

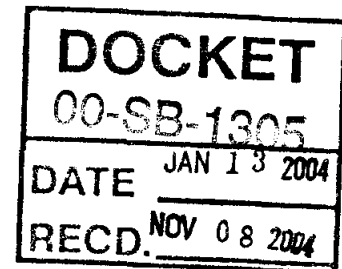


**Pacific Gas and
Electric Company**

77 Beale Street
P.O. Box 770000
San Francisco, CA 94177
415.973.7000

January 13, 2004

Jason J. Orta
Power Source Disclosure Program
Energy Technology Development Division
California Energy Commission
Dockets 00-SB-1305
1516 Ninth Street, MS-4
Sacramento, CA 95814-5512



Re: PG&E's Power Content Labels - Title 20, Cal. Code Regs., Sections 1393-1394

Dear Mr. Orta:

Pursuant to Title 20, California Code of Regulations, §1393 (c)(2) (3) and §1394(a)(2)(D), please find a copy of Pacific Gas and Electric Company's:

Power Content Label

This insert was included in PG&E's First Quarter 2004 bills. Note this Power Content Label makes a positive declaration rather than submitting net system power as equal to the PG&E mix. Please call Kathy Treleven at (415) 973-4185 if you have any questions.

Very truly yours,

Irene F. Rice
Pacific Gas & Electric Company
Rates Department, CEC Case Coordinator

Proposition 65 - Public Warning

The Safe Drinking Water and Toxic Enforcement Act of 1986, commonly referred to as Proposition 65, requires the Governor to publish a list of chemicals "known to the State to cause cancer, birth defects, or reproductive harm." It also requires California businesses to warn the public quarterly of potential exposures to these chemicals which result from their operations.

Pacific Gas and Electric Company uses chemicals in its operations that are "known to the State of California" to cause cancer and birth defects or other reproductive harm.

For example, Pacific Gas and Electric Company uses fossil fuels (natural gas and petroleum products) in its operations. The combustion of fossil fuels can generate by-products such as carbon monoxide, soot, formaldehyde, and diesel and gasoline engine exhaust. These chemicals are "known to the State of California" to cause cancer and birth defects or other reproductive harm. Use of natural gas in home or commercial appliances can also produce these combustion by-products. Properly operating gas appliances creates less carbon monoxide and soot.

Pacific Gas and Electric Company conducts sandblasting at compressor stations, which can release sand. Sand naturally contains crystalline silica, a chemical "known to the State of California to cause cancer."

Natural gas, in its original state, contains radon and benzene, chemicals "known to the State of California to cause cancer." It also contains toluene; both toluene and benzene are chemicals "known to the State of California to cause birth defects or other reproductive harm." The benzene and toluene are destroyed when natural gas is burned. Radon does not burn but is released with the combustion by-products. Radon and natural gas combustion by-products can generally be removed through appliance vents and other exhaust systems. When natural gas is processed in some dehydrators, benzene and toluene can be released to the environment.

A warning odorant is added to natural gas so that leaks of unburned gas can be quickly detected. If gas odor is detected, Pacific Gas and Electric Company should be contacted promptly.

Pacific Gas and Electric Company provides a free service to check and adjust your home gas appliances. Please call **1.800.743.5000** if you would like your gas appliances checked. For additional information on this Proposition 65 warning, write to Pacific Gas and Electric Company at P.O. Box 7017, San Francisco, CA 94120.

1.04

Power Content Label

ENERGY RESOURCES	PG&E 2004 POWER MIX* (Projected)	2002 CA POWER MIX** (For Comparison)
Eligible Renewable	13%	9%
Biomass and waste	4%	3%
Geothermal	3%	4%
Small hydroelectric	4%	2%
Solar	0%	0%
Wind	2%	<1%
Coal	3%	15%
Large Hydroelectric	19%	23%
Natural Gas	42%	42%
Nuclear	23%	11%
Other	0%	0%
TOTAL	100%	100%
<p>* At least 95% of PG&E's POWER MIX is provided by the California Department of Water Resources or from PG&E-owned resources, or specifically purchased from individual suppliers.</p> <p>** Percentages are estimated annually by the California Energy Commission based on the electricity sold to California consumers during the previous year.</p>		
<p>For specific information about this electricity product, contact Pacific Gas and Electric Company. For General Information about the Power Content Label, contact the California Energy Commission at 1.800.555.7794 or www.energy.ca.gov/consumer.</p>		

For the benefit of
Pacific Gas and Electric Company's
electric customers.



1.04

Power Content Label		
ENERGY RESOURCES	PG&E 2004 POWER MIX* (Projected)	2002 CA POWER MIX** (For Comparison)
Eligible Renewable	13%	9%
Biomass and waste	4%	3%
Geothermal	3%	4%
Small hydroelectric	4%	2%
Solar	0%	0%
Wind	2%	<1%
Coal	3%	15%
Large Hydroelectric	19%	23%
Natural Gas	42%	42%
Nuclear	23%	11%
Other	0%	0%
TOTAL	100%	100%
<p>* At least 95% of PG&E's POWER MIX is provided by the California Department of Water Resources or from PG&E-owned resources, or specifically purchased from individual suppliers.</p> <p>** Percentages are estimated annually by the California Energy Commission based on the electricity sold to California consumers during the previous year.</p>		
<p>For specific information about this electricity product, contact Pacific Gas and Electric Company. For General Information about the Power Content Label, contact the California Energy Commission at 1.800.555.7794 or www.energy.ca.gov/consumer.</p>		

For the benefit of
Pacific Gas and Electric Company's
electric customers.

