

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

PG&E Data Request No.:	DRA_182-03		
PG&E File Name:	GRC2011-Ph-I_DR_DRA_182-Q03		
Request Date:	March 8, 2010	Requester DR No.:	DRA-182-DFB
Date Sent:	April 9, 2010 (Revised) March 31, 2010 (Original)	Requesting Party:	DRA
PG&E Witness:	Linda Cheng	Requester:	Donna Fay Bower

SUBJECT: PG&E CORPORATION CHAIRMAN OF THE BOARD, CHIEF EXECUTIVE OFFICER AND PRESIDENT'S OFFICE, PACIFIC GAS AND ELECTRIC COMPANY PRESIDENT'S OFFICE, AND CORPORATE SECRETARY DEPARTMENT COSTS

QUESTION 3

In addition, PG&E uses an escalation rate of 1.5% but does not indicate the source of the escalation rate. Please provide the supporting documentation for this escalation rate. In addition, please provide a detail explanation for escalating the Director Compensation and Expenses.

ANSWER 3 - REVISED

PG&E is not forecasting an increase in directors' fees. Although the escalation works out to 1.5% of the total amount of director compensation and expense, it represents expected volatility in expense reimbursements and charges for travel, especially airfares.