transmission rate change is to reflect PG&E's most current estimates of the cost of providing transmission service.

Background:

PG&E's currently pending transmission revenue requirement request was filed with the Federal Energy Regulatory Commission (FERC) on October 6, 2000, and assigned to FERC Docket No. ER01-66-000. By order dated November 22, 2000, the filing was accepted by FERC and set for hearing, with the requested rates to become effective on May 6, 2001, subject to refund. The transmission rates accepted by FERC subject to refund are set forth in Attachment 1 in the same format as filed with FERC.

To preserve the rate freeze mandated by Assembly Bill (AB) 1890, the proposed changes to PG&E's electric retail transmission rates must be offset by corresponding changes to the generation component of PG&E's total effective rates. Further electric rate component adjustments in conjunction with implementation of AB 1x1, may affect the residual generation rate.

Therefore, PG&E will supplement this advice letter prior to May 6, 2001, in order to incorporate the most current rate component adjustments into its electric generation rates.

Protests:

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

IMF 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, 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, PG&E, Regulatory Relations
77 Beale Street, Mail Code B10C
P.O. Box 770000
San Francisco, California 94177
Facsimile: (415) 973-7226

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.

Effective Date

In accordance with the FERC order in ER01-66-000, PG&E requests that this filing become effective on **May 6, 2001**.

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

Notice

In accordance with General Order 96-A, Section III, Paragraph G, PG&E is mailing copies of the advice filing 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

Attachment