

# The Depository Trust Company

# **IMPORTANT**

**B#:** 3370

**DATE:** May 06, 2002

**TO:** All Participants

**CATEGORY:** Dividends

**FROM:** Paul Sorezza, Manager, Dividend Department

**ATTENTION:** Dividend Managers, Cashiers & Reorganization Managers

**SUBJECT:** Pacific Gas and Electric Company Medium Term Notes, Senior Notes, Floating Rate Notes, Southern San Joaquin Valley Power Authority and PG & E Capital Trust QUIPS

On May 3, 2002 DTC received the notification from Wilmington Trust, US Bank and Bank One on the above issues. DTC has made payment on May 6, 2002.

Details of the payments may be found on the attached letters from the respective banks.

Questions regarding these payments may be directed to Paul Sorezza, DTC Dividend Manager at 212-855-4550.



**NOTICE OF CONTINUING DEFAULT  
AND DEFAULT DISTRIBUTION**

To the Holders of

**Southern San Joaquin Valley Power Authority 1991 Transmission  
Capacity Revenue Bonds**

\*CUSIP#'s 843787 AG7, AH5, AL6 AM4, AN2, AP3, AR1, AS1, AT1, AU1, AV1, AW1, AX1, AY1, AZ1, BA1, BB1, BC1, BD1, BE1, BF1, BG1, BH1, BI1, BJ1, BK1, BL1, BM1, BN1, BO1, BP1, BQ1, BR1, BS1, BT1, BU1, BV1, BW1, BX1, BY1, BZ1, CA1, CB1, CC1, CD1, CE1, CF1, CG1, CH1, CI1, CJ1, CK1, CL1, CM1, CN1, CO1, CP1, CQ1, CR1, CS1, CT1, CU1, CV1, CW1, CX1, CY1, CZ1, DA1, DB1, DC1, DD1, DE1, DF1, DG1, DH1, DI1, DJ1, DK1, DL1, DM1, DN1, DO1, DP1, DQ1, DR1, DS1, DT1, DU1, DV1, DW1, DX1, DY1, DZ1, EA1, EB1, EC1, ED1, EE1, EF1, EG1, EH1, EI1, EJ1, EK1, EL1, EM1, EN1, EO1, EP1, EQ1, ER1, ES1, ET1, EU1, EV1, EW1, EX1, EY1, EZ1, FA1, FB1, FC1, FD1, FE1, FF1, FG1, FH1, FI1, FJ1, FK1, FL1, FM1, FN1, FO1, FP1, FQ1, FR1, FS1, FT1, FU1, FV1, FW1, FX1, FY1, FZ1, GA1, GB1, GC1, GD1, GE1, GF1, GG1, GH1, GI1, GJ1, GK1, GL1, GM1, GN1, GO1, GP1, GQ1, GR1, GS1, GT1, GU1, GV1, GW1, GX1, GY1, GZ1, HA1, HB1, HC1, HD1, HE1, HF1, HG1, HH1, HI1, HJ1, HK1, HL1, HM1, HN1, HO1, HP1, HQ1, HR1, HS1, HT1, HU1, HV1, HW1, HX1, HY1, HZ1, IA1, IB1, IC1, ID1, IE1, IF1, IG1, IH1, II1, IJ1, IK1, IL1, IM1, IN1, IO1, IP1, IQ1, IR1, IS1, IT1, IU1, IV1, IW1, IX1, IY1, IZ1, JA1, JB1, JC1, JD1, JE1, JF1, JG1, JH1, JI1, JJ1, JK1, JL1, JM1, JN1, JO1, JP1, JQ1, JR1, JS1, JT1, JU1, JV1, JW1, JX1, JY1, JZ1, KA1, KB1, KC1, KD1, KE1, KF1, KG1, KH1, KI1, KJ1, KK1, KL1, KM1, KN1, KO1, KP1, KQ1, KR1, KS1, KT1, KU1, KV1, KW1, KX1, KY1, KZ1, LA1, LB1, LC1, LD1, LE1, LF1, LG1, LH1, LI1, LJ1, LK1, LL1, LM1, LN1, LO1, LP1, LQ1, LR1, LS1, LT1, LU1, LV1, LW1, LX1, LY1, LZ1, MA1, MB1, MC1, MD1, ME1, MF1, MG1, MH1, MI1, MJ1, MK1, ML1, MM1, MN1, MO1, MP1, MQ1, MR1, MS1, MT1, MU1, MV1, MW1, MX1, MY1, MZ1, NA1, NB1, NC1, ND1, NE1, NF1, NG1, NH1, NI1, NJ1, NK1, NL1, NM1, NN1, NO1, NP1, NQ1, NR1, NS1, NT1, NU1, NV1, NW1, NX1, NY1, NZ1, OA1, OB1, OC1, OD1, OE1, OF1, OG1, OH1, OI1, OJ1, OK1, OL1, OM1, ON1, OO1, OP1, OQ1, OR1, OS1, OT1, OU1, OV1, OW1, OX1, OY1, OZ1, PA1, PB1, PC1, PD1, PE1, PF1, PG1, PH1, PI1, PJ1, PK1, PL1, PM1, PN1, PO1, PP1, PQ1, PR1, PS1, PT1, PU1, PV1, PW1, PX1, PY1, PZ1, QA1, QB1, QC1, QD1, QE1, QF1, QG1, QH1, QI1, QJ1, QK1, QL1, QM1, QN1, QO1, QP1, QQ1, QR1, QS1, QT1, QU1, QV1, QW1, QX1, QY1, QZ1, RA1, RB1, RC1, RD1, RE1, RF1, RG1, RH1, RI1, RJ1, RK1, RL1, RM1, RN1, RO1, RP1, RQ1, RR1, RS1, RT1, RU1, RV1, RW1, RX1, RY1, RZ1, SA1, SB1, SC1, SD1, SE1, SF1, SG1, SH1, SI1, SJ1, SK1, SL1, SM1, SN1, SO1, SP1, SQ1, SR1, SS1, ST1, SU1, SV1, SW1, SX1, SY1, SZ1, TA1, TB1, TC1, TD1, TE1, TF1, TG1, TH1, TI1, TJ1, TK1, TL1, TM1, TN1, TO1, TP1, TQ1, TR1, TS1, TT1, TU1, TV1, TW1, TX1, TY1, TZ1, UA1, UB1, UC1, UD1, UE1, UF1, UG1, UH1, UI1, UJ1, UK1, UL1, UM1, UN1, UO1, UP1, UQ1, UR1, US1, UT1, UY1, UZ1, VA1, VB1, VC1, VD1, VE1, VF1, VG1, VH1, VI1, VJ1, VK1, VL1, VM1, VN1, VO1, VP1, VQ1, VR1, VS1, VT1, VU1, VV1, VW1, VX1, VY1, VZ1, WA1, WB1, WC1, WD1, WE1, WF1, WG1, WH1, WI1, WJ1, WK1, WL1, WM1, WN1, WO1, WP1, WQ1, WR1, WS1, WT1, WU1, WV1, WW1, WX1, WY1, WZ1, XA1, XB1, XC1, XD1, XE1, XF1, XG1, XH1, XI1, XJ1, XK1, XL1, XM1, XN1, XO1, XP1, XQ1, XR1, XS1, XT1, XU1, XV1, XW1, XX1, XY1, XZ1, YA1, YB1, YC1, YD1, YE1, YF1, YG1, YH1, YI1, YJ1, YK1, YL1, YM1, YN1, YO1, YP1, YQ1, YR1, YS1, YT1, YU1, YV1, YW1, YX1, YY1, YZ1, ZA1, ZB1, ZC1, ZD1, ZE1, ZF1, ZG1, ZH1, ZI1, ZJ1, ZK1, ZL1, ZM1, ZN1, ZO1, ZP1, ZQ1, ZR1, ZS1, ZT1, ZU1, ZV1, ZW1, ZX1, ZY1, ZZ1

Please forward this notice to beneficial holders.

U.S. Bank National Association, is Successor Trustee (the "Trustee") under the Indenture of Trust dated as of November 1, 1991 (the "Indenture"), by and between the Southern San Joaquin Power Authority (the "Issuer") and the Trustee, which governs the above-referenced bonds (the "Bonds"), **hereby notifies you that a distribution equal to 60 days interest (that would be due July 1, 2002 on the Bonds) will be made on May 6, 2002, to holders of record as of May 1, 2002.** This early payment is the result of the Bankruptcy Court approving an order on a motion by Pacific Gas & Electric Company (PG&E) which authorized payment of payment of pre- and post-petition interest from the Bankrupt Estate covering the period 1/1/02 to 2/28/02 (or 60 days on a thirty day month basis). The order also provided that interest for the period 3/1/02 to 6/30/02 will be paid on the first business day in July 2002 and the first business day quarterly thereafter. PG&E has proposed that interest be paid quarterly instead of the semi-annual scheduled January 1<sup>st</sup> and July 1<sup>st</sup> dates on the Bonds.

PG&E representatives have advised the Trustee that PG&E does not intend to make payments of principal, pending its confirmation of its bankruptcy plan of reorganization. **Principal maturing on July 1, 2002 will not be paid on July 1, 2002.**

After making the payment of interest due as of July 1, 2001, and January 1, 2002, from withdrawals from the Debt Service Reserve Fund, the Trustee is holding approximately \$340,000 in the Debt Service Reserve and other accounts for Bond payments and other uses under the Indenture, including the payment of the Trustee's fees and expenses.

The Trustee will send further notices to holders of Certificates as material developments occur. Holders with questions about this notice should direct them to Keith R. Marshall, Vice President, U.S. Bank National Association, 550 South Hope Street, Suite 500, Los Angeles, CA 90071. Mr. Marshall's telephone number is (213) 533-8701. Holders with other questions may contact Bondholder Services at (800) 934-6802, option #5.

**U.S. Bank National Association,  
as Trustee**

**May 6, 2002**

\* Trustee is not responsible for selection or use of CUSIP. It is included solely for holder convenience.  
(AC # 94-620710)

CUSIP#

|   |                     |           |                 |
|---|---------------------|-----------|-----------------|
| 4 | Beginning principal | \$725,000 | <i>Rt 15.50</i> |
|   | Interest rate       | 9.30%     |                 |
|   | Interest            | \$11,238  | \$11,238        |

843787 AK8

|   |                     |           |                     |
|---|---------------------|-----------|---------------------|
| 5 | Beginning principal | \$775,000 | <i>Rt 15.666666</i> |
|   | Interest rate       | 9.40%     |                     |
|   | Interest            | \$12,142  | \$12,142            |

843787 AL6

|   |                     |           |                 |
|---|---------------------|-----------|-----------------|
| 6 | Beginning principal | \$850,000 | <i>Rt 15.75</i> |
|   | Interest rate       | 9.45%     |                 |
|   | Interest            | \$13,388  | \$13,388        |

843787 AM4

|   |                     |           |                 |
|---|---------------------|-----------|-----------------|
| 7 | Beginning principal | \$875,000 | <i>Rt 15.75</i> |
|   | Interest rate       | 9.45%     |                 |
|   | Interest            | \$13,781  | \$13,781        |

843787 AN2

|   |                     |             |                 |
|---|---------------------|-------------|-----------------|
| 8 | Beginning principal | \$7,400,000 | <i>Rt 16.00</i> |
|   | Interest rate       | 9.60%       |                 |
|   | Interest            | \$118,400   | \$118,400       |

843787 AUG

**PACIFIC GAS AND ELECTRIC COMPANY  
CALCULATION OF INTEREST FOR SOUTHERN SAN JOAQUIN VALLEY BO**

Principal amount \$12,500,000  
 Start date 1/1/02  
 End date 02/28/02  
 Interest rate Various  
 Compound period Semi-annually  
 Compound dates None  
 Day count method 30/360

Period Stub Period  
 Start date 01/01/02  
 End date 02/28/02  
 Number of days in period 60

|                     |              |              |  |
|---------------------|--------------|--------------|--|
| <b>Total</b>        |              |              |  |
| Beginning principal | \$12,500,000 |              |  |
| Interest rate       | Various      |              |  |
| Interest            | \$200,117    | \$200,116.67 |  |

TOTAL DISTRIBUTION

|                     |           |          |  |
|---------------------|-----------|----------|--|
| <b>1</b>            |           |          |  |
| Beginning principal | \$575,000 |          |  |
| Interest rate       | 12.00%    |          |  |
| Interest            | \$11,500  | \$11,500 |  |

*Rt 2000*

CUSIP # 843787 AG7

|                     |           |         |  |
|---------------------|-----------|---------|--|
| <b>2</b>            |           |         |  |
| Beginning principal | \$625,000 |         |  |
| Interest rate       | 9.00%     |         |  |
| Interest            | \$9,375   | \$9,375 |  |

*Rt 15.00*

" AH5

|                     |           |          |  |
|---------------------|-----------|----------|--|
| <b>3</b>            |           |          |  |
| Beginning principal | \$675,000 |          |  |
| Interest rate       | 9.15%     |          |  |
| Interest            | \$10,294  | \$10,294 |  |

*Rt 15.25*

" AJ1

3370 3

ALL DEPOSITORIES, NOMINEES, BROKERS AND OTHERS:

PLEASE FACILITATE THE TRANSMISSION OF THIS NOTICE  
TO ALL BENEFICIAL OWNERS. ADDITIONAL COPIES OF  
THIS NOTICE ARE AVAILABLE FOR THIS PURPOSE UPON  
REQUEST AT THE ADDRESS SET FORTH BELOW.

TO THE HOLDERS OF  
Medium-Term Notes, Series B  
Medium-Term Notes, Series C  
Medium-Term Notes, Series D  
of  
PACIFIC GAS AND ELECTRIC COMPANY

CUSIP Nos. \* :

|           |           |           |           |
|-----------|-----------|-----------|-----------|
| 69430TAT8 | 69430TAY7 | 69430TBN0 | 69430TBL4 |
| 69430TBR1 | 69430TBT7 | 69430TBX8 | 69430TCB5 |
| 69430TCD1 | 69430TCF6 | 69430TCG4 | 69430TCK5 |
| 69430TCL3 | 69430TCM1 | 69430TDA6 | 69430TCZ2 |
| 69430TDB4 | 69430TDK4 | 69430TDP3 | 69430TDS7 |
| 69430TDV0 | 69430TDW8 | 69430TDZ1 | 69430TEB3 |
| 69430TEC1 | 69430TEG2 | 69430TEK3 | 69430TEV9 |
| 69430TFR7 | 69430TFX4 | 69430TGP0 | 69430TGH8 |
| 69430TGT2 | 69430TGR6 | 69430TGS4 | 69430THG9 |
| 69430THS3 | 69430THT1 | 69430THQ7 | 69430THY0 |
| 69430TJC6 | 69430TJG7 | 69430TJL6 | 69430TJM4 |

Wilmington Trust Company is communicating the following to you in its capacity as indenture trustee (the "Trustee") under the Indenture dated as of September 1, 1987, as supplemented by the First Supplemental Indenture dated as of June 1, 1990, and the Second Supplemental Indenture dated as of November 1, 2000 (as supplemented, the "Indenture") for the Medium-Term Notes, Series B, Medium-Term Notes, Series C and Medium-Term Notes, Series D (collectively, the "Medium-Term Notes") of Pacific Gas and Electric Company (the "Company").

The Amended and Restated Settlement and Support Agreement dated March 27, 2002 (the "Settlement and Support Agreement") of the Company was confirmed by the United States Bankruptcy Court for the Northern District of California on March 27, 2002. The Settlement and Support Agreement, among other things, permits the Company to make payment of all pre-petition and post-petition interest due on the Medium-Term Notes through February 28, 2002, and to make payments of interest accruing after February, 28, 2002 on a quarterly basis.

The Company advised the Trustee that on May 6, 2002 (the "Payment Date"), the

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\* No representation is made with respect to the accuracy of the CUSIP number as printed on the Notes or as contained herein.

registered holders of the Medium-Term Notes as of May 3, 2002 (the "Record Date") will be entitled to receive their pro rata share of \$21,755,318.26 (based on a rates ranging from 5.81% to 6.45% pursuant to the Settlement and Support Agreement and as shown on Schedule A, attached hereto) made available by the Company for distribution in respect of accrued interest on the Medium-Term Notes. For each \$1,000 in principal of the Medium-Term Notes, each holder of the Medium-Term Notes as of the Record Date will receive an amount per \$1,000 as set forth on Schedule A attached hereto, in respect of accrued interest on the Medium-Term Notes.

Holders of Medium-Term Notes who did not receive a copy of this communication directly from the Indenture Trustee and who wish to receive further communications at an address other than the address to which this notice was delivered should contact the Indenture Trustee in writing at the following address:

Wilmington Trust Company, as Trustee  
Rodney Square North  
1100 North Market Street  
Wilmington, Delaware 19890  
Attn: Corporate Trust Administration  
Facsimile: (302) 636-4140

**By: Wilmington Trust Company, as Trustee**

Dated: May 2, 2002

**ALL DEPOSITORIES, NOMINEES, BROKERS AND OTHERS:  
PLEASE FACILITATE THE TRANSMISSION OF THIS NOTICE  
TO ALL BENEFICIAL OWNERS. ADDITIONAL COPIES OF  
THIS NOTICE ARE AVAILABLE FOR THIS PURPOSE UPON  
REQUEST AT THE ADDRESS SET FORTH BELOW.**

**TO THE HOLDERS OF  
7.375% Senior Notes due November 1, 2015  
Floating Rate Notes due October 31, 2001  
of  
PACIFIC GAS AND ELECTRIC COMPANY  
(CUSIP Nos. 694308FU6, U69430AC7, 694308FT9 & U69430AB9)\***

Wilmington Trust Company is communicating the following to you in its capacity as indenture trustee (the "Trustee") under the Indenture dated as of September 1, 1987, as supplemented by the First Supplemental Indenture dated as of June 1, 1990, and the Second Supplemental Indenture dated as of November 1, 2000 (as supplemented, the "Indenture") for the 7.375% Senior Notes due November 1, 2015 (the "7.375% Notes") and the Floating Rate Notes due October 31, 2001 (the "Floating Rate Notes") of Pacific Gas and Electric Company (the "Company").

The Amended and Restated Settlement and Support Agreement dated March 27, 2002 (the "Settlement and Support Agreement") of the Company was confirmed by the United States Bankruptcy Court for the Northern District of California on March 27, 2002. The Settlement and Support Agreement, among other things, permits the Company to make payment of all pre-petition and post-petition interest due on the 7.375% Notes and the Floating Rate Notes through February 28, 2002, and to make payments of interest accruing after February 28, 2002 on a quarterly basis.

The Company advised the Trustee that on May 6, 2002 (the "Payment Date") (i) the registered holders of the 7.375% Notes as of May 3, 2002 (the "Record Date") will be entitled to receive their pro rata share of \$91,195,692.63 (based on a rate of 9.625% pursuant to the Settlement and Support Agreement) made available by the Company for distribution in respect of accrued interest on the 7.375% Notes, and (ii) the registered holders of the Floating Rate Notes as of Record Date will be entitled to receive their pro rata share of \$106,104,856.90 (based on a rate of 7.583% pursuant to the Settlement and Support Agreement) made available by the Company for distribution in respect of accrued interest on the Floating Rate Notes. For each \$1,000 in principal of the 7.375% Notes, each holder of the 7.375% Notes as of the Record Date will receive \$134.1113127 in respect of accrued interest on the 7.375% Notes. For each \$1,000 in principal of the Floating Rate Notes, each holder of the Floating Rate Notes as of the Record Date will receive

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\* No representation is made with respect to the accuracy of the CUSIP number as printed on the Notes or as contained herein.

85.56843298 in respect of accrued interest on the Floating Rate Notes.

Holder of 7.375% Notes and Floating Rate Notes who did not receive a copy of this communication directly from the Indenture Trustee and who wish to receive further communications at an address other than the address to which this notice was delivered should contact the Indenture Trustee in writing at the following address:

Wilmington Trust Company, as Trustee  
Rodney Square North  
1100 North Market Street  
Wilmington, Delaware 19890  
Attn: Corporate Trust Administration  
Facsimile: (302) 636-4140

**By: Wilmington Trust Company, as  
Trustee**

Dated: May 2, 2002

Bank One Trust Company, NA  
Global Corporate Trust Services  
Mail Code OH-0181  
P.O. Box 710181  
Columbus, OH 43271-0181



## NOTICE OF DEFAULT DISTRIBUTION

May 3, 2002

DEPOSITORY TRUST COMPANY  
VIA FACSIMILE TO: 212-855-4555  
ATTN: Paul Sorezza

NOTICE OF DISTRIBUTION OF DEFAULTED INTEREST FOR THE PG&E CAPITAL I  
TRUST TO THE HOLDERS OF THE PG&E CAPITAL I TRUST 7.90% CUMULATIVE  
QUARTERLY INCOME PREFERRED SECURITIES (QUIPS), SERIES A (THE  
"SECURITIES")  
CUSIP NO: 69331F200

NOTE: THIS NOTICE CONTAINS IMPORTANT INFORMATION THAT IS OF INTEREST TO THE REGISTERED AND BENEFICIAL OWNERS OF THE SUBJECT SECURITIES. IF APPLICABLE, ALL DEPOSITORIES, CUSTODIANS, AND OTHER INTERMEDIARIES RECEIVING THIS NOTICE ARE REQUESTED TO EXPEDITE RE-TRANSMITTAL TO BENEFICIAL OWNERS OF THE SECURITIES IN A TIMELY MANNER.

Dear Securityholder:

This Notice (the "Notice") is given to the holders of the Securities by Bank One, N.A., successor-in-interest to The First National Bank of Chicago, as Property Trustee, under an Amended and Restated Trust Agreement (the "Trust Agreement") dated as of November 28, 1995, among (i) Pacific Gas and Electric Company (the "Company"), (ii) the Property Trustee, (iii) Michael J. Majchrzak, an individual, as Delaware Trustee, and (iv) Gabriel B. Togneri, an individual, David M. Kelly, an individual, and Alan H. Lindstrom, an individual, each as an Administrative Trustee (the Property Trustee, the Delaware Trustee and the Administrative Trustees are collectively referred to as the "Trustees"). All capitalized terms used but not defined herein shall have the meaning given to them in the Trust Agreement.

### Distribution Of Defaulted Interest

Bank One, N.A. advises you that a Distribution of Defaulted Interest for the above Securities will occur on Monday, May 6, 2002. This distribution is to be applied as an interest payment on the Securities in the amount of \$28,682,819.43 or \$2.390234 per Security for the period January 1, 2001 through February 28, 2002. The Record Date is May 3, 2002.

**Communications to Property Trustee**

If you wish to contact the Property Trustee regarding the Securities or the contents of this Notice, we ask that you do so in writing directed to:

Bank One, N.A.  
P.O. Box 710181  
Columbus, OH 43215-0181  
Attention: Robert H. Major  
(614) 248-6334 (Phone)  
(614) 248-5195 (Fax)

Very truly yours,

Bank One, N.A., as successor-in-interest to  
The First National Bank of Chicago, as Property Trustee

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