

July 29, 2003

Advice 2476-G/2404-E

(Pacific Gas and Electric Company ID U 39 M)

Public Utilities Commission of the State of California

Subject: Notification of the Creation of two New Affiliates – NEG Services Company, LLC and USG Services Company, LLC

Purpose

In accordance with Decision 97-12-088, Appendix A, Rule VI. B--New Affiliate Compliance Plans, Pacific Gas and Electric Company hereby notifies the Commission of the formation of two new affiliates, as defined by the Affiliate Transaction Rules.¹

Rule VI. B. Specifically requires that:

Upon creation of a new affiliate, which is addressed by these Rules, the utility shall immediately notify the Commission of the creation of the new affiliate, as well as posting notice on its electronic bulletin board. No later than 60 days after the creation of this affiliate, the utility shall file an advice letter with the Energy Division of the Commission, served on parties to this proceeding. The advice letter shall demonstrate how the utility will implement these Rules with respect to the new affiliate.

NEG Services Company, LLC

NEG Services Company, LLC, was formed on May 30, 2003, for the purpose of providing payroll services for National Energy Group corporate headquarters. The mailing address for NEG Services Company, LLC is: 7600 Wisconsin Avenue, 2nd Floor, Bethesda, MD 20814-3657.

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.

Following are the Board of Control and Officers:

P. Chrisman Iribe	Board of Control and President
Thomas E. Legro	Board of Control, Vice President, and Controller
John C. Barpoulis	Vice President and Treasurer
Sanford L. Hartman	Vice President and Assistant Secretary
Erin Andre	Vice President
Nancy A. Manning	Secretary
Suzanne Rich	Assistant Secretary
Charles P. Hollands	Assistant Treasurer
J. Tracy Mey	Assistant Controller
Dena Chapin Nolte	Assistant Controller
Morris L. Meltzer	Assistant Controller

USG Services Company, LLC

USG Services Company, LLC, was formed on June 2, 2003, for the purpose of providing payroll services for USGen New England and assigned employees of PG&E Energy Trading Holding. The mailing address for USG Services Company, LLC is: 7600 Wisconsin Avenue, 2nd Floor, Bethesda, MD 20814-3657. Following are the Board of Control and Officers:

Ernest K. Hauser	Board of Control and President
P. Chrisman Iribe	Board of Control and Executive Vice President
Thomas E. Legro	Vice President and Controller
John C. Barpoulis	Vice President and Treasurer
Sanford L. Hartman	Vice President and Assistant Secretary
Erin Andre	Vice President
Nancy A. Manning	Secretary
Suzanne Rich	Assistant Secretary
Charles P. Hollands	Assistant Treasurer
J. Tracy Mey	Assistant Controller
Dena Chapin Nolte	Assistant Controller
Morris L. Meltzer	Assistant Controller

Questions regarding these affiliates should be addressed to Elsia Galawish, Pacific Gas and Electric Company's Manager of Affiliate Rules and Regulatory Compliance at (415) 973-4741.

Pacific Gas and Electric Company has previously notified Commission staff and posted notice of the formation of these affiliates on its affiliate transaction World Wide Web site at http://www.pge.com/006_news/006h1_aff_trans.shtml

NEG Services Company, LLC and USG Services Company, LLC will not provide an energy related good or service, therefore, the affiliate rules will not apply to these affiliates. Pacific Gas and Electric Company will not apply all the provisions of its Affiliate Rules Compliance Plan to transactions with these Non-Rule II.B. affiliates and will treat them in the same manner as it does PG&E Corporation and other Non-Rule II.B. affiliates.

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

Protests

Anyone wishing to protest this filing may do so by sending a letter by **August 18, 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 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

Pacific Gas and Electric Company requests that this filing become effective on July 29, 2003, which is 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, and the parties on the list for OIR 97-04-011/OII 97-04-012. Address change requests 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/

Vice President - Regulatory Relations

Attachments

cc: Service List – OIR 97-04-011/OII 97-04-012