

Brian K. Cherry Director Regulatory Relations 77 Beale Street, Room 1087 San Francisco, CA 94105

Mailing Address
Mail Code B10C
Pacific Gas and Electric Company
P.O. Box 770000
San Francisco, CA 94177

415.973.4977 Internal: 223.4977 Fax: 415.973.7226 Internet: BKC7@pge.com

January 5, 2006

Mr. Steve Larson Executive Director Public Utilities Commission 505 Van Ness Avenue San Francisco, CA 94105

Re:

D.05-12-042 Interim Opinion Adopting Methodology for 2005 Market Price

Referent, R.04-04-026

Dear Mr. Larson:

Pursuant to Rule 47(j), PG&E requests that two corrections be made to D.05-12-042 to address a typographical error and an inadvertent omission in the decision relating to the timing of the release of the draft Market Price Referent (MPR).

D.05-12-042 provides that the Commission will release the draft MPR after the close of the last utility's solicitation (p. 48, 51, COL 5, Appendix B). In the Decision, the Commission agrees with PG&E that releasing the draft MPR after the development of the last utility's short list has the potential to unnecessarily delay release of the MPR (p. 51). The Decision, therefore, changes the trigger for releasing the draft MPR to the close of the last utility's solicitation.

Ordering Paragraph No. 3, however, still contains language from a prior draft, which provides that the MPR will be released after the last utility's short list is developed. PG&E requests that this typographical error be corrected as follows:

OP No. 3 - The 2005 calculation of the MPR shall be released by staff preparation of a draft resolution after all utility solicitations have been closed, and the last utility short list is developed.

Mr. Steve Larson January 5, 2006 Page 2 of 2

In addition, D.05-12-042 inadvertently omits the modification to the Gas Stipulation that the 22-trading-day averaging period will end with the close of the utilities' solicitations. As the method for determining which NYMEX data to use for the years 1-6 gas forecast must be consistent with the adopted trigger for releasing the draft MPR, this inadvertent omission should be corrected by adding the following language to the last line of the section entitled "Gas Forecast for Years 1-6" at p. 13:

We will, therefore, adopt it, with the modification that the 22-trading-day averaging period will end with the close of the utilities' solicitations.

A similar change should be made to Ordering Paragraph 1 by adding the same language to the end of the ordering paragraph.

Sincerely,

Brian Cherry

Director, Regulatory Relations

cc:

President Michael Peevey

ALJ Anne Simon

Service list for R.04-04-026