June 8, 2004

Ms Anita Smith, Rate Analyst  
Pacific Gas and Electric Company  
77 Beale Street,  Mail Code 10B  
San Francisco, CA  94177

Subject: Yearly adjustment to the electric public purpose programs funding obligations in compliance with Resolution E-3792

Dear Ms Smith:

Advice Letter 2484-E is effective January 1, 2004. A copy of the advice letter is returned herewith for your records.

Sincerely,

[Signature]

Paul Clanon, Director  
Energy Division
March 25, 2004

Advice 2484-E  
(Pacific Gas and Electric Company ID U39 E)

Public Utilities Commission of the State of California

Subject: Yearly Adjustments to the Electric Public Purpose Programs  
Funding Obligations in Compliance with Resolution E-3792

Pacific Gas and Electric Company (PG&E) hereby submits for filing the yearly  
adjustments to the electric Public Purpose Programs (PPP) funding obligations in  
compliance with Resolution E-3792. The 2004 PPP funding obligations for PG&E  
will increase 0.7% from that of 2003.

Purpose

This filing complies with Resolution E-3792 issued on December 17, 2002.  
Specifically, this filing submits the yearly adjustments to electric Public Purpose  
Programs funding obligations in compliance with Ordering Paragraph 7 of  
Resolution E-3792.

Background

Resolution E-3792 specified the methodology for utilities to adjust the electric  
Public Purpose Program funding obligations required by the Public Utility Code  
Section 399.8(d)(2). This section states: “the [target funding] amounts shall be  
adjusted annually at a rate equal to the lesser of the annual growth in electric  
commodity sales or inflation, as defined by the gross domestic product deflator.”

The section did not identify when these adjustments should begin, but since the  
section extended these programs starting January 1, 2002, Resolution E-3792  
proposed applying the adjustment methodology one year later, on January 1,
2003. Advice Letter 2363-E of March 28, 2003 was PG&E's first filing in compliance with this resolution. It stated that adjustments for 2003 would be based on changes in sales and prices during 2002. Continuing this methodology, adjustments for 2004 will be based on changes in sales and prices during 2003.

Resolution E-3792 also specified that the adjustment to one utility's allocated amounts in Table 7 should be governed by changes in its own sales (assuming that this statistic is lower than the rate of inflation), rather than by changes in the sales of all three utilities.

PG&E's electric sales were 78,088 million kWh in 2002 and 78,670 million kWh in 2003. The percentage change of sales was +0.7%.

The percentage change in prices as measured by the change in the GDP deflator in 2003, as published by the U.S. Department of Commerce on February 27, 2004, was \((105.65 - 103.95)/103.95 = 1.64\%\).

The percentage change for both sales and price is positive, with the change in sales being the lower of the two. Hence, per Resolution E-3792, the funding authorization for the subsequent year will increase by 0.7%. Therefore, the electric Public Purpose Programs funding obligations (Table 7 of Resolution E-3792) for PG&E in 2004 will be:

<table>
<thead>
<tr>
<th>EE Programs</th>
<th>Renewables</th>
<th>RDD</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>$108,343,130</td>
<td>$68,173,900</td>
<td>$31,619,800</td>
<td>$208,136,830</td>
</tr>
</tbody>
</table>

**Protests**

Anyone wishing to protest this filing may do so by sending a letter by **April 14, 2004**, 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

In accordance with Resolution E-3792, PG&E respectfully requests an effective date of January 1, 2004.

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/tariffs/

Karen A. Dornbush
Vice President - Regulatory Relations

Attachments
PG&E Electric Advice Filing List
General Order 96-A, Section II(G)

ABAG Power Pool
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 Ginner's & Growers Assoc.
CA League of Food Processors
CA Water Service Group
California Energy Commission
California Farm Bureau Federation
California ISO
Calpine
Calpine Corp
Calpine Gilroy Cogen
Cambridge Energy Research Assoc
Cameron McKenna
Cardinal Cogen
Cellnet Data Systems
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
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
Exeter Associates
Foster, Wheeler, Martinez
Franciscan Mobilehome
Future Resources Associates, Inc
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
J. R. Wood, Inc
JTM, Inc
Kaiser Cement Corp
Korea Elec Power Corp
Marcus, David
Masonite Corporation
Matthew V. Brady & Associates
Maynor, Donald H.
McKenzie & Assoc
McKenzie & Associates
Meek, Daniel W.
Mirant California, LLC
Modesto Irrigation Dist
Morrison & Foerster
Morse Richard Weisenmiller & Assoc.
New United Motor Mfg, Inc
Norris & Wong Associates
North Coast Solar Resources
Northern California Power Agency
PG&E National Energy Group
Pinnacle CNG Company
PPL EnergyPlus, LLC
Price, Roy
Product Development Dept
Provost Pritchard
R. M. Hairston & Company
R. W. Beck & Associates
Recon Research
Regional Cogeneration Service
RMC Lonester
Sacramento Municipal Utility District
SCD Energy Solutions
Seattle City Light
Sempra
Sempria 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
Turlock Irrigation Dist
United Cogen Inc.
URM Groups
Utility Cost Management LLC
Utility Resource Network
Wellhead Electric Company
Western Hub Properties, LLC
White & Case
WMA

25-Mar-04