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

PG&E Data Request No.:	ED_002-Q008
PG&E File Name:	RSARDiscovery2025_DR_ED_002-Q008
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 008

Capital – Electric Distribution – MWC 54 E Dist Subst Repl Transformer MAT 54A E Dist Subst-Repl Transfm (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	Electric Distribution	54	E Dist Subst Repl Transformer	54A	E Dist Subst-Repl Transfm	(18,809.4)	-93.3%	N/A

PG&E Explanation

Program expenditures were below imputed regulatory values due to prioritizing work in Emergency Replacements (MWC 59).

MWC 54 involves maintaining or improving substation reliability by replacing transformers that have the highest risk of failure. This MWC also includes maintaining an adequate supply of emergency transformer stock and mobile transformers for emergency response. This program relates to safety, reliability, or maintenance because it is the proactive planned replacement of substation transformers to improve them and prevent transformer failures.

MAT 54A includes the proactive targeted replacement of transformers. This program relates to SRM because it serves as a risk control and mitigation to reduce the frequency or consequence of risk of failure of electric distribution substation assets.

DR Questions to PG&E:

1. Please provide the amount of funding shifted from MWC 54 to MWC 59.
2. Please provide the timeline for the rescheduled work.
3. Please describe the status of the original funding allocated for this program.
4. Please explain if there is any backlog within this program over 2023-2025. If backlog exists, please explain how PG&E aims to resolve the backlog.
5. If backlog exists, please explain the safety, reliability, and/or maintenance risks associated with planned replacement of substation transformers, as this could be a risk if not addressed.
6. Please describe how much funding PG&E has requested in its TY 2027 GRC for this program, as the spending trend varies over the current GRC cycle.

ANSWER 008

1. Electric Distribution does not track or manage portfolio reprioritization through direct one-to-one transfers of funding between individual MWCs. Portfolio-level funding and workplan adjustments are made based on risk priorities. PG&E does not have available the specific dollar amounts transferred from MWC 54 to MWC 59. The need to fund emergency work in MWC 59 was a higher priority than MAT 54A in 2025 to continue to address residual transformer risk.

2. PG&E will continue with proactive replacements through major station rebuilds in 2027 and will start separate proactive transformer replacements in 2030. PG&E will reevaluate and prioritize transformers by given asset conditions and risk ranking methodologies at time of initiation in 2030. Please see responses to Questions 4, 5 and 6 below.

3. As stated in the Completion Status Statement for MAT 54A, PG&E anticipates that this program will remain a lower funding priority for the remainder of the 2023 GRC cycle. Transformer replacement needs will continue to be addressed through MWC 59 as determined by asset condition, risk, reliability considerations, and operational priorities.

4. The current replacement rate has not been able to maintain or reduce average asset age and the percentage of assets exceeding the average age of failure is growing each year. This does not imply that transformer risks are not being addressed as we continue to manage the highest risk transformers through monitoring controls and mitigations/replacements under emergency work in MWC 59. MAT 54A will continue proactive transformer replacements as part of Major Station Rebuilds starting in 2027 with goals to reach sustainable proactive transformer replacement levels by 2030.

5. The aging population of transformers could have impacts on substation reliability. PG&E is mitigating this risk by continuing to replace high risk transformers under MWC 59 and maintaining an inventory of emergency and mobile transformers to mitigate extended outages or abnormal conditions resulting from transformer failure. Additionally, we are managing residuals risks by monitoring asset health conditions on high-risk transformers.

6. PG&E made the following request for MAT 54A in the 2027 GRC. This forecast can be found in Exhibit (PG&E-4), Chapter 18.
   Note that the forecast request for years 2027-2029 in MAT 54A is for select transformer replacements under the Major Station Rebuild effort. The more typical proactive transformer replacements are forecasted to begin again in 2030.

MAT 54A 2027 GRC Forecast
(Thousands of Nominal Dollars)

	2027 Forecast	2028 Forecast	2029 Forecast	2030 Forecast
Proactive Transformer Replacements	-	-	-	$49,000
Major Station Rebuild Transformer Replacements	$12,000	$26,260	$19,000	$19,433
Total	$12,000	$26,260	$19,000	$68,433