

Pacific Gas and Electric Company
2003 AS-DELIVERED CAPACITY PRICES FOR QUALIFYING FACILITIES
 Effective January 1, 2003 ¹

	Capacity ² Value \$/kw-year (a)	Capacity Allocation Factor ³ year/hr (b)	Capacity Loss Adjustment Factor ⁴		As-Delivered Capacity Price ⁵	
			Transmission (c)	Primary & Secondary Distribution (d)	Transmission \$/kwh (e) = a * b * c	Primary & Secondary Distribution \$/kwh (f) = a * b * d
With Time-of-Delivery Metering						
Period A - Summer (May through October)						
Peak	63.90	0.0009844	0.989	0.991	0.062211	0.062337
Partial-Peak	63.90	0.0000264	0.989	0.991	0.001668	0.001672
Off-Peak	63.90	0.0000001	0.989	0.991	0.000006	0.000006
Super Off-Peak	63.90	0.0000000	0.989	0.991	0.000000	0.000000
Period B - Winter (January through April, November and December)						
Partial-Peak	63.90	0.0001318	0.989	0.991	0.008329	0.008346
Off-Peak	63.90	0.0000007	0.989	0.991	0.000044	0.000044
Super Off-Peak	63.90	0.0000000	0.989	0.991	0.000000	0.000000
Without Time-of-Delivery Metering						
Period A	31.95	0.0001779	0.989	0.991	0.005621	0.005633
Period B	31.95	0.0000493	0.989	0.991	0.001558	0.001561

- Interested parties are hereby notified that PG&E reserves all its available rights and remedies to obtain a revision to this posting retroactive to January 1, 2003.
- This Capacity Value is the combustion turbine proxy capacity value effective beginning April 1, 1997, as approved in CPUC Decision No. 97-03-017 on March 7, 1997. This value has been adjusted for use in 2003 to reflect inflation. A weighted average of the capacity value is used for meters without time-of-delivery metering.
- Capacity allocation factors (CAF) allocate the capacity value for seasons and time-of-delivery periods. These factors are derived by dividing the allocation percentages effective January 1, 2003, and approved in D. 97-03-017 by the number of hours in each time-of-delivery period. These percentages and hours are summarized, as follows:

	CAFs (%)		2003 Delivery Hours	
	Period A	Period B	Period A	Period B
Peak	76.19%	N/A	774	0
Partial-Peak	2.38%	21.25%	903	1,612
Off-Peak	0.02%	0.15%	2,003	2,008
Super-Off-Peak	N/A	N/A	737	723
Season total	<u>78.59%</u>	<u>21.41%</u>	<u>4,417</u>	<u>4,343</u>

Example of year/hr CAF for "Period A - Peak:"
 76.19% divided by 774 hours = 0.0009844

- Capacity prices are adjusted for the effect of deliveries on PG&E's transmission and distribution losses based upon the seller's interconnection voltage level. The loss adjustment factors for non-remote facilities (as defined by the CPUC) are shown here.
- The as-delivered capacity price is the product of three factors: capacity value, allocation factor, and capacity loss adjustment factor.