

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

Recipient:	Division of Ratepayer Advocates		
PG&E Data Request No.:	PGE-DRA_010		
PG&E File Name:	GRC2011-Ph-I_DR_PGE-DRA-010		
Request Date:	May 11, 2010	PG&E Witness:	David Meisel
Due Date:	May 25, 2010	PG&E Witness Phone No.:	520-228-3147
Topic:	Method of compliance with environment regulation, excess burden on rate payers.		

Reference: Exhibit- DRA-17

DRA Witness: Sophie Chia

In the DRA's testimony (DRA-17, p. 15), DRA recommends rejecting PG&E's request of \$58.4 million to replace 380 On-Road Heavy-Duty Diesel vehicles outside of the normal replacement lifecycle in 2011 in order to meet the On-Road Municipal and Utility Heavy-Duty Diesel Toxic Control Measure. DRA recommends instead retrofitting the vehicles at an average cost of \$25,000 per vehicle at a total of \$9.5 Million. As the DRA acknowledges, these retrofits kits will not meet the NOx requirement.

- Q1: In Exhibit-7 Chapter 3 workpapers (WP 3-30, line 1481), PG&E provides the details of vehicle B15897 a Crew Cab Pickup 4x4. This vehicle's replacement cost is \$71,400, was purchased in 2002, and has a 10 year life. Does DRA recommend retrofitting this vehicle and shortly afterwards replacing it as it reached the end of its useful life for a total of ~\$97,000 in this period of the GRC? If so, please explain how this is cost-effective. If not, what is DRA's proposal regarding this vehicle?
- Q2: In PG&E Exhibit-7, Chapter 3 workpapers (WP 3-31, line 1590), PG&E provides the details of vehicle B17017 a Manhole Pumper (a vehicle that is dedicated to remove water from manholes, in order to fix the electricity equipment inside). This vehicle's replacement cost is \$101,067, was purchased in 2003, and has a 10 year life. Does DRA recommend retrofitting this vehicle and shortly afterwards replacing it as it reached the end of its useful life for a total of ~\$126,000 in this period of the GRC? If so, please explain why this is cost-effective. If not, what is DRA's proposal regarding this vehicle?
- Q3. Does the DRA believe that installing a retrofit kit would in any way extend the life of the vehicle?
- Q4. Is it the DRA's position that retrofitting in all cases is the best solution? If so, please explain why?

- Q5. By making the recommendation to retrofit versus replace the DRA seems to assume that retrofit kits are available for all applications. If retrofit kits are not available for a given vehicle, what action does the DRA propose?
- Q6: In the DRA's testimony (DRA-17, page 7), DRA recommends MWC04 expenditures of \$78 million for 2011 which they state is a \$77.867 million dollar reduction in PG&E's 2011 capital expenditure forecast for MWC04. In Table 17-6 (DRA-17, page 8), however, DRA shows PG&E's MWC04 forecast as \$132.733 million and DRA's recommendation as \$78 million, for a difference of \$ 54.733 million. Please clarify whether DRA's recommended reduction in MWC04 for 2011 is \$77.867 million or \$54.733 million.