

Calculation of 2025 Updated Uncollectible Factor

<u>Line</u>	<u>Item</u>	<u>Source</u>	<u>Amount</u>
1	Total 2025 Revenue with FF&U	Source: FF1, page 300, Line 10	\$ 16,461,232,177
2	CPUC GRC Uncollectible Factor	Source: CPUC GRC D25-09-010	0.2970%
3	Uncollectible Expense Reflected in Total 2025 Revenue	Line 1 multiplied by Line 2	\$ 48,889,860
4	Total 2025 Revenue without Uncollectible Expense Collected	Line 1 less Line 3	\$ 16,412,342,317
5	Total Company 2025 Uncollectibles	ERRA 2025 Workpaper, ERRA Report, Line 28	\$ 360,082,123
5a	Adjustment to Line 5	Calculated Value	\$ 5,241,037
5b	Adjusted Total Company 2025 Uncollectibles	Line 5 less Line 5a	\$ 354,841,086
6	Total 2025 Revenue with FF and Updated Uncollectible Expense	Line 4 plus Line 5b	\$ 16,767,183,403
7	Updated Uncollectible <i>Percentage</i> (See Note 1)	Line 5b divided by Line 6	2.1163%

Calculation of Formula Franchise Fee and Uncollectibles Factors

<u>Line</u>			<u>Reference</u>
8	CPUC Franchise Fee Factor (% of Total Revenue Requirement)	0.9294%	CPUC GRC Decision D25-09-010 page B-9, line 6
9	Uncollectibles Factor (% of Total Revenue Requirement)	2.1163%	Line 7
10	Formula Franchise Fee Factor (see Note 1)	0.9409%	<u>Calculation</u> Line 8 / (1 - (Line 8 + Line 2))
11	Formula Uncollectibles Factor (see Note 1)	2.1828%	Line 9 / (1 - (Line 8 + Line 9))

Notes:

- 1
- The formula Franchise Fee and Uncollectibles Factors are applied to the Base TRR not including FF&U expenses.
The CPUC adopted FF&U Factors are percentages of total revenue requirements including FF&U expenses.
The calculation on Lines 10 and 11 converts the CPUC adopted FF&U factors to FF&U factors appropriate for application to total revenue requirement not including FF&U expenses, as used in the formula transmission rate.
- 2
- Line 5a is used to reduce Line 5 if appropriate. Entry examples include any state or federal funds that reduce the uncollectables required by FERC customers.