

PUBLIC UTILITIES COMMISSION

505 VAN NESS AVENUE
SAN FRANCISCO, CA 94102-3298

Tel. No. (415) 703-1691



July 22, 2004

Advice Letter 2465-E-A, 2465-E-B,
2465-E-C

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

Subject: Revised rates as ordered in Decision 03-12-035

Dear Ms Smith:

Advice Letter 2465-E-A is effective March 1, 2004. Advice Letter 2465-E-B is effective January 1, 2004. Advice Letter 2465-E-C is effective March 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



Brian K. Cherry
Director
Regulatory Relations

77 Beale Street, Room 1087
San Francisco, CA 94105

Mailing Address
Mail Code 810C
P.O. Box 770000
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June 28, 2004

Advice 2465-E-C

(Pacific Gas and Electric Company ID U 39 E)

Public Utilities Commission of the State of California

**Subject: Submits Revised Tariffs as Ordered in Decision 04-02-062.
Supplemental Filing to Further Revise Schedule DA CRS and
Energy Statement**

Pacific Gas and Electric Company (PG&E) hereby submits for filing revised electric tariff sheets complying with the Commission's order in Decision (D.) 04-02-062. The affected tariff sheets are listed on the enclosed Attachment 1.

Purpose

In this supplemental filing, PG&E revises Schedule DA CRS – *Direct Access Cost Responsibility Surcharge* to add exemptions from the Competition Transition Charges (CTC) and Regulatory Asset to the exemptions in Special Conditions 1 and 2.

On March 1, 2004, PG&E filed Advice 2465-E-A in compliance with Decision (D.) 04-02-062. In D.04-02-062, the Commission acted on PG&E's January 20, 2004, "Motion for Approval of Rate Design Settlement" (RDSA) filed in I.02-04-026 and Advice 2465-E, filed January 26, 2004, which were filed in accordance with the Modified Settlement Agreement (MSA) entered into by the Commission, PG&E, and PG&E Corporation pursuant to D.03-12-035.

In Advice 2465-E-A, PG&E presented new rates to implement a bundled service rate reduction of \$799 million as directed by D.04-02-062. In addition, PG&E included revised rate schedules, new preliminary statements and bill formats as required to implement the Commission's order.

In preparing rates pursuant to PG&E's Phase 1 GRC decision (D.04-05-055) it was discovered that Schedule DA CRS, as filed in Advice 2465-E-A, did not contain language that provided a temporary exemption to CARE, medical baseline, and continuous Direct Access (DA) customers from paying the Ongoing CTC charges and Regulatory Asset. Despite this oversight, PG&E has not been charging these DA customers for the exempted costs. As noticed in Advice 2516-

E, filed June 7, 2004, PG&E intends to charge these DA customers for these components beginning on August 1, 2004. The modification to DA CRS being made in this supplemental filing, however, simply codifies that CARE, medical baseline, and continuous DA customers are temporarily exempt from these charges.

In this supplemental filing, we are also revising the definition on the back of the bill proposed in Advice 2465-E-A. PG&E's original filing deleted language that specified that the Trust Transfer Amount is the property of a public trust and does not belong to PG&E, and that PG&E is only billing for this amount on behalf of the public trust. PG&E has added that language back to the definition as this language is required as part of the Rate Reduction Bond financing.

Protests

Anyone wishing to protest this filing may do so by sending a letter by **July 18, 2004**, which is 20 days from the date of this filing. The protest must state the proof 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, 4th Floor
San Francisco, California 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, California 94177
Facsimile: (415) 973-7226
E-mail: RxDd@pge.com

Effective Date

D.04-02-062 provides that rates submitted in this advice letter become effective March 1, 2004, subject to the Commission's Energy Division determining that it is in compliance with that decision.

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 to the parties on the service lists for I.02-04-026, A.02-11-017 and R.02-01-011. Address changes should be directed to Sharon Tatai at (415) 973-2788. Advice letter filings can also be accessed electronically at:

<http://www.pge.com/tariffs>

Brian Cherry / ISN

Director - Regulatory Relations

Attachments

cc: Service List
Interested Parties I.02-04-026
Interested Parties R.02-01-011
Interested Parties A.02-11-017

Cal P.U.C Sheet No.	Title of Sheet	Cancelling Cal P.U.C. Sheet No.
21819-E	Schedule DA CRS – Direct Access Cost Responsibility Surcharge	20800-E
21820-E	Form No. 01-6630 – Energy Statement – Central Mailing (Back of Bill)	20803-E
21821-E	Table of Contents – Sample Forms (Cont'd.)	21472-E
21822-E	Table of Contents (Cont'd.)	20859-E
21823-E	Table of Contents	21107-E



SCHEDULE DA CRS—DIRECT ACCESS COST RESPONSIBILITY SURCHARGE

- APPLICABILITY:** This schedule and the applicable components of the Direct Access (DA) Cost Responsibility Surcharge (CRS) apply to all customers who take DA service, unless otherwise set forth in the Special Conditions, below.
- TERRITORY:** Schedule DA CRS applies everywhere PG&E provides electric service as shown in Preliminary Statement, Part A.
- RATES:** The DA CRS consists of the Regulatory Asset, Ongoing Competition Transition Charges, Department of Water Resources (DWR) Bond Charge and the DWR Power Charges, as set forth in each rate schedule. (T)
(T)
- SPECIAL CONDITIONS:**
1. California Alternative Rates for Energy (CARE) and medical baseline customers that take DA service are exempt from paying the DWR Bond Charge and DWR Power Charge portion of the DA CRS. Pursuant to D.04-02-062, these customers are also temporarily exempt from paying the Ongoing Competition Transition Charges and the Regulatory Asset. (N)
|
(N)
 2. Customers that have taken DA service continually since February 1, 2001, are exempt from the DWR Bond Charge and the DWR Power Charge portions of the DA CRS. Pursuant to D.04-02-062, these customers are also temporarily exempt from paying the Ongoing Competition Transition Charges and the Regulatory Asset. (N)
|
(N)

(Continued)



PACIFIC GAS AND ELECTRIC COMPANY
ENERGY STATEMENT—CENTRAL MAILING
FORM NO. 01-6630 (6/04)
(ATTACHED)

(T)

The attached sample of PG&E's ("back of bill") format is used for all rate schedules.

THIS BILL IS NOW DUE AND PAYABLE

Helpful Phone Numbers

Customer Services – English	1-800-743-5000
TDD/TTY (Speech/Hearing-Impaired)	1-800-652-4712
Servicio al Cliente en Español (Spanish).....	1-800-660-6789
華語客戶服務電話號碼 (Chinese).....	1-800-893-9555
越語專線 (Vietnamese).....	1-800-298-8438
Smarter Energy Line	1-800-933-9555
(Residential Energy Efficiency Information)	
Energy Theft Hotline	1-800-854-6250
To Request A Claim Form	1-800-743-5000
PG&E's website.....	www.pge.com

ELECTRIC INDUSTRY DEFINITIONS

1. **Legislated 10% Reduction:** All residential and eligible small business customers receive this discount effective January 1, 1998. This rate reduction was ordered by the Legislature to provide some benefits of electric industry restructuring at the earliest possible date.
2. **Trust Transfer Amount (TTA):** The charge repays principal and interest on the bonds used to refinance a portion of costs related to investments in electric generation facilities and purchased power contracts, in order to provide a 10% bill reduction to residential and small commercial customers in the years 1998 to 2002. The TTA does not belong to PG&E. The TTA has been transferred to a public trust. PG&E is collecting the TTA on behalf of this trust.
3. **Energy Surcharges (ES):** Revenues from these surcharges are used to fund procurement of electricity. These surcharges are listed in PG&E's tariff Schedule E-EPS (Energy Procurement Surcharge). Generation Charge includes applicable energy surcharges for customers who purchase electric power from PG&E.
4. **Nuclear Decommissioning:** The non-bypassable charge that collects the funds required for site restoration when PG&E's nuclear power plants are removed from service.
5. **Public Purpose Programs:** The non-bypassable charge that funds state-mandated assistance programs for low-income customers and energy-efficiency programs.
6. **Transmission:** The charge that recovers the cost of conveying electricity from power plants over high-voltage lines (including charges for Reliability Services which are the costs of generation required for transmission system reliability).
7. **DWR Bond Charge:** The charge that recovers the cost of bonds issued to finance a portion of the historic cost of power purchased by California Department of Water Resources (DWR) to serve electric customers. DWR bond revenues are collected on behalf of DWR and do not belong to PG&E.
8. **Generation Charge:** The charge that recovers the cost of the electric commodity itself and the cost of the Regulatory Asset approved by the California Public Utilities Commission (CPUC) to enable PG&E to emerge from bankruptcy. This includes electricity costs incurred by DWR and PG&E to serve customers.
9. **DA CRS Other:** The charge that includes the Direct Access Cost Responsibility for the DWR Power Charge, Competition Transition and Regulatory Asset Charges.
10. **Franchise Fee Surcharge:** This surcharge is for franchise fees for electricity purchased from non-utility suppliers as provided in Schedule E-FFS.

Note: Customers that purchase both electricity and transportation service from PG&E (Bundled Service) pay charges 1 through 9; Customers that purchase electricity from non-utility suppliers (Direct Access Service), pay charges 1 through 8, plus 10 and 11.

PAYING YOUR BILL

- By Mail – Send payment in the enclosed envelope.
- In Person – Pay at any PG&E local office or pay station.
- Unpaid Bill – May require a deposit as outlined below to reestablish credit and/or result in disconnection of service.
- Pay By Phone – 1-800-891-8626.
- Online at www.pge.com

PAST-DUE BILLS

- Residential – The bill is due when you receive it and becomes past due 19 days after the date presented.
- Nonresidential – The bill is due when you receive it and becomes past due 15 days after the date presented.
- A closing bill is considered past due if not paid 15 days after the mailing date for all customers.
- Unable to pay on time? Call to discuss reasonable payment arrangements, special programs and agencies that may be available to assist you.
- You may qualify for reduced rates under PG&E's CARE program. Call PG&E for an application.
- If a residential customer claims an inability to pay and PG&E does not offer reasonable payment arrangements, he/she may contact the CPUC at 1-800-649-7570 or by TDD/TTY at 415-703-2032.

DEPOSITS

- A residential deposit will be twice the average monthly bill as estimated by PG&E.
- A nonresidential deposit may be twice the maximum monthly bill as estimated by PG&E.
- A deposit to reestablish credit may be required when conditions of service or the basis on which credit was originally established has changed.

RULES AND RATES

- The full text of PG&E's rules and rates is available for inspection upon request.
- Optional rates are available to many customers and may lower your PG&E bills. Call PG&E for details.

DISPUTED BILLS

Should you question this bill, please request an explanation from PG&E. If you thereafter believe you have been billed incorrectly, send the bill and a statement supporting your belief that the bill is not correct to:

**California Public Utilities Commission (CPUC)
Consumer Affairs Branch
505 Van Ness Avenue
San Francisco, CA 94102**

To avoid having service turned off if the bill has not been paid, enclose a deposit for the amount of the bill made payable to the CPUC. If you are unable to pay the amount in dispute, you must inform the CPUC of your inability to pay. Your service cannot be discontinued for nonpayment of the disputed bill until the CPUC completes its review. The CPUC will review the basis of the billed amount, communicate the results of its review to the parties and make disbursements of any deposit.

The CPUC will not, however, accept deposits when the dispute appears to be over matters that do not directly relate to the accuracy of the bill. Such matters include the quality of a utility's service, general level of rates, pending rate applications and sources of fuel or power.



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61-4019	01/97	Energy Statement—Summary Billing	14320-E
61-4446	REV 11/87	Street Lighting Statement	10834-E
61-4657	REV 01/90	Sundry Sales Invoice	14099-E
61-6616	REV 11/87	Street Lighting Bill	10838-E
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62-3727	01/82	Third Party Reminder	10855-E
62-3799	02/83	Third Party Notification	10856-E
62-4107	REV 02/85	Unsatisfactory Check Notice	10857-E
62-7166	REV 07/84	Counter Collection Receipt—Domestic and Commercial Accounts	10858-E
79-800	REV 03/02	Discontinuance of Service Notice—English	18787-E
79-803		Discontinuance of Service Notice—Chinese	11231-E
79-804		Discontinuance of Service Notice—Korean	11232-E
79-805		Discontinuance of Service Notice—Spanish	11233-E
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61-4406	REV 07/90	Meter Reading Reminder—Postcard	14269-E
61-7126	REV 07/88	Window Meter Card Reminder—Postcard	10860-E
62-1247	REV 10/86	Notice of Planned Electric Service Interruption	10861-E
62-3005		Window Meter Card—Single Meter	10862-E
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E-DASR	Direct Access Services Request Fees.....	14847-E
E-ESP	Service to Energy Service Providers.....	16109,15828,15829,15830,16221-E
E-ESPNSF	Energy Service Provider Non-Discretionary Service Fees.....	16535,16536-E
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E-DBP	Demand Bidding Program.....	19752,18983,18984,18985,18986,18987-E
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RATE SCHEDULES

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

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