

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

PG&E Data Request No.:	DRA_230-02		
PG&E File Name:	GRC2011-Ph-I_DR_DRA_230-Q02		
Request Date:	March 23, 2010	Requester DR No.:	DRA-230-TLG
Date Sent:	April 6, 2010	Requesting Party:	DRA
PG&E Witness:	Redacted	Requester:	Tamera Godfrey

SUBJECT: ELECTRIC DISTRIBUTION OPERATIONS AND MAINTENANCE EXPENSES FOR MWC BH AND IF

QUESTION 2

On page 14-24 in Exhibit (PG&E-3) PG&E shows its 2008 recorded expenses for MWC IF of \$52.169 million with an adjustment of \$7.480 million for CEMA expenses that were recovered in the CEMA filing. PG&E shows the recorded adjusted 2008 expenses of \$44.689 million.

- a) PG&E's workpapers on page 14-20 show a CEMA adjustment of \$13.622 million for 2008 and a recorded adjusted expense of \$38.547 million. Provide the documentation that explains the difference between the recorded adjusted 2008 expenses of \$44.689 million and \$38.547 million for MWC IF.
- b) DRA has requested that PG&E specifically separate and identify the amount of 2008 CEMA recorded expenses that have not been removed from 2008 expenses and which were not recovered in the 2008 CEMA filing, and that is included in its forecast for 2011. Note that if PG&E utilized any historical expenses in calculating its 2011 forecast, which included CEMA related expenses that were not removed, then PG&E's 2011 forecast includes 2008 and/or 2006 CEMA related expenses.

DRA utilized the spreadsheet PG&E provided to DRA in its response to DRA's verbal data request and calculated PG&E's recorded adjusted 2008 expenses, less CEMA related expenses of \$11.468 million. Provide the documentation that explains the spreadsheet in more detail and states if the \$11.468 million that DRA notes it the 2008 recorded expenses in MWC IF, prior to the CEMA expenses being added, is correct. If not, provide the 2008 recorded costs for MWC IF prior to CEMA expenses being added. Provide the same information for capital/MWC 95 (which shows CEMA of \$15 million on page 14-25)

ANSWER 2

- a. Adjusted expenses of \$44.689 million for MWC IF did not include the pending decision for A.09-02-020. The work papers referenced (14-20) included the amounts for both CEMA filings (D. 08-11-045 and A. 09-02-020) for the purposes of creating the forecast.
- b. In the table provided in GRC2011-PH-I_DR_DRA_Oral003-Q01Atch01, the \$11.468 million in 2008 represents costs incurred for events that meet PG&E's criteria for a major event but for which no emergency declaration was issued and consequently, no CEMA cost recovery is possible. The total of all expenditures for which CEMA recovery was not available in 2008 is \$38.547 million. The 2008 total amount prior to reductions for CEMA recovery was \$52.169 million.

Total expenditures in 2008 for Capital Major Emergency (MWC 95) were \$69.139 million prior to reductions for CEMA recovery. 2008 costs excluding CEMA recovery were \$54.139 million.