

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

| | | | |
|------------------------|------------------------------|-------------------|----------------|
| PG&E Data Request No.: | DRA_206-03b | | |
| PG&E File Name: | GRC2011-Ph-I_DR_DRA_206-Q03b | | |
| 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 3B

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%.

- b) PG&E states its forecast for streetlight burnouts “is based on historical actuals plus an estimate for anticipated additional units due to group streetlight replacements not being performed 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 \$4.159 million is insufficient to address its streetlight burnouts maintenance work in the test year.

ANSWER 3B

- The recorded adjusted 2008 expense of \$4.159 million is insufficient to address street light burnouts maintenance work in the test year because of the increased number of units expected to be replaced. While PG&E is forecasting an 8% lower unit cost in 2011 (\$231) compared to the 2008 recorded unit cost (\$251), there is an increase of 21,000 forecasted units over the 2008 recorded units (16,556). PG&E has no documentation that explains in detail or demonstrates this level of forecasted work, however, the forecast is based on Electric Distribution Maintenance Program Management personnel professional judgment that since street light group replacements were rescheduled in the prior years (for more information, see the

response to Question 3a of this data request), there will be an associated increase in burnouts.

- it is important to note that street light burnouts present a safety issue.