

August 11, 2000

ADVICE 2258-G/2027-E

Public Utilities Commission of the State of California

In accordance with Decision 97-12-088, Appendix A, Rule VI. B--New Affiliate Compliance Plans, Pacific Gas and Electric Company hereby notifies the Commission of the formation of a new affiliate, as defined by the Affiliate Transaction Rules.

Rule VI. B. Specifically requires that:

Upon creation of a new affiliate which is addressed by these Rules, the utility shall immediately notify the Commission of the creation of the new affiliate, as well as posting notice on its electronic bulletin board. No later than 60 days after the creation of this affiliate, the utility shall file an advice letter with the Energy Division of the Commission, served on parties to this proceeding. The advice letter shall demonstrate how the utility will implement these Rules with respect to the new affiliate.

Pacific Venture Capital, LLC

Pacific Venture Capital, LLC was formed on June 23, 2000, to build and manage a portfolio of capital investments in energy and telecommunications companies. The mailing address for Pacific Venture Capital, LLC is: One Market, Spear Tower, Suite 2400, San Francisco, CA 94105. Following are the officer(s):

Bryant J. Tong President and Chief Executive Officer

Questions regarding this affiliate should be addressed to Elsia Galawish, Pacific Gas and Electric Company's Director of Affiliate Rules and Regulatory Compliance at (415) 973-4741.

Pacific Gas and Electric Company has previously posted notice of the formation of this affiliate on its affiliate transaction World Wide Web site and notified Commission staff.

No unusual or unique circumstances exist that would require affiliate transaction rule implementation measures for the affiliate listed above beyond those identified for other Rule II. B. Affiliates as listed in Attachment E to Pacific Gas and Electric Company's most recently filed Affiliate Rules Compliance Plan (Advice 2202-G/1947-E). The affiliate rules will apply to this affiliate. Therefore, Pacific Gas and Electric Company will apply all the provisions of its Affiliate Rules Compliance Plan to all transactions with this new affiliate.

This filing will not increase any other rate or charge, cause the withdrawal of service, or conflict with any rate schedule or rule.

PG&E requests that this filing become effective on August 11, 2000, which is the date of filing.

Anyone wishing to protest this filing may do so by sending a letter within 20 days of this filing. Protests should be mailed to:

IMC Branch Chief
Energy Division
California Public Utilities Commission
505 Van Ness Avenue, Room 4002
San Francisco, California 94102
Facsimile: (415) 703-2200

Copies should also be mailed to the attention of the Director, Energy Division (address above), and Les Guliasi, Manager, Regulatory Relations, 77 Beale Street, Mail Code B10C, P.O. Box 770000, San Francisco, California 94177, Facsimile (415) 973-7451. The protest shall set forth the grounds upon which it is based and shall be submitted expeditiously. There are no restrictions on who may file a protest.

In accordance with Section III, Paragraph G of General Order 96-A, Pacific Gas and Electric Company is electronically and postal mailing copies of this advice letter to the utilities and interested parties shown on the attached list and interested parties shown on the attached list and as set forth Affiliate Transaction Rule VI.B, and all interested parties in OIR 97-04-011/OII 97-04-012. Address change requests should be directed to Nelia Avendano at (415) 973-3529.

Vice President -- Regulatory Relations

Attachment