

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

PG&E Data Request No.:	DRA_175-04		
PG&E File Name:	GRC2011-Ph-I_DR_DRA_175-Q04		
Request Date:	March 3, 2010	Requester DR No.:	DRA-175-DFB
Date Sent:	March 17, 2010	Requesting Party:	DRA
PG&E Witness:	Hudson Martin	Requester:	Donna Fay Bower

**SUBJECT: PG&E CORPORATION COSTS**

**QUESTION 4**

On Line 7, Risk and Audit Department, PG&E Corp is forecasting \$238,000 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 Liability Insurance between Property and liability.

**ANSWER 4**

The 2011 forecast of \$238,000 in base year dollars is calculated by multiplying the 2011 nominal forecast by the Global Insight de-escalation factor:  $\$262,000 \times 0.908464 = \$238,000$ .

A description of the services provided can be found starting at Exhibit (PG&E-6), Chapter 6, Page 6-14, line 13, PG&E Corporation Property and Liability Insurance.