

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

PG&E Data Request No.:	DRA_207-02		
PG&E File Name:	GRC2011-Ph-I_DR_DRA_207-Q02		
Request Date:	March 15, 2010	Requester DR No.:	DRA-207-TLG
Date Sent:	March 29, 2010	Requesting Party:	DRA
PG&E Witness:	Redacted	Requester:	Tamera Godfrey

SUBJECT: NEW BUSINESS AND WORK REQUESTED BY OTHERS FOR MWC EV AND EW.

QUESTION 2

PG&E states that due to “recent economic turbulence, PG&E has modified the forecasting methodology of the NB capital and expense program from the 2007 GRC”, and that the “method PG&E is using in this GRC segregates the forecast into different segments, which facilitates the use of residential and non-residential market data in the available economic forecasts”.

- a. PG&E states that for its Residential Market Segment it “used building permit and housing start forecast data from Moody’s Economy.com and IHS Global Insights to determine its forecast of new customer connects” (page 6-20). Provide copies of the specific documents PG&E referred to above in Moody’s Economy.com and IHS Global Insights. Please state if PG&E has reviewed and/or revised its forecast for its residential market segment based on the most recent publications of Moody’s Economy.com and IHS Global Insights. Provide copies of that information.
- b. PG&E states that for its Non-Residential Market Segment it used “permit and valuation data (and economic forecasts) from Moody’s Economy.com to determine its forecast for new customer connects for 2009 to 2013”. (page 6-23) Provide copies of the specific documents PG&E referred to above in Moody’s Economy.com and IHS Global Insights. Please state if PG&E has reviewed and/or revised its forecast for its non-residential market segment based on the most recent publications of Moody’s Economy.com. Provide copies of that information.
- c. PG&E states that residential building is forecasted by IHS Global Insights and Moody’s Economy.com to increase 19 percent in 2009, then rebound by 84 percent in 2010, and 13 percent in 2011, before dropping slightly by 2 percent in 2012 and another percent in 2012” (page 6-20 and 6-21). Provide copies of the documents PG&E relied upon for the above. Also provide copies of the most recent publications of IHS Global Insights and Moody’s Economy.com to substantiate the

increase of 19 percent in 2009, and the rebound by 84 percent in 2010.

- d. PG&E states “2007 was used for base year since it is more representative of typical NB expenditure as opposed to what was experienced during 2008 and the associated general economic conditions. Provide the above information for 2004 through 2009. Also provide actual recorded calculation for New Business unit cost as shown in Table 6-7 through Table 6-10 on pages 6-19 to 6-22 for 2004 through 2009 and the available information as of March 1, 2010.

ANSWER 2

PG&E objects on the grounds that the question asks for actual 2009 data, which is not the basis for PG&E’s 2011 GRC request. 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.

Please note the attachments to this data request contain confidential information and are submitted pursuant to Public Utilities Code § 583.

a. Redacted

1 F not used in, PG&E’s last annual connection forecast.

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