

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

PG&E Data Request No.:	DRA_186-03c		
PG&E File Name:	GRC2011-Ph-I_DR_DRA_186-Q03c		
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 3C

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: \$5.641 million for Overhead Line Equipment Inspected and Tested, \$1.131 million for Underground Line Equipment Inspected and Tested, \$2.923 million for Network Transformers Inspected, \$0.311 million for Special Patrols, and \$0.881 million for Miscellaneous Maintenance Items.

- c) PG&E's units for overhead distribution line equipment inspected and tested are increasing in the test year by 8,433 from 25,103 in 2008 to 33,536 in 2011 or 33.59% while its unit cost is forecasted to decrease from \$211 in 2008 to \$168 in 2011. Provide the documentation that explains in detail and demonstrates why PG&E's recorded adjusted 2008 expenses of \$5.309 million is insufficient to address its maintenance program needs in the test year.

ANSWER 3C

The 2008 expense of \$5,309 million is insufficient to address PG&E's forecasted equipment inspections and testing for the test year (2011) because the number of units are expected to increase in 2011.

Forecasted units for 2011 are 33,536 units, as opposed to the 2008 recorded units of 25,103. The 2008 recorded units are 8,433 (25%) short of the number of forecasted equipment inspections for 2011. PG&E's 2011 forecasted units are based on known count of units to be inspected for the specified year plus a 2% growth factor based on historical growth factors for overhead facilities (Exhibit (PG&E-3), Chapter 2, page 2-2, line 1-2 and Workpaper, Table 2-33, page WP 2-62). See the response for Question 3a of this Data Request for the forecasted units by equipment type. Applying a unit cost of

approximately \$168 to the projected number of units in 2011 yields a forecast of \$5.641 million.