

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

PG&E Data Request No.:	DRA_206-07d		
PG&E File Name:	GRC2011-Ph-I_DR_DRA_206-Q07d		
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 7D

PG&E forecasted \$1.701 million for Transformer Labor Reclassification in 2011 which is an increase of \$0.460 million or 37.07% over 2008 expenses of \$1.241 million.

- d) PG&E's units for Transformer Labor Reclassification are increasing in the test year. Provide the documentation that explains in detail and demonstrates why PG&E's recorded adjusted 2008 expenses of \$1.241 million is insufficient to address its maintenance program needs in the test year.

ANSWER 7D

The 2008 expenses are insufficient to address PG&E's maintenance program needs in the test year primarily because the 2011 forecasted units are 18% higher than the number of units completed in 2008. As indicated in the response to DRA_206-01c, PG&E's forecast includes repairing more transformers compared to 2008 because PG&E is endeavoring to manage costs since repairs are less expensive than purchases. Specific documentation does not exist to support the need for the increased work volume, however, one of PG&E's transformer suppliers indicates that utilities are increasing the number of units they are repairing in order to manage costs.