

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

PG&E Data Request No.:	DRA_184-05		
PG&E File Name:	GRC2011-Ph-I_DR_DRA_184-Q05		
Request Date:	March 8, 2010	Requester DR No.:	DRA-184-SWC
Date Sent:	March 22, 2010	Requesting Party:	DRA
PG&E Witness:	Jayne Battley	Requester:	Sophie Chia

SUBJECT: SHARED SERVICES AND OTHER SUPPORT COSTS

QUESTION 5

Exhibit PG&E-7, Chapter 7, page 7-27, and Table 7-4 provides the O&M Expenses for the Environmental Program. Please provide the 2009 recorded O&M Expenses for the following MWC:

- a. MWC AK (Manage Environmental Operations)
- b. MWC AY (Habitat and Species Protection)
- c. MWC CR (Manage Waste Disposal & Transportation)
- d. MWC ES (Environmental Projects & Initiatives)
- e. MWC IE (Environmental Remediation, Non-HSM Recovery)

ANSWER 5

PG&E objects to this data request to the extent it asks for 2009 actual data while PG&E's 2011 GRC request is based on 2008 actual data. Notwithstanding the foregoing and without waiving PG&E's right to object to the admissibility of such data, PG&E responds as follows:

The 2009 recorded and forecast O&M expenses by MWC are summarized in the table below.

As described in Exhibit (PG&E-7), Chapter 7, pages 7-19 through 7-22, compliance costs associated with environmental operations (MWC AK), and costs associated with transportation and disposal of waste (MWC CR), are increasing. The 2009 recorded costs reflect this fact.

MWC AY recorded costs exceeded the forecast because \$1.1 million of habitat and species protection expenditures planned in MWC AB for 2009 actually settled in MWC

AY. Of those \$1.1 million in expenditures in MWC AY, only 17% settle to gas and electric distribution projects and are thus represented in this GRC.

MWC ES recorded costs were less than forecast because the number of projects and initiatives requiring expense expenditures to maintain compliance with applicable laws and regulations was less than forecast.

MWC IE recorded costs were higher than forecast due to increased expenditures on underground-storage-tank and distribution substation remediation projects.

Table 7-1
Pacific Gas and Electric Company
Environmental Program
M&O Expenses by Major Work Category
(Thousands of Nominal Dollars)

Major Work Category		2008 Recorded	2008 Recorded Adjusted	2009 Forecast	2009 Recorded	2010 Forecast	2011 Forecast
AK	Manage Environmental Oper	\$ 9,467	\$ 9,467	\$ 9,605	\$ 10,396	\$ 9,605	\$ 11,138
AY	Habitat and Species Protection	\$ 241	\$ 241	\$ 49	\$ 150	\$ 134	\$ 141
CR	Mnge Waste Disp & Transp	\$ 2,579	\$ 2,579	\$ 2,900	\$ 3,135	\$ 2,887	\$ 3,822
ES	Environ Projects & Initiatives	\$ 1,279	\$ 1,279	\$ 1,635	\$ 835	\$ 1,145	\$ 1,665
IE	Envim Remedtn, Non-HSM Recvy	\$ 781	\$ 137	\$ 159	\$ 321	\$ 166	\$ 295
	Overall Result	\$ 14,347	\$ 13,703	\$ 14,348	\$ 14,836	\$ 13,937	\$ 17,061