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PACIFIC GAS & ELECTRIC CO

Form EX-99

July 09, 2001

Pacific Gas and Electric Company
 U.S. Trustee Balance Sheet
 As of April 30, 2001
 (in millions, except share amounts)

ASSETS

Current Assets

| | |
|--|-------|
| Cash and cash equivalents | \$ 60 |
| Short-term investments | 2,783 |
| Accounts receivable: | |
| Customers (net of allowance for doubtful accounts of \$54 million) | 1,171 |
| Related parties | 31 |
| Regulatory balancing accounts | 61 |
| Inventories: | |
| Gas stored underground and fuel oil | 147 |
| Materials and supplies | 134 |
| Income taxes receivable | 427 |
| Prepaid expenses and other | 237 |

| | |
|----------------------|-------|
| Total current assets | 5,051 |
|----------------------|-------|

Property, Plant, and Equipment

| | |
|-------------------------------|--------|
| Electric | 16,352 |
| Gas | 7,695 |
| Construction work in progress | 305 |

| | |
|---|----------|
| Total property, plant, and equipment (at original cost) | 24,352 |
| Accumulated depreciation and decommissioning | (11,310) |

| | |
|------------------------------------|--------|
| Net property, plant, and equipment | 13,042 |
|------------------------------------|--------|

Other Noncurrent Assets

| | |
|-------------------------------|-------|
| Regulatory assets | 1,789 |
| Nuclear decommissioning funds | 1,300 |
| Other | 1,756 |

| | |
|-------------------------|-------|
| Total noncurrent assets | 4,845 |
|-------------------------|-------|

| | |
|--------------|----------|
| TOTAL ASSETS | \$22,938 |
|--------------|----------|

LIABILITIES AND EQUITY

Liabilities

| | |
|---------------------------------------|--------|
| Accounts payable | |
| Trade creditors | \$ 281 |
| Related parties | 62 |
| Regulatory balancing accounts | 509 |
| Other | 292 |
| Risk management liabilities - current | 12 |
| Rate reduction bonds | 1,889 |
| Deferred income taxes | 1,000 |
| Deferred tax credits | 179 |
| Pre-petition Liabilities | 15,472 |
| Other Liabilities | 2,346 |
| Total liabilities | 22,042 |

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| | |
|--|----------|
| Preferred Stock With Mandatory Redemption Provisions | 137 |
| Stockholders' Equity | |
| Preferred stock without mandatory redemption provisions | |
| Nonredeemable--5% to 6%, outstanding 5,784,825 shares | 145 |
| Redeemable--4.36% to 7.04%, outstanding 5,973,456 shares | 149 |
| Common stock, \$5 par value, authorized 800,000,000 shares; issued 321,314,760 shares | 1,606 |
| Additional paid in capital | 1,964 |
| Accumulated deficit | (3,038) |
| Accumulated other comprehensive loss | (67) |
| | ----- |
| Total stockholders' equity | 759 |
| | ----- |
| Commitments and Contingencies | - |
| | ----- |
| TOTAL LIABILITIES AND STOCKHOLDERS' EQUITY | \$22,938 |
| | ----- |
| | ----- |

Pacific Gas and Electric Company
U.S. Trustee Balance Sheet
As of April 30, 2001

Notes:

1. These preliminary financial statements were prepared using certain assumptions and estimates. These assumptions and estimates are subject to revision and actual results could differ materially from the information provided in this statement. Further, the amounts shown in this statement, when reported on a quarterly basis, may differ materially due to adjustments in accruals, changes in facts and circumstances, changes in estimates, further analysis, and other factors.
2. Certain reclassifications made for GAAP presentation purposes may not be included, such as reclassifications of regulatory assets with credit balances which would normally be moved to the liability section.

Pacific Gas and Electric Company
U.S. Trustee Income Statement
For the month ended April 30, 2001
(in millions)

| | |
|---|-------|
| OPERATING REVENUES (see note 2) | \$678 |
| OPERATING EXPENSES: | |
| Cost of Electric Energy | 217 |
| Cost of Gas | 190 |
| Operating and Maintenance | 204 |
| Depreciation, Decommissioning, and Amortization | 73 |
| | ----- |
| Total Operating Expenses | 684 |
| | ----- |

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| | |
|----------------------------|--------|
| OPERATING INCOME (LOSS) | (6) |
| | ----- |
| Interest Income (Expense) | (67) |
| Other Income and (Expense) | (4) |
| | ----- |
| PRE-TAX INCOME (LOSS) | (77) |
| | ----- |
| Income Taxes | (33) |
| | ----- |
| EARNINGS (LOSS) | \$(44) |
| | ----- |
| | ----- |

Pacific Gas and Electric Company
U.S. Trustee Income Statement
For the month ended April 30, 2001

Notes:

1. These preliminary financial statements were prepared using certain assumptions and estimates. These assumptions and estimates are subject to revision and actual results could differ materially from the information provided in this statement. Further, the amounts shown in this statement, when reported on a quarterly basis, may differ materially due to adjustments in accruals, changes in facts and circumstances, changes in estimates, further analysis, and other factors.

2. These preliminary financial statements were prepared using certain assumptions and estimates, including the estimated amount payable to the California Department of Water Resources (DWR) for power purchased by the DWR on behalf of retail customers during April 2001. These assumptions and estimates are subject to revision and actual results could differ materially from the information provided in this statement.

3. Pacific Gas and Electric Company believes that in light of the Federal Energy Regulatory Commission's April 6, 2001 order which reaffirmed its February 14, 2001 order barring the California Independent System Operator (ISO) from charging the utility for its power purchases, the utility is not responsible for any ISO charges since it became non-creditworthy, except for an allocated share of the ISO's grid management charge. The amounts shown above do not include any estimated ISO charges after April 6, 2001, other than the estimated grid management charge, and the utility believes it is not responsible for any ISO charges since January 2001 when it became non-creditworthy. On June 13, 2001, the FERC denied requests for a rehearing of its April 6, 2001 order. In addition, the DWR has recently requested that the Utility pay the DWR the amount collected from customers for the DWR's out of market purchases made on behalf of the Utility's customers since January 17, 2001 pursuant to Assembly Bill 1X. The Utility believes it cannot be responsible for paying the ISO and for collecting on behalf of the DWR for the same kilowatt hours.

4. Items impacting comparability: \$millions
Undercollected purchased power costs 76

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| | |
|------------------|-------|
| Interest expense | 16 |
| | ----- |
| | \$92 |
| | ----- |
| | ----- |

Pacific Gas and Electric Company
U.S. Trustee Balance Sheet
As of May 31, 2001
(in millions, except share amounts)

ASSETS

Current Assets

| | | |
|--|----|-------|
| Cash and cash equivalents | \$ | 21 |
| Short-term investments | | 3,045 |
| Accounts receivable: | | |
| Customers (net of allowance for doubtful accounts of \$54 million) | | 841 |
| Related parties | | 36 |
| Regulatory balancing accounts | | (598) |
| Inventories: | | |
| Gas stored underground and fuel oil | | 220 |
| Materials and supplies | | 131 |
| Prepaid expenses and other | | 82 |
| | | ----- |
| Total current assets | | 3,778 |

Property, Plant, and Equipment

| | | |
|---|--|----------|
| Electric | | 16,684 |
| Gas | | 7,504 |
| Construction work in progress | | 264 |
| | | ----- |
| Total property, plant, and equipment (at original cost) | | 24,452 |
| Accumulated depreciation and decommissioning | | (11,408) |
| | | ----- |

Net property, plant, and equipment 13,044

Other Noncurrent Assets

| | | |
|-------------------------------------|--|-------|
| Regulatory assets | | 2,079 |
| Nuclear decommissioning trust funds | | 1,330 |
| Other | | 1,756 |
| | | ----- |
| Total noncurrent assets | | 5,165 |
| | | ----- |

TOTAL ASSETS \$21,987

LIABILITIES AND EQUITY

Liabilities

| | | |
|---------------------------------------|----|-------|
| Accounts payable | | |
| Trade creditors | \$ | 216 |
| Related parties | | 82 |
| Other | | 206 |
| Accrued taxes | | (331) |
| Risk management liabilities - current | | 10 |
| Rate reduction bonds | | 1,869 |
| Deferred income taxes | | 998 |
| Deferred tax credits | | 176 |
| Pre-petition secured debt | | 3,469 |

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| | |
|--|----------|
| Pre-petition liabilities | 5,700 |
| Pre-petition financing debt | 5,715 |
| Other liabilities | 2,767 |
| | ----- |
| Total liabilities | 20,877 |
| | |
| Preferred Stock With Mandatory Redemption Provisions | 137 |
| | |
| Stockholders' Equity | |
| Preferred stock without mandatory redemption provisions | |
| Nonredeemable--5% to 6%, outstanding 5,784,825 shares | 145 |
| Redeemable--4.36% to 7.04%, outstanding 5,973,456 shares | 149 |
| Common stock, \$5 par value, authorized 800,000,000 shares; issued 321,314,760 shares | 1,606 |
| Additional paid in capital | 1,964 |
| Accumulated deficit | (2,834) |
| Accumulated other comprehensive loss | (57) |
| | ----- |
| Total stockholders' equity | 973 |
| | ----- |
| | |
| TOTAL LIABILITIES AND STOCKHOLDERS' EQUITY | \$21,987 |
| | ----- |
| | ----- |

Pacific Gas and Electric Company
U.S. Trustee Balance Sheet
As of May 31, 2001

Notes:

1. These preliminary financial statements were prepared using certain assumptions and estimates. These assumptions and estimates are subject to revision and actual results could differ materially from the information provided in this statement. Further, the amounts shown in this statement, when reported on a quarterly basis, may differ materially due to adjustments in accruals, changes in facts and circumstances, changes in estimates, further analysis, and other factors.
2. Certain reclassifications made for GAAP presentation purposes may not be included such as reclassifications of regulatory assets with credit balances which would normally be moved to the liability section.
3. Pre-petition liabilities declined in May due to court authorized payments and reclassifications.

Pacific Gas and Electric Company
U.S. Trustee Income Statement
For the month ended May 31, 2001
and the period April 6 through May 31, 2001
(in millions)

May Case
2001 to Date

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| | | |
|---|-------|---------|
| OPERATING REVENUES | \$788 | \$1,338 |
| OPERATING EXPENSES: | | |
| Cost of Electric Energy | (89) | 39 |
| Cost of Gas | 187 | 370 |
| Operating and Maintenance | 209 | 362 |
| Depreciation, Decommissioning, and Amortization | 75 | 102 |
| | ----- | ----- |
| Total Operating Expenses | 382 | 873 |
| | ----- | ----- |
| OPERATING INCOME (LOSS) | 406 | 465 |
| | ----- | ----- |
| Interest Income (Expense) | (68) | (127) |
| Other Income and (Expense) | (4) | (5) |
| | ----- | ----- |
| PRE-TAX INCOME (LOSS) | 334 | 333 |
| | ----- | ----- |
| Income Taxes | 130 | 143 |
| | ----- | ----- |
| EARNINGS (LOSS) | \$204 | \$190 |
| | ----- | ----- |

Pacific Gas and Electric Company
U.S. Trustee Income Statement
For the month ended May 31, 2001
and the period April 6 through May 31, 2001

Notes:

1. These preliminary financial statements were prepared using certain assumptions and estimates. These assumptions and estimates are subject to revision and actual results could differ materially from the information provided in this statement. Further, the amounts shown in this statement, when reported on a quarterly basis, may differ materially due to adjustments in accruals, changes in facts and circumstances, changes in estimates, further analysis, and other factors.
2. These preliminary financial statements were prepared using certain assumptions and estimates, including the estimated amount payable to the California Department of Water Resources (DWR) for power purchased by the DWR on behalf of retail customers during April and May 2001. These assumptions and estimates are subject to revision and actual results could differ materially from the information provided in this statement.
3. Pacific Gas and Electric Company believes that in light of the Federal Energy Regulatory Commission's April 6, 2001 order which reaffirmed its February 14, 2001 order barring the California Independent System Operator (ISO) from charging the utility for its power purchases, the utility is not responsible for any ISO charges since it became non-creditworthy, except for an allocated share of the ISO's grid management charge. The amounts shown above do not include any estimated ISO charges after April 6, 2001, other than the estimated grid management charge, and the utility believes it is not responsible for any ISO charges since January

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2001 when it became non-creditworthy. On June 13, 2001, the FERC denied requests for a rehearing of its April 6, 2001 order. In addition, the DWR has recently requested that the Utility pay the DWR the amount collected from customers for the DWR's out of market purchases made on behalf of the Utility's customers since January 17, 2001 pursuant to Assembly Bill 1X. The Utility believes it cannot be responsible for paying the ISO and for collecting on behalf of the DWR for the same kilowatt hours.

4. May activity reflects true-up of prior months' power purchase invoices and accruals.

| | |
|-----------------------------------|------------|
| 5. Items impacting comparability: | \$millions |
| Purchased power cost true-ups | (175) |
| Interest expense | 15 |
| | ----- |
| | \$(160) |
| | ----- |
| | ----- |