

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

PG&E Data Request No.:	DRA_207-04		
PG&E File Name:	GRC2011-Ph-I_DR_DRA_207-Q04		
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 4**

PG&E's total recorded expenses for MWC EV and EW increased by \$3.656 million between 2007 and 2008 from \$36.347 million to \$40.003 million. Provide the documentation that explains the increase in expenses between 2007 and 2008.

#### **ANSWER 4**

Attachment GRC2011-Ph-I\_DR\_DRA\_207-Q04-Q07Atch01.xls provides recorded expenditures by individual MAT (or work type) for the 2004 to 2008 period. Between 2007 and 2008, increased expenditures are primarily reflected in MAT EVB – OK to Service, EWM – Gas Overbuilds, and EW – GIS Labor.

MAT EVB is driven by existing customers either adding load or upgrading their service facilities (e.g., an electric service panel upgrade) but does not result in any capital work by PG&E, or work that can be billed out to a customer under PG&E's tariffs. During declining economic periods, it is common to see a shift from new construction to remodels and small service upgrades. EVB unit data shows a sharp increase starting in 2008.

MAT EWM covers the relocation or alteration of gas services which have been "overbuilt", with customer structures (e.g., decks, room additions, etc.) constructed over PG&E's gas service or meter, and present a safety hazard. Starting in 2008, PG&E implemented an enhanced program to correct overbuild situations. This caused the number of annual overbuild corrections to rise from approximately 50 per year to over 200 in 2008. Most of the additional work performed in 2008 was on long standing overbuild issues that limited PG&E's ability to bill out the cost of the corrective work. This added significantly to the annual expenditure difference in MAT EWM. GIS Labor provides a single point of contact for managing the electric interconnection process for customer generation projects. These projects have increased substantially over the past several years associated with the interconnection of small renewable customer generation projects. While the number of renewable interconnection requests remained relatively constant from 2007 to 2008, total generation capacity of those interconnections rose almost 40%.