

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

PG&E Data Request No.:	DRA_244-06		
PG&E File Name:	GRC2011-Ph-I_DR_DRA_244-Q06		
Request Date:	April 1, 2010	Requester DR No.:	DRA-244-DFB
Date Sent:	April 14, 2010	Requesting Party:	DRA
PG&E Witness:	Redacted	Requester:	Donna Fay Bower

SUBJECT: BENEFITS

QUESTION 6

(In reference to response DRA-007-DFB, Question 17 Atch 01)

Line 6 – Per Participate recordkeeping fees to Fidelity. The explanation states: “Forecast was based on a proposed \$55 per participate fee included in the contract that is currently under negotiation.” Please provide the supporting calculation documentation supporting 2009-2011 amounts of \$331,000, \$1,324,000 and \$1,324,000.

ANSWER 6

Attachment GRC2011-Ph-I-DR_DRA_244-Q06Atch01 is the source document for forecast Fidelity recordkeeping fees. The required per capita recordkeeping fee, the total number of RSP participants and the resulting total estimated recordkeeping are shown both above and below the chart on the attachment. PG&E’s finalized contract terms contain the \$55 per participant fee that was discussed with Fidelity in late 2008. Please note that the fund fees shown inside the box on this attachment are investment fees paid by the participants invested in those funds.

As described in Exhibit (PG&E-6), WP 17-32 footnote (b), Fidelity recordkeeping fees were fully offset by credits generated by the mutual fund window until October 2009. PG&E’s forecast reflects the elimination of this offset for the fourth quarter of 2009. Therefore, 2009 recordkeeping fees are equal to one quarter of the annual fee, or $\$1,323,850 \times 1/4 = \$330,963$. The full annual cost of \$1,323,850 is held constant for the remainder of the forecast period.