

PACIFIC GAS AND ELECTRIC COMPANY
Wildfire Mitigation Plans
Rulemaking 18-10-007
Data Response

PG&E Data Request No.:	CalAdvocates_044-Q04		
PG&E File Name:	WildfireMitigationPlans_DR_CalAdvocates_044-Q04		
Request Date:	February 26, 2021	Requester DR No.:	CalAdvocates-PGE-2021WMP-10
Date Sent:	March 3, 2021	Requesting Party:	Public Advocates Office
PG&E Witness:		Requester:	Alan Wehrman

The following questions related to PG&E's 2021 Wildfire Mitigation Plan (WMP) Update.

QUESTION 04

- d. Please describe the pay structure for vegetation management (VM) tree crew contractors. For example, are these contractors paid by a fixed monthly retainer, by the hour, by the mile of work completed, etc.?
- e. Is the answer to part (a) different for contractors who perform routine VM work and contractors who perform EVM work?
- f. If the answer to part (b) is yes, please explain the differences.
- g. Does the incentive structure for VM contractors include provisions for nonpayment or other penalties for work that fails quality control?
- h. If the answer to part (d) is yes, please explain all such provisions.

ANSWER 04

- d. PG&E understands this request to be asking about Enhanced Vegetation Management (EVM) tree crew contractors. EVM tree crew contractors are paid by the hour, in alignment with PG&E's Time & Equipment (T&E) pay structure.
- e. Assuming the "part (a)" referenced in the question was meant to refer to part (d) above, yes the pay structure is different for contractors who perform routine VM tree work.
- f. Contractors who perform routine VM tree crew work are part of PG&E's lump sum pay structure. This means that each week the vendor can submit an invoice for 1/52 of the bundle amount they bid. PG&E will provide payment for 75% of that weekly amount. Each month (every 4 weeks), the combined remaining 25% of invoices owed will be reviewed and additional funds will be released as certain conditions are met. The pay structure for EVM tree crew contractors is set forth above in response to part d.

- g. Yes, contractors are responsible for all direct and indirect costs associated with identifying and fixing quality issues on circuits where contractors have performed work.
- h. Contractors are required to fix identified, quality issues within 24 hours during emergencies and within 8 days during all other times of the year. Please also see the response to part g. above.