

PACIFIC GAS & ELECTRIC CO  
Form FWP  
October 17, 2008

**Filed Pursuant to Rule 433**  
**Registration No. 333-149361**  
**October 16, 2008**

**PRICING TERM SHEET**  
**8.25% Senior Notes Due October 15, 2018**

|                                      |   |
|--------------------------------------|---|
| <b>Issuer:</b>                       | Pacific Gas and Electric Company  |
| <b>Security:</b>                     | 8.25% Senior Notes Due October 15, 2018   |
| <b>Size:</b>                         | \$600,000,000   |
| <b>Maturity Date:</b>                | October 15, 2018  |
| <b>Coupon:</b>                       | 8.25%   |
| <b>Interest Payment Dates:</b>       | April 15 and October 15, commencing April 15, 2009  |
| <b>Price to Public:</b>              | 98.343%   |
| <b>Benchmark Treasury:</b>           | 4.00% due August 15, 2018   |
| <b>Benchmark Treasury Yield:</b>     | 3.943%  |
| <b>Spread to Benchmark Treasury:</b> | +455.7 basis points   |
| <b>Yield:</b>                        | 8.50%   |
| <b>Optional Redemption:</b>          | Make-Whole Call at Treasuries plus 50 basis points  |
| <b>Expected Settlement Date:</b>     | October 21, 2008  |
| <b>CUSIP:</b>                        | 694308GN1   |
| <b>Anticipated Ratings:</b>          | A3 by Moody's Investors Service, Inc.<br>BBB+ by Standard & Poor's Ratings Services<br>A by Fitch Ratings                       |
| <b>Joint Book-Running Managers:</b>  | Banc of America Securities LLC<br>Citigroup Global Markets Inc.<br>Deutsche Bank Securities Inc.                                |
| <b>Co-Managers:</b>                  | BNY Mellon Capital Markets, LLC<br>Cabrera Capital Markets, LLC<br>Muriel Siebert & Co., Inc.<br>U.S. Bancorp Investments, Inc. |

**Note: A securities rating is not a recommendation to buy, sell or hold securities and may be subject to revision or withdrawal at any time.**

**The issuer has filed a registration statement (including a prospectus) with the SEC for the offering to which this communication relates. Before you invest, you should read the prospectus in that registration statement and other documents the issuer has filed with the SEC for more complete information about the issuer and this offering.**

**You may get these documents for free by visiting EDGAR on the SEC Web site at [www.sec.gov](http://www.sec.gov). Alternatively, the issuer, any underwriter or any dealer participating in the offering will arrange to send you the prospectus if you request it by calling Banc of America Securities LLC toll free at 800-294-1322; Citigroup Global Markets Inc. toll free at 877-858-5407; or Deutsche Bank Securities Inc. toll free at 800-503-4611.**