

November 1, 2001

Advice 2349-G/2171-E

(Pacific Gas and Electric Company ID U 39 M)

Public Utilities Commission of the State of California

Subject: Notification of the Creation of a New Affiliate

Purpose

In accordance with Decision 97-12-088, Appendix A, Rule VI. B-New Affiliate Compliance Plans, Pacific Gas and Electric Company hereby notifies the Commission of the formation of a new affiliate, as defined by the Affiliate Transaction Rules.¹

Rule VI. B. Specifically requires that:

Upon creation of a new affiliate, which is addressed by these Rules, the utility shall immediately notify the Commission of the creation of the new affiliate, as well as posting notice on its electronic bulletin board. No later than 60 days after the creation of this affiliate, the utility shall file an advice letter with the Energy Division of the Commission, served on parties to this proceeding. The advice letter shall demonstrate how the utility will implement these Rules with respect to the new affiliate.

Properties Holdings, LLC

Properties Holdings, LLC was formed on September 6, 2001, as a Holding Company for real estate (PG&E Properties) entities. The mailing address for Properties Holdings, LLC is: 7500 Old Georgetown Road, 13th Floor, Bethesda, MD 20814-6161. Following are the Board of Control and Officers:

¹ PG&E reserves all legal rights to challenge the decisions or statutes under which it has been required to make this advice filing, and nothing in this advice filing constitutes a waiver of such rights. Also, PG&E reserves any additional legal rights to challenge the requirement to make this advice filing by reason of its status as a debtor under Chapter 11 of the Bankruptcy Code, and nothing in this advice filing constitutes a waiver of such rights.

Thomas B. King	Board of Control, President, and Chief Executive Officer
John R. Cooper	Board of Control, Senior Vice President, and Treasurer
Stephen A. Herman	Senior Vice President
Thomas E. Legro	Vice President and Controller
John C. Barpoulis	Vice President and Assistant Treasurer
Linda Y.H. Cheng	Secretary
Sanford L. Hartman	Assistant Secretary
Wondy S. Lee	Assistant Secretary
Nancy A. Manning	Assistant Secretary
Eric Montizambert	Assistant Secretary
Suzanne Rich	Assistant Secretary
J. Tracy Mey	Assistant Treasurer
Dena Chapin Nolte	Assistant Treasurer

Questions regarding this affiliate should be addressed to Elsia Galawish, Pacific Gas and Electric Company's Manager of Affiliate Rules and Regulatory Compliance at (415) 973-4741.

Pacific Gas and Electric Company has previously posted notice of the formation of this affiliate on its affiliate transaction World Wide Web site and notified Commission staff.

Properties Holdings, LLC will not provide an energy related good or service, therefore the affiliate rules will not apply to this affiliate. Pacific Gas and Electric Company will not apply all the provisions of its Affiliate Rules Compliance Plan to transactions with this Non-Rule II.B. affiliate in the same manner as it does to PG&E Corporation and other Non-Rule II.B. affiliates.

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

Protests

Anyone wishing to protest this filing may do so by sending a letter by **November 21, 2001**, which is 20 days from 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 sent by U.S. mail and via facsimile 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, 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
Attn: Les Guliasi
Director, Regulatory Relations
77 Beale Street, Mailcode B10C
P.O. Box 770000
San Francisco, CA 94177
Facsimile: (415) 973-7226

Effective Date

Pacific Gas and Electric Company requests that this filing become effective on **November 1, 2001**, which is the date of filing.

Notice

In accordance with General Order 96-A, Section III, Paragraph G, a copy of this advice letter is being sent electronically and via U.S. mail to parties shown on the attached list, and the parties on the list for OIR 97-04-011/OII 97-04-012. Address change requests should be directed to Nelia Avendano at (415) 973-3529. Advice letter filings can also be accessed electronically at:

http://www.pge.com/customer_services/business/tariffs/

Vice President - Regulatory Relations

Attachment

cc: Service List – OIR 97-04-011/OII 97-04-012