

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

PG&E Data Request No.:	DRA_206-01d		
PG&E File Name:	GRC2011-Ph-I_DR_DRA_206-Q01d		
Request Date:	March 12, 2010	Requester DR No.:	DRA-206-TLG
Date Sent:	April 2, 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 1D

PG&E forecasted \$127.579 million for its Electric Distribution Operations and Maintenance expenses for the test year 2011 which is an increase of 27.44% over 2008 expenses of \$100.111 million. The expenses are recorded in three Major Work Categories (MWC): BG with a forecast of \$84.810 million; BK with a forecast of \$2.057 million; and BF with a forecast of \$40.712 million. The questions below relate to MWC BG.

PG&E forecasted \$84.810 million for MWC BG. This is an increase of \$22.033 million or 35.10% over 2008 recorded adjusted expenses of \$62.777 million. PG&E's MWC BG includes individual forecasts for twenty subaccounts/line items.

- d) Provide the documentation that explains in detail and demonstrates why PG&E's recorded adjusted 2008 expenses for overhead notifications of \$17.392 million is insufficient to address its maintenance program needs in the test year.

ANSWER 1D

The recorded adjusted 2008 expenses for overhead notifications is insufficient to address the maintenance program needs in the test year because:

- The 2011 forecasted units is 17,385 (which is an increase of 6,073 or 54%) higher than the 2008 recorded units (11,312). The 2011 forecasted units are based on Electric Distribution Maintenance Program Management personnel analysis and professional judgment. The 2011 forecast includes an estimate for units due in 2011 (based on the notifications in the electric maintenance database which have a 2011 due date) plus a estimated count of conditions identified in 2011 and due in the same year (based on a historical find rate). Below are the results of the analysis.

Description	Forecasted Units
Estimated Units Due in 2011	10,381
Estimated Accumulated Units (one-sixth of total)	7,004
Total	17,385

- The 2008 recorded units only reflect units completed as opposed to units planned or needing repair. As indicated in Exhibit (PG&E-3), Chapter 1, page 1-35, lines 8-17 due to higher priority T&D work, some electric maintenance work was rescheduled and notification work has accumulated.
- PG&E's forecast includes addressing accumulated units over 6-year period to effectively manage the work level and ensure the work is addressed. Rescheduling of this work for short-term management of work is possible, but not sustainable in the long-term for ensuring safety and reliability. If funding is not available to address high-priority work, the number of accumulated units will continue to grow and may negatively impact safety and reliability.