

PUBLIC UTILITIES COMMISSION

505 VAN NESS AVENUE
SAN FRANCISCO, CA 94102-3298

Tel. No. (415) 703-1691



April 21, 2004

Advice Letter 2485-E

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

Subject: Compliance with O. P. 19 of D.04-02-057 – residential rates for usage up to 130 percent of baseline per water code Paragraph 80110

Dear Ms Smith:

Advice Letter 2485-E is effective April 20, 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
Vice President
Regulatory Relations

77 Beale Street, Room 1065
San Francisco, CA 94105

Mailing Address
Mail Code B10A
P.O. Box 770000
San Francisco, CA 94177

415.972.5209
Internal: 222.5209
Fax: 415.972.5625
Internet: KAT5@pge.com

March 26, 2004

ADVICE 2485-E

(Pacific Gas & Electric Company ID U39E)

Subject: Compliance With Ordering Paragraph 19 Of Decision 04-02-057 - Residential Rates For Usage Up To 130 Percent Of Baseline Per Water Code § 80110.

Pacific Gas and Electric Company (PG&E) hereby submits for filing its Advice Letter in compliance with Ordering Paragraph 19 of Decision (D.) 04-02-057. No rates or tariff sheets are affected by this filing.

Purpose

The purpose of this Advice Letter is to comply with Ordering Paragraph 19 of D.04-02-057, which provides:

Each electric utility that takes power from DWR or is otherwise bound by Water Code § 80110 shall file and serve a compliance advice letter filing within 30 days of the effective date of this order demonstrating that its total residential rates for usage up to 130% of baseline quantities are no higher than they were when AB 1X became effective. If total residential rates are not in compliance with Water Code § 80110, the advice letter filing shall contain tariff modifications, effective within 45 days of the effective date of this order, to reduce the utility's generation or commodity rates for usage up to 130% of baseline so that total rates for such usage are no higher than they were when AB 1X became effective.

Background

Water Code § 80110 requires that total residential rates for usage up to 130 percent of baseline quantities be no higher than they were when AB 1X became effective on February 1, 2001.

PG&E's total bundled rates for such usage have been the same since February 1, 2001. PG&E demonstrates that total rates for usage up to 130 percent of baseline did not change in Attachment 1 (charges identified for Tier 1 and Tier 2 usage are applicable to usage up to 130 percent of baseline). The last two columns of Attachment 1 display total rates in effect on February 1, 2001, as they appear in the tariffs, with those in effect on March 1, 2004. A review of these columns shows that rates for usage up to 130 percent of baseline have not changed. In both rates effective on February 1, 2001, and March 1, 2004, customers receive an additional 10% discount based on rates effective on June 10, 1996, which is not reflected in Attachment 1. However, since the discount is the same under current rates and rates effective on February 1, 2001, total rates and charges for usage up to 130 percent of baseline are unchanged from February 1, 2001 levels.

Protests

Anyone wishing to protest this filing may do so by sending a letter by April 15, 2004, 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. Protest should be mailed to:

IMC Branch Chief - Energy Division
California Public Utilities Commission
505 Van Ness Avenue, 4th Floor
San Francisco, CA 94102

Facsimile: (415) 703-2200
E-mail: jjr@cpuc.ca.gov

Protests should also be sent by email 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 email 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 letter become effective after appropriate review by the Energy Division.

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 the parties on the service list for R. 01-05-047. 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/tariffs>

Karen Tomcala / by DRP
Vice President – Regulatory Relations

Attachments

cc: Service List – R. 01-05-047

E-1, EM, ES, ESR, ET	Frozen	1 Cent	02/01/01	03/01/04
ENERGY CHARGE (\$/kWh)	Rate	Surcharge	Total Rate *	Total Rate *
Tier 1 (Up to 100% of Baseline)	\$0.11589	\$0.01000	\$0.12589	\$0.12589
Tier 2 (101% to 130% of Baseline)	\$0.13321	\$0.01000	\$0.14321	\$0.14321
MINIMUM CHARGE (\$/meter/day)	\$0.16427		\$0.16427	\$0.16427

E-7	Frozen	1 Cent	02/01/01	03/01/04
ENERGY CHARGE (\$/kWh)	Rate	Surcharge	Total Rate *	Total Rate *
SUMMER Peak				
Tier 1 (Up to 100% of Baseline)	\$0.31524	\$0.01000	\$0.32524	\$0.32524
Tier 2 (101% to 130% of Baseline)	\$0.31524	\$0.01000	\$0.32524	\$0.32524
SUMMER Off-Peak				
Tier 1 (Up to 100% of Baseline)	\$0.08515	\$0.01000	\$0.09515	\$0.09515
Tier 2 (101% to 130% of Baseline)	\$0.08515	\$0.01000	\$0.09515	\$0.09515
Baseline Credit (per kWh of baseline use)	\$0.01732		\$0.01732	\$0.01732
WINTER Peak				
Tier 1 (Up to 100% of Baseline)	\$0.11636	\$0.01000	\$0.12636	\$0.12636
Tier 2 (101% to 130% of Baseline)	\$0.11636	\$0.01000	\$0.12636	\$0.12636
WINTER Off-Peak				
Tier 1 (Up to 100% of Baseline)	\$0.08851	\$0.01000	\$0.09851	\$0.09851
Tier 2 (101% to 130% of Baseline)	\$0.08851	\$0.01000	\$0.09851	\$0.09851
Baseline Credit (per kWh of baseline use)	\$0.01732		\$0.01732	\$0.01732
One-time Installation Charge Rate W (\$/meter)	\$277		\$277	\$277
METER CHARGE (\$/meter/day)				
E-7	\$0.12813		\$0.12813	\$0.12813
Rate W	\$0.04270		\$0.04270	\$0.04270
MINIMUM CHARGE (\$/meter/day)	\$0.16427		\$0.16427	\$0.16427

E-A7	Frozen	1 Cent	02/01/01	03/01/04
ENERGY CHARGE (\$/kWh)	Rate	Surcharge	Total Rate *	Total Rate *
SUMMER Peak				
Tier 1 (Up to 100% of Baseline)	\$0.34733	\$0.01000	\$0.35733	\$0.35733
Tier 2 (101% to 130% of Baseline)	\$0.34733	\$0.01000	\$0.35733	\$0.35733
SUMMER Off-Peak				
Tier 1 (Up to 100% of Baseline)	\$0.08053	\$0.01000	\$0.09053	\$0.09053
Tier 2 (101% to 130% of Baseline)	\$0.08053	\$0.01000	\$0.09053	\$0.09053
Baseline Credit (per kWh of baseline use)	\$0.01732		\$0.01732	\$0.01732
WINTER Peak				
Tier 1 (Up to 100% of Baseline)	\$0.11548	\$0.01000	\$0.12548	\$0.12548
Tier 2 (101% to 130% of Baseline)	\$0.11548	\$0.01000	\$0.12548	\$0.12548
WINTER Off-Peak				
Tier 1 (Up to 100% of Baseline)	\$0.08860	\$0.01000	\$0.09860	\$0.09860
Tier 2 (101% to 130% of Baseline)	\$0.08860	\$0.01000	\$0.09860	\$0.09860
Baseline Credit (per kWh of baseline use)	\$0.01732		\$0.01732	\$0.01732
One-time Installation Charge Rate Y (\$/meter)	\$277		\$277	\$277
METER CHARGE (\$/meter/day)				
E-A7	\$0.12813		\$0.12813	\$0.12813
Rate Y	\$0.04270		\$0.04270	\$0.04270
MINIMUM CHARGE (\$/meter/day)	\$0.16427		\$0.16427	\$0.16427

* Rates are shown as they appear in the tariff. In both cases, customers receive an additional 10% discount based on rates effective on 6/10/1996. Since the discount is calculated the same under current rates and those effective on 2/1/01, total Tier 1 and Tier 2 rates and charges are unchanged from 2/1/01 levels.

E-8	Frozen	1 Cent	02/01/01	03/01/04
ENERGY CHARGE (\$/kWh)	Rate	Surcharge	Total Rate *	Total Rate *
Summer				
Tier 1	\$0.12017	\$0.01000	\$0.13017	\$0.13017
Tier 2	\$0.12017	\$0.01000	\$0.13017	\$0.13017
Winter				
Tier 1	\$0.07308	\$0.01000	\$0.08308	\$0.08308
Tier 2	\$0.07308	\$0.01000	\$0.08308	\$0.08308
CUSTOMER CHARGE (\$/meter/day)	\$0.45733		\$0.45733	\$0.45733

E-9 RATE A	Frozen	1 Cent	02/01/01	03/01/04
ENERGY CHARGE (\$/kWh)	Rate	Surcharge	Total Rate *	Total Rate *
SUMMER Peak				
Tier 1 (Up to 100% of Baseline)	\$0.30409	\$0.01000	\$0.31409	\$0.31409
Tier 2 (101% to 130% of Baseline)	\$0.30409	\$0.01000	\$0.31409	\$0.31409
SUMMER Part-Peak				
Tier 1 (Up to 100% of Baseline)	\$0.10439	\$0.01000	\$0.11439	\$0.11439
Tier 2 (101% to 130% of Baseline)	\$0.10439	\$0.01000	\$0.11439	\$0.11439
SUMMER Off-Peak				
Tier 1 (Up to 100% of Baseline)	\$0.04405	\$0.01000	\$0.05405	\$0.05405
Tier 2 (101% to 130% of Baseline)	\$0.04405	\$0.01000	\$0.05405	\$0.05405
Baseline Credit (per kWh of baseline use)	\$0.01732		\$0.01732	\$0.01732
WINTER Peak				
Tier 1 (Up to 100% of Baseline)	\$0.10426	\$0.01000	\$0.11426	\$0.11426
Tier 2 (101% to 130% of Baseline)	\$0.10426	\$0.01000	\$0.11426	\$0.11426
WINTER Off-Peak				
Tier 1 (Up to 100% of Baseline)	\$0.05328	\$0.01000	\$0.06328	\$0.06328
Tier 2 (101% to 130% of Baseline)	\$0.05328	\$0.01000	\$0.06328	\$0.06328
Baseline Credit (per kWh of baseline use)	\$0.01732		\$0.01732	\$0.01732
METER CHARGE (\$/meter/day)	\$0.24312		\$0.24312	\$0.24312
MINIMUM CHARGE (\$/meter/day)	\$0.16427		\$0.16427	\$0.16427

E-9 RATE B	Frozen	1 Cent	02/01/01	03/01/04
ENERGY CHARGE (\$/kWh)	Rate	Surcharge	Total Rate *	Total Rate *
SUMMER Peak				
Tier 1 (Up to 100% of Baseline)	\$0.29963	\$0.01000	\$0.30963	\$0.30963
Tier 2 (101% to 130% of Baseline)	\$0.29963	\$0.01000	\$0.30963	\$0.30963
SUMMER Part-Peak				
Tier 1 (Up to 100% of Baseline)	\$0.09993	\$0.01000	\$0.10993	\$0.10993
Tier 2 (101% to 130% of Baseline)	\$0.09993	\$0.01000	\$0.10993	\$0.10993
SUMMER Off-Peak				
Tier 1 (Up to 100% of Baseline)	\$0.05129	\$0.01000	\$0.06129	\$0.06129
Tier 2 (101% to 130% of Baseline)	\$0.05129	\$0.01000	\$0.06129	\$0.06129
WINTER Peak				
Tier 1 (Up to 100% of Baseline)	\$0.10030	\$0.01000	\$0.11030	\$0.11030
Tier 2 (101% to 130% of Baseline)	\$0.10030	\$0.01000	\$0.11030	\$0.11030
WINTER Off-Peak				
Tier 1 (Up to 100% of Baseline)	\$0.05976	\$0.01000	\$0.06976	\$0.06976
Tier 2 (101% to 130% of Baseline)	\$0.05976	\$0.01000	\$0.06976	\$0.06976
METER CHARGE (\$/meter/day)	\$0.24312		\$0.24312	\$0.24312
MINIMUM CHARGE (\$/meter/day)	\$0.16427		\$0.16427	\$0.16427

* Rates are shown as they appear in the tariff. In both cases, customers receive an additional 10% discount based on rates effective on 6/10/1996. Since the discount is calculated the same under current rates and those effective on 2/1/01, total Tier 1 and Tier 2 rates and charges are unchanged from 2/1/01 levels.

**Advice 2485-E
March 26, 2004**

EL-1, EML, ESL, ESRL, ETL	Frozen	1 Cent	02/01/01	03/01/04
ENERGY CHARGE (\$/kWh)	<u>Rate</u>	<u>Surcharge</u>	<u>Total Rate *</u>	<u>Total Rate *</u>
Baseline (Tier 1)	\$0.09240	\$0.00000	\$0.09240	\$0.09240
Tier 2	\$0.10626	\$0.00000	\$0.10626	\$0.10626
MINIMUM CHARGE (\$/meter/day)	\$0.13142		\$0.13142	\$0.13142

EL-7	Frozen	1 Cent	02/01/01	03/01/04
ENERGY CHARGE (\$/kWh)	<u>Rate</u>	<u>Surcharge</u>	<u>Total Rate *</u>	<u>Total Rate *</u>
SUMMER				
Peak	\$0.31524	\$0.00000	\$0.31524	\$0.31524
Off-Peak	\$0.08515	\$0.00000	\$0.08515	\$0.08515
Baseline Credit (per kWh of baseline use)	\$0.01732		\$0.01732	\$0.01732
WINTER				
Peak	\$0.11636	\$0.00000	\$0.11636	\$0.11636
Off-Peak	\$0.08851	\$0.00000	\$0.08851	\$0.08851
Baseline Credit (per kWh of baseline use)	\$0.01732		\$0.01732	\$0.01732
One-time Installation Charge Rate W (\$/meter)	\$277		\$277	\$277
METER CHARGE EL-7 (\$/meter/day)	(N/A)		(N/A)	(N/A)
MINIMUM CHARGE (\$/meter/day)	\$0.16427		\$0.16427	\$0.16427

EL-A7	Frozen	1 Cent	02/01/01	03/01/04
ENERGY CHARGE (\$/kWh)	<u>Rate</u>	<u>Surcharge</u>	<u>Total Rate *</u>	<u>Total Rate *</u>
SUMMER				
Peak	\$0.34733	\$0.00000	\$0.34733	\$0.34733
Off-Peak	\$0.08053	\$0.00000	\$0.08053	\$0.08053
Baseline Credit (per kWh of baseline use)	\$0.01732		\$0.01732	\$0.01732
WINTER				
Peak	\$0.11548	\$0.00000	\$0.11548	\$0.11548
Off-Peak	\$0.08860	\$0.00000	\$0.08860	\$0.08860
Baseline Credit (per kWh of baseline use)	\$0.01732		\$0.01732	\$0.01732
One-time Installation Charge EL-A7 (\$/meter)	\$277		\$277	\$277
METER CHARGE EL-A7 (\$/meter/day)	(N/A)		(N/A)	(N/A)
MINIMUM CHARGE (\$/meter/day)	\$0.16427		\$0.16427	\$0.16427

EL-8	Frozen	1 Cent	02/01/01	03/01/04
ENERGY CHARGE (\$/kWh)	<u>Rate</u>	<u>Surcharge</u>	<u>Total Rate *</u>	<u>Total Rate *</u>
Summer	\$0.09582	\$0.00000	\$0.09582	\$0.09582
Winter	\$0.05815	\$0.00000	\$0.05815	\$0.05815
CUSTOMER CHARGE (\$/meter/day)	\$0.36586		\$0.36586	\$0.36586

* Rates are shown as they appear in the tariff. In both cases, customers receive an additional 10% discount based on rates effective on 6/10/1996. Since the discount is calculated the same under current rates and those effective on 2/1/01, total Tier 1 and Tier 2 rates and charges are unchanged from 2/1/01 levels.

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

ABAG Power Pool
Aglet Consumer Alliance
Agnews Developmental Center
Ahmed, Ali
Alicantar & 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