

**PACIFIC GAS AND ELECTRIC COMPANY  
2014 General Rate Case Phase I  
Application 12-11-009  
Data Response**

PG&E Data Request No.:	DRA_169-08		
PG&E File Name:	GRC2014-Ph-I_DR_DRA_169-Q08		
Request Date:	February 14, 2013	Requester DR No.:	DRA-PG&E-169-LJL
Date Sent:	March 1, 2013	Requesting Party:	Division of Ratepayer Advocates
PG&E Witness:	Shilpa Ramaiya	Requester:	Lindsay Laserson

**SUBJECT: HR AND REGULATORY RELATIONS**

**QUESTION 8**

In Chapter 5, was the \$400,000 a one-time expense for the Rate Design & Analysis Infrastructure Project? What are 2012 recorded costs, project start date, completion date, and current status of the Electric Rate Design Model Replacement project? In which PUC decision was PG&E authorized to undertake the Electric Rate Design Model Replacement project that begun in 2012?

**ANSWER 8**

PG&E objects to this question to the extent it seeks actual 2012 data while PG&E's 2014 GRC forecast uses a base year of 2011 recorded data in accordance with the Commission's Rate Case Plan. Notwithstanding the foregoing, and without waiving PG&E's right to object to the admissibility of the requested information into evidence, PG&E responds as follows.

The \$400,000 for the Rate Design & Analysis Infrastructure Project is not a one-time expense. PG&E has forecast expenses for the project of \$300,000 in 2015 and \$200,000 in 2016. (See Project Spending Estimates at WP 5-90.)

The Electric Rate Design Model Replacement project began in January 2012. The project was described in PG&E's 2011 GRC (see Exhibit (PG&E-6, Chapter 13). CPUC Decision 11-05-018 authorized PG&E's 2011 GRC revenue requirement and attrition increases for 2012 and 2013. Costs recorded in 2012 for the project were \$99,660. That phase is expected to be completed by the end of 2013. Through the Electric Rate Design Model Replacement project, Analysis & Rates mapped key rate design model processes to identify changes that would make the processes more efficient, flexible and sustainable. The exercise specifically identified areas to (1) streamline the models and data flows and (2) add controls to enhance accuracy. PG&E is now applying those process changes to its GRC Phase II Rate model, Gas Rates Monthly Pricing model, and Gas Revenue Estimation and Electric Long Term Rate Forecasting models. This

effort separated model inputs from processing and output components, which will ultimately support the Rate Design Infrastructure Project. The project team is documenting the improved models and associated work processes. These are important initial steps to define business requirements of the 2014 through 2016 Rate Design & Analysis Infrastructure Project, which will automate the dataflow, store data in a reliable and auditable database platform and house these models in a controlled environment in the future.