

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

PG&E Data Request No.:	DRA_175-01		
PG&E File Name:	GRC2011-Ph-I_DR_DRA_175-Q01		
Request Date:	March 3, 2010	Requester DR No.:	DRA-175-DFB
Date Sent:	March 17, 2010	Requesting Party:	DRA
PG&E Witness:	Linda Cheng	Requester:	Donna Fay Bower

SUBJECT: PG&E CORPORATION COSTS

QUESTION 1

On Line 2, PG&E Corporation Chairman, Chief Executive Officer and President's Office, Pacific Gas and Electric Company President's Office, and Corporate Secretary Department, PG&E Corp is forecasting \$5,430,000 in base year dollars. How did PG&E Corporation determine this forecast? In addition, please provide supporting spreadsheet for this calculation.

- a. Please provide a detailed explanation of the services being provided by PG&E Corporation. In addition, provide a breakdown of the costs by labor, non-labor, and outside services/consultants.
 - i. Labor costs should reflect which of the 41 remaining PG&E Corp are included in labor and which functional area it is in.
 - ii. For all Outside Services/Consultants, provide a detail justification for the need for these services, including the costs.

ANSWER 1

The method used to forecast PG&E Corporation's Test Year 2011 costs was to review the work expected to be performed in 2011 and then to calculate the resources required to perform such work. The supporting spreadsheet for this calculation is included as Attachment GRC2011-DR_DRA_175-Q01-Atch01.

- a. An explanation of services being provided by the PG&E Corporation Chairman, Chief Executive Officer and President's Immediate Office (PCC 20001) is provided at pages 4-1 through 4-3 of Exhibit (PG&E-6), and an explanation of the services provided by the Vice President, Corporate Governance and Corporate Secretary's Immediate Office (PCC 20010) is provided at pages 4-4 through 4-5 of Exhibit (PG&E-6).

- i. Labor costs for the PG&E Corporation Chairman, Chief Executive Officer and President's Immediate Office include 5 FTEs (PG&E Corporation Chairman and CEO, Senior Director and Chief of Staff, executive assistant, director's assistant, and administrative assistant) and the Corporate Secretary's Immediate Office include 2 FTEs (VP, Corporate Governance and Corporate Secretary; and executive assistant).
- ii. Outside Services/Consultants costs for PG&E Corporation Chairman, Chief Executive Officer and President's Immediate Office include outside services/consulting costs used for the Chairman's work at the national and regional policymaking level on climate change and regional transmission issues, executive recruitment, leadership development.

Outside Services/Consultants costs for the Corporate Secretary's Immediate Office of \$25,000 include: 1) consulting fees for database enhancement and/or upgrades for various internal databases to track officer and director information, as well as official documents such as minutes, contracts, agreements, etc. (\$10,000); 2) consultation for the Global Entity Management System (GEMS)/Corporate Manager database due to the projected retirement of the Senior Corporate Analyst (\$3,000); 3) consulting/service fees to retrieve transfer agent records from a stand-alone server and mainframe database for archival to a more stable medium and to enable the destruction of several thousand boxes currently classified as permanent retention (\$7,000); and 4) leadership development for senior staff (\$5,000).