

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

Application of Pacific Gas and Electric Company for Compliance Review of Electric Energy Resource Recovery Account Entries, Contract Administration, Economic Dispatch of Electric Resources, and Utility Retained Generation Fuel Procurement Activities for the Period January 1 through December 31, 2012

A. 12-02-023

(U 39-E)

**FOURTH SET OF DISCOVERY REQUESTS OF  
PACIFIC GAS AND ELECTRIC COMPANY TO  
THE DIVISION OF RATEPAYER ADVOCATES**

**Date Sent:** September 11, 2013

**Date Due:** September 18, 2013

**General Instructions**

The following general instructions apply to all data requests propounded by Pacific Gas and Electric Company ("PG&E") on the Division of Ratepayer Advocates ("DRA") in this proceeding.

1. Responses to this discovery request should be transmitted to PG&E as they become available, but **no later than Wednesday, September 18, 2013**.
2. Responses to these discovery requests should be transmitted via email to the following recipients of PG&E's 2012 ERRR Compliance Review project management team: Redac  
Redacted; Counsel for PG&E, Charles Middlekauff (charles.middlekauff@pge.com) and Matt Fogelson (matthew.fogelson@pge.com).
3. As to any discovery request consisting of a number of separate subdivisions, or related parts or portions, a complete response is required to each part or portion with the same effect as if it were propounded as a separate discovery request.

4. Any objection to a discovery request should clearly indicate to which part or portion of the discovery request the objection is directed.
5. If any document, in whole or in part, covered by this request is withheld for whatever reason, please furnish a list identifying all withheld documents in the following manner: (a) a brief description of the document; (b) the date of the document; (c) the name of each author or preparer; (d) the name of each person who received the document; and (e) the reason for withholding it.
6. If, in answering any of these discovery requests, there is deemed to be any ambiguity in interpreting either the discovery request or a definition or instruction applicable thereto, promptly contact PG&E's case manager or counsel to obtain a clarification.
7. If you have any questions regarding this data request, please email the Redacted immediately Redacted. If DRA objects to any of the data requests, please contact the assigned PG&E attorneys, Charles Middlekauff (charles.middlekauff@pge.com) and Matt Fogelson (matthew.fogelson@pge.com), as soon as possible.

### **Definitions**

- A. As used herein, the term "you," "your(s)" and "DRA" mean the Division of Ratepayer Advocates and any and all of its respective present and former employees, agents, consultants, attorneys, officials, and any and all other persons acting on its behalf.
- B. The terms "and" and "or" shall be construed either disjunctively or conjunctively whenever appropriate in order to bring within the scope of these discovery requests any information or documents which might otherwise be considered to be beyond their scope.
- C. The singular form of a word shall be interpreted as plural, and the plural form of a word shall be interpreted as singular whenever appropriate in order to bring within the scope of these discovery requests any information or documents which might otherwise be considered to be beyond their scope.
- D. The term "communications" includes all verbal and written communications of every kind, including but not limited to telephone calls, conferences, notes, correspondence, and all memoranda concerning the requested communications. Where communications are not in writing, provide copies of all memoranda and documents made relating to the requested communication and describe in full the substance of the communication to the extent that the substance is not reflected in the memoranda and documents provided.
- E. The term "document" shall include, without limitation, all writings and records of every type in your possession, control, or custody, including but not limited to the following

items, whether printed or reproduced by any process, including documents sent and received by electronic mail, or written or produced by hand, and whether or not claimed to be privileged or otherwise excludable from discovery: computer data files, information stored in electronic media, including on computer tapes, disks, or diskettes, tapes, inputs, outputs, and printouts; notes; letters; correspondence; communications; telegrams; memoranda; summaries and records of telephonic and telegraphic communications; summaries and records of personal conversations; diaries; appointment books; reports (including any and all draft, preliminary, intermediate, and final reports); surveys; studies (including, but not limited to, load flow, engineering, general economic, and market studies; comparisons; tabulations; budgets; workpapers; charts; plans; maps; drawings; engineering and other diagrams (including “one-line” diagrams); photographs; film; microfilm; microfiche; tape and other mechanical and electrical audio and video recordings; data compilations; log sheets; ledgers; vouchers; accounting statements; books; pamphlets; bulletins; minutes and records of meetings; transcripts; stenographic records; testimony and exhibits, including workpapers; copies, reports, and summaries of interviews and speeches; reports and summaries of investigations; opinions and reports of consultants; reports and summaries of negotiations; press releases; newspaper clippings; drafts and revisions of draft of documents; and any and all other records, written, electrical, mechanical, and otherwise. “Documents” shall also refer to copies of documents (even though the originals thereof are not in your possession, custody, or control), every copy of a document which contains handwritten or other notations or which otherwise does not duplicate the originals or any other copy, and all attachments or appendices to any documents.

- F. “Identification” of a document includes stating: (a) the identity of each person who wrote, dictated, or otherwise participated in the preparation of the document; (b) the location of the document; and (c) the identity of each person having custody of or control over the document.
- G. “Identification” of a person includes stating his or her full name, most recent known business address and telephone number, present position, and prior connection to or association with any party to this proceeding, including position at the time of connection to the information requested.
- H. “Justify,” “explain,” “support,” “state,” and similar terms call for a full explanation of all reasoning involved, identification of all documents, information, studies and reports relied upon, used or referred to, and a summary of all facts relied upon, stating the basis therefore.
- I. “Party” and “person” refer to, without limiting the generality of their meaning, every natural person, corporate entity, partnership, association (whether formally organized or

ad hoc), joint venture, unit operation, cooperative, municipality, commission, governmental body, or agency.

- J. “Policy” or “position” means each rule, procedure, or directive, formal or informal, written or unwritten, and each common understanding or course of conduct which was recognized as such by you.
- K. “Providing copies” or similar phrases shall include the full identification of all requested documents, to the extent not already identified therein, as well as to the physical production of all such documents.
- L. “Relate to,” “concern,” and similar terms and phrases shall mean consist of, refer to, reflect, comprise, discuss, underlie, comment upon, form the basis for, analyze, mention, or be connected with, in any way, the subject of these discovery requests.
- M. When requested to “state the basis” for any analysis (including studies and workpapers), proposal, assertion, assumption, description, quantification, or conclusion, please describe every fact, statistic, inference, supposition, estimate, consideration, conclusion, study, and analysis known to you which you believe to support the analysis, proposal, assertion, assumption, description, quantification, or conclusion, or which you contend to be evidence of the truth or accuracy thereof.
- N. “Study,” “studies,” or “report(s)” denotes any document, as defined above, which reflects or was utilized in the collection, evaluation, analysis, summarization, or characterization of information in connection with the subject referred to.

### **Data Request**

#### **Chapter 2 – PG&E’s Management of Utility-Owned Generation - Nuclear and Hydro (Yakov Lasko)**

- 1. DRA asserts that “PG&E failed to show that it acted as a reasonable manager would have with respect to the (1) DCPD forced outage that occurred on October 11, 2012.” (p. 2-2, lines 7-8). DRA then quotes extensively from PG&E’s Root Cause Evaluation (RCE) for the outage.
  - a. Is it DRA’s position that to the extent the RCE identified certain failings or opportunities for improvement, PG&E necessarily cannot meet its burden in demonstrating that it acted as a “reasonable manager” would have?

- b. In the alternative, is it DRA’s position that notwithstanding the identification in the RCE of certain failings or opportunities for improvement, PG&E could theoretically still meet its burden in demonstrating that it acted as a “reasonable manager” would have?
  - c. If the latter, in DRA’s view, what specific acts or omissions of PG&E failed to comport with what a “reasonable manager of sufficient education, training, experience, and skills using the tools and knowledge at his or her disposal would do when faced with a need to make a decision and act?” (p. 2-2, lines 4-6).
  - d. Is it DRA’s position that a “reasonable manager” must always make the correct decision?
  - e. In the alternative, is it DRA’s position that a “reasonable manager” can make an incorrect decision as long as he or she had a reasonable basis for making the incorrect decision?
  - f. Does DRA agree with the statement that “inappropriate actions, root causes, or apparent causes contained in RCEs may not translate directly into unreasonable actions”? D.11-10-002, mimeo p. 10.
2. With respect to the October 2012 outage at Diablo Canyon Unit 2, DRA asserts that “performing hydrophobicity and other tests may have refuted internal PG&E’s [sic] engineers’ and vendor’s assertions that, [sic] the drop in creepage distance from 435 inches to 400 inches was acceptable just because polymer insulators were superior to porcelain.” (p. 2-8, lines 13-15).
- a. What “other tests” is DRA referring to? What testing protocols (timing, procedures, etc.) is DRA suggesting with respect to such “other tests”?
  - b. What hydrophobicity testing protocol is DRA suggesting? Testing prior to installation or after operation? What would such hydrophobicity testing consist of?
  - c. Is DRA aware of any other utility that performs the type of hydrophobicity testing that DRA is suggesting? If so, please provide details of such testing protocols.
3. DRA asserts that “Had PG&E performed testing on polymer insulators, its engineers would have noticed that the creepage distance was either simply too short and/or needed to be longer because the assumptions of polymer insulators’ capability in heavy contamination were too optimistic.” (Page 2-8, lines 3-6).
- a. What polymer insulator testing protocol is DRA suggesting? Testing prior to installation or after operation? What would such testing consist of?
  - b. Is DRA aware of any other utility that performs the type of polymer insulator testing that DRA is suggesting? If so, please provide details of such testing protocols.

4. DRA cites to the Institute of Nuclear Power Operations (INPO) 10-005, Principle 4, cited in the RCE, for the proposition that “When possible, assumptions are validated through analysis or testing.” (p. 2-4, lines 1-2).
  - a. What is DRA’s understanding as to when assumptions should be validated through analysis or testing?
  - b. Does DRA believe that the more basic an assumption, the less need there is to validate that assumption through analysis or testing, and vice versa? If not, why not?
  - c. Should all assumptions inherent in vendor guarantees be validated through analysis or testing? If yes, why? If not, why not? Which assumptions inherent in vendor guarantees should be validated through analysis or testing?
  - d. When would the failure to perform analysis or testing necessarily constitute a violation of the “reasonable manager” standard?
  - e. What is the basis for DRA’s understanding as to when assumptions should be validated through analysis or testing?
  - f. Is DRA aware of any standard practices in the nuclear industry as to which assumptions are typically validated through analysis or testing? If so, please describe such practices.
5. DRA quotes the RCE as follows: “The departure from Principle 4 resulted in assumptions made during the design process that had not been documented as to their consistency with [the Institute of Electrical and Electronics Engineers (IEEE) and International Electrotechnical Commission (IEC)] codes and standards.” (p. 2-4, lines 3-6). Does DRA agree that the absence of documentation does not prove that assumptions were not evaluated as to their consistency with relevant codes and standards?
6. What is DRA’s understanding of whether standards promulgated by IEEE and IEC are mandatory on utility facilities?
7. Might there be circumstances when it would be reasonable to depart from an industry code or standard? If so, in what circumstances?
8. If it is not technically possible to follow an industry code or standard, would it be reasonable to depart from that industry code or standard?