

**PACIFIC GAS AND ELECTRIC COMPANY
General Rate Case 2011 Phase I
Application 09-12-020
Data Response**

PG&E Data Request No.:	DRA_194-06		
PG&E File Name:	GRC2011-Ph-I_DR_DRA_194-Q06		
Request Date:	March 10, 2010	Requester DR No.:	DRA-194-DFB
Date Sent:	March 24, 2010	Requesting Party:	DRA
PG&E Witness:	Redacted	Requester:	Donna-Fay Bower

SUBJECT: BENEFITS

QUESTION 6

In response to DRA-006, Q 20, PG&E states that “A total of 183 employees transferred from the Corporation to the Utility in 2009. The impact of the transfer of Corporation employees to the Utility is calculated by taking the percentage of Corporation employees transferring to the Utility and applying that percentage to the total 2009 project Corporation costs.” What 2009 project Corporation costs is PG&E referring to? Please provide the supporting documentation calculation. In addition, please provide a detailed explanation for why the Application workpapers do not contain the Medical Plan Forecast plan changes that were included in PG&E’s NOI filing (NOI PG&E-6, Chapter 17 workpapers WP 17-3).

ANSWER 6

Please see the documentation and calculation of the projected Corporation medical costs prepared by Towers Watson (formerly Towers Perrin), the actuarial consulting firm that prepared PG&E’s medical plan forecast. This documentation is provided in GRC2011-Ph-I_DR_DRA_194-Q06AAtch01.

With regard to the request for a detailed explanation as to why the Application workpapers do not contain the Medical Plan Forecast plan changes that were included in PG&E’s NOI filing on WP 17-3, please be advised that these changes are included in the Application. The estimated change in forecast medical plan costs resulting from plan design changes was expanded in the Application, and is documented in PG&E’s Application workpapers (see Attachment 1 of the Towers Perrin Health Care Cost Forecast Update - 2009 through 2013 letter dated November 3, 2009). Specifically, the estimated cost effect of Medical Plan changes provided in PG&E’s NOI filing (NOI PG&E-6, WP 17-3) are incorporated in PG&E’s Application request, and detailed in Application workpapers (PG&E-6, Chapter 17, WP 17-12 through WP 17-17).