1. On February 23, 2004, Pacific Gas and Electric Company (PG&E) filed a proposed offer of settlement in the above referenced dockets that is intended to resolve all issues in these proceedings. On March 1, 2004, the Commission Trial Staff (Trial Staff) filed initial comments in support of the settlement. No other comments were filed. On March 5, 2004, the Settlement Judge certified the settlement to the Commission as an uncontested offer of settlement.

2. The subject settlement is in the public interest and is hereby approved. The Commission’s approval of this settlement does not constitute approval of, or precedent regarding, any principle or issue in this proceeding. The Commission retains the right to investigate the rates, terms, and conditions under the just and reasonable and not unduly discriminatory or preferential standard of section 206 of the Federal Power Act, 16 U.S.C. § 824e (2000).

3. Within thirty (30) days from the date of this order, any amounts collected in excess of the settlement rates shall be refunded together with interest computed under 18 C.F.R. § 35.19a (2003) of the Commission’s regulations. Within fifteen (15) days after making such refunds, PG&E shall file with this Commission a compliance report showing monthly billing determinants; revenue receipt dates; revenues under the prior, present, and settlement rates; the monthly revenue refund; and the monthly interest computed together with a summary of such information for the total refund period. PG&E shall furnish copies of the report to the affected wholesale customers and to each state commission within whose jurisdiction the wholesale customers distribute and sell electric energy at retail.
4. This order terminates Docket Nos. ER04-142-000, ER04-143-000, and ER04-295-000. A new sub-docket will be assigned upon receipt of the required compliance refund report.

By the Commission.

( S E A L )

Linda Mitry,
Acting Secretary.