**ATTACHMENT A**

**Tables**

for

Internal Revenue Service

Revised Schedule of Ruling Amounts

# ATTACHMENT A

Pacific Gas and Electric Company
Electric Department
Results of Operations at Proposed Rates
Humboldt Nuclear Decommissioning Services
Year 2004, 2005
(Thousands of Dollars)

| Line No. | Description | CPUC | FERC | Total | Line No. |
|---|---|---|---|---|---|
| | | (A) | (B) | | |
| | REVENUE: | | | | |
| 1 | Revenue at Effective Rates | 32,738 | 19 | 32,757 | 1 |
| 2 | Less Non-General Revenue | 0 | 0 | 0 | 2 |
| 3 | General Rate Case Revenue | 32,738 | 19 | 32,757 | 3 |
| | OPERATING EXPENSES: | | | | |
| 4 | Energy Costs | 0 | 0 | 0 | 4 |
| 5 | Other Production | 0 | 0 | 0 | 5 |
| 6 | Storage | 0 | 0 | 0 | 6 |
| 7 | Transmission | 0 | 0 | 0 | 7 |
| 8 | Distribution | 0 | 0 | 0 | 8 |
| 9 | Customer Accounts | 0 | 0 | 0 | 9 |
| 10 | Uncollectibles | 110 | 0 | 110 | 10 |
| 11 | Customer Services | 0 | 0 | 0 | 11 |
| 12 | Administrative and General | 0 | 0 | 0 | 12 |
| 13 | Franchise Requirements | 207 | 0 | 207 | 13 |
| 14 | Project Amortization | 0 | 0 | 0 | 14 |
| 15 | Wage Change Impacts | 0 | 0 | 0 | 15 |
| 16 | Other Price Change Impacts | 0 | 0 | 0 | 16 |
| 17 | Other Adjustments | 0 | 0 | 0 | 17 |
| 18 | Subtotal Expenses: | 317 | 0 | 317 | 18 |
| | TAXES: | | | | |
| 19 | Superfund | 0 | 0 | 0 | 19 |
| 20 | Property | 0 | 0 | 0 | 20 |
| 21 | Payroll | 0 | 0 | 0 | 21 |
| 22 | Business | 0 | 0 | 0 | 22 |
| 23 | Other | 0 | 0 | 0 | 23 |
| 24 | State Corporation Franchise | 1,833 | (0) | 1,833 | 24 |
| 25 | Federal Income | 7,258 | (0) | 7,258 | 25 |
| 26 | Total Taxes | 9,091 | (0) | 9,091 | 26 |
| 27 | Depreciation | 0 | 0 | 0 | 27 |
| 28 | Fossil Decommissioning | 0 | 0 | 0 | 28 |
| 29 | Nuclear Decommissioning | 23,473 | 19 | 23,492 | 29 |
| 30 | Total Operating Expenses | 32,881 | 20 | 32,901 | 30 |
| 31 | Net for Return | (144) | (0) | (144) | 31 |
| 32 | Rate Base | (1,574) | (1) | (1,575) | 32 |
| | RATE OF RETURN: | | | | |
| 33 | On Rate Base | 9.12% | 9.12% | 9.12% | 33 |
| 34 | On Equity | 11.22% | 11.22% | 11.22% | 34 |

NOTES
Line 32 -- From Effects on Working Capital
CPUC Jurisdictional factor of .999175

# ATTACHMENT A

PACIFIC GAS AND ELECTRIC COMPANY
TABLE 5-2
Nuclear Decommissioning Expense
**Adopted** Escalation Rates (percentage change)

| Line No. | Year | PG&E Labor | Materials | Contract Labor | Burial Costs | Other | Weighted Average Escalation Rate | Line No. |
|---|---|---|---|---|---|---|---|---|
| | | (a) | (b) | (c) | (d) | (e) | | |
| | Weights | 21.50% | 10.42% | 20.32% | 28.51% | 19.25% | | |
| 1 | 2002 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 1 |
| 2 | 2003 | 2.90 | 1.09 | 3.79 | 7.50 | 2.39 | 4.11 | 2 |
| 3 | 2004 | 3.00 | 1.30 | 3.77 | 7.50 | 2.34 | 4.14 | 3 |
| 4 | 2005 | 2.90 | 1.40 | 3.71 | 7.50 | 2.38 | 4.12 | 4 |
| 5 | 2006 | 3.10 | 1.50 | 3.75 | 7.50 | 2.51 | 4.21 | 5 |
| 6 | 2007 | 3.20 | 1.55 | 3.79 | 7.50 | 2.65 | 4.27 | 6 |
| 7 | 2008 | 3.30 | 1.62 | 3.89 | 7.50 | 2.74 | 4.34 | 7 |
| 8 | 2009 | 3.40 | 1.54 | 4.00 | 7.50 | 2.80 | 4.38 | 8 |
| 9 | 2010 | 3.60 | 1.57 | 4.09 | 7.50 | 2.85 | 4.45 | 9 |
| 10 | 2011 | 3.80 | 1.64 | 4.20 | 7.50 | 2.92 | 4.54 | 10 |
| 11 | 2012 | 4.00 | 1.58 | 4.26 | 7.50 | 2.96 | 4.60 | 11 |
| 12 | 2013 | 4.10 | 1.61 | 4.16 | 7.50 | 2.96 | 4.60 | 12 |
| 13 | 2014 | 4.40 | 1.65 | 4.12 | 7.50 | 3.00 | 4.67 | 13 |
| 14 | 2015 | 4.50 | 1.70 | 4.11 | 7.50 | 3.03 | 4.70 | 14 |
| 15 | 2016 | 4.70 | 1.77 | 4.14 | 7.50 | 3.10 | 4.77 | 15 |
| 16 | 2017 | 4.70 | 1.91 | 4.32 | 7.50 | 3.25 | 4.85 | 16 |
| 17 | 2018 | 4.70 | 2.07 | 4.54 | 7.50 | 3.51 | 4.96 | 17 |
| 18 | 2019 | 4.60 | 2.21 | 4.54 | 7.50 | 3.72 | 5.00 | 18 |
| 19 | 2020 | 4.70 | 2.38 | 4.89 | 7.50 | 3.97 | 5.15 | 19 |
| 20 | 2021 | 4.50 | 2.47 | 5.10 | 7.50 | 4.21 | 5.21 | 20 |
| 21 | 2022 | 4.60 | 2.59 | 5.26 | 7.50 | 4.38 | 5.31 | 21 |
| 22 | 2023 | 4.40 | 2.74 | 5.34 | 7.50 | 4.49 | 5.32 | 22 |
| 23 | 2024 | 3.62 | 1.65 | 3.91 | 7.50 | 2.88 | 4.44 | 23 |
| 24 | 2025 | 3.62 | 1.65 | 3.91 | 7.50 | 2.88 | 4.44 | 24 |
| 25 | 2026 | 3.62 | 1.65 | 3.91 | 7.50 | 2.88 | 4.44 | 25 |
| 26 | 2027 | 3.62 | 1.65 | 3.91 | 7.50 | 2.88 | 4.44 | 26 |
| 27 | 2028 | 3.62 | 1.65 | 3.91 | 7.50 | 2.88 | 4.44 | 27 |
| 28 | 2029 | 3.62 | 1.65 | 3.91 | 7.50 | 2.88 | 4.44 | 28 |
| 29 | 2030 | 3.62 | 1.65 | 3.91 | 7.50 | 2.88 | 4.44 | 29 |
| 30 | 2031 | 3.62 | 1.65 | 3.91 | 7.50 | 2.88 | 4.44 | 30 |
| 31 | 2032 | 3.62 | 1.65 | 3.91 | 7.50 | 2.88 | 4.44 | 31 |
| 32 | 2033 | 3.62 | 1.65 | 3.91 | 7.50 | 2.88 | 4.44 | 32 |
| 33 | 2034 | 3.62 | 1.65 | 3.91 | 7.50 | 2.88 | 4.44 | 33 |
| 34 | 2035 | 3.62 | 1.65 | 3.91 | 7.50 | 2.88 | 4.44 | 34 |
| 35 | 2036 | 3.62 | 1.65 | 3.91 | 7.50 | 2.88 | 4.44 | 35 |
| 36 | 2037 | 3.62 | 1.65 | 3.91 | 7.50 | 2.88 | 4.44 | 36 |
| 37 | 2038 | 3.62 | 1.65 | 3.91 | 7.50 | 2.88 | 4.44 | 37 |
| 38 | 2039 | 3.62 | 1.65 | 3.91 | 7.50 | 2.88 | 4.44 | 38 |
| 39 | 2040 | 3.62 | 1.65 | 3.91 | 7.50 | 2.88 | 4.44 | 39 |
| 40 | 2041 | 3.62 | 1.65 | 3.91 | 7.50 | 2.88 | 4.44 | 40 |
| 41 | | | | | | | | 41 |
| 42 | | | | Simple average across all years | | | 4.55 | 42 |
| 43 | | | | | | | | 43 |
| 44 | | | | | | | | 44 |

Notes:
(a) Forecast for PG&E labor provided by DRI/WEFA.
(b) Contract labor rates are based on the DRI/WEFA forecast of labor escalation rates for contract construction.
(c) Material rates are derived by taking a simple average of escalation rates of six industrial materials relevant to nuclear decommissioning activities. The forecasts for these indexes is provided by DRI/WEFA.
(d) Other is based on DRI/WEFA's forecast of the Consumer Price Index (CPI-U).
(e) The DRI/WEFA forecast extends to 2023. Escalation rates after 2023 are held constant at the the 2002-2023 average level forecast.
(f) Weights are based on relative expenditures of Humboldt Decommissioning

PACIFIC GAS AND ELECTRIC COMPANY
Table 5-5
Humboldt Bay Power Plant, Unit 3
Nuclear Decommissioning Costs
**Adopted** Assumptions for Analysis

| Line No. | Type of Assumption | | |
|---|---|---|---|
| 1 | Proposed method of decommissioning | | SAFSTOR/DECON IN 2006 |
| 2 | Year in which substantial decommissioning costs first will be incurred | | Three partial decommissioning projects in 1997-1999; dismantlement to begin in 2006. |
| 3 | Year in which substantial decommissioning will be substantially complete | | 2009 |
| 4 | Total Cost of decommissioning ($2002) | | $309,223,156 |
| 5 | Total cost of decommissioning ($future nominal) | | $377,116,379 |
| 6 | For each year between 2 and 3 above, the annual cost of decommissioning ($future nominal) | | see Table 5-6 |
| 7 | After-tax annualized rate of return | Qualified Trust | Non-Qualified Trust |
| | | 2003 through 2004 - 6.69% | 2003 through 2004 - 5.97% |
| | | 2005 - 6.50% | 2005 - 5.63% |
| | | 2006 - 5.88% | 2006 - 4.82% |
| | | 2007 - 5.33% | 2007 - 4.22% |
| | | 2008 - 4.85% | 2008 - 3.79% |
| | | 2009 - 4.46% | 2009 - 3.51% |
| | | 2010 through 2015 - 4.16% | 2010 through 2015 - 3.38% |
| 8 | Period over which decommissioning costs will be included in cost of service | | October 2, 2003 through December 31, 2005 |
| 9 | Projected amount to be included in cost of service | 2003 | $5,873,107 |
| | | 2004-2005 | $23,492,427 |
| 10 | Date on which plant will no longer be included in rate base | | N/A |
| 11 | Frequency of deposit in external fund | | Variable |
| 12 | Projected fund balance on January 1, 2003 | | $177,880,000 |

PACIFIC GAS AND ELECTRIC COMPANY
TABLE 5-6
Humboldt Bay Power Plant Unit 3
Nuclear Decommissioning Costs

**Adopted** Cash Flow Analysis
Includes Construction of Dry Cask Storage Facility; Decommissioning to begin in 2006
(in Millions of Dollars)

| Year | Qual Fund YE Bal Before +/- | Next year Forecast Growth rate Q | Non-Qual YE Bal Before +/- | Next year Forecast Growth rate NQ | Q + NQ YE Value of Assets Before +/- | Cashflows (at YE) w/25% cont | Qualified W/drawal | Funds fr. NQ & Tax Savings | Non-Qual W/drawal | Corporate Tax Savings | Liquidation Cap Gain Qual | Liquidation Cap Gain NonQual | Contrib. (at YE) | Qualified Contrib. | **Non-Qual Contrib. | NQ Trust First: Remaining Q Assets | Remaining NQ Assets | Remaining Assets |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| Liq Val at 12/31/2001 | 94.41* | | 85.74* | | | | | | | | | | | | | Excess/(Shortfall): | | 0.0 |
| | | | | | | | | | | | | | | | | Inflation rate | | |
| 2002 | 92.17* | 1.0669 | 85.71* | 1.0597 | 177.9 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.00 | 0.00 | 0.00 | | | 92.2 | 85.7 | 177.9 |
| 2003 | 96.3 | 1.0650 | 90.8 | 1.0563 | 189.2 | 1.3 | 0.0 | 1.3 | 0.8 | 0.5 | 0.00 | 0.00 | 5.87 | 2.94 | 2.94 | 101.3 | 93.0 | 194.3 |
| 2004 | 107.9 | 1.0588 | 98.2 | 1.0482 | 206.1 | 38.6 | 0.0 | 36.6 | 21.7 | 14.9 | 0.00 | -0.03 | 23.49 | 11.75 | 11.75 | 119.6 | 88.3 | 207.9 |
| 2005 | 126.6 | 1.0533 | 92.5 | 1.0422 | 219.1 | 65.5 | 0.0 | 65.5 | 38.8 | 28.7 | 0.00 | -0.64 | 23.49 | 11.75 | 11.75 | 138.4 | 64.8 | 203.2 |
| 2006 | 145.7 | 1.0485 | 67.5 | 1.0379 | 213.3 | 78.6 | 0.0 | 78.6 | 46.6 | 32.0 | -0.35 | -1.20 | 0.00 | | | 145.4 | 19.8 | 165.2 |
| 2007 | 152.4 | 1.0446 | 20.5 | 1.0351 | 173.0 | 77.0 | 42.4 | 34.6 | 20.5 | 14.1 | -1.09 | 0.00 | 0.00 | | | 109.0 | 0.0 | 109.0 |
| 2008 | 113.8 | 1.0416 | 0.0 | 1.0338 | 113.8 | 75.4 | 75.4 | 0.0 | 0.0 | 0.0 | -0.88 | 0.00 | 0.00 | | | 37.5 | 0.0 | 37.5 |
| 2009 | 39.1 | 1.0416 | 0.0 | 1.0338 | 39.1 | 15.9 | 15.9 | 0.0 | 0.0 | 0.0 | 0.00 | 0.00 | 0.00 | | | 23.1 | 0.0 | 23.1 |
| 2010 | 24.1 | 1.0416 | 0.0 | 1.0338 | 24.1 | 4.0 | 4.0 | 0.0 | 0.0 | 0.0 | 0.00 | 0.00 | 0.00 | | | 20.1 | 0.0 | 20.1 |
| 2011 | 20.9 | 1.0416 | 0.0 | 1.0338 | 20.9 | 4.2 | 4.2 | 0.0 | 0.0 | 0.0 | 0.00 | 0.00 | 0.00 | | | 16.7 | 0.0 | 16.7 |
| 2012 | 17.4 | 1.0416 | 0.0 | 1.0338 | 17.4 | 4.4 | 4.4 | 0.0 | 0.0 | 0.0 | 0.00 | 0.00 | 0.00 | | | 12.9 | 0.0 | 12.9 |
| 2013 | 13.5 | 1.0416 | 0.0 | 1.0338 | 13.5 | 4.7 | 4.7 | 0.0 | 0.0 | 0.0 | 0.00 | 0.00 | 0.00 | | | 8.8 | 0.0 | 8.8 |
| 2014 | 9.2 | 1.0416 | 0.0 | 1.0338 | 9.2 | 4.9 | 4.9 | 0.0 | 0.0 | 0.0 | 0.00 | 0.00 | 0.00 | | | 4.3 | 0.0 | 4.3 |
| 2015 | 4.5 | 1.0416 | 0.0 | 1.0338 | 4.5 | 4.5 | 4.5 | 0.0 | 0.0 | 0.0 | 0.00 | 0.00 | 0.00 | | | 0.0 | 0.0 | 0.0 |
| 2016 | 0.0 | 1.0416 | 0.0 | 1.0338 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.00 | 0.00 | 0.00 | | | 0.0 | 0.0 | 0.0 |
| 2017 | 0.0 | 1.0416 | 0.0 | 1.0338 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.00 | 0.00 | 0.00 | | | 0.0 | 0.0 | 0.0 |
| 2018 | 0.0 | 1.0416 | 0.0 | 1.0338 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.00 | 0.00 | 0.00 | | | 0.0 | 0.0 | 0.0 |
| 2019 | 0.0 | 1.0416 | 0.0 | 1.0338 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.00 | 0.00 | 0.00 | | | 0.0 | 0.0 | 0.0 |
| 2020 | 0.0 | 1.0416 | 0.0 | 1.0338 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.00 | 0.00 | 0.00 | | | 0.0 | 0.0 | 0.0 |
| 2021 | 0.0 | 1.0416 | 0.0 | 1.0338 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.00 | 0.00 | 0.00 | | | 0.0 | 0.0 | 0.0 |
| 2022 | 0.0 | 1.0416 | 0.0 | 1.0338 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.00 | 0.00 | 0.00 | | | 0.0 | 0.0 | 0.0 |
| 2023 | 0.0 | 1.0416 | 0.0 | 1.0338 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.00 | 0.00 | 0.00 | | | 0.0 | 0.0 | 0.0 |
| Total | | | | | | 377.1 | | | | | | | | | | | | |

* Reflects liquidated value of actual account balances
**To calculate the total revenue requirement, the non-qualified trust contribution must be adjusted for tax to derive the revenue amount collected from ratepayers.

Note: Q=Qualified Fund, NQ=Non-Qualified Fund, AT ROR=After Tax Rate of Return
Before+/- = Before Adding or Subtracting Fund Return or Decommissioning Costs Incurred During that Period, YE=Year End



(END OF ATTACHMENT A)