

**BEFORE THE PUBLIC UTILITIES COMMISSION
OF THE STATE OF CALIFORNIA**



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Application of PACIFIC GAS AND ELECTRIC
COMPANY to Recover Costs Related to the 2008
Wildland Fires Recorded in the Catastrophic Event
Memorandum Account Pursuant to Public Utility
Code Section 454.9.

Application No. 09-02-____

A0902020

(U 39 E)

**APPLICATION OF PACIFIC GAS AND ELECTRIC COMPANY
TO RECOVER COSTS INCURRED IN CONNECTION WITH
THE 2008 WILDLAND FIRES**

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Dated: February 23, 2009

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**BEFORE THE PUBLIC UTILITIES COMMISSION
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Application No. 09-02-____

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TO RECOVER COSTS INCURRED IN CONNECTION WITH THE
2008 WILDLAND FIRES**

Pursuant to Public Utilities Code (PUC) section 454.9, Resolution E-3238^{1/} and the Rules of Practice and Procedure of the California Public Utilities Commission (CPUC or Commission), Pacific Gas and Electric Company (PG&E) submits this Application under its Catastrophic Event Memorandum Account (CEMA) to recover incremental electric costs incurred in responding to a catastrophic event, the 2008 Wildland Fires.

^{1/} PUC section 454.9 states:

- (a) The commission shall authorize public utilities to establish catastrophic event memorandum accounts and to record in those accounts the costs of the following:
 - (1) Restoring utility services to customers.
 - (2) Repairing, replacing, or restoring damaged utility facilities.
 - (3) Complying with governmental agency orders in connection with events declared disasters by competent state or federal authorities.
- (b) The costs, including capital costs, recorded in the accounts set forth in subdivision (a) shall be recoverable in rates following a request by the affected utility, a commission finding of their reasonableness, and approval by the commission. The commission shall hold expedited proceedings in response to utility applications to recover costs associated with catastrophic events.

Resolution E-3238, adopted July 24, 1991, predated the 1994 enactment of PUC Section 454.9, and originally authorized the establishment of the CEMA and the requirement to file an application to seek recovery of reasonable costs recorded in the CEMA.

I. INTRODUCTION

PG&E seeks to recover \$6.56 million in electric distribution revenue requirements for the period of 2008 through 2010 associated with \$11.72 million of CEMA-eligible costs incurred in responding to the 2008 Wildland Fires that burned from May 22, 2008 through October 2008. The costs for which PG&E seeks recovery represent approximately 90 percent of the \$12.97 million of total fire related costs incurred by PG&E throughout its territory. While PG&E incurred damage in 13 counties across its service territory, PG&E is seeking costs only for damages incurred in nine counties that had formal disaster declarations, consistent with Decision (D.) 07-07-041, which reaffirmed the Commission's requirement that a disaster declaration by a competent state or federal authority is a necessary prerequisite to CEMA recovery.

PG&E proposes to amortize the CEMA costs in rates beginning January 1, 2010, or as soon thereafter as practicable following the decision in this case, until the next General Rate Case (GRC). Thereafter, the recovery of capital related costs (such as return, taxes and depreciation) will be included in base rates in the next GRC. The annual amount PG&E proposes to recover in rates will consist of the CEMA account balance as of the end of the prior year, along with the current year activity, plus interest, franchise fees and uncollectibles, in order to approximate a zero balance by year's end.

Cost recovery will occur through the Distribution Revenue Adjustment Mechanism (DRAM) and will be consolidated with the Annual Electric True-Up (AET) on January 1, 2010, or the next available electric rate change after the effective date of the decision in this proceeding, and through the AET submission thereafter. Rates set to recover CEMA costs will be determined in the same manner as rates set to recover other distribution costs, using adopted methodologies for revenue allocation and rate design.

Table 1 shows PG&E's annual revenue requirements for 2008 through 2010; Table 2 shows PG&E's annual cost recovery through the AET advice letter filing.

**TABLE 1
CEMA REVENUE REQUIREMENT
(IN MILLIONS OF DOLLARS)**

Line No.	Year	\$
1	2008	3.82
2	2009	1.43
3	2010	1.31
4	Total	6.56

**TABLE 2
AMORTIZATION OF CEMA RRQ IN RATES
(IN MILLIONS OF DOLLARS)**

Line No.	Effective in Rates	\$
1	January 1, 2010	6.56
2	Total	6.56

II. OVERVIEW OF TESTIMONY

This CEMA request includes the expense and capital-related costs incurred as a result of the 2008 Wildland Fires. PG&E's testimony presents incremental costs incurred for the repair and restoration of electric distribution facilities as a result of the 2008 Wildland Fires. It also describes the process used to determine the CEMA-related costs associated with the 2008 Wildland Fires for which PG&E is seeking recovery. In total, PG&E seeks recovery of \$6.56 million in electric distribution revenue requirements in 2010.

A. Description of the CEMA Event

Beginning on May 22, 2008, and continuing through October 2008, Northern California experienced a series of Wildland Fires. As a result of these fires, PG&E suffered significant damage to portions of its infrastructure and operations in 13 counties throughout its service territory. The 2008 Wildland Fires required PG&E to incur \$12.97 million in costs to repair and replace utility facilities and restore service.

On June 11 and June 30, 2008, Governor Schwarzenegger issued State of Emergency Proclamations for 10 counties within PG&E's service territory in northern and central California

in response to the 2008 Wildland Fires.^{2/} PG&E sustained damages in nine of the 10 declared counties, *i.e.*, all but Kern County. On June 28, a Presidential declaration of an emergency issued under the Stafford Disaster Relief and Emergency Assistance Act, 42 U.S.C. sections 5121-5206, proclaiming a state of emergency in several counties in PG&E's service territory.^{3/}

On July 3 and August 1, 2008, PG&E submitted letters to the Commission's Executive Director providing notice that costs incurred responding to the 2008 Wildland Fires would be recorded in its CEMA. This Application seeks to recover \$6.56 million in revenue requirements for the time span of 2008 through 2010 associated with the \$8.04 million in capital expenditures and \$3.68 million in expenses incurred in restoring service and repairing PG&E's electric distribution system in response to the 2008 Wildland Fires.

B. Determination of Incremental Costs for CEMA Recovery

PG&E here requests recovery for the costs incurred in response to catastrophic fires that occurred from May 2008 through October 2008 and are referred to as the 2008 Wildland Fires. Electric distribution costs included in this filing are associated with work performed to repair and restore service as a result of damages caused by the fires during this period. PUC section 454.9 allows utilities to seek recovery for all direct expenses and capital-related costs for restoring utility service to customers and repairing, replacing or restoring damaged utility facilities. Direct expenses include labor, contract costs, materials and employee-related expenses.

Resolution E-3238 authorizes public utilities to establish CEMAs and to record the costs of: (1) restoring utility service to its customers; (2) repairing, replacing or restoring damaged utility facilities; and (3) complying with government agency orders resulting from declared

^{2/} The Governor declared a state of emergency for the following 10 counties: Butte, Kern, Mariposa, Mendocino, Monterey, Plumas, Santa Cruz, Shasta, Solano and Trinity.

^{3/} The President initially declared a state of emergency for the following seven counties: Butte, Mendocino, Monterey, Santa Clara, Santa Cruz, Shasta and Trinity. The following counties were later added to the proclamation: Kern, Mariposa, Plumas, Santa Barbara.

disasters. Resolution E-3238 further provides that “[w]hile costs incurred for repairs may well be significant, they may not necessarily all be properly recoverable from ratepayers. Recovery may be limited by consideration of the extent to which losses are covered by insurance, the level of loss already built into existing rates, and possibly other factors relevant to the particular utility and event.”

PG&E did not file an insurance claim as a result of the 2008 Wildland Fires because the losses did not exceed \$25 million, PG&E’s deductible.

In determining the costs to be recorded in the CEMA, PG&E took steps to ensure that the costs were not duplicative of the items included in the revenues requested and authorized in PG&E’s 2007 GRC and other proceedings.

Resolution E-3238 authorized PG&E to record incremental catastrophic event costs in its CEMA. PG&E has, thus, recorded costs related to the 2008 Wildland Fires in its CEMA. The term “incremental costs” applies to both capital and operating expenses incurred by PG&E as a result of the fires. These costs would not have been incurred absent the 2008 Wildland Fires. Incremental costs are not part of PG&E’s normal business and are, therefore, not funded through existing rates. Only those costs to repair or replace damaged facilities associated with the 2008 Wildland Fires between May and October 2008 have been determined to be incremental and recorded in the 2008 Wildland Fires CEMA.

As a standard practice, PG&E’s GRC includes a forecast for “normal” emergency costs. However, costs associated with catastrophic events are excluded from the forecast because any costs associated with a catastrophic event are to be recovered through a CEMA filing. Specifically, PG&E’s test year 2007 GRC did not include a forecast of costs for catastrophic events. PG&E considers all work, capital or Operations and Maintenance (O&M) expense, performed specifically to repair damage caused by the Wildland Fires to be incremental.^{4/} This

^{4/} PG&E has excluded costs included in the GRC (*i.e.*, employee benefits, capitalized A&G, labor expense associated with salaried employees).

includes all the resources used to complete the work, including PG&E's labor, hiring hall labor, and contract expenses.

In some prior CEMA cases, although PG&E consistently believed it was appropriate to include straight-time labor expense, it adopted a conservative approach and excluded straight-time labor.^{5/} However, in this case, as in the 2008 Winter Storms case,^{6/} PG&E views the total costs (including straight-time labor, but excluding employee benefits) as incremental. This is because PG&E, in its GRC, does not forecast expense and capital work (*i.e.*, O&M, construction) based on available resources, but rather on the total expected costs of the work it will need to perform. When the emergency or catastrophic work is performed, PG&E uses the resources available to do the work most efficiently (*i.e.*, PG&E labor, contractors). So unanticipated straight time costs to respond to catastrophes such as the 2008 Wildland Fires are incremental to the GRC forecast.

Table 3 compares the 2008 estimated adopted GRC amounts with the 2008 recorded amounts for Major Work Categories (MWC) IF - Major Emergency Expense and MWC 95 – Major Emergency Capital. PG&E tracks emergency/catastrophic work in MWC IF for expense and MWC 95 for capital. Table 3 demonstrates that PG&E has significantly overspent the GRC amount, and thus all costs, including straight-time labor, are incremental. The 2008 recorded amount spent on emergency/catastrophic work in 2008 (column (2) below) was 375 percent higher in expense and 287 percent higher in capital (column (4) below) than PG&E's forecast in the 2007 test year GRC Comparison Exhibit, proportionately adjusted to reflect the 2007 GRC settlement and 2008 attrition (column (1) below).^{7/}

^{5/} See PG&E's 2006 CEMA Application 06-11-005, Exhibit PG&E-1, page 1-4.

^{6/} See PG&E's 2008 CEMA Application 08-03-017, Exhibit PG&E-1, page 1-5.

^{7/} There are certain fixed costs included in the fire costs that are recovered in the GRC and are not included in this CEMA filing. These include the capitalized Administrative & General costs included in capital orders, and employee benefit costs included in O&M expenses.

TABLE 3
PACIFIC GAS AND ELECTRIC COMPANY
COMPARISON OF 2007 GRC ADOPTED & 2008 RECORDED MAJOR
EMERGENCY/CATASTROPHIC EVENT COSTS
(IN THOUSANDS OF DOLLARS)

Line No.		2007 GRC:		2008 January Storms(b)	2008 Wildland Fires (c)	Variance-	Percent Increase
		2008 Estimated Adopted(a) (1)	2008 Recorded (2)			2008 Recorded vs. 2007 GRC (2 - 1 = 3)	
1	MWC IF	\$10,974	\$52,169	\$11,036	\$3,679	\$41,195	375%
2	MWC 95	\$17,847	\$69,139	\$14,998	\$8,043	\$51,292	287%

- (a) Amount is calculated by taking PG&E's 2007 GRC Comparison Exhibit amount for each MWC, reducing this amount to reflect the 2007 GRC Settlement amount and then increasing it to reflect 2008 Attrition.
- (b) Reflects only the amount of CEMA eligible costs. Total storm related costs incurred by PG&E in the January 2008 Storms were \$89 million.
- (c) Reflects only the amount of CEMA eligible costs. Total fire related costs incurred by PG&E in the 2008 Wildland Fires were \$12.97 million.

Finally, in this Application PG&E does not seek recovery of costs associated with its electric transmission facilities since the ratemaking for these facilities is regulated by the Federal Energy Regulatory Commission.

C. Organization of Testimony

The testimony served in support of this Application includes individual chapters describing the damage to PG&E's facilities, the extra cost and labor required to respond to the 2008 Wildland Fires, calculations of the CEMA-eligible costs, and translation of those costs into a revenue requirement, as follows:

- Chapter 1 – Introduction and Policy
- Chapter 2 – Electric Distribution Costs
- Chapter 3 – Accounting and Calculation of CEMA-Eligible Costs
- Chapter 4 – Revenue Requirement

III. ESTABLISHMENT OF THE CEMA

A. Authorization to Establish the CEMA

PUC section 454.9 established the statutory authority for the CEMA and recovery of the reasonable costs of responding to catastrophic events. It followed the Commission's own adoption of Resolution E-3238, which authorized public utilities to establish CEMAs and to record in those accounts the costs of the following: (1) restoring utility service to its customers; (2) repairing, replacing or restoring damaged utility facilities; and (3) complying with government agency orders resulting from declared disasters. In addition to these direct expenses, the resolution authorized utilities to record capital-related costs such as depreciation and return on capitalized plant additions resulting from the restoration activities.

This Application is PG&E's formal request for inclusion in rates the revenue requirement associated with the costs incurred due to the 2008 Wildland Fires.

As set forth herein, the 2008 Wildland Fires meet the criteria for recording costs in the CEMA. PG&E has carefully reviewed the costs included in this Application to ensure that it is seeking recovery of only CEMA-eligible costs relating to these fires.

B. CEMA Preliminary Statement

PG&E's CEMA Preliminary Statement authorizes PG&E to record O&M expense and capital costs to the CEMA associated with the restoration of service and PG&E facilities affected by a declared disaster. Interest accrues on the average monthly CEMA balance at a rate equal to 1/12 the annual interest rate on 3-month commercial paper for the previous month, as reported in the Federal Reserve Statistical Release, G.13, or its successor.

IV. STATUTORY AND PROCEDURAL REQUIREMENTS

A. Statutory Authority

This application is pursuant to PUC section 454.9 and Commission Resolution E-3238.

B. Category, Hearings, and Issues to be Considered (Rules 2.1(c), 7.1)

1. Proposed Category

The purpose of this Application is to request authorization to recover \$6.56 million in electric revenue requirements associated with costs recorded in PG&E's CEMA in connection with a catastrophic event. PG&E proposes that this Application be categorized as rate-setting.

2. Need for Hearing

PG&E anticipates that hearings may be requested by other parties to this proceeding.

3. Issues to be Considered

The issues presented in this Application are:

- i. whether \$11.72 million in costs incurred in responding to the 2008 Wildland Fires that are recorded in PG&E's CEMA are properly recoverable under section 454.9 of the PUC and Resolution E-3238;
- ii. whether PG&E should be authorized to recover \$6.56 million in electric revenue requirements for the period 2008 through 2010 for costs incurred in connection with the 2008 Wildland Fires; and
- iii. whether such amounts should be recovered, effective January 1, 2010, by recording the CEMA revenue requirement to the DRAM for recovery in the AET Advice Letter, or the next electric rate change thereafter.

C. Proposed Schedule

PG&E proposes the following schedule for processing this Application:

Application Filed and Accompanying Testimony Served	February 27, 2009
Protests or Responses	April 1, 2009
Reply to Protests or Responses	April 13, 2009
Prehearing Conference	April 20, 2009
Intervenor Testimony	June 16, 2009
Rebuttal Testimony	July 2, 2009

Hearings Begin	Week of July 13, 2009
Concurrent Opening Briefs Due	August 10, 2009
Concurrent Reply Briefs Due	August 24, 2009
Proposed Decision Issued	October 2009
Final Decision Issued	November 2009

D. Legal Name and Principal Place of Business (Rule 2.1(a))

Since October 10, 1905, PG&E has been an operating public utility corporation, organized under California law. It is engaged principally in the business of furnishing electric and gas service in northern and central California. Its principal place of business is in San Francisco, California. Its mailing address for this matter is Post Office Box 7442, San Francisco, California 94120. Its telephone number for this matter is (415) 973-2959, and its attorneys are Andrew L. Niven and Deborah S. Shefler.

E. Correspondence and Communications Regarding this Application (Rule 2.1(b))

Communications regarding this application should be addressed to:

Deborah S. Shefler
Pacific Gas and Electric Company
Law Department B30A
Post Office Box 7442
77 Beale Street, Room 3105
San Francisco, CA 94120
e-mail: dss8@pge.com

F. Article of Incorporation (Rule 2.2)

A certified copy of PG&E's Restated Articles of Incorporation, effective April 12, 2004, was filed with the Commission on May 3, 2004 with PG&E's Application 04-05-005. These Articles are incorporated herein by reference.

G. Balance Sheet and Income Statement (Rule 3.2(a)(1))

PG&E's most recent balance sheet and income statement are contained in Exhibit A of this Application.

H. Statement of Presently Effective/Proposed Rates (Rule 3.2(a)(2), (3))

PG&E's presently effective rates are set forth in Exhibit B of this Application. PG&E's current rates and charges for electric service are in its electric tariffs and schedules on file with the Commission. These tariffs and schedules are filed with and made effective by the Commission in its decisions, orders, resolutions, and approvals of advice letter filings pursuant to Commission General Order 96-A. The proposed increase in revenue is less than one percent.

I. Summary of Earnings (Rules 3.2(a)(5))

Exhibit C shows PG&E's revenues, expenses, rate bases, and rate of return for the recorded year 2006.

J. Exhibit List and Statement of Readiness

Attached to this Application are the following exhibits:

- Exhibit A: Balance Sheet and Income Statement
- Exhibit B: Present Rates
- Exhibit C: Recorded Revenues, Expenses, and Rate of Return
- Exhibit D: Affected Governmental Entities

PG&E is contemporaneously serving its prepared direct testimony on the parties to PG&E's last CEMA application, and on the Chief Administrative Law Judge. PG&E's workpapers will be provided to the Division of Ratepayer Advocates, and will be provided to any other interested parties upon request.

PG&E is ready to proceed with this case based on the testimony of the witnesses regarding the facts and data contained in the testimony, workpapers, and exhibits in support of the revenue request set forth in this Application.

K. Most Recent Proxy Statement (Rule 3.2(a)(8))

PG&E's most recent proxy statement was filed with the Commission on April 14, 2008 in Application 08-04-022. This proxy statement is incorporated herein by reference.

L. Type of Rate Change Requested (Rule 3.2(a)(10))

The rate change sought in this Application only passes through to customers increased costs to the utility for repairing facilities to enable PG&E to continue to provide the electric services furnished by it.

M. Service and Notice of Application (Rule 3.2(b-d))

A list of the cities and counties affected by the rate changes resulting from this Application is attached as Exhibit D. The State of California is also a customer of PG&E whose rates would be affected by the proposed revisions. As provided in Rule 3.2(b), a notice describing in general terms the proposed revenue increases and rate changes will be mailed to the officials identified in Exhibit D. The notice will state that a copy of this Application and related attachments will be furnished by PG&E upon written request.

Within ten days after the filing of this Application, PG&E will publish a notice of the proposed increases in rates in a newspaper of general circulation in each county in its service territory. That notice will state that a copy of this Application and related attachments may be examined at the Commission's offices and such offices of PG&E as specified in the notice. A similar notice will be included in the regular bills mailed to PG&E's customers within 45 of the filing date of this Application.

PG&E will e-mail a copy of this Application and the testimony being served concurrently with the Application on the service list for Application 08-03-017, PG&E's January 2008 Storms CEMA application.

V. CONCLUSION

WHEREFORE, PG&E respectfully requests that the Commission:

1. Find that the \$11.72 million in costs incurred in responding to the 2008 Wildland Fires that are recorded in PG&E's CEMA are property recoverable under Section 454.9 of the PUC and Resolution E-3238.
2. Authorize PG&E to recover \$6.56 million in electric revenue requirements for the time span of 2008 through 2010 for costs incurred in connection with the 2008 Wildland Fires;
3. Provide for the recovery of such amount, effective January 1, 2010 (or in conjunction with the next electric rate change if a final decision is not issued on this Application prior to January 1, 2010), and provide that PG&E may record the CEMA revenue requirement to the DRAM for recovery; and
4. Grant such other and further relief as the Commission deems appropriate.

Dated this 23rd day of February, 2009.

Respectfully submitted,

By: _____ /s/
JANE YURA
Vice President – Regulations And Rates

ANDREW L. NIVEN
DEBORAH S. SHEFLER

By: _____ /s/
DEBORAH S. SHEFLER

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VERIFICATION

I, the undersigned, say:

I am an officer of PACIFIC GAS AND ELECTRIC COMPANY, a corporation, and am authorized to make this verification for that reason. I have read the foregoing APPLICATION OF PACIFIC GAS AND ELECTRIC COMPANY TO RECOVER COSTS RELATED TO THE 2008 WILDLAND FIRES recorded in the Catastrophic Event Memorandum Account and I am informed and believe the matters therein are true and on that ground I allege that the matters stated therein are true.

I declare under penalty of perjury that the foregoing is true and correct.

Executed at San Francisco, California this 23rd day of February, 2009.

_____/s/_____
JANE YURA
Vice President – Regulation and Rates

EXHIBIT A

BALANCE SHEET AND INCOME STATEMENT

Pacific Gas and Electric Company
CONSOLIDATED STATEMENTS OF INCOME
(in millions)

	Year ended December 31,		
	2008	2007	2006
Operating Revenues			
Electric	\$ 10,738	\$ 9,481	\$ 8,752
Natural gas	3,890	3,757	3,787
Total operating revenues	14,628	13,238	12,539
Operating Expenses			
Cost of electricity	4,425	3,437	2,922
Cost of natural gas	2,090	2,035	2,097
Operating and maintenance	4,197	3,872	3,697
Depreciation, amortization and decommissioning	1,650	1,769	1,708
Total operating expenses	12,362	11,113	10,424
Operating Income	2,266	2,125	2,115
Interest income	91	150	175
Interest expense	(698)	(732)	(710)
Other income, net	28	52	7
Income Before Income Taxes	1,687	1,595	1,587
Income tax provision	488	571	602
Net Income	1,199	1,024	985
Preferred stock dividend requirement	14	14	14
Income Available for Common Stock	\$ 1,185	\$ 1,010	\$ 971

See accompanying Notes to the Consolidated Financial Statements.

EXHIBIT A (Continued)

Pacific Gas & Electric Company CONSOLIDATED BALANCE SHEETS (in millions)

	Balance At December 31,	
	2008	2007
ASSETS		
Current Assets		
Cash and cash equivalents	\$ 52	\$ 141
Restricted cash	1,290	1,297
Accounts receivable:		
Customers (net of allowance for doubtful accounts of \$76 million in 2008 and \$58 million in 2007)	1,751	1,599
Accrued unbilled revenue	685	750
Related parties	2	6
Regulatory balancing accounts	1,197	771
Inventories:		
Gas stored underground and fuel oil	232	205
Materials and supplies	191	166
Income taxes receivable	25	15
Prepaid expenses and other	705	252
Total current assets	6,130	5,202
Property, Plant, and Equipment		
Electric	27,638	25,599
Gas	10,155	9,620
Construction work in progress	2,023	1,348
Total property, plant, and equipment	39,816	36,567
Accumulated depreciation	(13,557)	(12,913)
Net property, plant, and equipment	26,259	23,654
Other Noncurrent Assets		
Regulatory assets	5,996	4,459
Nuclear decommissioning funds	1,718	1,979
Related parties receivable	27	23
Other	407	993
Total other noncurrent assets	8,148	7,454
TOTAL ASSETS	\$ 40,537	\$ 36,310

EXHIBIT A (Continued)
Pacific Gas & Electric Company
CONSOLIDATED BALANCE SHEETS
(in millions, except share amounts)

	Balance at December 31,	
	2008	2007
LIABILITIES AND SHAREHOLDERS' EQUITY		
Current Liabilities		
Short-term borrowings	\$ 287	\$ 519
Long-term debt, classified as current	600	-
Energy recovery bonds, classified as current	370	354
Accounts payable:		
Trade creditors	1,096	1,067
Disputed claims and customer refunds	1,580	1,629
Related parties	25	28
Regulatory balancing accounts	730	673
Other	325	370
Interest payable	802	697
Income tax payable	53	-
Deferred income taxes	257	4
Other	1,371	1,200
Total current liabilities	7,496	6,541
Noncurrent Liabilities		
Long-term debt	9,041	7,891
Energy recovery bonds	1,213	1,582
Regulatory liabilities	3,657	4,448
Pension and other postretirement benefits	2,040	-
Asset retirement obligations	1,684	1,579
Income taxes payable	12	103
Deferred income taxes	3,449	3,104
Deferred tax credits	94	99
Other	2,064	1,838
Total noncurrent liabilities	23,254	20,644
Commitments and Contingencies		
Shareholders' Equity		
Preferred stock without mandatory redemption provisions:		
Nonredeemable, 5.00% to 6.00%, outstanding 5,784,825 shares	145	145
Redeemable, 4.36% to 5.00%, outstanding 4,534,958 shares	113	113
Common stock, \$5 par value, authorized 800,000,000 shares, issued 264,374,809 shares in 2008 and issued 282,916,485 shares in 2007	1,322	1,415
Common stock held by subsidiary, at cost, 19,481,213 shares in 2007	-	(475)
Additional paid-in capital	2,331	2,220
Reinvested earnings	6,092	5,694
Accumulated other comprehensive income (loss)	(216)	13
Total shareholders' equity	9,787	9,125
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY	\$ 40,537	\$ 36,310

EXHIBIT B
PRESENT RATES

PACIFIC GAS AND ELECTRIC COMPANY

PRESENT ELECTRIC RATES

AS OF JANUARY 1, 2009

RESIDENTIAL RATES

LINE NO.		1/1/09 RATES SUMMER	1/1/09 RATES WINTER	LINE NO.
	*			
1	SCHEDULE E-1			1
2	MINIMUM BILL (\$/MONTH)	\$4.50	\$4.50	2
3	ES UNIT DISCOUNT (\$/UNIT/MONTH)	\$3.22	\$3.22	3
4	ET UNIT DISCOUNT (\$/UNIT/MONTH)	\$11.54	\$11.54	4
5	ES/ET MINIMUM RATE LIMITER (\$/KWH)	\$0.04892	\$0.04892	5
6	ENERGY (\$/KWH)			6
7	TIER 1	\$0.11536	\$0.11536	7
8	TIER 2	\$0.13115	\$0.13115	8
9	TIER 3	\$0.24711	\$0.24711	9
10	TIER 4	\$0.35432	\$0.35432	10
11	TIER 5	\$0.41049	\$0.41049	11
	*			
12	SCHEDULE EL-1 (CARE)			12
13	MINIMUM BILL (\$/MONTH)	\$3.60	\$3.60	13
14	ENERGY (\$/KWH)			14
15	TIER 1	\$0.08316	\$0.08316	15
16	TIER 2	\$0.09563	\$0.09563	16
17	TIER 3	\$0.09563	\$0.09563	17
18	TIER 4	\$0.09563	\$0.09563	18
19	TIER 5	\$0.09563	\$0.09563	19

PACIFIC GAS AND ELECTRIC COMPANY
PRESENT ELECTRIC RATES
AS OF JANUARY 1, 2009
RESIDENTIAL RATES

LINE NO.		1/1/09 RATES SUMMER	1/1/09 RATES WINTER	LINE NO.
	*			
1	SCHEDULE E-6			1
2	MINIMUM BILL (\$/MONTH)	\$4.50	\$4.50	2
3	E-6 METER CHARGE (\$/MONTH)	\$7.70	\$7.70	3
4	ON-PEAK ENERGY (\$/KWH)			4
5	TIER 1	\$0.29267		5
6	TIER 2	\$0.30843		6
7	TIER 3	\$0.42418		7
8	TIER 4	\$0.53119		8
9	TIER 5	\$0.58726		9
10	PART-PEAK ENERGY (\$/KWH)			10
11	TIER 1	\$0.14435	\$0.10021	11
12	TIER 2	\$0.16011	\$0.11597	12
13	TIER 3	\$0.27586	\$0.23172	13
14	TIER 4	\$0.38287	\$0.33873	14
15	TIER 5	\$0.43894	\$0.39480	15
16	OFF-PEAK ENERGY (\$/KWH)			16
17	TIER 1	\$0.08450	\$0.08850	17
18	TIER 2	\$0.10026	\$0.10426	18
19	TIER 3	\$0.21601	\$0.22002	19
20	TIER 4	\$0.32302	\$0.32702	20
21	TIER 5	\$0.37909	\$0.38309	21
	*			
22	SCHEDULE EL-6			22
23	MINIMUM BILL (\$/MONTH)	\$3.60	\$3.60	23
24	EL-6 METER CHARGE(\$/MONTH)	\$6.16	\$6.16	24
25	ON-PEAK ENERGY (\$/KWH)			25
26	TIER 1	\$0.20776		26
27	TIER 2	\$0.22023		27
28	TIER 3	\$0.22023		28
29	TIER 4	\$0.22023		29
30	TIER 5	\$0.22023		30
31	PART-PEAK ENERGY (\$/KWH)			31
32	TIER 1	\$0.10223	\$0.07082	32
33	TIER 2	\$0.11470	\$0.08329	33
34	TIER 3	\$0.11470	\$0.08329	34
35	TIER 4	\$0.11470	\$0.08329	35
36	TIER 5	\$0.11470	\$0.08329	36
37	OFF-PEAK ENERGY (\$/KWH)			37
38	TIER 1	\$0.05964	\$0.06249	38
39	TIER 2	\$0.07211	\$0.07496	39
40	TIER 3	\$0.07211	\$0.07496	40
41	TIER 4	\$0.07211	\$0.07496	41
42	TIER 5	\$0.07211	\$0.07496	42

PACIFIC GAS AND ELECTRIC COMPANY
PRESENT ELECTRIC RATES
AS OF JANUARY 1, 2009

RESIDENTIAL RATES

LINE NO.		1/1/09 RATES SUMMER	1/1/09 RATES WINTER	LINE NO.
	*			
1	SCHEDULE E-7			1
2	MINIMUM BILL (\$/MONTH)	\$4.50	\$4.50	2
3	E-7 METER CHARGE (\$/MONTH)	\$3.51	\$3.51	3
4	RATE W METER CHARGE (\$/MONTH)	\$1.17	\$1.17	4
5	ON-PEAK ENERGY (\$/KWH)			5
6	TIER 1	\$0.29761	\$0.11597	6
7	TIER 2	\$0.29761	\$0.11597	7
8	TIER 3	\$0.41382	\$0.23218	8
9	TIER 4	\$0.52126	\$0.33962	9
10	TIER 5	\$0.57755	\$0.39591	10
11	OFF-PEAK ENERGY (\$/KWH)			11
12	TIER 1	\$0.08747	\$0.09054	12
13	TIER 2	\$0.08747	\$0.09054	13
14	TIER 3	\$0.20369	\$0.20675	14
15	TIER 4	\$0.31112	\$0.31419	15
16	TIER 5	\$0.36742	\$0.37048	16
17	BASELINE DISCOUNT (\$/KWH)	\$0.01631	\$0.01631	17
	*			
18	SCHEDULE EL-7			18
19	MINIMUM BILL (\$/MONTH)	\$4.50	\$4.50	19
20	EL-7 METER CHARGE(\$/MONTH)	\$0.00	\$0.00	20
21	ENERGY (\$/KWH)			21
22	ON-PEAK	\$0.28372	\$0.10472	22
23	OFF-PEAK	\$0.07664	\$0.07966	23
24	BASELINE DISCOUNT (\$/KWH)	\$0.01559	\$0.01559	24
	*			
25	SCHEDULE E-8			25
26	CUSTOMER CHARGE (\$/MONTH)	\$12.53	\$12.53	26
27	ENERGY (\$/KWH)			27
28	TIER 1	\$0.11921	\$0.07632	28
29	TIER 2	\$0.11921	\$0.07632	29
30	TIER 3	\$0.23514	\$0.19224	30
31	TIER 4	\$0.34230	\$0.29940	31
32	TIER 5	\$0.39845	\$0.35556	32
	*			
33	SCHEDULE EL-8 (CARE)			33
34	CUSTOMER CHARGE (\$/MONTH)	\$10.02	\$10.02	34
35	ENERGY CHARGE (\$/KWH)	\$0.08624	\$0.05234	35

PACIFIC GAS AND ELECTRIC COMPANY
PRESENT ELECTRIC RATES
AS OF JANUARY 1, 2009
RESIDENTIAL RATES

LINE NO.		1/1/09 RATES SUMMER	1/1/09 RATES WINTER	LINE NO.
	*			
1	SCHEDULE E-A7			1
2	MINIMUM BILL (\$/MONTH)	\$4.50	\$4.50	2
3	E-A7 METER CHARGE (\$/MONTH)	\$3.51	\$3.51	3
4	RATE Y METER CHARGE (\$/MONTH)	\$1.17	\$1.17	4
5	ON-PEAK ENERGY (\$/KWH)			5
6	TIER 1	\$0.32691	\$0.11516	6
7	TIER 2	\$0.32691	\$0.11516	7
8	TIER 3	\$0.44313	\$0.23138	8
9	TIER 4	\$0.55056	\$0.33882	9
10	TIER 5	\$0.60686	\$0.39511	10
11	OFF-PEAK ENERGY (\$/KWH)			11
12	TIER 1	\$0.08325	\$0.09062	12
13	TIER 2	\$0.08325	\$0.09062	13
14	TIER 3	\$0.19947	\$0.20683	14
15	TIER 4	\$0.30690	\$0.31427	15
16	TIER 5	\$0.36320	\$0.37057	16
17	BASELINE DISCOUNT (\$/KWH)	\$0.01631	\$0.01631	17
	*			
18	SCHEDULE EL-A7			18
19	MINIMUM BILL (\$/MONTH)	\$4.50	\$4.50	19
20	EL-A7 METER CHARGE(\$/MONTH)	\$0.00	\$0.00	20
21	ON-PEAK ENERGY (\$/KWH)	\$0.31260	\$0.10393	21
22	OFF-PEAK ENERGY (\$/KWH)	\$0.07248	\$0.07974	22
23	BASELINE DISCOUNT (\$/KWH)	\$0.01559	\$0.01559	23
	*			
24	SCHEDULE E-9: RATE A			24
25	MINIMUM BILL (\$/MONTH)	\$4.50	\$4.50	25
26	E-9 METER CHARGE (\$/MONTH)	\$6.66	\$6.66	26
27	ON-PEAK ENERGY (\$/KWH)			27
28	TIER 1	\$0.28742		28
29	TIER 2	\$0.28742		29
30	TIER 3	\$0.40364		30
31	TIER 4	\$0.51107		31
32	TIER 5	\$0.56737		32
33	PART-PEAK ENERGY (\$/KWH)			33
34	TIER 1	\$0.10504	\$0.10491	34
35	TIER 2	\$0.10504	\$0.10491	35
36	TIER 3	\$0.22125	\$0.22113	36
37	TIER 4	\$0.32869	\$0.32857	37
38	TIER 5	\$0.38499	\$0.38486	38
39	OFF-PEAK ENERGY (\$/KWH)			39
40	TIER 1	\$0.04994	\$0.05836	40
41	TIER 2	\$0.04994	\$0.05836	41
42	TIER 3	\$0.12220	\$0.12220	42
43	TIER 4	\$0.15761	\$0.15761	43
44	TIER 5	\$0.20241	\$0.20241	44
45	BASELINE DISCOUNT (\$/KWH)	\$0.01631	\$0.01631	45

PACIFIC GAS AND ELECTRIC COMPANY

PRESENT ELECTRIC RATES

AS OF JANUARY 1, 2009

RESIDENTIAL RATES

LINE NO.		1/1/09 RATES SUMMER	1/1/09 RATES WINTER	LINE NO.
	*			
1	SCHEDULE E-9: RATE B			1
2	MINIMUM BILL (\$/MONTH)	\$4.50	\$4.50	2
3	E-9 METER CHARGE (\$/MONTH)	\$6.66	\$6.66	3
4	ON-PEAK ENERGY (\$/KWH)			4
5	TIER 1	\$0.28335		5
6	TIER 2	\$0.28335		6
7	TIER 3	\$0.39957		7
8	TIER 4	\$0.50700		8
9	TIER 5	\$0.56330		9
10	PART-PEAK ENERGY (\$/KWH)			10
11	TIER 1	\$0.10097	\$0.10130	11
12	TIER 2	\$0.10097	\$0.10130	12
13	TIER 3	\$0.21718	\$0.21752	13
14	TIER 4	\$0.32462	\$0.32495	14
15	TIER 5	\$0.38092	\$0.38125	15
16	OFF-PEAK ENERGY (\$/KWH)			16
17	TIER 1	\$0.05654	\$0.06427	17
18	TIER 2	\$0.05654	\$0.06427	18
19	TIER 3	\$0.17276	\$0.18049	19
20	TIER 4	\$0.28019	\$0.28793	20
21	TIER 5	\$0.33649	\$0.34422	21
22	BASELINE DISCOUNT (\$/KWH)	\$0.01631	\$0.01631	22

PACIFIC GAS AND ELECTRIC COMPANY
PRESENT ELECTRIC RATES
AS OF JANUARY 1, 2009

SMALL L&P RATES

LINE NO.		1/1/09 RATES SUMMER	1/1/09 RATES WINTER	LINE NO.
	*			
1	SCHEDULE A-1			1
2	CUSTOMER CHARGE: SINGLE-PHASE (\$/MO.)	\$9.00	\$9.00	2
3	CUSTOMER CHARGE: POLYPHASE (\$/MO.)	\$13.50	\$13.50	3
4	ENERGY (\$/KWH)	\$0.19239	\$0.13349	4
	*			
5	SCHEDULE A-6			5
6	CUSTOMER CHARGE: SINGLE-PHASE (\$/MO.)	\$9.00	\$9.00	6
7	CUSTOMER CHARGE: POLYPHASE (\$/MO.)	\$13.50	\$13.50	7
8	METER CHARGE (\$/MONTH)	\$6.12	\$6.12	8
9	METER CHARGE - RATE W (\$/MONTH)	\$1.80	\$1.80	9
10	METER CHARGE - RATE X (\$/MONTH)	\$6.12	\$6.12	10
11	ENERGY (\$/KWH)			11
12	ON-PEAK	\$0.39716		12
13	PART-PEAK	\$0.18187	\$0.13788	13
14	OFF-PEAK ENERGY	\$0.11379	\$0.11278	14
	*			
15	SCHEDULE A-15			15
16	CUSTOMER CHARGE (\$/MONTH)	\$9.00	\$9.00	16
17	FACILITY CHARGE (\$/MONTH)	\$20.00	\$20.00	17
18	ENERGY (\$/KWH)	\$0.19273	\$0.13383	18
	*			
19	SCHEDULE TC-1			19
20	CUSTOMER CHARGE (\$/MONTH)	\$9.00	\$9.00	20
21	ENERGY (\$/KWH)	\$0.12609	\$0.12609	21

PACIFIC GAS AND ELECTRIC COMPANY
PRESENT ELECTRIC RATES
AS OF JANUARY 1, 2009
MEDIUM L&P RATES

LINE NO.		1/1/09 RATES SUMMER	1/1/09 RATES WINTER	LINE NO.
	*			
1	SCHEDULE A-10			1
2	CUSTOMER CHARGE (\$/MONTH)	\$120.00	\$120.00	2
3	MAXIMUM DEMAND CHARGE (\$/KW/MO)			3
4	SECONDARY VOLTAGE	\$9.58	\$5.32	4
5	PRIMARY VOLTAGE	\$9.05	\$4.87	5
6	TRANSMISSION VOLTAGE	\$6.85	\$3.13	6
7	FTA ENERGY CHARGE (\$/KWH)			7
8	SECONDARY VOLTAGE	\$0.12854	\$0.09556	8
9	PRIMARY VOLTAGE	\$0.12232	\$0.09077	9
10	TRANSMISSION VOLTAGE	\$0.10706	\$0.08047	10
11	NON-FTA ENERGY CHARGE (\$/KWH)			11
12	SECONDARY VOLTAGE	\$0.12888	\$0.09590	12
13	PRIMARY VOLTAGE	\$0.12266	\$0.09111	13
14	TRANSMISSION VOLTAGE	\$0.10740	\$0.08081	14
	*			
15	SCHEDULE A-10 TOU			15
16	CUSTOMER CHARGE (\$/MONTH)	\$120.00	\$120.00	16
17	MAXIMUM DEMAND CHARGE (\$/KW/MO)			17
18	SECONDARY VOLTAGE	\$9.58	\$5.32	18
19	PRIMARY VOLTAGE	\$9.05	\$4.87	19
20	TRANSMISSION VOLTAGE	\$6.85	\$3.13	20
21	FTA ENERGY CHARGE (\$/KWH)			21
22	SECONDARY			22
23	ON PEAK	\$0.15142		23
24	PARTIAL PEAK	\$0.12884	\$0.10099	24
25	OFF-PEAK	\$0.11539	\$0.09021	25
26	PRIMARY			26
27	ON PEAK	\$0.14297		27
28	PARTIAL PEAK	\$0.12288	\$0.09508	28
29	OFF-PEAK	\$0.11041	\$0.08661	29
30	TRANSMISSION			30
31	ON PEAK	\$0.12679		31
32	PARTIAL PEAK	\$0.10738	\$0.08454	32
33	OFF-PEAK	\$0.09581	\$0.07655	33
34	NON-FTA ENERGY CHARGE (\$/KWH)			34
35	SECONDARY			35
36	ON PEAK	\$0.15176		36
37	PARTIAL PEAK	\$0.12918	\$0.10133	37
38	OFF-PEAK	\$0.11573	\$0.09055	38
39	PRIMARY			39
40	ON PEAK	\$0.14331		40
41	PARTIAL PEAK	\$0.12322	\$0.09542	41
42	OFF-PEAK	\$0.11075	\$0.08695	42
43	TRANSMISSION			43
44	ON PEAK	\$0.12713		44
45	PARTIAL PEAK	\$0.10772	\$0.08488	45
46	OFF-PEAK	\$0.09615	\$0.07689	46

PACIFIC GAS AND ELECTRIC COMPANY
PRESENT ELECTRIC RATES
AS OF JANUARY 1, 2009
E-19 FIRM RATES

LINE NO.		1/1/09 RATES SUMMER	1/1/09 RATES WINTER	LINE NO.
	*			
1	SCHEDULE E-19 T FIRM			1
2	CUSTOMER CHARGE > 500 KW (\$/MONTH)	\$1,200.00	\$1,200.00	2
3	CUSTOMER CHARGE < 500 KW (\$/MONTH)	\$120.00	\$120.00	3
4	TOU METER CHARGE - RATES V & X (\$/MONTH)	\$5.40	\$5.40	4
5	TOU METER CHARGE - RATE W (\$/MONTH)	\$1.08	\$1.08	5
6	DEMAND CHARGE (\$/KW/MONTH)			6
7	ON-PEAK	\$9.16		7
8	PARTIAL PEAK	\$2.07	\$0.00	8
9	MAXIMUM	\$4.24	\$4.24	9
10	FTA ENERGY CHARGE (\$/KWH)			10
11	ON-PEAK	\$0.10402		11
12	PARTIAL-PEAK	\$0.08197	\$0.07397	12
13	OFF-PEAK	\$0.06879	\$0.06487	13
14	NON-FTA ENERGY CHARGE (\$/KWH)			14
15	ENERGY CHARGE (\$/KWH)			15
16	ON-PEAK	\$0.10436		16
17	PARTIAL-PEAK	\$0.08231	\$0.07431	17
18	OFF-PEAK	\$0.06913	\$0.06521	18
	*			
19	SCHEDULE E-19 P FIRM			19
20	CUSTOMER CHARGE > 500 KW (\$/MONTH)	\$600.00	\$600.00	20
21	CUSTOMER CHARGE < 500 KW (\$/MONTH)	\$120.00	\$120.00	21
22	TOU METER CHARGE - RATES V & X (\$/MONTH)	\$5.40	\$5.40	22
23	TOU METER CHARGE - RATE W (\$/MONTH)	\$1.08	\$1.08	23
24	DEMAND CHARGE (\$/KW/MONTH)			24
25	ON-PEAK	\$11.58		25
26	PARTIAL PEAK	\$2.64	\$0.78	26
27	MAXIMUM	\$6.22	\$6.22	27
28	FTA ENERGY CHARGE (\$/KWH)			28
29	ON-PEAK	\$0.14240		29
30	PARTIAL-PEAK	\$0.09387	\$0.07971	30
31	OFF-PEAK	\$0.07288	\$0.06904	31
32	NON-FTA ENERGY CHARGE (\$/KWH)			32
33	ENERGY CHARGE (\$/KWH)			33
34	ON-PEAK	\$0.14274		34
35	PARTIAL-PEAK	\$0.09421	\$0.08005	35
36	OFF-PEAK	\$0.07322	\$0.06938	36
37	AVERAGE RATE LIMIT (\$/KWH)	\$0.22298		37

PACIFIC GAS AND ELECTRIC COMPANY
PRESENT ELECTRIC RATES
AS OF JANUARY 1, 2009

E-19 FIRM RATES

LINE NO.		1/1/09 RATES SUMMER	1/1/09 RATES WINTER	LINE NO.
	*			
1	SCHEDULE E-19 S FIRM			1
2	CUSTOMER CHARGE > 500 KW (\$/MONTH)	\$412.50	\$412.50	2
3	CUSTOMER CHARGE < 500 KW (\$/MONTH)	\$120.00	\$120.00	3
4	TOU METER CHARGE - RATES V & X (\$/MONTH)	\$5.40	\$5.40	4
5	TOU METER CHARGE - RATE W (\$/MONTH)	\$1.08	\$1.08	5
6	DEMAND CHARGE (\$/KW/MONTH)			6
7	ON-PEAK	\$12.77		7
8	PARTIAL PEAK	\$2.91	\$1.04	8
9	MAXIMUM	\$7.26	\$7.26	9
10	FTA ENERGY CHARGE (\$/KWH)			10
11	ON-PEAK	\$0.14209		11
12	PARTIAL-PEAK	\$0.09532	\$0.08409	12
13	OFF-PEAK	\$0.07618	\$0.07327	13
14	NON-FTA ENERGY CHARGE (\$/KWH)			14
15	ENERGY CHARGE (\$/KWH)			15
16	ON-PEAK	\$0.14243		16
17	PARTIAL-PEAK	\$0.09566	\$0.08443	17
18	OFF-PEAK	\$0.07652	\$0.07361	18
19	AVERAGE RATE LIMIT (\$/KWH)	\$0.22298		19

PACIFIC GAS AND ELECTRIC COMPANY
PRESENT ELECTRIC RATES
AS OF JANUARY 1, 2009

E-20 FIRM RATES

LINE NO.		1/1/09 RATES SUMMER	1/1/09 RATES WINTER	LINE NO.
	*			
1	SCHEDULE E-20 T FIRM			1
2	CUSTOMER CHARGE (\$/MONTH)-FIRM	\$1,028.45	\$1,028.45	2
3	DEMAND CHARGE (\$/KW/MONTH)			3
4	ON-PEAK	\$11.12		4
5	PARTIAL PEAK	\$2.49	\$0.00	5
6	MAXIMUM	\$3.25	\$3.25	6
7	ENERGY CHARGE (\$/KWH)			7
8	ON-PEAK	\$0.09795		8
9	PARTIAL-PEAK	\$0.07746	\$0.07005	9
10	OFF-PEAK	\$0.06525	\$0.06161	10
	*			
11	SCHEDULE E-20 P FIRM			11
12	CUSTOMER CHARGE (\$/MONTH)	\$1,000.00	\$1,000.00	12
13	DEMAND CHARGE (\$/KW/MONTH)			13
14	ON-PEAK	\$11.86		14
15	PARTIAL PEAK	\$2.73	\$0.67	15
16	MAXIMUM	\$6.18	\$6.18	16
17	ENERGY CHARGE (\$/KWH)			17
18	ON-PEAK	\$0.14030		18
19	PARTIAL-PEAK	\$0.09303	\$0.07904	19
20	OFF-PEAK	\$0.07258	\$0.06869	20
21	AVERAGE RATE LIMIT (\$/KWH)	\$0.21738		21
	*			
22	SCHEDULE E-20 S FIRM			22
23	CUSTOMER CHARGE (\$/MONTH)	\$750.00	\$750.00	23
24	DEMAND CHARGE (\$/KW/MONTH)			24
25	ON-PEAK	\$12.40		25
26	PARTIAL PEAK	\$2.74	\$1.04	26
27	MAXIMUM	\$7.52	\$7.52	27
28	ENERGY CHARGE (\$/KWH)			28
29	ON-PEAK	\$0.13593		29
30	PARTIAL-PEAK	\$0.09204	\$0.08155	30
31	OFF-PEAK	\$0.07392	\$0.07118	31
32	AVERAGE RATE LIMIT (\$/KWH)	\$0.21738		32

PACIFIC GAS AND ELECTRIC COMPANY
PRESENT ELECTRIC RATES
AS OF JANUARY 1, 2009

OIL AND GAS EXTRACTION RATES

LINE NO.	*	1/1/09 RATES SUMMER	1/1/09 RATES WINTER	LINE NO.
1	SCHEDULE E-37			1
2	CUSTOMER CHARGE (\$/MONTH)	\$30.00	\$30.00	2
3	TOU METER CHARGE - RATE W (\$/MONTH)	\$1.20	\$1.20	3
4	TOU METER CHARGE - RATE X (\$/MONTH)	\$6.00	\$6.00	4
5	ON PEAK DEMAND CHARGE (\$/KW/MO)	\$7.34		5
6	MAXIMUM DEMAND CHARGE (\$/KW/MO)			6
7	SECONDARY VOLTAGE	\$10.38	\$3.58	7
8	PRIMARY VOLTAGE DISCOUNT	\$1.38	\$0.12	8
9	TRANSMISSION VOLTAGE DISCOUNT	\$7.56	\$3.09	9
10	ENERGY (\$/KWH)			10
11	ON-PEAK	\$0.16715		11
12	PART-PEAK		\$0.08367	12
13	OFF-PEAK	\$0.06567	\$0.05823	13

PACIFIC GAS AND ELECTRIC COMPANY
PRESENT ELECTRIC RATES
AS OF JANUARY 1, 2009

STANDBY RATES

LINE NO.		1/1/09 RATES SUMMER	1/1/09 RATES WINTER	LINE NO.
	*			
1	SCHEDULE S - TRANSMISSION			1
2	CONTRACT CAPACITY CHARGE (\$/KW/MO.)	\$0.78	\$0.78	2
3	EFFECTIVE RESERVATION CHARGE (\$/KW/MO.)	\$0.66	\$0.66	3
4	ENERGY (\$/KWH)			4
5	ON-PEAK	\$0.10754		5
6	PART-PEAK	\$0.09107	\$0.08512	6
7	OFF-PEAK	\$0.08126	\$0.07832	7
	*			
8	SCHEDULE S - PRIMARY			8
9	CONTRACT CAPACITY CHARGE (\$/KW/MO.)	\$2.38	\$2.38	9
10	EFFECTIVE RESERVATION CHARGE (\$/KW/MO.)	\$2.02	\$2.02	10
11	ENERGY (\$/KWH)			11
12	ON-PEAK	\$0.27286		12
13	PART-PEAK	\$0.16651	\$0.14559	13
14	OFF-PEAK	\$0.12510	\$0.12219	14
	*			
15	SCHEDULE S - SECONDARY			15
16	CONTRACT CAPACITY CHARGE (\$/KW/MO.)	\$2.40	\$2.40	16
17	EFFECTIVE RESERVATION CHARGE (\$/KW/MO.)	\$2.04	\$2.04	17
18	ENERGY (\$/KWH)			18
19	ON-PEAK	\$0.27520		19
20	PART-PEAK	\$0.16680	\$0.14733	20
21	OFF-PEAK	\$0.12472	\$0.12181	21

PACIFIC GAS AND ELECTRIC COMPANY
PRESENT ELECTRIC RATES
AS OF JANUARY 1, 2009

STANDBY RATES

2	RESIDENTIAL			2
3	MINIMUM BILL (\$/MO)	\$5.00	\$5.00	3
4	TOU METER CHARGE (\$/MO)	\$3.90	\$3.90	4
5	AGRICULTURAL			5
6	CUSTOMER CHARGE (\$/MO)	\$16.00	\$16.00	6
7	TOU METER CHARGE (\$/MO)	\$6.00	\$6.00	7
8	SMALL LIGHT AND POWER (less than or equal to 50 kW)			8
9	SINGLE PHASE CUSTOMER CHARGE (\$/MO)	\$9.00	\$9.00	9
10	POLY PHASE CUSTOMER CHARGE (\$/MO)	\$13.50	\$13.50	10
11	METER CHARGE (\$/MO)	\$6.12	\$6.12	11
12	MEDIUM LIGHT AND POWER (>50 kW, <500 kW)			12
13	CUSTOMER CHARGE (\$/MO)	\$120.00	\$120.00	13
14	METER CHARGE (\$/MO)	\$5.40	\$5.40	14
15	MEDIUM LIGHT AND POWER (>500kW)			15
16	TRANSMISSION CUSTOMER CHARGE (\$/MO)	\$1,200.00	\$1,200.00	16
17	PRIMARY CUSTOMER CHARGE (\$/MO)	\$600.00	\$600.00	17
18	SECONDARY CUSTOMER CHARGE (\$/MO)	\$412.50	\$412.50	18
19	LARGE LIGHT AND POWER (> 1000 kW)			19
20	TRANSMISSION CUSTOMER CHARGE (\$/MO)	\$1,028.45	\$1,028.45	20
21	PRIMARY CUSTOMER CHARGE (\$/MO)	\$1,000.00	\$1,000.00	21
22	SECONDARY CUSTOMER CHARGE (\$/MO)	\$750.00	\$750.00	22
23	REDUCED CUSTOMER CHARGES (\$/MO)			23
24	A-6	\$11.90	\$11.90	24
25	E19 V	\$57.32	\$57.32	25
26	E-19 PRIMARY and SECONDARY	\$851.00	\$851.00	26

PACIFIC GAS AND ELECTRIC COMPANY

PRESENT ELECTRIC RATES

AS OF JANUARY 1, 2009

AGRICULTURAL RATES

LINE NO.		1/1/09 RATES SUMMER	1/1/09 RATES WINTER	LINE NO.
	*			
1	SCHEDULE AG-1A			1
2	CUSTOMER CHARGE (\$/MONTH)	\$14.40	\$14.40	2
3	CONNECTED LOAD CHARGE (\$/KW/MONTH)	\$4.93	\$0.87	3
4	ENERGY CHARGE (\$/KWH)	\$0.19605	\$0.15207	4
	*			
5	SCHEDULE AG-RA			5
6	CUSTOMER CHARGE - RATES A & D (\$/MONTH)	\$14.40	\$14.40	6
7	METER CHARGE - RATE A (\$/MONTH)	\$6.80	\$6.80	7
8	METER CHARGE - RATE D (\$/MONTH)	\$2.00	\$2.00	8
9	CONNECTED LOAD CHARGE (\$/KW/MONTH)	\$4.45	\$0.66	9
10	ENERGY (\$/KWH)			10
11	ON-PEAK	\$0.37427		11
12	PART-PEAK		\$0.12551	12
13	OFF-PEAK	\$0.12139	\$0.10320	13
	*			
14	SCHEDULE AG-VA			14
15	CUSTOMER CHARGE - RATES A & D (\$/MONTH)	\$14.40	\$14.40	15
16	METER CHARGE - RATE A (\$/MONTH)	\$6.80	\$6.80	16
17	METER CHARGE - RATE D (\$/MONTH)	\$2.00	\$2.00	17
18	CONNECTED LOAD CHARGE (\$/KW/MONTH)	\$4.48	\$0.69	18
19	ENERGY (\$/KWH)			19
20	ON-PEAK	\$0.34716		20
21	PART-PEAK		\$0.12641	21
22	OFF-PEAK	\$0.11916	\$0.10403	22
	*			
23	SCHEDULE AG-4A			23
24	CUSTOMER CHARGE - RATES A & D (\$/MONTH)	\$14.40	\$14.40	24
25	METER CHARGE - RATE A (\$/MONTH)	\$6.80	\$6.80	25
26	METER CHARGE - RATE D (\$/MONTH)	\$2.00	\$2.00	26
27	CONNECTED LOAD CHARGE (\$/KW/MONTH)	\$4.46	\$0.61	27
28	ENERGY (\$/KWH)			28
29	ON-PEAK	\$0.27503		29
30	PART-PEAK		\$0.12609	30
31	OFF-PEAK	\$0.12119	\$0.10391	31

PACIFIC GAS AND ELECTRIC COMPANY

PRESENT ELECTRIC RATES

AS OF JANUARY 1, 2009

AGRICULTURAL RATES

LINE NO.		1/1/09 RATES SUMMER	1/1/09 RATES WINTER	LINE NO.
	*			
1	SCHEDULE AG-5A			1
2	CUSTOMER CHARGE - RATES A & D (\$/MONTH)	\$14.40	\$14.40	2
3	METER CHARGE - RATE A (\$/MONTH)	\$6.80	\$6.80	3
4	METER CHARGE - RATE D (\$/MONTH)	\$2.00	\$2.00	4
5	CONNECTED LOAD CHARGE (\$/KW/MONTH)	\$7.62	\$1.22	5
6	ENERGY (\$/KWH)			6
7	ON-PEAK	\$0.21744		7
8	PART-PEAK		\$0.11499	8
9	OFF-PEAK	\$0.10923	\$0.09717	9
	*			
10	SCHEDULE AG-1B			10
11	CUSTOMER CHARGE (\$/MONTH)	\$19.20	\$19.20	11
12	MAXIMUM DEMAND CHARGE (\$/KW/MONTH)			12
13	SECONDARY VOLTAGE	\$7.54	\$1.43	13
14	PRIMARY VOLTAGE DISCOUNT	\$0.93	\$0.20	14
15	ENERGY CHARGE (\$/KWH)	\$0.17261	\$0.13381	15

PACIFIC GAS AND ELECTRIC COMPANY

PRESENT ELECTRIC RATES

AS OF JANUARY 1, 2009

AGRICULTURAL RATES

LINE NO.		1/1/09 RATES SUMMER	1/1/09 RATES WINTER	LINE NO.
	*			
1	SCHEDULE AG-RB			1
2	CUSTOMER CHARGE - RATES B & E (\$/MONTH)	\$19.20	\$19.20	2
3	METER CHARGE - RATE B (\$/MONTH)	\$6.00	\$6.00	3
4	METER CHARGE - RATE E (\$/MONTH)	\$1.20	\$1.20	4
5	ON-PEAK DEMAND CHARGE (\$/KW/MONTH)	\$2.75		5
6	MAXIMUM DEMAND CHARGE (\$/KW/MONTH)			6
7	SECONDARY VOLTAGE	\$6.25	\$1.17	7
8	PRIMARY VOLTAGE DISCOUNT	\$0.61	\$0.19	8
9	ENERGY CHARGE (\$/KWH)			9
10	ON-PEAK	\$0.36316		10
11	PART-PEAK		\$0.11371	11
12	OFF-PEAK	\$0.12196	\$0.09505	12
	*			
13	SCHEDULE AG-VB			13
14	CUSTOMER CHARGE - RATES B & E (\$/MONTH)	\$19.20	\$19.20	14
15	METER CHARGE - RATE B (\$/MONTH)	\$6.00	\$6.00	15
16	METER CHARGE - RATE E (\$/MONTH)	\$1.20	\$1.20	16
17	ON-PEAK DEMAND CHARGE (\$/KW/MONTH)	\$2.77		17
18	MAXIMUM DEMAND CHARGE (\$/KW/MONTH)			18
19	SECONDARY VOLTAGE	\$6.25	\$1.15	19
20	PRIMARY VOLTAGE DISCOUNT	\$0.66	\$0.18	20
21	ENERGY CHARGE (\$/KWH)			21
22	ON-PEAK	\$0.33102		22
23	PART-PEAK		\$0.11230	23
24	OFF-PEAK	\$0.11831	\$0.09386	24

PACIFIC GAS AND ELECTRIC COMPANY
PRESENT ELECTRIC RATES
AS OF JANUARY 1, 2009
AGRICULTURAL RATES

LINE NO.		1/1/09 RATES SUMMER	1/1/09 RATES WINTER	LINE NO.
	*			
1	SCHEDULE AG-4B			1
2	CUSTOMER CHARGE - RATES B & E (\$/MONTH)	\$19.20	\$19.20	2
3	METER CHARGE - RATE B (\$/MONTH)	\$6.00	\$6.00	3
4	METER CHARGE - RATE E (\$/MONTH)	\$1.20	\$1.20	4
5	ON-PEAK DEMAND CHARGE (\$/KW/MONTH)	\$3.61		5
6	MAXIMUM DEMAND CHARGE (\$/KW/MONTH)			6
7	SECONDARY VOLTAGE	\$6.14	\$1.26	7
8	PRIMARY VOLTAGE DISCOUNT	\$0.75	\$0.20	8
9	ENERGY CHARGE (\$/KWH)			9
10	ON-PEAK	\$0.20228		10
11	PART-PEAK		\$0.10930	11
12	OFF-PEAK	\$0.10972	\$0.09191	12
	*			
13	SCHEDULE AG-4C			13
14	CUSTOMER CHARGE - RATES C & F (\$/MONTH)	\$64.80	\$64.80	14
15	METER CHARGE - RATE C (\$/MONTH)	\$6.00	\$6.00	15
16	METER CHARGE - RATE F (\$/MONTH)	\$1.20	\$1.20	16
17	DEMAND CHARGE (\$/KW/MONTH)			17
18	ON-PEAK	\$8.34		18
19	PART-PEAK	\$1.56	\$0.29	19
20	MAXIMUM	\$2.71	\$1.31	20
21	PRIMARY VOLTAGE DISCOUNT	\$1.02	\$0.16	21
22	TRANSMISSION VOLTAGE DISCOUNT	\$5.13	\$1.23	22
23	ENERGY CHARGE (\$/KWH)			23
24	ON-PEAK	\$0.18831		24
25	PART-PEAK	\$0.10997	\$0.09090	25
26	OFF-PEAK	\$0.08222	\$0.07870	26
	*			
27	SCHEDULE AG-5B			27
28	CUSTOMER CHARGE - RATES B & E (\$/MONTH)	\$30.00	\$30.00	28
29	METER CHARGE - RATE B (\$/MONTH)	\$6.00	\$6.00	29
30	METER CHARGE - RATE E (\$/MONTH)	\$1.20	\$1.20	30
31	ON-PEAK DEMAND CHARGE (\$/KW/MONTH)	\$7.34		31
32	MAXIMUM DEMAND CHARGE (\$/KW/MONTH)			32
33	SECONDARY VOLTAGE	\$10.38	\$3.58	33
34	PRIMARY VOLTAGE DISCOUNT	\$1.38	\$0.12	34
35	TRANSMISSION VOLTAGE DISCOUNT	\$7.56	\$3.09	35
36	ENERGY CHARGE (\$/KWH)			36
37	ON-PEAK	\$0.16715		37
38	PART-PEAK		\$0.08367	38
39	OFF-PEAK	\$0.06567	\$0.05823	39

PACIFIC GAS AND ELECTRIC COMPANY
PRESENT ELECTRIC RATES
AS OF JANUARY 1, 2009
AGRICULTURAL RATES

LINE NO.		1/1/09 RATES SUMMER	1/1/09 RATES WINTER	LINE NO.
	*			
1	SCHEDULE AG-5C			1
2	CUSTOMER CHARGE - RATES C & F (\$/MONTH)	\$160.00	\$160.00	2
3	METER CHARGE - RATE C (\$/MONTH)	\$6.00	\$6.00	3
4	METER CHARGE - RATE F (\$/MONTH)	\$1.20	\$1.20	4
5	DEMAND CHARGE (\$/KW/MONTH)			5
6	ON-PEAK	\$12.36		6
7	PART-PEAK	\$2.52	\$0.52	7
8	MAXIMUM	\$3.95	\$2.64	8
9	PRIMARY VOLTAGE DISCOUNT	\$1.98	\$0.15	9
10	TRANSMISSION VOLTAGE DISCOUNT	\$10.14	\$1.92	10
11	ENERGY CHARGE (\$/KWH)			11
12	ON-PEAK	\$0.12299		12
13	PART-PEAK	\$0.08044	\$0.06933	13
14	OFF-PEAK	\$0.06458	\$0.06212	14
	*			
15	SCHEDULE AG-ICE			15
16	CUSTOMER CHARGE (\$/MONTH)	\$40.00	\$40.00	16
17	METER CHARGE (\$/MONTH)	\$6.00	\$6.00	17
18	ON-PEAK DEMAND CHARGE (\$/KW/MO)	\$1.86		18
19	MAXIMUM DEMAND CHARGE (\$/KW/MO)			19
20	SECONDARY	\$2.84	\$0.00	20
21	PRIMARY	\$2.10	\$0.00	21
22	TRANSMISSION	\$0.57	\$0.00	22
23	ENERGY CHARGE (\$/KWH)			23
24	ON-PEAK	\$0.12057		24
25	PART-PEAK	\$0.09405	\$0.09646	25
26	OFF-PEAK	\$0.04823	\$0.04823	26

PACIFIC GAS AND ELECTRIC COMPANY
 PRESENT ELECTRIC RATES
 AS OF JANUARY 1, 2009
 STREETLIGHTING RATES

LINE NO.		1/1/09 RATES SUMMER	1/1/09 RATES WINTER	LINE NO.
	*			
1	SCHEDULE LS-1			1
2	ENERGY CHARGE (\$/KWH)	\$0.11865	\$0.11865	2
	*			
3	SCHEDULE LS-2			3
4	ENERGY CHARGE (\$/KWH)	\$0.11865	\$0.11865	4
	*			
5	SCHEDULE LS-3			5
6	SERVICE CHARGE (\$/METER/MO.)	\$6.00	\$6.00	6
7	ENERGY CHARGE (\$/KWH)	\$0.11865	\$0.11865	7
	*			
8	SCHEDULE OL-1			8
9	ENERGY CHARGE (\$/KWH)	\$0.12227	\$0.12227	9

PACIFIC GAS AND ELECTRIC COMPANY
PRESENT ELECTRIC RATES
AS OF JANUARY 1, 2009
ELECTRIC RATES FOR SCHEDULES LS-1, LS-2 AND OL-1

NOMINAL LAMP RATINGS			ALL NIGHT RATES PER LAMP PER MONTH											HALF-HOUR ADJ.	
AVERAGE			SCHEDULE LS-2			SCHEDULE LS-1							LS-1 &		
LAMP WATTS	kWhr PER MONTH	INITIAL LUMENS	A	B	C	A	B	C	D	E	F	F.1	OL-1	LS-2	OL-1
MERCURY VAPOR LAMPS															
40	18	1,300	\$2.323	--	--	--	--	--	--	--	--	--	--	\$0.097	--
50	22	1,650	\$2.797	--	--	--	--	--	--	--	--	--	--	\$0.119	--
100	40	3,500	\$4.933	--	\$7.434	\$11.211	--	\$9.694	--	--	--	--	--	\$0.216	--
175	68	7,500	\$8.255	--	\$10.756	\$14.533	\$13.024	\$13.016	--	\$15.671	\$15.746	\$15.746	\$14.779	\$0.367	\$0.378
250	97	11,000	\$11.696	--	\$14.197	\$17.974	\$16.465	\$16.457	--	--	--	--	--	\$0.523	--
400	152	21,000	\$18.222	--	\$20.723	\$24.500	\$22.991	\$22.983	--	--	--	--	\$25.050	\$0.820	\$0.845
700	266	37,000	\$31.748	--	\$34.249	\$38.026	\$36.517	\$36.509	--	--	--	--	--	\$1.435	--
1,000	377	57,000	\$44.918	--	\$47.419	--	--	--	--	--	--	--	--	\$2.033	--
INCANDESCENT LAMPS															
58	20	600	\$2.560	--	--	\$8.838	--	--	--	--	--	--	--	\$0.108	--
92	31	1,000	\$3.865	--	\$6.366	\$10.143	--	--	--	--	--	--	--	\$0.167	--
189	65	2,500	\$7.899	--	\$10.400	\$14.177	\$12.668	--	--	--	--	--	--	\$0.351	--
295	101	4,000	\$12.171	--	\$14.672	\$18.449	\$16.940	--	--	--	--	--	--	\$0.545	--
405	139	6,000	\$16.679	--	\$19.180	\$22.957	--	--	--	--	--	--	--	\$0.750	--
620	212	10,000	\$25.341	--	\$27.842	--	--	--	--	--	--	--	--	\$1.143	--
860	294	15,000	\$35.070	--	--	--	--	--	--	--	--	--	--	\$1.586	--
LOW PRESSURE SODIUM VAPOR LAMPS															
35	21	4,800	\$2.679	--	--	--	--	--	--	--	--	--	--	\$0.113	--
55	29	8,000	\$3.628	--	--	--	--	--	--	--	--	--	--	\$0.156	--
90	45	13,500	\$5.526	--	--	--	--	--	--	--	--	--	--	\$0.243	--
135	62	21,500	\$7.543	--	--	--	--	--	--	--	--	--	--	\$0.334	--
180	78	33,000	\$9.442	--	--	--	--	--	--	--	--	--	--	\$0.421	--

HIGH PRESSURE SODIUM VAPOR LAMPS AT 120 VOLTS															
35	15	2,150	\$1.967	--	--	--	--	--	--	--	--	--	--	\$0.081	--
50	21	3,800	\$2.679	--	--	--	--	--	--	--	--	--	--	\$0.113	--
70	29	5,800	\$3.628	--	\$6.129	\$9.906	--	\$8.389	\$11.517	\$11.044	\$11.119	\$11.119	\$10.011	\$0.156	\$0.161
100	41	9,500	\$5.052	--	\$7.553	\$11.330	--	\$9.813	\$12.941	\$12.468	\$12.543	\$12.543	\$11.478	\$0.221	\$0.228
150	60	16,000	\$7.306	--	\$9.807	\$13.584	--	\$12.067	\$15.195	\$14.722	\$14.797	\$14.797	--	\$0.324	--
200	80	22,000	\$9.679	--	--	\$15.957	--	\$14.440	\$17.568	\$17.095	\$17.170	\$17.170	--	\$0.431	--
250	100	26,000	\$12.052	--	--	\$18.330	--	\$16.813	\$19.941	\$19.468	\$19.543	\$19.543	--	\$0.539	--
400	154	46,000	\$18.459	--	--	\$24.737	--	\$23.220	\$26.348	\$25.875	\$25.950	\$25.950	--	\$0.831	--
AT 240 VOLTS															
50	24	3,800	\$3.035	--	--	--	--	--	--	--	--	--	--	\$0.129	--
70	34	5,800	\$4.221	--	\$6.722	\$10.499	--	--	--	--	--	--	--	\$0.183	--
100	47	9,500	\$5.764	--	\$8.265	\$12.042	--	\$10.525	--	\$13.180	\$13.255	\$13.255	--	\$0.254	--
150	69	16,000	\$8.374	--	\$10.875	\$14.652	--	\$13.135	--	\$15.790	\$15.865	\$15.865	--	\$0.372	--
200	81	22,000	\$9.798	--	\$12.299	\$16.076	--	\$14.559	--	\$17.214	\$17.289	\$17.289	\$16.369	\$0.437	\$0.450
250	100	25,500	\$12.052	--	\$14.553	\$18.330	--	\$16.813	--	\$19.468	\$19.543	\$19.543	\$18.692	\$0.539	\$0.556
310	119	37,000	\$14.306	--	--	--	--	--	--	--	--	--	--	\$0.642	--
360	144	45,000	\$17.273	--	--	--	--	--	--	--	--	--	--	\$0.777	--
400	154	46,000	\$18.459	--	\$20.960	\$24.737	--	\$23.220	--	\$25.875	\$25.950	\$25.950	\$25.295	\$0.831	\$0.856
METAL HALIDE LAMPS															
70	30	5,500	\$3.747	--	--	--	--	--	--	--	--	--	--	\$0.162	--
100	41	8,500	\$5.052	--	--	--	--	--	--	--	--	--	--	\$0.221	--
150	63	13,500	\$7.662	--	--	--	--	--	--	--	--	--	--	\$0.340	--
175	72	14,000	\$8.730	--	--	--	--	--	--	--	--	--	--	\$0.388	--
250	105	20,500	\$12.645	--	--	--	--	--	--	--	--	--	--	\$0.566	--
400	162	30,000	\$19.408	--	--	--	--	--	--	--	--	--	--	\$0.874	--
1,000	387	90,000	\$46.105	--	--	--	--	--	--	--	--	--	--	\$2.087	--
INDUCTION LAMPS															
40	14	2,200	\$1.848	--	--	--	--	--	--	--	--	--	--	\$0.076	--
55	19	3,000	\$2.441	--	--	--	--	--	--	--	--	--	--	\$0.102	--
80	27	4,500	\$3.391	--	--	--	--	--	--	--	--	--	--	\$0.146	--
85	30	4,800	\$3.747	--	--	--	--	--	--	--	--	--	--	\$0.162	--
120	42	8,500	\$5.112	--	--	--	--	--	--	--	--	--	--	\$0.224	--
150	51	10,900	\$6.238	--	--	--	--	--	--	--	--	--	--	\$0.275	--
165	58	12,000	\$7.069	--	--	--	--	--	--	--	--	--	--	\$0.313	--
LIGHT EMITTING DIODE (LED) LAMPS															
42	14	837	\$1.848	--	--	--	--	--	--	--	--	--	--	\$0.076	--
Energy Rate @		\$0.11865	per kwh	LS-1 & LS-2											
		\$0.12227	per kwh	OL-1				Pole Painting Charge @	\$0.000	Per Pole Per Month					

EXHIBIT C

RECORDED REVENUES, EXPENSES, AND RATE OF RETURN

PACIFIC GAS AND ELECTRIC COMPANY
ALL OPERATING DEPARTMENTS
REVENUES, EXPENSES, RATE BASE AND RATES OF RETURN
YEAR 2006 RECORDED
RATEMAKING BASIS
(Thousands of Dollars)

<u>Line No.</u>	<u>DESCRIPTION</u>	<u>ELECTRIC DEPARTMENT</u>	<u>GAS DEPARTMENT</u>	<u>TOTAL UTILITY</u>
<u>1</u>	<u>Gross Operating Revenues</u>	<u>7,964,655</u>	<u>3,902,535</u>	<u>11,867,190</u>
	<u>Operations & Maintenance Expense</u>			
<u>2</u>	<u>Production</u>	<u>3,358,279</u>	<u>2,002,027</u>	<u>5,360,306</u>
<u>3</u>	<u>Storage</u>	<u>0</u>	<u>15,794</u>	<u>15,794</u>
<u>4</u>	<u>Transmission</u>	<u>170,137</u>	<u>336,684</u>	<u>506,822</u>
<u>5</u>	<u>Regional Market Expense</u>	<u>4,224</u>	<u>0</u>	<u>4,224</u>
<u>6</u>	<u>Distribution</u>	<u>470,510</u>	<u>130,749</u>	<u>601,258</u>
<u>7</u>	<u>Customer Accounts</u>	<u>236,586</u>	<u>169,426</u>	<u>406,012</u>
<u>8</u>	<u>Uncollectibles</u>	<u>19,433</u>	<u>5,760</u>	<u>25,193</u>
<u>9</u>	<u>Customer Service and Information</u>	<u>372,033</u>	<u>107,629</u>	<u>479,662</u>
<u>10</u>	<u>Administrative and General</u>	<u>774,606</u>	<u>308,276</u>	<u>1,082,882</u>
<u>11</u>	<u>Total Operations & Maintenance Expense</u>	<u>5,405,809</u>	<u>3,076,344</u>	<u>8,482,153</u>
	<u>Taxes:</u>			
<u>12</u>	<u>Property</u>	<u>141,910</u>	<u>40,989</u>	<u>182,899</u>
<u>13</u>	<u>Payroll and Business</u>	<u>89,248</u>	<u>23,108</u>	<u>112,356</u>
<u>14</u>	<u>State Corporation Franchise</u>	<u>199,574</u>	<u>14,022</u>	<u>213,596</u>
<u>15</u>	<u>Federal Income</u>	<u>268,046</u>	<u>135,728</u>	<u>403,774</u>
<u>16</u>	<u>Total Taxes</u>	<u>698,778</u>	<u>213,847</u>	<u>912,625</u>
<u>17</u>	<u>Depreciation</u>	<u>722,227</u>	<u>263,670</u>	<u>985,897</u>
<u>18</u>	<u>Amortization</u>	<u>105,737</u>	<u>11,057</u>	<u>116,794</u>
<u>19</u>	<u>ERB Reg Asset Amort</u>	<u>(39,064)</u>	<u>0</u>	<u>(39,064)</u>
<u>20</u>	<u>Other Regulatory Debits</u>	<u>(725,860)</u>	<u>0</u>	<u>(725,860)</u>
<u>21</u>	<u>Reg Credits-RRBRA</u>	<u>(12,329)</u>	<u>0</u>	<u>(12,329)</u>
<u>22</u>	<u>Other Regulatory Credits</u>	<u>717,759</u>	<u>0</u>	<u>717,759</u>
<u>23</u>	<u>Gain on Sale - Allow</u>	<u>(253)</u>	<u>0</u>	<u>(253)</u>
<u>23</u>	<u>Total Operating Expenses</u>	<u>6,872,804</u>	<u>3,564,918</u>	<u>10,437,722</u>
<u>24</u>	<u>Net for Return</u>	<u>1,091,851</u>	<u>337,617</u>	<u>1,429,468</u>
<u>25</u>	<u>Rate Base</u>	<u>12,350,042</u>	<u>3,577,241</u>	<u>15,927,283</u>
<u>26</u>	<u>Return on Rate Base</u>	<u>8.84%</u>	<u>9.44%</u>	<u>8.97%</u>

EXHIBIT D

AFFECTED GOVERNMENTAL ENTITIES

SERVICE OF NOTICE OF APPLICATION

In accordance with Rule 3.2(b), Applicant will mail a notice to the following, stating in general terms its proposed change in rates.

State of California

To the Attorney General and the Department of General Services.

State of California
Office of Attorney General
50 Fremont Street
San Francisco, CA 94105

and

Department of General Services
Office of Buildings & Grounds
505 Van Ness Avenue, Room 2012
San Francisco, CA 94102

Counties

To the County Counsel or District Attorney and the County Clerk in the following counties:

Alameda	Mariposa	Santa Barbara
Alpine	Mendocino	Santa Clara
Amador	Merced	Santa Cruz
Butte	Modoc	Shasta
Calaveras	Monterey	Sierra
Colusa	Napa	Siskiyou
Contra Costa	Nevada	Solano
El Dorado	Placer	Sonoma
Fresno	Plumas	Stanislaus
Glenn	Sacramento	Sutter
Humboldt	San Benito	Tehama
Kern	San Bernardino	Trinity
Kings	San Francisco	Tulare
Lake	San Joaquin	Tuolumne
Lassen	San Luis Obispo	Yolo
Madera	San Mateo	Yuba
Marin		

Municipal Corporations

To the City Attorney and the City Clerk of the following municipal corporations:

Alameda	Concord	Hercules
Albany	Corcoran	Hillsborough
Amador City	Corning	Hollister
American Canyon	Corte Madera	Hughson
Anderson	Cotati	Huron
Angels	Cupertino	Ione
Antioch	Daly City	Isleton
Arcata	Danville	Jackson
Arroyo Grande	Davis	Kerman
Arvin	Del Rey Oakes	King City
Atascadero	Dinuba	Kingsburg
Atherton	Dixon	Lafayette
Atwater	Dos Palos	Lakeport
Auburn	Dublin	Larkspur
Avenal	East Palo Alto	Lathrop
Bakersfield	El Cerrito	Lemoore
Barstow	Emeryville	Lincoln
Belmont	Escalon	Live Oak
Belvedere	Eureka	Livermore
Benicia	Fairfax	Livingston
Berkeley	Fairfield	Lodi
Biggs	Ferndale	Lompoc
Blue Lake	Firebaugh	Loomis
Brentwood	Folsom	Los Altos
Brisbane	Fort Bragg	Los Altos Hills
Buellton	Fortuna	Los Banos
Burlingame	Foster City	Los Gatos
Calistoga	Fowler	Madera
Campbell	Fremont	Manteca
Capitola	Fresno	Maricopa
Carmel	Galt	Marina
Ceres	Gilroy	Martinez
Chico	Gonzales	Marysville
Chowchilla	Grass Valley	McFarland
Citrus Heights	Greenfield	Mendota
Clayton	Gridley	Menlo Park
Clearlake	Grover Beach	Merced
Cloverdale	Guadalupe	Mill Valley
Clovis	Gustine	Millbrae
Coalinga	Half Moon Bay	Milpitas
Colfax	Hanford	Modesto
Colma	Hayward	Monte Sereno
Colusa	Healdsburg	Monterey

Municipal Corporations

To the City Attorney and the City Clerk of the following municipal corporations:
(continued)

Moraga	Saint Helena	South
Morgan Hill	Salinas	San Francisco
Morro Bay	San Anselmo	Stockton
Mountain View	San Bruno	Suisun City
Napa	San Carlos	Sunnyvale
Newark	San Francisco	Sutter Creek
Nevada City	San Joaquin	Taft
Newman	San Jose	Tehama
Novato	San Juan	Tiburon
Oakdale	Bautista	Tracy
Oakland	San Leandro	Trinidad
Orange Cove	San Luis Obispo	Turlock
Orinda	San Mateo	Ukiah
Orland	San Pablo	Union City
Oroville	San Rafael	Vacaville
Pacific Grove	San Ramon	Vallejo
Pacifica	Sand City	Victorville
Palo Alto	Sanger	Walnut Creek
Paradise	Santa Clara	Wasco
Parlier	Santa Cruz	Waterford
Paso Robles	Santa Maria	Watsonville
Patterson	Santa Rosa	West Sacramento
Petaluma	Saratoga	Wheatland
Piedmont	Sausalito	Williams
Pinole	Scotts Valley	Willits
Pismo Beach	Seaside	Willows
Pittsburg	Sebastopol	Windsor
Placerville	Selma	Winters
Pleasant Hill	Shafter	Woodland
Pleasanton	Shasta Lake	Woodside
Plymouth	Soledad	Yountville
Point Arena	Solvang	Yuba City
Portola Valley	Sonoma	
Red Bluff	Sonora	
Redding		
Redwood City		
Reedley		
Richmond		
Ridgecrest		
Rio Dell		
Rio Vista		
Ripon		
Riverbank		
Rocklin		
Rohnert Park		
Roseville		
Ross		
Sacramento		

CERTIFICATE OF SERVICE

I, the undersigned, state that I am a citizen of the United States and am employed in the City and County of San Francisco; that I am over the age of eighteen (18) years and not a party to the within cause; and that my business address is 77 Beale Street, San Francisco, California 94105

On February 27, 2009, I served a true copy of:

**APPLICATION OF PACIFIC GAS AND ELECTRIC COMPANY TO RECOVER
COSTS INCURRED IN CONNECTION WITH THE 2008 WILDLAND FIRES**

- [XX] By Electronic Mail – serving the enclosed via e-mail transmission to each of the parties listed on the official service list for A.08-03-017 with an e-mail address.
- [XX] By U.S. Mail – by placing the enclosed for collection and mailing, in the course of ordinary business practice, with other correspondence of Pacific Gas and Electric Company, enclosed in a sealed envelope, with postage fully prepaid, addressed to those parties listed on the official service list for A.08-03-017 without an e-mail address.

I certify and declare under penalty of perjury under the laws of the State of California that the foregoing is true and correct.

Executed on this 27th day of February 2009, at San Francisco, California.

/s/

MARTIE L. WAY

**THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA
EMAIL SERVICE LIST**

Downloaded February 27, 2009, last updated on January 5, 2009

Commissioner Assigned: John Bohn on April 11, 2008

ALJ Assigned: Timothy J. Sullivan on April 11, 2008

CPUC DOCKET NO. A0803017

Application of PACIFIC GAS AND ELECTRIC COMPANY to Recover Costs Related to the January 2008 Storms Recorded in the Catastrophic Event Memorandum Account (CEMA) Pursuant to Public Utility Code Section 454.9. (U 39 E)	A.08-03-017
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cpucases@pge.com;regrelcpucases@pge.com;lrn3@pge.com;kmsn@pge.com;cem@newsdata.com;case.admin@sce.com;asteinberg@semprautilities.com;rbm4@pge.com;edm@cpuc.ca.gov;tjs@cpuc.ca.gov;lmw@cpuc.ca.gov;jrw@cpuc.ca.gov

THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA SERVICE LIST

Downloaded February 27, 2009; Last updated on January 5, 2009

Commissioner Assigned: John Bohn on April 11, 2008

ALJ Assigned: Timothy J. Sullivan on April 11, 2008

CPUC DOCKET NO. A0803017

Total number of addressees: 12

LAW DEPARTMENT FILE ROOM
PACIFIC GAS AND ELECTRIC COMPANY
PO BOX 7442
SAN FRANCISCO CA 94120-7442
Email: cpuccases@pge.com
Status: INFORMATION

LARRY NIXON
PACIFIC GAS AND ELECTRIC COMPANY
77 BEALE ST., MCB9A
SAN FRANCISCO CA 94105
FOR: PACIFIC GAS AND ELECTRIC COMPANY
Email: lrn3@pge.com
Status: INFORMATION

CALIFORNIA ENERGY MARKETS
425 DIVISADERO STREE, STE 303
SAN FRANCISCO CA 94117
Email: cem@newsdata.com
Status: INFORMATION

ANDREW E. STEINBERG REGULATORY CASE
MANAGER
SOUTHERN CALIFORNIA GAS CO.
555 W. FIFTH ST, ML 14D6
LOS ANGELES CA 90013-1034
Email: asteinberg@semprautilities.com
Status: INFORMATION

Ed Moldavsky
CALIF PUBLIC UTILITIES COMMISSION
LEGAL DIVISION
505 VAN NESS AVE RM 5037
SAN FRANCISCO CA 94102-3214
FOR: Division of Ratepayer Advocates
Email: edm@cpuc.ca.gov
Status: PARTY

Mark Waterworth
CALIF PUBLIC UTILITIES COMMISSION
ENERGY COST OF SERVICE & NATURAL GAS BRANCH
770 L ST, STE 1050
SACRAMENTO CA 95814
Email: lmw@cpuc.ca.gov
Status: STATE-SERVICE

CASE COORDINATION
PACIFIC GAS AND ELECTRIC COMPANY
PO BOX 770000; MC B9A
SAN FRANCISCO CA 94177
Email: regrelcpuccases@pge.com
Status: INFORMATION

KASIA SMOLEN
PACIFIC GAS AND ELECTRIC COMPANY
77 BEALE ST, MC B9A
SAN FRANCISCO CA 94105
Email: kmsn@pge.com
Status: INFORMATION

CASE ADMINISTRATION
SOUTHERN CALIFORNIA EDISON COMPANY
2244 WALNUT GROVE AVE, RM 370
ROSEMEAD CA 91770
Email: case.admin@sce.com
Status: INFORMATION

ROBERT B. MCLENNAN
PACIFIC GAS AND ELECTRIC CO.
LAW DEPARTMENT B30A
PO BOX 7442, 77 BEALE ST, RM 313E
SAN FRANCISCO CA 94120
FOR: Pacific Gas and Electric Company
Email: rbm4@pge.com
Status: PARTY

Timothy J. Sullivan
CALIF PUBLIC UTILITIES COMMISSION
DIVISION OF ADMINISTRATIVE LAW JUDGES
505 VAN NESS AVE RM 2106
SAN FRANCISCO CA 94102-3214
Email: tjs@cpuc.ca.gov
Status: STATE-SERVICE

James R. Wuehler
CALIF PUBLIC UTILITIES COMMISSION
ENERGY COST OF SERVICE & NATURAL GAS BRANCH
505 VAN NESS AVE RM 4208
SAN FRANCISCO CA 94102-3214
Email: jrw@cpuc.ca.gov
Status: STATE-SERVICE