

October 27, 2000

ADVICE 2272-G/2050-E

(Pacific Gas and Electric Company ID U 39 M)

Public Utilities Commission of the State of California

Subject: Post Retirement Benefits Other than Pensions – 1996 through 1998

Purpose

Pacific Gas and Electric Company (PG&E) hereby submits this advice filing to request Commission approval to credit the Core Gas Fixed Cost (CFCA), the Noncore Customer Class Charge Account (NCA), and the Electric Transition Revenue Account by the amounts of over-collected revenue requirements for medical and life insurance Post-retirement Benefits Other than Pensions (PBOPs) for the period from 1996 through 1998.

Background

This filing is made in compliance with Decision (D.) 00-02-046 (pages 319 through 324) in PG&E's 1999 Test Year General Rate Case (GRC). The 1999 GRC decision continued the PBOPs adjustment treatment previously adopted in PG&E's 1996 GRC D. 95-12-055 (Ordering Paragraph 8), as modified by D. 96-05-010. The credits to the CFCA, NCA, and TRA accounts correct for the difference between the estimated PBOPs cost adopted in PG&E's 1996 GRC and the lesser of the Statement of Financial Account Standard (FAS) 106 cost or the tax deductible amount for 1996 through 1998.

Credit Amount

The calculation of the revenue requirement adjustment is consistent with the proposal approved by the Commission in D. 95-12-055, as modified in D. 96-05-010. D. 95-12-055 also requires that PG&E provide a similar adjustment based on any difference between the amounts contributed to the trust established for Long Term Disability (LTD) benefits and the contribution amount adopted in the 1996 GRC. For each year (1996 through 1998), PG&E's annual contribution to the trust for LTD benefits matched the amount adopted in the 1996 GRC decision. Accordingly, no adjustment for LTD costs is necessary.

REVISED

The credit amounts are as follows:

<u>Account</u>	<u>Amount of Credit</u> (Thousands of Dollars)
TRA	(\$7,445)
CFCA	(3,330)
NCA	<u>(443)</u>
Total Credit	(\$11,218)

Workpapers supporting the computation of the credit amount are included in Attachment I.

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

Effective Date

PG&E requests that this filing be approved on regular notice, **December 6, 2000**, which is 40 days after the date of this filing.

Protests

Anyone wishing to protest this advice letter may do so by sending a letter within twenty (20) days after the date 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 Director, Energy Division, and Jerry Royer, Energy Division, at the address above. A copy of the protest should be sent by U.S. mail and via facsimile to:

Pacific Gas and Electric Company
Attention: Les Guliasi
Director, Regulatory Relations
77 Beale Street, Mail Code B10C
P.O. Box 770000
San Francisco, California 94177

Facsimile: (415) 973-7226

The protest shall set forth the grounds upon which it is based, and shall be submitted expeditiously. There is no restriction on who may file a protest.

Notice

In accordance with Section III, Paragraph G, of General Order 96-A, PG&E is mailing copies of this advice letter to the utilities and interested parties shown on the attached list and the service list for 1999 General Rate Case A. 97-12-020. Workpapers for this filing are being provided to the Commission's Office of Ratepayer Advocates and Energy Division only. A copy may be obtained by telephoning Nel Avendano at (415) 973-3529. For mailing list changes, please contact Ms. Avendano.

Vice President – Regulatory Relations

Attachments

Cc: Service List – 1999 GRC A. 97-12-020