

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

PG&E Data Request No.:	DRA_206-01g		
PG&E File Name:	GRC2011-Ph-I_DR_DRA_206-Q01g		
Request Date:	March 12, 2010	Requester DR No.:	DRA-206-TLG
Date Sent:	April 7, 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 1G

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.

- g) Provide the documentation that explains in detail why the 2008 unit cost for overhead notifications increased by \$449 over 2007 compared to the yearly increases between 2004 through 2007.

ANSWER 1G

Below are the historical unit costs and changes from prior year for 2004 through 2008.

Recorded Unit Cost					\$ Change from Prior Year			
2004	2005	2006	2007	2008	2005	2006	2007	2008
\$751	\$820	\$989	\$1,088	\$1,537	\$69	\$169	\$99	\$449

PG&E attributes the difference between the 2007 and 2008 unit cost values to two factors: 1) Process changes were implemented in October 2007 which affected the execution of work and corresponding unit reporting. As a result, reliable unit data for many activity types in the EDM Program for the period after October 2007 through 2008 is not available; and 2) data from SAP shows that more labor hours (an average of 9.56 hours) were charged per unit in 2008 as compared to 2004 through 2007 (which ranged from 6.45 hours to 6.99 hours). The table below summarizes the data from SAP.

	2004	2005	2006	2007	2008
	Actual Quantity	Actual Quantity	Actual Quantity	Actual Quantity	Actual Quantity
	199,312 HRS	165,447 HRS	143,500 HRS	154,124 HRS	108,186 HRS
Units Completed	30,371	25,654	20,525	22,487	11,312
Hours Per Unit	6.56	6.45	6.99	6.85	9.56