

**PACIFIC GAS AND ELECTRIC COMPANY
San Bruno Explosion and Fire Oil
Investigation 12-01-007
Data Response**

PG&E Data Request No.:	CPSD_002-02		
PG&E File Name:	SanBrunoExplosion-FireOil_DR_CPSD_002-Q02		
Request Date:	March 12, 2012	Requester DR No.:	002
Date Sent:	March 30, 2012	Requesting Party:	Consumer Protection and Safety Division
PG&E Witness:		Requester:	Gina Adams

QUESTION 2

The Short-term Incentive Plan uses a number of criteria to determine the company performance score used to calculate the amount of the awards. Provide:

- a. Initial STIP goals for each year from 2005-present;
- b. Actual performance for each criterion, 2005-present; and,
- c. The final annual STIP score for each criterion.

The scope and time periods contained in the request have been revised as discussed below based on a conversation with Bruce Smith and Shilpa Ramaiya of PG&E and Gina Adams of CPSD on Thursday March 15, 2012.

For A, B, C, provide gas information for 2005 only, and company - wide information for 2006 and beyond.

ANSWER 2

PLEASE NOTE SOME OF THE ATTACHMENTS TO THIS RESPONSE CONTAIN SENSITIVE PERSONAL INFORMATION PERTAINING TO PG&E EMPLOYEES, SUCH AS EMPLOYEE NAMES. FOR THIS REASON, AND ONLY FOR THIS REASON, PG&E IS PROVIDING THIS RESPONSE PURSUANT TO PUBLIC UTILITIES CODE SECTION 583. THE DISSEMINATION OF EMPLOYEE INFORMATION CONTAINED IN THIS RESPONSE RAISES PRIVACY CONCERNS. THEREFORE, PG&E BELIEVES THAT SUCH INFORMATION SHOULD REMAIN CONFIDENTIAL AND NOT BE SUBJECT TO PUBLIC DISCLOSURE.

The following attachments identify the goals, actual performance, and score for each Short-term Incentive Plan (STIP) criterion from 2005 through 2011.

In 2005, the plan was called the Performance Incentive Plan (PIP). Under the 2005 PIP, each business area developed its own goals, which accounted for 70% of the potential award. PG&E provides the 2005 PIP plans for the two business areas which include gas-related goals--California Gas Transmission (CGT) and Transmission & Distribution (T&D). The remaining 30% of the potential award for 2005 was calculated based on the company's financial performance.

For 2006 through 2011, the STIP was comprised of a single set of annual goals for the entire company. PG&E provides the annual company-wide goals, performance, and score for each STIP criterion for that period.

Some STIP goals are comprised of several discreet components that have different units of measurement (e.g., the Reliable Energy Service Index). For those goals, it is not possible to roll up the various components into a single, combined target and result for the overarching goal aside from the STIP target and STIP score itself. In those cases, the STIP target and STIP score are reported in the "Target" and "Result" columns for the overarching goal. For each component, the target, result, STIP scoring and weighting is also reported individually. The weighted STIP score for each component combines to form the basis for the overall STIP score for the goal.

SanBrunoExplosion-FireOII_DR_CPSD_002-Q02Atch01-CONF: 2005 PIP Goals-Results – UO CGT.pdf

SanBrunoExplosion-FireOII_DR_CPSD_002-Q02Atch02-CONF: 2005 PIP Goals-Results - UO T&D.pdf

SanBrunoExplosion-FireOII_DR_CPSD_002-Q02Atch03: 06 STIP Measures-Results.docx

SanBrunoExplosion-FireOII_DR_CPSD_002-Q02Atch04: 07 STIP Measures-Results.docx

SanBrunoExplosion-FireOII_DR_CPSD_002-Q02Atch05: 08 STIP Measures-Results.docx

SanBrunoExplosion-FireOII_DR_CPSD_002-Q02Atch06: 09 STIP Measures-Results.docx

SanBrunoExplosion-FireOII_DR_CPSD_002-Q02Atch07: 10 STIP Measures-Results.docx

SanBrunoExplosion-FireOII_DR_CPSD_002-Q02Atch08: 11 STIP Measures-Results.docx