

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

PG&E Data Request No.:	DRA_186-03m		
PG&E File Name:	GRC2011-Ph-I_DR_DRA_186-Q03m		
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 3M**

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.

- m) PG&E's unit costs for network transformer inspections increased from \$1,644 in 2007 to \$2,872 in 2008 and are forecasted to decrease to a unit cost of \$1,961 in 2011. Provide the documentation that explains in detail the reason for the increase and decrease in unit cost.

**ANSWER 3M**

2008 recorded unit costs are higher than 2007 recorded unit cost because of the following:

- PG&E initiated new work procedures in 2008 that changed inspection and maintenance requirements on network transformers, network protectors and vaults. Some of the changes included pressure testing of individual oil chambers, increasing the number of components inspected in network protectors, and expanding to check other equipment in the vault.
- In addition, due to the increase in maintenance requirements and difficulties in shifting resources to this work, PG&E augmented the maintenance work force using crews provided by Asea Brown Boveri (ABB). See below for additional information on the premium paid for use of contractors to assist with maintenance in 2008.

MAT	Cost Element	Fiscal year	2007 Actual	2008 Actual
BFI	-PGE1CONTRACT	PGE1CONTRACT	\$ 166,293	\$ 1,846,329
BFI	- PGE1OTHCONTRAC	PGE1OTHCONTRAC	\$ 166,293	\$ 1,846,329
BFI	5490000	Contracts	\$ 166,293	\$ 910,000
BFI	5490001	Electric Construction Contract		\$ 936,328

The 2011 forecast unit cost is lower than 2008 due to improvements in PG&E crew efficiency and experience. At this time, PG&E does not anticipate a need for contract assistance for future maintenance. In 2009, the crew efficiency increased as the new procedures became more routine. Also, by 2009 PG&E had completed shifting of resources and training, and the use of ABB crews was no longer required.