

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

PG&E Data Request No.:	DRA_209-05		
PG&E File Name:	GRC2011-Ph-I_DR_DRA_209-Q05		
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 5

Regarding page WP 8-38, please provide documentation for all estimates. Also please explain what is meant by “non-SMO labor expense.”

ANSWER 5

Page WP8-38 of the Workpapers is a summary of the anticipated expense dollars required to perform the responsibilities described in Exhibit (PG&E 4), Chapter 8, page 8-13 line 9 through page 8-18 line 20.

The SMO labor expense, line 1 through line 8, is derived by taking the existing number of SmartMeter Operations (SMO) employees, and projecting the number required to support full deployment of SmartMeter. PG&E’s response to DRA deficiency 020-A01, A12, and A13 further clarified the basis for the estimation of SMO Labor expense forecast.

Non-SMO labor Expense, line 9 through line 11, is needed to pay for labor resources that do not report directly to PG&E’s SMO organization, but are needed for maintaining the backhaul equipment related to each of the technologies that was approved as part of the SmartMeter systems. Examples of this are the labor expenses associated with telecom technicians replacing components of either the Data Collection Units or Access points. As stated in the testimony, there will be almost 20,000 pole-mounted data communication and collection devices to be maintained as part of the SmartMeter systems.

Backhaul Costs, line 13 through line 15, is the estimate for the annual telephone charges projected on a straight-line basis from that associated with the existing number of Data Collection Units and Access points to full deployment of these units. Each of

these devices use the public cell phone networks to relay data from the meters to the head end systems.

The other Non-Labor M&O costs, line 16 and line 17, are for replacement batteries, and other subcomponents within each of the primarily pole-mounted Data Collection Units and Access points that need scheduled maintenance in accordance with the vendor recommendations, and PG&E's experience with telecommunications equipment.

The Other Non Labor M&O costs, line 18 and 19, are as stated. City energy fees are those costs associated with PG&E's use of some cities streetlights to mount the Data Collection Units or Access Points. Employee expense is a projection of expenses associated with travel during field investigations or other business related activity.