

**PACIFIC GAS AND ELECTRIC COMPANY  
General Rate Case 2011 Phase I  
Division of Ratepayer Advocates  
Data Response**

PG&E Data Request No.:	DRA_049-04		
PG&E File Name:	GRC2011-Ph-I_DR_DRA_049-Q04-Supp01		
Request Date:	March 9, 2010	Requester DR No.:	DRA-049-MCL
Date Sent:	April 1, 2010	Requesting Party:	DRA
PG&E Witness:	Renee Parnell	Requester:	Mariana C. Campbell

**SUBJECT: CORPORATE RELATIONS DEPARTMENT COSTS**

**QUESTION 4 SUPPLEMENTAL**

I need to get a clarification in regards to your response to Question 4 of this data request. Are these 5 positions in Internal Communications Department new positions requested in the GRC?

Is the forecasted 44% increase due to these 5 needed positions? I see there is a \$1,481,548 difference from 2008 recorded adjusted to the 2009 forecast amount. What do you attribute this 44% increase to?

Answer 4 also states that these vacancies in 2009 are a result of a new service model, can you please state the name of this service model? Is this service model currently in place?

**ANSWER 4 SUPPLEMENTAL**

Yes, that is correct, these 5 positions in Internal Communications Department are the same new positions requested in the GRC.

Yes, the forecasted increase is due to these 5 needed positions. For the record, PG&E will file an errata to correct the calculation of the labor increase in Workpaper 12-40, which should be 47%, not 44%, as referenced in this question. The change year over year at 47% is calculated as follows.

	<u>2008</u>	<u>2009</u>	<u>%</u>
920-A&G Salaries			
Direct Labor	1,611,055	2,678,937	40%
Labor Charges In/ Out	86,821	500,489	83%
Total 920	1,697,877	3,179,425	47%

The increase in 2009 is attributed to the 5 new hires originally planned to start in the beginning of 2009 and the annual labor escalation of \$60K, at 3.75%.

The service model does not have a name; however, this model is currently in use. Currently, contractors have been assisting Internal Communications until the full time employees are hired. Tasking employees with becoming subject experts for each of PG&E's major functions results in faster and more effective communications but requires more staff to provide adequate coverage.