

**PACIFIC GAS AND ELECTRIC COMPANY**  
**Wildfire Mitigation Plans**  
**Rulemaking 18-10-007**  
**Data Response**

PG&E Data Request No.:	CalAdvocates_039-Q01		
PG&E File Name:	WildfireMitigationPlans_DR_CalAdvocates_039-Q01		
Request Date:	February 18, 2021	Requester DR No.:	CalAdvocates-PGE-2021WMP-05
Date Sent:	February 26, 2021	Requesting Party:	Public Advocates Office
PG&E Witness:		Requester:	Matthew Yunge

The following questions relate to PG&E's 2021 wildfire mitigation plan (WMP).

**QUESTION 01**

Please provide the data requested in attachment A regarding the annual revenue requirements associated with your WMP. State revenue requirements based on the year when you expect costs to be recovered (not the year when costs are incurred).

- a) In tab 1 of attachment A ("Q1A Revenue Req 2020"), state the annual revenue requirements associated with actual WMP spending that occurred in 2020.
- b) In tab 2 of attachment A ("Q1B Revenue Req 2021"), state the annual revenue requirements associated with WMP spending that occurs in 2021.
- c) In tab 3 of attachment A ("Q1C Revenue Req 2022"), state the annual revenue requirements associated with WMP spending that occurs in 2022.

For purposes of parts (b) and (c), please assume that (1) you will spend exactly the amounts forecast in section 3 of your 2021 WMP Update and (2) you will seek cost recovery of all costs incurred pursuant to your WMP.

**Note:** The tables provided in attachment A are intended to provide an exhaustive summary of WMP costs. If you are unable to match any costs to the categories in the table, please contact the Public Advocates Office for clarification.

**ANSWER 01**

PG&E has provided the data requested in attachment A regarding the annual revenue requirements associated with 2021 WMP (see Excel titled "WildfireMitigationPlans\_DR\_CalAdvocates\_039-Q01Atch01").

PG&E has calculated revenue requirements for costs associated with 2021 WMP in the following three categories:

- a) Authorized in approved GRC: PG&E has calculated the revenue requirements for WMP costs in this category based on the associated capital expenditures and operations and maintenance expense approved in the 2020 GRC Decision (D.) 20-12-005. This category also includes any recorded/forecast under-collection up to 115 percent for a two-way Wildfire Mitigation Balancing Account (WMBA) and any recorded/forecast under-collection up to 120 percent for a two-way

Vegetation Management Balancing Account (VMBA). In accordance with the 2020 GRC decision, PG&E will implement the 2020 approved revenue requirement increase beginning March 2021 through December 31, 2022 for a 22-month rate amortization period. The approved revenue requirement increase for 2021 and 2022 will be reflected in rates in March 2021 and January 2022, respectively.

- b) Authorized in another proceeding: In this category, PG&E has included revenue requirements for WMP costs associated with its FERC-approved Formula Rate. Under the Formula Rate, the electric transmission costs will be trued up based on actuals. PG&E will file an annual update at FERC in December of each year for the costs to be included in rates in the subsequent year.
- c) Only included in WMP; not addressed in a pending application: PG&E has calculated the revenue requirements for all the remaining WMP costs that have not yet been filed for recovery or addressed in a pending application. This category includes costs in excess of 115 percent for WMBA and 120 percent for VMBA subject to reasonableness review in future applications; Catastrophic Event Memorandum Account (CEMA), Fire Risk Mitigation Memorandum Account (FRMMA), Wildfire Mitigation Plan Memorandum Account (WMPMA), Microgrids and EPIC. PG&E expects to file recovery for costs in this category in future General Rate case (GRC), Wildfire Mitigation and Catastrophic Event (WMCE), or other proceedings.

To develop the revenue requirement calculation, PG&E has made certain assumptions on the cost recovery periods associated with WMP costs occurring from 2020 through 2022. PG&E has used a simplified calculation model by functional area to translate the expenditures to revenue requirements. Cost of capital, depreciation, revenue fees and uncollectible, as well as taxes are factored in the revenue requirement calculation model through 2030.