

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

PG&E Data Request No.:	DRA_186-02k		
PG&E File Name:	GRC2011-Ph-I_DR_DRA_186-Q02k		
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 2K**

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.

- k) PG&E states that another "factor contributing to the unit cost increase is obtaining a global position system (GPS) location and pole numbering where an abnormal condition is identified and documented" at a cost of \$0.80 per total forecasted units. Provide the documentation that explains how this work was handled during 2004 through 2008. If this work was not done, provide the documentation that explains in detail why this work was never done during 2004 through 2008. If this work was performed during 2004 through 2008, provide the recorded expenses for the work performed. Also provide copies of PG&E's cost benefit analysis performed and all documentation that PG&E's management relied upon to determine that this work was required in the test year and other documentation that shows PG&E's step by step management approval process for each project (i.e. person(s) requesting project, project preparation, scope, research performed for need/requirements, design, test, implementation, review and communication of needs and expectations, defined deliverables, etc.

**ANSWER 2K**

PG&E did not use a global positioning system (GPS) for locating and numbering poles with abnormal conditions during 2004 through 2008. However, during 2004 to 2006, PG&E numbered poles and obtained the GPS in five divisions in a systematic approach (e.g., division-by-division basis per pole as opposed to only when an abnormal condition

is identified). Recorded expenses for this activity are shown below and in Exhibit (PG&E-3), Workpapers, Table 2-17, line 32, page WP 2-22. Work was stopped in 2006 so that PG&E could evaluate other options.

2004	2005	2006
\$429,000	\$583,000	\$104,000

Subsequently, in March 2009, PG&E launched an EDM Program process improvement initiative (Exhibit (PG&E-3), Chapter 2, page 2-7, lines 13-24). While the initiative is currently conducting a “proof of concept” pilot and implementing short-term recommendations, one of the long-term recommendations is to obtain GPS and number poles. A formal cost-benefit analysis and recommendation has not been submitted, however based on benchmarking there are several benefits for having the GPS and pole numbers. The benefits include: 1) provide a GPS location and unique identifier for field personnel to confirm that they are at the right location to perform work; 2) provide customers and third parties (such as joint telecommunication utilities) with an identifying pole number to use when communicating with PG&E; and 3) enable the Company to better monitor and analyze its pole assets by having a unique identifier for each pole with associated electronic asset information.