

Total Adjustments for proposed Formula Rate to reflect:

- 1) Shortfall or Excess Revenue in Previous Annual Update
- 2) One Time Adjustment Transition from the TO2018 Model to the TO2019A Model
- 3) One Time Adjustment related to 2019 Wildfire
- 4) One Time Adjustment related to 2019 EDIT Amortization

Shortfall or Excess Revenue in Previous Annual Update:

Over/Undercollection: -\$234,044,756 See TO2020 Filing, Schedule 3, Line 23, Column 9

One Time Adjustment:

True Up TRR Adjustment: -\$13,009,111 See "One Time Adjust for TUTRR" sheet

The Adjustments will appear as follows in TO2021 Draft Annual Update Schedule 3:

<u>Col 1</u>				<u>Col 4</u>
				See Note 4
				One-Time
				Adjustments and
				Shortfall/Excess
				Revenue In
				Previous
<u>Line</u>	<u>Month</u>	<u>Year</u>	<u>C1 -C2</u> <u>not</u> <u>shown</u>	<u>Annual Update</u>
11	December	2018	---	-\$234,044,756
12	January	2019	---	
13	February	2019	---	
14	March	2019	---	
15	April	2019	---	
16	May	2019	---	
17	June	2019	---	
18	July	2019	---	
19	August	2019	---	
20	September	2019	---	
21	October	2019	---	
22	November	2019	---	
23	December	2019	---	\$5,317,330

← From TO2020 Filing, Line 23, Col. 9 pursuant to Note 4:
Note 4: "Enter "Shortfall or Excess Revenue in Previous Annual Update" on Line 11, or other appropriate (from Previous Annual Update, Line 23, Column 9)."

← From "One Time Adjust for TUTRR" Worksheet
+ One Time Adjustment related to 2019 Wildfire Adj Worksheet
+ One Time Adjustment related to 2019 EDIT Amortization Adj Worksheet

Workpaper to Calculate One Time Adjustment to adjust for the difference between the True Up TRR in the New Formula Rate as compared to the Weighted Average 2019 TUTRR

Annual True Up TRRs for Year:		2019	
A	TO2019A TUTRR for 2019:	\$1,045,038,533	
B	Weighted Average 2019 TUTRR:	\$1,032,378,174	See Note 2

Monthly True Up TRRs for the TO2019A TUTRR for 2019 and the Weighted Average 2019 TUTRR:

			(Col 1)	(Col 2)	(Col 3)	(Col 4)	(Col 5)	(Col 6)	(Col 7)
			= A / 12	= B / 12	= (C2 - C3)		= (C3 + LagC7)		= (C5 + C6)
							Cumulative Under (+) or Over (-) Statement of TUTRR		Cumulative Under (+) or Over (-) Statement of TUTRR
Line	Month	Year	TO2019A TUTRR for 2019	Weighted Average 2019 TUTRR	Under (+) or Over (-) Statement of TUTRR	Monthly Interest Rate	wo Interest for Current Month	Interest for Current Month	with Interest for Current Month
1	December	2018	---	---	---	0.41%	---	---	---
2	January	2019	\$87,086,544	\$86,031,514	-\$1,055,030	0.43%	-\$1,055,030	-\$2,268	-\$1,057,298
3	February	2019	\$87,086,544	\$86,031,514	-\$1,055,030	0.43%	-\$2,112,328	-\$6,815	-\$2,119,143
4	March	2019	\$87,086,544	\$86,031,514	-\$1,055,030	0.43%	-\$3,174,173	-\$11,381	-\$3,185,553
5	April	2019	\$87,086,544	\$86,031,514	-\$1,055,030	0.45%	-\$4,240,583	-\$16,709	-\$4,257,292
6	May	2019	\$87,086,544	\$86,031,514	-\$1,055,030	0.45%	-\$5,312,322	-\$21,532	-\$5,333,854
7	June	2019	\$87,086,544	\$86,031,514	-\$1,055,030	0.45%	-\$6,388,884	-\$26,376	-\$6,415,260
8	July	2019	\$87,086,544	\$86,031,514	-\$1,055,030	0.46%	-\$7,470,290	-\$31,937	-\$7,502,227
9	August	2019	\$87,086,544	\$86,031,514	-\$1,055,030	0.46%	-\$8,557,257	-\$36,937	-\$8,594,193
10	September	2019	\$87,086,544	\$86,031,514	-\$1,055,030	0.46%	-\$9,649,223	-\$41,960	-\$9,691,183
11	October	2019	\$87,086,544	\$86,031,514	-\$1,055,030	0.45%	-\$10,746,213	-\$45,984	-\$10,792,197
12	November	2019	\$87,086,544	\$86,031,514	-\$1,055,030	0.45%	-\$11,847,227	-\$50,939	-\$11,898,166
13	December	2019	<u>\$87,086,544</u>	<u>\$86,031,514</u>	<u>-\$1,055,030</u>	0.45%	-\$12,953,196	-\$55,916	<u>-\$13,009,111</u>
Total:			\$1,045,038,533	\$1,032,378,174	-\$12,660,359				

↑
One Time Adjustment

Notes:

- 1) The purpose of this workpaper is to calculate a One Time Adjustments related to the 2019 year.
- 2) Weighted Average 2019 TUTRR calculated pursuant to the Formula Rate Protocols.

	2019 TUTRR	Weighted Average by Days	Weighted Amount
TO2018 Model	\$1,030,368,593	86.30%	\$889,222,210
TO2019A Model	\$1,045,038,533	13.70%	\$143,155,963
Weighted Average 2019 TUTRR:			\$1,032,378,174

One Time Adjustment to Reflect Wildfire Cash Accounting Treatment for 2019 During the Period that the TO2018 Formula was in Effect				
Description	Amount	Weighting Factor	Weighted Amount	Source
Adjusted TO2018 Model True Up TRR	\$1,029,299,389	86.301%	\$888,299,473	TO2021 Draft Posting - WP Schedule 3 - One Time Adjust Transition, Page 5, Line 46
TO2018 Model True Up TRR	\$1,030,368,593	86.301%	889,222,210	TO2021 Draft Posting - Attachment 5, Schedule 4, Line 46
One Time Adjustment Reflecting Wildfire Cash Accounting Treatment:			(922,738)	

Schedule 4
True Up TRR
(2019 Wildfire Adj)

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WP-Schedule 3-One Time Adjustment Transition
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Calculation of True Up TRR

A) Rate Base for True Up TRR

<u>Line</u>	<u>Rate Base Item</u>	<u>Calculation Method</u>	<u>Notes</u>	<u>FERC Form 1 Reference or Instruction</u>	<u>Amount</u>
1	ISO Transmission Plant	13-Month Avg.		6-PlantInService, Line 18	\$8,939,630,709
2	General + Elec. Misc. Intangible Plant	BOY/EOY Avg.		6-PlantInService, Line 24	\$289,044,062
3	Transmission Plant Held for Future Use	BOY/EOY Avg.		11-PHFU, Line 9	\$9,942,155
4	Abandoned Plant	BOY/EOY Avg.		12-AbandonedPlant Line 4	\$0
<u>Working Capital Amounts</u>					
5	Materials and Supplies	13-Month Avg.		13-WorkCap, Line 17	\$21,481,205
6	Prepayments	13-Month Avg.		13-WorkCap, Line 33	\$21,290,574
7	Cash Working Capital	1/8 (O&M + A&G)		1-Base TRR Line 7	<u>\$24,351,243</u>
8	Working Capital			Line 5 + Line 6 + Line 7	\$67,123,021
<u>Accumulated Depreciation Reserve Amounts</u>					
9	Transmission Depreciation Reserve - ISO	13-Month Avg.	Negative amount	8-AccDep, Line 14, Col. 12	-\$1,839,774,172
10	Distribution Depreciation Reserve - ISO	BOY/EOY Avg.	Negative amount	8-AccDep, Line 17, Col. 5	\$0
11	G + I Depreciation Reserve	BOY/EOY Avg.	Negative amount	8-AccDep, Line 23	<u>-\$105,831,142</u>
12	Accumulated Depreciation Reserve			Line 9 + Line 10 + Line 11	-\$1,945,605,315
13	Accumulated Deferred Income Taxes	BOY/EOY Avg.		9-ADIT, Line 15	-\$1,632,992,371
14	CWIP Plant	13-Month Avg.		14-IncentivePlant, L 12, C2	\$601,481,320
15	Network Upgrade Credits	BOY/EOY Avg.	Negative amount	22-NUCs, Line 7	-\$50,661,305
16	Unfunded Reserves			34-UnfundedReserves, Line 7	-\$192,296,783
17	Other Regulatory Assets/Liabilities	BOY/EOY Avg.		23-RegAssets, Line 15	\$0
18	Rate Base			L1+L2+L3+L4+L8+L12+ L13+L14+L15+L16+L17	\$6,085,665,493

B) Return on Capital

<u>Line</u>					
19	Cost of Capital Rate		See Instruction 1	Instruction 1, Line j	7.5665%
20	Return on Capital: Rate Base times Cost of Capital Rate			Line 18 * Line 19	\$460,471,464

C) Income Taxes

21	Income Taxes = [((RB * ER) + D) * (CTR/(1 - CTR))] + CO/(1 - CTR)				\$91,236,991
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Where:

22	RB = Rate Base			Line 18	\$6,085,665,493
23	ER = Equity ROR inc. Com. and Pref. Stock	Instruction 1		Instruction 1, Line k	5.3820%
24	CTR = Composite Tax Rate			1-Base TRR L 59	27.9836%
25	CO = Credits and Other			1-Base TRR L 63	-\$27,044,842
26	D = Book Depreciation of AFUDC Equity Book Basis			1-Base TRR L 65	\$3,917,123

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True Up TRR
(2019 Wildfire Adj)

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D) True Up TRR Calculation

27	O&M Expense	1-Base TRR L 66	\$112,781,174
28	A&G Expense	1-Base TRR L 67	\$82,028,767
29	Network Upgrade Interest Expense	1-Base TRR L 68	\$4,075,484
30	Depreciation Expense	1-Base TRR L 69	\$255,157,633
31	Abandoned Plant Amortization Expense	1-Base TRR L 70	\$0
32	Other Taxes	1-Base TRR L 71	\$66,058,181
33	Revenue Credits	1-Base TRR L 72	-\$54,094,032
34	Return on Capital	Line 20	\$460,471,464
35	Income Taxes	Line 21	\$91,236,991
36	Gains and Losses on Transmission Plant Held for Future Use -- Land	1-Base TRR L 75	\$0
37	Amortization and Regulatory Debits/Credits	1-Base TRR L 76	\$0
38	Total without True Up Incentive Adder	Sum Line 27 to Line 37	\$1,017,715,662
39	True Up Incentive Adder	15-IncentiveAdder L 20	\$25,205,023
39a	True Up Incentive Adder Reversal	Negative of Line 39, Note 1	-\$25,205,023
40	True Up TRR without Franchise Fees and Uncollectibles Expense included:	Line 38 + Line 39 + Line 39a	\$1,017,715,662

E) Calculation of final True Up TRR with Franchise Fees and Uncollectibles Expenses

<u>Line</u>			<u>Reference:</u>
41	True Up TRR wo FF:	\$1,017,715,662	Line 40
42	Franchise Fee Factor:	0.925%	28-FFU, L 5
43	Franchise Fee Expense:	\$9,411,914	Line 41 * Line 42
44	Uncollectibles Expense Factor:	0.213%	28-FFU, L 5
45	Uncollectibles Expense:	\$2,171,813	Line 43 * Line 44
46	True Up TRR:	\$1,029,299,389	L 41 + L 43 + L 45

Change in TO2019 TUTRR \$1,029,299,389 <u>\$1,030,368,593</u> -\$1,069,204
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Schedule 4
True Up TRR
(2019 Wildfire Adj)

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Instructions:

1) Use weighted average (by time) of the Return on Equity in effect during the Prior Year in determining the "Cost of Capital Rate" on Line 19 and the "Equity Rate of Return Including Preferred Stock" on Line 23 in the event that the ROE is revised during the Prior Year. In this event, the ROE used in Schedule 1 will differ from the ROE used in this Schedule 4, because the Schedule 1 ROE will be the most recent ROE, whereas the Schedule 4 Cost of Capital Rate and Equity Rate of Return including Com. + Pref. Stock will be based on the weighted-average ROE.

Calculation of weighted average Cost of Capital Rate in Prior Year:

If ROE does not change during year, then attribute all days to Line a "ROE at end of Prior Year" and none to "ROE at start of PY"

					Days ROE	
	<u>Percentage</u>	<u>Reference:</u>	<u>From</u>	<u>To</u>	<u>In Effect</u>	
a	ROE at end of Prior Year	10.30%	See Line e below	Nov 12, 2019	Dec 31, 2019	50
b	ROE start of Prior Year	11.20%	See Line f below	Jan 1, 2019	Nov 11, 2019	315
c					Total days in year:	365
d	Wtd. Avg. ROE in Prior Year	11.08%	((Line a ROE * Line a days) + (Line b ROE * Line b days)) / Total Days in Year			

Commission Decisions approving ROE:

	<u>Reference:</u>
e End of Prior Year	Settlement of TO2019A (ER19-1553)
f Beginning of Prior Year	169 FERC ¶ 61,177

	<u>Percentage</u>	<u>Reference:</u>
g Wtd. Cost of Long Term Debt	2.1845%	1-Base TRR L 51
h Wtd. Cost of Preferred Stock	0.4178%	1-Base TRR L 52
i Wtd. Cost of Common Stock	4.9641%	1-Base TRR L 47 * Line d
j Cost of Capital Rate	7.5665%	Sum of Lines g to i

Calculation of Equity Rate of Return Including Common and Preferred Stock:

	<u>Percentage</u>	<u>Reference:</u>
k	5.3820%	Sum of Lines h to i

Notes:

1) True Up TRR Incentive Adder Reversal backs out the revenue requirement associated with any project-specific Incentive Adders (line 39) for True Up Years during the term of the Second Formula Rate. Applicable pursuant to settlement under ER18-169.

Accumulated Deferred Income Taxes and Net Excess Deferred Tax Liabilities

Cells shaded yellow are input cells

1) Summary of Accumulated Deferred Income Taxes and Net Excess Deferred Tax Liabilities

a) End of Year Accumulated Deferred Income Taxes and Net Excess Deferred Tax Liabilities

Col 1

Col 2

<u>Line</u>	<u>Account</u>	<u>Total ADIT</u>	<u>Source</u>
1	Account 190	\$117,755,457	Line 353, Col. 2
2	Account 282	-\$1,188,810,901	Line 452, Col. 2
3	Account 283	-\$14,941,597	Line 803, Col. 2
4	Net Excess/Deficient Deferred Tax Liability/Asset-2017 TCAJA	-\$535,350,485	FF1 278, see Notes 4 and 5
5	Total Accumulated Deferred Income Taxes	-\$1,621,347,527	Sum of Lines 1 to 4
6	and Net Excess Deferred Tax Liabilities		
7	b) Beginning of Year Accumulated Deferred Income Taxes		
8		<u>BOY</u>	
9		<u>ADIT</u>	<u>Source</u>
10	Total Accumulated Deferred Income Taxes	-\$1,642,932,131	Previous Year Informational Filing, Line 5, Col. 2
11			
12	c) Average of Beginning and End of Year Accumulated Deferred Income Taxes		
13		<u>Average</u>	
14		<u>ADIT</u>	<u>Source</u>
15	Average ADIT:	-\$1,632,992,371	Line 817, Column 8

2) Account 190 Detail

		<u>Col 1</u>	<u>Col 2</u>	<u>Col 3</u>	<u>Col 4</u>	<u>Col 5</u>	<u>Col 6</u>	<u>Col 7</u>
		DESCRIPTION	END BAL per G/L	Gas, Generation or Other Related	ISO Only	Plant Related	Labor Related	(Instructions 1&2) Description
ACCT 190								
		Electric:						
100	190.000	Amort of Debt Issuance Cost	\$539,260	\$484		\$538,776		C: Relates primarily to Regulated Electric Property
101	190.000	Executive Incentive Comp	\$1,227,871	\$4,301			\$1,223,570	C: Relates to employees in all functions
102	190.000	Bond Discount Amort	\$719,009	\$645		\$718,364		C: Relates primarily to Regulated Electric Property
103	190.000	Executive Incentive Plan	\$1,264,409	\$4,429			\$1,259,980	C: Relates to employees in all functions
104	190.000	Ins - Inj/Damages Prov	\$28,272,451	\$99,025			\$28,173,426	C: Relates to employees in all functions
105	190.000	Accrued Vacation	\$13,313,776	\$46,632			\$13,267,144	C: Relates to employees in all functions
106	190.000	Amortization of Debt Expense	\$815,253	\$731		\$814,522		C: Relates primarily to Regulated Electric Property
107	190.000	Wildfire Reserve	\$814,158,069	\$2,851,611			\$811,306,458	C: Relates to employees in all functions
107a	190.000	Wildfire Reserve - Post 2018	\$4,613,096	\$4,613,096				Follows tax treatment
108	190.000	Decommissioning	\$466,893,649	\$466,893,649				Relates to Nuclear Decommissioning Costs
109	190.000	Balancing Accounts	\$0	\$0				Relates Entirely to CPUC Balancing Account Recovery
110	190.000	Pension & PBOP	\$37,050,591	\$129,771			\$36,920,820	C: Relates to employees in all functions
111	190.000	Property/Non-ISO	\$751,622,202	\$751,622,202				Non-Rate Base Property
112	190.000	Regulatory Assets/Liab	\$57,713	\$57,713				Relates to Nonrecovery Balancing Account
113	190.000	Temp - Other/Non-ISO	-\$70,476,892	-\$70,476,892				Not Component of Rate Base
114	190.000	Net Operating Losses DTA	\$314,760,292			\$314,760,292		NOL/DTA

Continuation of Account 190 Detail

		<u>Col 1</u>	<u>Col 2</u>	<u>Col 3</u>	<u>Col 4</u>	<u>Col 5</u>	<u>Col 6</u>	<u>Col 7</u>
		DESCRIPTION	END BAL per G/L	Gas, Generation or Other Related	ISO Only	Plant Related	Labor Related	(Instructions 1&2) Description
ACCT 190								
		Electric:						
115	...							
								<u>Source</u>
250		Total Electric 190	\$2,364,830,749	\$1,155,847,396	\$0	\$316,831,954	\$892,151,399	Sum of Above Lines beginning on Line 100

Account 190 Gas and Other Income:

(Instructions 1&2)

		<u>Col 1</u>	<u>Col 2</u>	<u>Col 3</u>	<u>Col 4</u>	<u>Col 5</u>	<u>Col 6</u>	<u>Col 7</u>
300	190.000	Temp - Other/Non-ISO - Gas	-\$3,401	-\$3,401				Gas Related Costs
301	190.000	Temp - Other/Non-ISO - Other	-\$1,683,831	-\$1,683,831				Other Non-ISO Related Costs
302	190.000	EMS	\$898,801	\$898,801				Other Non-ISO Related Costs
303	190.000	Property/Non-ISO - Gas	\$145,794	\$145,794				Non-Rate Base Property
304	190.000	Property/Non-ISO - Other	\$10,334,183	\$10,334,183				Non-Rate Base Property
305	...							

		<u>Col 1</u>	<u>Col 2</u>	<u>Col 3</u>	<u>Col 4</u>	<u>Col 5</u>	<u>Col 6</u>	<u>Source</u>
350	Total Account 190 Gas and Other Income		\$9,691,546	\$9,691,546	\$0	\$0	\$0	Sum of Above Lines beginning on Line 300
351	Total Account 190		\$2,374,522,295	\$1,165,538,942	\$0	\$316,831,954	\$892,151,399	Line 250 + Line 350
352	Allocation Factors (Plant and Wages)					18.668%	6.569%	27-Allocators Lines 18 and 5 respectively.
353	Total Account 190 ADIT (Sum of amounts in Columns 4 to 6)		\$117,755,457		\$0	\$59,146,676	\$58,608,781	Line 351 * Line 352 for Cols 5 and 6. Col. 4 100% ISO.
354	FERC Form 1 Account 190		\$2,374,522,295	Must match amount on Line 351, Col. 2				FF1 234.18c

3) Account 282 Detail

		<u>Col 1</u>	<u>Col 2</u>	<u>Col 3</u>	<u>Col 4</u>	<u>Col 5</u>	<u>Col 6</u>	<u>Col 7</u>
			END BAL	Gas, Generation	ISO Only	Plant Related	Labor	(Instructions 1&2)
ACCT 282	DESCRIPTION		per G/L	or Other Related			Related	Description
400	282.000	Fully Normalized Deferred Tax	-\$1,188,810,901		-\$1,188,810,901			Property-Related FERC Costs
401	282.000	Property/Non-ISO	-\$6,775,581,015	-\$6,775,581,015				Property-Related CPUC Costs
402	282.000	Capitalized software	-\$81,849,150	-\$81,849,150				Property-Related CPUC Costs - Cap Software
403	282.000	Audit Rollforward	\$0	\$0				Property-Related CPUC Costs - Audit
404	282.000	Property/Non-ISO - Gas	-\$919,589	-\$919,589				Gas Related Costs
405	282.000	Property/Non-ISO - Other	-\$4,811,958	-\$4,811,958				Other Non-ISO Related Costs
406	...							

		<u>Col 1</u>	<u>Col 2</u>	<u>Col 3</u>	<u>Col 4</u>	<u>Col 5</u>	<u>Col 6</u>	<u>Source</u>
450	Total Account 282		-\$8,051,972,614	-\$6,863,161,713	-\$1,188,810,901	\$0	\$0	Sum of Above Lines beginning on Line 400
451	Allocation Factors (Plant and Wages)					18.668%	6.569%	27-Allocators Lines 18 and 5 respectively.
452	Total Account 282 ADIT (Sum of amounts in Columns 4 to 6)		-\$1,188,810,901		-\$1,188,810,901	\$0	\$0	Line 450 * Line 451 for Cols 5 and 6. Col. 4 100% ISO.
453	FERC Form 1 Account 282		-\$8,051,972,613	Must match amount on Line 450, Col. 2				FF1 275.5k

4) Account 283 Detail

	<u>Col 1</u>	<u>Col 2</u>	<u>Col 3</u>	<u>Col 4</u>	<u>Col 5</u>	<u>Col 6</u>	<u>Col 7</u>
	DESCRIPTION	END BAL per G/L	Gas, Generation or Other Related	ISO Only	Plant Related	Labor Related	(Instructions 1&2) Description
ACCT 283							
Electric:							
500	283.000 Ad Valorem Lien Date Adj-Electric	-\$50,569,342	-\$50,569,342				Relates Entirely to CPUC Regulated Property
501	283.000 Ad Valorem Lien Date Adj-Electric	-\$8,664,108		-\$8,664,108			Relates Entirely to FERC Regulated Electric Property
502	283.000 Refunding & Retirement of Debt	-\$33,097,558	-\$29,690		-\$33,067,868		C: Relates primarily to Regulated Electric Property
503	283.000 Health Care - IBNR	-\$1,593,695	-\$5,582			-\$1,588,113	C: Relates to employees in all functions
504	283.000 Balancing Accounts	-\$567,470,431	-\$567,470,431				Relates Entirely to CPUC Balancing Account Recovery
505	283.000 Decommissioning	-\$449,253,650	-\$449,253,650				Relates to Nuclear Decommissioning Costs
506	283.000 Regulatory Assets/Liab	\$57,886,963	\$57,886,963				Relates to Nonrecovery Balancing Account
507	283.000 Temp - Other/Non-ISO	\$252,487,820	\$252,487,820				Non-Rate Base FAS 109 Tax Flow-Thru

Continuation of Account 283 Detail

	<u>Col 1</u>	<u>Col 2</u>	<u>Col 3</u>	<u>Col 4</u>	<u>Col 5</u>	<u>Col 6</u>	<u>Col 7</u>
	DESCRIPTION	END BAL per G/L	Gas, Generation or Other Related	ISO Only	Plant Related	Labor Related	(Instructions 1&2) Description
ACCT 283							
Electric (continued):							
507	...						
650	Total Electric 283	-\$800,274,001	-\$756,953,912	-\$8,664,108	-\$33,067,868	-\$1,588,113	Sum of Above Lines beginning on Line 500
Account 283 Gas and Other:							
							(Instructions 1&2)
700	283.000 Temp - Other/Non-ISO - Gas	-\$17,512					Gas Related Costs
701	283.000 Temp - Other/Non-ISO - Other	-\$654,218					Other Non-ISO Related Costs
702	...						

Schedule 9
ADIT
(2019 Wildfire Adj)

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Attachment 4
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	<u>Col 1</u>	<u>Col 2</u>	<u>Col 3</u>	<u>Col 4</u>	<u>Col 5</u>	<u>Col 6</u>	<u>Source</u>
800	Total Account 283 Gas and Other	-\$671,730	\$0	\$0	\$0	\$0	Sum of Above Lines beginning on Line 700
801	Total Account 283	-\$800,945,731	-\$756,953,912	-\$8,664,108	-\$33,067,868	-\$1,588,113	Line 650 + Line 800
802	Allocation Factors (Plant and Wages)				18.668%	6.569%	27-Allocators Lines 18 and 5 respectively.
803	Total Account 283 ADIT (Sum of amounts in Columns 4 to 6)	-\$14,941,597		-\$8,664,108	-\$6,173,160	-\$104,329	Line 801 * Line 802 for Cols 5 and 6. Col. 4 100% ISO.
804	FERC Form 1 Account 283	-\$800,945,731	Must match amount on Line 801, Col. 2				FF1 277.19k

5) Tax Normalization Calculation Pursuant to Treas. Reg §1.167(l)-1(h)(6)

	<u>Col 1</u>	<u>Col 2</u> See Note 1	<u>Col 3</u> See Note 2	<u>Col 4</u>	<u>Col 5</u>	<u>Col 6</u> Col 5 / Tot. Days	<u>Col 7</u> = Col 2 * Col 6	<u>Col 8</u> See Note 3
	<u>Future Test Period</u>	<u>Mthly Deferred Tax Amount</u>	<u>Deferred Tax Balance</u>	<u>Days in Month</u>	<u>Number of Days Left in Period</u>	<u>Prorata Percentages</u>	<u>Monthly Prorata Amounts</u>	<u>Annual Accumulated Prorata Calculation</u>
805	Beginning Deferred Tax Balance (Line 10, Col. 2)		-\$1,642,932,131		365	100.00%		-\$1,642,932,131
806	January	\$1,798,717.03	-\$1,641,133,414	31	334	91.51%	\$1,645,949	-\$1,641,286,182
807	February	\$1,798,717.03	-\$1,639,334,697	28	306	83.84%	\$1,507,966	-\$1,639,778,216
808	March	\$1,798,717.03	-\$1,637,535,980	31	275	75.34%	\$1,355,198	-\$1,638,423,018
809	April	\$1,798,717.03	-\$1,635,737,263	30	245	67.12%	\$1,207,358	-\$1,637,215,660
810	May	\$1,798,717.03	-\$1,633,938,546	31	214	58.63%	\$1,054,590	-\$1,636,161,070
811	June	\$1,798,717.03	-\$1,632,139,829	30	184	50.41%	\$906,751	-\$1,635,254,320
812	July	\$1,798,717.03	-\$1,630,341,112	31	153	41.92%	\$753,983	-\$1,634,500,337
813	August	\$1,798,717.03	-\$1,628,542,395	31	122	33.42%	\$601,215	-\$1,633,899,122
814	September	\$1,798,717.03	-\$1,626,743,678	30	92	25.21%	\$453,375	-\$1,633,445,747
815	October	\$1,798,717.03	-\$1,624,944,961	31	61	16.71%	\$300,608	-\$1,633,145,139
816	November	\$1,798,717.03	-\$1,623,146,244	30	31	8.49%	\$152,768	-\$1,632,992,371
817	December	\$1,798,717.03	-\$1,621,347,527	31	0	0.00%	\$0	-\$1,632,992,371
818	Ending Balance (Line 5, Col. 2)		-\$1,621,347,527					

Schedule 9
ADIT
(2019 Wildfire Adj)

Instruction 1: For any "Company Wide" ADIT line item balance (i.e., that include Catalina Gas or Water costs), indicate in Column 7 with a leading "C:".

Instruction 2: For any Company Wide ADIT balance items, include a portion of the total Column 2 balance in Column 3 "Gas, Generation, or Other Related" based on the following percentages.

1) For Line items allocated based on the Wages and Salaries Allocation Factor:

	FERC Form 1 Reference or Instruction	Prior Year Value
A:Total Electric Wages and Salaries	FF1 354.28b	\$801,074,308
B:Gas Wages and Salaries	FF1 355.62b	\$650,570
C:Water Wages and Salaries	FF1 355.64b	\$2,165,077
D:Total Electric, Gas, and Water Wages and Salaries	A+B+C	\$803,889,955
E:Labor Percentage "Gas, Generation, or Other"	(B+C) / D	0.3503%

2) For Line items allocated based on the Transmission Plant Allocation Factor or "ISO Only":

	FERC Form 1 Reference or Instruction	Prior Year Value
F:Total Electric Plant In Service	FF1 207.104g	\$51,320,942,976
G:Total Gas Plant In Service	FF1 201.8d	\$6,385,691
H:Total Water Plant in Service	FF1 201.8e	\$39,692,393
I:Total Electric, Gas, and Water Plant In Service	F+G+H	\$51,367,021,060
J:Plant Percentage "Gas, Generation, or Other"	(G+H) / I	0.0897%

Instruction 3: Classify any ADIT line items relating to refunding and retirement of debt as Plant related (Column 5).

Notes:

- 1) The monthly deferred tax amounts are equal to the ending ADIT balance minus the beginning ADIT balance, divided by 12 months.
- 2) For January through December = previous month balance plus amount in Column 2.
- 3) The average ADIT Balance is equal to the amount on Line 817, Column 8
Line 805 is equal to Line 10, Column 2. Lines 806 through 817 equal previous amount in Column 8, plus amount in Column 7.
- 4) The net excess/deficiency is derived from the deficiency arising in Account 190 offset by excesses in Accounts 282 and 283.
- 5) SCE must submit a Federal Power Act Section 205 filing to obtain Commission approval prior to reflecting in rates any regulatory assets and liabilities arising from future tax changes.

Schedule 20
Administrative and General Expenses
(2019 Wildfire Adj)

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Calculation of Administrative and General Expense

Inputs are shaded yellow

			Col 1	Col 2	Col 3	Col 4	Notes
			FERC Form 1	Data	See Note 1 Total Amount	A&G Expense	
Line	Acct.	Description	Amount	Source	Excluded		
1	920	A&G Salaries	\$413,850,310	FF1 323.181b	\$212,654,195	\$201,196,115	
2	921	Office Supplies and Expenses	\$250,234,425	FF1 323.182b	\$2,351,967	\$247,882,458	
3	922	A&G Expenses Transferred	-\$225,318,190	FF1 323.183b	-\$77,722,053	-\$147,596,137	Credit
4	923	Outside Services Employed	\$59,887,693	FF1 323.184b	\$8,194,551	\$51,693,142	
5	924	Property Insurance	\$15,607,270	FF1 323.185b	\$0	\$15,607,270	
6	925	Injuries and Damages	\$902,073,996	FF1 323.186b	\$168,752,278	\$733,321,718	
7	926	Employee Pensions and Benefits	\$82,906,034	FF1 323.187b	\$3,580,760	\$79,325,274	
8	927	Franchise Requirements	\$104,335,318	FF1 323.188b	\$104,335,318	\$0	
9	928	Regulatory Commission Expenses	\$11,713,250	FF1 323.189b	\$9,979,028	\$1,734,222	
10	929	Duplicate Charges	\$0	FF1 323.190b	\$0	\$0	
11	930.1	General Advertising Expense	\$11,245,961	FF1 323.191b	\$4,498,348	\$6,747,613	
12	930.2	Miscellaneous General Expense	\$14,071,912	FF1 323.192b	\$5,984,741	\$8,087,171	
13	931	Rents	\$8,581,490	FF1 323.193b	\$12,016,813	-\$3,435,323	
14	935	Maintenance of General Plant	\$26,158,179	FF1 323.196b	\$811,672	\$25,346,507	
15			\$1,675,347,648		Total A&G Expenses:	\$1,219,910,031	

	Amount	Source
16	Remaining A&G after exclusions & NOIC Adjustment:	\$1,219,910,031 Line 15
17	Less Account 924:	\$15,607,270 Line 5
18	Amount to apply the Transmission W&S AF:	\$1,204,302,761 Line 16 - Line 17
19	Transmission Wages and Salaries Allocation Factor:	6.5694% 27-Allocators, Line 5
20	Transmission W&S AF Portion of A&G:	\$79,115,178 Line 18 * Line 19
21	Transmission Plant Allocation Factor:	18.6682% 27-Allocators, Line 18
22	Property Insurance portion of A&G:	\$2,913,589 Line 5 Col 4 * Line 21
23	Administrative and General Expenses:	\$82,028,767 Line 20 + Line 22

Note 1: Itemization of exclusions

			Col 1	Col 2	Col 3	Col 4	Notes
			Shareholder Exclusions or Other Adjustments	Franchise Requirements	NOIC	PBOPs	
Line	Acct.	Total Amount Excluded (Sum of Col 1 to Col 4)					
24	920	\$212,654,195	\$78,684,154		\$133,970,041		See Instructions 2b, 3, and Note 2
25	921	\$2,351,967	\$2,351,967		\$0		
26	922	-\$77,722,053	-\$10,359,096		-\$67,362,957		
27	923	\$8,194,551	\$8,194,551		\$0		
28	924	\$0	\$0		\$0		
29	925	\$168,752,278	\$168,752,278		\$0		
30	926	\$3,580,760	\$15,470,760		\$0	-\$11,890,000	See Note 3
31	927	\$104,335,318	\$0	\$104,335,318	\$0	\$0	See Note 4
32	928	\$9,979,028	\$9,979,028		\$0		
33	929	\$0	\$0		\$0		
34	930.1	\$4,498,348	\$4,498,348		\$0		
35	930.2	\$5,984,741	\$5,984,741		\$0		
36	931	\$12,016,813	\$12,016,813		\$0		
37	935	\$811,672	\$811,672		\$0		

Changed from \$152,267,278 to \$168,752,278 to remove \$16.485M related to 2019 Wildfires since it is being recovered on a cash basis pursuant to TO2019A Settlement

Changed from \$152,267,278 to \$168,752,278 to remove \$16.485M related to 2019 Wildfires since it is being recovered on a cash basis pursuant to TO2019A Settlement

e 20
General Expenses
ire Adj)

Note 2: Non-Officer Incentive Compensation ("NOIC") Adjustment

Adjust NOIC by excluding accrued NOIC Amount and replacing with the actual non-capitalized A&G NOIC payout.

		<u>Amount</u>	<u>Source</u>
a	Accrued NOIC Amount:	\$148,050,456	SCE Records
b	Actual A&G NOIC payout:	\$14,080,415	Note 2, d
c	Adjustment:	\$133,970,041	
Actual non-capitalized NOIC Payouts:			
	<u>Department</u>	<u>Amount</u>	<u>Source</u>
d	A&G	\$14,080,415	SCE Records and Workpapers
e	Other	\$6,519,088	SCE Records and Workpapers
f	Trans. And Dist. Business Unit	\$22,710,658	SCE Records and Workpapers
g	Total:	\$43,310,160	Sum of d to f

Note 3: PBOPs Exclusion Calculation

	<u>Amount</u>	<u>Note:</u>
a	Current Authorized PBOPs Expense Amount: \$6,329,000	See instruction #4
b	Prior Year Authorized PBOPs Expense Amount: \$18,219,000	Authorized PBOPs Expense Amount during Prior Year
c	Prior Year FF1 PBOPs expense: \$6,329,000	SCE Records
d	PBOPs Expense Exclusion: -\$11,890,000	c - b

Note 4:

Amount in Line 31, column 2 equals amount in Line 8, column 1 because all Franchise Requirements Expenses are excluded
Franchise Fees Expenses component of the Prior Year TRR are based on Franchise Fee Factors.

Schedule 20
Administrative and General Expenses
(2019 Wildfire Adj)

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Instructions:

- 1) Enter amounts of A&G expenses from FERC Form 1 in Lines 1 to 14.
- 2) Fill out "Itemization of Exclusions" table for all input cells. NOIC amount in Column 3, Line 24 is calculated in Note 2. The PBOPs exclusion in Column 4, Line 30 is calculated in Note 3.
 - a) Exclude amount of any Shareholder Adjustments, costs incurred on behalf of SCE shareholders, from relevant account in Column 1.
 - b) Include as an adjustment in Column 1 for Account 920 any amount excluded from Accounts 569.100, 569.200, and 569.300 in Schedule 19 (OandM) related to Order 668 costs transferred.
 - c) Exclude entire amount of account 927 "Franchise Requirements" in Column 2, as those costs are recovered through the Franchise Fees Expense item.
 - d) Exclude any amount of Account 930.1 "General Advertising Expense" not related to advertising for safety, siting, or informational purposes in column 1.
 - e) Exclude any amount of expense relating to secondary land use and audit expenses not directly benefitting utility customers.
 - f) Exclude from account 930.2:
 - 1) Nuclear Power Research Expenses.
 - 2) Write Off of Abandoned Project Expenses.
 - 3) Any advertising expenses within the Consultants/Professional Services category.
 - g) Exclude the following costs included in any account 920-935:
 - 1) Any amount of "Provision for Doubtful Accounts" costs.
 - 2) Any amount of "Accounting Suspense" costs.
 - 3) Any penalties or fines.
 - 4) Any amount of costs recovered 100% through California Public Utilities Commission ("CPUC") rates.
- 3) NOIC adjustment in Column 3, Line 24 is made by determining the difference between the total accrued NOIC amount included in the FERC Form 1 recorded cost amounts and the actual A&G NOIC payout (see note 2). NOIC adjustment in column 3, Line 26 is made by entering the amount of accrued NOIC that is capitalized.
- 4) Determine the PBOPs exclusion. The authorized amount of PBOPs expense (line a) may only be revised pursuant to Commission acceptance of an SCE FPA Section 205 filing to revise the authorized PBOPs expense, in accordance with the tariff protocols. Accordingly, any amount different than the authorized PBOPs expense during the Prior Year is excluded from account 926 (see note 3). Docket or Decision approving authorized PBOPs amount:
- 5) SCE shall make no adjustments to recorded labor amounts related to non-labor labor and/or Indirect labor in Schedule 20.

ER20-1382

Determination of Unfunded Reserves

Line		Reference			Prior Year Amount
1					
2					
3					
4					
5					
6	Unfunded Reserves (EOY):	(Line 17, Col 2)			-\$197,804,839
7	Unfunded Reserves (Average BOY/EOY):	(Line 17, Col 3)			-\$192,296,783
8					
9					
10			Col 1	Col 2	Col 3
11			Prior Year	Prior Year	Prior Year
12			BOY	EOY	Average
13	Description of Issue		Unfunded	Unfunded	Unfunded
13	Unfunded Reserves		Reserves	Reserves	Reserves
14	Provision for Injuries and Damages	(Line 24)	-\$182,100,339	-\$193,135,740	-\$187,618,039
15	Provision for Vac/Sick Leave	(Line 29)	-\$4,076,322	-\$4,054,665	-\$4,065,493
16	Provision for Supplemental Executive Retirement Plan	(Line 36)	-\$612,067	-\$614,435	-\$613,251
17	Totals:	(Line 14 + Line 15 + Line 16)	-\$186,788,728	-\$197,804,839	-\$192,296,783
18					
19	Calculations	Changed from -\$2,956,425,360 to -\$2,939,940,360 Removed \$16.485M related to 2019 Wildfires since it is being recovered on a cash basis pursuant to TO2019A Settlement			
20					Average
21	Injuries and Damages		BOY	EOY	BOY/EOY
22	Injuries and Damages - Acct. 2251010	Company Records - Input (Negative)	-\$2,771,957,879	-\$2,939,940,360	
23	Transmission Wages and Salary Allocation Factor	(27-Allocators, Line 9)	6.5694%	6.5694%	
24	ISO Transmission Rate Base Applicable	(Line 22 x Line 23)	-\$182,100,339	-\$193,135,740	-\$187,618,039
25					
26	Vacation Leave				
27	Vacation and Personal Time Accruals - Acct. 2350080	Company Records - Input (Negative)	-\$62,050,371	-\$61,720,696	
28	Transmission Wages and Salary Allocation Factor	(27-Allocators, Line 9)	6.5694%	6.5694%	
29	ISO Transmission Rate Base Applicable	(Line 27 x Line 28)	-\$4,076,322	-\$4,054,665	-\$4,065,493
30					
31	Supplemental Executive Retirement Plan				
32	Supplemental Executive Retirement Plan	Company Records - Input (Negative)	-\$18,633,934	-\$18,706,028	
33	Times:	Applicable Rate Base Percentage	50%	50%	
34	Sub-Total Supplemental Executive Retirement Plan	(Line 32 x Line 33)	-\$9,316,967	-\$9,353,014	
35	Transmission Wages and Salary Allocation Factor	(27-Allocators, Line 9)	6.5694%	6.5694%	
36	ISO Transmission Rate Base Applicable	(Line 34 x Line 35)	-\$612,067	-\$614,435	-\$613,251

One Time Adjustment to Reflect EDIT Amortization for the 2019 Year				
Description	Amount	Weighting Factor	Weighted Amount	Source
Adjusted TO2018 Model True Up TRR	\$1,048,548,569	86.3%	\$904,911,778	TO2021 Draft Posting - WP Schedule 3 - One Time Adjust Transition, Page 19, Line 46
Adjusted TO2018 Model True Up TRR with 2019 Wildfire	\$1,029,299,389	86.3%	\$888,299,473	TO2021 Draft Posting - WP Schedule 3 - One Time Adjust Transition, Page 5, Line 46
TO2018 Weighted One Time Adjustment Reflecting EDIT Amortization:			\$16,612,306	
Adjusted TO2021 Model True Up TRR	\$1,064,287,713	13.7%	\$145,792,837	TO2021 Draft Posting - WP Schedule 3 - One Time Adjust Transition, Page 25, Line 46
TO2021 Model True Up TRR	\$1,045,038,533	13.7%	\$143,155,963	TO2021 Draft Posting - TO2021, Attachment 1, Schedule 4, Line 46
TO2021 Weighted One Time Adjustment Reflecting EDIT Amortization:			\$2,636,874	
Total One Time Adjustment Reflecting EDIT Amortization:			\$19,249,180	

Schedule 4
True Up TRR
(TO2018 EDIT Amortization Adj)

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Calculation of True Up TRR

A) Rate Base for True Up TRR

<u>Line</u>	<u>Rate Base Item</u>	<u>Calculation Method</u>	<u>Notes</u>	<u>FERC Form 1 Reference or Instruction</u>	<u>Amount</u>
1	ISO Transmission Plant	13-Month Avg.		6-PlantInService, Line 18	\$8,939,630,709
2	General + Elec. Misc. Intangible Plant	BOY/EOY Avg.		6-PlantInService, Line 24	\$289,044,062
3	Transmission Plant Held for Future Use	BOY/EOY Avg.		11-PHFU, Line 9	\$9,942,155
4	Abandoned Plant	BOY/EOY Avg.		12-AbandonedPlant Line 4	\$0
<u>Working Capital Amounts</u>					
5	Materials and Supplies	13-Month Avg.		13-WorkCap, Line 17	\$21,481,205
6	Prepayments	13-Month Avg.		13-WorkCap, Line 33	\$21,290,574
7	Cash Working Capital	1/8 (O&M + A&G)		1-Base TRR Line 7	<u>\$24,351,243</u>
8	Working Capital			Line 5 + Line 6 + Line 7	\$67,123,021
<u>Accumulated Depreciation Reserve Amounts</u>					
9	Transmission Depreciation Reserve - ISO	13-Month Avg.	Negative amount	8-AccDep, Line 14, Col. 12	-\$1,839,774,172
10	Distribution Depreciation Reserve - ISO	BOY/EOY Avg.	Negative amount	8-AccDep, Line 17, Col. 5	\$0
11	G + I Depreciation Reserve	BOY/EOY Avg.	Negative amount	8-AccDep, Line 23	<u>-\$105,831,142</u>
12	Accumulated Depreciation Reserve			Line 9 + Line 10 + Line 11	-\$1,945,605,315
13	Accumulated Deferred Income Taxes	BOY/EOY Avg.		9-ADIT, Line 15	-\$1,632,992,371
14	CWIP Plant	13-Month Avg.		14-IncentivePlant, L 12, C2	\$601,481,320
15	Network Upgrade Credits	BOY/EOY Avg.	Negative amount	22-NUCs, Line 7	-\$50,661,305
16	Unfunded Reserves			34-UnfundedReserves, Line 7	-\$192,296,783
17	Other Regulatory Assets/Liabilities	BOY/EOY Avg.		23-RegAssets, Line 15	\$0
18	Rate Base			L1+L2+L3+L4+L8+L12+ L13+L14+L15+L16+L17	\$6,085,665,493

B) Return on Capital

<u>Line</u>					
19	Cost of Capital Rate		See Instruction 1	Instruction 1, Line j	7.5665%
20	Return on Capital: Rate Base times Cost of Capital Rate			Line 18 * Line 19	\$460,471,464

C) Income Taxes

21	Income Taxes = [((RB * ER) + D) * (CTR/(1 - CTR))] + CO/(1 - CTR)				\$110,269,541
----	---	--	--	--	---------------

Where:

22	RB = Rate Base			Line 18	\$6,085,665,493
23	ER = Equity ROR inc. Com. and Pref. Stock	Instruction 1		Instruction 1, Line k	5.3820%
24	CTR = Composite Tax Rate			1-Base TRR L 59	27.9836%
25	CO = Credits and Other			1-Base TRR L 63	-\$13,338,285
26	D = Book Depreciation of AFUDC Equity Book Basis			1-Base TRR L 65	\$3,917,123

Schedule 4
True Up TRR
(TO2018 EDIT Amortization Adj)

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D) True Up TRR Calculation

27	O&M Expense	1-Base TRR L 66	\$112,781,174
28	A&G Expense	1-Base TRR L 67	\$82,028,767
29	Network Upgrade Interest Expense	1-Base TRR L 68	\$4,075,484
30	Depreciation Expense	1-Base TRR L 69	\$255,157,633
31	Abandoned Plant Amortization Expense	1-Base TRR L 70	\$0
32	Other Taxes	1-Base TRR L 71	\$66,058,181
33	Revenue Credits	1-Base TRR L 72	-\$54,094,032
34	Return on Capital	Line 20	\$460,471,464
35	Income Taxes	Line 21	\$110,269,541
36	Gains and Losses on Transmission Plant Held for Future Use -- Land	1-Base TRR L 75	\$0
37	Amortization and Regulatory Debits/Credits	1-Base TRR L 76	\$0
38	Total without True Up Incentive Adder	Sum Line 27 to Line 37	\$1,036,748,212
39	True Up Incentive Adder	15-IncentiveAdder L 20	\$25,205,023
39a	True Up Incentive Adder Reversal	Negative of Line 39, Note 1	-\$25,205,023
40	True Up TRR without Franchise Fees and Uncollectibles Expense included:	Line 38 + Line 39 + Line 39a	\$1,036,748,212

E) Calculation of final True Up TRR with Franchise Fees and Uncollectibles Expenses

<u>Line</u>			<u>Reference:</u>
41	True Up TRR wo FF:	\$1,036,748,212	Line 40
42	Franchise Fee Factor:	0.925%	28-FFU, L 5
43	Franchise Fee Expense:	\$9,587,928	Line 41 * Line 42
44	Uncollectibles Expense Factor:	0.213%	28-FFU, L 5
45	Uncollectibles Expense:	\$2,212,429	Line 43 * Line 44
46	True Up TRR:	\$1,048,548,569	L 41 + L 43 + L 45

Change in TO2019 TUTRR \$1,048,548,569 <u>\$1,029,299,389</u> \$19,249,180
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Schedule 4
True Up TRR
(TO2018 EDIT Amortization Adj)

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Instructions:

1) Use weighted average (by time) of the Return on Equity in effect during the Prior Year in determining the "Cost of Capital Rate" on Line 19 and the "Equity Rate of Return Including Preferred Stock" on Line 23 in the event that the ROE is revised during the Prior Year. In this event, the ROE used in Schedule 1 will differ from the ROE used in this Schedule 4, because the Schedule 1 ROE will be the most recent ROE, whereas the Schedule 4 Cost of Capital Rate and Equity Rate of Return including Com. + Pref. Stock will be based on the weighted-average ROE.

Calculation of weighted average Cost of Capital Rate in Prior Year:

If ROE does not change during year, then attribute all days to Line a "ROE at end of Prior Year" and none to "ROE at start of PY"

					Days ROE	
	<u>Percentage</u>	<u>Reference:</u>	<u>From</u>	<u>To</u>	<u>In Effect</u>	
a	ROE at end of Prior Year	10.30%	See Line e below	Nov 12, 2019	Dec 31, 2019	50
b	ROE start of Prior Year	11.20%	See Line f below	Jan 1, 2019	Nov 11, 2019	315
c					Total days in year:	365
d	Wtd. Avg. ROE in Prior Year	11.08% ((Line a ROE * Line a days) + (Line b ROE * Line b days)) / Total Days in Year				

Commission Decisions approving ROE:

	<u>Reference:</u>
e End of Prior Year	Settlement of TO2019A (ER19-1553)
f Beginning of Prior Year	169 FERC ¶ 61,177

	<u>Percentage</u>	<u>Reference:</u>
g Wtd. Cost of Long Term Debt	2.1845%	1-Base TRR L 51
h Wtd. Cost of Preferred Stock	0.4178%	1-Base TRR L 52
i Wtd. Cost of Common Stock	4.9641%	1-Base TRR L 47 * Line d
j Cost of Capital Rate	7.5665%	Sum of Lines g to i

Calculation of Equity Rate of Return Including Common and Preferred Stock:

	<u>Percentage</u>	<u>Reference:</u>
k	5.3820%	Sum of Lines h to i

Notes:

1) True Up TRR Incentive Adder Reversal backs out the revenue requirement associated with any project-specific Incentive Adders (line 39) for True Up Years during the term of the Second Formula Rate. Applicable pursuant to settlement under ER18-169.

Southern California Edison Company

Cells shaded yellow are input cells

Formula Transmission Rate

Line	Notes	FERC Form 1 Reference or Instruction	2019 Value
RATE BASE			
1	ISO Transmission Plant	6-PlantInService, Line 19	\$9,285,531,121
2	General Plant + Electric Miscellaneous Intangible Plant	6-PlantInService, Line 27	\$295,141,395
3	Transmission Plant Held for Future Use	11-PHFU, Line 8	\$9,942,155
4	Abandoned Plant	12-AbandonedPlant, Line 3	\$0
<u>Working Capital amounts</u>			
5	Materials and Supplies	13-WorkCap, Line 16	\$23,772,509
6	Prepayments	13-WorkCap, Line 36	\$14,005,542
7	Cash Working Capital	(Line 66 + Line 67) / 8	<u>\$24,351,243</u>
8	Working Capital	Line 5 + Line 6 + Line 7	\$62,129,293
<u>Accumulated Depreciation Reserve Balances</u>			
9	Transmission Depreciation Reserve - ISO	8-AccDep, Line 13, Col. 12	-\$1,910,452,318
10	Distribution Depreciation Reserve - ISO	8-AccDep, Line 16, Col. 5	\$0
11	General + Intangible Plant Depreciation Reserve	8-AccDep, Line 26	<u>-\$105,759,956</u>
12	Accumulated Depreciation Reserve	Line 9 + Line 10 + Line 11	-\$2,016,212,274
13	Accumulated Deferred Income Taxes	9-ADIT, Line 5, Col. 2	-\$1,621,347,527
14	CWIP Plant	14-IncentivePlant, L 12, Col 1	\$647,481,518
15	Other Regulatory Assets/Liabilities	23-RegAssets, Line 14	\$0
16	Unfunded Reserves	34-UnfundedReserves, Line 6	-\$197,804,839
17	Network Upgrade Credits	22-NUCs, Line 4	-\$36,762,569
18	Rate Base	L1 + L2 + L3 + L4 + L8 + L12 + L13 + L14+ L15+ L16 + L17	\$6,428,098,273
OTHER TAXES			
19	Sub-Total Local Taxes	FF1 263.1, Row 13, Column i	<u>\$329,452,981</u>
20	Transmission Plant Allocation Factor	27-Allocators, Line 18	18.6682%
21	Property Taxes	Line 19 * Line 20	\$61,502,789
22	Payroll Taxes Expense		
23	FICA	Line 24 + Line 25+ Line 26	\$117,647,986
24	Fed Ins Cont Amt -- Current	FF1 263, Row 6, Column i	<u>\$116,228,864</u>
25	FICA/OASDI Emp Incntv.	FF1 263, Row 7, Column i	<u>\$1,175,852</u>
26	FICA/HIT Emp Incntv.	FF1 263, Row 8, Column i	<u>\$243,270</u>
27	CA SUI Current	FF1 263, Row 24, Column i	<u>\$5,948,364</u>
28	Fed Unemp Tax Act- Current	FF1 263, Row 9, Column i	<u>\$1,718,978</u>
29	CADI Vol Plan Assess	FF1 263, Row 29, Column i	<u>\$1,879,323</u>
30	SF Pyrl Exp Tx - SCE	FF1 263, Row 28, Column i	<u>\$39,927</u>
31	Total Electric Payroll Tax Expense	Line 23 + (Line 27 to Line 30)	\$127,234,578
32	Capitalized Overhead portion of Electric Payroll Tax Expense	26-TaxRates, Line 16	\$57,891,733
33	Remaining Electric Payroll Tax Expense to Allocate	Line 31 - Line 32	\$69,342,845
34	Transmission Wages and Salaries Allocation Factor	27-Allocators, Line 5	6.5694%
35	Payroll Taxes Expense	Line 33 * Line 34	\$4,555,392
36	Other Taxes	Note 1	\$66,058,181

Southern California Edison Company

Cells shaded yellow are input cells

Formula Transmission Rate

Line	Notes	FERC Form 1 Reference or Instruction	2019 Value
RETURN AND CAPITALIZATION CALCULATIONS			
Debt			
37	Long Term Debt Amount	5-ROR-1, Line 8	\$14,367,696,054
38	Cost of Long Term Debt	5-ROR-1, Line 16	\$655,538,361
39	Long Term Debt Cost Percentage	5-ROR-1, Line 17	4.5626%
Preferred Stock			
40	Preferred Stock Amount	5-ROR-1, Line 21	\$2,192,067,551
41	Cost of Preferred Stock	5-ROR-1, Line 25	\$125,382,686
42	Preferred Stock Cost Percentage	5-ROR-1, Line 26	5.7198%
Equity			
43	Common Stock Equity Amount	5-ROR-1, Line 32	\$13,448,514,640
44	Total Capital	Line 37 + Line 40 + Line 43	\$30,008,278,245
Capital Percentages			
45	Long Term Debt Capital Percentage	Line 37 / Line 44	47.8791%
46	Preferred Stock Capital Percentage	Line 40 / Line 44	7.3049%
47	Common Stock Capital Percentage	Line 43 / Line 44	44.8160%
		Line 45 + Line 46+ Line 47	100.0000%
Annual Cost of Capital Components			
48	Long Term Debt Cost Percentage	Line 39	4.5626%
49	Preferred Stock Cost Percentage	Line 42	5.7198%
50	Return on Common Equity	Note 2 SCE Return on Equity	11.20%
Calculation of Cost of Capital Rate			
51	Weighted Cost of Long Term Debt	Line 39 * Line 45	2.1845%
52	Weighted Cost of Preferred Stock	Line 42 * Line 46	0.4178%
53	Weighted Cost of Common Stock	Line 47 * Line 50	5.0194%
54	Cost of Capital Rate	Line 51 + Line 52 + Line 53	7.6217%
55	Equity Rate of Return Including Common and Preferred Stock	Used for Tax calculation Line 52 + Line 53	5.4372%
56	Return on Capital: Rate Base times Cost of Capital Rate	Line 18 * Line 54	\$489,933,310
INCOME TAXES			
57	Federal Income Tax Rate	26-Tax Rates, Line 1	21.0000%
58	State Income Tax Rate	26-Tax Rates, Line 8	8.8400%
59	Composite Tax Rate	= F + [S * (1 - F)] (L57 + L58) - (L57 * L58)	27.9836%
Calculation of Credits and Other:			
60	Amortization of Excess Deferred Tax Liability	Note 3	-
61	Investment Tax Credit Flowed Through	Note 3	-
62	South Georgia Income Tax Adjustment	Note 3	-
63	Credits and Other	Line 60 + Line 61+ Line 62	-
64	Income Taxes:	Formula on Line 65	\$118,810,878
65	Income Taxes = [((RB * ER) + D) * (CTR/(1 - CTR))] + CO/(1 - CTR)		
Where:			
	RB = Rate Base	Line 18	
	ER = Equity Rate of Return Including Common and Preferred Stock	Line 55	
	CTR = Composite Tax Rate	Line 59	
	CO = Credits and Other	Line 63	
	D = Book Depreciation of AFUDC Equity Book Basis	SCE Records	\$3,917,123

Changed from -\$29,467,842 to -\$15,761,285 to adjust EDIT balance.

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\$2,606,000

-\$13,338,285

\$118,810,878

\$3,917,123

Southern California Edison Company

Cells shaded yellow are input cells

Formula Transmission Rate

Line	Notes	FERC Form 1 Reference or Instruction	2019 Value
PRIOR YEAR TRANSMISSION REVENUE REQUIREMENT			
<u>Component of Prior Year TRR:</u>			
66	O&M Expense	19-OandM, Line 91, Col. 6	\$112,781,174
67	A&G Expense	20-AandG, Line 23	\$82,028,767
68	Network Upgrade Interest Expense	22-NUCs, Line 8	\$4,075,484
69	Depreciation Expense	17-Depreciation, Line 70	\$255,157,633
70	Abandoned Plant Amortization Expense	12-AbandonedPlant, Line 1	\$0
71	Other Taxes	Line 36	\$66,058,181
72	Revenue Credits	21-Revenue Credits, Line 44	-\$54,094,032
73	Return on Capital	Line 56	\$489,933,310
74	Income Taxes	Line 64	\$118,810,878
75	Gains and Losses on Trans. Plant Held for Future Use -- Land	11-PHFU, Line 10	\$0
76	Amortization and Regulatory Debits/Credits	23-RegAssets, Line 16	\$0
77	Prior Year Incentive Adder	15-IncentiveAdder, Line 14	\$24,863,592
77a	Prior Year Incentive Adder Reversal	Negative of Line 77	-\$24,863,592
78	Total without FF&U	Sum of Lines 66 to 77	\$1,074,751,395
79	Franchise Fees Expense	L 78 * FF Factor (28-FFU, L 5)	\$9,939,385
80	Uncollectibles Expense	L 78 * U Factor (28-FFU, L 5)	\$2,293,528
81	Prior Year TRR	Line 78 + Line 79+ Line 80	\$1,086,984,307
TOTAL BASE TRANSMISSION REVENUE REQUIREMENT			
<u>Calculation of Base Transmission Revenue Requirement</u>			
82	Prior Year TRR	Line 81	\$1,086,984,307
83	Incremental Forecast Period TRR	2-IFPTRR, Line 82	\$104,100,279
84	True Up Adjustment	3-TrueUpAdjust, Line 30	-\$55,389,865
85	Cost Adjustment	Note 4	\$0
86	Base Transmission Revenue Requirement (Retail)	For Retail Purposes	\$1,135,694,720
<u>Wholesale Base Transmission Revenue Requirement</u>			
87	Base TRR (Retail)	Line 86	\$1,135,694,720
88	Wholesale Difference to the Base TRR	25-WholesaleDifference, Line 45	-\$4,755,231
89	Wholesale Base Transmission Revenue Requirement	Line 87 + Line 88	\$1,130,939,489

Notes:

- Any amount of "Sub-Total Local Taxes" or "Payroll Taxes Expense" may be excluded if appropriate with the provision of a workpaper showing the reason for the exclusion and the amount of the exclusion.
- The TO2018 Settlement Return on Common Equity shall be set at 11.2% for the term of the Settlement. Includes Base ROE, 50 basis point ISO adder, and project-specific ROE adders awarded to SCE (Tehachapi – 1.25%, Devers to Colorado River – 1.00%, Rancho Vista – 0.75%). Project adders are equivalent to an approximate 0.78% increase in SCE's overall Base ROE. If the Commission determines, in an order not subject to rehearing or appeal, that SCE is not entitled to the incentive adder for CAISO participation, SCE will reduce its ROE to 10.7% retroactive to January 1, 2018 for the period the TO2018 settlement is in effect.
- No change in Amortization of Excess Deferred Tax Liability or South Georgia Income Tax Adjustment "Credits and Other" terms will be made absent a filing at the Commission. Investment Tax Credit Flowed Through amount shall be negative \$520,000 through the Prior Year of 2018, negative \$183,000 for the Prior Year of 2019, and \$0 thereafter. The Unprotected-Property Related net Excess Deferred Income Tax amount of \$60,466,608 shall be fully amortized over the four-year period of 2018 through 2021 and reflected in Line 60 of Schedule 1. The Unprotected-Non-Property Related net Excess Deferred Income Tax amount of \$4,549,634 shall be fully amortized in 2018 and reflected in Line 60 of Schedule 1.
- Cost Adjustment may be included as provided in the Tariff protocols.
- Prior Year Incentive Adder Reversal backs out the revenue requirement associated with any project specific Incentive Adders (line 77). Applicable pursuant to settlement under ER18-169.

Schedule 4
True Up TRR
(TO2021 EDIT Amortization Adj)

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Calculation of True Up TRR

A) Rate Base for True Up TRR

<u>Line</u>	<u>Rate Base Item</u>	<u>Calculation Method</u>	<u>Notes</u>	<u>FERC Form 1 Reference or Instruction</u>	<u>Amount</u>
1	ISO Transmission Plant	13-Month Avg.		6-PlantInService, Line 18	\$8,939,630,709
2	General + Elec. Misc. Intangible Plant	BOY/EOY Avg.		6-PlantInService, Line 24	\$288,986,135
3	Transmission Plant Held for Future Use	BOY/EOY Avg.		11-PHFU, Line 9	\$9,942,155
4	Abandoned Plant	BOY/EOY Avg.		12-AbandonedPlant Line 4	\$0
<u>Working Capital Amounts</u>					
5	Materials and Supplies	13-Month Avg.		13-WorkCap, Line 17	\$21,476,900
6	Prepayments	13-Month Avg.		13-WorkCap, Line 33	\$21,286,307
7	Cash Working Capital	1/8 (O&M + A&G)		1-Base TRR Line 7	<u>\$24,081,483</u>
8	Working Capital			Line 5 + Line 6 + Line 7	\$66,844,690
<u>Accumulated Depreciation Reserve Amounts</u>					
9	Transmission Depreciation Reserve - ISO	13-Month Avg.	Negative amount	8-AccDep, Line 14, Col. 12	-\$1,839,774,172
10	Distribution Depreciation Reserve - ISO	BOY/EOY Avg.	Negative amount	8-AccDep, Line 17, Col. 5	\$0
11	G + I Depreciation Reserve	BOY/EOY Avg.	Negative amount	8-AccDep, Line 23	-\$105,809,933
12	Accumulated Depreciation Reserve			Line 9 + Line 10 + Line 11	-\$1,945,584,105
13	Accumulated Deferred Income Taxes	BOY/EOY Avg.		9-ADIT-1, Line 15	-\$1,632,145,855
14	CWIP Plant	13-Month Avg.		14-IncentivePlant, L 12, C2	\$601,481,320
15	Network Upgrade Credits	BOY/EOY Avg.	Negative amount	22-NUCs, Line 7	-\$50,661,305
16	Unfunded Reserves			34-UnfundedReserves, Line 7	-\$192,258,246
17	Other Regulatory Assets/Liabilities	BOY/EOY Avg.		23-RegAssets, Line 15	\$0
18	Rate Base			L1+L2+L3+L4+L8+L12+ L13+L14+L15+L16+L17	\$6,086,235,499

B) Return on Capital

<u>Line</u>					
19	Cost of Capital Rate		See Instruction 1	Instruction 1, Line j	7.7413%
20	Return on Capital: Rate Base times Cost of Capital Rate			Line 18 * Line 19	\$471,155,656

C) Income Taxes

21	Income Taxes = $[(RB * ER) + D] * (CTR / (1 - CTR)) + CO / (1 - CTR)$				\$117,312,376
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Where:

22	RB = Rate Base			Line 18	\$6,086,235,499
23	ER = Equity ROR inc. Com. and Pref. Stock	Instruction 1		Instruction 1, Line k	5.6793%
24	CTR = Composite Tax Rate			1-Base TRR L 59	27.9836%
25	CO = Credits and Other			1-Base TRR L 63	-\$13,338,285
26	D = Book Depreciation of AFUDC Equity Book Basis			1-Base TRR L 65	\$3,917,123

Schedule 4
True Up TRR
(TO2021 EDIT Amortization Adj)

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D) True Up TRR Calculation

27	O&M Expense	1-Base TRR L 66	\$110,879,588
28	A&G Expense	1-Base TRR L 67	\$81,772,279
29	Network Upgrade Interest Expense	1-Base TRR L 68	\$4,075,484
30	Depreciation Expense	1-Base TRR L 69	\$255,151,988
31	Abandoned Plant Amortization Expense	1-Base TRR L 70	\$0
32	Other Taxes	1-Base TRR L 71	\$66,056,889
33	Revenue Credits	1-Base TRR L 72	-\$54,094,032
34	Return on Capital	Line 20	\$471,155,656
35	Income Taxes	Line 21	\$117,312,376
36	Gains and Losses on Transmission Plant Held for Future Use -- Land	1-Base TRR L 75	\$0
37	Amortization and Regulatory Debits/Credits	1-Base TRR L 76	\$0
38	Total without True Up Incentive Adder	Sum Line 27 to Line 37	\$1,052,310,228
39	True Up Incentive Adder	15-IncentiveAdder L 20	\$26,714,526
39a	True Up Incentive Adder Reversal	Negative of Line 39, Note 1	-\$26,714,526
40	True Up TRR without Franchise Fees and Uncollectibles Expense included:	Sum of Lines 38 to 39a	\$1,052,310,228

E) Calculation of final True Up TRR with Franchise Fees and Uncollectibles Expenses

<u>Line</u>			<u>Reference:</u>
41	True Up TRR wo FF:	\$1,052,310,228	Line 40
42	Franchise Fee Factor:	0.925%	28-FFU, L 5
43	Franchise Fee Expense:	\$9,731,847	Line 41 * Line 42
44	Uncollectibles Expense Factor:	0.213%	28-FFU, L 5
45	Uncollectibles Expense:	\$2,245,638	Line 41 * Line 44
46	True Up TRR:	\$1,064,287,713	L 41 + L 43 + L 45

<p style="text-align: center;">Change in TO2019 TUTRR</p> <p style="text-align: center;">\$1,064,287,713</p> <p style="text-align: center;"><u>\$1,045,038,533</u></p> <p style="text-align: center;">\$19,249,180</p>

Schedule 4
True Up TRR
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Instructions:

1) Use weighted average (by time) of the Return on Equity in effect during the Prior Year in determining the "Cost of Capital Rate" on Line 19 and the "Equity Rate of Return Including Preferred Stock" on Line 23 in the event that the ROE is revised during the Prior Year. In this event, the ROE used in Schedule 1 will differ from the ROE used in this Schedule 4, because the Schedule 1 ROE will be the most recent ROE, whereas the Schedule 4 Cost of Capital Rate and Equity Rate of Return including Com. + Pref. Stock will be based on the weighted-average ROE.

Calculation of weighted average Cost of Capital Rate in Prior Year:

If ROE does not change during year, then attribute all days to Line a "ROE at end of Prior Year" and none to "ROE at start of PY"

	<u>Percentage</u>	<u>Reference:</u>	<u>From</u>	<u>To</u>	<u>Days ROE In Effect</u>
a ROE at end of Prior Year	10.30%	See Line e below	Nov 12, 2019	Dec 31, 2019	50
b ROE start of Prior Year	11.20%	See Line f below	Jan 1, 2019	Nov 11, 2019	315
c				Total days in year:	365
d Wtd. Avg. ROE in Prior Year	11.08%	((Line a ROE * Line a days) + (Line b ROE * Line b days)) / Total Days in Year			

Commission Decisions approving ROE:

	<u>Reference:</u>
e End of Prior Year	Settlement of TO2019A (ER19-1553)
f Beginning of Prior Year	169 FERC ¶ 61,177

	<u>Percentage</u>	<u>Reference:</u>
g Wtd. Cost of Long Term Debt	2.0621%	1-Base TRR L 51
h Wtd. Cost of Preferred Stock	0.4178%	1-Base TRR L 52
i Wtd. Cost of Common Stock	5.2614%	1-Base TRR L 47 * Line d
j Cost of Capital Rate	7.7413%	Sum of Lines g to i

Calculation of Equity Rate of Return Including Common and Preferred Stock:

	<u>Percentage</u>	<u>Reference:</u>
k	5.6793%	Sum of Lines h to i

Notes:

1) True Up TRR Incentive Adder Reversal backs out the revenue requirement associated with any project-specific Incentive Adders (Line 39) for True Up Years during the term of the settlement of ER19-1553.

Southern California Edison Company

Cells shaded yellow are input cells

Formula Transmission Rate

Line	Notes	FERC Form 1 Reference or Instruction	2019 Value
RATE BASE			
1	ISO Transmission Plant	6-PlantInService, Line 19	\$9,285,531,121
2	General Plant + Electric Miscellaneous Intangible Plant	6-PlantInService, Line 27	\$295,082,247
3	Transmission Plant Held for Future Use	11-PHFU, Line 8	\$9,942,155
4	Abandoned Plant	12-AbandonedPlant, Line 3	\$0
<u>Working Capital amounts</u>			
5	Materials and Supplies	13-WorkCap, Line 16	\$23,767,745
6	Prepayments	13-WorkCap, Line 36	\$14,002,735
7	Cash Working Capital	(Line 66 + Line 67) / 8	\$24,081,483
8	Working Capital	Line 5 + Line 6 + Line 7	\$61,851,963
<u>Accumulated Depreciation Reserve Balances</u>			
9	Transmission Depreciation Reserve - ISO	8-AccDep, Line 13, Col. 12	-\$1,910,452,318
10	Distribution Depreciation Reserve - ISO	8-AccDep, Line 16, Col. 5	\$0
11	General + Intangible Plant Depreciation Reserve	8-AccDep, Line 26	-\$105,738,761
12	Accumulated Depreciation Reserve	Line 9 + Line 10 + Line 11	-\$2,016,191,079
13	Accum Net ADIT (Liab)/Asset and Net (Excess)/Deficient ADIT Amounts	9-ADIT-1, Line 5, Col. 2	-\$1,621,359,578
14	CWIP Plant	14-IncentivePlant, L 12, Col 1	\$647,481,518
15	Other Regulatory Assets/Liabilities	23-RegAssets, Line 14	\$0
16	Unfunded Reserves	34-UnfundedReserves, Line 6	-\$197,765,198
17	Network Upgrade Credits	22-NUCs, Line 4	-\$36,762,569
18	Rate Base	L1 + L2 + L3 + L4 + L8 + L12 + L13 + L14+ L15+ L16 + L17	\$6,427,810,579
OTHER TAXES			
19	Sub-Total Local Taxes	FF1 263.1, Row 13, Column i	\$329,452,981
20	Transmission Plant Allocation Factor	FF1 263 or 263.x (see note to left)	18.6680%
21	Property Taxes	27-Allocators, Line 22 Line 19 * Line 20	\$61,502,409
22	Payroll Taxes Expense		
23	FICA	Line 24 + Line 25+ Line 26	\$117,647,986
24	Fed Ins Cont Amt -- Current	FF1 263, Row 6, Column i	\$116,228,864
25	FICA/OASDI Emp Incntv.	FF1 263, Row 7, Column i	\$1,175,852
26	FICA/HIT Emp Incntv.	FF1 263, Row 8, Column i	\$243,270
27	CA SUI Current	FF1 263, Row 24, Column i	\$5,948,364
28	Fed Unemp Tax Act- Current	FF1 263, Row 9, Column i	\$1,718,978
29	CADI Vol Plan Assess	FF1 263, Row 29, Column i	\$1,879,323
30	SF Pyrl Exp Tx - SCE	FF1 263, Row 28, Column i	\$39,927
31	Total Electric Payroll Tax Expense	Line 23 + (Line 27 to Line 30)	\$127,234,578
32	Capitalized Overhead portion of Electric Payroll Tax Expense	26-TaxRates, Line 16	\$57,891,733
33	Remaining Electric Payroll Tax Expense to Allocate	Line 31 - Line 32	\$69,342,845
34	Transmission Wages and Salaries Allocation Factor	27-Allocators, Line 9	6.5681%
35	Payroll Taxes Expense	Line 33 * Line 34	\$4,554,479
36	Other Taxes	Note 1 Line 21 + Line 35	\$66,056,889

Southern California Edison Company

Cells shaded yellow are input cells

Formula Transmission Rate

Line	Notes	FERC Form 1 Reference or Instruction	2019 Value
RETURN AND CAPITALIZATION CALCULATIONS			
<u>Debt</u>			
37	Long Term Debt Amount	5-ROR-1, Line 4	\$14,367,696,054
38	Cost of Long Term Debt	5-ROR-1, Line 11	\$655,538,361
39	Long Term Debt Cost Percentage	5-ROR-1, Line 12	4.5626%
<u>Preferred Stock</u>			
40	Preferred Stock Amount	5-ROR-1, Line 16	\$2,192,067,551
41	Cost of Preferred Stock	5-ROR-1, Line 20	\$125,382,686
42	Preferred Stock Cost Percentage	5-ROR-1, Line 21	5.7198%
<u>Equity</u>			
43	Common Stock Equity Amount	5-ROR-1, Line 27	\$13,448,514,640
44	Total Capital	Line 37 + Line 40 + Line 43	\$30,008,278,245
44a	Minimum Common Stock Capital Percentage (Docket No. ER19-1553)		47.50%
<u>Capital Percentages</u>			
45	Long Term Debt Capital Percentage	100% - (Line 46 + Line 47)	45.1951%
46	Preferred Stock Capital Percentage	Line 40 / Line 44	7.3049%
47	Common Stock Capital Percentage	Max Line 44a or (Line 43 / Line 44)	47.5000%
		Line 45 + Line 46+ Line 47	100.0000%
<u>Annual Cost of Capital Components</u>			
48	Long Term Debt Cost Percentage	Line 39	4.5626%
49	Preferred Stock Cost Percentage	Line 42	5.7198%
50	Return on Common Equity	Note 2 SCE Return on Equity	10.30%
<u>Calculation of Cost of Capital Rate</u>			
51	Weighted Cost of Long Term Debt	Line 39 * Line 45	2.0621%
52	Weighted Cost of Preferred Stock	Line 42 * Line 46	0.4178%
53	Weighted Cost of Common Stock	Line 47 * Line 50	4.8925%
54	Cost of Capital Rate	Line 51 + Line 52 + Line 53	7.3724%
55	Equity Rate of Return Including Common and Preferred Stock	Used for Tax calculation Line 52 + Line 53	5.3103%
56	Return on Capital: Rate Base times Cost of Capital Rate	Line 18 * Line 54	\$473,883,456
INCOME TAXES			
57	Federal Income Tax Rate	26-Tax Rates, Line 1	21.0000%
58	State Income Tax Rate	26-Tax Rates, Line 8	8.8400%
59	Composite Tax Rate	$= F + [S * (1 - F)]$ (L57 + L58) - (L57 * L58)	27.9836%
<u>Calculation of Credits and Other:</u>			
60	Amortization of Net (Excess)/Deficient Deferred Tax Liability Asset	Changed from -\$29,467,842 to -\$15,761,285 to adjust EDIT balance. Negative of 9-ADIT-2, Line 500	-\$15,761,285
61	Investment Tax Credit Flowed Through	Note 3	-\$183,000
62	South Georgia Income Tax Adjustment	Note 3	\$2,606,000
63	Credits and Other	Line 60 + Line 61+ Line 62	-\$13,338,285
64	Income Taxes:	Formula on Line 65	\$115,635,411
65	Income Taxes = [((RB * ER) + D) * (CTR/(1 – CTR))] + CO/(1 – CTR)		
Where:			
RB = Rate Base		Line 18	
ER = Equity Rate of Return Including Common and Preferred Stock		Line 55	
CTR = Composite Tax Rate		Line 59	
CO = Credits and Other		Line 63	
D = Book Depreciation of AFUDC Equity Book Basis		Workpaper: WP-Schedule 1	\$3,917,123

Southern California Edison Company

Cells shaded yellow are input cells

Formula Transmission Rate

Line	Notes	FERC Form 1 Reference or Instruction	2019 Value
PRIOR YEAR TRANSMISSION REVENUE REQUIREMENT			
<u>Component of Prior Year TRR:</u>			
66	O&M Expense	19-OandM, Line 91, Col. 6	\$110,879,588
67	A&G Expense	20-AandG, Line 23	\$81,772,279
68	Network Upgrade Interest Expense	22-NUCs, Line 8	\$4,075,484
69	Depreciation Expense	17-Depreciation, Line 70	\$255,151,988
70	Abandoned Plant Amortization Expense	12-AbandonedPlant, Line 1	\$0
71	Other Taxes	Line 36	\$66,056,889
72	Revenue Credits	21-Revenue Credits, Line 44	-\$54,094,032
73	Return on Capital	Line 56	\$473,883,456
74	Income Taxes	Line 64	\$115,635,411
75	Gains and Losses on Trans. Plant Held for Future Use -- Land	11-PHFU, Line 10	\$0
76	Amortization and Regulatory Debits/Credits	23-RegAssets, Line 16	\$0
77	Prior Year Incentive Adder	15-IncentiveAdder, Line 14	\$26,352,647
77a	Prior Year Incentive Adder Reversal	Negative of Line 77	-\$26,352,647
78	Total without FF&U	Sum of Lines 66 to 77a	\$1,053,361,064
79	Franchise Fees Expense	L 78 * FF Factor (28-FFU, L 5)	\$9,741,565
80	Uncollectibles Expense	L 78 * U Factor (28-FFU, L 5)	\$2,247,881
81	Prior Year TRR	Line 78 + Line 79+ Line 80	\$1,065,350,509
TOTAL BASE TRANSMISSION REVENUE REQUIREMENT			
<u>Calculation of Base Transmission Revenue Requirement</u>			
82	Prior Year TRR	Line 81	\$1,065,350,509
83	Incremental Forecast Period TRR	2-IFPTRR, Line 82	\$102,323,862
84	True Up Adjustment	3-TrueUpAdjust, Line 30	-\$37,907,169
85	Cost Adjustment	Note 4	\$0
86	Base Transmission Revenue Requirement (Retail)	For Retail Purposes	\$1,129,767,202
<u>Wholesale Base Transmission Revenue Requirement</u>			
87	Base TRR (Retail)	Line 86	\$1,129,767,202
88	Wholesale Difference to the Base TRR	25-WholesaleDifference, Line 45	-\$4,695,003
89	Wholesale Base Transmission Revenue Requirement	Line 87 + Line 88	\$1,125,072,199

Notes:

- Any amount of "Sub-Total Local Taxes" or "Payroll Taxes Expense" may be excluded if appropriate with the provision of a workpaper showing the reason for the exclusion and the amount of the exclusion.
- No change in Return on Common Equity will be made absent a Section 205 filing at the Commission.
Does not include any project-specific ROE adders.
In the event that the Return on Common Equity is revised from the initial value, enter cite to Commission Order approving the revised ROE on following line.
Order approving revised ROE: **ER19-1553**
- No change in the South Georgia Income Tax Adjustment "Credits and Other" term will be made absent a filing at the Commission. Investment Tax Credit Flowed Through amount shall be negative \$520,000 through the Prior Year of 2018, negative \$183,000 for the Prior Year of 2019, and \$0 thereafter.
- Cost Adjustment may be included as provided in the Tariff protocols.
- Prior Year Incentive Adder Reversal backs out the revenue requirement associated with any project-specific Incentive Adders (Line 77). Applicable pursuant to settlement under ER19-1553.