

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

PG&E Data Request No.:	DRA_182-05		
PG&E File Name:	GRC2011-Ph-I_DR_DRA_182-Q05		
Request Date:	March 8, 2010	Requester DR No.:	DRA-182-DFB
Date Sent:	March 31, 2010	Requesting Party:	DRA
PG&E Witness:	Linda Cheng	Requester:	Donna Fay Bower

SUBJECT: PG&E CORPORATION CHAIRMAN OF THE BOARD, CHIEF EXECUTIVE OFFICER AND PRESIDENT'S OFFICE, PACIFIC GAS AND ELECTRIC COMPANY PRESIDENT'S OFFICE, AND CORPORATE SECRETARY DEPARTMENT COSTS

QUESTION 5

In response to DRA-051-DFB, Q5, PG&E provided a breakdown of the cost paid to Board of Directors for the years 2004 through 2008. Please provide detailed explanation for the following:

- a. David R. Andrews: Incurred \$20,652 in travel costs for 2004 through 2008 but nothing for hotel or meals. Please explain why there are not hotel and meals costs. In addition, why were there no costs in 2006?
- b. Leslie S. Biller: in incurred \$1,753 in "Other" costs in 2008. Please provide a detailed explanation for the high costs in 2008 when compared to 2004-2007.
- c. David A. Coulter: Had only "Other" costs in 2007-2008. Please provide a detailed explanation for these costs. Please define what is included in "Other".
- d. C. Lee Cox: Had not costs in 2004-2007 and \$3,249 in Hotel costs in 2008. Please provide a detailed explanation for hotel costs with no travel costs.
- e. Peter A. Darbee: Please provide a detailed explanation why there were only charges of an immaterial amount in 2008 and nothing for 2004-2007.
- f. William A. Davilla: Please provide a detailed explanation for why there are only charges in 2004.
- g. Mary Ellen C. Herringer: Please provide a detailed explanation for why there are only charges in 2008.
- h. Richard A. Meserve: Please provide a detailed explanation for the travel costs of \$2,129 in 2006, \$9,844 in 2007, and \$14,386 in 2008. In addition please provide a detailed explanation for the \$2,910 in hotel costs in 2008.

- i. Mary S. Metz: Please provide a detailed explanation for the \$1,690 in “Other” costs in 2007 and \$1,390 in Hotel costs in 2008.
- j. Barbara L. Rambo: Please provide a detailed explanation for the \$4,250 in Other costs for 2007.
- k. Barry Lawson Williams: Please provide a detailed explanation for the \$3,012 in 2006 and \$3,985 in 2007 for “Other” costs.
- l. Board (General): Please provide a detailed explanation for the \$1,628 in Hotel costs in 2008, 15,165 in meals in 2008, \$1,241 in 2005, \$3,305 in 2006, and \$6,225 in 2008 for “Other”. In addition, please provide a detailed explanation for this “Board Member”.

ANSWER 5

5.a. David R. Andrews: Mr. Andrews has had a home in San Francisco since before 2004. However, for part of the period 2004 to 2008, he lived in New York (while serving as an officer of PepsiCo, Inc.) and in Washington, D.C. (while serving as a Senior Fellow for Corporate Governance at the National Chamber Foundation, U.S. Chamber of Commerce). Transportation costs of \$20,652.10 for 2004 through 2008 consist of (1) \$18,065.58 for airfare between New York or Washington, D.C. and San Francisco to attend PG&E Corporation and Utility Board and committee meetings in San Francisco, and (2) \$2,586.52 for ground transportation. There are no hotel or meals costs for those years because Mr. Andrews stayed at his own residence during his trips to San Francisco. There were no costs in 2006 because Mr. Andrews did not travel that year to attend Board or committee meetings, and he did not incur any other reimbursable expenses in 2006.

5.b. Leslie S .Billor: Other costs of \$1,753.26 in 2008 consist of (1) \$1,356.05 for a commendatory resolution that was presented to him upon his retirement from the PG&E Corporation and Utility Boards in May 2008, (2) \$200.00 for car pick-up and delivery services, (3) \$140.00 for tips, (4) \$46.71 for mileage reimbursement, and (5) \$10.50 in miscellaneous expenses. The difference in costs in 2008 compared to 2004 to 2007 is due to the commendatory resolution.

5.c. David A. Coulter: Other costs of \$2,607.50 in 2007 consist of expenses to attend the “Outstanding Directors Exchange” (director education program) in San Francisco. Other costs of \$1,375.85 in 2008 consist of (1) \$1,356.05 for a commendatory resolution that was presented to him upon his retirement from the PG&E Corporation and Utility Boards in May 2008, and (2) \$19.80 for parking fees.

5.d. C. Lee Cox: Mr. Cox lives in Monterey and drives to San Francisco to attend Board and committee meetings. Mr. Cox’s hotel costs in 2004 to 2007 and part of 2008 were placed on Linda Cheng’s corporate credit card and did not get charged to PCC 20000 (director fees and expenses). Mr. Cox had no transportation costs in 2004 to 2008 because did not request reimbursement for his mileage for those years.

5.e. Peter A. Darbee: Mr. Darbee's expenses generally are charged to PCC 20001 (PG&E Corporation Chairman, CEO, and President's office), rather than PCC 20000 (director fees and expenses). Other costs of \$81.30 in 2008 consist of parking fees for attending Board dinners.

5.f. William A. Davila: Mr. Davila retired from the PG&E Corporation and Utility Boards in 2004. Therefore, he had no expenses in 2005 through 2008.

5.g. Maryellen C. Herringer: Ms. Herringer lives in the Bay Area, so she has limited reimbursable expenses. Transportation costs of \$325.00 in 2008 consist of ground transportation charges. Meals costs of \$57.88 consist of a lunch meeting with Geisha J. Williams, the Utility's Senior Vice President of Energy Delivery. Other costs of \$25.00 consist of parking fees.

5.h. Richard A. Meserve: Transportation costs of \$2,128.61 in 2006 consist of (1) one round-trip airfare from Washington, D.C. to San Francisco of \$2,048.61, and (2) taxicab fares totaling \$80.00. Dr. Meserve joined the PG&E Corporation and Utility Boards in December 2006, so he attended only one Board meeting in 2006.

Transportation costs of \$9,843.55 in 2007 consist of (1) four round-trip airfares from Washington, D.C. to San Francisco totaling \$8,748.43 (\$2,048.61, \$2,718.80, \$1,457.21, and \$2,523.81), (2) one one-way airfare of \$849.12 from San Francisco to Washington, D.C. (Dr. Meserve's airfare to San Francisco was paid by another organization), and (3) taxicab fares totaling \$246.00.

Transportation costs of \$14,38.43 in 2008 consist of (1) four round-trip airfares from Washington, D.C. to San Francisco totaling \$7,972.82 (\$1,794.81, \$1,835.00, \$1,935.02, \$2,407.99), (2) one airfare from Washington, D.C. to San Francisco to Los Angeles to Washington, D.C. of \$1,933.01, (3) one airfare from Washington D.C. to San Francisco to Orange County to Denver to Washington D.C. of \$2,203.50, (4) one airfare change fee of \$915.00, and (5) ground transportation charges (including taxicab fares) totaling \$1,362.10.

Hotel costs of \$2,909.63 in 2008 consist of (1) \$570.00 for the February 2008 Board and committee meetings, (2) \$598.50 for the April 2008 Board and committee meetings, (3) \$544.13 for the May 2008 Board meeting and Annual Meeting of Shareholders, (4) \$598.50 for the June 2008 Board and committee meetings, and (5) \$598.50 for the September 2008 Board and committee meetings.

5.i. Mary S. Metz: Other costs of \$1,629.86 in 2007 consist of (1) \$1,615.50 for expenses to attend "Directors College 2007" (director education program) at Stanford Law School, (2) \$12.61 for mileage reimbursement, and (3) \$1.75 for tips. Hotel costs of \$1,389.66 in 2008 consist of (1) \$819.66 for the October 2007 Board and committee meetings (reimbursed and paid to her in early January 2008), and (2) \$570.00 for the February 2008 Board and committee meetings.

5.j. Barbara L. Rambo: Other costs of \$4,250.00 in 2007 consist of expenses to attend "Compensation Committees: New Challenges, New Solutions 2007" (director education program) at Harvard Business School.

5.k. Barry Lawson Williams: Other costs of \$3,012.34 in 2006 consist of expenses to attend "The Impact of Governance Revolution on the Nuclear Power Industry" (director education program) at the Goizueta Directors Institute at Emory University in Atlanta, Georgia. Other costs of \$3,985.00 in 2007 consist of expenses to attend the following director education programs: (1) "The Impact of Governance Revolution on the Nuclear Power Industry" at the Goizueta Directors Institute (\$2,995.00), and (2) the 2007 Deloitte Energy Conference in Washington, D.C. (\$990.00).

5.l. The category of "Board (General)" was generally used to record costs of Board functions when all or several Board members were present and the expense was for all directors who were present.

Hotel costs of \$1,627.52 in 2008 consist of deposits in February, March, June, and September (\$406.88 each occurrence) for the private dining room in which Board dinners were held.

Meals costs of \$15,164.64 in 2008 consist of the cost of Board dinners in February (\$1,200.99), April (\$1,341.41), May (retirement dinner for Leslie S. Biller and David A. Coulter, which included senior officers and directors' and officers' spouses) (\$9,710.75), June (\$1,521.63), and September (\$1,389.86) of 2008.

Other costs of \$1,241.48 in 2005 consist of a reimbursement to David R. Andrews for expenses incurred for preparation of 2002 and 2003 amended Federal and State income tax returns resulting from a correction of his taxable director compensation for those years. Other costs of \$3,305.27 in 2006 consist of (1) \$2,680.27 for commendatory resolutions that were presented to Robert D. Glynn, Jr. (retired Chairman of the Board, Chief Executive Officer, and President of PG&E Corporation and Chairman of the Board of Pacific Gas and Electric Company) upon his retirement from the PG&E Corporation and Utility Boards in December 2005, and to Gordon R. Smith (retired President and Chief Executive Officer and director of Pacific Gas and Electric Company) upon his retirement from the Utility Board in December 2005, and (2) \$625.00 for event planning services in connection with Board dinners. Other costs of \$6,225.00 in 2008 consist of (1) deposits totaling \$4,500.00 for Board dinners (\$500.00 each for the February and April Board dinners, and \$3,500.00 for the director retirement dinner in May), (2) parking fees of \$471.00 for the director retirement dinner, and (3) \$1,254.00 cancellation fees for unused hotel rooms in May.