

**BEFORE THE PUBLIC UTILITIES COMMISSION
OF THE STATE OF CALIFORNIA**

Application of Pacific Gas and Electric Company for
Authority, Among Other Things, to Increase Rates and
Charges for Electric and Gas Service Effective on
January 1, 2011.

(U 39 M)

Application No. 09-12-020
(Filed December 21, 2009)

Order Instituting Investigation on the Commission's Own
Motion into the Rates, Operations, Practices, Service and
Facilities of Pacific Gas and Electric Company.

Investigation 10-07-027
(Filed July 29, 2010)

**PACIFIC GAS AND ELECTRIC COMPANY'S
MARCH 29, 2013 BUDGET REPORT IN COMPLIANCE WITH
CALIFORNIA PUBLIC UTILITIES COMMISSION DECISION 11-05-018**

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C. 2012 Expense and Capital Comparison Between Budget and Recorded Costs and 2013 Budgeted Amounts

As summarized in the table below, in 2012, PG&E spent \$260 million more than the regulatory value for expense, and \$45 million more than budgeted. For capital, in 2012, PG&E spent \$679 million more than the regulatory value and \$66 million more than budgeted. Also shown in the table below are planned expenditures for 2013 as of January 31, 2013. The overall 2013 planned budget is 4.2 percent higher than the 2012 plan for expense and 10.1 percent higher for capital.

**2012 BUDGET VS. ACTUAL EXPENSE BY LINE OF BUSINESS
2013 BUDGET BY LINE OF BUSINESS
(MILLIONS OF DOLLARS)**

Line No.	Line of Business	Expense					Capital				
		2012 Imputed Regulatory Values	2012 Budget	2012 Actual	Budget vs. Actual (%)	2013 Budget	2012 Imputed Regulatory Values	2012 Budget	2012 Actual	Budget vs. Actual (%)	2013 Budget
1	Gas Distribution	\$229.8	\$307.0	\$363.4	18.4%	\$353.4	\$245.8	\$385.6	\$400.8	3.9%	\$513.8
2	Electric Distribution	559.2	571.5	586.8	2.7%	581.8	1,192.1	1,301.3	1,321.8	1.6%	1,397.5
3	Customer Care	377.5	365.7	365.2	-0.1%	381.5	94.0	129.6	105.3	-18.7%	138.9
4	Nuclear Generation	338.7	336.6	347.9	3.4%	350.6	133.9	260.6	263.6	1.2%	205.2
5	Power Generation	200.5	194.2	214.2	10.3%	217.2	173.8	268.6	296.4	10.4%	262.4
6	Energy Procurement	60.4	50.5	48.9	-3.3%	52.6	-	-	-	-	-
7	Support Orgs and A&G	588.5	691.5	687.9	-0.5%	740.5	399.5	507.1	530.7	4.7%	623.4
8	Subtotal	\$2,354.5	\$2,517.0	\$2,614.2	3.9%	\$2,677.6	\$2,239.2	\$2,852.7	\$2,918.6	2.3%	\$3,141.2
9	Reserve	-	52.4	-	0.0%	-	-	-	-	0.0%	-
10	Total	\$2,354.5	\$2,569.4	\$2,614.2	1.7%	\$2,677.6	\$2,239.2	\$2,852.7	\$2,918.6	2.3%	\$3,141.2

\$133M

Notes:

1. Reported amounts include increased spending associated with the San Bruno accident as well as increased spending associated with the Tax Relief, Unemployment Insurance Reauthorization, and Job Creation Act of 2010.
2. Imputed regulatory values and planned budgets reflect 100 percent of the costs, however, only 88 percent of the A&G costs are reflected in GRC revenue requirements. While PG&E is not required by D.11-05-018 to present 2012 imputed regulatory values in the current report, PG&E has done so, in part, because PG&E has adjusted the imputed capital values to reflect an evenly distributed spending profile over the 2011-2013 period. (August 3, 2011 Budget Report, p. 1-1.) Therefore, an appropriate comparison of PG&E spending against imputed values would take the entire 2011-2013 period into account.
3. Imputed values, budget, and actual amounts have been adjusted to reflect organization structure changes through 2012 year end.
4. Budget and actual amounts assume no savings from SmartMeter™ deployment, consistent with the 2011 GRC filing.
5. General Information Technology (IT) related costs are reported under the IT section, Section 8.
6. General building related costs are reported under the Shared Services section, Section 9.
7. Separately funded projects and other programs that are rolled into the 2014 GRC, such as SmartMeter™ ratebase, Cornerstone project, Market Redesign Technology Upgrade (MRTU), Fuel Cell Project, Vaca Dixon Project, Meter Reading costs are not included in this presentation, consistent with the 2011 GRC filing.