

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

PG&E Data Request No.:	DRA_209-04		
PG&E File Name:	GRC2011-Ph-I_DR_DRA_209-Q04		
Request Date:	March 15, 2010	Requester DR No.:	DRA-209-STA
Date Sent:	March 29, 2010	Requesting Party:	DRA
PG&E Witness:	Redacted	Requester:	Stacey Hunter

EXHIBIT REFERENCE: PG&E-4, CHAPTER 8

SUBJECT: CUSTOMER CARE COSTS – METER TO CASH

QUESTION 4

Please provide documentation to support PG&E's assertion that the current bill inserters are reaching the end of their service life and must be replaced.

ANSWER 4

PG&E's historic experience with bill inserters has been that this type of equipment has a life expectancy of approximately 5-7 years, a time frame that is also consistent with industry practice. PG&E's existing bill inserters were purchased in 2002 and will be 9 years old in 2011, an age well beyond the typical life expectancy for bill inserters.

In addition to replacing obsolete and beyond life-expectancy equipment, another benefit PG&E intends to realize by the replacement of this older equipment is the ability to insert a higher number of pages per bill. The current bill inserters lack this capability, which is required for the more complex bills of the future. Even if the equipment could be cost-effectively used for a longer period of time, modifying the existing equipment to satisfy this objective is not an option.