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

PG&E Data Request No.:	ED_003-Q003
PG&E File Name:	RSARDiscovery2025_DR_ED_003-Q003
Request Date:	October 7, 2026
Requester DR No.:	003
Requesting Party:	Energy Division
Requester:	Abigail Bender
Date Sent:	October 21, 2026
PG&E Witness(es):	N/A

QUESTION 003

O&M – GAS TRANSMISSION & STORAGE – MWC JT: GT RELIABILITY & GENERAL MAINTENANCE; MAT JT9: HYDROSTATIC TESTING – CLASS LOCATION

Type	Functional Area	MWC	MWC Name	MAT	MAT Name	Difference for 2025 ($000)	Spending Percent Variance for 2025 (%)	Unit Percent Variance for 2025 (%)
Expense	GT&S	JT	GT Reliability & General Maint	JT9	Hydrostatic Tstng - Class Lctn	$3,135.7	338.4%	N/A

PG&E Explanation:

"Below variance threshold." No cost or unit variance explanation is provided.

DR Questions:

1. Although the program does not meet PG&E's stated cost variance threshold for requiring an explanation, actual 2025 expenditures were approximately $4.1 million compared to approximately $0.9 million in imputed adopted costs, resulting in a $3.1 million, or 338%, variance. Please explain the primary drivers of the 2025 cost variance.
2. PG&E states that this program involves mitigation of identified class location changes through pipe replacement as required by 49 CFR § 192.611. Please explain whether the higher-than-imputed 2025 expenditures reflect an increase in the number, scope, or urgency of identified class location changes, or other factors.

ANSWER 003

1. The 2025 cost variance was mostly driven by a hydrostatic strength test project on Line 303. A strength test was required under 49 CFR § 192.611 to address a class location change, and it had a compliance date of November 14, 2025, with no extension available. Moisture left in the pipeline after the hydrostatic strength test delayed the tie-in, the odor fade process took longer than planned, and crews were on standby while both conditions were resolved. All of these conditions experienced during construction increased the cost of the project, therefore causing recorded spend in 2025 to exceed what was adopted.
2. The higher 2025 spending does not reflect more class location changes. As described in subpart 1 above, the increased costs were the result of construction challenges that occurred on one project with a 2025 compliance date.

   During the preparation of this response, PG&E identified an inadvertent typographical error in Table 2-9, line 198, "Completion Status Statement." MAT JT9 covers class location mitigation through strength testing, not pipe replacement. PG&E has corrected this in attachment, "*RSARDiscovery2025_DR_ED_003-Q006Atch01.xlsx*" for Table 2-9 and has also corrected the SRM Expense Combined Excel attachment "*RSARDiscovery2025_DR_ED_003-Q006Atch02.xlsx*". Mitigation through pipe replacement is recorded separately in capital MAT 75H. The class location mitigation through strength testing in MAT JT9 is required under 49 CFR § 192.611. PG&E identifies class location changes through an annual class location study (in MAT JTQ), pipeline patrols, and other maintenance and inspection activities under 49 CFR §§ 192.609 and 192.613. When the existing Maximum Allowable Operating Pressure (MAOP) is no longer suitable for the new class, 49 CFR § 192.611 requires either replacement, pressure test or engineering critical assessment to ensure safe operation.