SMITH GORDON R
Form 4
January 05, 2005

FORM 4

UNITED STATES SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

STATEMENT OF CHANGES IN BENEFICIAL OWNERSHIP OF SECURITIES

Filed pursuant to Section 16(a) of the Securities Exchange Act of 1934, Section 17(a) of the Public Utility Holding Company Act of 1935 or Section 30(h) of the Investment Company Act of 1940

OMB APPROVAL

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Check this box if no longer subject to Section 16. Form 4 or Form 5 obligations may continue. *See* Instruction 1(b).

(Print or Type Responses)

1. Name and Address of Reporting Person *
SMITH GORDON R

(Last) (First) (Middle)

PG&E CORPORATION, ONE MARKET, SPEAR TOWER, SUITE 2400

(Street)

SAN FRANCISCO, CA 94105

(City) (State) (Zip)

2. Issuer Name **and** Ticker or Trading Symbol
PG&E CORP [PCG]

3. Date of Earliest Transaction (Month/Day/Year)
01/03/2005

4. If Amendment, Date Original Filed(Month/Day/Year)

5. Relationship of Reporting Person(s) to Issuer

(Check all applicable)

_____ Director _____ 10% Owner
__X__ Officer (give title below) _____ Other (specify below)
Senior Vice President

6. Individual or Joint/Group Filing(Check Applicable Line)
_X_ Form filed by One Reporting Person
___ Form filed by More than One Reporting Person

Table I - Non-Derivative Securities Acquired, Disposed of, or Beneficially Owned

1.Title of Security (Instr. 3)	2. Transaction Date (Month/Day/Year)	2A. Deemed Execution Date, if any (Month/Day/Year)	3. Transaction Code (Instr. 8)		4. Securities Acquired (A) or Disposed of (D) (Instr. 3, 4 and 5)			5. Amount of Securities Beneficially Owned Following Reported Transaction(s) (Instr. 3 and 4)	6. Ownership Form: Direct (D) or Indirect (I) (Instr. 4)	7. Nature of Indirect Beneficial Ownership (Instr. 4)
			Code	V	Amount	(A) or (D)	Price			
Common Stock	01/03/2005		A		16,030 (1)	A	$ 0	28,420 (2) (3)	D	
Common Stock	01/03/2005		S(4)		3,900	D	$ 33.32	66,421	I	Held by Elizabeth and Gordon Smith Family Trust
Common Stock	01/03/2005		S(4)		1,100	D	$ 33.3	65,321	I	Held by Elizabeth and Gordon Smith

								Family Trust
Common Stock	01/03/2005	S[4]	900	D	$ 33.28	64,421	I	Held by Elizabeth and Gordon Smith Family Trust
Common Stock	01/03/2005	S[4]	2,400	D	$ 33.27	62,021	I	Held by Elizabeth and Gordon Smith Family Trust
Common Stock	01/03/2005	S[4]	515	D	$ 33.26	61,506	I	Held by Elizabeth and Gordon Smith Family Trust
Common Stock	01/03/2005	S[4]	300	D	$ 33.25	61,206	I	Held by Elizabeth and Gordon Smith Family Trust
Common Stock	01/03/2005	S[4]	3,800	D	$ 33.24	57,406	I	Held by Elizabeth and Gordon Smith Family Trust
Common Stock	01/03/2005	S[4]	5,473	D	$ 33.15	51,933	I	Held by Elizabeth and Gordon Smith Family Trust
Common Stock	01/03/2005	D[5]	3,229	D	$ 0	48,704	I	Held by Elizabeth and Gordon Smith Family Trust
Common Stock						27,485.01 [6]	I	Held by Trustee of PG&E Corporation Retirement Savings Plan

Reminder: Report on a separate line for each class of securities beneficially owned directly or indirectly.

Persons who respond to the collection of information contained in this form are not required to respond unless the form

SEC 1474 (9-02)

displays a currently valid OMB control number.

Table II - Derivative Securities Acquired, Disposed of, or Beneficially Owned
(*e.g.*, puts, calls, warrants, options, convertible securities)

1. Title of Derivative Security (Instr. 3)	2. Conversion or Exercise Price of Derivative Security	3. Transaction Date (Month/Day/Year)	3A. Deemed Execution Date, if any (Month/Day/Year)	4. Transaction Code (Instr. 8)		5. Number of Derivative Securities Acquired (A) or Disposed of (D) (Instr. 3, 4, and 5)		6. Date Exercisable and Expiration Date (Month/Day/Year)		7. Title and Amount of Underlying Securities (Instr. 3 and 4)		8 D S (I
				Code	V	(A)	(D)	Date Exercisable	Expiration Date	Title	Amount or Number of Shares	
Stock Option (Right to Buy)	$ 33.02	01/03/2005		A		69,550		(7)	01/04/2015	Common Stock	69,550	

Reporting Owners

Reporting Owner Name / Address	Relationships			
	Director	10% Owner	Officer	Other
SMITH GORDON R PG&E CORPORATION ONE MARKET, SPEAR TOWER, SUITE 2400 SAN FRANCISCO, CA 94105			Senior Vice President	

Signatures

Eric Montizambert, Attorney-in-Fact for Gordon R. Smith (signed Power of Attorney on file with SEC)	01/05/2005
**Signature of Reporting Person	Date

Explanation of Responses:

***** If the form is filed by more than one reporting person, *see* Instruction 4(b)(v).

****** Intentional misstatements or omissions of facts constitute Federal Criminal Violations. *See* 18 U.S.C. 1001 and 15 U.S.C. 78ff(a).

(1) Restricted shares granted under the PG&E Corporation Long-Term Incentive Program.

(2) Includes 8,506 Special Incentive Stock Ownership Premiums (SISOPs) (phantom stock) awarded pursuant to the PG&E Corporation Executive Stock Ownership Program. SISOPs vest three years after the date of grant subject to accelerated vesting upon certain events. Unvested SISOPs are subject to forfeiture if certain stock ownership targets are not met. Vested SISOPs are automatically payable in an equal number of shares following termination of employment.

(3) The reporting person disclaims beneficial ownership of 3,884 shares included in this total. This report shall not be deemed an admission that the reporting person is the beneficial owner of such securities for purposes of Section 16 or for any purchase.

(4) Transaction pursuant to reporting person's Rule 10b5-1 instruction.

(5) Forfeiture of a portion of 2003 restricted stock award pursuant to terms of reporting person's 2003 Restricted Stock Award Agreement.

(6) Represents the approximate number of shares of PG&E Corporation common stock held for the reporting person in the PG&E Corporation Retirement Savings Plan (RSP). That fund holds units consisting of PG&E Corporation common stock and a small short-term investments component. The number of shares is computed by dividing the value of the units by the daily closing price. Dividends are automatically invested in additional units at the election of the participant. Holdings have been trued up to conform to RSP balance at January 3, 2005.

(7) 25% of the options may be exercised on the first anniversary date of the grant, 50% on or after the second anniversary, 75% on or after the third anniversary, and 100% on or after the fourth anniversary of the date of grant.

Note: File three copies of this Form, one of which must be manually signed. If space is insufficient, *see* Instruction 6 for procedure.
Potential persons who are to respond to the collection of information contained in this form are not required to respond unless the form displays a currently valid OMB number.