

January 16, 2001

Advice 2289-G

(Pacific Gas and Electric Company ID U39G)

Public Utilities Commission of the State of California

Subject: Request to Defer 2001 Annual True-up of Gas Transportation
Balancing Accounts

Purpose

Pacific Gas and Electric Company (the Company) hereby requests Commission approval, in accordance with Section X.A of General Order 96-A, to deviate from its gas Preliminary Statement Part C.11.b, and defer its 2001 Annual True-up of Balancing Accounts (True-up) gas rate change. PG&E makes this request because the treatment of transportation balancing accounts, which is the subject of the Annual True-up, is already addressed in PG&E's 2000 Biennial Cost Allocation Proceeding Settlement Agreement filed with the Commission on October 27, 2000.¹ Although a Commission decision has not yet been issued in the BCAP, it is reasonable to expect that a BCAP decision would be issued close to the effective date of an Annual True-up. In making this request to defer the Annual True-up, PG&E urges the Commission to act on its 2000 BCAP Settlement Agreement in the near future.

PG&E's Gas Preliminary Statement Part C.11.b provides that a True-up Advice Letter shall be filed 45 days prior to the end of the first year of the BCAP and every 12 months thereafter until a new BCAP decision is rendered. PG&E implemented its most recent Annual True-up on March 1, 2000. According to this schedule, PG&E would ordinarily file its True-up advice filing by January 16, 2001, for rates effective March 1, 2001.²

PG&E makes its request to defer the Annual True-up because it is a more efficient use of time and resources to include the true-up of gas transportation balancing accounts in the 2000 BCAP, rather than file a separate Annual True-up

¹ In its BCAP Application 00-04-002, PG&E requested a January 1, 2001, effective date. Further, PG&E stated on page 1-13 of its BCAP Revised Testimony, dated June 6, 2000, that it will update balancing account balances by the date set for comments on the ALJ's draft decision in the BCAP.

² The noncore transportation rate change would be effective March 1, 2001. The core transportation rate change would be effective March 7, 2001, in conjunction with the March 2001 core procurement rate change.

Advice Letter. Once a final BCAP decision is approved, PG&E would file an Advice Letter implementing BCAP rates that would include the true-up of balancing accounts. Further, including the balancing account true-up in the 2000 BCAP avoids customer confusion and the administrative burden of implementing two gas transportation rate changes within a short period of time.

PG&E also requested to defer the 2001 Annual True-up in a letter to Wes Franklin, Commission Executive Director, dated January 10, 2001.

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

PG&E requests that this filing be approved on regular notice, **February 26, 2001**, which is 41 days after the date of this filing.

Protests

Anyone wishing to protest this filing may do so by sending a letter within 20 days of 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. Protests should be sent by U.S. mail and via facsimile to:

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

Copies should also be mailed to the attention of the Director, Energy Division, Room 4005 and Jerry Royer, at the address shown above. It is also requested that a copy of the protest be sent via postal mail and facsimile to Pacific Gas and Electric Company on the same date it is mailed or delivered to the Commission (at the address shown below).

Pacific Gas and Electric Company
Attn: Les Guliasi
Director, Regulatory Relations
77 Beale Street, Mailcode B10C
P.O. Box 770000
San Francisco, CA 94177
Facsimile: (415) 973-7226

Notice

In accordance with Section III, Paragraph G, of General Order 96-A, a copy of this advice letter is being sent electronically and via U.S. mail to the utilities and interested parties shown on the attached advice letter mailing list, and to the service list for BCAP Application (A.) 00-04-002. Address changes should be directed to Nelia Avendano at (415) 973-3529.

Vice President - Regulatory Relations

Attachments

cc: BCAP Service List – A. 00-04-002