

April 8, 2003

Advice 2366-E

Public Utilities Commission of the State of California

Subject: Requests Approval of the Sale of Electric Facilities to Zahra Properties, Inc.

Pacific Gas and Electric Company (PG&E) submits this filing seeking approval of the sale of certain electric facilities to its customer Zahra Properties, Inc.

Purpose and Background:

Pursuant to the authority granted in Decision (D.) 99-12-030, PG&E hereby requests final Commission approval of a proposed sale of limited sole-customer public utility facilities. As directed in D. 99-12-030, PG&E submits the following information related to the proposed sale:

- Legal Name and Location of Purchaser: Zahra Properties Inc., DBA Guarantee Savings Building and AB Parking Facilities, LLC; 3097 Willow Street, Suite 10 Clovis, California 93612.
- Character of Business Performed by Purchaser: Commercial Property Management.
- Identification of the Facilities to be Sold: See Attachment 1 – Purchase and Sale Agreement, Exhibit B (“Material Inventory”).
- Original Cost and Net Book Value of the Facilities: Original cost is \$18,840; net book value is \$11,168.
- Purchase Price for the Facilities: \$21,434 (excluding tax).
- Signed Purchase and Sale Agreement: See Attachment 1.
- Table Showing Sales Price, Expenses, and Tax Effects: See Attachment 2.

Consistent with the requirements of D. 99-12-030, the facilities proposed for sale have been owned, operated, and maintained by PG&E solely to provide utility service to the proposed purchaser, and the purchase price is greater than or equal to replacement cost new less depreciation (see Attachment 3). As a result of the sale, PG&E’s rate base will be reduced by the net-of-tax proceeds which will be credited to the depreciation reserve.

In addition, the proposed sale constitutes a change in ownership and no direct or indirect environmental impacts will occur as a result of the sale of these specific Facilities. Accordingly, as stated in D. 99-12-030, the advice letter process

promulgated by the decision is exempt from further action under the California Environmental Quality Act.

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 **April 28, 2003**, 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 mailed to:

IMC Branch Chief
Energy Division
California Public Utilities Commission
505 Van Ness Avenue, Room 4002
San Francisco, CA 94102

Facsimile: (415) 703-2200
E-mail: 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, CA 94177

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

Effective Date:

PG&E requests that this advice filing become effective on regular notice, **May 18, 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. In accordance with D. 99-12-030, a copy of this advice letter is also being served on the Energy Division and the Office of Ratepayer Advocates. 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