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October 31, 2003

**Advice 2496-G/2436-E
(Pacific Gas and Electric Company ID U 39 M)**

Public Utilities Commission of the State of California

Subject: Adds Onr New Site to Hazardous Substance Mechanism

Purpose:

Pacific Gas & Electric Company (PG&E) hereby requests Commission approval to include three additional sites in the Hazardous Substance Cost Recovery Account as referenced within gas and electric Preliminary Statements Part AN and Part S *Hazardous Substance Mechanism*, in compliance with Decision (D.) 94-05-020.¹ A description of each site is set forth in Attachment I to this filing. The sites are as follows:

Site:

<u>Site Name</u>	<u>Location</u>
San Francisco Service Center	San Francisco, California

Background

Decision 94-05-020 requires California utilities to file an advice letter in order to include additional sites as part of the Hazardous Substance Mechanism. For each site the advice letter shall list: 1) the name of the site(s); 2) the location of the site(s); 3) the source, nature and approximate date of the contamination; 4)

¹ 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.

utility operations (historical and current) at the site(s), if any; and 5) environmental agency actions and oversight regarding the site(s), if any.

In addition, Decision 96-07-016 requires utilities to demonstrate that: 1) clean-up costs for which recovery is being sought are not being recovered through base rates or through any other recovery procedure, and 2) all of the costs for which recovery is being sought are hazardous waste clean-up costs (including insurance costs) found appropriate for recovery in the Collaborative Report.

In accordance with Decision 94-05-020, this advice letter shall be treated as a compliance filing under General Order 96-A for Commission approval within 40 days after the filing, **December 10, 2003**, if no protest letters are received. If protests are received, the Commission will either issue a resolution, or require the utility to file an application seeking inclusion of specified costs in the Hazardous Substance Mechanism.

Protests

Anyone wishing to protest this filing may do so by sending a letter by **November 20, 2003**, 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, 4th Floor
San Francisco, California 94102
Facsimile: (415) 703-2200
E-mail: jjr@cpuc.ca.gov

Protests also should be sent by e-mail 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 e-mail 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 K. Cherry
Director, Regulatory Relations
77 Beale Street, Mail Code B10C
P.O. Box 770000
San Francisco, California 94177
Facsimile: (415) 973-7226
E-mail: RxDd@pge.com

Effective Date

PG&E requests that this advice filing become effective on regular notice, **December 10, 2003**, which is 40 days after the date of filing.

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. 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/customer_services/business/tariffs/

Karen A. Omcala /sKT
Vice President - Regulatory Relations

Attachments

Site Name: San Francisco Service Center

Location: 18th and Shotwell Streets
San Francisco, California

Source, nature and approximate date of contamination: Since 1938, PG&E has used the San Francisco Service Center for storing and maintaining electrical equipment and other equipment essential to the distribution of gas and electricity, and for fueling and fleet vehicle maintenance activities. In 1988, PG&E performed an environmental assessment on a parcel being purchased for use as Service Center employee parking. Soil sampling during the assessment found petroleum hydrocarbons, solvents, and metals to be present in surface soils. The property had previously been used for retail, manufacturing (oakum, pottery, and terra cotta pipe), railroad operations, and vehicle maintenance. Residual petroleum hydrocarbons are known to remain near the locations of former underground storage tanks (USTs) in the Shotwell Complex of the Service Center. The tanks were removed in the late 1980s and the local oversight agency closed the cases following investigation and remediation.

Utility Operations Pertaining to the Site: PG&E has owned and operated the San Francisco Service Center since 1938. The Service Center has a customer service office and serves as a staging location for crews for the maintenance of the gas and electric distribution system in San Francisco. and fuels and maintains fleet vehicles at the Service Center,. In 1988, PG&E purchased a triangular-shaped property (the Treat Avenue Parking Lot) to supplement parking at the Service Center.

Environmental Agency Actions: None at present. The City and County of San Francisco Department of Public Health (SFDPH) oversaw the removal of USTs at the Service Center between 1986 and 1990 and subsequent investigations and remediation. The SFDPH closed all the UST cases in 1999 as "Low Risk Fuel Hydrocarbon Sites".

Nature of Costs: Costs for the San Francisco Service Center for which the Company is seeking recovery are not being recovered in base rates or through any other recovery procedure. Any and all cleanup costs to be recorded by the Company in the HSM memorandum accounts will be hazardous waste cleanup costs found appropriate for recovery in the Hazardous Substance Cleanup Cost Recovery Collaborative Report.

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

ABAG Power Pool
Accent Energy
ACN Energy, Inc.
Aglet Consumer Alliance
Agnews Developmental Center
Ahmed, Ali
Alcantar & 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 Gas Acquisition Svcs
California ISO
Calpine
Calpine Corp
Calpine Gilroy Cogen
Cambridge Energy Research Assoc
Cameron McKenna
Cardinal Cogen
Cellnet Data Systems
Chevron Texaco
Chevron USA Production Co.
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
Cross Border Inc
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
Dynegy Inc.
Ellison Schneider
Energy Law Group LLP
Enron Energy Services
Exelon Energy Ohio, Inc
Exeter Associates
Foster Farms
Foster, Wheeler, Martinez
Franciscan Mobilehome
Future Resources Associates, Inc
G. A. Krause & Assoc
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
Interstate Gas Services, Inc.
J. R. Wood, Inc
JTM, Inc
Kaiser Cement Corp
Korea Elec Power Corp
Luce, Forward, Hamilton & Scripps
Marcus, David
Masonite Corporation
Matthew V. Brady & Associates
Maynor, Donald H.
McKenzie & Assoc
McKenzie & Associates
Meek, Daniel W.
Meyer, Joseph
Mirant California, LLC
Modesto Irrigation Dist
Morrison & Foerster
Morse Richard Weisenmiller & Assoc.
Navigant Consulting
New United Motor Mfg, Inc
Norris & Wong Associates
North Coast Solar Resources
Northern California Power Agency
Occidental Energy Marketing
Office of Energy Assessments
Palo Alto Muni Utilities
PG&E National Energy Group
Pinnacle CNG Company
PITCO
Plurimi, Inc.
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
Transwestern Pipeline/Enron
Turlock Irrigation District
U S Borax, Inc
United Cogen Inc.
URM Groups
Utility Cost Management LLC
Utility Resource Network
Wellhead Electric Company
Western Hub Properties, LLC
White & Case
WMA