

**PACIFIC GAS AND ELECTRIC COMPANY  
2011 General Rate Case  
Division of Ratepayer Advocates  
Data Response**

PG&E Data Request No.:	DRA_012-09		
PG&E File Name:	GRC2011-NOI_DR_DRA_012-Q09		
Request Date:	August 21, 2009	Requester DR No.:	DRA-012-DFB
Date Sent:	August 28, 2009	Requesting Party:	DRA
PG&E Witness:	Linda Cheng	Requester:	Donna Fay Bower

**SUBJECT: PG&E CORPORATION COST RECOVERY POLICY**

**QUESTION 9**

On page 3-5, PG&E indicates that it “derived an average allocation percentage for all of the PG&E Corporation senior officers. The average allocation percentage...applied a 1 percent allocation rate to...” How was this average allocation determined? Provide the supporting documentation. In addition, please provide a clarification, is one percent of PG&E Corporation senior officers’ immediate office costs being allocated to PG&E the Utility or is 99 percent being allocated?

**ANSWER 9**

To determine the allocation of PG&E Corporation costs to the Utility, each of the PG&E Corporation senior officers reviewed their business calendars between June 1, 2008 through December 31, 2008 and evaluated the portion of their time spent on Company and non-Company matters. Assuming 30 weeks of 8-hour workdays during the evaluation period (30 weeks X 8 hours = 1,200 hours), the number of non-Company hours identified by each PG&E Corporation senior officer was divided by 1,200 hours to derive each officer’s allocation. Next, PG&E derived an average allocation percentage for all of the PG&E Corporation senior officers. The average allocation percentage was less than 1 percent for non-Utility matters, but out of an abundance of caution, PG&E applied a 1 percent allocation rate to PG&E Corporation’s senior officers’ immediate office costs. This resulted in a 99 percent allocation of these PG&E Corporation officers’ costs to the Utility. The supporting document is shown below:

## Corporation Time Allocation

Corporation Officer	Non-Utility Hrs	Assumes 8 Hrs/Day Standard	*Total Hrs Worked (During study period)	% of Non-Util Hrs
Peter Darbee	18.75	8	1,200	1.56%
Kent Harvey	8.75	8	1,200	0.73%
Hyun Park	10.00	8	1,200	0.83%
Greg Pruet	1.00	8	1,200	0.08%
Nancy McFadden	0.00	8	1,200	0.00%
Stephen Cairns	9.00	8	1,200	0.75%
Linda Cheng	0.00	8	1,200	0.00%
Gabe Togneri	8.00	8	1,200	0.67%
Steven Kline	0.00	8	1,200	0.00%
John Simon	0.00	8	1,200	0.00%
Chris Johns	10.00	8	1,200	0.83%
Dinyar Mistry**				
<b>Total Average</b>				<b>0.50%</b>

\* Total Hrs Worked assumes 30 weeks (June 1 - Dec 31, 2008) at 8hrs/day; Holidays, Vacation, Sick Time not excluded

\*\* Dinyar Mistry joined the Corporation in Nov, 2008 and didn't have enough data for this study.