

May 19, 2003

**Advice 2177-E-B**

(Pacific Gas and Electric Company ID U 39 E)

Public Utilities Commission of the State of California

**Subject:** Adjustment to the Diablo Canyon Units 1 and 2 Nuclear Decommissioning Cost-of-Service Amounts – Supplemental Filing

**Purpose**

This supplemental filing is being made pursuant to Resolution E-3823, which requires PG&E to supplement Advice 2177-E/-E-A to reflect that: (1) the changes in the Nuclear Decommissioning Cost-of-Service amounts set in Decision (D.) 00-02-046 have been made; (2) the overcollections authorized to be transferred to the Transition Revenue Account (TRA) have been transferred; and (3) PG&E has served notice of Resolution E-3823 to all parties in A. 02-03-020.

The revenue requirement for PG&E's Nuclear Decommissioning Cost-of-Service amounts set in D. 00-02-046 was filed in Advice 2177-E/E-A. On December 28, 2001, PG&E filed Advice 2187-E in which, among other things, PG&E proposed to change the Nuclear Decommissioning Cost-of-Service Amount beginning January 1, 2002. The proposed adjustment was to align PG&E's Cost-of-Service Nuclear Decommissioning Revenue Requirement in accordance with the Internal Revenue Service (IRS) Revised Schedule of Ruling Amounts for Diablo Canyon Nuclear Power Plant Unit 1 and 2. Advice 2187-E was approved by letter, dated April 8, 2002, and effective January 1, 2002. Accordingly, no additional adjustment to the Nuclear Decommissioning Revenue Requirement is needed to comply with Resolution E-3823.

Resolution E-3823 also authorizes PG&E to transfer to the TRA the annual difference between the 1999 GRC authorized amount for Nuclear Decommissioning, and the IRS limit on tax-deductible contributions. The total amount to be transferred to the TRA is \$8,137,348, which consists of an overcollection of \$2,466,950 in 1999, 2000, and 2001, plus interest through April 2003. PG&E will reflect this adjustment to the TRA in the May 2003 entries.

However, there is a lag in preparing the May 2003 TRA report. The May 2003 report will be provided to the Commission in late June 2003.

PG&E is attaching Resolution E-3823 to this advice letter, which will be served to all parties in A. 02-03-020.

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

### **Protests**

Anyone wishing to protest this filing may do so by sending a letter by **June 9, 2003**, which is 21 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 mailed to:

IMC Branch Chief – Energy Division  
California Public Utilities Commission  
505 Van Ness Avenue, 4<sup>th</sup> Floor  
San Francisco, California 94102

Facsimile: (415) 703-2200  
E-mail: [jjr@cpuc.ca.gov](mailto:jjr@cpuc.ca.gov)

Protests also should be sent by e-mail and facsimile to Mr. Jerry Royer, Energy Division, as shown above, and by U.S. mail to Mr. Royer at the above address.

The protest should be sent via both e-mail and facsimile to PG&E on the same date it is mailed or delivered to the Commission at the address shown below.

Pacific Gas and Electric Company  
Attention: Brian Cherry  
Director, Regulatory Relations  
77 Beale Street, Mail Code B10C  
P.O. Box 770000  
San Francisco, California 94177

Facsimile: (415) 973-7226  
E-mail: [RxDd@pge.com](mailto:RxDd@pge.com)

### **Effective Date**

PG&E requests that this advice filing become effective on regular notice, **June 28, 2003**, which is 40 days after 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 service list for A. 02-03-020. In compliance with Resolution E-3823, Ordering Paragraph 5, PG&E is attaching Resolution E-3823 to this advice letter, thereby serving the Resolution to all parties in A. 02-03-020. Address changes should be directed to Sandra Ciach at (415) 973-7572. Advice letter filings can also be accessed electronically at:

[http://www.pge.com/customer\\_services/business/tariffs/](http://www.pge.com/customer_services/business/tariffs/)

Vice President - Regulatory Relations

Attachments

cc: Service list for A. 02-03-020