

December 18, 2001

Advice 2359-G/2180-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.

Newco Energy Corporation

Newco Energy Corporation was formed on October 19, 2001, to be used for implementation of Pacific Gas and Electric Company's proposed plan of reorganization. This entity will be inactive until the final plan of reorganization is implemented. The mailing address for Newco Energy Corporation is: c/o Law

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.

Department, One Market, Spear Tower, Suite 400, San Francisco, CA 94105.
Following are the Board of Control and Officers:

Peter A. Darbee	Board of Control
Bruce R. Worthington	Board of Control, President and Treasurer
Linda Y.H. Cheng	Corporate Secretary

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.

Newco Energy Corporation 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 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 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 **December 18, 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