

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

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|------------------------|------------------------------------|-------------------|-------------|
| PG&E Data Request No.: | DRA_145-03-Supp01 | | |
| PG&E File Name: | GRC2011-Ph-I_DR_DRA_145-Q03-Supp01 | | |
| Request Date: | February 12, 2010 | Requester DR No.: | DRA-145-TLG |
| Date Sent: | March 19, 2010 | Requesting Party: | DRA |
| PG&E Witness: | Redacted | Requester: | Dao Phan |

SUBJECT: SHORT – TERM INCENTIVE PLAN (STIP)

QUESTION 3

PG&E states that “STIP is a critical part of PG&E’s total compensation package for over 7,000 participating employees”. (Exhibit (PG&E-6) page 16-3)

- a) Provide the exact number of PG&E Company and PG&E Corporation employees that received STIP awards in 2009. In the response separate and total the number of employees that received STIP awards by specific employee title and categories (i.e. President & CEO, SVP & COO, Sr. Vice President, Vice President, Sr. Director, Manager/Supervisor Distribution, Clerical Exe Asst to President, etc.).
- b) Provide the exact number of PG&E Company and PG&E Corporation employees that are expected to receive STIP awards in March 2010.
- c) Provide the total number of PG&E Company and PG&E Corporation employees for 2009 and as of January 31, 2010, and state and compare the exact percentage of employees that received STIP in 2009, or expected to receive STIP in 2010, out of the total number of PG&E Company and PG&E Corporation employees.
- d) Provide the forecasted number of PG&E Company and PG&E Corporation employees for 2011.

ANSWER 3 – SUPPLEMENTAL 1

PG&E objects to this request on the grounds that the question asks for actual 2009 data, while PG&E’s request is based on 2008 recorded data. Notwithstanding the foregoing and without waiving PG&E’s right to object to the admissibility of the requested information into evidence, PG&E responds as follows:

- b) The number of PG&E Company and PG&E Corporation employees expected to receive awards was not estimated.

c) The table below is updated to show the number of PG&E Company and PG&E Corporation employees as of 12/31/09 and 1/31/10. It also shows the number of 2009 STIP recipients in March 2010.

| | Total Emps as of 12/31/09 | 2009 STIP Recipients (paid in 2010) | % Receiving | Total Emps as of 1/31/10 |
|----------------|--------------------------------------|------------------------------------------------|--------------------|-------------------------------------|
| Utility | 19564 | 7523 | 38.5% | 19411 |
| Corp | 36 | 40 | 111.1% | 40 |
| Total | 19600 | 7563 | 38.6% | 19451 |

As explained earlier in the original response to question 145-3c, to be eligible for a STIP award for any STIP plan year, an employee must still be employed as of the end of the year. Specifically, for employees to receive an award in March 2010 as a result of 2009 STIP performance, they must be employed as of December 31, 2009. There are a few exceptions, such as for employees who retire during the plan year. Thus, the total number of employees at the end of 2009 is a relevant comparison to those receiving awards in March 2010.

The reason there are more STIP recipients in the Corporation than total number of employees as of 12/31/09 is because four employees who were in the Utility as of 12/31/09 moved to the Corporation on 1/1/10.