PACIFIC GAS AND ELECTRIC COMPANY
Risk Spending Accountability Report Discovery 2025
Data Response

PG&E Data Request No.:	ED_002-Q001
PG&E File Name:	RSARDiscovery2025_DR_ED_002-Q001
Request Date:	September 24, 2026
Requester DR No.:	002
Requesting Party:	Energy Division
Requester:	Abigail "Bender" Bender
Date Sent:	October 8, 2026
PG&E Witness(es):	N/A

QUESTION 001

Overspend Capital

Capital - Gas Distribution – MWC 27 Gas Meter Protection MAT 27A Gas Meter Protection (RAMP Risk Name: SRM Total)

Type	Functional Area	MWC	MWC Name	MAT	MAT Name	Difference for 2025 ($000)	Spending Percent Variance for 2025 (%)	Unit Percent Variance for 2025 (%)
Capital	Gas Distribution	27	Gas Meter Protection	27A	Meter Protection Capital	$28,774.4	513.61%	16643.5%

PG&E Explanation:

Program expenditures exceeded imputed regulatory values due to a reclassification of costs from expense MAT EXB to capital MAT 27A. The capital MAT includes meter protection associated with full service relocation and post installation.

MWC 27 includes efforts to ensure that gas meter locations that do not conform to current PG&E standards and/or federal pipeline safety regulations are addressed. The program focuses on two types of non-conforming meter locations: those with inadequate protection from potential damage by vehicles; and those with inaccessible service or shutoff valves. The work to correct these non-conforming facilities generally involves one of three work activities: installing barrier posts, installing a new valve or relocating the meter set.

MAT 27A includes (1) meters that cannot be adequately protected by barrier posts and require relocation with re-running the service from the main; and (2) services with inaccessible service valves that require re-running the service from the main. This does not include: minor relocations or service valve installations that do not require re-running the service from the main. This program relates to safety and/or reliability and/or maintenance as it includes: (1) meters that cannot be adequately protected by barrier posts and require relocation with re-running the service from the main, and (2) services with inaccessible service valves that require re-running the service from the main.

MAT EXB includes installing barrier posts in order to protect above ground gas facilities (meters and risers) from damage by vehicles. This program relates to safety and/or reliability as it involves installing barrier posts in order to protect above ground gas facilities (meters and risers) from damage by vehicles.

DR question to PG&E:

D.22-10-002 Appendix A, Requirement 14 states: When a spending variance explanation for a program cites to another program or activity as a reason for the variance, the IOU shall disclose: (a) the name of the other program or activity (as it would be cited in the RSAR)' (b) the actual costs associated with the other program or activity ("associated costs") or why actual costs associated with the other program or activity may not be provided; and (c) the authorized spending, actual spending (including or excluding associated costs), the difference in dollars (actual less authorized), and work units, regardless of RSAR thresholds for the other program or activity

1. In the Cost Variance Explanation for this program at the SRM Total level, PG&E provides that the variance is due to a reclassification of costs and cites to another program or activity, triggering the sub-requirements for Requirement 14. Sub-requirement (a) is fulfilled, as the names programs involved in the shift have been provided. In response to this data request, please fulfill (b) and (c) for this cost variance explanation.
2. In the Cost Variance Explanation, PG&E states that the "actual dollars higher than imputed due to the reclassification of meter post protection from expense MAT EXB to capital MAT 27A."
    a. Please provide more specificity beyond the cost variance explanation on what cost shifting and reclassification implies.
    b. What causes actual cost values to be much higher than imputed?
    c. How much funding allocated for expense MAT EXB shifted to capital MAT 27A?

ANSWER 001

1. The Meter Protection Program includes installation of meter protection bollards, relocation of the meter set and service replacement to achieve vehicular protection, and relocating the meter set due to an inaccessible service valve. In the 2023 GRC, installation of meter protection bollards was considered expense and was forecast and adopted under MAT EXB. However, bollards are a physical asset with a useful life similar to the meters and risers they protect. Therefore, effective January 1,

2024, installation of meter protection became a capital expenditure and is now recorded under MAT 27A.[1]

MAT EXB actual recorded costs and the adopted costs are provided in Table 2-3, line 52. This information is provided below as well for reference.

MAT Code	2023 Adopted Costs	2024 Adopted Costs	2025 Adopted Costs	2023 Actuals Costs	2024 Actuals Costs	2025 Actuals Costs	Total 3-Year Variance
27A	$5,475.7	$5,541.6	$5,602.4	$3,042.8	$7,031.8	$34,376.8	**27,831.8**
EXB	$12,709.0	$13,133.4	$13,581.7	$1,006.4	$77.0	$69.3	**(38,271.4)**

2. See below for further detail about the overspend compared to adopted in MAT 27A.
   a. The costs being reclassified refers to the costs for the meter protection post installation shifting from expense work to capital work which occurred in 2024. As seen in the table below, the number of units recorded to MAT 27A is significantly above the imputed adopted amount, because of the shift of work from MAT EXB to 27A. Additionally, the increase in units completed in 2025 is part of a plan to fulfill all 2023 GRC imputed adopted units. This is the primary reason for the cost variance between actual and adopted.

MAT Code	2023 Adopted Units	2024 Adopted Units	2025 Adopted Units	2023 Actuals Units	2024 Actuals Units	2025 Actuals Units	Total 3-Year Variance
27A	184	184	184	4	2,991	30,808	33,251
EXB	15,429	15,429	15,429	1,255	0	0	(45,032)

   b. As explained above in subpart 1, the actual recorded costs were higher than the imputed adopted amounts for MAT 27A because meter protection post installations (previously expense) are recorded under capital MAT 27A. Because bollard installations were not forecast in MAT 27A, the costs for only 184 units of work were adopted. Due to bollards subsequently being classified as capital, and captured in MAT 27A, the units completed in 2024 and 2025 have been significantly higher than the adopted units. Additionally, the increase in actual recorded costs is to fulfill all units adopted in the 2023 GRC in MAT EXB and 27A. Note, the amount over adopted dollars in MAT 27A is less than the amount under adopted dollars in MAT EXB.
   c. Funding was not allocated from MAT EXB to MAT 27A. During the gas portfolio prioritization process each year, capital funding was allocated to perform planned meter protection post installation units as part of MAT 27A.

[1] A.25-05-009, Exhibit (PG&E-3), p.8-41, lines 2-10.