

December 17, 2002

**Advice 2321-E  
(Pacific Gas and Electric Company ID U 39E)**

Public Utilities Commission of the State of California

**Subject: Electric Refund Plan - Electric Deferred Refund Account  
(EDRA)**

**Purpose**

Pacific Gas and Electric Company (PG&E) hereby submits its Electric Refund Plan (Refund Plan) as ordered in Decision (D.) 96-12-025, dated December 9, 1996, in OIR 94-04-031/OII 94-04-032, the Commission's Electric Industry Restructuring Proceeding<sup>1</sup>.

As ordered in D. 96-12-025, PG&E established the Electric Deferred Refund Account (EDRA) in Advice 1639-E to record credits for electric disallowances ordered by the Commission, Utility Electric Generation Department (UEG) portions of gas disallowances ordered by the Commission or the Federal Energy Regulatory Commission (FERC), and electric and UEG amounts resulting from the settlement of reasonableness disputes at the Commission or FERC. Additionally, D. 96-12-025 ordered PG&E to submit a Refund Plan on or before January 31 of each year, to refund balances in the EDRA. The methodology for refunds is set forth in D. 96-12-025.

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<sup>1</sup> 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.

**Background**

Since PG&E's last Refund Plan filed in Advice 2182-E, dated December 21, 2001 and approved on January 30, 2002, the Commission has not ordered PG&E to credit any disallowances, refunds or other amounts to the EDRA. Furthermore, since PG&E does not anticipate any new credits to the EDRA for the remainder of this year, PG&E is modifying the current EDRA methodology and deferring the 2002 Refund Plan until December 2003. The current accumulated EDRA balances do not justify issuing a refund at this time. The amount to be refunded to PG&E's electric customers as of December 1, 2002 is \$170,476.74, which equals the residual balances carried over from the previous Refund Plans, plus accrued interest.

If PG&E were to implement a refund this year, the individual customer refunds would be de minimus. For example, a typical residential customer with average usage of 500 kWh per month would receive a refund of approximately 1.5 cents. In the past, PG&E's EDRA refunds have ranged from approximately \$1.5 million to \$70 million. In the 2000 Refund Plan (Advice 1938-E), a similar residential customer received a refund of \$2.29. Since the relative benefit of issuing such small refund amounts does not justify all of the associated administrative and regulatory overhead, and because no new credits to the EDRA are likely to occur this year, PG&E will defer the 2002 Refund Plan until December 2003. As such, PG&E will simply carry forward the current EDRA balance of \$170,476.74 along with any interest and new credits that will accumulate during 2003.

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

**Protest**

Anyone wishing to protest this filing should do so by sending a letter via postal mail and facsimile by, **January 6, 2003**, which is 20 days after 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, California 94102  
Facsimile: (415) 703-2200  
E-mail: [jjr@cpuc.ca.gov](mailto:jjr@cpuc.ca.gov)

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.

Les Guliasi  
Director, Regulatory Relations  
Pacific Gas and Electric Company  
P.O. Box 770000 Mail Code B10C  
San Francisco, California 94177  
Facsimile: (415) 973-7226  
E-mail: RxDd@pge.com

The protest shall set forth the grounds upon which it is based and shall be submitted expeditiously. There is no restriction on who may file a protest.

### **Effective Date**

In compliance with G. O. 96-A, PG&E requests that this advice filing become effective **January 26, 2003**, which is 40 days from the date of filing.

### **Notice**

In accordance with General Order 96-A, Section III, Paragraph G, 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 R. 94-04-031 and I. 94-04-032. Address changes should be directed to Ms. Rose De La Torre at (415) 973-4716. 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

cc: Service Lists R. 94-04-031 and I. 94-04-032