

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

PG&E Data Request No.:	DRA_Aud010-01		
PG&E File Name:	GRC2011-Ph-I_DR_DRA_Aud010-Q01		
Request Date:	March 10, 2010	Requester DR No.:	DRA-LMW-10
Date Sent:	March 23, 2010	Requesting Party:	DRA-Audit
PG&E Witness:	James Becker	Requester:	Mark Waterworth

**EXHIBIT REFERENCE: GENERAL AUDIT**

**SUBJECT:**

**QUESTION 1**

In the late 1980's and early 1990's, PG&E began a radiation monitor replacement program because of parts obsolescence and design weaknesses. Although material was bought for all the plants' radiation monitors the project was not completed. Based on this comment relative to the Diablo Canyon Power Plant License Renewal Application, please address the following:

- a. To which MWC/FERC Account were the material costs originally recorded; and, have those costs been transferred to any other MWC? If so, which one.
- b. Were the material costs originally expensed? If expensed, in what period were the expenses recognized.
- c. At present, are those materials receiving any level of cost recovery (AFUDC, ratebase, etc.). If yes, please identify the type of recovery, and the justification for the type of recovery.
- d. To date, how much has PG&E spent on the materials associated with the radiation monitor's.
- e. Given the possibility of new technology, can the materials purchased be used. If so, how? If obsolete, have they been written off?.

**ANSWER 1**

- a. While this project was not completed, several radiation monitors were replaced. Over time, many of these radiation monitors were, in turn, replaced from inventory. There are currently no replacement monitors left in inventory from the project. With respect to the project accounting, the project is pre-SAP. Charges

would have been recorded to Program 106 – Capital, which in SAP would be MWC 20. None of these charges has been transferred to any other MWC.

- b. The materials were not expensed.
- c. There are no materials in inventory; they have been used to keep the current radiation monitors in operation. Some of the equipment is still in service, although we cannot identify the dollar value. The in-service equipment is included in rate base in this proceeding, as it is used and useful.
- d. This project was pre-SAP. At this point in time, we do not know how much PG&E spent on materials associated with the radiation monitors.
- e. The materials have been used. There are no items from this project in inventory. We do not believe any of this equipment was written off.