

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

PG&E Data Request No.:	DRA_206-03a		
PG&E File Name:	GRC2011-Ph-I_DR_DRA_206-Q03a		
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 3A

PG&E states that it “owns and operates approximately 220,000 streetlights and provides maintenance (preventative and corrective) for approximately 30,000 additional streetlights owned by others”. PG&E forecasted \$3.197 million in 2011 for street light group replacement which is an increase of \$2.483 million or 347.76% over 2008 recorded expenses of \$0.714 million. PG&E forecasted 49,329 units in 2011 over 2008 units of 13,294 which is an increase of 36,035 units or 271.06%. PG&E forecasted \$4.851 million in 2011 for street light burnouts which is an increase of 16.64% over 2008 recorded expenses of \$4.159 million. PG&E forecasted 21,000 units in 2011 over 2008 units of 16,556 which is an increase of 4,444 units or 26.84%.

- a) PG&E states “streetlight group replacement work was reduced in prior years in order to focus resources on higher priority work”. Provide the documentation that explains in detail and demonstrates why PG&E’s recorded adjusted 2008 expenses of \$0.714 million is insufficient to address its streetlight group replacement work in the test year.

ANSWER 3A

The 2008 expenses of \$0.714 million is insufficient to address PG&E’s street light group replacement in the test year because:

- The 2011 forecasted units of 49,329 are higher than the 2008 recorded units (13,294). The 2011 forecasted units represent PG&E’s efforts to re-institute a preventive maintenance program for replacing lamps or associated components on a 5-year basis (Exhibit (PG&E-3), Chapter 2, page 2-31, lines 3-6).

Also, the 2008 expenses reflect only the number of units completed as opposed to the planned number of units. 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. As a result, lower levels of street light group replacement were completed in prior years. During this period, PG&E relied on only its Street Light Burnout Program to repair street lights (note, historically street light burnouts is a higher unit cost (ranging from \$145 to \$251 per unit during 2004 through 2008) than for group street lights (ranging \$43 to \$66 per unit) during the same period) (Exhibit (PG&E-3), Chapter 2, Workpaper 2-22, lines 5 and 6, respectively).