

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

PG&E Data Request No.:	DRA_205-03		
PG&E File Name:	GRC2011-Ph-I_DR_DRA_205-Q03		
Request Date:	March 12, 2010	Requester DR No.:	DRA-205-SWC
Date Sent:	March 26, 2010	Requesting Party:	DRA
PG&E Witness:	Redacted	Requester:	Sophie Chia

EXHIBIT REFERENCE: PG&E-7, CHAPTER 3

SUBJECT: FLEET SERVICES CHARGEBACK COSTS

QUESTION 3

In Exhibit PG&E-7, Chapter 3, page 3-29, Table 3-15, PG&E presents the Fleet Services Chargeback Costs. In Table 3-15, PG&E shows that the “Total Rental” forecasted for 2011 is \$19.50 million.

- a. Please provide a detailed description of the process and/or inputs in the RO model that PG&E used to input the “Total Rental” forecasted for 2011 which then gets spread across PG&E’s lines of business.
- b. Please provide supporting documentation.

ANSWER 3A – WITNESS: Redacted

The RO model used 2008 recorded chargeback costs as the basis for the capital and expense forecasts. Rental costs however, were not part of the chargeback costs in 2008. Rental costs in 2008 were direct charges to the line of business.

Even though rental costs were not part of the chargeback expenses, the lines of business would have handled them in a similar fashion.

Similar to the answers given in question DRA_205-Q01A and Q02A, the appropriate way to look at rental costs would be to compare 2008-recorded costs with 2011-forecasted costs. The recorded rental costs in 2008 were \$19.2 million and the 2011-forecast provided in Table 3-15 was \$19.5 million. The following table illustrates the difference.

2008-Recorded	RO Model	2011-Forecast	Difference between RO Model and 2011 Forecast
\$ 19,273,761	\$ 19,273,761	\$ 19,500,000	\$ (226,239)

Based on the information used in the RO model no adjustment would be necessary as PG&E is asking for an increase of \$226,000 over 2008-Recorded costs, and \$1.6 million less than 2009-recorded costs.

ANSWER 3B – WITNESS: Redacted

Please see GRC2011-Ph-I_DR_DRA_159-Q04b Supplemental and accompanying attachment GRC2011-Ph-I_DR_DRA_159-Q04b-Atch01.xls for 2008 recorded rental costs.