

A&G "Shareholder or Other Exclusions" workpapers

1) Shareholder Exclusions for A&G Accounts 920-935:

<u>Line</u>	<u>Account</u>	<u>Shareholder Exclusion</u>	<u>Notes:</u>
1a	920	\$2,261,482	See ShareholderExclusions tab for detail
1b	921	\$836,757	See ShareholderExclusions tab for detail
1c	923	\$6,029,386	See ShareholderExclusions tab for detail
1d	926	\$5,094,529	See ShareholderExclusions tab for detail
1e	930.1	\$223,160	See ShareholderExclusions tab for detail
1f	930.2	<u>\$102,444</u>	See ShareholderExclusions tab for detail
Total Shareholder:		\$14,547,758	

2) Other Exclusions for A&G Accounts 920-935:

The following additional items have been determined to be not appropriate for inclusion in transmission rates, and therefore have been excluded as "Other Exclusions" in Note 1 to Schedule 20, Column 1.

<u>Line</u>	<u>Account</u>	<u>Other Exclusions</u>	<u>Item</u>
2a	920	\$1,449,908	Project Development Division Memorandum Account (PDDMA)
2b	920	\$1,186,200	Solar Photovoltaic Program (SPVP) Memorandum Account
2c	920	\$681,985	SONGS Memorandum Account
2d	920	\$412,901	Fuel Cell Program Memorandum Account (FCPMA)
2e	920	\$1,955,311	Hydro, Mohave, and SSID 100% CPUC costs
2f	920	\$99,824	Energy Service Provider Interface Balancing Account (ESPIBA)
2g	920	\$472,362	Base Revenue Requirement Balancing Account (BRRBA)
2h	921	\$993	Hydro 100% CPUC costs
2i	923	\$1,611,024	Project Development Division Memorandum Account (PDDMA)
2j	923	\$810,439	Solar Photovoltaic Program (SPVP) Memorandum Account
2k	923	\$85,510	Renewables Portfolio Standard Costs Memorandum Account (RPSCMA)
2l	923	\$4,142	Agricultural Account Aggregation Study Memorandum Account (AAASMA)
2m	925	\$95,948	Nuclear Master Insurance Plan 100% CPUC costs
2o	925	\$112,930	Four Corners Memorandum Account (FCMA)
2p	926	\$46,527	Mohave Balancing Account
2q	926	\$4,174,472	Four Corners Memorandum Account (FCMA)
2r	928	\$5,338,957	Energy Resource Recovery Account (ERRA)
2s	928	\$3,830,317	Energy Settlements Memorandum Account (ESMA)
2t	928	\$2,629,583	Public Purpose Programs Adjustment Mechanism (PPPAM)
2u	930.2	-\$906,092	Accounting Suspense
2v	930.2	-\$1,775,417	Provision for Doubtful Accounts
2w	930.2	\$401,579	Project Development Division Memorandum Account (PDDMA)
2x	930.2	\$3,134,861	Research, Development and Demonstration Adj. Clause (RDDAC)
2y	930.2	\$114,477	Electric Program Investment Charge balancing acct. (EPICBA)
2z	930.2	\$6,093,643	Four Corners Memorandum Account (FCMA)
2aa	931	\$78,141	Nuclear 100% CPUC costs
2bb	935	<u>\$1,634,245</u>	SSID 100% CPUC costs
Total Other:		\$33,774,772	

3) Order 668 Amount Transferred from O&M Accounts 569.

This amount of costs is transferred from O&M accounts 569.100, 569.200, and 569.300:

Transfer to A&G account 920: \$20,337,619

4) Total "Shareholder and Other" Input Exclusions for Column 1, Lines 24-37 of Schedule 20
 (In Formula Input Format)

<u>Line #</u>	<u>Acct.</u>	<u>Col 1 Shareholder or Other Exclusions</u>	<u>Calculation</u>
24	920	-\$11,817,645	Line 1a + (2a to 2e) - 3
25	921	\$837,750	Line 1b + 2f
26	922		
27	923	\$8,540,502	Line 1c + 2g + 2h
28	924		
29	925	\$208,878	Line 2i
30	926	\$9,315,527	Line 1d + 2j
31	927		
32	928	\$11,798,858	Line 2k +2l +2m + 2n
33	929		
34	930.1	\$223,160	Line 1e
35	930.2	\$7,165,496	Line 1f + (2o to 2s)
36	931	\$78,141	Line 2t
37	935	\$1,634,245	Line 2u
Total All "Shareholder or Other":		\$27,984,911	

A&G Incentive Compensation Exclusions

A) A&G Non-Officer Incentive Compensation (NOIC) Adjustments

(NOIC includes Results Sharing, Management Incentive Program, and Non-Officer Executive Incentive Compensation).

1) Calculation of exclusion of capitalized portion of NOIC costs in Account 920:

<u>Line</u>	<u>Item</u>	<u>Amount</u>	<u>Source or Calculation</u>	
1	Accrued NOIC	\$157,546,315	Included in Account 920	
2	Capitalization rate	19.8%	CPUC GRC Decision for Test Year	2012
3	Capitalized NOIC	\$31,194,170	L1 * L2	

2) Calculation of NOIC Payouts:

<u>Line</u>				
1	Actual NOIC Payout	\$156,855,056	Section 2, L7	
2	Authorized NOIC Payout	\$129,053,244	Authorized Amount (Cap) from GRC for Test Year	2012
3	NOIC Payout To Be Recovered	\$129,053,244	Lesser of Line 1 or Line 2	

<u>Business Unit</u>	<u>Actual Payout</u>	<u>% of Total Payout</u>	<u>NOIC Payout To Be Recovered</u>	<u>Allocated Capitalized NOIC</u>	<u>Non-Capitalized NOIC</u>
	A	B = Col A / L7	C = Section 2, L3 * B	D = Section 1, L3 * B	E = C - D
4 A&G	\$60,652,537	39%	\$49,902,163	\$12,062,126.58	\$37,840,037
5 Other	\$36,206,899	23%	\$29,789,399	\$7,200,560	\$22,588,839
6 Trans. And Dist. Business Unit	\$59,995,620	38%	\$49,361,682	\$11,931,484	\$37,430,198
7 Totals	\$156,855,056	100%	\$129,053,244	\$31,194,170	\$97,859,074

Instruction for Line 2: Authorized NOIC Payout to be calculated in a workpaper (to be provided by SCE) comparable to that provided by SCE to Joint Intervenor on 1/14/13 in Docket No. ER11-3697, with page references to the appropriate GRC decision and all calculations shown for the derivation of any numbers not taken directly from the GRC decision.

Instruction for Lines 4-6, Column A: "Actual Payout" amount is to be the actual amount paid out in the Prior Year.

Actual non-capitalized NOIC Payouts

(In Formula Input Format for input to Schedule 20, Note 2)

	<u>Department</u>	<u>Amount</u>	<u>Source</u>
d	A&G	\$37,840,037	Line 4, column E above
e	Other	\$22,588,839	Line 5, column E above
f	Trans. And Dist. Business Unit	\$37,430,198	Line 6, column E above
	Total:	\$97,859,074	

B) A&G Officer Executive Incentive Compensation (OEIC) Adjustments

3) Calculation of exclusion of capitalized portion of OEIC costs in Account 920:

<u>Line</u>	<u>Item</u>	<u>Amount</u>	<u>Source or Calculation</u>	
1	Accrued OEIC	\$12,145,779	Included in Account 920.	
2	Capitalization rate	19.8%	CPUC GRC Decision for test year:	2012
3	Capitalized OEIC	\$2,404,864	L1 * L2	

4) Calculation of OEIC Payouts:

<u>Line</u>	<u>Item</u>	<u>Amount</u>	<u>Source or Calculation</u>	
1	Actual OEIC Payout	\$6,438,317	Section 4, L4	
2	Authorized OEIC Payout	\$3,608,459	Authorized Amount (Cap) from GRC for test year	2012
3	OEIC Payout To Be Recovered	\$3,608,459	Lesser of Line 1 or Line 2	

<u>Business Unit</u>	<u>Actual Payout</u>	<u>% of Total Payout</u>	<u>OEIC Payout To Be Recovered</u>	<u>Allocated Capitalized OEIC</u>	<u>Non-Capitalized OEIC</u>
	A	B	C = Section 4, L3 * B	D = Section 3, L3 * B	E = C - D
4 A&G	\$6,438,317	100%	\$3,608,459	\$2,404,864	\$1,203,595

Instruction for Line 4: "Actual Payout" amount is to be the actual amount paid out in the Prior Year.

C) A&G Long Term Incentive Compensation (LTI) Adjustments

5) Calculation of LTI Payouts:

<u>Line</u>	<u>Item</u>	<u>Amount</u>	<u>Source or Calculation</u>
1	Accrued LTI Payout	\$17,015,040	Included in Account 920.
2	Authorized LTI Payout	\$0	Exclude 100%.
3	LTI Payout To Be Recovered	\$0	Lesser of Line 1 or Line 2

Note: LTI is not capitalized.

D) A&G Supplemental Executive Retirement Program (SERP) Adjustments

6) Calculation of exclusion of capitalized portion of SERP costs in Account 926:

<u>Line</u>	<u>Item</u>	<u>Amount</u>	<u>Source or Calculation</u>	
1	Accrued SERP	\$10,734,382	Included in Account 926	
2	Capitalization rate	37.7%	CPUC GRC Decision for test year	2012
3	Capitalized SERP	\$4,046,862	L1 * L2	

7) Calculation of SERP Expense:

<u>Line</u>		<u>Amount</u>	<u>Source or Calculation</u>	
1	Actual SERP Expense	\$10,734,382	Section 7, L4	
2	Authorized SERP Expense	\$7,811,778	Authorized Amount (Cap) from GRC for test year	2012
3	SERP Expense To Be Recovered	\$7,811,778	Lesser of Line 1 or Line 2	

<u>Business Unit</u>	<u>Actual Expense</u>	<u>% of Total Expense</u>	<u>SERP Expense To Be Recovered</u>	<u>Allocated Capitalized SERP</u>	<u>Non-Capitalized SERP</u>
	A	B	C = Section 7, L3 * B	D = Section 6, L3 * B	E = C - D
4 A&G	\$10,734,382	100%	\$7,811,778	\$4,046,862	\$3,764,916

Instruction for Line 2: Authorized SERP Expense to be calculated in a workpaper (to be provided by SCE) comparable to that provided by SCE to Joint Intervenors on 1/14/13 in Docket No. ER11-3697, with page references to the appropriate GRC decision and all calculations shown for the derivation of any numbers not taken directly from the GRC decision.

Instruction for Line 4: "Actual Expense" amount is to be the actual amount paid out in the Prior Year.

E) A&G Summary of Incentive Compensation Exclusions

8) Exclusions to Account 920:

<u>Line</u>	<u>Amount</u>	<u>Source</u>	
1	Exclude Accrued OEIC	\$12,145,779	Section 3, L1
2	Add Non-Capitalized OEIC	-\$1,203,595	Section 4, L4, Col E
3	Exclude Accrued LTI	\$17,015,040	Section 5, L1
4	Total	\$27,957,224	

9) Exclusions to Account 922:

<u>Line</u>	<u>Amount</u>	<u>Source</u>	
1	Capitalized NOIC	\$31,194,170	Section 1, L3
2	Capitalized OEIC	\$2,404,864	Section 3, L3
3	Capitalized SERP	\$4,046,862	Section 6, L3
4	Total	\$37,645,896	

10) Exclusions to Account 926:

<u>Line</u>	<u>Amount</u>	<u>Source</u>	
1	Exclude Accrued SERP	\$10,734,382	Section 6, L1
2	Add Non-Capitalized SERP	-\$3,764,916	Section 7, L4 Col E
3	Total	\$6,969,466	

F) ACE and Spot Bonus Award Exclusions

11) ACE and Spot bonus Awards by A&G account

<u>Line</u>	<u>Acct.</u>	<u>ACE Awards</u>	<u>Spot Bonus</u>	<u>Total ACE and Spot Bonus Exclusions</u>
1	920	\$7,600	\$328,591	\$336,191
2	921			\$0
3	922			\$0
4	923		\$22,500	\$22,500
5	924			\$0
6	925		\$2,500	\$2,500
7	926			\$0
8	928			\$0
9	929			\$0
10	930			\$0
11	930			\$0
12	931			\$0
13	935	\$425	\$1,000	\$1,425
Total ACE and Spot:				\$362,616

G) Total All A&G Incentive Compensation Exclusions

12) Total Incentive Compensation Input Exclusions for Columns 1 and 3, Lines 24-37 of Schedule 20

(In Formula Input Format)

<u>Line</u>	<u>Acct.</u>	<u>Col 1 Shareholder Exclusions or Other Adjustments</u>	<u>Source</u>	<u>Col 3 NOIC</u>	<u>Source</u>
24	920	\$28,293,415	Sec. 8, L4 + Sec. 11, L1	\$0	Not an input in formula
25	921		Sec. 11, L 2	\$0	
26	922	-\$6,451,726	Sec. 9, L2+L3 (enter neg) + Sec 11, L3	-\$31,194,170	Sec. 9, L1 (enter negative)
27	923	\$22,500	Sec. 11, L 4	\$0	
28	924		Sec. 11, L 5	\$0	
29	925	\$2,500	Sec. 11, L6	\$0	
30	926	\$6,969,466	Sec. 10, L3 + Sec. 11, L7	\$0	
31	927		Not an input in formula		Not an input in formula
32	928		Sec. 11, L 8	\$0	
33	929		Sec. 11, L 9	\$0	
34	930.1		Sec. 11, L 10	\$0	
35	930.2	\$0	Sec. 11, L 11	\$0	
36	931		Sec. 11, L 12	\$0	
37	935	\$1,425	Sec. 11, L 13	\$0	

Shareholder Exclusions in September 13, 2013 Informational Filing

Schedule 20, Lines 24-37, Column 1 for the following accounts:

<u>Account</u>	<u>Amount</u>	<u>Title</u>	<u>Description</u>
920	\$17,282	OSBU Shareholder Funded A&G	Includes labor and non-labor related expenses for Operations Support shareholder related activities.
920	\$1,166,453	LAM Shareholder Licensing Activities	Includes labor and other expenses associated with real estate licensing and leasing activities performed by Real Properties personnel.
920	\$1,812	Land Ops Mgmt Shareholder AG	Includes costs incurred by Real Properties for shareholder funded activities.
920	\$33,189	RER Shareholder AG	Includes salaries and other expenses of Revenue Enhancement personnel for developing a division-wide revenue enhancement plan. Activities include review of revenues derived from secondary land use.
920	\$394,797	Right of Way Southern Region Shareholder	Includes labor and other expenses associated with real estate licensing and leasing activities performed by Real Properties personnel.
920	\$486,330	Affiliate	Removes affiliate charges
920	\$161,620	Advertising	Removes shareholder funded advertising expenses & donations
Total 920:	\$2,261,482		

<u>Account</u>	<u>Amount</u>	<u>Title</u>	<u>Description</u>
921	\$3,085	OSBU Shareholder Funded A&G	Includes labor and non-labor related expenses for Operations Support shareholder related activities.
921	\$11,672	ASD Shareholder funded Activities	Includes Audit Services Department expenses relating to activities not directly benefiting utility customers.
921	\$765,987	LAM Shareholder Licensing Activities	Includes labor and other expenses associated with real estate licensing and leasing activities performed by Real Properties personnel.
921	\$3,843	Land Ops Mgmt Shareholder AG	Includes costs incurred by Real Properties for shareholder funded activities.
921	\$78,415	RER Shareholder AG	Includes salaries and other expenses of Revenue Enhancement personnel for developing a division-wide revenue enhancement plan. Activities include review of revenues derived from secondary land use.
921	-\$52,118	Right of Way Southern Region Shareholder	Includes labor and other expenses associated with real estate licensing and leasing activities performed by Real Properties personnel.
921	\$25,872	Dues & Donations	Removes shareholder funded dues and donations.
Total 921:	\$836,757		

<u>Account</u>	<u>Amount</u>	<u>Title</u>	<u>Description</u>
923	\$5,942,516	EIX Costs	Removes certain EIX costs not recoverable from ratepayers
923	\$79,869	Outside Services	Removes shareholder outside services costs
923	\$7,000	Consulting	Removes shareholder consulting costs
Total 923:	\$6,029,386		

<u>Account</u>	<u>Amount</u>	<u>Title</u>	<u>Description</u>
926	\$399,807	Fitness Center Expenses	Includes labor and non-labor costs supporting the Company Fitness Center. Non-labor costs include expenses for supplies; employee development and recognition; mileage, travel/lodging and meal costs associated with training; conferences and all other company business; individual membership fees and dues to trade, technical and professional associations; conferences and committee meetings; labor and miscellaneous expenses for agency/supplemental employees; and printing and mailing services.
926	\$1,072,516	Employee Recognition, Tenure, and Service Awards	Includes company expenses related to anniversary awards, service pins, and other costs incurred in connection with employee welfare activities not otherwise included in a specific final cost center.
926	\$96,150	Diamond Club	Company cost to support quarterly meetings for retiree and employees with 25+ years of service.
926	\$4,055	Humanitarian Award Program	Company cost to provide recognition of employees who provided a life saving action.
926	\$2,719	General Function - P&B Shareholder Costs	Mohave PBOP termination funding
926	\$1,615,451	Executive Benefit	Includes executive retirement benefit costs not recoverable from customers.
926	\$1,903,792	Affiliate	Removes affiliate charges
926	\$38	Miscellaneous	Includes adjusting entries and miscellaneous corrections.
Total 926:	\$5,094,529		
Account	Amount	Title	Description
930.1	\$223,160	Miscellaneous General Expenses	Includes adjusting entries and miscellaneous corrections.
Total 930.1:	\$223,160		
Account	Amount	Title	Description
930.2	\$6,250	Lobbying Expense	Remove for lobbying expense.
930.2	\$96,194	GF - Treasurers - Misc Gen 930 Shareholder	Miscellaneous Treasurers Department General Function
Total 930.2:	\$102,444		
Total All	\$14,547,758		

If there are multiple items in an account, add sub lines for each excluded item

FERC Form 1 Pg. 335 Line #	Description	FERC Form 1 Amount	Included	Excluded	Formula References
1	Industry Association Dues	\$2,711,851	\$2,304,022	\$407,829	Sch. 20, Line 35
1a	Industry Association Dues Exclusion Detail: PDDMA	---	---	\$401,579	
1b	Industry Association Dues Exclusion Detail: Shareholder	---	---	\$6,250	
2	Nuclear Power Research Expenses	\$0	\$0	\$0	
3	Other Experimental and General Research Expenses	\$3,134,861	\$0	\$3,134,861	Sch. 20, Line 35
4	Pub & Dist Info to Stkhldrs...expn servicing outstanding Securities	\$423,941	\$423,941	\$0	
5	Other Expn >=\$5,000 show purpose, receipt, amount. Group if < \$5,000				
6	Credit Line Fees / Bank Charges	\$4,550,477	\$4,462,039	\$88,438	Sch. 20, Line 35
7	Directors' Fees and Expenses	\$3,094,292	\$3,094,292	\$0	
8	Periodic SEC Reports	\$327,429	\$327,429	\$0	
9	Planning and Development of Communication Systems	\$1,030,471	\$1,030,471	\$0	
10	Provision for Doubtful Accounts - Non-Energy Billings	-\$1,775,417	\$0	-\$1,775,417	Sch. 20, Line 35
11	Vendor Discounts	-\$7,205,721	-\$7,205,721	\$0	
12	Accounting Suspense	-\$906,092	\$0	-\$906,092	Sch. 20, Line 35
13	Miscellaneous	\$37,969	\$30,213	\$7,756	
14					
15	Payment to CEC / CPUC	\$146,615	\$32,138	\$114,477	Sch. 20, Line 35
16	Administrative and General Expense Charged or Paid by others	\$2,718,433	-\$3,375,210	\$6,093,643	Sch. 20, Line 35
17	Paid Absence Reclass	\$1,500,000	\$1,500,000	\$0	
46	Total	\$9,789,109	\$2,623,614	\$7,165,495	