

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

PG&E Data Request No.:	DRA_213-03		
PG&E File Name:	GRC2011-Ph-I_DR_DRA_213-Q03		
Request Date:	March 16, 2010	Requester DR No.:	DRA-213-DAO
Date Sent:	March 30, 2010	Requesting Party:	DRA
PG&E Witness:	Redacted	Requester:	Dao Phan

EXHIBIT REFERENCE: PG&E-3, CHAPTER 18

SUBJECT: MWC FH, SERVICE VALVE REPLACEMENT

QUESTION 3

Is the inclusion of repairs for leaks found in prior years and new leaks found during routine survey a new work procedure requirement for 2011? If not, please explain why this wasn't included in prior years.

ANSWER 3

PG&E did not include service valve leaks detected in prior years in its 2009 forecast (line 7 on page WP 18-26 of the Application workpapers) and 2010 forecast (line 18 on page WP 18-28 of the Application workpapers) of service valve replacements, because most of the leaking service valves found in 2008 were immediately replaced.

Gas Information Bulletin 245, revision 1 (attachment GRC2011-Ph-I_DR_DRA_213-Q01Atch01) became effective on 3/1/09. Beginning in 2008, PG&E released Gas Information Bulletin 245, which had defined any leak reading within 5 feet of the outside wall of a building to be hazardous. Consequently, small leaks at metersets that can only be detected by sensitive instruments were automatically deemed hazardous and repaired immediately. The revision on 3/1/09 changed the criteria where some above ground leaks detected within 5 feet of the outside wall of a building were no longer automatically hazardous. Therefore, only the 2011 service replacement unit forecast includes repairs for leaks found in prior years.

Similar to 2011, calculations for 2009 and 2010 service valve replacements are also based on "new leaks found during routine survey" although this statement is not included in the Application workpapers.