PACIFIC GAS AND ELECTRIC COMPANY
10 Year Electrical Undergrounding Plan (EUP)
Data Response

PG&E Data Request No.:	OEIS_006-Q001
PG&E File Name:	EUP-PhI_DR_OEIS_006-Q001
Request Date:	October 30, 2026
Requester DR No.:	Energy Safety-DR-EUP-26-11
Requesting Party:	Office of Energy Infrastructure Safety
Requester:	Richard Cao
Date Sent:	November 4, 2026
Responsible Person(s):	Justin Sadler

SUBJECT: SCREEN 2 BENEFIT-COST RATIO INPUTS –SCREEN 2 BENEFIT-COST RATIO (BCR) INPUTS

QUESTION 001

a. In response to DR-EUP-26-09 Q09.a, PG&E stated that they could not produce a version of CPUC Table 1 for Screen 2 Benefit-Cost Ratios (BCRs) as that specific data table can only be generated for Confirmed Projects that have gone through scoping. In lieu of CPUC Table 1, provide detailed cost and benefit inputs for all Screen 2 BCRs reported in Energy Safety's Screen 2 Table (Table C.I.II). At minimum, include the following fields:
   i. Circuit Segment ID
   ii. Comparison Name
   iii. Total Mitigation Benefit (Scaled and Unscaled)
   iv. Installation Capital Cost
   v. Baseline Costs (Per-year and Total Present Value)
   vi. Incremental O&M Costs[1] (Per-Year and Total Present Value)
   vii. Incremental O&M Savings[2] (Per-Year and Total Present Value)
   viii. Screen 2 BCR (Scaled and Unscaled)

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1 Defined in CPUC Staff White Paper on Benefit-Cost Rat io Methodology as "the additional O&M expenditures required by the project or mitigation relative to the No-Build Baseline." https://docs.cpuc.ca.gov/PublishedDocs/Efile/G000/M604/K545/604545276.PDF. pg. 18

2 Defined in CPUC Staff White Paper on Benefit -Cost Rat io Methodology as "the avoided O&M expenditures associated with the NoBuild Baseline that are eliminated by the project or mitigation." https://docs.cpuc.ca.gov/PublishedDocs/Efile/G000/M604/K545/604545276.PDF. pg. 18

b. In WP006, PG&E states that “O&M costs are estimated for the baseline and applicable mitigation alternatives, and the incremental difference relative to the baseline is included in the lifetime cost component of the BCR calculation.” No explicit mention is made of “O&M Savings” as defined in CPUC's SB 884 Project List Data Requirements Guidelines

i. Are “O&M Savings” implicitly included in the incremental difference between baseline and O&M Costs as described in WP006?

ii. Describe how to derive the “incremental lifetime O&M costs” used in the BCR denominator from the baseline O&M Costs, mitigation O&M Costs and O&M Savings.

ANSWER 001

a. Please see tab “Q001” in “*EUP-PhI_DR_OEIS_006-Q001Atch01.xlsx*” for the following:
    i. Column “B” for Circuit Segment ID
    ii. Column “C” for Comparison Name
    iii. Column “D” for Total Mitigation Benefit Scaled and Column “E” for Total Mitigation Benefit Unscaled
    iv. Column “F” for Installation Capital Cost
    v. Column “G” for Total Present Value of Baseline Costs
        1. Tab “Q001.v Baseline Per-Year”, Columns “D”- “BF” for the Per-Year Baseline Costs over the asset’s effective lifespan
    vi. Column “H” for Total Present Value of Incremental O&M Costs
        1. Tab “Q001.vi OM Cost Per-Year”, Columns “D”- “BF” for the Per-Year Incremental O&M Costs over the asset’s effective lifespan
    vii. Column “I” for Total Present Value of Incremental O&M Savings
        1. Tab “Q001.vii OM Savings Per-Year”, Columns “D”- “BF” for the Per-Year Incremental O&M Costs over the asset’s effective lifespan
    viii. Column “J” for Screen 2 BCR Scaled and Column “K” for Screen 2 BCR Unscale

    Please note that the BCR formula used to develop the EUP uses an Incremental O&M value that is calculated differently from the Incremental O&M Savings and Incremental O&M Costs presented in CPUC Table 1. Accordingly, the Incremental O&M Savings and Incremental O&M Costs provided in the referenced attachment cannot be used to calculate the BCRs presented in Energy Safety’s Screen 2 Table as submitted in the EUP.

    Screen 2 BCR (current) (for both scaled and unscaled versions) =
    Total Mitigated Benefit / (Installation Capital Cost + Total O&M Cost – Baseline O&M)

b.

i. No. As defined in the CPUC Staff White Paper on Benefit-Cost Ratio Methodology, “O&M Savings” represents “*avoided O&M expenditures associated with the No-Build Baseline that are eliminated by the project or mitigation”*. By contrast, the incremental lifetime O&M costs described in WP006 represents the difference between the lifetime O&M costs associated with the mitigation alternative and the lifetime O&M costs of the No-Build Baseline scenario. Accordingly, O&M Savings are not synonymous with the incremental lifetime O&M costs described in WP006.

ii. The incremental lifetime O&M costs used in the EUP BCR denominator are calculated as the difference between the lifetime O&M costs associated with the mitigation alternative and the lifetime O&M costs of the No-Build Baseline scenario. The discrete Incremental O&M Costs and O&M Savings presented in CPUC data tables are not utilized in calculating the incremental lifetime O&M costs used in the EUP BCR.