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

PG&E Data Request No.:	ED_003-Q005
PG&E File Name:	RSARDiscovery2025_DR_ED_003-Q005
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 005

O&M – ELECTRIC DISTRIBUTION – MWC GA: ELECTRIC TRANSMISSION & DISTRIBUTION MAINTENANCE OVERHEAD POLES; MAT GAA: POLE TEST & TREAT

Type	Functional Area	MWC	MWC Name	MAT	MAT Name	Difference for 2025 ($000)	Spending Percent Variance for 2025 (%)	Unit Percent Variance for 2025 (%)
Expense	Electric Distribution	GA	E T&D Maint OH Poles	GAA	Pole Test & Treat	(20,160.6)	-93.6%	-100.0%

PG&E Explanation:

"Program expenses were below imputed adopted values due to the Pole Test and Treat program shifting temporarily from 10 year cycle to 20 cycle, contributing to lower than imputed costs and units. Additionally, costs and associated units were incorrectly recorded in capital MAT 07I, which will be corrected in the 2026 report."

DR Questions:

1) PG&E states that the Pole Test & Treat program temporarily shifted from an approximately 10-year inspection cycle to a 20-year cycle. Please explain when PG&E made this decision, including:
    a. the temporary inspection cycle adopted;
    b. the expected duration of the temporary change; and
    c. the date on which PG&E expects to return to the approximately 10-year inspection cycle.
2) Please identify whether PG&E disclosed the temporary transition from an approximately 10-year Pole Test & Treat cycle to a 20-year cycle anywhere outside

of the 2025 RSAR. Please provide the relevant filing, workpaper, or other supporting documentation.

3) Please provide the number of Pole Test & Treat inspections that were deferred in 2025 specifically as a result of the temporary transition from an approximately 10-year to a 20-year inspection cycle.
4) Please explain the basis for PG&E's decision to temporarily move the Pole Test & Treat inspection cycle from approximately 10 years to 20 years, including whether PG&E performed a safety or reliability risk analysis before making this change.
5) PG&E states that costs and associated units were incorrectly recorded in capital MAT 07I and will be corrected in the 2026 report. Please provide:
    a. the total 2025 dollars incorrectly recorded in MAT 07I;
    b. the total number of work units incorrectly recorded in MAT 07I;
    c. the date on which PG&E identified the error; and
    d. the reason the costs and units were incorrectly recorded as capital.
6) Please explain whether the incorrectly capitalized costs were included in plant-in-service, rate base, or otherwise used in calculating PG&E's authorized revenue requirement or customer rates.
    a. If yes, please identify the amount included, the applicable rate proceeding or mechanism, and the period in which the costs affected customer rates.
    b. Please explain how PG&E will correct any resulting impact on plant-in-service, rate base, revenue requirement, or customer rates.
7) PG&E states that the accounting error "will be corrected in the 2026 report." Please explain why the 2025 RSAR cannot be corrected to reflect the appropriate O&M and capital treatment, particularly if PG&E has already identified the underlying error.

ANSWER 005

1. General Order (GO) 165 permits a 20-year inspection interval for poles with a previous intrusive inspection. For wood poles that have not previously received an intrusive inspection, GO 165 requires inspection within 10 years after the pole reaches 15 years of age.

   A 10-year cycle aligned with the lifetime of the internal fumigant applied during the inspection. Until 2023, PG&E was intrusively inspecting wood poles approximately every 10 years, regardless of whether or not a given pole is in a an HFTD/HFRA. In 2023-2026, PG&E is piloting and deploying other wildfire inspection methods for the 2023-2026 period. Accordingly, in 2023 PG&E limited Pole Test and Treat (PT&T) work to align with the regulatory commitment of testing poles on a 20-year cycle and has focused resources on other high risk work. As stated in the 2027 GRC, PG&E expects to return to an approximate 10-year PT&T cycle beginning in 2027.

2. PG&E explained in the 2027 GRC testimony[1] that PG&E historically performed intrusive pole inspections approximately every 10 years and temporarily expanded that cycle while remaining within the applicable regulatory interval, however, expects to return to an approximate 10-year cycle beginning in 2027.

3. During our preparation of this data response, PG&E found an inadvertent error in Table 3-3, lines 95 – 97, column "2025 Actual Costs" and "2025 Actual Units." The 2025 recorded cost and units for MAT GAA should be $3.813 million and 9,864 respectively. PG&E has corrected these items in attachment, "*RSARDiscovery2025_DR_ED_ 003-Q005Atch01.xlsx"* for Table 3-3 and has also corrected the SRM Expense Combined Excel attachment "*RSARDiscovery2025_DR_ED_ 003-Q006Atch02.xlsx*."

   PT&T inspections (MAT GAA) were not "deferred" in 2025 because of the temporary transition from an approximate 10-year to a 20-year inspection cycle. PG&E completed fewer inspections than adopted due to funding being allocated to other high priority inspection work, including aerial inspections in MAT BF1, rather than the change in inspection cycle, as discussed in PG&E's 2027 GRC testimony.[2] The PT&T program continued to comply with GO 165 requirements.

4. PG&E temporarily extended the intrusive pole inspection cycle beyond the 10-year cycle to prioritize funding for other high priority inspection work, as described above. The PT&T program had flexibility to temporarily extend the inspection cycle because inspections completed during prior operational cycles exceeded the number needed to meet applicable GO 165 inspection due dates. As a result, this program continues to comply with GO 165 requirements despite the longer inspection cycle and reduced MAT GAA spending. PG&E did not perform a separate safety or reliability risk analysis specifically for this temporary change because the poles remained within applicable GO 165 inspection due dates and the program continued to meet GO 165 requirements.

5. Please see responses below:

   a. The total 2025 dollar amount incorrectly recorded in MAT 07I was approximately $682,000.

   b. The total number of work units incorrectly recorded in MAT 07I was 2,728 units.

   c. PG&E identified the error in first quarter of 2026 when finalizing the 2025 RSAR.

   d. PG&E determined that PTT costs and associated units were inadvertently and prematurely recorded as capital under MAT 07I in 2025. This treatment was inconsistent with PG&E's proposal in the 2027 GRC testimony, under which capitalization of eligible PT&T work will not begin until 2027.

6. a. No, the approximately $682,000 incorrectly recorded to MAT 07I in 2025 did not become a capital addition, was not included in plant-in-service or rate base, and did not have any impact on PG&E's authorized revenue requirement or customer rates.

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1 See: A.25-05-009, Exhibit PG&E-4, p. 15-49 to 15-53.

2 See: A.25-05-009, Exhibit PG&E-4, p. 15-75, lines 1-8.

b. Not applicable. Please see PG&E's response to subpart (a) above.

7. The correction from MAT 07I capital to MAT GAA expense was made in the year 2026, therefore, it will not be reflected until 2026 because the correcting entry will be recorded as a 2026 activity. As a result, the adjustment will decrease capital and increase expense by approximately $682,000 in 2026.