

February 25, 2003

**Advice 2349-E
(Pacific Gas and Electric Company ID U39 E)**

Public Utilities Commission of the State of California (CPUC)

Subject: Submits Notice of Construction, Pursuant to General Order 131-D, for the construction of the Gates Substation Capacitor Bank Project in the City of Fresno, County of Fresno

Pacific Gas and Electric Company (the Company) hereby submits notice pursuant to General Order (G.O.) 131-D, Section XI, Subsection B.4 the proposed construction of facilities that are exempt from a Certificate of Public Convenience and Necessity.¹

Purpose

This advice letter provides a copy of the Notice of Proposed Construction (Attachment I) and the Notice Distribution List, which comply with the noticing requirements found in G.O. 131-D, Section XI.

Background

The Company proposes to relocate a portion of the Los Banos - Midway #2 500 kilovolt (kV) powerline at Gates Substation near the town of Coalinga in Fresno County. The relocation is necessary to accommodate the installation of new 500 kV series capacitor banks in Gates Substation. Currently the Los Banos - Midway #2 line bypasses the existing 500 kV yard in the substation. In order for the line to run through the capacitor banks, the Company must interset two

¹ The Company 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, the Company 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.

towers in the existing alignment and relocate four towers outside of the substation property, and make related improvements inside the substation property. The relocated Los Banos-Midway #2 powerline will be parallel with, and 150 feet easterly of, the existing Los Banos-Gates 500 kV powerline. The relocation will commence near tower 80/338 of the Los Banos-Gates 500 kV powerline and will then proceed southerly and southeasterly until intersecting with the existing Los-Banos-Midway #2 powerline. Construction is planned to start in March of 2003, or as soon thereafter as possible.

This project qualifies as exempt from a Certificate of Public Convenience and Necessity filing requirements pursuant to G.O. 131-D, Section III, A, which exempts, "the minor relocation of existing power line facilities."

Additionally, G.O. 131-D requires utilities to employ "no cost" and specified "low cost" measures to reduce public exposure to electric and magnetic fields (EMFs). The following measures are proposed for this project:

- Because there are no EMF mitigation measures available on this project that would meet the CPUC's benchmark of 4% or less of the total project cost, no "no cost" or "low cost" measures will be employed.

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 filing a protest with the CPUC and the Company by **March 17, 2003**, at the following address:

Director, Energy Division
California Public Utilities Commission
505 Van Ness Avenue, Fourth Floor
San Francisco, California 94102
Facsimile: (415) 703-2200

In addition, protests and all other correspondence regarding this advice letter should also be sent by letter and transmitted via facsimile to the attention of:

David T. Kraska
Attorney, Law Department
Pacific Gas and Electric Company
P.O. Box 7442
San Francisco, California 94120
Facsimile: (415) 973-0516

Brian K. Cherry
Director, Regulatory Relations
Pacific Gas and Electric Company
P.O. Box 770000, Mail Code B10C
San Francisco, California 94177
Facsimile: (415) 973-7226

Persons or groups may protest the proposed construction if they believe that the Company has incorrectly applied for an exemption or that the conditions set out in G.O. 131-D, Section III, B.2 exist.

Effective Date

The Company requests that this advice filing become effective on **April 6, 2003**, which is 40 days after the date of filing. (In accordance with G.O. 131-D, construction will not begin until 45 days after notice is first published.)

Notice

In accordance with G.O. 96-A, Section III, Paragraph G, the Company is electronically and postal mailing copies of this advice letter to the utilities and interested parties shown on the attached list, including the parties listed in G.O. 131-D, Section XI, Paragraphs B.1 and B.2. These parties are identified in the "Notice Distribution List" included in Attachment I. Address change requests 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/

Vice President -- Regulatory Relations

Attachments

cc: Parties Listed in G.O. 131-D, Paragraphs B.1 and B.2