

PUBLIC UTILITIES COMMISSION

505 VAN NESS AVENUE
SAN FRANCISCO, CA 94102-3298

Tel. No. (415) 703-1691



January 7, 2004

Advice Letter 2449-E

Ms Anita Smith, Rate Analyst
Pacific Gas and Electric Company
77 Beale Street, Mail Code 10B
San Francisco, CA 94177

Subject: Adjustment of the Fixed Transition Amount Charges for 2004

Dear Ms Smith:

Advice Letter 2449-E is effective January 1, 2004. A copy of the advice letter is returned herewith for your records.

Sincerely,

A handwritten signature in cursive script that reads "Paul Clanon".

Paul Clanon, Director
Energy Division



*Pacific Gas and
Electric Company*

Karen A. Tomcala
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December 15, 2003

Advice 2449-E

(Pacific Gas and Electric Company ID U 39 E)

Public Utilities Commission of the State of California

Subject: Adjustment of the Fixed Transition Amount Charges for 2004

Pacific Gas and Electric Company (PG&E) hereby submits for filing revisions to its electric tariff sheets. The affected tariff sheets are listed on the enclosed Attachment I.

Pursuant to Ordering Paragraph 14 of Decision (D.) 97-09-055, PG&E, as servicer of the Rate Reduction Bonds (RRBs) and on behalf of PG&E Funding LLC, is required to apply for adjustment to Fixed Transition Amount (FTA) charges at least 15 days before the end of each calendar year.

Purpose

This filing establishes revised FTA charges for rate schedules for residential and eligible small commercial customers. During the rate-freeze period, changes in the FTA charges will be offset by equal and offsetting changes in the residual Competition Transition Charge (CTC) portion of customers' bills.

Background

In D. 97-09-055, the Commission authorized PG&E to file routine True-Up Mechanism Advice Letters on an annual basis, at least 15 days before the end of the calendar year. Routine advice letter filings are those where PG&E uses the methodology found reasonable by the Commission in D. 97-09-055 to revise existing FTA charges.

Using the methodology approved by the Commission in D. 97-09-055, this filing modifies the variables used in the FTA charge calculation and provides the resulting modified FTA charges. Table I shows the revised assumptions for each of the variables used in calculating the FTA charges for residential and small commercial customers. The assumptions underlying the current FTA charges were filed in Advice 2319-E, PG&E's most recent routine advice letter filing, as authorized by D. 97-09-055. Attachment II shows the FTA charge calculation for 2004 and the revised payment schedule, Attachment III shows the revised collections curves study results, and Attachment IV shows the 2004 end-of-year forecast of the balances of the Reserve Subaccount, the Overcollateralization Subaccount, and the Capital Subaccount.

TABLE I		
Input Values For Revised FTA Charges		
	Residential Customers	Eligible Small Commercial Customers
Monthly MWh sales:		
December 2003	2,580,210	704,515
January 2004	2,499,856	717,164
February 2004	2,374,732	726,369
March 2004	2,137,142	718,911
April 2004	2,052,578	722,734
May 2004	2,197,584	787,209
June 2004	2,403,879	816,877
July 2004	2,541,921	833,656
August 2004	2,508,643	842,532
September 2004	2,331,258	832,482
October 2004	2,061,382	777,306
November 2004	2,312,112	756,146
December 2004	2,594,600	738,746
Residential and eligible small commercial bill charge June 1996	11.92 ¢/kWh	12.46 ¢/kWh
Percent of residential customers' and eligible small commercial customers' billed amounts expected to be uncollected	0.37 %	0.18 %
Percent of billed amounts collected in current month	37.22 %	36.00 %
Percent of billed amounts collected in second month after billing	48.26 %	52.10 %
Percent of billed amounts collected in third month after billing	8.59 %	6.83 %
Percent of billed amounts collected in fourth month after billing	3.21 %	2.95 %
Percent of billed amounts collected in fifth month after billing	1.76 %	1.16 %
Percent of billed amounts collected in sixth month after billing	0.59 %	0.78 %

	For Series
Quarterly Overcollateralization amount	\$362,625.00
Quarterly Servicing Fee as percent of outstanding balance	0.0625 %
Quarterly ongoing transaction expenses	\$31,250.00
Expected FTA outstanding balance as of 12/31/2004	\$870,400,000.00
Undercollection of principal to be reflected in the new FTA charges	\$0
Reserve Subaccount balance to be reflected in the new FTA charges	\$20,242,080
Difference between Overcollateralization Subaccount balance and Required Overcollateralization Level to be reflected in the new FTA charges	\$0
Difference between Capital Subaccount balance and Required Capital Level to be reflected in the new FTA charges	\$0

Table II shows the revised FTA charges calculated for residential and eligible small commercial customers. The FTA calculations are shown in Attachment II.

TABLE II	
Residential Customer FTA Charge	0.896610 ¢/kWh
Eligible Small Commercial Customer FTA Charge	0.937230 ¢/kWh

Attached are proposed changes to electric Preliminary Statement Part AS – *Fixed Transition Amount Charge* to show FTA charges to be effective January 1, 2004. In anticipation that other rates will change on January 1, 2004, PG&E will consolidate the rate schedules affected by this filing with all rate changes to be implemented on January 1, 2004, in final tariff form on or about the first of the year.

Under Section 7.01(d) of the Transition Property Servicing Agreement between PG&E Funding LLC as Note Issuer and Pacific Gas and Electric Company as Servicer, a Servicer Default has occurred as a result of the bankruptcy filing on April 6, 2001. However, the Company has performed and continues to perform all of its obligations under the Servicing Agreement, including remitting daily all amounts paid by ratepayers with respect to FTA

charges to the RRB trustee, and there is no default under the Indenture with respect to the RRBs.

The assets of PG&E Funding LLC are legally separate from the bankruptcy estate of the Company and are not available to the creditors of the Company.

Effective Date

In accordance with D. 97-09-055, Routine True-Up Mechanism Advice Letters for required annual FTA charge adjustments shall be filed at least 15 days before the end of each calendar year and these adjustments to FTA charges shall be effective at the beginning of the next calendar year. No Commission resolution is required. Therefore, these FTA charges shall be effective **January 1, 2004**, through December 31, 2004.

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. The attachments were not mailed to parties on the electronic service list; however, copies are available upon request. 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/

Karen A. Tomcala /TSN

Vice President – Regulatory Relations

cc: Paul Clanon, Energy Division
Regina Birdsell, Office of Ratepayer Advocates
Don Lafrenz, Energy Division

Attachments

Attachment I*
Advice 2449-E

<u>Cal P.U.C. Sheet No.</u>	<u>Title of Sheet</u>	<u>Cancelling Cal P.U.C. Sheet No.</u>
21009-E	Preliminary Statement, Part AS – Fixed Transition Amount Charge (Cont'd)	19365-E
21010-E	Table of Contents – Preliminary Statements (Cont'd)	19373-E
21011-E	Table of Contents	20983-E



PRELIMINARY STATEMENT
(Continued)

AS. FIXED TRANSITION AMOUNT CHARGE (Cont'd.)

- 5. FTA CHARGE ADJUSTMENTS: As provided for in P.U. Code §841(c), PG&E will file a True-Up Mechanism Advice Letter one or more times per year to adjust the FTA charge. The adjustment will be based on the following: (1) the most recent test-year sales forecast; (2) the test-year projected amortization schedule; and (3) changes to projected uncollectibles. The adjustment will be applied such that both the residential and commercial FTA charges will be adjusted by the same percentage increase or decrease.

In addition to the annual revisions, PG&E may also make changes to the FTA charge based on changes to the cash flow model not specified above. In this case, PG&E will file a True-Up Mechanism Advice Letter no later than 90 days before the end of any calendar quarter and request that the revised FTA charge become effective the beginning of the next calendar quarter.

In addition to the routine and non-routine true-ups stated above, AB 1890 has stipulated that the Commission shall determine, on each Finance Order issuance anniversary, whether adjustments to the FTA charge are required, with any resulting adjustments to the FTA charge to be implemented within 90 days of the issuance anniversary (P.U. Code §841(e)). PG&E expects to comply with the statute by filing a True-Up Mechanism Advice Letter 15 days before each Finance Order issuance anniversary but expects to state that these true-ups are unnecessary given the annual true-up mechanisms.

6. FTA CHARGE:

	<u>(cents/kWh)</u>
Residential Rate Schedules	0.897 (R)
Eligible Small Commercial Rate Schedules	0.937 (R)



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SCHEDULE	TITLE OF SHEET	CAL P.U.C. SHEET NO.
Part AL	Not Being Used	
Part AM	Emergency Procurement Surcharge Memorandum Account	17862-E
Part AN	Diablo Canyon Property Tax Balancing Account	14432-E
Part AO	Not Being Used	
Part AP	Not Being Used	
Part AQ	Reduced Return on Equity Memorandum Account.....	14449-E
Part AR	1997 Rate Design Window Shareholder Participation Memorandum Account.....	14723-E
Part AS	Fixed Transition Amount Charge	14794,21009-E
Part AT	Rate Reduction Bond Memorandum Account.....	14796,14797-E
Part AU	Direct Access Discretionary Cost/Revenue Memorandum Account.....	14837-E
Part AV	Transition Cost Balancing Account.....	14983 to 14990,16177, 18178,16618,16619,16620,14995,15723,15724,15725,14998 to 15001,16621,16622,16623-E
Part AW	Rate Group Transition Cost Obligation Memorandum Account....	16635,15005,18715,18716-E
Part AX	Must-Run Fossil Plant Memorandum Account.....	15726,15009-E
Part AY	Non-Must-Run Fossil Plant Memorandum Account.....	15727,15011-E
Part AZ	Non-Must-Run Hydroelectric/Geothermal Memorandum Account.....	15728,16804,16805-E
Part BA	Divestiture Bonus Return on Equity Memorandum Account.....	15015,15016-E
Part BB	Competition Transition Charge Responsibility for All Customers and CTC Procedure for Departing Loads.....	16399,14957,14958,16400,14960, 14961,16229,16230,16231,14963,14964,14965,14966,14967,14968,14969,16401,16402-E
Part BC	PU Code Section 376-Restructuring Implementation Tracking Account	16520,16521-E
Part BD	PU Code Section 381(d)-Renewable Program Costs Tracking Account	15018-E
Part BE	Must-Run Hydroelectric/Geothermal Plant Memorandum Account	16510,16181,16806,16807-E
Part BF	Streamlining Residual Account.....	15101-E
Part BG	Generation Facility Operations and Maintenance Account.....	16225,16226-E
Part BH	Not Being Used	
Part BI	Not Being Used	
Part BK	Transmission Revenue Requirement Reclassification Memorandum Account	16761-E
Part BL	Electric Low-Income Memorandum Account	16087-E
Part BM	Applicant Installation Trench Inspection Memorandum Account	16607-E
Part BN	Vegetation Management Quality Assurance Balancing Account.....	16979-E
Part BO	Real Property Gain/Loss on Sale Memorandum Account	16651-E
Part BP	PX Credit Audit Memorandum Account	16647-E
Part BQ	Interim PX-Based Price Tracking Account (IPXPTA).....	16695-E
Part BR	Applicant Installation Trench Inspection Deferred Account	16606-E
Part BS	Schedule E-BID Memorandum Account	16991,16992-E
Part BT	Electric Supply Cost Memorandum Account.....	16813-E
Part BU	Vegetation Management Balancing Account.....	16887-E
Part BV	Allocation of Residual Costs Memorandum Account.....	17003,17004-E
Part BW	Power Exchange Bilateral Option Memorandum Account.....	17843-E
Part BX	Interruptible Load Programs Memorandum Account	18902,18855-E
Part BY	Self-Generation Program Memorandum Account.....	18777-E
Part BZ	Demand-Responsiveness Program Memorandum Account.....	18778-E

(T)

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Rules, Maps, Contracts and Deviations	20378-E	
Sample Forms	19880,20377,20196,20979,18911,20980,19308-E	

RATE SCHEDULES

SCHEDULE	TITLE OF SHEET	CAL P.U.C. SHEET NO.
RESIDENTIAL RATES		
E-1	Residential Service	20865,20635,19910,20866,20867-E
E-2	Experimental Residential Time-of-Use Service	19882,20638,20639,20235,19886,19887,20868,20869-E
E-3	Experimental Residential Critical Peak Pricing Service	19890,20642,20643,20240,19894,19895,19896,20870,20871-E
EE	Service to Company Employees	20872-E
EM	Master-Metered Multifamily Service	20873,20647,20648,20874,20875-E
ES	Multifamily Service	20876,20652,19920,20877,20878-E
ESR	Residential RV Park and Residential Marina Service	20879,20656,20657,20880,20881-E
ET	Mobilehome Park Service	20882,20661,19930,20883,20884-E
E-7	Residential Time-of-Use Service	20885,20664,20665,20666,20886-E
E-A7	Experimental Residential Alternate Peak Time-of-Use Service	20887,20668,20669,20670,20888-E
E-8	Residential Seasonal Service Option	20889,20673,20890-E
E-9	Experimental Residential Time-of-Use Service for Low Emission Vehicle Customers	20891,20675,20676,20679,20680,20892, 20893-E
EL-1	Residential CARE Program Service	20894,19951,20683,20895-E
EML	Master-Metered Multifamily CARE Program Service	20896,19955,20686,20897-E
ESL	Multifamily CARE Program Service	20898,19959,20689,20899; 20900-E
ESRL	Residential RV Park and Residential Marina CARE Program Service	20901,19963,20692,20902,20903-E
ETL	Mobilehome Park CARE Program Service	20904,19967,20695,20905,20906-E
EL-7	Residential CARE Program Time-of-Use Service	20907,20698,19781,20908, 20909-E
EL-A7	Experimental Residential CARE Program Alternate Peak Time-of-Use Service	20910,20700,19783,20911, 20912-E
EL-8	Residential Seasonal CARE Program Service Option	20913,20703,20914-E
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A-6	Small General Time-of-Use Service	20918,20919,19791,20711,20920-E
A-10	Medium General Demand-Metered Service	20921,20922,20923,20924,20715,20925,20926, 20927-E
A-T	Nondomestic Interruptible Service	20717,20718-E
A-15	Direct-Current General Service	20717,20718-E
E-19	Medium General Demand-Metered Time-of-Use Service	20928,17092, 17093,20929,20930, 20931,19997,20932,20723,18037,18864,18039,20933,18865,17900,16414,15330,20512, 20724,20725,20726,20003,20004,20934,20935,20728,20729,19805,20730,20936-E
E-20	Service to Customers with Maximum Demands of 1,000 Kilowatts or More	20937,20938,20939, 20940,20941,20010,20735,19314,20736,18866,18044,20942,18867,15356,16430,15358, 20513,20737,20738,20739,20943,20944,17101,20945,20946-E

(Continued)

Pacific Gas and Electric Company
Attachment II

Electric Utility Transition Property Securitization Analysis Pacific Gas and Electric Company

Summary Bond Information

Class	Avg. Life	Size	Approx. Duration	Benchmark Description	Spread to Treasury	Spread to Appropriate Rating	Total Spread	Benchmark Yield	Total Yield	Quarterly Coupons	Beginning Payment Window	Ending Payment Window	Expected Final Maturity
1	-	125,000,000.00	0.54	EDSF	5	0	5	5.936%	5.986%	5.940%	3	9	3/25/1998
2	-	265,000,000.00	1.03	EDSF	5	0	5	6.006%	6.056%	6.010%	9	18	6/25/1999
3	-	280,000,000.00	1.83	5 5/8% of 10/99	48	0	48	5.722%	6.202%	6.150%	18	30	6/25/2000
4	-	300,000,000.00	2.68	5 3/4% of 11/00	48	0	48	5.735%	6.215%	6.160%	30	42	6/25/2001
5	-	290,000,000.00	3.48	5 7/8% of 11/01	48	0	48	5.822%	6.302%	6.250%	42	54	6/25/2002
6	-	375,000,000.00	4.31	5 3/4% of 10/02	58	0	58	5.799%	6.379%	6.320%	54	69	9/25/2003
7	-	866,000,000.00	5.69	7 7/8% of 11/04	60	0	60	5.873%	6.473%	6.420%	69	105	9/25/2006
8	-	400,000,000.00	6.93	6 1/2% of 10/06	63	0	63	5.903%	6.533%	6.480%	105	120	12/25/2007

Summary Tariff Information

Years	Residential FTA Charge Forecast (cents/kWh)	Commercial FTA Charge Forecast (cents/kWh)
1	1.61508	1.68825
2	1.24871	1.30528
3	1.16753	1.22042
4	1.00983	1.05558
5	1.16572	1.21853 *
6	0.96910	1.01300
7	0.89661	0.93723
8	0.89845	0.93915
9	0.81741	0.85444
10	0.75319	0.78731

* Rates as of 1/1/02. Rates as of 10/1/02:
Residential: 1.18400, Commercial: 1.23782

Assumptions

Reserve Sub-Account Balance (12/25/01)
20,242,080.00
Overcollateralization building evenly at the per quarter amount of:
362,625.00
Overcollateralization Target (in Future Dollars) by End Target Month:
14,505,000.00
Initial Deposit in Equity Account:
14,405,000.00
Residential Bill Charge:
0.1192
Commercial Bill Charge:
0.1246
Servicing Fee (per quarter):
0.063%
Trustee and Admin Fees:
31,250.00

Base Case Collections Account Curves

Days	Residential	Commercial
30 days	37.22%	36.00%
60 days	48.26%	52.10%
90 days	8.59%	6.83%
120 days	3.21%	2.95%
150 days	1.76%	1.16%
180 days	0.59%	0.78%

ANNUAL FTA CHARGE TRUE-UP MECHANISM ADVICE FILING

Monthly Collections Curves Estimates

The following assumptions were used to determine the Monthly Collections Curves for each Collection Period updated for 2004 and thereafter.

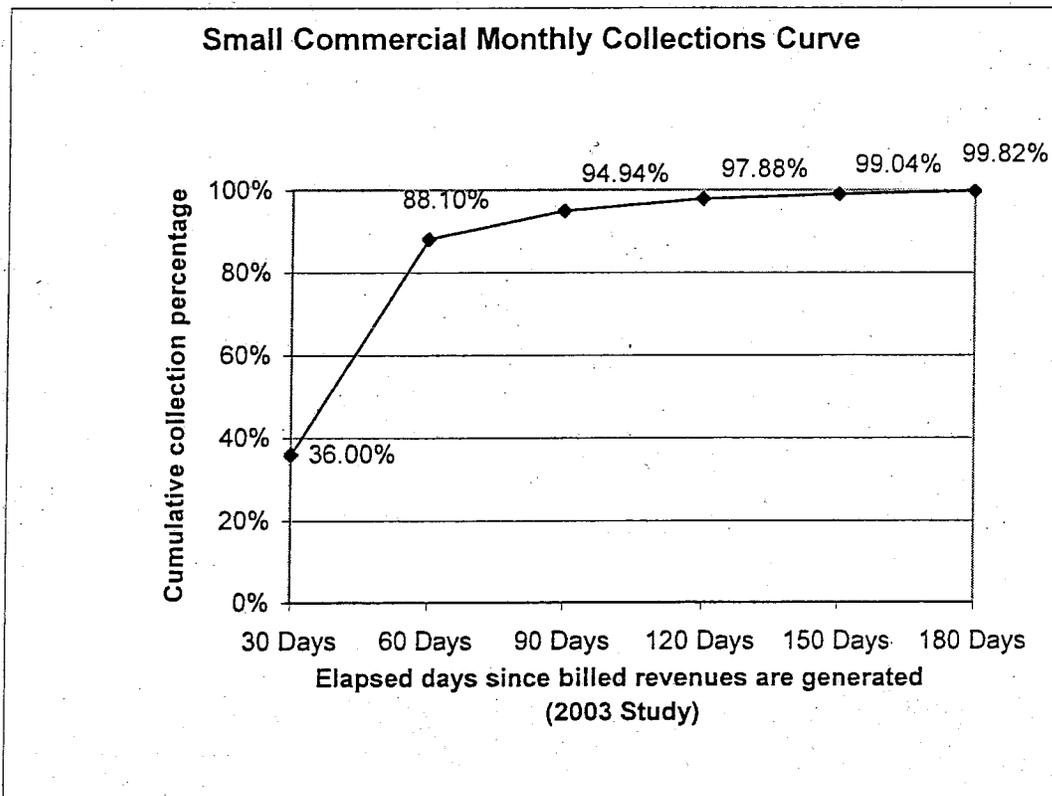
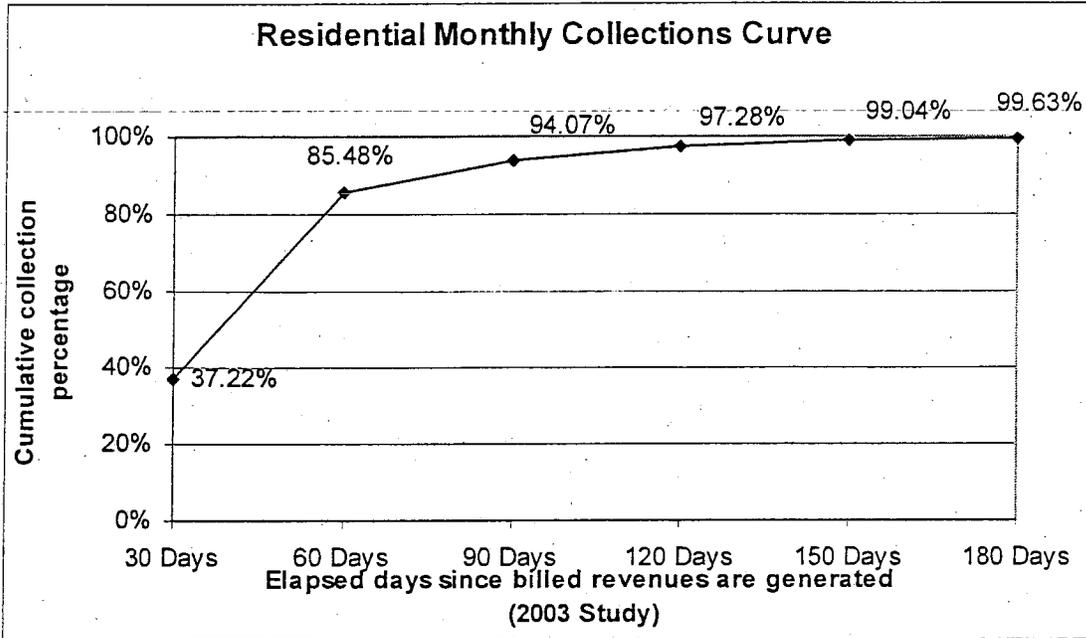
ASSUMPTIONS

1. Customer billing is conducted on a daily basis, and each month contains 30 days.
2. The Monthly Collections Curve has not varied materially over the course of the year.
3. The Monthly collections Curve is composed of a summation of historical daily collections receipts curves ("Daily Collections Curves").
4. The historical daily collections receipts curve was derived from a sample of customer accounts spanning from March 2003 to August 2003.
5. The sampled accounts include 16,347 residential accounts (representing approximately .3837% of all residential accounts) and 1,688 small commercial accounts (representing approximately .4071% of all small commercial accounts).
6. The historical write-off factor for residential customers in 2002 was .3713%.
7. The historical write-off factor for small commercial customers in 2002 was .1785%.

METHODOLOGY

In order to determine the Monthly Collections Curve, the Servicer (Pacific Gas and Electric Company) must first determine the Daily Collections Curve. To derive the Daily Collections Curve, the Servicer recorded the number of days between when a particular bill was generated and when full payment was received. A tally was developed to record each payment experience for the sample (residential and small commercial accounts were tallied separately). Once the tally was complete, the Servicer expressed each day's tally sum as a percentage of the total number of bills generated in the sample (i.e., 16,347 for residential and 1,688 for small commercial). Attachments IIIA and IIIB to this Attachment III show the resulting percentages from the above calculation.

To derive the Monthly Collections Curve, the Servicer assumed that the daily collection payment pattern was the same for bills sent on each day of the month and that the billed amounts for a given month are spread evenly over each day of the month, thus the daily payments received as a percent of the monthly billed can be determined for each day's billing. Each daily percentage shown in Attachments A and B, was multiplied by 1/30 to simulate one day's worth of collections. Then, the Servicer took the cumulative sum for each day (Day 1, Day 1 + Day 2, Day 1 + Day 2 + Day 3, etc.) to produce the Monthly Collections Curves shown in Attachments IIIC and IIID to this Attachment III.



Pacific Gas and Electric Company
 Calculation of Daily Collections Curve
 Residential

Advice 2449-E
 Attachment IIIA

Elapsed Calendar Days	Daily Collection Percentage								
1	0.9999	44	85.4796	87	95.5386	130	98.9487	173	99.7079
2	0.0000	45	85.9266	88	95.6121	131	98.9854	174	99.7201
3	0.0000	46	86.3245	89	95.7896	132	99.0283	175	99.7262
4	0.0000	47	86.7837	90	95.9304	133	99.0589	176	99.7324
5	0.6551	48	87.3286	91	96.1018	134	99.1018	177	99.7507
6	1.8918	49	87.9531	92	96.2243	135	99.1201	178	99.7630
7	4.4570	50	88.3510	93	96.3773	136	99.1385	179	99.7691
8	7.9468	51	88.7490	94	96.4937	137	99.1569	180	99.7691
9	11.3630	52	89.0183	95	96.5916	138	99.1814		
10	14.2650	53	89.3428	96	96.6651	139	99.2059		
11	17.2771	54	89.6673	97	96.7814	140	99.2303		
12	20.9077	55	90.0530	98	96.9039	141	99.2732		
13	25.8912	56	90.3530	99	96.9590	142	99.2854		
14	31.2421	57	90.6101	100	97.0263	143	99.3038		
15	35.0502	58	90.9285	101	97.1120	144	99.3222		
16	38.2705	59	91.1673	102	97.1488	145	99.3405		
17	42.0786	60	91.4060	103	97.2222	146	99.3528		
18	45.5438	61	91.6570	104	97.2896	147	99.3712		
19	48.7213	62	91.9570	105	97.3692	148	99.4018		
20	53.5824	63	92.2142	106	97.4243	149	99.4079		
21	58.3150	64	92.4346	107	97.4794	150	99.4079		
22	61.7251	65	92.5999	108	97.5345	151	99.4263		
23	64.4189	66	92.7713	109	97.5528	152	99.4569		
24	66.6719	67	92.8938	110	97.5712	153	99.4752		
25	68.4290	68	92.9978	111	97.6385	154	99.4936		
26	70.2780	69	93.2366	112	97.6814	155	99.5181		
27	72.2983	70	93.4631	113	97.7426	156	99.5303		
28	74.0554	71	93.6346	114	97.7732	157	99.5365		
29	75.1758	72	93.7815	115	97.8161	158	99.5609		
30	76.1064	73	93.8733	116	97.8406	159	99.5609		
31	76.9635	74	93.9590	117	97.8896	160	99.5732		
32	77.6186	75	94.0876	118	97.9569	161	99.5916		
33	78.4574	76	94.2223	119	98.0732	162	99.6099		
34	79.3206	77	94.4182	120	98.1651	163	99.6283		
35	80.2757	78	94.5468	121	98.3120	164	99.6283		
36	80.8573	79	94.6509	122	98.3977	165	99.6283		
37	81.3838	80	94.7488	123	98.4773	166	99.6405		
38	81.8981	81	94.8774	124	98.5569	167	99.6589		
39	82.3940	82	94.9998	125	98.6304	168	99.6589		
40	82.9756	83	95.1529	126	98.7099	169	99.6711		
41	83.6858	84	95.2325	127	98.7650	170	99.6834		
42	84.2858	85	95.3488	128	98.8569	171	99.6895		
43	84.9592	86	95.4774	129	98.9120	172	99.7018		

Pacific Gas and Electric Company
 Calculation of Daily Collections Curve
 Small Commercial

Advice 2449-E
 Attachment IIIB

Elapsed Calendar Days	Daily Collection Percentage								
1	0.0000	44	88.0393	87	96.1348	130	98.7540	173	0.0000
2	0.0000	45	88.3369	88	96.1944	131	98.8730	174	0.0000
3	0.0000	46	88.7536	89	96.3729	132	98.8730	175	0.0000
4	0.0000	47	89.3489	90	96.3729	133	98.9326	176	0.0000
5	0.2381	48	89.6465	91	96.4920	134	98.9921	177	0.0000
6	0.7143	49	90.3013	92	96.5515	135	99.1112	178	0.0000
7	2.2025	50	90.4799	93	96.6706	136	99.2302	179	0.0000
8	4.3454	51	91.0156	94	96.6706	137	99.2302	180	0.0000
9	6.0121	52	91.3132	95	97.2063	138	99.2897		
10	8.1551	53	91.3727	96	97.2658	139	99.2897		
11	10.4766	54	91.7894	97	97.4444	140	99.2897		
12	13.8101	55	92.0275	98	97.5635	141	99.2897		
13	18.3936	56	92.2656	99	97.6230	142	99.2897		
14	25.6558	57	92.4442	100	97.6825	143	99.2897		
15	31.7275	58	92.5037	101	97.6825	144	99.2897		
16	36.3110	59	92.5037	102	97.7421	145	99.3493		
17	41.0731	60	92.6228	103	97.7421	146	99.3493		
18	46.0733	61	92.8609	104	97.8016	147	99.4088		
19	50.2401	62	92.9800	105	97.9802	148	99.4088		
20	55.2999	63	93.2776	106	97.9802	149	99.4088		
21	61.5501	64	93.5157	107	97.9802	150	99.4088		
22	65.2407	65	93.8133	108	98.2183	151	99.4088		
23	68.4552	66	93.9324	109	98.2778	152	99.4683		
24	71.2529	67	93.9919	110	98.3373	153	99.5278		
25	72.9791	68	94.1705	111	98.4564	154	99.6469		
26	74.8840	69	94.3491	112	98.5159	155	99.7064		
27	76.6698	70	94.4086	113	98.5754	156	99.7659		
28	78.3960	71	94.4681	114	98.5754	157	99.8255		
29	79.5270	72	94.4681	115	98.5754	158	99.8255		
30	80.3604	73	94.5872	116	98.5754	159	99.8255		
31	80.9557	74	94.7062	117	98.5754	160	99.8255		
32	81.7890	75	94.8848	118	98.5754	161	99.8255		
33	82.6819	76	95.1229	119	98.5754	162	99.8255		
34	83.2177	77	95.3015	120	98.5754	163	99.8255		
35	83.7534	78	95.4801	121	98.5754	164	99.8255		
36	84.1701	79	95.5396	122	98.5754	165	99.8255		
37	84.5868	80	95.5991	123	98.5754	166	99.8255		
38	85.0034	81	95.6586	124	98.5754	167	99.8255		
39	85.1225	82	95.8372	125	98.5754	168	99.8255		
40	85.8368	83	95.8967	126	98.6349	169	99.8255		
41	86.6702	84	96.0158	127	98.7540	170	99.8850		
42	87.0273	85	96.0158	128	98.7540	171	99.8850		
43	87.5631	86	96.1348	129	98.7540	172	99.8850		

Pacific Gas and Electric Company
 Calculation of Monthly Collections Curve
 Residential

Advice 2449-E
 Attachment IIIC

Elapsed Calendar Days	Daily Collection Percentage								
1	0.9996	44	69.7092	87	93.6092	130	97.9616	173	99.5412
2	0.9998	45	71.4051	88	93.7654	131	98.0240	174	99.5544
3	0.9998	46	73.0069	89	93.9194	132	98.0867	175	99.5673
4	0.9998	47	74.4970	90	94.0703	133	98.1479	176	99.5799
5	1.0217	48	75.8899	91	94.2184	134	98.2083	177	99.5926
6	1.0847	49	77.1976	92	94.3607	135	98.2667	178	99.6046
7	1.2333	50	78.3565	93	94.4994	136	98.3238	179	99.6167
8	1.4982	51	79.3710	94	94.6347	137	98.3797	180	99.6287
9	1.8769	52	80.2808	95	94.7678	138	98.4346		
10	2.3524	53	81.1116	96	94.8976	139	98.4897		
11	2.9283	54	81.8781	97	95.0272	140	98.5451		
12	3.6253	55	82.5989	98	95.1574	141	98.5995		
13	4.4883	56	83.2681	99	95.2815	142	98.6530		
14	5.5297	57	83.8785	100	95.4002	143	98.7050		
15	6.6981	58	84.4409	101	95.5161	144	98.7567		
16	7.9737	59	84.9739	102	95.6284	145	98.8075		
17	9.3764	60	85.4839	103	95.7400	146	98.8579		
18	10.8945	61	85.9737	104	95.8510	147	98.9073		
19	12.5185	62	86.4517	105	95.9604	148	98.9555		
20	14.3046	63	86.9102	106	96.0672	149	98.9999		
21	16.2484	64	87.3474	107	96.1692	150	99.0414		
22	18.3059	65	87.7582	108	96.2688	151	99.0785		
23	20.4532	66	88.1553	109	96.3655	152	99.1138		
24	22.6756	67	88.5390	110	96.4596	153	99.1471		
25	24.9566	68	88.9089	111	96.5516	154	99.1783		
26	27.2992	69	89.2704	112	96.6410	155	99.2079		
27	29.7091	70	89.6200	113	96.7273	156	99.2352		
28	32.1777	71	89.9516	114	96.8120	157	99.2610		
29	34.6835	72	90.2681	115	96.8943	158	99.2844		
30	37.2204	73	90.5652	116	96.9730	159	99.3061		
31	38.7860	74	90.8479	117	97.0514	160	99.3269		
32	41.3733	75	91.1199	118	97.1296	161	99.3471		
33	43.9886	76	91.3832	119	97.2057	162	99.3665		
34	46.6326	77	91.6377	120	97.2802	163	99.3854		
35	49.2866	78	91.8783	121	97.3539	164	99.4030		
36	51.9188	79	92.1015	122	97.4263	165	99.4199		
37	54.4830	80	92.3148	123	97.4963	166	99.4367		
38	56.9481	81	92.5191	124	97.5651	167	99.4534		
39	59.3158	82	92.7185	125	97.6330	168	99.4693		
40	61.6061	83	92.9121	126	97.7012	169	99.4848		
41	63.8197	84	93.0976	127	97.7673	170	99.4999		
42	65.9323	85	93.2742	128	97.8324	171	99.5138		
43	67.9013	86	93.4450	129	97.8975	172	99.5277		

Pacific Gas and Electric Company
 Calculation of Monthly Collections Curve
 Small Commercial

Advice 2449-E
 Attachment IIID

Elapsed Calendar Days	Daily Collection Percentage								
1	0.0000	44	72.5486	87	94.5594	130	98.3949	173	99.6806
2	0.0000	45	74.4356	88	94.6824	131	98.4345	174	99.7005
3	0.0000	46	76.1836	89	94.8114	132	98.4722	175	99.7203
4	0.0000	47	77.7928	90	94.9364	133	98.5119	176	99.7421
5	0.0079	48	79.2453	91	95.0574	134	98.5516	177	99.7620
6	0.0317	49	80.5806	92	95.1765	135	98.5893	178	99.7818
7	0.1052	50	81.7533	93	95.2896	136	98.6310	179	99.8017
8	0.2500	51	82.7355	94	95.3947	137	98.6726	180	99.8215
9	0.4504	52	83.6046	95	95.5078	138	98.7084		
10	0.7223	53	84.3685	96	95.6189	139	98.7421		
11	1.0715	54	85.0530	97	95.7340	140	98.7738		
12	1.5318	55	85.6880	98	95.8471	141	98.8016		
13	2.1449	56	86.2674	99	95.9563	142	98.8274		
14	3.0001	57	86.7932	100	96.0654	143	98.8512		
15	4.0577	58	87.2635	101	96.1725	144	98.8750		
16	5.2681	59	87.6960	102	96.2817	145	98.9008		
17	6.6372	60	88.1048	103	96.3868	146	98.9266		
18	8.1729	61	88.5016	104	96.4900	147	98.9544		
19	9.8476	62	88.8746	105	96.5932	148	98.9822		
20	11.6909	63	89.2278	106	96.6884	149	99.0100		
21	13.7426	64	89.5711	107	96.7777	150	99.0377		
22	15.9173	65	89.9064	108	96.8690	151	99.0655		
23	18.1991	66	90.2318	109	96.9603	152	99.0953		
24	20.5742	67	90.5453	110	97.0515	153	99.1270		
25	23.0069	68	90.8509	111	97.1448	154	99.1627		
26	25.5030	69	91.1585	112	97.2341	155	99.2004		
27	28.0587	70	91.4442	113	97.3234	156	99.2381		
28	30.6719	71	91.7041	114	97.4087	157	99.2739		
29	33.3228	72	91.9521	115	97.4940	158	99.3096		
30	36.0015	73	92.1863	116	97.5754	159	99.3453		
31	38.7000	74	92.4085	117	97.6567	160	99.3810		
32	41.4263	75	92.6268	118	97.7361	161	99.4128		
33	44.1823	76	92.8391	119	97.8095	162	99.4445		
34	46.9563	77	93.0375	120	97.8829	163	99.4743		
35	49.7401	78	93.2319	121	97.9524	164	99.5020		
36	52.5220	79	93.4066	122	98.0198	165	99.5259		
37	55.2681	80	93.5772	123	98.0833	166	99.5457		
38	57.9567	81	93.7320	124	98.1468	167	99.5655		
39	60.5937	82	93.8828	125	98.1925	168	99.5834		
40	63.1831	83	94.0336	126	98.2381	169	99.6013		
41	65.7229	84	94.1744	127	98.2818	170	99.6211		
42	68.1635	85	94.3074	128	98.3214	171	99.6409		
43	70.4691	86	94.4364	129	98.3591	172	99.6608		

Quarterly Servicer's Certificate
California Infrastructure and Economic Development Bank Special Purpose Trust PG&E-1
\$2,901,000,000 Rate Reduction Certificates, Series 1997-1

Pursuant to Section 4.01(d)(ii) of the Transition Property Servicing Agreement dated as of December 8, 1997 (the "Transition Property Servicing Agreement") between Pacific Gas and Electric Company, as Servicer and PG&E Funding LLC, as Note Issuer, the Servicer does hereby certify as follows:

Capitalized terms used in the Quarterly Servicer's Certificate (the "Quarterly Certificate") have their respective meanings as set forth in the Agreement. References herein to certain sections and subsections are references to the respective sections of the Agreement.

PROJECTION 4TH QUARTER 2003

Collection Periods: September 2003 (Actual), October 2003 (Actual), November 2003 (Projection)

Distribution Date: December 25, 2003

1. Collections Allocable and Aggregate Amounts Available for the Current Distribution Date:		
i.	Remittances for the September '03 Collection Period	\$36,448,017.00
ii.	Remittances for the October '03 Collection Period	\$35,398,739.00
iii.	Remittances for the November '03 Collection Period	\$33,014,735.00
iv.	Net Earnings on Collection Account	<u>\$271,043.00</u>
v.	General Sub-Account Balance	\$105,132,534.00
vi.	Reserve Sub-Account Balance	\$13,013,923.16
vii.	Overcollateralization Sub-Account Balance	\$8,340,375.00
viii.	Capital Sub-Account Balance (less \$100K)	<u>\$14,405,000.00</u>
ix.	Collection Account Balance	\$140,891,832.16
2. Outstanding Principal Balance and Collection Account Balance as of Prior Distribution Date:		
i.	Class A-1 Principal Balance	\$0.00
ii.	Class A-2 Principal Balance	\$0.00
iii.	Class A-3 Principal Balance	\$0.00
iv.	Class A-4 Principal Balance	\$0.00
v.	Class A-5 Principal Balance	\$0.00
vi.	Class A-6 Principal Balance	\$0.00
vii.	Class A-7 Principal Balance	\$836,923,567.00
viii.	Class A-8 Principal Balance	<u>\$400,000,000.00</u>
ix.	Rate Reduction Certificate Principal Balance	\$1,236,923,567.00
x.	Reserve Sub-Account Balance	\$13,013,923.16
xi.	Overcollateralization Sub-Account Balance	\$8,340,375.00
xii.	Capital Sub-Account Balance	\$14,405,000.00
3. Required Funding/Payments as of Current Distribution Date:		
i.	Projected Class A-1 Certificate Balance	\$0.00
ii.	Projected Class A-2 Certificate Balance	\$0.00
iii.	Projected Class A-3 Certificate Balance	\$0.00
iv.	Projected Class A-4 Certificate Balance	\$0.00
v.	Projected Class A-5 Certificate Balance	\$0.00
vi.	Projected Class A-6 Certificate Balance	\$0.00
vii.	Projected Class A-7 Certificate Balance	\$760,400,000.00
viii.	Projected Class A-8 Certificate Balance	<u>\$400,000,000.00</u>
ix.	Projected Class A Certificate Balance	\$1,160,400,000.00
x.	Required Class A-1 Coupon	\$0.00
xi.	Required Class A-2 Coupon	\$0.00
xii.	Required Class A-3 Coupon	\$0.00
xiii.	Required Class A-4 Coupon	\$0.00
xiv.	Required Class A-5 Coupon	\$0.00
xv.	Required Class A-6 Coupon	\$0.00
xvi.	Required Class A-7 Coupon	\$13,432,623.25
xvii.	Required Class A-8 Coupon	\$6,480,000.00
xviii.	Required Overcollateralization Funding	\$362,625.00
xix.	Required Capital Sub-Account Funding	\$0.00
4. Allocation of Remittances as of Current Distribution Date Pursuant to 8.02(d) of Indenture:		
i.	Note, Delaware and Certificate Trustee Fees	\$1,083.33

ii.	Quarterly Servicing Fee	\$773,077.23
iii.	Quarterly Administration Fee	\$25,000.00
iv.	Operating Expenses (subject to \$100,000 cap)	\$35,358.00
v.	Quarterly Interest	\$19,912,623.25
	1. Class A-1 Certificate Coupon Payment	\$0.00
	2. Class A-2 Certificate Coupon Payment	\$0.00
	3. Class A-3 Certificate Coupon Payment	\$0.00
	4. Class A-4 Certificate Coupon Payment	\$0.00
	5. Class A-5 Certificate Coupon Payment	\$0.00
	6. Class A-6 Certificate Coupon Payment	\$0.00
	7. Class A-7 Certificate Coupon Payment	\$13,432,623.25
	8. Class A-8 Certificate Coupon Payment	\$6,480,000.00
vi.	Principal Due and Payable	\$0.00
vii.	Quarterly Principal	\$76,523,567.00
	1. Class A-1 Certificate Principal Payment	\$0.00
	2. Class A-2 Certificate Principal Payment	\$0.00
	3. Class A-3 Certificate Principal Payment	\$0.00
	4. Class A-4 Certificate Principal Payment	\$0.00
	5. Class A-5 Certificate Principal Payment	\$0.00
	6. Class A-6 Certificate Principal Payment	\$0.00
	7. Class A-7 Certificate Principal Payment	\$76,523,567.00
	8. Class A-8 Certificate Principal Payment	\$0.00
viii.	Operating Expenses (in excess of \$100,000)	\$0.00
ix.	Funding of Overcollateralization Sub-Account (to required level)	\$362,625.00
x.	Funding of Capital Sub-Account (to required level)	\$0.00
xi.	Net Earnings Released to Note Issuer	\$271,043.00
xii.	Released to Note Issuer upon Series Retirement: Overcollateralization Sub-Account	\$0.00
xiii.	Released to Note Issuer upon Series Retirement: Capital Sub-Account	\$0.00
xiv.	Deposits to Reserve Sub-Account	\$7,228,157.19
xv.	Released to Note Issuer upon Series Retirement: Collection Account	\$0.00
5. Outstanding Principal Balance and Collection Account Balance as of current distribution date:		
(after giving effect to payments to be made on such distribution date):		
i.	Class A-1 Principal Balance	\$0.00
ii.	Class A-2 Principal Balance	\$0.00
iii.	Class A-3 Principal Balance	\$0.00
iv.	Class A-4 Principal Balance	\$0.00
v.	Class A-5 Principal Balance	\$0.00
vi.	Class A-6 Principal Balance	\$0.00
vii.	Class A-7 Principal Balance	\$760,400,000.00
viii.	Class A-8 Principal Balance	<u>\$400,000,000.00</u>
ix.	Rate Reduction Certificate Principal Balance	\$1,160,400,000.00
x.	Reserve Sub-Account Balance	\$20,242,080.35
xi.	Overcollateralization Sub-Account Balance	\$8,703,000.00
xii.	Capital Sub-Account Balance	\$14,405,000.00
6. Sub-Account Draws as of Current Distribution Date (if applicable, pursuant to Section 8.02(e) of Indenture):		
i.	Reserve Sub-Account	\$0.00
ii.	Overcollateralization Sub-Account	\$0.00
iii.	Capital Sub-Account	<u>\$0.00</u>
iv.	Total Draws	\$0.00
7. Shortfalls In Interest and Principal Payments as of Current Distribution Date:		
i.	Quarterly Interest	\$0.00
	1. Class A-1 Certificate Coupon Payment	\$0.00
	2. Class A-2 Certificate Coupon Payment	\$0.00
	3. Class A-3 Certificate Coupon Payment	\$0.00
	4. Class A-4 Certificate Coupon Payment	\$0.00
	5. Class A-5 Certificate Coupon Payment	\$0.00
	6. Class A-6 Certificate Coupon Payment	\$0.00
	7. Class A-7 Certificate Coupon Payment	\$0.00

8. Class A-8 Certificate Coupon Payment	\$0.00
ii. Quarterly Principal	\$0.00
1. Class A-1 Certificate Principal Payment	\$0.00
2. Class A-2 Certificate Principal Payment	\$0.00
3. Class A-3 Certificate Principal Payment	\$0.00
4. Class A-4 Certificate Principal Payment	\$0.00
5. Class A-5 Certificate Principal Payment	\$0.00
6. Class A-6 Certificate Principal Payment	\$0.00
7. Class A-7 Certificate Principal Payment	\$0.00
8. Class A-8 Certificate Principal Payment	\$0.00

8. Shortfalls in Required Sub-Account Levels as of Current Distribution Date:	
i. Overcollateralization Sub-Account	\$0.00
ii. Capital Sub-Account	\$0.00

9 Distributions of Principal per \$1,000 of Original Principal Amount as of Current Distribution Date:

	Original Principal [A]	Outstanding Balance [B]	Principal Payment [C]	Principal Payment per \$1,000 of Orig. Principal Amt. [C/A x 1,000]
i. Class A-1	\$0.00	\$0.00	\$0.00	\$0.000000
ii. Class A-2	\$0.00	\$0.00	\$0.00	\$0.000000
iii. Class A-3	\$0.00	\$0.00	\$0.00	\$0.000000
iv. Class A-4	\$0.00	\$0.00	\$0.00	\$0.000000
v. Class A-5	\$0.00	\$0.00	\$0.00	\$0.000000
vi. Class A-6	\$0.00	\$0.00	\$0.00	\$0.000000
vii. Class A-7	\$866,000,000.00	\$836,923,567.00	\$76,523,567.00	\$88.364396
viii. Class A-8	\$400,000,000.00	\$400,000,000.00	\$0.00	\$0.000000
	<u>\$1,266,000,000.00</u>	<u>\$1,236,923,567.00</u>	<u>\$76,523,567.00</u>	

10. Distributions of Interest per \$1,000 of Original Principal Amount as of Current Distribution date:

	Original Principal [A]	Outstanding Balance [B]	Interest Payment [C]	Interest Payment per \$1,000 of Orig. Principal Amt. [C/A x 1,000]
i. Class A-1	\$0.00	\$0.00	\$0.00	\$0.000000
ii. Class A-2	\$0.00	\$0.00	\$0.00	\$0.000000
iii. Class A-3	\$0.00	\$0.00	\$0.00	\$0.000000
iv. Class A-4	\$0.00	\$0.00	\$0.00	\$0.000000
v. Class A-5	\$0.00	\$0.00	\$0.00	\$0.000000
vi. Class A-6	\$0.00	\$0.00	\$0.00	\$0.000000
vii. Class A-7	\$866,000,000.00	\$836,923,567.00	\$13,432,623.25	\$15.511112
viii. Class A-8	\$400,000,000.00	\$400,000,000.00	\$6,480,000.00	\$16.200000
	<u>\$1,266,000,000.00</u>	<u>\$1,236,923,567.00</u>	<u>\$19,912,623.25</u>	

**PG&E Electric Advice Filing List
General Order 96-A, Section III(G)**

ABAG Power Pool	Duncan, Virgil E.	Sempra
Aglet Consumer Alliance	Dutcher, John	Sempra Energy
Agnews Developmental Center	Dynegy Inc.	Sequoia Union HS Dist
Ahmed, Ali	Ellison-Schneider	SESCO
Alcantar & Elsesser	Energy Law Group LLP	Sierra Pacific Power Company
Anderson Donovan & Poole P.C.	Enron Energy Services	Silicon Valley Power
Applied Power Technologies	Exeter Associates	Simpson Paper Company
APS Energy Services Co Inc	Foster, Wheeler, Martinez	Smurfit Stone Container Corp
Arter & Hadden LLP	Franciscan Mobilehome	Southern California Edison
Avista Corp	Future Resources Associates, Inc	SPURR
Barkovich & Yap, Inc.	GLJ Energy Publications	St. Paul Assoc
BART	Goodin, MacBride, Squeri, Schlotz &	Stanford University
Bartle Wells Associates	Grueneich Resource Advocates	Sutherland, Asbill & Brennan
Blue Ridge Gas	Hanna & Morton	Tabors Caramanis & Associates
Bohannon Development Co	Heeg, Peggy A.	Tansev and Associates
BP Energy Company	Hogan Manufacturing, Inc	Tecogen, Inc
Braun & Associates	House, Lon	TFS Energy
C & H Sugar Co.	Imperial Irrigation District	TJ Cross Engineers
CA Bldg Industry Association	Integrated Utility Consulting Group	Transwestern Pipeline Co
CA Cotton Ginners & Growers Assoc.	International Power Technology	Turlock Irrigation District
CA League of Food Processors	J. R. Wood, Inc	United Cogen Inc.
CA Water Service Group	JTM, Inc	URM Groups
California Energy Commission	Kaiser Cement Corp	Utility Cost Management LLC
California Farm Bureau Federation	Korea Elec Power Corp	Utility Resource Network
California ISO	Marcus, David	Wellhead Electric Company
Calpine	Masonite Corporation	Western Hub Properties, LLC
Calpine Corp	Matthew V. Brady & Associates	White & Case
Calpine Gilroy Cogen	Maynor, Donald H.	WMA
Cambridge Energy Research Assoc	McKenzie & Assoc	
Cameron McKenna	McKenzie & Associates	
Cardinal Cogen	Meek, Daniel W.	
Cellnet Data Systems	Meyer, Joseph	
Childress, David A.	Mirant California, LLC	
City of Glendale	Modesto Irrigation Dist	
City of Healdsburg	Morrison & Foerster	
City of Palo Alto	Morse Richard Weisenmiller & Assoc.	
City of Redding	New United Motor Mfg, Inc	
CLECA Law Office	Norris & Wong Associates	
Constellation New Energy	North Coast Solar Resources	
CPUC	Northern California Power Agency	
Creative Technology	PG&E National Energy Group	
Crossborder Inc	Pinnacle CNG Company	
CSC Energy Services	PPL EnergyPlus, LLC	
Davis, Wright Tremaine LLP	Price, Roy	
Davis, Wright, Tremaine, LLP	Product Development Dept	
Defense Fuel Support Center	Provost Pritchard	
Department of the Army	R. M. Hairston & Company	
Department of Water & Power City	R. W. Beck & Associates	
Dept of the Air Force	Recon Research	
DGS Natural Gas Services	Regional Cogeneration Service	
DMM Customer Services	RMC Lonestar	
Downey, Brand, Seymour & Rohwer	Sacramento Municipal Utility District	
Duke Energy	SCD Energy Solutions	
Duke Energy North America	Seattle City Light	