

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

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PG&E Witness:	Redacted	Requester:	Marek Kanter

SUBJECT: CAPITALIZATION FACTORS

QUESTION 2

The tabs 2006-Exp-Cap to 2008 Exp-Cap contain costs and percentages by cost category (Capital, Expense, Non Earnings Expense and Other) and by Cost Center. Please confirm that the percentages in tabs 2006-Exp-Cap to 2008 Exp-Cap are consistent with the percentages in the tab “Summary by PCC-% Lookup” and explain how the percentages in the tab “Summary by PCC-% Lookup” can be computed from the percentages in the tabs 2006-Exp-Cap to 2008 Exp-Cap. Please give an example of such a computation.

ANSWER 2

The percentages in tab “Summary by PCC-% Lookup” are not computed from the percentages in tabs 2006-Exp-Cap to 2008 Exp-Cap. The formulas in the tab “Summary by PCC-% Lookup” returns the results from the tabs 2006-Exp-Cap to 2008 Exp-Cap, therefore are consistent. The capital and expense percentages are calculated in the tabs 2006-Exp-Cap to 2008-Exp-Cap.

The following is an example of how the capital and expense percentages are calculated. The formula below is in Excel row 61, column J, of tab “2006-Exp-Cap”:

$$J61 = IF(I61=0,0,E61/I61)$$

or if the total dollars (I61) is \$0, then the capital % is 0%, if the total dollars (I61) is an amount other than \$0 then divide capital dollars (E61) by total dollars (I61).

$$-\$134 \div -\$1,771 = 7.6\%$$

Excel Column	B	C	D	E	F	G	H	I	J	K
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/Row										
60	Line No.	Cost Center	Cost Center Description	CAPITAL	EXPENSE	NON EARNINGS EXPENSE	OTHER	Total	Capital %	Expense %
61	1	10227	Meridian	-\$ 134	-\$ 1,638			(1,771)	7.6%	92.4%