

Docket : A.17-11-009
Exhibit No. : ORA-01-SA
Commissioner : C. Rechtshaffen
ALJ : S. Roscow
Witness : N. Skinner



**OFFICE OF RATEPAYER ADVOCATES
CALIFORNIA PUBLIC UTILITIES COMMISSION**

**Report on the Results of Operations
for
Pacific Gas & Electric Company
Southern California Gas Company
Test Year 2019
Gas Transmission & Storage Application**

**Executive Summary
Policy & Post-Test Year Ratemaking**

Supporting Attachments

San Francisco, California
June 29, 2018

ORA Supporting Attachments

Page	Document
1	ORA-DR-053, Question 4
2	ORA-DR-054, Question 1

**PACIFIC GAS AND ELECTRIC COMPANY
Gas Transmission and Storage Rate Case 2019
Application 17-11-009
Data Response**

PG&E Data Request No.:	ORA_053-Q04		
PG&E File Name:	GTS-RateCase2019_DR_ORA_053-Q04		
Request Date:	April 25, 2018	Requester DR No.:	053
Date Sent:	May 9, 2018	Requesting Party:	Office of Ratepayer Advocates
PG&E Witness:	Sumeet Singh	Requester:	Nathaniel Skinner

SUBJECT: CHAPTER 2

QUESTION 4

At page 2-15, PG&E states, regarding one-way balancing accounts:

This burden unduly penalizes shareholders and ultimately affects customers. When we shift costs to shareholders, the result is our access to capital markets can be constrained or the capital we can access may be more expensive.

Provide evidence supporting the statement that the one-way balancing accounts authorized in the 2015 GT&S have constrained PG&E's access to capital or have made accessing capital more expensive.

ANSWER 4

Establishing one-way balancing accounts that impose caps on non-discretionary work, such as those created in D. 16-06-056, as a practice, create additional burden on PG&E's shareholders to carry the cost of prudent and reasonable work. In these instances, such as performing Transmission Integrity Management Program activities, PG&E will spend what is necessary to provide safe and reliable service, but cannot recover costs in excess of the cap.

While PG&E does not have direct evidence that the one-way balancing accounts ordered in the 2015 GT&S rate case constrained PG&E's access to capital, the impact of continued one-way balancing accounts that effectively impose cost caps shifts risks to shareholders that can impact credit quality, and ultimately could make access to capital more expensive.

**PACIFIC GAS AND ELECTRIC COMPANY
Gas Transmission and Storage Rate Case 2019
Application 17-11-009
Data Response**

PG&E Data Request No.:	ORA_054-Q01		
PG&E File Name:	GTS-RateCase2019_DR_ORA_054-Q01		
Request Date:	April 25, 2018	Requester DR No.:	054
Date Sent:	May 9, 2018	Requesting Party:	Office of Ratepayer Advocates
PG&E Witness:	Bennie Barnes	Requester:	Nathaniel Skinner

SUBJECT: CHAPTER 5

QUESTION 1

At pages 5-42 to 5-43, for the identified over 212 miles of pipeline that will not have been pressure tested (or are missing sufficient records) by 2021, provide:

- a) The Line Name or Number;
- b) The length in feet that have not been pressure tested;
- c) The city, cities, and/or counties the line is in;
- d) The approximate percentage of High Consequence Area (HCA) feet that have not been pressure tested (out of the total number of untested feet);
- e) The expected year the Line will be pressure tested;
- f) The year of installation; and
- g) Current percentage Specified Minimum Yield Strength (SMYS) the Line operates at.

Note 1: The term “not been pressure tested” is used inclusively for pipeline that is missing sufficient records.

Note 2: For current percentage SMYS, if there are multiple segments on the same Line that have not been pressure tested that operate at different percentage SMYS, include the highest percentage SMYS and the average percentage SMYS for those segments.

ANSWER 1

For the miles that represent the over 212 miles of pipeline that will not have been pressure tested (or are missing sufficient records) by 2021, please see GTS-RateCase2019_DR_ORA_054-Q01Atch01.

- a) For the Line Number, please see column A.
- b) For the length in feet that have not been pressure tested, please see column G.
- c) For the city or county the line is in, please see column D.

- d) For the percentage of High Consequence Area (HCA) feet that have not been pressure tested (out of the total number of untested feet), please see column S.
- e) For the expected year the line will be pressure tested, please see column R.
- f) There are several years of installation within each project. Please see column H for the footage of pipeline within the project installed prior to 1/1/1956. Please see column I for the footage of pipeline within the project installed between 1/1/1956 and 6/30/1961. Please see column J for the footage of pipeline within the project installed after 6/30/1961.
- g) For the maximum percentage Specified Minimum Yield Strength (SMYS) of the pipelines within the project, please see column T.