

December 18, 2001

Advice 2360-G

(Pacific Gas and Electric Company ID U 39 G)

Subject: Noncore Gas Refund Plan

Public Utilities Commission of the State of California

Pacific Gas and Electric Company (PG&E) hereby submits its Noncore Gas Refund Plan.¹ The amount to be refunded, including estimated interest through February 28, 2002, is \$18.7 million. The Gas Refund Plan is described in Attachment I to this filing.²

Purpose

The purpose of the Refund Plan is to return to eligible PG&E customers the over-collection in the noncore subaccount of the Noncore Customer Class Charge Account (NCA) through a one-time bill credit. The NCA balance to be refunded includes the noncore portion of balances from several balancing accounts that have been transferred to the noncore subaccount of the NCA, in accordance with PG&E's Biennial Cost Allocation Proceeding (BCAP) Decision (D.) 01-11-001. These accounts include the Noncore Fixed Cost Account (NFCA), Interstate Transition Cost Surcharge (ITCS), and the noncore portion of the Balancing Charge Account (BCA).

¹ On November 30, 2001, PG&E filed core and noncore transportation rates in Advice 2357-G in compliance with D.01-11-001, and stated therein that an advice letter for the Noncore Refund Plan would be filed separately.

² PG&E reserves all legal rights to challenge the decisions or statutes under which it has been required to make this advice filing, and nothing in this advice filing constitutes a waiver of such rights. Also, PG&E reserves any additional legal rights to challenge the requirement to make this advice filing by reason of its status as a debtor under Chapter 11 of the Bankruptcy Code, and nothing in this advice filing constitutes a waiver of such rights.

PG&E proposes to refund the NCA balance, including the transfers of balances, as shown in Attachment I, Table 1, to this filing. Interest will be updated to reflect actual interest rates to the month the refund is implemented. The refund amount also will be updated to reflect the closing balances in the NFCA and ITCS, since these accounts are terminating as of January 1, 2002.

Protests

Anyone wishing to protest this filing may do so by sending a letter by **January 7, 2002**, 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. 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, Room 4005 and Jerry Royer, Energy Division, 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
Attention: Les Guliasi
Director, Regulatory Relations
77 Beale Street, Mail Code B10C
P.O. Box 770000
San Francisco, California 94177
Facsimile: (415) 973-7226

Effective Date

PG&E requests that this advice filing become effective on regular notice, **January 27, 2002**, which is 40 days after the date of filing. PG&E will complete the refund to eligible customers during the billing cycle beginning March 1, 2002, assuming Commission approval of the Refund Plan by February 15, 2002. In the event the Commission does not approve the Refund Plan by February 15, 2002, the Refund Plan will be implemented as soon as possible following Commission approval.

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 combined service list for A. 00-04-002. Address changes should be directed to Nelia Avendano at (415) 973-3529. Advice letter filings can also be accessed electronically at:

http://www.pge.com/customer_services/business/tariffs/

Vice President - Regulatory Relations

Attachments

cc: Service List – BCAP A. 00-04-002