

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

PG&E Data Request No.:	DRA_Oral008-02		
PG&E File Name:	GRC2011-Ph-I_DR_DRA_Oral008-Q02		
Request Date:	April 23, 2010	Requester DR No.:	DRA-Oral-008
Date Sent:	April 29, 2010	Requesting Party:	DRA-Oral
PG&E Witness:	Redacted	Requester:	Redacted

QUESTION 2

Please identify how much of the \$163 million negative deduction is included [in the recorded 2008 data presented] in the GRC, and please provide appropriate references to the workpapers.

ANSWER 2

As shown on the attached spreadsheet (GRC2011-Ph-I_DR_DRA_Q08ORAL-Q2Atch01.xls), approximately \$68 million of the \$163 million negative deduction is included in the 2008 recorded data for A&G Study department costs and Corporation Corporate Items for the 2011 GRC. The attached spreadsheet provides references to the relevant exhibits and chapters describing such 2008 recorded costs. For example, the amount on line 1 of the attachment corresponds with the amount on WP 4-16, line 4 of the "2008 Recorded" column. As another example, the amounts for the Investments and Benefit Finance Department (Exhibit (PG&E-6), Chapter 18) on lines 186-188 of the attachment correspond with WP 18-9, lines 1-3 in the "2008 Recorded" column. Please note that, in some cases, the costs shown on the attached spreadsheet may be combined with Utility costs in the A&G testimony and workpapers. For example, the Law Department (Exhibit (PG&E-6), Chapter 5 includes a restated Corporation Provider Cost Center (PCC 20021) as well as a Utility cost center (PCC 10448).

In addition to the costs identified in the attached spreadsheet, a significant portion of the \$163 million negative deduction is attributable to 2008 insurance expenses recorded to FERC Accounts 924 and 925. Details regarding such insurance expenses are provided in the workpapers supporting Exhibit (PG&E-2), Chapter 7 and Exhibit (PG&E-6), Chapter 6.

The remainder of the \$163 million negative deduction consists primarily of recorded 2008 restricted stock plan costs that are not included in the 2008 data presented in the GRC.