

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

PG&E Data Request No.:	DRA_186-02g		
PG&E File Name:	GRC2011-Ph-I_DR_DRA_186-Q02g		
Request Date:	March 9, 2010	Requester DR No.:	DRA-186-TLG
Date Sent:	March 23, 2010	Requesting Party:	DRA
PG&E Witness:	Redacted	Requester:	Tamera Godfrey

SUBJECT: ELECTRIC DISTRIBUTION OPERATIONS AND MAINTENANCE EXPENSES FOR MWC BF, BG, AND BK

QUESTION 2G

PG&E forecasted \$40.712 million for MWC BF. This is an increase of \$7.487 million or 22.53% over 2008 recorded adjusted expenses of \$33.225 million. PG&E's MWC BF includes individual forecasts for ten subaccounts/line items. The questions below relate to the following five subaccounts/line items and forecast: \$4.984 million for Poles Patrolled, \$11.122 million for Poles Inspected, \$2.398 million for Enclosures Patrolled, \$10.464 million for Enclosures Inspected, and \$0.857 million for Poles Infrared Inspected.

- g) PG&E states that its "unit cost for poles inspected are forecast to increase by \$8.02 from 2008 to 2011". Provide all source documentation PG&E's management relied upon to determine each specific expense included in the increase (i.e. breakdown of contract costs and source/basis for estimates, copies of vendor contracts for studies, annual salary breakdown for new positions and basis/source for estimated salary, etc.) in order to fully justify the request.

ANSWER 2G

The expected 2011 unit costs for poles inspected are the recorded 2007 costs for this work escalated to 2011 plus an amount for projected new work.

The documentation used to forecast the 2011 unit cost was the historical cost (see Exhibit (PG&E-3), Chapter 2, Workpapers, WP 2-58) plus EDM Program Management judgement and discussion with PG&E divisions on specific division costs. EDM utilized the 2007 unit costs and escalated them to 2011 plus an estimate for new projected work. PG&E did not use the 2008 recorded unit costs because they appeared too high. Pole inspection work is performed by PG&E's personnel; not contractors.

In regards to new projected work, the following are included in the 2011 unit cost forecast for poles inspected:

- Cost for handling of special field (for a description of the work and the forecasted cost, see the response to questions 2h, 2j, and 2i of this data request for more information).
- Cost for attaching a pole number and obtaining the global position system location for poles where an abnormal condition is identified and documented (see the response to question 2k of this data request for more information).