

FEDERAL ENERGY REGULATORY COMMISSION
WASHINGTON, D.C. 20426

Pacific Gas and Electric Company
Docket Nos. ER02-479-003
July 17, 2003

Pacific Gas and Electric Company
Post Office Box 7442
San Francisco, CA 94120

Attention: Mark D. Patrizio, Attorney
Law Department

Reference: 2002 Grid Management Charge Compliance Refund Report

Dear Mr. Patrizio:

On April 7, 2003, in Docket No. ER02-479-003, Pacific Gas and Electric Company (PG&E) filed a refund report in compliance with the Commission's December 26, 2002 letter order approving the 2002 GMC Settlement Agreement (Settlement Agreement) in Docket Nos. ER02-250-000, *et al.*¹ Specifically, the Commission directed the California Independent System Operation Corporation (CA ISO) to refund, with interest computed under Section 35.19a of the Commission's regulations (18 C.F.R. § 35.19a), any amounts collected in excess of the settlement rates. Further, the Commission directed PG&E to pass through any refunds and credits from the CA ISO, pursuant to Section 3.1 of the Settlement Agreement, that are associated with amounts previously collected from PG&E's Control Area Agreement (CAA) customers. PG&E's instant refund report indicates that no refunds were due its CAA customers for billings in calendar year 2002 because CAA customer billing was computed, beginning in January 2003, using the rates included in the Settlement Agreement. PG&E refund report is accepted as being in satisfactory compliance with the Commission's directives in its December 26 letter order.

This refund report was noticed on April 10, 2003, with protests, comments, or motions to intervene due on or before April 28, 2003. No protests or comments were filed. Notices of intervention and unopposed timely filed motions to intervene are granted pursuant to the operation of Rule 214 of the Commission's Rules of Practice and

¹California Independent System Operator Corporation, 101 FERC ¶ 61,371 (2002) (December 26 letter order).

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Procedure (18 C.F.R. § 385.214). Any unopposed or untimely filed motion to intervene is governed by the provisions of Rule 214.

This action is taken pursuant to the authority delegated to the Director, Division of Tariffs and Market Development - West under 18 C.F.R. § 375.307. This order constitutes final agency action. Requests for rehearing by the Commission may be filed within 30 days of the date of issuance of this order, pursuant to 18 C.F.R. § 385.713.

Sincerely,

John T. Carlson, Acting Director
Division of Tariffs and Market
Development - West

cc: All Parties