

# **San Diego Gas & Electric Company**

## **Appendix X Cycle 4 Informational Filing**

**Volume 1 of 2**

**May 29, 2015**

# **San Diego Gas & Electric Company**

## **Appendix X, Cycle 4**

### **Informational Filing Report**

**SAN DIEGO GAS & ELECTRIC COMPANY**  
**APPENDIX X, CYCLE 4 INFORMATIONAL FILING REPORT**

**I. INTRODUCTION**

This Report explains the derivation of the Cycle 4 Border East Line Rate that San Diego Gas & Electric Company (“SDG&E”) charges Citizens Sunrise Transmission LLC (“Citizens”) pursuant to the Appendix X<sup>1</sup> Formula of SDG&E’s Transmission Owner (“TO”) Tariff. The Appendix X Formula determines the annual costs that SDG&E assigns to Citizens to operate and maintain 50% of the transfer capability of the Border East Line that Citizens leases from SDG&E.<sup>2</sup> The Border East Line is a 30-mile segment of SDG&E’s Sunrise Powerlink Transmission Line (“Sunrise”) that is located between the Imperial Valley Substation in California and the county line between Imperial County and San Diego County.

The Report briefly explains the derivation of the Citizens Border East Line Rate which consists of the following five Cost Components under Appendix X:

- A. Direct Maintenance Expense Cost Component
- B. Non-Direct Expenses Cost Component
- C. Cost Component Containing Other Specific Costs associated with Border East Line
- D. True-Up (“TU”) Adjustment and
- E. Interest TU Adjustment.

---

<sup>1</sup> The Commission approved Appendix X in *San Diego Gas & Electric Company, Order Conditionally Accepting Tariff Revision*, 139 FERC ¶61,188 (June 8, 2012) and *Letter Order*, 141 FERC ¶61,054 (October 19, 2012).

<sup>2</sup> The Commission approved the accounting treatment applicable to the Citizens lease in *San Diego Gas & Electric Company, Order on Petition for Declaratory Order*, 129 FERC ¶61, 233 (2009).

The following Attachments reflect the derivation of the Border East Line Rate components for the Base Period and TU Period Adjustments.

- Attachment 1 – Summary of Annual and Monthly charges;
- Attachment 2 – Derivation of 2014 Base Period/True-Up Period Cost Components (BK2 - Sections 1 through 3);
- Attachment 3 – Derivation of the 2014 True-Up Adjustment (BK2 - Sections 4 through 5);
- Attachment 4 – 2014 Base Period/True-Up Period Cost Statements and Work Papers.
- Attachment 5 – Derivation of the 4-Month True-Up Adjustment (September 1, 2013 through December 31, 2013) – Under Modified (TO4) and Existing (TO3) Appendix X Formula.
- Attachment 6 – 4-Month True-Up Adjustment Cost Statements and Work Papers. Cost Components A, B and C are derived from a historical 2014 Base Period and the 4-Month (September through December 31, 2013) TU Cost of Service (*see* Statement BK2).

## **II. SDG&E’S ACCOUNTING OF EXPENSES AND PLANT TO REFLECT THE DERIVATION OF CITIZENS’ COST COMPONENTS**

### **A. Transmission Operation and Maintenance (“O&M”) and Administrative and General (“A&G”) Accounting**

In this Filing, the expenses charged and allocated to the Citizens lease accounts in 2014 were added to 2014 non-lease transmission O&M and A&G accounts to develop a total 2014 cost basis from which to allocate costs to Citizens. Once the Citizens 2014 Base Period Cost Components (A, B, and C) are determined as shown in Attachment 1, they are recorded and

tracked in specific FERC accounts applicable to leased assets<sup>3</sup> and charged to Citizens commencing June 1, 2015 as estimated charges or revenues that SDG&E will record during the Cycle 4 Rate Effective period (“REP”) June 1, 2015 through May 31, 2016.

In Cycle 4, the TU Adjustment will consist of two parts: a 2014 TU Adjustment and a 4-Month TU Adjustment to reconcile Appendix X with SDG&E’s TO4 Formula,<sup>4</sup> which became effective September 1, 2013. The 4-Month TU Adjustment, covering the months September through December 2013, is intended solely to conform the Appendix X Formula from SDG&E’s TO3 Formula to SDG&E TO4 Formula. No other changes, modifications or adjustments are included in this 4-Month TU Adjustment. Nor will the 4-Month TU Adjustment result in any double recoveries or raise any new issues beyond those associated with conforming the Appendix X Formula to SDG&E’s TO4 Formula. The 2014 TU Adjustment, which is derived in Attachment 3, is for the historical 2014 calendar year TU Period. The 2014 TU Adjustment is derived by taking the TU Period Cost of Service (Statement BK2) less recorded revenues from January 2014 through December 2014. The recorded revenues for the first five months of the true-up period, January 2014 - May 2014, were invoiced using Cycle 2 rates, while the remaining seven months, June 2014 - December 2014, were invoiced using Cycle 3 rates.

The 4-Month TU Adjustment derived in Attachment 5 is for the September - December 2013 TU Period. The 4-Month TU Adjustment is derived by taking the net of the 4-Month TU Period Cost of Service under the currently-effective (TO3 Formula) Appendix X (Vol. 2, Section 4A) and the 4-Month TU Period Cost of Service under the modified (TO4) Appendix X (Vol.2 Section 4B), less the recorded revenues from September 2013 through December 2013 (*see* Vol.

---

<sup>3</sup> The lease accounts are set forth in a table at the end of Appendix X.

<sup>4</sup> Pursuant to SDG&E’s TO Tariff Appendix X Modification Filing, Docket NO. ER15-1410-000, dated March 31, 2015.

2, Section 4C). The total TU Adjustment includes accrued interest pursuant to Section 35.19 of the Commission's regulations.

**B. SDG&E's Electric Plant Accounting of the Lease**

The portion of the Border East line leased to Citizens is valued at approximately \$85.194 M of transmission plant. As set forth in Appendix X, SDG&E has booked this amount to Electric Plant Leased to Others in Account 104 and as such, this amount is not reflected in the Transmission Plant Accounts 350 through 359, which are used to determine Transmission rate base applicable to the derivation of SDG&E's BTRR under its TO4 Formula.

The \$85.194 M of plant leased to Citizens is added to Total Transmission Plant to develop a Total Electric System Plant Allocator to allocate costs to Citizens. This process is explained in more detail in Section III below, which describes the derivation of the various Sections of Statement BK2.

**III. CALCULATION OF 2014 BASE PERIOD COST COMPONENTS IN ATTACHMENT 2 (COST STATEMENT BK2)**

The calculations of the Cost Components for Direct Maintenance Expenses, Non-Direct Expenses and Other Specific Costs associated with the Border East Line are described below.

**A. Section 1 – Direct Maintenance Expenses**

Direct Maintenance Expenses reflect the allocation of any direct maintenance on the Border East Line that was assigned to Citizens. During 2014, the Direct Maintenance expenses incurred to operate and maintain the Border-East Line was \$29,747 of which 50% (approximately \$15K) is allocated to Citizens as reflected in Statement BK2, Section 1. The \$29,747 reflects the costs incurred to remove the temporary aerial lighting system of the Border-East Line. During the construction of Sunrise, two sets of aerial lights were installed on the towers as a safety measure to ensure that aircrafts do not collide with the towers. The second set

of aerial lights served as a temporary insurance until SDG&E could verify the monitoring system on the first/permanent set of aerial lights were connected and working properly.

**B. Section 2 – Non-Direct Expenses Allocated to Citizens**

The Non-Direct Expenses Cost Component shown in Section 2 of Statement BK2 reflects the allocation of Non-Direct transmission operation and maintenance expenses, A&G expenses and other expenses attributable to supporting the Border-East Line. These expenses are allocated to Citizens based upon the derivation of an annual carrying charge percentage calculated under the Formula, which is then applied to the Citizens plant lease amount of \$85.194M. The manner in which the carrying charge rates are derived is set forth in the reference column of Statement BK2.

**C. Section 3 – Calculation of Other Specific Expenses Allocated to Citizens**

Section 3 of Statement BK2 contains the derivation of four specific costs assigned to Citizens:

1. Part A derives the revenue requirements credited back to Citizens associated with the amount of Sunrise Accumulated Deferred Income Tax that is allocated to Citizens.
2. Part B derives total electric property taxes expense that is allocated to Citizens.
3. Part C, Non-Deductibility of Depreciation on Equity Allowance for Funds Used During Construction (“AFUDC”), is a new cost component allocated to Citizens due to TO4 Formula modification changes to Appendix X. Part C reflects the revenue requirements applicable to the annual income tax expense resulting from non-deductibility of depreciation on equity AFUDC allocated to Citizens.
4. Part D derives the depreciation removal cost allocated to Citizens. Part D takes the applicable depreciation removal rate times the leased plant balances to arrive

at the annual removal costs. However, during the term of SDG&E's TO4 Formula (September 1, 2013 through December 31, 2018) the Sunrise depreciation rate is equal to zero. Therefore, the annual removal costs allocated to Citizens is zero dollars during SDG&E's TO4 Formula. SDG&E does not charge Citizens any depreciation expense through the lease payments except for cost of removal, which is allowed to be recovered through the Formula. When the lease expires in 30 years, the Citizens portion of the Border East Line will be reinstated on SDG&E books at a zero net plant value to accurately reflect the reduction in ratepayer obligation.

#### **IV. DESCRIPTION OF TU MECHANISM**

##### **A. TU Adjustment Overview**

The TU Adjustments in Cycle 4 covers two historical periods; 2014 TU Period and a One-time Four Month TU Period from September through December 2013 ("4-Month TU"). The 2014 TU Adjustment in Cycle 4 covers the TU Period from January through December 2014, which trues up the last 5 months of Cycle 2 REP (January through May 2014) and the first 7 months of Cycle 3 REP (June 2014 through December 2014). The 12 month TU Adjustment reflects the difference between the recorded revenues during 2014 calendar year true-up period compared to the actual TU Cost of Service for this same period. As reflected in Attachment 1, line 11, the 2014 TU Adjustment is over collected by approximately (\$365K). This over-collection is due in part to implementation of the TO4 Formula, lower O&M and A&G expenses, and lower transmission wages and salaries allocation factor.

The 4-Month TU Adjustment calculates the TU Adjustment amount for the historical period from September through December 2013 under the TO4 methodology and the TO3 methodology, and trues up the Cycle 2 REP for these 4 months. Attachment 1, line 13, reflects a



4-Month TU Adjustment over collection of approximately (\$692K). The over collection is due partially to the application of the TO4 Formula to Appendix X and to a change in the derivation of the Transmission Wages and Salaries Allocation Factor used in determining the Non-Direct Expenses.

**B. Description of TU Adjustment Calculation Process**

Attachment 3 includes the derivation of the 2014 Citizens TU Adjustment, and the derivation of the 12 month TU Cost of Service which is calculated in the same manner as the Base Period Cost of Service described above. Attachment 3 also includes the recorded Citizens revenues received during the TU Period based on the last 5 months of Cycle 2 and the first 7 months of the Cycle 3 charges. The TU Cost of Service reconciles the difference between (a) SDG&E's actual costs of providing the transmission service during the TU Period, less (b) recorded revenues billed by SDG&E and paid by Citizens for transmission services during the 2014 TU Period.

Attachment 5 includes the derivation of the 4-Month TU Adjustment, and the derivation of the 4- Month TU Cost of Service, which is derived by taking the net of currently-effective 4-Month TU Cost of Service and the TO4 Formula 4-Month Cost of Service reflected in Section 4A-4C of Attachment 5. The 4- Month TU Cost of Service reconciles the difference between (a) the net of the TO4 and TO3 4-Month TU Cost of Service, less (b) recorded revenues billed by SDG&E and paid by Citizens for transmission services during the 4-Month TU Period.

**V. CITIZENS INTEREST TU ADJUSTMENT**

The Cycle 4 Informational Filing includes an Interest TU Adjustment Cost Component associated with the Cycle 3 TU Adjustment (under collection) calculated in the Cycle 3 filing last year and a 4-Month Interest TU Adjustment Cost Component associated with the 4-Month TU Adjustment in this Informational Filing. Attachment 3, Section 5 reflects an Interest TU

Adjustment of \$19,709 based on the net of the \$1.3M under collection in the Cycle 3 TU Adjustment and the 4-Month TU Adjustment over-collection of (\$692K) in this Filing. Attachment 5, Section 5 reflects an Interest TU Adjustment of approximately (\$23K) based on the over-collection of (\$692K) calculated in Attachment 5, Section 4A-4C.

**VI. WORK PAPERS SUPPORTING THE BASE PERIOD AND TU ADJUSTMENT COST STATEMENTS**

Attachment 4 contains all work papers and cost statements that are referenced in the reference column for the 2014 Base Period Cost of Service Statement BK2 discussed in Parts III B and C above. These work papers contain statements AD, AE, AF, AG, AH, AI, AJ, AK, AL, AR, AV, and other work papers, including pages from SDG&E's electric FERC Form 1 for 2014. Cost Statements BG and BH are included to show the comparison between revenues at proposed and at currently-effective rates.

Attachment 6 contains all the cost statements and work papers for the 4-Month TU Adjustment Cost of Service Statement BK2 discussed in Parts III B and C above.

**VII. COMPARISON OF CYCLE 4 AND CYCLE 3 RATES**

Exhibit No. SDG-1, which is included at the end of this Report, provides a snapshot comparison of the Cycle 4 rates with the Cycle 3 rates that were filed in Appendix X Cycle 3. As indicated in Exhibit No. SDG-1, the decrease is primarily due to the modifications to Appendix X to reflect the TO4 Formula, a lower Transmission Wages and Salaries Allocation Factor, and lower O&M and A&G expenses.

**CITIZENS SHARE OF THE SUNRISE - BORDER-EAST LINE**  
**Transmission Revenues Data to Reflect Changed Rates**  
**Rate Effective Period - June 1, 2015 to May 31, 2016**  
**(000'S)**

1            2            3 = 1- 2

As Filed  
Cycle 4    Cycle 3    Diff

Ln No.	A. Citizens Annual Cost @ Proposed Changed Rates	BORDER - EAST LINE	BORDER - EAST LINE	Amount	Variance Explanations	Ln No
1						1
2	Section 1 - Direct Maintenance Expense Cost Component	\$ 15	\$ 21	\$ (6)	Decrease is due in part to lower direct maintenance expenses, the implementation of TO4 Formula and other corrections as indicated in the Modification Filing	2
3						3
4						4
5	Section 2 - Non-Direct Expense Cost Component	\$ 2,522	\$ 3,041	\$ (520)	Decrease due to lower O&M, A&G expenses, lower transmission labor allocation factor, and implementation of TO4 Formula.	5
6						6
7						7
8	Section 3 - Cost Component Containing Other Specific Costs	\$ (236)	\$ 343	\$ (579)	Decrease is primarily due to TO4 Formula Sunrise cost of removal rate equal to zero	8
9						9
10	<b>Section 4 - True-Up Adjustment Cost Component</b>					10
11	<b>(Over)/Undercollection</b>					11
12						12
13	Part A - 12 Month True-Up Adj. Period - 2014	\$ (365)	\$ 1,293	\$ (1,658)	Decrease due to the implementation of TO4 Formula and other corrections as indicated in the Appendix X Modification Filing	13
14						14
15						15
16	Part B - 4 Month True-Up Adj (Sept-Dec 2013) <sup>1</sup>	\$ (692)	-	\$ (692)	Same as line 13 above	16
17						17
18	<b>Section 5 - Interest True-Up Adjustment Cost Component</b>					18
19	<b>(Over)/Undercollection</b>					19
20						20
21	Interest from previous cycle true-up adjustment (Cycle 2)	\$ -	\$ (9)	\$ 9	Cycle 2 interest calculation not applicable in Cycle 4	21
22						22
23	Interest from previous cycle true-up adjustment (Cycle 3)	\$ 20	\$ -	\$ 20	Interest calculated on the under-collection amount from Sept-Dec 2013 of the Cycle 3 true-up adjustment	23
24						24
25						25
26	Interest from previous cycle true-up adjustment (Cycle 3)	\$ (23)	\$ -	\$ (23)	Interest calculated on the over-collection amount from Sept-Dec 2013 of the 4-month TU Adjustment.	26
27						27
28						28
29						29
30	Total Citizens Annual Costs	<b>\$ 1,242</b>	<b>\$ 4,690</b>	<b>\$ (3,448)</b>	Sum of Line 2 through 26	30
31						31
32						32
33						33

<sup>1</sup> In Citizen's Cycle 3 filing, SDG&E did not perform a 4-Month True-Up Adjustment as it had not received FERC Order approving SDG&E's TO4 Formula Filing in time to perform a 4-month true-up calculation

# **San Diego Gas & Electric Company**

## **Attestation**

**ATTESTATION RE SAN DIEGO GAS & ELECTRIC COMPANY'S  
FORMULA FOR CALCULATING THE ALLOCATED COSTS TO CITIZEN'S BORDER EAST  
LINE RATE UNDER SDG&E'S TRANSMISSION OWNER TARIFF**

I, Lee Schavrien, attest that I am Senior Vice President – Regulatory Affairs and Operations Support of San Diego Gas & Electric Company ("SDG&E"), and to the best of my knowledge and belief, the cost of service statements and supporting data submitted as part of this filing are true, accurate, and current representations of SDG&E's books and other corporate documents.

May 27, 2015

  
Lee Schavrien

.....

**California All-Purpose Acknowledgement**

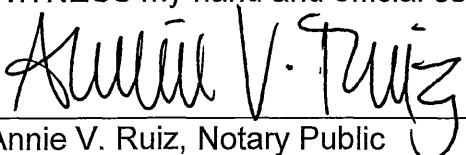
A notary public or other officer completing this certificate verifies only the identity of the individual who signed the document, to which this certificate is attached, and not the truthfulness, accuracy, or validity of that document.

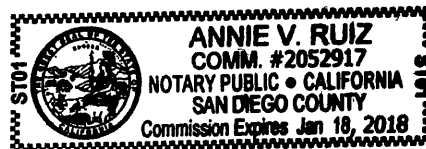
State of California            )  
  )  
County of San Diego         )

On May 27, 2015 before me, Annie V. Ruiz, Notary Public, personally appeared **Lee Schavrien**, who proved to me on the basis of satisfactory evidence to be the person whose name is subscribed to the within instrument and acknowledged to me that he executed the same in his authorized capacity, and that by his signature on the instrument the person, or the entity upon behalf of which the person acted, executed the instrument.

I certify under PENALTY OF PERJURY under the laws of the State of California that the foregoing paragraph is true and correct.

WITNESS my hand and official seal.

  
Annie V. Ruiz, Notary Public



# **San Diego Gas & Electric Company**

## **ATTACHMENT 1 – BK2 SUMMARY OF ANNUAL / MONTHLY CITIZENS' CHARGES PER APPENDIX X CYCLE 4**

**CITIZENS SHARE OF THE SUNRISE - BORDER-EAST LINE**  
**Transmission Revenues Data to Reflect Changed Rates**  
**Rate Effective Period - June 1, 2015 to May 31, 2016**  
**(000'S)**

Ln No.	A. Citizens Annual Cost @ Proposed Changed Rates	BORDER - EAST LINE	Reference	Ln No.
1				1
2	Section 1 - Direct Maintenance Expense Cost Component	\$ 15.243	Vol.1, Atthmnt 2; Stmt BK2 -Section 1; Pg 1; L11	2
3				3
4	Section 2 - Non-Direct Expense Cost Component	\$ 2,521.742	Vol.1, Atthmnt 2; Stmt BK2 -Section 2; Pg 1; L48	4
5				5
6	Section 3 - Cost Component Containing Other Specific Costs	\$ (235.929)	Vol.1, Atthmnt 2; Stmt BK2 -Section 3; Pg 2 of 2	6
7			Part D; L23	7
8	Section 4 - True-Up Adjustment Cost Component			8
9	(over)/undercollection			9
10				10
11	Part A - 12 Month True-Up Adj -2014	\$ (364.910)	Vol.1, Atthmnt 3; Stmt BK2 -Section 4B; TU Adj;	11
12			Col. M; L28	12
13	Part B - 4 Month True-Up Adj. Period (Sept-Dec 2013)	\$ (691.562)	Vol.2, Atthmnt 5; Stmt BK2 -Section 4C; TU Adj;	13
14			Col. M; L33	14
15	Section 5 - Interest True-Up Adjustment Cost Component			15
16				16
17	Interest Applicable to the Net of the 4-Month True-Up Adj. and th	\$ 19.709	Vol.1,Atthmnt 3; Stmt BK2-Section 5; Interest	17
18	Cycle 3 Filing for the January to August 2013 time-frame.		TU Adj., Page 3 of 3; Col. (r ); L16	18
19				19
20	Interest from previous cycle true-up adjustment (Cycle 3)	\$ (22.654)	Vol.2, Atthmnt 5; Stmt BK2 -Section 5; Interest	20
21			TU Adj; Page 3 of 3; Col. (r ); L16	21
22				22
23				23
24	Total Citizens Annual Costs (Rounded)	\$ 1,242	Sum of Line 2 through 21	24
25				25

Ln No.	B. Citizens Monthly Cost @ Proposed Changed Rates	BORDER - EAST LINE	Reference	Ln No.
1				1
2	Section 1 - Direct Maintenance Expense Cost Component	1	Line 2 above / 12 Months	2
3				3
4	Section 2 - Non-Direct Expense Cost Component	210	Line 4 above / 12 Months	4
5				5
6	Section 3 - Cost Component Containing Other Specific Costs	(20)	Line 6 above / 12 Months	6
7				7
8	Section 4 - True-Up Adjustment Cost Component			8
9				9
10	Part A - 12 Month True-Up Adj (2014)	(30)	Line 11 above / 12 Months	10
11				11
12	Part B - 4 Month True-Up Adj. Period (Sept -Dec 2013)	(58)	Line 13 above / 12 Months	12
13				13
14	Section 5 - Interest True-Up Adjustment Cost Component			14
15				15
16	Interest Applicable to 4-Month True-Up Adjustment	2	Line 17 above / 12 Months	16
17				17
18	Interest Applicable to a previous True-Up Adjustment	(2)	Line 20 above / 12 Months	18
19				19
20	Total Citizens Monthly Costs (Rounded)	103	Sum of Lines 2 through 18	20
21				21
22	12 Month Rate Effective Period (June 2015 to May 31, 2016)	12		22
23				23
24		1,242	Line 20 X Line 22	24

# **San Diego Gas & Electric Company**

## **ATTACHMENT 2 – STMT BK2 DERIVATION OF CITIZENS’ 2014 BASE PERIOD COST COMPONENTS**

### **SECTIONS 1 - 3**



San Diego Gas & Electric Company						Statement BK2	
Cost Statement BK2						Section 1	
Section 1- Direct Maintenance Expense Cost Component						Page 1 of 1	
Base Period/True-Up Period 12 Months Ending December 31, 2014							
(\$1,000)							
Ln.							
No.	A. Derivation of Direct Maintenance Expenses Allocated to Citizens					Amount	Reference
1	Citizens Direct Maintenance @ 50% Related with Border East Line <sup>1</sup>					\$ 14.874	See footnote 1 below.
2							
3	Working Cash One Eighth Maintenance Percentage @12.50%					1.86	One Eighth O&M Rule
4							
5	Return plus FIT and SIT		11.5168%	L3 * L5 =	\$ 0.214	Stmt BK2-Sec. 2; Page 7; Col. C; L45	
6							
7	Subtotal of Citizens Direct Maintenance					\$ 15.088	L1 + L5
8							
9	Franchise Fees @ 1.0310%					\$ 0.156	Calc: L7 X .010310
10							
11	Total Direct Maintenance Cost Plus Franchise Fees					\$ 15.243	L7 + L9
12							
13	Monthly Direct Maintenance Assigned to Citizens					\$ 1.270	L11 / 12 Months
14							
<sup>1</sup> Direct O&M expenses incurred during 2014 is equal to						\$29.747	See WP- AH7, Line 35
						50%	Citizen 50% Share -Direct Maintenance
						\$14.874	

**San Diego Gas & Electric Company**  
**Derivation of Section 2 Non-Direct Expenses Cost Component**  
**Base Period/True-Up Period 12 Months Ending December 31, 2014**  
(000's)

Statement BK2  
Section 2  
Page 1 of 7

**Summary of Annual Transmission Carrying Cost**

Line No.	A	B	C	D	E	Reference
1						
2						
3						
4	A. Non-Direct Annual Carrying Charge Percentages			Annual Carrying Charge as Applied to Leased Transmission Plant		
5						
6						
7						
8	Transmission Operations Expense Carrying Charge Percent			0.73%		See Pg 2; Col. D; Line 12
9						
10	Transmission Maintenance Expense Carrying Charge Percent			0.10%		See Pg 2; Col. D; Line 14
11						
12	Transmission Related A&G Carrying Charge Percentage			1.42%		See Pg 2; Col. D; Line 47
13						
14	Transmission Related Payroll Tax Carrying Charge Percent			0.04%		See Pg 3; Col. D; Line 12
15						
16	Property Taxes			0.00%		See Statement BK2 - Section 3
17						
18	Transmission Related General & Common Plt Revenues Carrying Charge Percentage			0.49%		See Pg 6; Col. D; Line 45
19						
20						
21	Transmission Depreciation			0.00%		N/A to Citizens Service
22						
23	Federal and State Income Tax			0.00%		N/A to Citizens Service
24						
25	Rate of Return			0.00%		N/A to Citizens Service
26						
27	Transmission Related Working Capital Revenue Carrying Charge Percentage			0.15%		See Pg 7; Col. D; Line 53
28						
29						
30	ADIT Adjustment			0.00%		See Statement BK - Section 3
31						
32	<b>Total</b>			<b>2.93%</b>		<b>Sum of (L8:L30)</b>
33						
34	Franchise Fees Rate @ 1.0310%	0.01031		0.03%		Calculation = (.0293 x .010310)
35						
36	Annual Carrying Charge Rate as applied to transmission plant			2.96%		Line 32 + Line 34
37						
38						
39						
40						
41						
42	<b>B. Derivation of Non-Direct Expense Cost Component</b>					
43						
44	Citizens Energy Portion of Sunrise Border-East Line			\$ 85,194		See AD6-A
45						
46	Annual Carrying Charged Rate			2.96%		See Line 36 above
47						
48	Annual Transmission Maintenance and Other Costs Charged to Citizens			\$ 2,521,742		Line 44 X Line 46
49						
50						
51						
52						

San Diego Gas & Electric Company  
Derivation of Section 2 Non-Direct Expenses Cost Component  
Base Period/True-Up Period 12 Months Ending December 31, 2014  
(000's)

Statement BK2  
Section 2  
Page 2 of 7

Line No.	A	B	C	D	E	Reference
1				Adjusted		
2	Part A. Transmission O&M Expenses:		Total O&M	O&M		
3						
4	A. Transmission Operation Expenses		\$29,681			Stmt AH; Pg AH2; Pg 1 of 2; Col.6; Line 18
5						
6	B. Transmission Maintenance Expenses		\$ 4,241			Stmt AH; Pg AH2; Pg 1 of 2; Col.6; Line 34
7						
8	Total Transmission O&M		>	\$33,922		Line 4 + Line 6
9						
10	Total Transmission Plant		>	\$4,043,723		Stmt AD; Pg AD; Line 15
11						
12	Transmission Operations Expense Carrying Charge Percentage		>	0.73%		Calculation: L4 / L10
13						
14	Transmission Maintenance Expense Carrying Charge Percentage		>	0.10%		Calculation: L6 / L10
15						
16						
17	Part B. Derivation of Transmission Related A&G Expenses					
18						
19	Total Administrative & General Expense: Less Exclusions		>	\$462,553		Stmt AH; Pg AH3; Col. D; Line 23
20						
21	Less: Property Insurance		>	\$4,738		Stmt AH; Pg AH3; Col. D; Line 9
22						
23	Total Adjusted A&G Expenses Excluding Property Insurance		>	\$457,815		Line 19 - Line 21
24						
25	Transmission Wages & Salaries Allocation Factor for Citizens			12.16%		Stmt AI; Pg AI; Line 21
26						
27	Total Transmission Related A&G Expenses		>	\$55,670		Line 23 X Line 25
28						
29						
30						
31	Part C. Derivation of Allocation of Property Insurance to Transmission Plant					
32						
33						
34	Transmission Plant Property Insurance Allocation Factor		>	36.89%		Stmt AH; Pg AH; Line 17
35						
36	Property Insurance		>	\$4,738		See Line 21 above.
37						
38						
39	Property Insurance Allocated to Trans, General & Common Plant		>	\$1,748		Line 34 X Line 36
40						
41						
42						
43	Total Transmission Related A&G Expenses Including Property Ins.		>	\$57,418		Line 27 + Line 39
44						
45						
46						
47	Transmission Related A&G Carrying Charge Percentage		>	1.42%		Line 43 / Line 10
48						
49						
50						

San Diego Gas & Electric Company  
Derivation of Section 2 Non-Direct Expenses Cost Component  
Base Period/True-Up Period 12 Months Ending December 31, 2014  
(000's)

Statement BK2  
Section 2  
Page 3 of 7

Line No.	A	B	C	D	E	Reference
1	<b>Part A - Electric Payroll (Electric Only)</b>					
2						
3	Total Electric Payroll Taxes			\$ 14,541		Stmnt AK; Pg AK; Line 21
4						
5	Payroll Tax Allocated to Transmission Per Wages Factor			12.16%		Stmnt AI; Pg AII; Line 21
6						
7	Payroll Tax Allocated to Transmission			\$ 1,768		Line 3 X Line 5
8						
9	Total Transmission Plant			\$ 4,043,723		See Pg 2 ; Line 10
10						
11						
12	Transmission Related Payroll Tax Carrying Charge Percentage			0.04%		Line 7 / Line 9
13						
14						
15	<b>Part B - Transmission Wages &amp; Salaries Allocation Factor for Citizens</b>					
16						
17	A. Transmission Wages Expense			> \$14,457		Stmnt AI; Pg AI; Line 3
18						
19	B. A&G Wages Expense			> \$38,961		Stmnt AI; Pg AI; Line 17
20						
21	C. Total O&M Wages Expense			> \$157,878		Stmnt AI; Pg AI; Line 19
22						
23						
24						
25						
26						
27						
28						
29	A	=	Transmission Wages & Salaries Allocation Factor for Citizens	=	12.16%	
30	(C - B)					
31						
32						
33						
34						
35						
36						
37						
38						

San Diego Gas & Electric Company  
**Derivation of Section 2 Non-Direct Expenses Cost Component**  
 Base Period/True-Up Period 12 Months Ending December 31, 2014  
 (000's)

Statement BK2  
 Section 2  
 Page 4 of 7

Line No.	A	B	C	D	E	Reference
1						
2	<b>Part A - DEPRECIATION EXPENSE:</b>					
3						
4	DEc =	Common Depreciation Expense		>	\$53,956	Stmt AJ; Pg AJ; Line 1
5						
6	DEg =	General Depreciation Expense		>	\$10,788	Stmt AJ; Pg AJ; Line 3
7						
8	C =	Total Common Plant Investment		>	\$576,530	Stmt AD; Pg AD; Line 23
9						
10	G =	Total General Plant Investment		>	\$284,301	Stmt AD; Pg AD; Line 21
11						
12						
13	<b>Derivation of Common and General Plant Depreciation Rate</b>					
14						
15		(DEc + DEg) / (C + G)	=		7.52%	
16						
17						
18	<b>Part B. Derivation of Gen and Comm Plant Accum. Deferred Income Taxes (ADFIT)</b>					
19	<b>as a percent of Transmission Plant</b>					
20						
21		General and Common Plant ADFIT			(19,027)	Stmt AF; Pg AF2; Col. (c); Line 5
22						
23		Return Plus FIT and SIT			11.5168%	See Page 7; Line 45
24						
25		Gen & Cmn Plant ADFIT Revenues			(2,191)	Line 21 X Line 23
26						
27		General & Cmn Plant Investment			860,831	Line 8 + Line 10 above
28						
29		Transmission Related General & Common Plant ADIT Revenue			-0.25%	Line 25 / Line 27
30		Carrying Charge Percentage				
31						

**San Diego Gas & Electric Company**  
**Derivation of Section 2 Non-Direct Expenses Cost Component**  
**Base Period/True-Up Period 12 Months Ending December 31, 2014**  
**(000's)**

Statement BK2  
Section 2  
Page 5 of 7

Line No.	A	B	C	D	E	Reference
1						
2	<b>Part A. RATE OF RETURN WORKSHEET:</b>					
3						
4	<b>1. Common Stock Calculation</b>					
5				>	\$4,933,978	Stmt AV;Pg AV1; Line 25
6						
7	Less:	Preferred Stock		>	\$0	Stmt AV;Pg AV1; Line 26
8						
9	Less:	Account No. 216.1		>	\$0	Stmt AV;Pg AV1; Line 27
10						
11	Less:	Account No. 219			(\$11,998)	Stmt AV;Pg AV1; Line 28
12						
13		Common Stock =		>	\$4,945,976	Stmt AV;Pg AV1; Line 29
14						
15	<b>2. Rate of Return Calculation</b>					
16		LTD = Long Term Debt (Total)		>	\$4,126,077	Stmt AV;Pg AV1; Line 7
17						
18		PF = Preferred Stock (Total)		>	\$0	Stmt AV;Pg AV1; Line 21
19						
20		Common Stock		>	\$4,945,976	Stmt AV;Pg AV1; Line 29
21						
22		Total Capital =		>	\$9,072,053	Sum of L16 + L18 +L20
23						
24		i = LTD interest		>	\$194,629	Stmt AV;Pg AV1; Line 15
25						
26		d(pf) = Preferred Dividends		>	\$0	Stmt AV;Pg AV1; Line 22
27						
28	LTD/CAP	45.48%	Cost: 4.72%	Weighted LTD Cos	2.15%	Stmt AV;Pg AV1; Line 36
29	Pf/CAP	0.00%	Cost: 0.00%	Weighted Pf Cost	0.00%	Stmt AV;Pg AV1; Line 37
30	COM/CAP	54.52%	Cost: 10.05%	Weighted Cmn Cos	5.48%	Stmt AV;Pg AV1; Line 38
31						
32	Rate of Return on		<b>OVERALL RATE OF RETURN =</b>		7.63%	Stmt AV;Pg AV1; Line 39
33	Common Equity >		10.05% Offer of Settlement in FERC Docket No. ER13-941-001			
34						
35	<b>Part B - Derivation of Federal and State Income Tax Components:</b>					
36						
37	A = Sum of Preferred Stock and Return on Equity Component			>	5.48%	Stmt AV;Pg AV1; Line 41
38						
39	B = Trans. Related Amort of ITC & Excess Deferred Tax Liability			>	(265)	Stmt AV;Pg AV2; Line 7
40						
41	C = Equity AFUDC Component of Transmission Deprec. Expense			>	4,410	Stmt AV;Pg AV2; Line 8
42						
43	D = Transmission Rate Base			>	\$ 2,935,953	Stmt AV;Pg AV2; Line 9
44						
45	FT = Federal Income Tax Rate			>	35%	Federal Income Tax Rate
46						
47	ST = State Income Tax Rate			>	8.84%	State Income Tax Rate
48						
49						
50	Federal Income Tax = (((A) + (C / D)) * FT) - (B / D)			>	3.0455%	
51						
52						
53						
54						
55	State Income Tax = ((A) + (C / D) + Federal Income Tax) * (ST)			>	0.8413%	
56						
57						
58						
59						
60	Total Federal & State Income Tax Rate:			>	3.8868%	Line 50 + Line 55

San Diego Gas & Electric Company  
Derivation of Section 2 Non-Direct Expenses Cost Component  
Base Period/True-Up Period 12 Months Ending December 31, 2014  
(000's)

Statement BK2  
Section 2  
Page 6 of 7

SUMMARY

Line No.	A	B	C	D	E	Reference
1						
2	<b>A. Derivation of General and Common Plant Annual Revenue as a Percent of Transmission Plant</b>					
3						
4						
5			<b>General &amp; Common Plant Costs</b>			
6			<b>As a Percentage of Gen/Comn Plant</b>			
7						
8	Maintenance of Gen and Comm Plt		0.00%			Captured in trans plant A&G allocation
9						
10	Payroll Taxes		0.00%			Captured in Transmission Plant Payroll Taxes
11						
12	A&G		0.00%			Captured in trans plant A&G allocation
13						
14	General and Common Plant Depreciation Rate		7.52%			See Pg 4; Col. C; Line 15
15						
16	Federal & State Income Tax		3.89%			See Pg 5; Col. D; Line 60
17						
18	Rate of Return Adjustment Factor		7.63%			See Pg 5; Col. E; Line 32
19						
20	Working Capital		0.00%			Captured in trans plant allocation
21						
22	General & Common Plant ADIT Adjustment		-0.25%			See Page 4; Col. D; Line 29
23						
24	Annual Gen and Comm Plt Fixed Charge Rate		18.79%			Sum of (Line8 thru L22)
25						
26						
27	<b>B. General &amp; Common Plant Rate Calculation:</b>					
28						
29	Total Electric Common Plant Investment			\$ 576,530		See Page 4; Col. D; Line 8
30						
31	Total Electric General Plant Investment			284,301		See Page 4; Col. D; Line 10
32						
33	Total Electric General and Common Plant			860,831		Line 29 + Line 31
34						
35	Annual Gen & Commn Plt Fixed Charge Rate			18.79%		See Line 24 above
36						
37	Electric Gen and Comm Plt Revenue			\$ 161,750		Line 33 X Line 35
38						
39	Transmission Wages Allocation Factor for Citizens			12.16%		See Page 3; Line 29
40						
41	Transmission Related Gen & Comm Plt Revenue			\$ 19,669		Line 37 X Line 39
42						
43	Total Transmission Plant			4,043,723		See Page 2; Line 10
44						
45	Transmission Related General and Common Plant Revenue Carrying Charge			0.49%		Line 41 / Line 43
46	Percentage					
47						

San Diego Gas & Electric Company  
Derivation of Section 2 Non-Direct Expenses Cost Component  
Base Period/True-Up Period 12 Months Ending December 31, 2014  
(000's)

Statement BK2  
Section 2  
Page 7 of 7

Line No.	A	B	C	D	E	Reference
1						
2	Derivation of Working Capital					
3						
4	A. Material and Supplies					
5						
6	Total Electric Plant Materials and Supplies (M&S)		\$71,778			Stmt AL; Line 1
7						
8	Transmission Plant Allocation Factor		36.65%			Stmt AD; Page AD; Line 39
9						
10	M&S Allocated to Transmission		\$26,307			L6 X L8
11						
12	B. Prepayments					
13						
14	Total Electric Prepayments		\$41,935			Stmt AL; Line 7
15						
16	Transmission Plant Allocation Factor		36.65%			Stmt AD; Page AD; Line 39
17						
18	Prepayments Allocated to Transmission		\$15,369			Line 14 X Line 16
19						
20	C. Working Cash					
21						
22	Citizens Financed Transmission					
23						
24	Transmission Maintenance and A&G		\$91,340			See Pg 2; Line 8 + 43
25						
26	One Eight O&M Factor		12.50%			
27						
28	Working Cash For Transmission		\$11,418			Line 24 X Line 26
29						
30	D. Transmission Working Capital as a Percent of Transmission Plant					
31						
32						
33	1. Citizens Financed Transmission Projects					
34						
35	M&S Allocated to Transmission		\$ 26,307			Line 10 above
36	Prepayments Allocated to Transmission		15,369			Line 18 above
37	Working Cash		11,418			Line 28 above
38	Total		53,093			Sum (L35:37)
39						
40	2. Derivation of Return Plus FIT & SIT					
41						
42	Federal Income Tax		3.0455%			See Page 5 above; Line 50
43	State Income Tax		0.8413%			See Page 5 above; Line 55
44	Rate of Return		7.6300%			Stmt AV; Page AV1; Line 39
45	Total Return Plus FIT & SIT		11.5168%			
46						
47	Transmission Working Capital Revenue		\$6,115			Line 38 X Line 45
48						
49						
50	Total Transmission Plant		\$ 4,043,723			See Page 2, Line 10
51						
52						
53	Transmission Related Working Capital Revenue			0.15%		Line 47 / Line 50
54	Carrying Charge Percentage					
55						



San Diego Gas & Electric Company  
Cost Statement BK2

Section 3 - Cost Component Containing Other Specific Expenses  
Base Period/True-Up Period 12 Months Ending December 31, 2014  
(\$1,000)

Ln				Reference
<b>No. A. Direct Assignment of Accumulated Deferred Income Taxes (ADIT) to Citizens</b>				
1				
2	As of December 31, 2013			
3	ADIT Liability Attributable to Bonus Depreciation	\$	(6,927)	Stmt AF; AF4; Col. B; Line 13
4	Offset by ADTA Generated by Net Operating Loss (NOL)			
5				
6	As of December 31, 2014			
7	ADIT Liability Attributable to Bonus Depreciation	\$	(10,193)	Stmt AF; AF4; Col. F; Line 13
8	Offset by ADTA Generated by Net Operating Loss (NOL)			
9				
10	Total	\$	(17,120)	Line 3 + Line 7
11				
12	Annual Average of Beginning Bal. and End of Year Bal.	\$	(8,560)	Line 10 / 2
13				
14	Return		7.6300%	Stmt BK2 - Section 2; Pg 5; Col.E; Line 32
15	FIT and SIT		3.8868%	Stmt BK2 - Section 2; Pg 5; Col.D; Line 60
16	Cost of Capital Rate		11.5168%	Line 14 + Line 15
17				
18	Citizens 12 Months Revenue Credit		(985.84)	Line 12 * Line 16
19	Franchise Fee @ 1.0310%	\$	(10.16)	Line 18 * .010310
20	Total Citizens Revenues plus Franchise		(996.002)	Line 18 + Line 19
21				
22	Citizens Monthly ADIT Revenues plus Franchise Fees		(83.00)	Line 20 / 12 Months
23				
24				
<b>B. Property Taxes Allocated to Citizens</b>				
26				
27	Citizens Allocated Property Taxes		618.615	Stmt AK; AK6; Line 24
28	Franchise Fee @ 1.0310%		6.378	Line 27 * .010310
29	Total Citizens Allocated Property Taxes		624.993	Line 27 + Line 28
30				
31	Citizens Allocated Monthly Property Taxes		52	Line 29 /12 Months
32				
33				
<b>C. Non- Deductibility of Depreciation on Equity AFUDC</b>				
35	Revenue Component			
36				
37	Annual Equity AFUDC Allocated to Citizens		135.080	See Non-Deductibility on Equity AFUDC - W
38				
39	Monthly Equity AFUDC Allocated to Citizens		11.257	Line 37 / 12 Months

San Diego Gas & Electric Company  
Cost Statement BK2

Section 3 - Cost Component Containing Other Specific Expenses  
Base Period/True-Up Period 12 Months Ending December 31, 2014

(\$1,000)

A

B

C

D

E

(col. B \* col. C)

D. Derivation of Citizens Border East Line Removal Costs

Ln No.	FERC Account	Total Costs	Removal Rate <sup>(1)</sup>	Amount	Reference	Ln No.
1						1
2	354 - Towers & Fixtures	\$ 46,971	0	\$ -	TO4 Transmission Plant Deprec. Rates WP	2
3						3
4	356 - Overhead Cond & Devices	\$ 16,615	0	\$ -	TO4 Transmission Plant Deprec. Rates WP	4
5						5
6	359 - Road and Trails	\$ 19,939	0	\$ -	No Removal Rate	6
7						7
8	350.1 - Land	\$ -	0	\$ -	No Removal Rate	8
9						9
10	350.2 - Land Rights	1,669	0	-	No Removal Rate	10
11		\$ 85,194				11
12						12
13	Subtotal Annual Removal Costs			\$ -	Sum (L2:L10)	13
14						14
15	Franchise Fees @ 1.0310%			\$ -	L13 X .010310	15
16						16
17	Total Annual Removal Costs			\$ -	L13 + L15	17
18						18
19						19
20	Monthly Removal Costs			\$ -	Line 17 /12 Months	20
21						21
22						22
23	Total Other Specific Expenses			\$ (235.929)	Page 1 of 2: Part A, Line 20 + Part B, Line Line 29 + Part C, Line 37 + Page 2 of 2, Part D, Line 17	23
24						24
25						25
26						26
27						27
28	1. Authorized TO4 Sunrise Removal Rate is zero.					28

# **San Diego Gas & Electric Company**

## **ATTACHMENT 3 – STMT BK2**

### **DERIVATION OF CITIZENS' 2014 TRUE-UP ADJUSTMENT**

#### **SECTIONS 4 - 5**

# **San Diego Gas & Electric Company**

## **2014 True- Up Cost of Service**

### **SECTION 4A**

CITIZENS SHARE OF THE BORDER-EAST LINE				
Derivation of Citizens True-Up Cost of Service				
January 1, 2014 to December 31, 2014				
(000's)				
Line				Line
No	Description	Total	Reference <sup>1</sup>	No
1	Section 1 - True-Up COS - Direct Maintenance Costs	15.243	Attchmnt 2; BP- Stmt BK2-Sec 1; Pg 1, L11	1
2				2
3	Section 2 True-Up COS - Non-Direct Costs	2,521.742	Attchmnt 2; BP- Stmt BK2-Sec 2; Pg 1, L48	3
4				4
5	Section 3 True-Up COS - Other Specific Costs			5
6	A. ADIT	(996.002)	Attchmnt 2; BP- Stmt BK2-Sec 3; Pg 1 of 2; L20	6
7	B. Property Taxes	624.993	Attchmnt 2; BP- Stmt BK2-Sec 3; Pg 1 of 2; L29	7
8	C. Non-Deductibility of Depreciation on Equity	135.080	Attchmnt 2; BP- Stmt BK2-Sec 3; Pg 1 of 2; L37	8
9	AFUDC Revenue Component			9
10	D. Removal Costs	-	Attchmnt 2; BP- Stmt BK2-Sec 3; Pg 2 of 2; L17	10
11				11
12	Total True-Up Cost of Service	2,301.056	Sum of Line 1 through 10	12
13				13
14				14
15	Monthly True-Up Cost of Service	191.755	Line 12 / 12 months	15
16				16
17				17
<sup>1</sup> Since the 2014 True-Up Cost of Service is the same as the 2014 Base Period, all True-Up Cost of Service costs come from the Base Period Statement BK2.				

# **San Diego Gas & Electric Company**

## **DERIVATION OF RECORDED REVENUES WORK PAPERS**

### **Section 4B**

CITIZENS SHARE OF THE BORDER-EAST LINE															
DERIVATION OF CITIZENS TRUE-UP COST OF SERVICE - (OVER) / UNDERCOLLECTION															
True-Up Period - January 1, 2014 To DECEMBER 31, 2014															
000's															
Cycle 2 Rates					Cycle 3 Rates										
A	B	C	D	E	F	G	H	I	J	K	L	M			
Line No	Description	Jan-14	Feb-14	Mar-14	Apr-14	May-14	Jun-14	Jul-14	Aug-14	Sep-14	Oct-14	Nov-14	Dec-14	Total	Reference
1	Beginning Balance (Overcollection)/Undercollection		56	112	168	224	280	189	97	5	(87)	(179)	(272)		Previous Month's Balance
2															
3	Recorded Revenues (Sections 1, 2 & 3)	111	111	111	111	111	391	391	391	391	391	391	391	3,289.391	See TU WP Invoice Summary Billing - Next Page.
4															
5	Amortization of True-Up Adjustment and Interest True-Up Adjustment														
6	i. Amortization of Cycle 2 True-Up Adjustment <sup>3</sup>	25	25	25	25	25								126.880	See Cycle 2 Invoice Summary, Line 8
7	ii. Amortization of Cycle 2 Interest True-Up Adjustment <sup>3</sup>						1	1	1	1	1	1	1	5.185	See Cycle 2 Interest Amortization Schedule
8															
9	iii. Amortization of Cycle 3 True-Up Adjustment <sup>3</sup>						(108)	(108)	(108)	(108)	(108)	(108)	(108)	(754.390)	Cycle 3 Invoice Summary, Line 8
10	iiii. Amortization of Cycle 3 Interest True-Up Adjustment						-	-	-	-	-	-	-	-	Not Applicable in Cycle 4 filing
11															
12	Total Amortization of True-Up Adjustments	25	25	25	25	25	(107)	(107)	(107)	(107)	(107)	(107)	(107)	(622.325)	Sum (Line 16: Line 11)
13															
14	Adjusted Total Recorded Revenues	136	136	136	136	136	284	284	284	284	284	284	284	2,667.065	Sum of Line 3 & 12
15															
16	Total True-Up Cost of Service	192	192	192	192	192	192	192	192	192	192	192	192	2,301.056	BK2 -Section 4A (True-Up Cost of Service; Line 12
17															Line 16 minus Line 14
18	Net Monthly True-Up Adjustment without Interest	56	56	56	56	56	(92)	(92)	(92)	(92)	(92)	(92)	(92)	(366.009)	Line 16 minus Line 14
19	(Overcollection)/Undercollection														
20															
21	Interest Expense Calculations:														
22	Beginning Balance for Interest Expense <sup>1</sup>	-	-	-	168	168	168	189	189	189	(87)	(87)	(87)		
23	Monthly Activity Included in Interest Calculation Basis <sup>2</sup>	28	83	139	28	83	65	(46)	(138)	(230)	(46)	(138)	(230)		
24	Basis for Interest Expense Calculation	28	83	139	195	251	233	143	51	(41)	(133)	(225)	(317)		Line 20 + Line 21
25	Monthly Interest Rate	0.28%	0.25%	0.28%	0.27%	0.28%	0.27%	0.28%	0.28%	0.27%	0.28%	0.27%	0.28%		FERC Interest Rate Website
26	Interest Expense	0.08	0.21	0.39	0.53	0.70	0.63	0.40	0.14	(0.11)	(0.37)	(0.61)	(0.89)	1.099	Line 24 X Line 25
27															
28	True-Up Adjustment with Interest - Net Monthly (Overcollection)/Undercollection	56	112	168	224	280	189	97	5	(87)	(179)	(272)	(365)	(364.910)	Line 1 + Line 18 + Line 26
<p><sup>1</sup> Beginning Balance for Interest Calculation remains constant for 3 Month Quarter as Interest is Compounded Quarterly on these amounts pursuant to FERC Interest Methodology - Per 18 CFR Section 35.19 (2) (iii) (B).</p> <p><sup>2</sup> Monthly Activity Calculated as Follows:                      a) 1st Month of Quarter = Column A, Line 18, Divided by 2.                      b) 2nd Month of Quarter = Column A, Line 18 + (Column B, Line 18 Divided by 2).                      c) 3rd Month of Quarter = Column A, Line 18 + Column B Line 18 + (Column C, Line 18 Divided by 2).                      Columns D, E, and F, etc., repeats the process outlined in (a), (b), and (c) above.</p> <p><sup>3</sup> Cycles 2 &amp; 3 True-Up Adjustment and Interest True-Up Adjustment (over)/under collection are adjustments made to recorded revenues to avoid trueing up the true-up.</p>															

CITIZENS SHARE OF THE SUNRISE - BORDER-EAST LINE  
OPERATIONS & MAINTENANCE EXPENSES  
INVOICE SUMMARY FOR BASE PERIOD AND TRUE-UP PERIOD  
JANUARY - DECEMBER 2014

Line No.	Description	Amount	Reference	Line No.
1	Total Citizens Billing for January - May 2014 <sup>1</sup>	553,615	See Invoice Summary Jan- May 2014 - next page.	1
2	Total Citizens Billing for June - December 2014	<u>2,735,776</u>	See Invoice Summary Jun -Dec 2014 - next page.	2
3	Total 2013 Citizen Billing Costs	<u><u>3,289,391</u></u>		3

<sup>1</sup> Line 1 reflects Citizens Cycle 2 Allocated Costs, Docket No. ER12-1417-000, dated June 28, 2013

<sup>2</sup> Line 2 reflects Citizens Cycle 3 Allocated Costs, Docket No. ER14-2057-000, dated May 28, 2014



CITIZENS SHARE OF THE SUNRISE - BORDER-EAST LINE  
OPERATIONS & MAINTENANCE EXPENSES  
INVOICE SUMMARY FOR JANUARY - MAY 2014  
CYCLE 2 RATES

Line No.	Citizens Monthly Recorded Revenues	BORDER - EAST LINE	Line No.
1			1
2	Stmt BK2 - Section 1 - Direct Maintenance Cost Component	\$ -	2
3			3
4	Stmt BK2 - Section 2 - Non- Direct Expense Cost Component	\$ 120,105	4
5			5
6	Stmt BK2 - Section 3 - Cost Component Containing Other Specific Costs	\$ 15,994	6
7			7
8	Stmt BK2 - Section 4 - True-Up Adjustment Cost Component	\$ (25,376)	8
9			9
10	Stmt BK2 - Section 5 - Interest True-Up Adjustment Cost Component	-	10
11			11
12			12
13	<b>Total Citizens Monthly Recorded Revenues</b>	<b>\$ 110,723</b>	13
14			14
15	<b>5 Months (Jan - May 2014)</b>	<b>5</b>	15
16			16
17	<b>Total Cycle 2 Recorded Revenues (L13 X L15)</b>	<b>\$ 553,615</b>	17
18			18
19			19
20			20
21			21
22			22

**CITIZENS SHARE OF THE SUNRISE - BORDER-EAST LINE  
OPERATIONS & MAINTENANCE EXPENSES  
INVOICE SUMMARY FOR JUNE - DECEMBER 2014  
CYCLE 3 RATES**

Line No.	Citizens Monthly Recorded Revenues	BORDER - EAST LINE	Line No.
1			1
2	<b>Stmt BK2 - Section 1 - Direct Maintenance Cost Component</b>	<b>\$ 1,781</b>	2
3			3
4	<b>Stmt BK2 - Section 2 - Non- Direct Expense Cost Component</b>	<b>\$ 253,452</b>	4
5			5
6	<b>Stmt BK2 - Section 3 - Cost Component Containing Other Specific Costs</b>	<b>\$ 28,563</b>	6
7			7
8	<b>Stmt BK2 - Section 4 - True-Up Adjustment Cost Component</b>	<b>\$ 107,770</b>	8
9			9
10	<b>Stmt BK2 - Section 5 - Interest True-Up Adjustment Cost Component</b>	<b>\$ (741)</b>	10
11			11
12			12
13	<b>Total Citizens Monthly Recorded Revenues</b>	<b>\$ 390,825</b>	13
14			14
15	<b>7 Months (JUN - DEC 2014)</b>	<b>7</b>	15
16			16
17	<b>Total Cycle 2 Recorded Revenues (L13 X L15)</b>	<b>\$ 2,735,776</b>	17
18			18
19			19
20			18



# San Diego Gas & Electric Company

## Derivation of Interest True-Up Adjustment Amortization Rate per Month Applicable to the Cycle 2 True- Up Adjustment

San Diego Gas Electric Company  
Citizens Cycle 4 Annual Transmission O&M Rate Filing  
Amortization of Interest True-Up Adjustment Applicable to Citizens Cycle 2

Line No.	Description	(a) Amounts	(b)	(c)	(d)	(e)	(f)	(g)	(h)
1	<u>Derivation of Amortization Rates:</u> <sup>1</sup>								
2	Citizens Cycle 2 Interest True-Up Adjustment -(Over)collection	\$ (8,887.95)							
3	12 month Amortization Rate	12							
4	Estimated Amortization Rate Per Month	\$ (740.66)							
5									
6									
7	<u>Amortization Citizens C2 Interest True-Up Adjustment:</u> <sup>2</sup>	Jun-14	Jul-14	Aug-14	Sep-14	Oct-14	Nov-14	Dec-14	Jan-15
8	Beginning Interest True-Up Adjustment Balance	\$ (8,887.95)	\$ (8,147.29)	\$ (7,406.63)	\$ (6,665.96)	\$ (5,925.30)	\$ (5,184.64)	\$ (4,443.98)	\$ (3,703.31)
9	Amortization Rate Per month	\$ (740.66)	\$ (740.66)	\$ (740.66)	\$ (740.66)	\$ (740.66)	\$ (740.66)	\$ (740.66)	\$ (740.66)
10	Ending Citizens Cycle 2 Interest True-Up Adj. Balance	\$ (8,147.29)	\$ (7,406.63)	\$ (6,665.96)	\$ (5,925.30)	\$ (5,184.64)	\$ (4,443.98)	\$ (3,703.31)	\$ (2,962.65)
11									

NOTES:

- <sup>1</sup> The derivation of the Interest True-Up Adjustment Amortization Rate Per Month is shown on lines 2 through 4. The amortization rate shown on line 4 will be used in Citizens Cycles 4 & 5 Informational Filing.
- <sup>2</sup> The shaded monthly interest true-up adjustment amortization amount shown on line 9 calculated from 6/01/2014 through 12/31/2014 is included in Citizens Cycle 4 True-Up Adjustment Calculation.
- <sup>3</sup> The non-shaded monthly interest true-up adjustment amortization amounts shown on line 9 from January 2015 to May 2015 will be included in Citizens Cycle 5 filing.



San Diego Gas Electric Company  
 Citizens Cycle 4 Annual Transmission O&M Rate Filing  
 Amortization of Interest True-Up Adjustment Applicable to Citizens Cycle 2

Line No.	Description	(i)	(j)	(k)	(l)	(m)	Reference	Line No.
1	<u>Derivation of Amortization Rates:</u> <sup>1</sup>						<u>Citizens Cycle 3 Filing</u>	1
2	Citizens Cycle 2 Interest True-Up Adjustment -(Over)collection						Attachment 3; BK2-Section 5; Col (r); Line16	2
3	12 month Amortization Rate							3
4	Estimated Amortization Rate Per Month						Line 2 / Line 3	4
5								5
6								6
7	<u>Amortization Citizens C2 Interest True-Up Adjustment:</u> <sup>2</sup>	Feb-15	Mar-15	Apr-15	May-15	Total		7
8	Beginning Interest True-Up Adjustment Balance	\$ (2,962.65)	\$ (2,221.99)	\$ (1,481.33)	\$ (740.66)		Beginning Balance	8
9	Amortization Rate Per month	\$ (740.66)	\$ (740.66)	\$ (740.66)	\$ (740.66)	(8,887.95)	See Col. (a), Line 4 Above	9
10	Ending Citizens Cycle 2 Interest True-Up Adj. Balance	\$ (2,221.99)	\$ (1,481.33)	\$ (740.66)	\$ (0.00)		Line 8 Minus Line 9	10
11								11

NOTES:

- <sup>1</sup> The derivation of the Interest True-Up Adjustment Amortization Rate Per Month is shown on lines 2 through 4. The amortization rate shown on line 4 will be used in Citizens Cycles 4 & 5 Informational Filing.
- <sup>2</sup> The shaded monthly interest true-up adjustment amortization amount shown on line 9 calculated from 6/01/2014 through 12/31/2014 is included in Citizens Cycle 4 True-Up Adjustment Calculation.
- <sup>3</sup> The non-shaded monthly interest true-up adjustment amortization amounts shown on line 9 from January 2015 to May 2015 will be included in Citizens Cycle 5 filing.



# San Diego Gas & Electric Company

## Section 5

### Derivation of the Interest True-Up Adjustment Applicable to the Net of Original Cycle 3 True-Up Adjustment and the Cycle 4, 4-Month True-Up Adjustment

The derivation of the interest true-up adjustment in this section is based on the net true-up adjustment amount of the \$1.3M calculated in Cycle 3 and the 4-month true-up adjustment that appears in the instant filing. The net true-up adjustment amount is equal to \$602K as shown on Page 1 of 3, column (a), line 1. Pages 1 through 3 calculate the monthly interest associated with the \$602K. Page 3 of 3, column (r), line 16 reflects the derivation of \$19.71K interest true-up adjustment associated with the January – August 2013 under-collection in Cycle 3.

Citizens Border-East Line  
Derivation of Interest Applicable to Cycle 3 Net of the 4 - Month True-Up Adjustment  
000's

Line	(a)	(b)	(c)	(d)	(e)	(f)	
No	Jan-14	Feb-14	Mar-14	Apr-14	May-14	Jun-14	
1	Beginning Balance (Over)/Undercollection	\$ 601.672	603.36	604.86	606.55	608.18	609.88
2							
3	A. Amortization of True-Up Balance:						
4							
5	Amortization of True-Up Balance (see calculation below)	-	-	-	-	50.82	
6							
7							
8	Net Monthly Collection/(Refunds)	-	-	-	-	(50.82)	
9							
10							
11	B. Interest Expense Calculations:						
12	Beginning Balance for Interest Expense <sup>1</sup>	601.672	601.67	601.67	606.55	606.55	606.55
13	Monthly Activity Included in Interest Calculation Basis <sup>2</sup>	-	-	-	-	-	(25.41)
14	Basis for Interest Expense Calculation	601.67	601.67	601.67	606.55	606.55	581.13
15	Monthly Interest Rate	0.28000%	0.25000%	0.28000%	0.27000%	0.28000%	0.27000%
16	Interest Expense	1.68	1.50	1.68	1.64	1.70	1.57
17							
18	Ending Balance (Over)/Undercollection	603.36	604.86	606.55	608.18	609.88	560.63
19							
	A. Amortization of Undercollection Balance as of May 31, 2014		609.882	col. e; line 18			
	Amortization over 12 Months Rate Effective Period		12				
	Monthly Amortization of True-Up Adjustment		50.823				
	Notes:						
1	Beginning Balance for Interest Calculation remains constant for 3 Month Quarter as Interest is Compounded Quarterly on these amounts pursuant to FERC Interest Methodology-Per 18 CFR Section 35.19 (2) (iii) (b).						
2	Monthly Activity Calculated as Follows:						
	a) 1st Month of Quarter = Column A, Line 8, Divided by 2.						
	b) 2nd Month of Quarter = Column A, Line 8 + (Column B, Line 8 Divided by 2).						
	c) 3rd Month of Quarter = Column A, Line 8 + Column B Line 8 + (Column C, Line 8 Divided by 2).						
	Columns D, E, F, etc., repeat the process outlined in (a), (b), and (c) above.						

Citizens Border-East Line  
 Derivation of Interest Applicable to Cycle 3 Net of the 4 - Month True-Up Adjustment  
 000's

Line No	Description	(g) Jul-14	(h) Aug-14	(i) Sep-14	(j) Oct-14	(k) Nov-14	(l) Dec-14
1	Beginning Balance (Over)/Undercollection	560.63	511.30	461.84	412.18	362.44	312.53
2							
3	A. Amortization of True-Up Balance:						
4							
5	Amortization of True-Up Balance (see calculation below)	50.82	50.82	50.82	50.82	50.82	50.82
6							
7							
8	Net Monthly Collection/(Refunds)	(50.82)	(50.82)	(50.82)	(50.82)	(50.82)	(50.82)
9							
10							
11	B. Interest Expense Calculations:						
12	Beginning Balance for Interest Expense <sup>1</sup>	560.63	560.63	560.63	412.18	412.18	412.18
13	Monthly Activity Included in Interest Calculation Basis <sup>2</sup>	(25.41)	(76.24)	(127.06)	(25.41)	(76.24)	(127.06)
14	Basis for Interest Expense Calculation	535.22	484.39	433.57	386.77	335.95	285.12
15	Monthly Interest Rate	0.28000%	0.28000%	0.27000%	0.28000%	0.27000%	0.28000%
16	Interest Expense	1.50	1.36	1.17	1.08	0.91	0.80
17							
18	Ending Balance (Over)/Undercollection	511.30	461.84	412.18	362.44	312.53	262.50
19							
	A. Amortization of Undercollection Balance as of May 31, 2014						
	Amortization over 12 Months Rate Effective Period						
	Monthly Amortization of True-Up Adjustment						
	Notes:						
1	Beginning Balance for Interest Calculation remains constant for 3 Month Quarter as Interest is Compounded Quarterly on these amounts pursuant to FERC Interest Methodology-Per 18 CFR Section 35.19 (2) (iii) (b).						
2	Monthly Activity Calculated as Follows:						
	a) 1st Month of Quarter = Column A, Line 8, Divided by 2.						
	b) 2nd Month of Quarter = Column A, Line 8 + (Column B, Line 8 Divided by 2).						
	c) 3rd Month of Quarter = Column A, Line 8 + Column B Line 8 + (Column C, Line 8 Divided by 2).						
	Columns D, E, F, etc., repeat the process outlined in (a), (b), and (c) above.						



Citizens Border-East Line  
 Derivation of Interest Applicable to Cycle 3 Net of the 4 - Month True-Up Adjustment  
 000's

Line No	Description	(m) Jan-15	(n) Feb-15	(o) Mar-15	(p) Apr-15	(q) May-15	(r) Total	Reference
1	Beginning Balance (Over)/Undercollection	262.50	212.48	162.51	112.77	62.32	\$ 601.672	
2								
3	A. Amortization of True-Up Balance:						-	
4							-	
5	Amortization of True-Up Balance (see calculation below)	50.82	50.82	50.82	50.82	62.32	621.381	See Amortization Calculation below
6							-	
7								
8	Net Monthly Collection/(Refunds)	(50.82)	(50.82)	(50.82)	(50.82)	(62.32)	(621.381)	Minus Line 5
9								
10								
11	B. Interest Expense Calculations:							
12	Beginning Balance for Interest Expense <sup>1</sup>	262.50	262.50	262.50	112.77	-		Balance Beginning of Quarter
13	Monthly Activity Included in Interest Calculation Basis <sup>2</sup>	25.41	76.24	127.06	25.41			See Footnote 2
14	Basis for Interest Expense Calculation	287.91	338.74	389.56	138.19	-		
15	Monthly Interest Rate	0.28000%	0.25000%	0.28000%	0.27000%	0.28000%		FERC Website
16	Interest Expense	0.81	0.85	1.09	0.37		\$ 19.709	Line 14 X Line 15
17								
18	Ending Balance (Over)/Undercollection	212.48	162.51	112.77	62.32	-	0.00	Line 1+ Line 8 + Line 16
19								
A. Amortization of Undercollection Balance as of May 31, 2014					\$ 1,293.23	See attached C3 Section 4 WP, column M, Line 25 - next page.		
Amortization over 12 Months Rate Effective Period					(691.562)	See Vol. 2- Stmt BK2 - Section 4C, line 33		
Monthly Amortization of True-Up Adjustment					\$ 601.672			
Notes:		* Interest is calculated on the net of the original Cycle 3 undercollection of \$1.3M and the 4-Month True-Up Adjustment Overcollection of (\$692K) in this instant filing. See page 1 of 3, line 1, column (a).						
1	Beginning Balance for Interest Calculation remains constant for 3 Month Quarter as Interest is Compounded Quarterly on these amounts pursuant to FERC Interest Methodology-Per 18 CFR Section 35.19 (2) (iii) (b).							
2	Monthly Activity Calculated as Follows:							
	a) 1st Month of Quarter = Column A, Line 8, Divided by 2.							
	b) 2nd Month of Quarter = Column A, Line 8 + (Column B, Line 8 Divided by 2).							
	c) 3rd Month of Quarter = Column A, Line 8 + Column B Line 8 + (Column C, Line 8 Divided by 2).							
	Columns D, E, F, etc., repeat the process outlined in (a), (b), and (c) above.							

CITIZENS SHARE OF THE BORDER-EAST LINE															
DERIVATION OF CITIZENS TRUE-UP COST OF SERVICE - (OVER) / UNDERCOLLECTION															
True-Up Period - January 1, 2013 To DECEMBER 31, 2013															
000's															
Line No	Description	Cycle 1 Rates						Cycle 2 Rates						Total	Reference
		A	B	C	D	E	F	G	H	I	J	K	L		
		Jan-13	Feb-13	Mar-13	Apr-13	May-13	Jun-13	Jul-13	Aug-13	Sep-13	Oct-13	Nov-13	Dec-13		
1	Beginning Balance (Overcollection)/Undercollection		65	130	196	261	327	393	542	691	841	991	1,142		Previous Month's Balance
2															
3	Recorded Revenues (Sections 1, 2 & 3)	219	219	219	219	219	219	111	111	111	111	111	111	1,977	See TU WP Invoice Summary Billing
4															
5	Amortization of True-Up Adjustment and Interest True-Up Adjustment														
6	i. Amortization of Cycle 2 True-Up Adjustment <sup>3</sup>							25	25	25	25	25	25	152	See Cycle 2 Invoice Summary, L8
7	ii. Amortization of Cycle 2 Interest True-Up Adjustment <sup>4</sup>							-	-	-	-	-	-		Not Applicable in Cycle 3 filing
8															
9	Total Amortization of True-Up Adjustments	-	-	-	-	-	-	25	25	25	25	25	25	152	Sum of Lines 6 & 7
10															
11	Adjusted Total Recorded Revenues	219	219	219	219	219	219	136	136	136	136	136	136	2,130	Sum of Line 3 & 9
12															
13	Total True-Up Cost of Service	284	284	284	284	284	284	284	284	284	284	284	284	3,405	BK2 -Section 4 (True-Up Cost of Service); Line 11
14															
15	True-Up Adjustment without Interest - Net Monthly (Overcollection)/Undercollection	65	65	65	65	65	65	148	148	148	148	148	148	1,276	Line 13 minus Line 11
16															
17															
18	Interest Expense Calculations:														
19	Beginning Balance for Interest Expense <sup>1</sup>	-	-	-	196	196	196	393	393	393	841	841	841		
20	Monthly Activity Included in Interest Calculation Basis <sup>2</sup>	32	97	162	32	97	162	74	222	369	74	222	369		
21	Basis for Interest Expense Calculation	32	97	162	228	293	358	467	614	762	915	1,062	1,210		Line 19 + Line 20
22	Monthly Interest Rate	0.28%	0.25%	0.28%	0.27%	0.28%	0.27%	0.28%	0.28%	0.27%	0.28%	0.27%	0.28%		FERC Interest Rate Website
23	Interest Expense	0	0	0	1	1	1	1	2	2	3	3	3	17	Line 21 X Line 22
24															
25	True-Up Adjustment with Interest - Net Monthly (Overcollection)/Undercollection	65	130	196	261	327	393	542	691	841	991	1,142	1,293	1,293	Line 1 + Line 15 + Line 23
	<sup>1</sup> Beginning Balance for Interest Calculation remains constant for 3 Month Quarter as Interest is Compounded Quarterly on these amounts pursuant to FERC Interest Methodology - Per 18 CFR Section 35.19 (2) (iii) (B).														
	<sup>2</sup> Monthly Activity Calculated as Follows: a) 1st Month of Quarter = Column A, Line 8, Divided by 2. b) 2nd Month of Quarter = Column A, Line 8 + (Column B, Line 8 Divided by 2). c) 3rd Month of Quarter = Column A, Line 8+ Column B Line 8 + (Column C, Line 8 Divided by 2). Columns D, E, and F, etc., repeats the process outlined in (a), (b), and (c) above.														This page comes from Citizen's Cycle 3 Filing Statement BK2 - Section 4 (True-Up Adjustment Cal) Docket No. ER14-2057-000, dated May 28, 2014.
	<sup>3</sup> The Cycle 2 True-Up Adjustment overcollection is added back to recorded revenues to eliminate the trueing up the true-up in Cycle 2.														
	<sup>4</sup> In Cycle 4, same process will be performed on the Cycle 2 Interest True-Up Adjustment														

# **San Diego Gas & Electric Company**

## **ATTACHMENT 4**

### **2014 BASE PERIOD / TRUE – UP PERIOD COST STATEMENTS AND WORKPAPERS**

# **San Diego Gas & Electric Company**

## **Base Period / True-Up Period Statement AD - Cost of Plant Workpaper**

**SAN DIEGO GAS AND ELECTRIC COMPANY**  
**Statement AD - Workpapers**  
**Cost of Plant**  
**12 Months Base Period Ending December 31, 2014**  
**(\$1,000)**

Line No		(a) 31-Dec-13	(b) 31-Dec-14	(c) = [(a)+(b)]/2 Average Balance	Reference	Line No
1	Total Electric Miscellaneous Intangible Plant <sup>a, 1</sup>	\$ 93,154	\$ 130,236	\$ 111,695	Stmt AD WP; Page AD1; Line 3	1
2						2
3	Total Steam Production Plant <sup>b</sup>			535,521	Stmt AD WP; Page AD2; Line 15	3
4						4
5	Total Nuclear Production Plant <sup>b</sup>			-	Stmt AD WP; Page AD3; Line 15	5
6						6
7	Total Hydraulic Production Plant <sup>b</sup>			-	Stmt AD WP; Page AD	7
8						8
9	Total Other Production Plant <sup>b</sup>			479,465	Stmt AD WP; Page AD4; Line 15	9
10						10
11	Total Production Plant and Intangible Plant			\$ 1,126,681	Sum Lines 1 thru 9	11
12						12
13	Total Distribution Plant <sup>a</sup>	5,209,303	5,439,809	5,324,556	Stmt AD WP; Page AD5; Line 3	13
14						14
15	Transmission Plant <sup>b,2</sup>			4,043,723	Stmt AD WP; Page AD6; Line 17	15
16						16
17	Incentive Transmission Plant <sup>3</sup>			-	Stmt AD WP; Page AD	17
18						18
19	Total Transmission Plant & Incentive Transmission Plant			4,043,723	Sum Lines 15 thru 17	19
20						20
21	Total General Plant <sup>a,1</sup>	266,956	301,645	284,301	Stmt AD WP; Page AD7; Line 3	21
22						22
23	Total Common Plant <sup>a,1</sup>	533,999	619,062	576,530	Stmt AD WP; Page AD8; Line 3	23
24						24
25	Total Plant in Service			\$ 11,355,791	Sum Lines 11; 13; 19; 21; 23	25
26						26
27	Transmission Wages and Salaries Allocation Factor			12.16%	Statement AI; Line 21	27
28						28
29	Total Transmission Plant & Incentive Transmission Plant			\$ 4,043,723	See Line 19 Above	29
30						30
31	Transmission Related Electric Miscellaneous Intangible Plant			13,582	Line 1 x Line 27	31
32						32
33	Transmission Related General Plant			34,571	Line 21 x Line 27	33
34						34
35	Transmission Related Common Plant			70,106	Line 23 x Line 27	35
36						36
37	Transmission Related Total Plant in Service			\$ 4,161,982	Sum Lines 29; 31; 33; 35	37
38						38
39	Transmission Plant Allocation Factor <sup>4</sup>			36.65%	Line 37 / Line 25	39

<sup>a</sup> The balances for Electric Miscellaneous Intangible, Distribution, General and Common plant are derived based on a simple average balance using beginning and ending year balances.

<sup>b</sup> The balances for Steam, Nuclear, Hydraulic, Other Production, and Transmission plant are derived based on a 13-month average balance.

<sup>1</sup> Electric Miscellaneous Intangible Plant, General Plant, and Common Plant are not affected by the "Seven-Element Adjustment Factor" because there's no transfer of transmission or distribution plant among these categories.

<sup>2</sup> The amounts stated above are ratemaking utility plant in service and a result of implementing the "Seven-Element Adjustment Factor" which reflects transfers between generation and distribution functions.

<sup>3</sup> Indicate cost of Transmission Incentive Project.

<sup>4</sup> Used to allocate all elements of working capital, other than working cash.

**SAN DIEGO GAS & ELECTRIC COMPANY  
STATEMENT AD  
COST OF PLANT  
BASE PERIOD / TRUE UP PERIOD - 12/31/2014 PER BOOK  
(\$1,000)**

**ELECTRIC MISCELLANEOUS INTANGIBLE PLANT**

Line No.	Month	Adjusted FERC Intangible Plant Balance	Reference From	Line No.
1	Dec-13	\$ 93,154	I-wp2	1
2	Dec-14	130,236	I-wp1	2
3	Beginning and End Period Average	\$ 111,695		3

**SAN DIEGO GAS & ELECTRIC COMPANY**  
**STATEMENT AD**  
**COST OF PLANT**  
**BASE PERIOD / TRUE UP PERIOD - 12/31/2014 PER BOOK**  
**(\$1,000)**

**STEAM PRODUCTION**

Line No.	Month	(1) Total Steam Production Per Book	Reference From	(2) Steam Production Ratemaking	Reference From	Line No.
1	Dec-13	\$ 505,116	SP-wp2	\$ 519,390	SP-wp2	1
2	Jan-14	505,175	"	519,449	"	2
3	Feb	505,288	"	519,562	"	3
4	Mar	505,501	"	519,774	"	4
5	Apr	525,417	"	539,691	"	5
6	May	525,958	"	540,231	"	6
7	Jun	524,270	"	538,544	"	7
8	Jul	528,931	"	543,204	"	8
9	Aug	529,308	"	543,581	"	9
10	Sep	529,205	"	543,479	"	10
11	Oct	529,224	"	543,497	"	11
12	Nov	531,075	"	545,349	"	12
13	Dec-14	531,749	SP-wp1	546,023	SP-wp1	13
14	<b>Total 13 Months</b>	<b>\$ 6,776,219</b>		<b>\$ 6,961,773</b>		14
15	<b>13-Month Average Balance</b>	<b>\$ 521,248</b>		<b>\$ 535,521</b>		15

Column 2 represents the monthly ratemaking plant balances for the base period. These plant balances reflect the amounts shifted between functions (transmission to distribution, transmission to generation, distribution to transmission, etc.) as required by FERC Order 888: Seven-Element Adjustment Factor.

**SAN DIEGO GAS & ELECTRIC COMPANY  
STATEMENT AD  
COST OF PLANT  
BASE PERIOD / TRUE UP PERIOD - 12/31/2014 PER BOOK  
(\$1,000)**

**NUCLEAR PRODUCTION**

Line No.	Month	(1) Total Nuclear Production Per Book	Reference From	(2) Nuclear Production Adjusted Book	Reference From	Line No.
1	Dec-13	\$ -	NP-wp2	\$ -	NP-wp2	1
2	Jan-14	-	"	-	"	2
3	Feb	-	"	-	"	3
4	Mar	-	"	-	"	4
5	Apr	-	"	-	"	5
6	May	-	"	-	"	6
7	Jun	-	"	-	"	7
8	Jul	-	"	-	"	8
9	Aug	-	"	-	"	9
10	Sep	-	"	-	"	10
11	Oct	-	"	-	"	11
12	Nov	-	"	-	"	12
13	Dec-14	-	NP-wp1	-	NP-wp1	13
14	<b>Total 13 Months</b>	<b>\$ -</b>		<b>\$ -</b>		14
15	<b>13-Month Average Balance</b>	<b>\$ -</b>		<b>\$ -</b>		15

Column 2 represents the monthly ratemaking plant balances for the base period. These plant balances reflect the amounts shifted between functions (transmission to distribution, transmission to generation, distribution to transmission, etc.) as required by FERC Order 888: Seven-Element Adjustment Factor.



**SAN DIEGO GAS & ELECTRIC COMPANY**  
**STATEMENT AD**  
**COST OF PLANT**  
**BASE PERIOD / TRUE UP PERIOD - 12/31/2014 PER BOOK**  
**(\$1,000)**

**OTHER PRODUCTION**

Line No.	Month	(1) Total Other Production Per Book	Reference From	(2) Other Production Ratemaking	Reference From	Line No.
1	Dec-13	\$ 518,525	OP-wp2	\$ 478,117	OP-wp2	1
2	Jan-14	520,524	"	478,264	"	2
3	Feb	520,571	"	478,311	"	3
4	Mar	520,643	"	478,379	"	4
5	Apr	521,178	"	478,909	"	5
6	May	520,981	"	478,713	"	6
7	Jun	519,713	"	477,445	"	7
8	Jul	519,713	"	477,445	"	8
9	Aug	519,402	"	477,133	"	9
10	Sep	519,423	"	477,154	"	10
11	Oct	525,085	"	482,817	"	11
12	Nov	526,879	"	484,610	"	12
13	Dec-14	526,993	OP-wp1	485,751	OP-wp1	13
14	<b>Total 13 Months</b>	<b>\$ 6,779,630</b>		<b>\$ 6,233,048</b>		14
15	<b>13-Month Average Balance</b>	<b>\$ 521,510</b>		<b>\$ 479,465</b>		15

Column 2 represents the monthly ratemaking plant balances for the base period. These plant balances reflect the amounts shifted between functions (transmission to distribution, transmission to generation, distribution to transmission, etc.) as required by FERC Order 888: Seven-Element Adjustment Factor.

**SAN DIEGO GAS & ELECTRIC COMPANY  
STATEMENT AD  
COST OF PLANT  
BASE PERIOD / TRUE UP PERIOD - 12/31/2014 PER BOOK  
(\$1,000)**

**DISTRIBUTION PLANT**

Line No.	Month	(1) Total Distribution Plant Per Book	Reference From	(2) Distribution Plant Ratemaking	Reference From	Line No.
1	Dec-13	\$ 5,127,373	D-wp2	\$ 5,209,303	D-wp2	1
2	Dec-14	5,356,715	D-wp1	5,439,809	D-wp1	2
3	Beginning and End Period Average	\$ 5,242,044		\$ 5,324,556		3

Column 2 represents the monthly ratemaking plant balances for the base period. These plant balances reflect the amounts shifted between functions (transmission to distribution, transmission to generation, distribution to transmission, etc.) as required by FERC Order 888: Seven-Element Adjustment Factor.

**SAN DIEGO GAS & ELECTRIC COMPANY  
STATEMENT AD  
COST OF PLANT  
BASE PERIOD / TRUE UP PERIOD - 12/31/2014 PER BOOK  
(\$1,000)**

**TRANSMISSION PLANT**

Line No.	Month	(1) Total Transmission Plant Per Book	Reference From	(2) Transmission Plant Ratemaking	Reference From	Line No.
1	Dec-13	\$ 3,838,064	See AD6-B	\$ 3,782,491	See AD6-B	1
2	Jan-14	3,841,569	"	3,786,033	"	2
3	Feb	3,848,949	"	3,793,409	"	3
4	Mar	3,850,014	"	3,794,475	"	4
5	Apr	3,854,320	"	3,798,780	"	5
6	May	3,854,597	"	3,799,054	"	6
7	Jun	4,049,317	"	3,993,368	"	7
8	Jul	4,075,396	"	4,019,448	"	8
9	Aug	4,107,864	"	4,051,915	"	9
10	Sep	4,125,863	"	4,069,943	"	10
11	Oct	4,140,727	"	4,084,829	"	11
12	Nov	4,175,529	"	4,119,629	"	12
13	Dec-14	4,423,408	See AD6-C	4,367,505	See AD6-C	13
14	<b>Total 13 Months</b>	<b>\$ 52,185,616</b>		<b>\$ 51,460,881</b>		14
15	<b>13-Month Average Balance</b>	<b>\$ 4,014,278</b>		<b>\$ 3,958,529</b>		15
16	<b>Citizens weighted average lease amount not included above</b>			<b>85,194</b>	See AD6-A, L15	16
17	<b>Total Transmission Plant Cost Average Balance</b>			<b>4,043,723</b>	L15 + L16	17

Column 2 represents the monthly ratemaking plant balances for the base period. These plant balances reflect the amounts shifted between functions (transmission to distribution, transmission to generation, distribution to transmission, etc.) as required by FERC Order 888: Seven-Element Adjustment Factor.

**SAN DIEGO GAS & ELECTRIC COMPANY  
STATEMENT AD  
COST OF PLANT  
BASE PERIOD / TRUE UP PERIOD - 12/31/2014 PER BOOK  
(\$1,000)**

**TRANSMISSION PLANT**

Line No.	Month	(1) Total Transmission Plant Per Book	Reference From	(2) Transmission Plant Ratemaking	Reference From	Line No.
1	Dec-13			\$ 85,194		1
2	Jan-14			85,194		2
3	Feb			85,194		3
4	Mar			85,194		4
5	Apr			85,194		5
6	May			85,194		6
7	Jun			85,194		7
8	Jul			85,194		8
9	Aug			85,194		9
10	Sep			85,194		10
11	Oct			85,194		11
12	Nov			85,194		12
13	Dec-14			85,194		13
14	<b>Total 13 Months</b>	\$ -		\$ 1,107,522	Sum (L1:L13)	14
15	<b>13-Month Average Balance</b>	\$ -		\$ 85,194	Line 14 / 13 Months	15

Column 2, Line 15 represents the weighted average of \$85,194 Citizens Lease Amount for term of service.

**SDG&E**  
**TRANSMISSION FUNCTIONALIZATION STUDY**  
**DERIVATION OF TRANSMISSION RELATED PLANT DOLLARS**  
**REVISED Balances as of 12/31/2013**  
**In Thousands**

Line No.	Account	Description	(1) Total Transmission Account 101	(2) Generation Account 101 Plant Reclass as Transmission	(3) Distribution Account 101 Plant Reclass to Transmission	(4) Transmission Account 101 Plant Reclass Steam Prod.	(5) Transmission Account 101 Plant Reclass Other Prod.	(6) Transmission Account 101 Plant Reclass Nuclear	(7) Transmission Account 101 Plant Reclass as Distribution	(8) Total Transmission Plant Adjusted Book SUM 1:7.	Line No.
1	303.0	Production Related to Trans Intangibles	-	-	-	-	-	-	-	-	1
2	310.1	Land	-	-	-	-	-	-	-	-	2
3	340.0	Land & Land Rights	-	4	-	-	-	-	-	4	3
4	360.0	Land & Land Rights	-	-	3,583	-	-	-	-	3,583	4
5	361.0	Structures & Improvements	-	-	1,076	-	-	-	-	1,076	5
6	<b>TOTAL</b>	<b>TRANSMISSION RELATED</b>	-	4	4,659	-	-	-	-	4,664	6
7	350.0	Land & Land Rights	188,256	-	-	-	-	-	(5,659)	182,597	7
8	352.0	Structures & Improvements	268,604	-	-	(1,928)	-	-	(36,371)	230,305	8
9	353.0	Station Equipment	961,318	-	-	(10,619)	(1,420)	-	(2,513)	946,766	9
10	354.0	Towers and Fixtures	846,121	-	-	-	-	-	-	846,121	10
11	355.0	Poles and Fixtures	297,383	-	-	-	-	-	-	297,383	11
12	356.0	OH Conductors and Device	489,024	-	-	-	-	-	-	489,024	12
13	357.0	Underground Conduit	245,401	-	-	-	-	-	-	245,401	13
14	358.0	UG Conductors & Devices	280,816	-	-	(1,726)	-	-	-	279,090	14
15	359.0	Roads & Trails	261,142	-	-	-	-	-	-	261,142	15
16	<b>TOTAL</b>	<b>TRANSMISSION PLANT</b>	<b>3,838,064</b>	-	-	<b>(14,273)</b>	<b>(1,420)</b>	-	<b>(44,543)</b>	<b>3,777,828</b>	16
17	<b>GRAND TOTAL RECLASS TRANS PLANT</b>		<b>3,838,064</b>	<b>4</b>	<b>4,659</b>	<b>(14,273)</b>	<b>(1,420)</b>	-	<b>(44,543)</b>	<b>3,782,491</b>	17

These represents plant transfers to comply with FERC Order No. 888 and reflect the adjusted transmission plant balances.

**SDG&E**  
**TRANSMISSION FUNCTIONALIZATION STUDY**  
**DERIVATION OF TRANSMISSION RELATED PLANT DOLLARS**  
Balances as of 12/31/2014  
In Thousands

Line No.	Account	Description	(1) Total Transmission Account 101	(2) Generation Account 101 Plant Reclass as Transmission	(3) Distribution Account 101 Plant Reclass to Transmission	(4) Transmission Account 101 Plant Reclass Steam Prod.	(5) Transmission Account 101 Plant Reclass Other Prod.	(6) Transmission Account 101 Plant Reclass Nuclear	(7) Transmission Account 101 Plant Reclass as Distribution	(8) Total Transmission Plant Adjusted Book SUM 1:7	Line No.
1	303.0	Production Related to Trans Intangibles	-	-	-	-	-	-	-	-	1
2	310.1	Land	-	-	-	-	-	-	-	-	2
3	340.0	Land & Land Rights	-	4	-	-	-	-	-	4	3
4	360.0	Land & Land Rights	-	-	3,583	-	-	-	-	3,583	4
5	361.0	Structures & Improvements	-	-	1,076	-	-	-	-	1,076	5
6	<b>TOTAL</b>	<b>TRANSMISSION RELATED</b>	-	4	4,659	-	-	-	-	4,664	6
7	350.0	Land & Land Rights	215,801	-	-	-	-	-	(5,659)	210,142	7
8	352.0	Structures & Improvements	380,558	-	-	(1,928)	-	-	(36,297)	342,333	8
9	353.0	Station Equipment	1,150,024	-	-	(10,619)	(1,420)	-	(2,917)	1,135,068	9
10	354.0	Towers and Fixtures	846,804	-	-	-	-	-	-	846,804	10
11	355.0	Poles and Fixtures	361,277	-	-	-	-	-	-	361,277	11
12	356.0	OH Conductors and Device	505,663	-	-	-	-	-	-	505,663	12
13	357.0	Underground Conduit	329,312	-	-	-	-	-	-	329,312	13
14	358.0	UG Conductors & Devices	338,228	-	-	(1,726)	-	-	-	336,502	14
15	359.0	Roads & Trails	295,741	-	-	-	-	-	-	295,741	15
16	<b>TOTAL</b>	<b>TRANSMISSION PLANT</b>	<b>4,423,408</b>	-	-	<b>(14,273)</b>	<b>(1,420)</b>	-	<b>(44,873)</b>	<b>4,362,841</b>	16
17	<b>GRAND TOTAL RECLASS TRANS PLANT</b>		<b>4,423,408</b>	4	4,659	<b>(14,273)</b>	<b>(1,420)</b>	-	<b>(44,873)</b>	<b>4,367,505</b>	17

These represent plant transfers to comply with FERC Order No.888 and reflect the adjusted transmission plant balances.

**SAN DIEGO GAS & ELECTRIC COMPANY  
 STATEMENT AD  
 COST OF PLANT  
 BASE PERIOD / TRUE UP PERIOD - 12/31/2014 PER BOOK  
 (\$1,000)**

**GENERAL PLANT**

Line No.	Month	Adjusted FERC General Plant Balance	Reference From	Line No.
1	Dec-13	\$ 266,956	G-wp2	1
2	Dec-14	301,645	G-wp1	2
3	Beginning and End Period Average	\$ 284,301		3

**SAN DIEGO GAS & ELECTRIC COMPANY  
 STATEMENT AD  
 COST OF PLANT  
 BASE PERIOD / TRUE UP PERIOD - 12/31/2014 PER BOOK  
 (\$1,000)**

**COMMON PLANT**

Line No.	Month	Total Common Plant to Electric Per Book	Reference From	Line No.
1	Dec-13	\$ 533,999	C-wp2	1
2	Dec-14	619,062	C-wp1	2
3	Beginning and End Period Average	\$ 576,530		3



Name of Respondent	This Report is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) / /	Year/Period of Report
San Diego Gas & Electric Company			2014/Q4
FOOTNOTE DATA			

**Schedule Page: 204 Line No.: 104 Column: g**

**Reclassification of 2014 Electric Plant-in-Service for Ratemaking**  
 Plant in Service Classified under FERC Seven Factor Test  
 In Accordance with Guidelines in FERC Order 888

	BOY 2013	EOY 2014
Intangible Plant	93,153,966	130,236,073
Steam Production Plant	519,389,793	546,022,555
Nuclear Production Plant	-	-
Other Production Plant	478,117,192	485,750,987
Transmission Plant	3,783,948,531	4,367,504,895
Distribution Plant	5,209,303,219	5,439,808,068
General Plant	266,955,906	301,645,135
Ratemaking Electric	10,350,868,607	11,270,967,714
ASC 410 (FAS 143 and FIN 47)	7,259,719	16,178,745
Cuyamaca Permanent Adjustment	14,105,025	14,105,025
<b>Total Electric Plant-in-Service</b>	<b>10,372,233,351</b>	<b>11,301,251,484</b>

Total 13-Month Average Plant Balance for 2014 - Steam Production 535,521,019

Total 13-Month Average Plant Balance for 2014 - Nuclear Production 0 \*

Total 13-Month Average Plant Balance for 2014 - Other Production 479,465,243

Total 13-Month Average Plant Balance for 2014 - Transmission Plant 3,958,529,302

*See AD6,  
Line 15*

\* As a result of the SONGS plant closure, the December 2014 Nuclear Production Plant Balance is zero.

AD 9

Name of Respondent San Diego Gas & Electric Company	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) / /	Year/Period of Report End of <u>2014/Q4</u>
--	---	---------------------------------------	--

COMMON UTILITY PLANT AND EXPENSES

- Describe the property carried in the utility's accounts as common utility plant and show the book cost of such plant at end of year classified by accounts as provided by Plant Instruction 13, Common Utility Plant, of the Uniform System of Accounts. Also show the allocation of such plant costs to the respective departments using the common utility plant and explain the basis of allocation used, giving the allocation factors
- Furnish the accumulated provisions for depreciation and amortization at end of year, showing the amounts and classifications of such accumulated provisions, and amounts allocated to utility departments using the Common utility plant to which such accumulated provisions relate, including explanation of basis of allocation and factors used.
- Give for the year the expenses of operation, maintenance, rents, depreciation, and amortization for common utility plant classified by accounts as provided by the Uniform System of Accounts. Show the allocation of such expenses to the departments using the common utility plant to which such expenses are related. Explain the basis of allocation used and give the factors of allocation
- Give date of approval by the Commission for use of the common utility plant classification and reference to order of the Commission or other authorization

	<u>2013</u>		<u>2014</u>
Total Common Plant	(21) 733,011,024	(22)	\$ 827,402,190
Electric Share (Sec AD-10A)	72.85%	(Sec AD-10B)	74.82%
	<u>\$ 533,998,531</u>		<u>\$ 619,602,319</u>

Account	Balance Beg. of Year	Additions	Retire From Serv.	Adjs.	Transfers	Balance End of Year
303 Misc. Intangible Plant	216,257,971	49,313,481	4,248,656	78,282		261,401,078
389 Land & Land Rights	8,249,876					8,249,876
390 Structures & Improvements	278,101,633	26,330,447	904,092			303,527,988
391 Office Furniture & Equipment	101,946,818	9,780,974	37,337	(702)		111,689,753
392 Transportation Equipment	67,312					67,312
393 Stores Equipment	144,926		65,785			79,141
394 Tools, Shop & Garage Equip.	2,552,179		11,128			2,511,051
395 Laboratory Equipment	2,182,676		92,440			2,090,236
396 Power Operated Equipment						
397 Communication Equipment	121,063,010	14,674,215	23,427	(409,458)		135,304,341
398 Miscellaneous Equipment	2,474,623	6,791				2,481,414
SPL Topside				(239,322)		(239,322)
FIN 47 ARC - Common	1,088,265					1,088,265
Fleet Capital Lease	22,119,362		3,195,776	239,322		19,162,908
TOTAL COMMON PLANT	756,218,651	100,105,908	8,578,641	(331,877)		847,414,041
Construction Work in Progress	99,590,207	50,893,540				150,483,747
TOTAL COMMON PLANT	855,808,858	150,999,448	8,578,641	(331,877)		997,897,788

Name of Respondent San Diego Gas & Electric Company	This Report Is: (1) <input type="checkbox"/> An Original (2) <input checked="" type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 08/07/2014	Year/Period of Report End of <u>2013/Q4</u>
--	---	--	--

COMMON UTILITY PLANT AND EXPENSES

- Describe the property carried in the utility's accounts as common utility plant and show the book cost of such plant at end of year classified by accounts as provided by Plant Instruction 13, Common Utility Plant, of the Uniform System of Accounts. Also show the allocation of such plant costs to the respective departments using the common utility plant and explain the basis of allocation used, giving the allocation factors
- Furnish the accumulated provisions for depreciation and amortization at end of year, showing the amounts and classifications of such accumulated provisions, and amounts allocated to utility departments using the Common utility plant to which such accumulated provisions relate, including explanation of basis of allocation and factors used.
- Give for the year the expenses of operation, maintenance, rents, depreciation, and amortization for common utility plant classified by accounts as provided by the Uniform System of Accounts. Show the allocation of such expenses to the departments using the common utility plant to which such expenses are related. Explain the basis of allocation used and give the factors of allocation.
- Give date of approval by the Commission for use of the common utility plant classification and reference to order of the Commission or other authorization

ACCOUNT	December 31, 2013 Accumulated Depreciation
303 Misc. Intangible Plant	139,603,548
389 Land & Land Rights	27,275
390 Structures & Improvements	116,248,552
391 Office Furniture & Equipment	60,437,123
392 Transportation Equipment	(322,395)
393 Stores Equipment	113,350
394 Tools, Shop & Garage Equipment	343,576
395 Laboratory Equipment	929,696
396 Power Operated Equipment	(192,979)
397 Communication Equipment	53,080,042
398 Miscellaneous Equipment	1,212,198
108.4 Retirement Work in Progress	
FIN 47 Accumulated Depreciation	673,573
Fleet Capital Lease	18,618,389
	<hr/>
Total Accumulated Depreciation	390,771,948 =====

Split of Common Utility Plant to Departments: (excluding CWIP) (see Note 2- Page 356.2)	December 31, 2013	
	Balance End of Year	Accumulated Depreciation
Electric <u>72.85%</u>	550,905,287	284,677,364
Gas 27.15%	205,313,364	106,094,584
Total	<hr/> 756,218,651 =====	<hr/> 390,771,948 =====

see derivation of 72.85% on page AD11-AD11-A.

Name of Respondent San Diego Gas & Electric Company	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) / /	Year/Period of Report End of <u>2014/Q4</u>
--	---	---------------------------------------	--

COMMON UTILITY PLANT AND EXPENSES

1. Describe the property carried in the utility's accounts as common utility plant and show the book cost of such plant at end of year classified by accounts as provided by Plant Instruction 13, Common Utility Plant, of the Uniform System of Accounts. Also show the allocation of such plant costs to the respective departments using the common utility plant and explain the basis of allocation used, giving the allocation factors.
2. Furnish the accumulated provisions for depreciation and amortization at end of year, showing the amounts and classifications of such accumulated provisions, and amounts allocated to utility departments using the Common utility plant to which such accumulated provisions relate, including explanation of basis of allocation and factors used.
3. Give for the year the expenses of operation, maintenance, rents, depreciation, and amortization for common utility plant classified by accounts as provided by the Uniform System of Accounts. Show the allocation of such expenses to the departments using the common utility plant to which such expenses are related. Explain the basis of allocation used and give the factors of allocation.
4. Give date of approval by the Commission for use of the common utility plant classification and reference to order of the Commission or other authorization.

ACCOUNT	December 31, 2014 Accumulated Depreciation
303 Misc. Intangible Plant	169,387,320
389 Land & Land Rights	27,776
390 Structures & Improvements	130,654,027
391 Office Furniture & Equipment	73,437,832
392 Transportation Equipment	(315,661)
393 Stores Equipment	57,096
394 Tools, Shop & Garage Equipment	489,284
395 Laboratory Equipment	927,472
396 Power Operated Equipment	(192,979)
397 Communication Equipment	62,321,488
398 Miscellaneous Equipment	1,448,084
108.4 Retirement Work in Progress	
FIN 47 Accumulated Depreciation	674,032
Fleet Capital Lease	17,828,995
	<hr/>
Total Accumulated Depreciation	456,744,766 =====

Split of Common Utility Plant to Departments: (excluding CWIP) (see Note 2- Page 356.2)	December 31, 2014	
	Balance End of Year	Accumulated Depreciation
Electric <u>74.82%</u> *	634,035,185	341,736,434
Gas 25.18%	213,378,856	115,008,332
	<hr/>	<hr/>
Total 100.00%	847,414,041 =====	456,744,766 =====

\* See derivation of 74.82% on page AD12 - AD12 - A

SDG&E  
COMMON ACCOUNT ALLOCATIONS  
SUMMARY OF ELECTRIC & GAS ALLOCATIONS  
FOR JANUARY - DECEMBER 2013

LINE NO	COMMON ACCOUNT DESCRIPTION	COMMON ACCOUNT RANGE	ELECTRIC	GAS	TOTAL	LINE NO
1	Administrative & General	920-923	72.85%	27.15%	100.00%	1
2	Property Insurance	924	86.42%	13.58%	100.00%	2
3	Injuries & Damages	925	72.85%	27.15%	100.00%	3
4	Pensions & Benefits	926	72.85%	27.15%	100.00%	4
5	Misc. Admin & General	928-935	72.85%	27.15%	100.00%	5

Note: Above items except property insurance are allocated to gas & electric based upon labor ratios.  
See workpapers AD11-A for derivation Common Allocation between electric and gas.

**San Diego Gas & Electric Company**  
**Derivation of Common Plant and A&G Common Labor Cost Allocation**  
**For the Period Ended December 31, 2012**  
**From 2012 FERC Form 1, Page 354 - 355, Direct Payroll Distribution**  
**As Shown in Workpaper AD11, For January - December 2013**

Line No	A	B	C	D	E	F	Line No
	<b>Direct Payroll Expenses, Electric and Gas:</b>						
1	<u>Function</u>	<u>FERC Form 1, Pages 354 - 355 Ref</u>		<u>Electric Direct Payroll</u>	<u>Gas Direct Payroll</u>	<u>Total Direct Payroll</u>	1
2		<u>Electric</u>	<u>Gas</u>				2
3	Production	Line 20	N/A	\$ 11,746,489	\$ -	\$ 11,746,489	3
4							4
5	Transmission & Gas Storage	Line 21	Lines 55 & 56	19,114,128	5,847,987	24,962,115	5
6							6
7	Distribution	Line 23	Line 57	55,490,404	25,560,900	81,051,304	7
8							8
9	Customer Accounts	Line 24	Line 58	24,590,730	12,710,239	37,300,969	9
10							10
11	Customer Service & Informational	Line 25	Line 59	17,741,966	3,840,228	21,582,194	11
12							12
13	Sales	Line 26	Line 60	-	-	-	13
14							14
15	Total Direct Payroll Expenses Excluding A&G			\$ 128,683,717	\$ 47,959,354	\$ 176,643,071	15
16							16
17	Administrative & General	Line 27	Line 61	29,727,617	11,299,141	41,026,758	17
18							18
19	Total Direct Payroll Expenses Including A&G	Line 28	Line 62	\$ 158,411,334	\$ 59,258,495	\$ 217,669,829	19
20							20
21	<b>Common Plant and A&amp;G Common Labor Cost Allocation</b>	L15 Col D/L15 Col F	L15 Col E/L15 Col F	<b>72.85%</b>	<b>27.15%</b>	<b>100.00%</b>	21
22							22

SDG&E  
COMMON ACCOUNT ALLOCATIONS  
SUMMARY OF ELECTRIC & GAS ALLOCATIONS  
FOR JANUARY - DECEMBER 2014

LINE NO	COMMON ACCOUNT DESCRIPTION	COMMON ACCOUNT RANGE	ELECTRIC	GAS	TOTAL	LINE NO
1	Administrative & General	920-923	74.82%	25.18%	100.00%	1
2	Property Insurance	924	87.33%	12.67%	100.00%	2
3	Injuries & Damages	925	74.82%	25.18%	100.00%	3
4	Pensions & Benefits	926	74.82%	25.18%	100.00%	4
5	Misc. Admin & General	928-935	74.82%	25.18%	100.00%	5

Note: Above items except property insurance are allocated to gas & electric based upon labor ratios.  
See workpapers AD12-A for derivation of Common Allocation between electric and gas.

**San Diego Gas & Electric Company**  
**Derivation of Common Plant and A&G Common Labor Cost Allocation**  
**For the Period Ended December 31, 2013**  
**From 2013 FERC Form 1, Page 354 - 355, Direct Payroll Distribution**  
**As Shown in Workpaper AD12, For January - December 2014**

Line No	A	B	C	D	E	F	Line No
	<b><u>Direct Payroll Expenses, Electric and Gas:</u></b>						
1	<u>Function</u>	<u>FERC Form 1, Pages 354 - 355 Ref.</u>		<u>Electric Direct Payroll</u>	<u>Gas Direct Payroll</u>	<u>Total Direct Payroll</u>	1
2		<u>Electric</u>	<u>Gas</u>				2
3	Production	Line 20	N/A	\$ 11,908,747	\$ -	\$ 11,908,747	3
4							4
5	Transmission & Gas Storage	Line 21	Lines 55 & 56	21,456,199	5,471,573	26,927,772	5
6							6
7	Distribution	Line 23	Line 57	53,970,280	23,115,014	77,085,294	7
8							8
9	Customer Accounts	Line 24	Line 58	23,302,450	12,010,710	35,313,160	9
10							10
11	Customer Service & Informational	Line 25	Line 59	19,529,520	3,216,519	22,746,039	11
12							12
13	Sales	Line 26	Line 60	-	-	-	13
14							14
15	Total Direct Payroll Expenses Excluding A&G			\$ 130,167,196	\$ 43,813,816	\$ 173,981,012	15
16							16
17	Administrative & General	Line 27	Line 61	30,755,094	11,122,436	41,877,530	17
18							18
19	Total Direct Payroll Expenses Including A&G	Line 28	Line 62	\$ 160,922,290	\$ 54,936,252	\$ 215,858,542	19
20							20
21	<b>Common Plant and A&amp;G Common Labor Cost Allocation</b>	L15 Col D/L15 Col F	L15 Col E/L15 Col F	<b>74.82%</b>	<b>25.18%</b>	<b>100.00%</b>	21
22							22



# **San Diego Gas & Electric Company**

## **Base Period / True-Up Period Statement AE - Accumulated Depreciation and Amortization Workpaper**

SAN DIEGO GAS AND ELECTRIC COMPANY  
Statement AE - Workpapers  
Accumulated Depreciation and Amortization  
12 Months Base Period Ending December 31, 2014  
(\$1,000)

Line No	(a) 31-Dec-13	(b) 31-Dec-14	(c) = [(a)+(b)]/2 Average Balance	Reference	Line No
1			\$ 705,364	Stmt AE WP; Page AE1; Line 17	1
2					2
3	19,993	38,977	29,485	Stmt AE WP; Page AE2; Line 3	3
4					4
5	103,539	113,625	108,582	Stmt AE WP; Page AE3; Line 3	5
6					6
7	270,623	327,892	299,258	Stmt AE WP; Page AE4; Line 3	7
8					8
9			12.16%	Statement AI; Line 21	9
10					10
11			\$ 3,585	Line 3 x Line 9	11
12					12
13			\$ 13,204	Line 5 x Line 9	13
14					14
15			36,390	Line 7 x Line 9	15
16					16
17			\$ 758,543	Sum Lines 1; 11; 13; 15	17
18					18
19			\$ -	Stmt AE WP	19

<sup>a</sup> The depreciation reserve for transmission plant is derived based on a 13-month average balance.

<sup>b</sup> The depreciation reserve for Electric Miscellaneous Intangible, General and Common plant is derived based on a simple average of beginning and end of year balance

<sup>1</sup> The amounts stated above are ratemaking utility plant in service and a result of implementing the "Seven-Element Adjustment Factor" which reflects transfers between generation and distribution functions.

<sup>2</sup> Electric Miscellaneous Intangible Plant, General Plant, and Common Plant are not affected by the "Seven-Element Adjustment Factor" because there's no transfer of transmission or distribution plant among these categories.

<sup>3</sup> Indicates the Depreciation Reserve of an Incentive Transmission Plant Project.

**SAN DIEGO GAS & ELECTRIC COMPANY  
STATEMENT AE  
ACCUMULATED DEPRECIATION AND AMORTIZATION  
BASE PERIOD / TRUE UP PERIOD - 12/31/2014 PER BOOK  
(\$1,000)**

**TRANSMISSION PLANT**

Line No.	Month	(1) Total Transmission Reserves Per Book	Reference From	(2) Transmission Reserves Ratemaking	Reference From	Line No.
1	Dec-13	\$ 679,476	T-wp2	\$ 666,709	T-wp2	1
2	Jan-14	686,029	"	673,220	"	2
3	Feb	693,229	"	680,416	"	3
4	Mar	699,149	"	686,236	"	4
5	Apr	705,708	"	692,693	"	5
6	May	710,811	"	697,697	"	6
7	Jun	716,377	"	702,849	"	7
8	Jul	723,946	"	710,305	"	8
9	Aug	731,747	"	717,986	"	9
10	Sep	739,691	"	725,811	"	10
11	Oct	744,876	"	730,999	"	11
12	Nov	752,951	"	738,956	"	12
13	Dec-14	759,816	see AE1-B	745,770	see AE1-B	13
14	<b>Total 13 Months</b>	<b>\$ 9,343,804</b>		<b>\$ 9,169,647</b>		14
15	<b>13-Month Average Balance</b>	<b>\$ 718,754</b>		<b>\$ 705,357</b>		15
16	<b>Citizens weighted average accumulate depreciation not included above.</b>			<u>7</u>	See AE1-A, L15	16
17	<b>Total Transmission Plant Accum.Deprec. Average Bal.</b>			<u><u>705,364</u></u>	L15 + L16	17

Column 2 represents the monthly ratemaking depreciation reserve balances for the base period. These depreciation reserve balances reflect the amounts shifted between functions (transmission to distribution , transmission to generation, distribution to transmission, etc.) as required by FERC Order 888: Seven-Element Adjustment Factor.

**SAN DIEGO GAS & ELECTRIC COMPANY  
STATEMENT AE  
ACCUMULATED DEPRECIATION AND AMORTIZATION  
BASE PERIOD - 12/31/2014 PER BOOK  
(\$1,000)**

**TRANSMISSION PLANT**

Line No.	Month	(1) Total Transmission Reserves Per Book	Reference From	(2) Transmission Reserves Ratemaking	Reference From	Line No.
1	Dec-13	\$ 5	T-wp2	\$ 5	T-wp2	1
2	Jan-14	5	"	5	"	2
3	Feb	5	"	5	"	3
4	Mar	6	"	6	"	4
5	Apr	6	"	6	"	5
6	May	6	"	6	"	6
7	Jun	7	"	7	"	7
8	Jul	7	"	7	"	8
9	Aug	7	"	7	"	9
10	Sep	7	"	7	"	10
11	Oct	8	"	8	"	11
12	Nov	8	"	8	"	12
13	Dec-14	8	T-wp1	8	T-wp1	13
14	<b>Total 13 Months</b>	<b>\$ 85</b>		<b>\$ 85</b>	<b>Sum (L1:L13)</b>	14
15	<b>13-Month Average Balance</b>	<b>\$ 7</b>		<b>\$ 7</b>	<b>Line 14 / 13 Months</b>	15

Column 2, Line 15 represents 13 month weighted average of Citizens Border-East Line accumulated depreciation and amortization.

**SDG&E**  
**TRANSMISSION FUNCTIONALIZATION STUDY**  
**DERIVATION OF TRANSMISSION RELATED**  
**ACCUMULATED DEPRECIATION AND AMORTIZATION**  
Balances as of 12/31/2014  
In Thousands

Line No.	Account	Description	(1) Total Transmission Account 108	(2) Generation Account 108 Reserves Reclass as Transmission	(3) Distribution Account 108 Reserves Reclass to Transmission	(4) Transmission Account 108 Reserves Reclass as Steam Prod.	(5) Transmission Account 108 Reserves Reclass as Other Prod.	(6) Transmission Account 108 Reserves Reclass as Nuclear	(7) Transmission Account 108 Reserves Reclass as Distribution	(8) Total Transmission Reserves Ratemaking SUM 1:7	Line No.
1	303.0	Production Related to Trans Intangibles	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	1
2	310.1	Land	-	-	-	-	-	-	-	-	2
3	340.0	Land & Land Rights	-	1	-	-	-	-	-	1	3
4	360.0	Land & Land Rights	-	-	48	-	-	-	-	48	4
5	361.0	Structures & Improvements	-	-	491	-	-	-	-	491	5
6	<b>TOTAL</b>	<b>TRANSMISSION RELATED</b>	-	1	539	-	-	-	-	540	7
7	350.0	Land & Land Rights	16,609	-	-	-	-	-	(284)	16,325	8
8	352.0	Structures & Improvements	49,577	-	-	(272)	-	-	(10,609)	38,697	9
9	353.0	Station Equipment	199,622	-	-	(2,288)	(211)	-	(545)	196,578	10
10	354.0	Towers and Fixtures	129,506	-	-	-	-	-	-	129,506	11
11	355.0	Poles and Fixtures	69,174	-	-	-	-	-	-	69,174	12
12	356.0	OH Conductors and Device	199,540	-	-	-	-	-	-	199,540	13
13	357.0	Underground Conduit	38,112	-	-	-	-	-	-	38,112	14
14	358.0	UG Conductors & Devices	39,328	-	-	(378)	-	-	-	38,950	15
15	359.0	Roads & Trails	18,347	-	-	-	-	-	-	18,347	16
16	<b>TOTAL</b>	<b>TRANSMISSION PLANT</b>	<b>759,816</b>	-	-	<b>(2,937)</b>	<b>(211)</b>	-	<b>(11,438)</b>	<b>745,230</b>	17
17	<b>GRAND TOTAL RECLASS TRANS PLANT</b>		<b>\$ 759,816</b>	<b>\$ 1</b>	<b>\$ 539</b>	<b>\$ (2,937)</b>	<b>\$ (211)</b>	<b>\$ -</b>	<b>\$ (11,438)</b>	<b>\$ 745,770</b>	16

**SAN DIEGO GAS & ELECTRIC COMPANY  
STATEMENT AE  
ACCUMULATED DEPRECIATION AND AMORTIZATION  
BASE PERIOD / TRUE UP PERIOD - 12/31/2014 PER BOOK  
(\$1,000)**

**ELECTRIC MISCELLANEOUS INTANGIBLE PLANT**

Line No.	Month	Adjusted FERC Intangible Reserve Balance	Reference From	Line No.
1	Dec-13	\$ 19,993	I-wp2	1
2	Dec-14	38,977	I-wp1	2
3	Beginning and End Period Average	\$ 29,485		3

**SAN DIEGO GAS & ELECTRIC COMPANY  
STATEMENT AE  
ACCUMULATED DEPRECIATION AND AMORTIZATION  
BASE PERIOD / TRUE UP PERIOD - 12/31/2014 PER BOOK  
(\$1,000)**

**GENERAL PLANT**

Line No.	Month	Adjusted FERC General Reserve Balance	Reference From	Line No.
1	Dec-13	\$ 103,539	G-wp2	1
2	Dec-14	113,625	G-wp1	2
3	Beginning and Year End Average	\$ 108,582		3

**SAN DIEGO GAS & ELECTRIC COMPANY  
STATEMENT AE  
ACCUMULATED DEPRECIATION AND AMORTIZATION  
BASE PERIOD / TRUE UP PERIOD - 12/31/2014 PER BOOK  
(\$1,000)**

**COMMON PLANT**

Line No.	Month	Total Common Reserves to Electric Per Book	Reference From	Line No.
1	Dec-13	\$ 270,623	C-wp2	1
2	Dec-14	327,892	C-wp1	2
3	Beginning and Year End Average	\$ 299,258		3



Name of Respondent San Diego Gas & Electric Company	This Report Is: (1) <input type="checkbox"/> An Original (2) <input checked="" type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 08/07/2014	Year/Period of Report End of <u>2013/Q4</u>
--	---	--	--

COMMON UTILITY PLANT AND EXPENSES

- Describe the property carried in the utility's accounts as common utility plant and show the book cost of such plant at end of year classified by accounts as provided by Plant Instruction 13, Common Utility Plant, of the Uniform System of Accounts Also show the allocation of such plant costs to the respective departments using the common utility plant and explain the basis of allocation used, giving the allocation factors.
- Furnish the accumulated provisions for depreciation and amortization at end of year, showing the amounts and classifications of such accumulated provisions, and amounts allocated to utility departments using the Common utility plant to which such accumulated provisions relate, including explanation of basis of allocation and factors used
- Give for the year the expenses of operation, maintenance, rents, depreciation, and amortization for common utility plant classified by accounts as provided by the Uniform System of Accounts Show the allocation of such expenses to the departments using the common utility plant to which such expenses are related Explain the basis of allocation used and give the factors of allocation
- Give date of approval by the Commission for use of the common utility plant classification and reference to order of the Commission or other authorization

ACCOUNT

December 31, 2013  
Accumulated Depreciation

303 Misc. Intangible Plant	139,603,548	①
389 Land & Land Rights	27,275	
390 Structures & Improvements	116,248,552	
391 Office Furniture & Equipment	60,437,123	
392 Transportation Equipment	(322,395)	
393 Stores Equipment	113,350	
394 Tools, Shop & Garage Equipment	343,576	
395 Laboratory Equipment	929,696	
396 Power Operated Equipment	(192,979)	②
397 Communication Equipment	53,080,042	
398 Miscellaneous Equipment	1,212,198	
108.4 Retirement Work in Progress		
FIN 47 Accumulated Depreciation	673,573	
Fleet Capital Lease	18,618,389	
Total Accumulated Depreciation	390,771,948	
	=====	

2013  
Common Plant - Accum. Deprca  
Σ ① 371,479,986  
② Elec. Share 72.85%  
270,623,170  
see AE4, Line 1

Split of Common Utility Plant  
to Departments: (excluding CWIP) (see Note 2- Page 356.2)

		December 31, 2013	
		Balance End of Year	Accumulated Depreciation
Electric	72.85% ②	550,905,287	284,677,364
Gas	27.15%	205,313,364	106,094,584
Total	100.00%	756,218,651	390,771,948
		=====	=====

Name of Respondent San Diego Gas & Electric Company	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) / /	Year/Period of Report End of <u>2014/Q4</u>
--	---	---------------------------------------	--

COMMON UTILITY PLANT AND EXPENSES

- Describe the property carried in the utility's accounts as common utility plant and show the book cost of such plant at end of year classified by accounts as provided by Plant Instruction 13, Common Utility Plant, of the Uniform System of Accounts. Also show the allocation of such plant costs to the respective departments using the common utility plant and explain the basis of allocation used, giving the allocation factors.
- Furnish the accumulated provisions for depreciation and amortization at end of year, showing the amounts and classifications of such accumulated provisions, and amounts allocated to utility departments using the Common utility plant to which such accumulated provisions relate, including explanation of basis of allocation and factors used.
- Give for the year the expenses of operation, maintenance, rents, depreciation, and amortization for common utility plant classified by accounts as provided by the Uniform System of Accounts. Show the allocation of such expenses to the departments using the common utility plant to which such expenses are related. Explain the basis of allocation used and give the factors of allocation.
- Give date of approval by the Commission for use of the common utility plant classification and reference to order of the Commission or other authorization.

ACCOUNT

December 31, 2014  
Accumulated Depreciation

303 Misc. Intangible Plant	169,387,320	①
389 Land & Land Rights	27,776	
390 Structures & Improvements	130,654,027	
391 Office Furniture & Equipment	73,437,832	
392 Transportation Equipment	(315,661)	
393 Stores Equipment	57,096	
394 Tools, Shop & Garage Equipment	489,284	
395 Laboratory Equipment	927,472	
396 Power Operated Equipment	(192,979)	
397 Communication Equipment	62,321,488	
398 Miscellaneous Equipment	1,448,084	
108.4 Retirement Work in Progress		
FIN 47 Accumulated Depreciation	674,032	
Fleet Capital Lease	17,828,995	
Total Accumulated Depreciation	456,744,766	
	=====	

2014-Common Plant -  
Accum. Depr. -  
E ① 438,241,739  
② Elec. Share 74.82%  
\$ 327,892,469 See AE4,  
Line 2

Split of Common Utility Plant to Departments: (excluding CWIP) (see Note 2- Page 356.2)	December 31, 2014	
	Balance End of Year	Accumulated Depreciation
Electric 74.82%	634,035,185	341,736,434
Gas 25.18%	213,378,856	115,008,332
Total 100.00%	847,414,041	456,744,766
	=====	=====

San Diego Gas & Electric Company

**Base Period / True-Up Period**

**Statement – AF**

**Specified Deferred Credits**

**Workpaper**

**SAN DIEGO GAS AND ELECTRIC COMPANY**  
**Statement AF - Workpapers**  
**Deferred Credits**  
**12 Months Base Period Ending December 31, 2014**  
**(\$1,000)**

Line No	(a) 31-Dec-13	(b) 31-Dec-14	(c) = [(a)+(b)]/2 Average Balance	Reference	Line No
1	\$ (277,709)	\$ (310,499)	\$ (294,103)	Stmt AF WP; Pg AF1; Col. (c); Line 15	1
2					2
3	<u>(149,141)</u>	<u>(316,905)</u>	<u>(233,023)</u>	Stmt AF WP; Pg AF1; Col. (c); Line 17	3
4					4
5	<u>\$ (426,850)</u>	<u>\$ (627,404)</u>	<u>\$ (527,126)</u>	Sum of Lines 1 thru 3	5
6					6
7					7
8	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	Stmt AF WP; Page AF	8
9					9
10	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	Stmt AF WP; Page AF	10
11					11
12	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	Stmt AF WP; Page AF	12

Page AF is utilized in the derivation of Transmission Rate Base for use in Statement AV.



**SAN DIEGO GAS AND ELECTRIC COMPANY**  
**Statement AF - Workpapers**  
**Deferred Credits**  
**12 Months Base Period Ending December 31, 2014**  
**(\$1,000)**

Line No	(a) 31-Dec-13	(b) 31-Dec-14	(c) = [(a)+(b)]/2 Average Balance	Reference	Line No
1	\$ (18,774)	\$ (19,280)	\$ (19,027)	Stmt AF WP; Page AF3	1
2				Form 1; Pg 450.1; Sch. Pg. 274; Ln 2; Cols b, k	2
3			-		3
4					4
5	<u>\$ (18,774)</u>	<u>\$ (19,280)</u>	<u>\$ (19,027)</u>	Sum of Lines 1 thru 3	5
6					6

Page AF2 is utilized in Statement BK2, Section 2, Page 4, Part B - Derivation of General and Common Plant ADIT Revenue Carry Charge Percentage.

Name of Respondent	This Report is:	Date of Report	Year/Period of Report
San Diego Gas & Electric Company	(1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	(Mo, Da, Yr) / /	2014/Q4
FOOTNOTE DATA			

**Schedule Page: 274 Line No.: 2 Column: b**

Transmission related accumulated deferred income taxes included in electric accumulated deferred income taxes at the beginning of the year was \$417,054,892.

Allocated General and Common accumulated deferred federal income taxes included in transmission related accumulated deferred federal income taxes at the beginning of the year was \$18,774,439.

**Schedule Page: 274 Line No.: 2 Column: k**

Transmission related accumulated deferred income taxes included in electric accumulated deferred income taxes at the end of the year was \$612,790,263.

Allocated General and Common accumulated deferred federal income taxes included in transmission related accumulated deferred income taxes at the end of the year was \$19,280,027.

AF3

**Citizens Income Accumulated Deferred Income Tax Comparison  
With and Without Bonus Depreciation  
Base Period/True-Up Period 12 Months Ending December 31, 2014  
1,000's**

Line No.	A Description	B		C		D		E		F		Line No.
		12/31/2013		12/31/2014								
		ADIT	Federal ADTL	Federal ADTA	State ADIT	Net ADIT						
1	Sunrise With Bonus D	(141,618)	(443,202)	199,951	(2,712)	(245,963)					1	
2											2	
3	Sunrise Without Bonus D	(60,487)	(87,813)	-	(2,712)	(90,525)					3	
4											4	
5	Difference With and Without Bonus Depre. (L1 - L3)	(81,131)	(355,389)	199,951	-	(155,438)					5	
6											6	
7											7	
8						-					8	
9	Citizens With Bonus D	(9,795)	(24,294)	9,800	(119)	(14,613)					9	
10											10	
11	Citizens Without Bonus D	(2,868)	(4,302)	-	(119)	(4,420)					11	
12											12	
13	Difference With and Without Bonus Depre. (L9 - L11)	(6,927)	(19,993)	9,800	-	(10,193)					13	

Page AF4 is utilized in Statement BK2 -Section 3, Part A - Direct Assignment of ADIT to Citizens.

Legend:

ADIT = Accumulated Deferred Income Tax

ADTL = Accumulated Deferred Tax Liability

ADTA = Accumulated Deferred Tax Asset



# **San Diego Gas & Electric Company**

## **Base Period / True-Up Period**

### **Statement – AG**

## **Specified Plant Accounts (Other than Plant in Service) and Deferred Debits Workpaper**

**SAN DIEGO GAS AND ELECTRIC COMPANY**  
**Statement AG - Workpapers**  
**Specified Plant Account (Other than Plant in Service) and Deferred Debits**  
**12 Months Base Period Ending December 31, 2014**  
**(\$1,000)**

<u>Line No</u>	<u>(a) 31-Dec-13</u>	<u>(b) 31-Dec-14</u>	<u>(c) = [(a)+(b)]/2 Average Balance</u>	<u>Reference</u>	<u>Line No</u>
1			\$ 6,546	Stmt AG WP; Page AG1; Line 15	1

<sup>1</sup> The balances for Transmission Plant Held for Future Use are derived based on a 13-month average balance.

**SAN DIEGO GAS & ELECTRIC COMPANY  
STATEMENT AG  
SPECIFIED PLANT ACCOUNTS (OTHER THAN PLANT IN SERVICE)  
AND DEFERRED DEBITS  
BASE PERIOD/TRUE-UP PERIOD - 12/31/2014 PER BOOK  
(\$1,000)**

**TRANSMISSION PLANT**

Line No.	Month	Transmission Plant Held For Future Use	Line No.
1	Dec-13	\$ 6,546	1
2	Jan-14	6,546	2
3	Feb	6,546	3
4	Mar	6,546	4
5	Apr	6,546	5
6	May	6,546	6
7	Jun	6,546	7
8	Jul	6,546	8
9	Aug	6,546	9
10	Sep	6,546	10
11	Oct	6,546	11
12	Nov	6,546	12
13	Dec-14	6,546	13
14	<b>Total 13 Months</b>	<b>85,104</b>	14
15	<b>13-Month Average</b>	<b>\$ 6,546</b>	15

Name of Respondent San Diego Gas & Electric Company	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) / /	Year/Period of Report End of <u>2014/Q4</u>
--	---	---------------------------------------	--

ELECTRIC PLANT HELD FOR FUTURE USE (Account 105)

1. Report separately each property held for future use at end of the year having an original cost of \$250,000 or more. Group other items of property held for future use.

2. For property having an original cost of \$250,000 or more previously used in utility operations, now held for future use, give in column (a), in addition to other required information, the date that utility use of such property was discontinued, and the date the original cost was transferred to Account 105.

Line No.	Description and Location Of Property (a)	Date Originally Included in This Account (b)	Date Expected to be used in Utility Service (c)	Balance at End of Year (d)
1	Land and Rights:			
2				
3	Torrey Pines/Sorrento Mesa	3/31/2005	2/28/2015	1,785,268
4				
5	Salt Creek	7/31/2011	1/31/2016	6,005,098
6				
7	Oceanside	5/31/2012	12/31/2015	360,835
8				
9	Ocean Ranch	3/31/2013	1/31/2018	4,941,794
10				
11				
12				
13				
14				
15				
16				
17				
18				
19				
20				
21	Other Property			
22				
23				
24				
25				
26				
27				
28	① 13,092,995 * 50%	Transmission =	6,546,497.50	
29				
30	* 50%	Distribution =	6,546,497.50	
31				
32		#	13,092,995	
33				
34				
35				
36				
37				
38				
39				
40				
41				
42				
43				
44				
45				
46				
47	Total			13,092,995 ①

# **San Diego Gas & Electric Company**

## **Base Period / True-Up Period**

### **Statement – AH**

## **Operation and Maintenance Expenses Workpaper**

SAN DIEGO GAS AND ELECTRIC COMPANY  
Statement AH - Workpapers  
Derivation of Transmission Plant Property Insurance Allocation Factor  
12 Months Base Period Ending December 31, 2014  
(\$1,000)

Line No.	Amounts	Reference	Line No.
1		<b>Derivation of Transmission Plant Property Insurance Allocation Factor:</b>	1
2	\$ 4,043,723	Stmnt AD WP; Page AD; Line 29	2
3	0	Shall be Zero	3
4	34,571	Stmnt AD WP; Page AD; Line 33	4
5	70,106	Stmnt AD WP; Page AD; Line 35	5
6	<u>\$ 4,148,400</u>	Sum Lines 2 thru 5	6
7			7
8	\$ 4,043,723	Stmnt AD WP; Page AD; Line 29	8
9	535,521	Stmnt AD WP; Page AD; Line 3	9
11	0	Shall be Zero	11
10	479,465	Stmnt AD WP; Page AD; Line 9	10
12	5,324,556	Stmnt AD WP; Page AD; Line 13	12
13	284,301	Stmnt AD WP; Page AD; Line 21	13
14	576,530	Stmnt AD WP; Page AD; Line 23	14
15	<u>\$ 11,244,096</u>	Sum Lines 8 thru 14	15
16			16
17	36.89%	Line 6 / Line 15	17
18			18
19	<u>\$ 4,738</u>	See Page AH3; Col. D; Line 6	19
21			21
22	<u>\$ 1,748</u>	Line 17 x Line 19	22
23			23

<sup>1</sup> Used to allocate property insurance in conformance with TO4 settlement.

SAN DIEGO GAS AND ELECTRIC COMPANY  
Electric Transmission O&M Expenses  
12 Months Ending December 31, 2014  
(\$1,000)

Line No.	FERC Acct	Description	(a) Total Per Books	(b) Citizens <sup>3</sup> Allocated Costs	(c) Excluded Expenses	(d) = (a) + (b) + (c) Total Adjusted	Reference	Line No.
1		<u>Electric Transmission Operation</u>						1
2	560	Operation Supervision and Engineering	\$ 8,273		\$ -	\$ 8,273	Form 1, p. 321; Line 83	2
3	561.1	Load Dispatch - Reliability	517		-	517	Form 1, p. 321; Line 85	3
4	561.2	Load Dispatch - Monitor and Operate Transmission System	3,852		-	3,852	Form 1, p. 321; Line 86	4
5	561.3	Load Dispatch - Transmission Service and Scheduling	-		-	-	Form 1, p. 321; Line 87	5
6	561.4	Scheduling, System Control and Dispatch Services	6,439		(6,439)	-	Form 1, p. 321; Line 88	6
7	561.5	Reliability, Planning and Standards Development	-		-	-	Form 1, p. 321; Line 89	7
8	561.6	Transmission Service Studies	-		-	-	Form 1, p. 321; Line 90	8
9	561.7	Generation Interconnection Studies	-		-	-	Form 1, p. 321; Line 91	9
10	561.8	Reliability, Planning and Standards Development Services	2,764		(2,764)	-	Form 1, p. 321; Line 92	10
11	562	Station Expenses	2,213		-	2,213	Form 1, p. 321; Line 93	11
12	563	Overhead Line Expenses	1,809		-	1,809	Form 1, p. 321; Line 94	12
13	563	Overhead Line Expenses - Sunrise Fire Mitigation Cost	3,174		-	3,174	Form 1, p. 321; Line 94	13
14	564	Underground Line Expenses	-		-	-	Form 1, p. 321; Line 95	14
15	565	Transmission of Electricity by Others	-		-	-	Form 1, p. 321; Line 96	15
16	566	Misc. Transmission Expenses <sup>1</sup>	19,175	919	(9,425)	10,669	Form 1, p. 321; Line 97	16
17	567	Rents	1,387		-	1,387	Form 1, p. 321; Line 98	17
18								18
19		<i>Total Electric Transmission Operation</i>	\$ 49,603	\$ 919	\$ (18,628)	\$ 31,894	Sum Lines 2 thru 17	19
20								20
21		<u>Electric Transmission Maintenance</u>						21
22	568	Maintenance Supervision and Engineering	929		-	929	Form 1, p. 321; Line 101	22
23	569	Maintenance of Structures	-		-	-	Form 1, p. 321; Line 102	23
24	569.1	Maintenance of Computer Hardware	1,518		-	1,518	Form 1, p. 321; Line 103	24
25	569.2	Maintenance of Computer Software	1,472		-	1,472	Form 1, p. 321; Line 104	25
26	569.3	Maintenance of Communication Equipment	-		-	-	Form 1, p. 321; Line 105	26
27	569.4	Maintenance of Misc. Regional Transmission Plant	243		-	243	Form 1, p. 321; Line 106	27
28	570	Maintenance of Station Equipment	5,834		-	5,834	Form 1, p. 321; Line 107	28
29	571	Maintenance of Overhead Lines	10,849		-	10,849	Form 1, p. 321; Line 108	29
30	571	Maintenance of Overhead Lines - Sunrise/Other Projects Post Construction Environmental Cost <sup>2</sup>	9,008		-	9,008	Form 1, p. 321; Line 108	30
31	572	Maintenance of Underground Lines	1,558		-	1,558	Form 1, p. 321; Line 109	31
32	573	Maintenance of Misc. Transmission Plant	79		-	79	Form 1, p. 321; Line 110	32
33								33
34		<i>Total Electric Transmission Maintenance</i>	\$ 31,490	\$ -	\$ -	\$ 31,490	Sum Lines 22 thru 32	34
35								35
36		<i>Total Electric Transmission O&amp;M Expenses</i>	\$ 81,093	\$ 919	\$ (18,628)	\$ 63,384	Line 19 + Line 34	36
37								37
38								38
39		<u>Excluded Expenses (recovery method in parentheses)</u>						39
40	561.4	Scheduling, System Control and Dispatch Services (ERRA)			\$ (6,439)			40
41	561.8	Reliability, Planning and Standards Development Services (ERRA)			(2,764)			41
42	566	Misc. Transmission Expenses:						42
43		ISO Grid Management Costs (ERRA)	\$ (3,620)					43
44		Reliability Services (RS rates)	(3,331)					44
45		Other (TRBAA, TACBAA)	(2,474)		\$ (9,425)			45
46								46
47		<i>Total Excluded Expenses</i>			\$ (18,628)			47
48								48
49		<sup>1</sup> Includes FERC audit adjustments in 2014 per Docket No. FA12-8-000 dated June 10, 2014 that resulted in reclass of expenses between various FERC accounts from Oct 2003 thru various months in 2014. Additional adjustments will be done in 2015 and will be reflected in 2016, in the Citizens Cycle 5 Filing.						49
50								50
51								51
52		<sup>2</sup> FERC acct 571 for Sunrise/Other Projects Post Construction Environmental Cost includes Sunrise, Centinela Solar and ISEC (Imperial Solar Energy Center).						52
53								53
54								54
55		<sup>3</sup> Column b, Line 16 represents the Direct Maintenance and Non-Direct O&M expenses billed to Citizens in 2014 equal to \$918,500 (see AH4, col. C, L5) that is added back to derive Total 2014 Transmission O&M expenses.						55
56								56

**SDG&E Transmission O&M Expenses**  
**12 Months Ending December 31, 20134**  
(\$1,000)

		1	2	3	4	5	6		
					sum (col.1:col.3)		= col. 4 + col. 5		
		12- Months Ending				Less:	Formula Adjusted		
Line No.	FERC Acct	31-Dec-14 O&M	Citizens <sup>2</sup> Allocated Costs	Excluded <sup>1</sup> Expenses	Total Adjusted	Trans O&M <sup>3</sup> Adjustments	Transmission O&M	Reference	Line No.
1		<b>Electric Transmission Operation</b>							1
2	560	\$ 8,273		\$ -	\$ 8,273		\$ 8,273	Col. 6 = Stmt AH1; Col. (d); Line 2	2
3	561.1	517		-	517		517	Col. 6 = Stmt AH1; Col. (d); Line 3	3
4	561.2	3,852		-	3,852		3,852	Col. 6 = Stmt AH1; Col. (d); Line 4	4
5	561.3	-		-	-		-	Col. 6 = Stmt AH1; Col. (d); Line 5	5
6	561.4	6,439		(6,439)	-		-	Col. 6 = Stmt AH1; Col. (d); Line 6	6
7	561.5	-		-	-		-	Col. 6 = Stmt AH1; Col. (d); Line 7	7
8	561.6	-		-	-		-	Col. 6 = Stmt AH1; Col. (d); Line 8	8
9	561.7	-		-	-		-	Col. 6 = Stmt AH1; Col. (d); Line 9	9
10	561.8	2,764		(2,764)	-		-	Col. 6 = Stmt AH1; Col. (d); Line 10	10
11	562	2,213		-	2,213	(2,213)	-	Col. 4 = Stmt AH1; Col. (d); Line 11	11
12	563	1,809		-	1,809		1,809	Col. 6 = Stmt AH1; Col. (d); Line 12	12
13	563	3,174		-	3,174		3,174	Col. 6 = Stmt AH1; Col. (d); Line 13	13
14	564	-		-	-		-	Col. 6 = Stmt AH1; Col. (d); Line 14	14
15	565	-		-	-		-	Col. 6 = Stmt AH1; Col. (d); Line 15	15
16	566	19,175	919	(9,425)	10,669		10,669	Col. 6 = Stmt AH1; Col. (d); Line 16	16
17	567	1,387		-	1,387		1,387	Col. 6 = Stmt AH1; Col. (d); Line 17	17
18		\$ 49,603	\$ 919	\$ (18,628)	\$ 31,894	\$ (2,213)	29,681	Sum Lines 2 thru 17	18
19									19
20		Reconciles to Page AH1; Col. (d); Line 19							20
21									21
22		<b>Electric Transmission Maintenance</b>							22
23	568	929		-	929		929	Col. 6 = Stmt AH1; Col. (d); Line 22	23
24	569	-		-	-	-	-	Col. 4 = Stmt AH1; Col. (d); Line 23	24
25	569.1	1,518		-	1,518		1,518	Col. 6 = Stmt AH1; Col. (d); Line 24	25
26	569.2	1,472		-	1,472		1,472	Col. 6 = Stmt AH1; Col. (d); Line 25	26
27	569.3	-		-	-		-	Col. 6 = Stmt AH1; Col. (d); Line 26	27
28	569.4	243		-	243		243	Col. 6 = Stmt AH1; Col. (d); Line 27	28
29	570	5,834		-	5,834	(5,834)	-	Col. 4 = Stmt AH1; Col. (d); Line 28	29
30	571	10,849		-	10,849	(10,849)	-	Col. 4 = Stmt AH1; Col. (d); Line 29	30
31	571	9,008		-	9,008	(9,008)	-	Col. 6 = Stmt AH1; Col. (d); Line 30	31
32	572	1,558		-	1,558	(1,558)	-	Col. 4 = Stmt AH1; Col. (d); Line 31	32
33	573	79		-	79		79	Col. 6 = Stmt AH1; Col. (d); Line 32	33
34		\$ 31,490	\$ -	\$ -	\$ 31,490	\$ (27,249)	\$ 4,241	Sum Lines 23 thru 33	34
35									35
36		\$ 81,093	\$ 919	\$ (18,628)	\$ 63,384	\$ (29,462)	\$ 33,922	Line 18 + Line 34	36
37									37
38									38
39		Reconciles to Page AH1; Col. (d); Line 36							39
40									40
41									41



<b>Footnote 1</b>					
<b>Column 3 - Amounts Excluded From Formula Rate Recovery</b>					
<b>FERC</b>			<b>Where</b>		
<b>No</b>	<b>Name</b>	<b>Description</b>	<b>Recovered</b>	<b>Amount</b>	<b>Reference</b>
561.4	Scheduling, System Control and Dispatch Services (ERRA) <sup>a</sup>	ISO Grid Mgt	ERRA	\$ (6,439)	Page AH1; Col. (c); Line 40
561.8	Reliability, Planning and Standards Development Services (ERRA) <sup>a</sup>	ISO Grid Mgt	ERRA	(2,764)	Page AH1; Col. (c); Line 41
566	Misc. Transmission Expenses:				
566.21	ISO Grid Management Costs (ERRA) <sup>a</sup>	ISO Grid Mgt	ERRA	(3,620)	Page AH1; Col. (a); Line 43
566.22	Reliability Services (RS rates) <sup>a</sup>	Reliability Services	RS	(3,331)	Page AH1; Col. (a); Line 44
566.23	Other (TRBAA, TACBAA) <sup>a</sup>			\$ (2,474)	Page AH1; Col. (a); Line 45
<b>Total Excluded Expenses</b>				<b>\$ (18,628)</b>	
<b>(a) Contains amounts recovered in TRBAA, TACBA, and ERRA (various CAISO charges).</b>					
<b>Footnote 2</b>					
The \$919K shown in column 2, line 16 represents Non-direct O&M expenses billed to Citizens from January to December 2014 under cycles 2 and cycle 3 rates (see AH4, L5). To the extent that Col. 1 in AH2 does not include Citizens Direct and Non-Direct O&M expenses, they must be added to col. 1. Thus, column 1 serves a basis to allocate Total O&M expenses to Citizens.					
<b>Footnote 3</b>					
Column 5 represents adjustments made to the operations and maintenance expenses that are not applicable to Citizens, such as substations, underground, and overhead lines. As a result, of these adjustments column 6 reflects that portion of the operations and maintenance expenses applicable in the derivation of the O&M Carrying Charge Rate. Account 571 is also being subtracted because Citizens is charged for this through direct maintenance (BK2- Section 1).					

San Diego Gas & Electric  
Administrative & General Expenses  
12-Months Ending December 31, 2014  
(In thousands of Dollars)

Line No.	Description	A	B	C	D = Sum (A:C)		Line No.	
1		12-Months Ending December 31, 2014						1
2		Total Per <sup>1</sup>	Citizens <sup>2</sup>	Excluded	Total		2	
3	Administrative & General	FERC Form 1	Allocated Cost	Expenses	Adjusted	Reference	3	
4							4	
5	920 A&G Salaries	41,445			41,445	Col. A = Form 1, p.323; Line 181	5	
6	921 Office Supplies & Expenses	(59,221)	1,117		(58,105)	Col. A = Form 1, p.323; Line 182	6	
7	922 Less Construction Transfer	(7,790)			(7,790)	Col. A = Form 1, p.323; Line 183	7	
8	923 Outside Services	155,504			155,504	Col. A = Form 1, p.323; Line 184	8	
9	924 Property Insurance	5,606		(868)	4,738	Col. A = Form 1, p.323; Line 185	9	
10	925 Damages & Injuries	11,030		(462)	10,568	Col. A = Form 1, p.323; Line 186	10	
11	925.4 Wildfire Damage Claims	139,125			139,125	Col. A = Form 1, p.323; Line 186	11	
12	925.4 Wildfire Ins Prem	82,947			82,947	Col. A = Form 1, p.323; Line 186	12	
13	926 Employee Pension & Benefits	50,062		(67)	49,995	Col. A = Form 1, p.323; Line 187	13	
14	926 Employee Pension & Benefits - PBOP	5,521			5,521	Col. A = Form 1, p.323; Line 187	14	
14	927 Franchise Expenses	0				Col. A = Form 1, p.323; Line 188	15	
15	928 Regulatory Expenses	16,812		(6,761)	10,051	Col. A = Form 1, p.323; Line 189	16	
16	929 Company Energy Use	(2,050)			(2,050)	Col. A = Form 1, p.323; Line 190	17	
17	930.1 General Advertising Expenses	397	-	(397)	-	Col. A = Form 1, p.323; Line 191	18	
18	930.2 Misc. General Expenses	16,293		(3,538)	12,755	Col. A = Form 1, p.323; Line 192	19	
19	931 Rents	10,061		(439)	9,622	Col. A = Form 1, p.323; Line 193	20	
20	935 Maintenance of General Plant	8,526		(299)	8,227	Col. A = Form 1, p.323; Line 196	21	
21							22	
22	Total	474,268	1,117	(12,831)	462,553		23	
22							22	
23							23	
24	<u>Excluded Expenses</u>			<u>Current Year</u>			24	
25	924 - Nuclear property insurance expenses			(868)			25	
26	925 - CPUC energy efficiency programs	(20)					26	
27	925 - Nuclear liability insurance expenses	(443)		(462)			27	
28	925.4 - Wildfire Damage Claims						28	
29	925.4 - Wildfire Ins Premium						29	
30	926 - CPUC energy efficiency programs			(67)			30	
31	928 - CPUC energy efficiency programs	(55)					31	
32	928 - CPUC reimbursement fees	(4,640)					32	
33	928 - Intervenor Compensation(SRA)	(1,947)					33	
34	928 - Litigation Expense (LCMA)	(120)		(6,761)			34	
35	930.1 - General Advertising Expenses			(397)			35	
36	930.2 - CPUC energy efficiency programs			(3,538)			36	
37	931 - AMI Lease Facilities	(132)					37	
38	931 - CPUC energy efficiency programs	(307)		(439)			38	
39	935 - Hazardous Substances			(299)			39	
40							40	
41	Total Excluded Expenses			(12,831)			41	

<sup>1</sup> Includes FERC audit adjustments in 2014 per Docket Number FA12-8-000 dated June 10, 2014 that resulted in reclass of expenses between various FERC accounts for expenses from Oct 2003 thru various months in 2014. Additional adjustments will be done in 2015 and will be reflected in the 2016 TO4 Cycle 4 Informational Filing.

<sup>2</sup> Column B, Line 6 represents Non-Direct A&G expenses billed to Citizens during 2014 equal to \$1,116,524 (see AH4, Col. C, Line 6) that is added back to derive 2014 Total A&G Expenses.

**2014 Allocated O&M Costs to Citizens**

		A	B	C
		1	2	C = A + B
Ln		Jan - May 2014	Jun - Dec 2014	Total
No.	Allocation of Direct and Non-Direct O&M Expense	Invoice	Invoice	Billing
1	<b><u>A. Direct Maintenance Cost Component</u></b>	(41,110)	17,190	(23,920)
2	<b><u>B. Non-Direct Expense Cost Component</u></b>			
3	Transmission Operations Carry Charge Rate	203,460	643,328	846,788
4	Transmission Maintenance Carry Charge Rate	13,505	82,127	95,632
5	<b>Total Direct and Non-Direct O&amp;M Expenses</b> SUM(L1:L4)			<b>918,500</b> <sup>3</sup>
6	Transmission Related A&G Carry Charge Rate	(88,005)	1,204,529	<b>1,116,524</b> <sup>4</sup>
1	Column A reflects Citizens Cycle 2 Filing Allocated Cost, Docket No.ER13-1596-000, dated June 28, 2013.			
2	Column B reflects Citizens Cycle 3 Filing Allocated Cost, Docket No.ER14-2057-000, dated May 28, 2014.			
3	The O&M amount shown in column C, Line 5 is added back to transmission O&M to allocated total system costs to Citizens.			
4	The A&G amount shown in column C, Line 6 is added back to transmission A&G to allocated total A&G expenses to Citizens.			

	A	B	C	D	E	F	G	H	
			7/3/2012						
Ln			Prepaid				Col. D + Col. E + Col. F	H = G * 5 Months	Ln
No.	Description		Lease Amt						No.
1	Citizens Border-East Line Prepaid Lease Cost -Cycle 1		39,320,000						1
	These amounts are used as recorded revenues in the true-up adjustment calculations.			11 Months					
		C2	Total		Allocation	Alloc. Of			
		Carrying	C2 Annual	C2 Monthly	of C2 TUP	Monthly	July 2013- May 2014		
		Charge	Billing	Billing	(Over) / Under-	Interest	Monthly	Total	
2	Actual Billings to Citizens by Cost Component	Rates	Amount	Amount	collection	(204.67)	Journal Entries	Jan - May 2014	2
3	<u>A. Direct Maintenance Expense Cost Component</u>		-	-	(8,221.95)	-	(8,222)	(41,110)	3
4	<u>B. Non-Direct Expense Cost Component</u>								4
5	Transmission Operations Carry Charge Rate	1.12%	440,384	40,034.91	658.04	(1.00)	40,692	203,460	5
6	Transmission Maintenance Carry Charge Rate	0.17%	66,844	6,076.73	(3,375.21)	(0.14)	2,701	13,505	6
7	Transmission Related A&G Carry Charge Rate	1.27%	499,364	45,396.73	(62,997.65)	0.27	(17,601)	(88,005)	7
	Col. H reflects Citizens Billing Invoice for Direct Maintenance and Non-Direct O&M and A&G Expenses from January -May 2014.								

	A	B	C	D	E	F	G	H	I	J	
Ln			Prepaid Lease						I = D + F + H	J = I * 7 Months	Ln
No.	Description		Amount								No.
1	Citizens Border-East Line Prepaid Lease Cost -Cycle 3		85,194								1
	These amounts are used as recorded revenues in the true-up adjustment calculations.										
				Col. C / 12 months							
		Actual	Total		Alloc. of (Over)/	Col. E /12	Allocation of				
		C3 -TUP	C3 Annual	C3 Monthly	Under-collection	TU Adj.	Interest	Monthly	Jun 2014 - May 2015	Total	
2	Actual Billings to Citizens by Cost Component	Rates	Billing Amount	Billing Amount	1,293,234.00	Monthly Alloc	(8,888)	Interest	JE	June - Dec 2014	2
3	<u>Section 1 - Direct Maintenance Expense Cost Component</u>	-	21,377.65	1,781.47	8,147.37	678.95	(55.99)	(4.67)	2,455.75	17,190	3
			Section B		Part 2 <sup>1</sup>		Part 4 <sup>3</sup>				
4	<u>Section 2 - Non-Direct Expense Cost Component</u>		Col. C * \$85,194		Col. D * 37.97519%		Col. C * -.260992%				4
5	Transmission Operations Carry Charge Rate	0.94%	800,824	66,735.30	304,114.28	25,342.86	(2,090.09)	(174.17)	91,903.98	643,328	5
6	Transmission Maintenance Carry Charge Rate	0.12%	102,233	8,519.40	38,823.10	3,235.26	(266.82)	(22.23)	11,732.42	82,127	6
7	Transmission Related A&G Carry Charge Rate	1.76%	1,499,414	124,951.20	569,405.47	47,450.46	(3,913.35)	(326.11)	172,075.54	1,204,529	7
	Col. J reflects Citizens Billing Invoice for Direct Maintenance and Non-Direct and A&G Expenses from June to December 2014.										

Name of Respondent San Diego Gas & Electric Company	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) / /	Year/Period of Report End of 2014/Q4
--	---	---------------------------------------	---

**ELECTRIC OPERATION AND MAINTENANCE EXPENSES (Continued)**

If the amount for previous year is not derived from previously reported figures, explain in footnote.

Line No.	Account (a)	Amount for Current Year (b)	Amount for Previous Year (c)
60	D. Other Power Generation		
61	Operation		
62	(546) Operation Supervision and Engineering	838,601	779,029
63	(547) Fuel	4,584,263	6,178,463
64	(548) Generation Expenses		
65	(549) Miscellaneous Other Power Generation Expenses	6,040,607	5,254,425
66	(550) Rents		
67	TOTAL Operation (Enter Total of lines 62 thru 66)	11,463,471	12,211,917
68	Maintenance		
69	(551) Maintenance Supervision and Engineering		
70	(552) Maintenance of Structures	-1,475	59,211
71	(553) Maintenance of Generating and Electric Plant	8,495,372	24,224,089
72	(554) Maintenance of Miscellaneous Other Power Generation Plant	7,126,977	5,370,508
73	TOTAL Maintenance (Enter Total of lines 69 thru 72)	15,620,874	29,653,808
74	TOTAL Power Production Expenses-Other Power (Enter Tot of 67 & 73)	27,084,345	41,865,725
75	E. Other Power Supply Expenses		
76	(555) Purchased Power	1,930,778,476	1,667,798,442
77	(556) System Control and Load Dispatching	3,016,467	2,662,956
78	(557) Other Expenses	6,627,998	6,729,710
79	TOTAL Other Power Supply Exp (Enter Total of lines 76 thru 78)	1,940,422,941	1,677,191,108
80	TOTAL Power Production Expenses (Total of lines 21, 41, 59, 74 & 79)	2,196,135,634	2,028,561,312
81	2 TRANSMISSION EXPENSES		
82	Operation		
83	(560) Operation Supervision and Engineering	(8,273,221)	7,378,790
84			
85	(561.1) Load Dispatch-Reliability	(516,638)	458,904
86	(561.2) Load Dispatch-Monitor and Operate Transmission System	(3,852,433)	5,821,189
87	(561.3) Load Dispatch-Transmission Service and Scheduling		
88	(561.4) Scheduling, System Control and Dispatch Services	(6,438,959)	8,313,912
89	(561.5) Reliability, Planning and Standards Development		
90	(561.6) Transmission Service Studies		
91	(561.7) Generation Interconnection Studies		
92	(561.8) Reliability, Planning and Standards Development Services	(2,764,211)	1,136,922
93	(562) Station Expenses	(2,212,912)	2,015,900
94	(563) Overhead Lines Expenses	(4,983,356)	5,575,170
95	(564) Underground Lines Expenses		
96	(565) Transmission of Electricity by Others		5,140,091
97	(566) Miscellaneous Transmission Expenses	(19,174,670)	18,431,769
98	(567) Rents	(1,387,204)	1,867,292
99	TOTAL Operation (Enter Total of lines 83 thru 98)	49,603,604	56,139,939
100	Maintenance		
101	(568) Maintenance Supervision and Engineering	(929,085)	826,027
102	(569) Maintenance of Structures	(223)	605
103	(569.1) Maintenance of Computer Hardware	(1,517,381)	1,722,729
104	(569.2) Maintenance of Computer Software	(1,471,740)	1,757,499
105	(569.3) Maintenance of Communication Equipment		
106	(569.4) Maintenance of Miscellaneous Regional Transmission Plant	(243,392)	73,859
107	(570) Maintenance of Station Equipment	(5,834,088)	6,442,743
108	(571) Maintenance of Overhead Lines	(19,856,866)	28,655,047
109	(572) Maintenance of Underground Lines	1,557,857	149,576
110	(573) Maintenance of Miscellaneous Transmission Plant	79,281	90,517
111	TOTAL Maintenance (Total of lines 101 thru 110)	31,489,913	39,718,602
112	TOTAL Transmission Expenses (Total of lines 99 and 111)	(81,093,517)	95,858,541

AHS

Name of Respondent San Diego Gas & Electric Company	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) / /	Year/Period of Report End of 2014/Q4
--	---	---------------------------------------	---

**ELECTRIC OPERATION AND MAINTENANCE EXPENSES (Continued)**

If the amount for previous year is not derived from previously reported figures, explain in footnote.

Line No.	Account (a)	Amount for Current Year (b)	Amount for Previous Year (c)
165	<b>6. CUSTOMER SERVICE AND INFORMATIONAL EXPENSES</b>		
166	Operation		
167	(907) Supervision	23,675	20,354
168	(908) Customer Assistance Expenses	155,905,193	146,171,736
169	(909) Informational and Instructional Expenses	217,621	215,980
170	(910) Miscellaneous Customer Service and Informational Expenses	1,520,064	1,965,271
171	<b>TOTAL Customer Service and Information Expenses (Total 167 thru 170)</b>	<b>157,666,553</b>	<b>148,373,341</b>
172	<b>7. SALES EXPENSES</b>		
173	Operation		
174	(911) Supervision		
175	(912) Demonstrating and Selling Expenses		
176	(913) Advertising Expenses		
177	(916) Miscellaneous Sales Expenses		
178	<b>TOTAL Sales Expenses (Enter Total of lines 174 thru 177)</b>		
179	<b>8. ADMINISTRATIVE AND GENERAL EXPENSES</b>		
180	Operation		
181	(920) Administrative and General Salaries	41,445,272	24,202,412
182	(921) Office Supplies and Expenses	-59,221,092	11,802,941
183	(Less) (922) Administrative Expenses Transferred-Credit	7,789,598	7,659,598
184	(923) Outside Services Employed	155,503,644	90,933,462
185	(924) Property Insurance	5,605,942	8,258,853
186	(925) Injuries and Damages	233,101,860	312,716,691
187	(926) Employee Pensions and Benefits	55,582,677	57,170,990
188	(927) Franchise Requirements	116,190,759	95,366,144
189	(928) Regulatory Commission Expenses	16,811,832	17,713,245
190	(929) (Less) Duplicate Charges-Cr	2,050,000	1,950,344
191	(930.1) General Advertising Expenses	396,852	
192	(930.2) Miscellaneous General Expenses	16,292,848	4,409,948
193	(931) Rents	10,061,145	9,048,284
194	<b>TOTAL Operation (Enter Total of lines 181 thru 193)</b>	<b>581,932,141</b>	<b>622,013,028</b>
195	Maintenance		
196	(935) Maintenance of General Plant	8,526,308	6,724,821
197	<b>TOTAL Administrative &amp; General Expenses (Total of lines 194 and 196)</b>	<b>590,458,449</b>	<b>628,737,849</b>
198	<b>TOTAL Elec Op and Maint Exps (Total 80,112,131,156,164,171,178,197)</b>	<b>3,185,080,989</b>	<b>3,087,321,056</b>

AH6

Citizens Direct Maintenance  
 Work Order Report - 2014

Line No.	Cost Elements	Total 2014					
1	6110020 SALARIES-MANAGEMENT STRAIGHT-TIME	854.14					
2	6110110 SALARIES-UNION STRAIGHT-TIME	10,534.48					
3	6110120 SALARIES-UNION TIME AND ONE HALF	599.87					
4	6110130 SALARIES-UNION DOUBLE TIME	2,177.08					
5	6130020 EMP TRAVEL-HOTEL/LODGE (ROOM AND TAX ONLY	835.92					
6	6220850 SRV-VEHICLE & EQUIP RENTAL W/OPERATOR	2,650.00					
7	6261050 VEHICLE UTILIZATION-LABOR	254.64					
8	6262050 VEHICLE UTILIZATION-NONLABOR	2,629.90					
9	9121100 Vacation & Sick (Costing sheet)	2,167.10					
10	9121200 ICP (Costing Sheet)	325.90					
11	9121400 Public Liab.& Property Damage-Lab(CS)	23.64					
12	9121500 Worker's Comp -Labor (Costing sheet)	7.89					
13	9121600 Pension & Benefits - Labor	18.37					
14	9122300 Payroll Taxes (Costing sheet)	1,244.05					
15	9122400 Public Liab.& Property Damage-NonLab(CS)	459.61					
16	9122500 Worker's Comp -Non Labor (Costing sheet)	183.95					
17	9122600 Pension & Benefit - NonLabor	2,823.77					
18	9122900 PENSION & BENEFIT - REFUNDABLE - NL	1,182.04					
19	9123100 VACATION & SICK (CL)	27.90					
20	9123200 ICP (CL)	39.39					
21	9123400 PUBLIAB PROPDAM L(CL)	0.31					
22	9123500 WK COMP-LABOR (CL)	0.11					
23	9123600 PENSION & BENEFIT-NONREF-LBR (CL)	0.24					
24	9124300 PAYROLL TAXES (CL)	42.20					
25	9124400 PUBLIAB PROPDAM NL(CL)	5.93					
26	9124500 WK COMP-NONLABOR (CL)	2.31					
27	9124600 PENSION & BENEFIT-NONREF-NL (CL)	36.51					
28	9124900 PENSION & BENEFIT-REF-NL (CL)	15.76					
29	9131150 Purchasing Labor (Costing sheet)	10.60					
30	9131700 Shop Order Labor (costing sheet)	39.93					
31	9131850 Small Tools Labor (Costing sheet)	119.80					
32	9132150 Purchasing NonLabor (Costing sheet)	2.12					
33	9132700 Shop Order NonLabor (costing sheet)	21.30					
34	9132850 Small Tools NonLabor (Costing sheet)	410.49					
35	Total Direct Maintenance Cost	29,747.25					
1	The above \$29.7K reflects direct maintenance expenses incurred on the 30 mile line segment of the Sunrise 500 KV Line known as the Sunrise Border-East Line. These costs are tracked via a specific work order which represents costs associated with the removal of temporary aerial lights on the Border-East Line.						
2	To the extent Citizen's leases 50% of the transfer capability of the Border-East Line, 50% of these costs is reflected in Statement BK2 - Section 1, page 1 of 1.						



# **San Diego Gas & Electric Company**

## **Base Period / True-Up Period**

### **Statement – AI Wages and Salaries**

**SAN DIEGO GAS AND ELECTRIC COMPANY**  
**Statement AI - Workpapers**  
**Wages and Salaries**  
**12 Months Base Period Ending December 31, 2014**  
**(\$1,000)**

<u>Line No.</u>		<u>Amounts</u>	<u>Reference</u>	<u>Line No.</u>
1	Production Wages & Salaries (Includes Steam & Other Power Supply)	\$ 12,196	Form 1; Page 354; Line 20	1
2				2
3	Transmission Wages & Salaries <sup>1</sup>	14,457	See Page AI1, Col. 4, Line 34	3
4				4
5	Transmission Wages & Salaries <sup>2</sup>	5,885	See Page AI1, Col. 4, Line 33	5
6				6
7	Distribution Wages & Salaries	48,198	Form 1; Page 354; Line 23	7
8				8
9	Customer Accounts Wages & Salaries	17,530	Form 1; Page 354; Line 24	9
10				10
11	Customer Services and Informational Wages & Salaries	20,651	Form 1; Page 354; Line 25	11
12				12
13	Sales Wages & Salaries	-	Form 1; Page 354; Line 26	13
14				14
15	Sub-Total	\$ 118,917	Sum Lines 1 thru 13	15
16				16
17	Administrative and General Wages & Salaries	38,961	Form 1; Page 354; Line 27	17
18				18
19	Total Operating & Maintenance Wages & Salaries	<u>\$ 157,878</u>	Sum Lines 15; 17	19
20				20
21	Transmission Wages and Salaries Allocation Factor	<u>12.16%</u>	Line 3 / Line 15	21

<sup>1</sup> Line 3 Transmission Wages & Salaries excludes FERC Accounts 562, 570, 571, and 572 associated with substation, underground, and overhead wages and salaries not applicable to Citizens.

<sup>2</sup> Line 5 Transmission Wages & Salaries reflects the wages and salaries associated with FERC Accounts 562, 570, 571, and 572 that has been separated from line 3 above in order to calculate the Transmission Wages and Salaries Allocation Factor for Citizens'.

**SDG&E**  
**Transmission Wages & Salaries**  
**For 2014 Base Period**

1	2	3	4	
Line No.	FERC Account	Description	Amount	Substation, Under-ground & Overhead Labor Exclusions
1	560100E	OPERATION SUPERVISION	3,273,531.28	
2	560200E	OPERATION ENGINEERING	1,193,367.80	
3	561100E	LOAD DISPATCHING - RELIABILITY	377,572.83	
4	561200E	LOAD DISPATCHING - MONITOR & OPERATE SYSTEM	2,206,864.80	
5	561600E	TRANSMISSION SERVICE STUDIES	-	
6	562000E	STATION EXPENSES	44,322.29	44,322.29
7	562100E	STATION OPERATION EXPENSE	604,553.86	604,553.86
8	563100E	OPERATION OVERHEAD LINES	464,000.84	
9	563200E	ENCROACHMENTS OVERHEAD R/W	72,654.51	
10	566000E	MISCELLANEOUS TRANSMISSION EXPENSES	4,292,811.88	
11	567000E	RENTS	-	
12	568100E	MAINTENANCE SUPERVISION	498,952.53	
13	568200E	MAINTENANCE ENGINEERING	116.31	
14	569100E	MAINTENANCE OF COMPUTER HARDWARE	824,589.61	
15	569200E	MAINTENANCE OF COMPUTER SOFTWARE	754,529.29	
16	569400E	MAINTENANCE OF MISC REGIONAL TRANSMISSION PLAN	46,885.20	
17	570000E	MAINTENANCE OF STATION EQUIPMENT	137,906.67	137,906.67
18	570100E	MAINTENANCE OF STATION EQUIPMENT GENERAL	2,284,449.04	2,284,449.04
19	570121E	RTU SUPERVISORY EQUIPMENT	305,265.10	
20	570122E	TELEMETER SYSTEM MAINTENANCE	89,983.51	
21	570200E	MAINTENANCE STATION EQUIPMENT CLEAN TREAT	163,001.97	163,001.97
22	570600E	MAINTENANCE STATION EQUIPMENT	92,050.43	92,050.43
23	570700E	SAN ONOFRE SUBSTATION	194,719.21	194,719.21
24	571000E	MAINTENANCE OF OVERHEAD LINES	568,333.55	568,333.55
25	571100E	MAINTENANCE OF OVERHEAD LINES GENERAL	790,584.21	790,584.21
26	571120E	TRAINING IN HOTSTICK MAINTENANCE	26,219.65	26,219.65
27	571200E	MAINTENANCE OF OVERHEAD LINES - TREE TRIMMING	73,666.92	73,666.92
28	571310E	MAINTENANCE OF OVERHEAD INSULATOR WASHING	461,290.54	461,290.54
29	571700E	ACCESS & PATROL ROAD MAINTENANCE	190,905.13	190,905.13
30	571960E	OH PREV MAINT - FOLLOW-UP	42,025.09	42,025.09
31	572000E	MAINTENANCE OF UNDERGROUND LINES	210,615.93	210,615.93
32	573000E	MAINTENANCE OF MISCELLANEOUS TRANSMISSION	56,266.60	
33	Total Transmission Wages & Salaries <sup>1</sup>		\$ 20,342,036.58	\$ 5,884,644.49
34	Total Transmission Wages & Salaries Less: <sup>2</sup> Substation, Underground and Overhead Maintenance Wages			\$ 14,457,392

1 Transmission Wages & Salaries in Col. 3, line 33 ties to FERC Form 1 Line 21.

2 Transmission Wages & Salaries Allocation Factor for Citizens should not include substation, underground, and overhead maintenance wages & salaries not applicable to Citizens.



# **San Diego Gas & Electric Company**

## **Base Period / True-Up Period Statement – AJ Depreciation and Amortization Expenses Workpaper**

**SAN DIEGO GAS AND ELECTRIC COMPANY**  
**Statement AJ - Workpapers**  
**Depreciation and Amortization Expense**  
**12 Months Base Period Ending December 31, 2014**  
**(\$1,000)**

<u>Line No.</u>	<u>Amounts</u>	<u>Reference</u>	<u>Line No.</u>
1 Common Plant Depreciation Expense	\$ 53,956	Stmt AJ WP; Page AJ1; Line 1	1
2			2
3 General Plant Depreciation Expense	\$ 10,788	Stmt AJ WP; Page AJ2; Line 1	3
4			4

**SAN DIEGO GAS & ELECTRIC COMPANY  
STATEMENT AJ  
DEPRECIATION AND AMORTIZATION EXPENSE  
BASE PERIOD / TRUE UP PERIOD - 12/31/2014 PER BOOK  
(\$1,000)**

**COMMON PLANT**

Line No.	Description	Total Common Expense to Electric Per Book	Reference From	Line No.
1	December 31, 2014 Expense	\$ 53,956	AJ1-Cwp1	1

Name of Respondent San Diego Gas & Electric Company	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) / /	Year/Period of Report End of <u>2014/Q4</u>
--	---	---------------------------------------	--

COMMON UTILITY PLANT AND EXPENSES

1. Describe the property carried in the utility's accounts as common utility plant and show the book cost of such plant at end of year classified by accounts as provided by Plant Instruction 13, Common Utility Plant, of the Uniform System of Accounts. Also show the allocation of such plant costs to the respective departments using the common utility plant and explain the basis of allocation used, giving the allocation factors.
2. Furnish the accumulated provisions for depreciation and amortization at end of year, showing the amounts and classifications of such accumulated provisions, and amounts allocated to utility departments using the Common utility plant to which such accumulated provisions relate, including explanation of basis of allocation and factors used.
3. Give for the year the expenses of operation, maintenance, rents, depreciation, and amortization for common utility plant classified by accounts as provided by the Uniform System of Accounts. Show the allocation of such expenses to the departments using the common utility plant to which such expenses are related. Explain the basis of allocation used and give the factors of allocation.
4. Give date of approval by the Commission for use of the common utility plant classification and reference to order of the Commission or other authorization.

ACCOUNT	Ad Valorem	Depreciation
	Taxes	
	Note	Note
	(1)	(2)
303 Misc. Intangible Plant		34,032,428
389 Land & Land Rights		501
390 Structures & Improvements		15,349,368
391 Office Furniture & Equipment		12,937,208
392 Transportation Equipment		6,734
393 Stores Equipment		9,531
394 Tools, Shop & Garage Equipment		156,836
395 Laboratory Equipment		90,216
396 Power Operated Equipment		
397 Communication Equipment		9,300,396
398 Miscellaneous Equipment		231,030
Total	4,237,098	72,114,248
	=====	=====

*Electric Share*  
 $\times 74.82\% = 53,955,880$

- (1) Ad Valorem Taxes on property are assessed by the State Board of Equalization and consist of one-half of the taxes from each fiscal tax year 2013-2014 and 2014-2015. Ad Valorem Taxes are assessed on the entire operating unit, therefore, assessed taxes are not available by account number. Ad Valorem Taxes are allocated based on procedures adopted by the California Public Utilities Commission.
- (2) The Common Utility Plant and Accumulated Depreciation is allocated between the Electric and Gas Departments based on labor ratios in accordance with allocation procedures proposed by the California Public Utilities Commission. These rates were revised in January 2014. Other expenses of operation, maintenance and rents for common utility plant are allocated based on labor percentage studies. Specific amounts charged to operations and maintenance are not readily available.



**SAN DIEGO GAS & ELECTRIC COMPANY  
 STATEMENT AJ  
 DEPRECIATION AND AMORTIZATION EXPENSE  
 BASE PERIOD / TRUE UP PERIOD - 12/31/2014 PER BOOK  
 (\$1,000)**

**GENERAL PLANT**

Line No.		FERC General Plant Expense	Reference From	Line No.
1	December 31, 2014 Expense	\$ 10,788	AJ1-Gwp1	1

# **San Diego Gas & Electric Company**

## **Base Period / True-Up Period**

### **Statement – AK**

## **Taxes Other Than Income Taxes**

SAN DIEGO GAS AND ELECTRIC COMPANY  
Statement AK - Workpapers  
Taxes Other Than Income Taxes  
12 Months Base Period Ending December 31, 2014  
(\$1,000)

Line No.	Amounts	Reference	Line No.
1 Total Property Taxes <sup>1</sup>	\$ 84,953	Form 1; Page 263; Line 2; Col. i	1
2			2
3 Less: Other Taxes (Business License Taxes)	\$ (41)	See Footnote 1	3
4			4
5 Net Property Taxes	\$ 84,912	Line 1 + Line 3	5
6			6
7 Add: Citizens Allocated Portion of Property Taxes <sup>2</sup>	\$ 607	Stmt AK WP; Page AK5, Line 4	7
8			8
9 Adjusted Property Taxes	\$ 85,519	Line 5 + Line 7	9
10			10
11 Less: SONGS Property Taxes <sup>3</sup>	(3,037)	See Footnote 3	11
12			12
13 Total Property Taxes Expense (Less SONGS)	<u>\$ 82,482</u>	Line 9 + Line 11	13
14			14
15			15
16			16
17 Total Payroll Taxes Expense	\$ 14,504	Form 1; Pg. 263; Lns 10;18;19;20; 26; Col.	17
18			18
19 Add: Citizens Allocated Portion of Payroll Taxes <sup>4</sup>	\$ 37	Stmt AK WP; Page AK5, Line 2	19
20			20
21 Total Transmission Payroll Tax Expense	\$ 14,541	Line 17 + Line 19	21
22			22
23 Transmission Wages and Salaries Allocation Factor	<u>12.16%</u>	Statement AI; Line 21	23
24			24
25 Transmission Related Payroll Taxes Expense	<u>\$ 1,768</u>	Line 21 x Line 23	25

<sup>1</sup> The amount of property tax expense for the 12-months ending December 31, 2014 equals \$84.953 million and includes other taxes besides ad valorem tax. These other taxes consists of \$41K business license taxes.

<sup>2</sup> Line 7 represents the Property Taxes allocated and charged to Citizens during 2014 base period equal to \$606,895 (see AK5, col. C, Line 4) that is added back to derive Total Property Taxes for 2014.

<sup>3</sup> Line 11 reflects property tax expense for the 12-Months ending December 31, 2014 for the SONGS Facilities equal to \$3.037 million.

<sup>4</sup> Line 19 represents Payroll Taxes allocated and charged to Citizens during 2014 base period equal to \$37,120 (see AK5, col. c, Line 2) that is added back to derive 2014 Total Payroll Taxes.

Name of Respondent San Diego Gas & Electric Company	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) / /	Year/Period of Report End of 2014/Q4
--	---	---------------------------------------	---

**TAXES ACCRUED, PREPAID AND CHARGED DURING YEAR**

1. Give particulars (details) of the combined prepaid and accrued tax accounts and show the total taxes charged to operations and other accounts during the year. Do not include gasoline and other sales taxes which have been charged to the accounts to which the taxed material was charged. If the actual, or estimated amounts of such taxes are known, show the amounts in a footnote and designate whether estimated or actual amounts.
2. Include on this page, taxes paid during the year and charged direct to final accounts, (not charged to prepaid or accrued taxes.) Enter the amounts in both columns (d) and (e). The balancing of this page is not affected by the inclusion of these taxes.
3. Include in column (d) taxes charged during the year, taxes charged to operations and other accounts through (a) accruals credited to taxes accrued, (b) amounts credited to proportions of prepaid taxes chargeable to current year, and (c) taxes paid and charged direct to operations or accounts other than accrued and prepaid tax accounts.
4. List the aggregate of each kind of tax in such manner that the total tax for each State and subdivision can readily be ascertained.

Line No	Kind of Tax (See instruction 5) (a)	BALANCE AT BEGINNING OF YEAR		Taxes Charged During Year (d)	Taxes Paid During Year (e)	Adjustments (f)
		Taxes Accrued (Account 236) (b)	Prepaid Taxes (Include in Account 165) (c)			
1	LOCAL:					
2	Ad Valorem (Note 1)	682,642	2,572,299	95,392,631	103,184,989	-8,210,563
3	Sales and Use (Note 2)	8,967		203,634	192,145	
4						
5						
6	SUBTOTAL	691,609	2,572,299	95,596,265	103,377,134	-8,210,563
7						
8	STATE:					
9	Franchise (Note 3)	108,181,906		52,526,772	11,900,000	-16,323,422
10	Unemployment (Note 4)	336,338		1,145,354	493,611	
11	Sales and Use (Note 2)	33,229		610,899	576,438	
12	Fuel Tax	10,501		1,669	619	
13						
14	SUBTOTAL	108,561,974		54,284,694	12,970,668	-16,323,422
15						
16	FEDERAL:					
17	Taxes on Income (Note 3)		146,176,213	-5,161,557	-16,162,756	5,034,642
18	Retirement (Note 4)	689,738		26,433,192	24,966,076	
19	Unemployment (Note 4)	376,415		289,578	-548,393	
20	Medicare (Note 4)	185,594		7,597,878	7,206,168	
21	Fuel Tax	7,353		41,336	53,541	
22						
23						
24	SUBTOTAL	1,259,100	146,176,213	29,200,427	15,514,636	5,034,642
25						
26	Citizens Payroll Tax					
27						
28	Other - Foreign Tax					
29						
30						
31						
32						
33	Note 1					
34						
35	Note 2					
36						
37	Note 3					
38						
39	Note 4					
40						
41	TOTAL	110,512,683	148,748,512	179,081,386	131,862,438	-19,499,343

Name of Respondent San Diego Gas & Electric Company	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) / /	Year/Period of Report End of 2014/Q4
--	---	---------------------------------------	---

TAXES ACCRUED, PREPAID AND CHARGED DURING YEAR (Continued)

5. If any tax (exclude Federal and State income taxes)- covers more than one year, show the required information separately for each tax year, identifying the year in column (a).
6. Enter all adjustments of the accrued and prepaid tax accounts in column (f) and explain each adjustment in a foot- note Designate debit adjustments by parentheses.
7. Do not include on this page entries with respect to deferred income taxes or taxes collected through payroll deductions or otherwise pending transmittal of such taxes to the taxing authority
8. Report in columns (i) through (l) how the taxes were distributed Report in column (l) only the amounts charged to Accounts 408.1 and 409 1 pertaining to electric operations Report in column (l) the amounts charged to Accounts 408 1 and 109.1 pertaining to other utility departments and amounts charged to Accounts 408.2 and 409 2. Also shown in column (l) the taxes charged to utility plant or other balance sheet accounts
9. For any tax apportioned to more than one utility department or account, state in a footnote the basis (necessity) of apportioning such tax.

BALANCE AT END OF YEAR		DISTRIBUTION OF TAXES CHARGED				Line No.
(Taxes accrued Account 236) (g)	Prepaid Taxes (Incl. in Account 165) (h)	Electric (Account 408.1, 409.1) (i)	Extraordinary Items (Account 409 3) (j)	Adjustments to Ret. Earnings (Account 439) (k)	Other (l)	
						1
	1,471,451	84,953,127			10,439,504	2
20,456					203,634	3
						4
						5
20,456	1,471,451	84,953,127			10,643,138	6
						7
						8
165,132,100		47,358,713	-512,219		5,680,278	9
315,406		878,553 (A)			266,801	10
67,690					610,899	11
11,551		1,669				12
						13
165,526,747		48,238,935	-512,219		6,557,978	14
						15
						16
	140,209,659	-5,161,557				17
777,378		10,439,556 (B)			15,993,636	18
461,555		222,123 (C)			67,455	19
206,116		3,000,715 (D)			4,597,163	20
-4,852		30,661			10,675	21
						22
						23
1,440,197	140,209,659	8,531,498			20,668,929	24
						25
		-37,120 (E)			37,120	26
						27
						28
						29
						30
		(A) STATE: Unemployment		878,553		31
		(B) Federal: Retirement		10,439,556		32
		(C) Unemployed		222,123		33
		(D) Medicare		3,000,715		34
		(E) Citizen's Payroll		(37,120)		35
						36
						37
						38
						39
						40
					14,503,827	
		Add back: Citizens		37,120		
166,987,400	141,681,110	141,686,440	-512,219		14,540,947	41

AK2

Name of Respondent San Diego Gas & Electric Company	This Report is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) / /	Year/Period of Report 2014/Q4
FOOTNOTE DATA			

**Schedule Page: 262 Line No.: 2 Column: f**

This adjustment is for a portion of property taxes paid on construction work in progress. The property tax charged during the year was reduced and capitalized to certain assets under construction.

**Schedule Page: 262 Line No.: 2 Column: i**

Amount includes Ad Valorem taxes on SONGS in the amount of \$3,036,944.

Property tax expenses of \$606,895 associated with the Citizens portion of the Border-Eastline are deducted and moved to column (1).

**Schedule Page: 262 Line No.: 2 Column: l**

Includes property tax expense of \$606,895 associated with the Citizens portion of the Border-Eastline.

**Schedule Page: 262 Line No.: 9 Column: f**

Description	Adjustment Amount	FERC 165/236	FERC 190	FERC 234C
Balance Sheet Reclass Due to FIN 48 Liabilities	3,100,257		(3,100,257)	
Balance Sheet Reclass Between Federal and State	(5,223,679)	5,223,679		
Intercompany Transfer	(14,200,000)			14,200,000
Total - California Corporation Franchise Tax Adjustment	(16,323,422)	5,223,679	(3,100,257)	14,200,000

**Schedule Page: 262 Line No.: 9 Column: j**

The extraordinary deductions for the SONGS impairment of \$5,794,327 have a related amount of tax in the amount of (\$2,360,957) and are allocated as follows:

- State Taxes: Page 263, Account 409.3 = (512,219)
- Federal Taxes: Page 234, Account 411.1 = (1,848,738)

An additional disallowance of the deferred tax regulatory asset item relating to the Steam Generator Replacement Project of \$3,691,639 was disallowed and is included in the extraordinary item tax line only and allocated as follows:

- State Taxes: Page 276, Account 410.1 = 800,915
- Federal Taxes: Page 276, Account 410.1 = 2,890,724

**Schedule Page: 262 Line No.: 17 Column: f**

Description	Adjustment Amount	FERC 165/236	FERC 190
Balance Sheet Reclassification Due to FIN 48 Liabilities	(189,037)		189,037
Balance Sheet Reclassification Between Federal and State	5,223,679	(5,223,679)	
Total - Federal Income Tax Adjustment	5,034,642	(5,223,679)	189,037

AK3

Name of Respondent	This Report is:	Date of Report	Year/Period of Report
San Diego Gas & Electric Company	(1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	(Mo, Da, Yr) / /	2014/Q4
FOOTNOTE DATA			

Payroll taxes of \$37,120 associated with the Citizens Border-Eastline are deducted and moved to column (1).

**Schedule Page: 262 Line No.: 26 Column: l**  
 The \$37,120 reflects payroll taxes associated with the Border-East Line allocated and charged to Citizens.

**Schedule Page: 262 Line No.: 33 Column: a**  
 Note 1:  
 Ad valorem taxes are allocated based on the type of assets in each taxing jurisdiction.

**Schedule Page: 262 Line No.: 35 Column: a**  
 Note 2:  
 Sales and Use taxes are allocated based on the Common Allocation Factor.

**Schedule Page: 262 Line No.: 37 Column: a**  
 Note 3:  
 State Franchise Tax and Federal Income Tax are charged to departments based on total taxable income generated by each department.

**Schedule Page: 262 Line No.: 39 Column: a**  
 Note 4:  
 Retirement, Unemployment, and Medicare taxes are charged to departments as a percentage of total taxable labor charged.

AK4

	A	B	C	D
			C = A + B	
	1	2	Total	
<b>Ln</b>	<b>Jan - May 2014</b>	<b>Jun - Dec 2014</b>	<b>2014</b>	
<b>No.</b>	<b>Allocation of Non-Direct O&amp;M Expense Invoice</b>	<b>Invoice</b>	<b>Billing</b>	<b>Reference</b>
<b>1</b>	<b><u>B. Non-Direct Expense Cost Component</u></b>			
<b>2</b>	<b>Transmission Related Payroll Carry Charge Rate</b>	<b>2,900</b>	<b>34,220</b>	<b>37,120</b> See AK5-A & AK-B, L4, respectively
<b>3</b>	<b><u>C. Other Specific Cost Component</u></b>			
<b>4</b>	<b>Property Taxes</b>	<b>155,695</b>	<b>451,200</b>	<b>606,895</b> See AK5-A & AK-B, L6, respectively
<b>1</b>	<b>Column A reflects Citizens Cycle 2 Filing Allocated Cost, Docket No.ER13-1596-000, dated June 28, 2013.</b>			
<b>2</b>	<b>Column B reflects Citizens Cycle 3 Filing Allocated Cost, Docket No.ER14-2057-000, dated May 28, 2014.</b>			



	A	B	C	D	E	F	G	
		7/3/2012						
<b>Ln</b>		<b>Prepaid</b>				<b>F = C + D + E</b>	<b>H = G * 5 Months</b>	<b>Ln</b>
<b>No.</b>	<b>Description</b>	<b>Lease Amt</b>						<b>No.</b>
1	Citizens Border-East Line Prepaid Lease Cost -Cycle 2	39,320,000						1
	These amounts are used as recorded revenues in the true-up adjustment calculations.			11 Months <sup>1</sup>				
		C2	Total	Allocation	Alloc. Of			
		Carrying	C2 Annual	C2 Monthly	of C2 TUP	Monthly	July 2013- May 2014	
		Charge	Billing	Billing	(Over) / Under-	Interest	Monthly	Total
2	Actual Billings to Citizens by Cost Component	Rates	Amount	Amount	collection	(204.67)	Journal Entries	Jan - May 2014
			39,320* .06%	C = B / 11				2
3	Section 2 - Non-Direct Expense by Cost Component							3
4	Transmission Related Payroll Carry Charge Rate	0.06%	23,592	2,144.73	(1,564.73)	(0.04)	580	2,900
5	Section 3 - Other Specific Cost Component							5
6	Property Taxes	N/A	255,608	23,237.13	7,926.27	(24.69)	31,139	155,695
	<sup>1</sup> Citizens Cycle 2 had a rate effective period of 11 months (June 2013 - May 2014) due to modification filing.							
	<sup>2</sup> Col. G reflects Citizens Billing Invoice for Non-Direct O&M (Payroll Taxes) and Other Specific Cost Component (Property Taxes) for January - May 2014.							

	A	B	C	D	E	F	G	H	I	J	
Ln		Actual									Ln
No.	Description	C3	Prepaid								No.
		Rates	Lease Amount								
1	Citizens Border-East Line Prepaid Lease Cost -Cycle 3		85,194								1
	These amounts are used as recorded revenues in the true-up adjustment calculations.										
		C3								J = I * 7 Months	
		Carrying	Total	Col. C / 12 months	Alloc. of (Over)/	Col. E /12	Allocation of	Monthly	I=D+F+H	Total	
		Charge	C3 Annual	C3 Monthly Alloc.	Under-collection	TU Adj.	Interest	Interest		Jun 2014 - Dec 2014	
2	Actual Billings to Citizens by Cost Component	Rates	Billing Amount Col. B * \$85,194		1,293,234.00	Monthly Alloc	(8,888)				2
3	Section 2 - Non-Direct Expense Cost Component				Col. C * 37.97519%		Col. C * -.260992%				3
4	Transmission Related Payroll Carry Charge Rate	0.05%	42,597	3,549.75	16,176.29	1,348.02	(111.17)	(9.26)	4,888.51	34,220	4
5	Section 3 - Other Specific Cost Component				Col. C * 37.95730%		Col. C * -.260869%				5
6	Property Taxes	N/A	561,732	46,811.03	213,218.45	17,768.20	(1,465.39)	(122.12)	64,457.12	451,200	6
	<sup>1</sup> Col. I reflects Citizens Billing Invoice for allocated payroll taxes and property taxes from June - December 2014.										

SAN DIEGO GAS AND ELECTRIC COMPANY  
Statement AK  
Taxes Other Than Income Taxes  
For Base Period 12-Months Ending - December 31, 2014  
(\$1,000)

Line No.	Amounts	Reference	Line No.
1	\$ 85,519	Stmnt AK WP; Page AK; Line 9	1
2			2
3	<u>(3,037)</u>	Stmnt AK WP; Page AK; Line 11	3
4			4
5	<u>\$ 82,482</u>	Line 1 + Line 3	5
6			6
7			7
8			8
9			9
10	<u>\$ 85,194</u>	Lease Agreement	10
11			11
12	\$ -	N/A in Ratio Development	12
13	535,521	Statement AD; Line 3	13
14	479,465	Statement AD; Line 9	14
15	4,043,723	Statement AD; Line 15	15
16	111,695	Statement AD; Line 1	16
17	5,324,556	Statement AD; Line 13	17
18	284,301	Statement AD; Line 21	18
19	<u>576,530</u>	Statement AD; Line 23	19
20	<u>\$ 11,355,791</u>	Sum Lines (12:19)	20
21			21
22	<u>0.75%</u>	Line 10 / Line 20	22
23			23
24	<u>\$ 618,615</u>	Line 5 x Line 22	24
25			25
26			26

1. Total Transmission Plant amount includes \$85,194 of 13 Month weighted average of \$85,194 Citizens Lease Amount (see AD-6A).

3,958,529
<u>85,194</u>
4,043,723

# **San Diego Gas & Electric Company**

**Base Period / True-Up Period**

**Statement AL - Working Capital  
Workpaper**

SAN DIEGO GAS AND ELECTRIC COMPANY  
Statement AL - Workpapers  
Working Capital  
12 Months Base Period Ending December 31, 2014  
(\$1,000)

Line No.		Working Cash	13 Months Average Balance	Reference	Line No.
1	A. Plant Materials and Operating Supplies <sup>a</sup>		\$ 71,778	Stmt AL WP; Page AL1; Line 15	1
2					2
3	Transmission Plant Allocation Factor		<u>36.65%</u>	Stmnt AD WP; Page AD; Line 39	3
4					4
5	Transmission Related Materials and Supplies		<u>\$ 26,307</u>	Line 1 x Line 3	5
6					6
7	B. Prepayments <sup>a</sup>		<u>\$ 41,935</u>	Stmt AL WP; Page AL2; Line 15	7
8					8
9	Transmission Related Prepayments		<u>\$ 15,369</u>	Line 3 x Line 7	9
10					10
11	<u>C. Derivation of Transmission Related Cash Working Capital - Retail:</u>				11
12	Transmission O&M Expense - Excl. Intervenor Funding Expense	\$ 33,922		Stmnt AH; Pg AH2, Page 1 of 2; Col. 6; Line 36	12
13	Transmission Related Administrative & General Expense	57,418		Stmnt BK-Sec 2; Page 2 of 7; Col. D; Line 43	13
14	CPUC Intervenor Funding Expense - Transmission	-			14
15	Total	<u>\$ 91,340</u>		Sum Lines 12 thru 14	15
16					16
17	One Eighth O&M Rule	12.50%		FERC Method = 1/8 of O&M Expense	17
18					18
19	Transmission Related Cash Working Capital - Retail Customers	<u>\$ 11,418</u>		Line 15 x Line 17	19
20					20

<sup>a</sup> The balances for Materials & Supplies and Prepayments are derived based on a 13-month average balance.

**SAN DIEGO GAS AND ELECTRIC COMPANY**  
**STATEMENT AL**  
**WORKING CAPITAL**  
**BASE PERIOD/TRUE-UP PERIOD - 12/31/2014 PER BOOKS**  
**(\$1,000)**

**ACCOUNT 154 PLANT MATERIALS AND OPERATING SUPPLIES**  
**ELECTRIC ALLOWABLE PER FERC FORMULA**

Line No.	Month	Total Electric Plant Materials & Supplies	Line No.
1	Dec-13	\$ 70,946	1
2	Jan-14	71,103	2
3	Feb	69,061	3
4	Mar	61,137	4
5	Apr	61,677	5
6	May	62,563	6
7	Jun	59,183	7
8	Jul	59,129	8
9	Aug	59,160	9
10	Sep	88,763	10
11	Oct	89,357	11
12	Nov	89,593	12
13	Dec-14	91,439	13
14	<b>Total 13 Months</b>	<b>933,110</b>	14
15	<b>13-Month Average (L15 /13 Months)</b>	<b>\$ 71,778</b>	15

Name of Respondent	This Report is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) / /	Year/Period of Report
San Diego Gas & Electric Company			2014/Q4
FOOTNOTE DATA			

**Schedule Page: 227 Line No.: 12 Column: c**

**Reclassification of FERC Form 1 2014 Materials & Supplies, Page 227, for Ratemaking**  
 Materials and Supplies Classified  
 In accordance with Guidelines in FERC Order 888

	BOY 2014	EOY 2014
Total Materials and Supplies (FERC 154)	80,321,003	100,373,918
As Assigned to Department for Ratemaking		
Electric Department	76,731,034	97,122,143
Gas Department	3,589,969	3,251,775
Less Line 5 (Construction Estimate)		
Electric Department	(5,785,324)	(5,683,344)
Gas Department	(145,744)	(208,096)
Total Allowable Materials and Supplies		
Electric Department	70,945,710	91,438,799
Gas Department	3,444,225	3,043,679
Total Allowable Materials and Supplies per FERC Formula	74,389,935	94,482,478
Total 13-Month Average Electric M&S for 2014	64,657,930	71,777,703

ALI-A

**SAN DIEGO GAS AND ELECTRIC COMPANY**  
**STATEMENT AL**  
**WORKING CAPITAL**  
**BASE PERIOD/TRUE-UP PERIOD - 12/31/2014 PER BOOKS**  
**(\$1,000)**

**ACCOUNT 165 PREPAYMENTS - ELECTRIC**

Line No.	Month	Total Electric Plant Prepayments	Line No.
1	Dec-13	\$ 44,845	1
2	Jan-14	39,069	2
3	Feb	31,064	3
4	Mar	33,280	4
5	Apr	45,717	5
6	May	30,988	6
7	Jun	17,140	7
8	Jul	59,958	8
9	Aug	53,539	9
10	Sep	54,347	10
11	Oct	48,787	11
12	Nov	43,089	12
13	Dec-14	43,330	13
14	<b>Total 13 Months</b>	<b>545,153</b>	14
15	<b>13-Month Average (L15 /13 Months)</b>	<b>\$ 41,935</b>	15



# **San Diego Gas & Electric Company**

**Base Period / True-Up Period**

**Statement – AR**

**Federal Tax Adjustments**



Name of Respondent San Diego Gas & Electric Company	This Report is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) / /	Year/Period of Report 2014/Q4
FOOTNOTE DATA			

**Schedule Page: 266 Line No.: 8 Column: f**

Transmission related amortization of investment tax credits allocated to current year income is \$264,763.

AR1

# **San Diego Gas & Electric Company**

## **Base Period / True-Up Period**

### **Statement – AV**

## **Cost of Capital and Fair Rate of Return**

SAN DIEGO GAS AND ELECTRIC COMPANY  
Statement AV - Workpapers  
Cost of Capital and Fair Rate of Return  
12 Months Base Period Ending December 31, 2014  
(\$1,000)

Line No.	Amounts	Reference	Line No.				
1	<b>Long-Term Debt Component - Denominator:</b>		1				
2	(Plus) Bonds (Acct. 221) (p112.Line18c)	\$ 3,912,505	Form 1; Page 112; Line 18c	2			
3	(Less) Reacquired Bonds (Acct. 222) (p112.Line19c)	-	Form 1; Page 112; Line 19c	3			
4	(Plus) Other Long-Term Debt (Acct. 224) (p112.Line21c)	223,900	Form 1; Page 112; Line 21c	4			
5	(Plus) Unamortized Premium on Long-Term Debt (Acct 225) (p112.Line22c)	-	Form 1; Page 112; Line 22c	5			
6	(Less) Unamortized Discount on Long-Term Debt-Debit (Acct 226) (p112.Line23c)	10,328	Form 1; Page 112; Line 23c	6			
			Line 2 Minus Line 3 Plus Lines 4 & 5				
7	LTD = Long Term Debt (p112, sum of Line17d thru Line22d, details on p256-257)	\$ 4,126,077	Minus Line 6	7			
8				8			
9	<b>Long-Term Debt Component - Numerator:</b>		9				
10	(Plus) Interest on Long-Term Debt (427) (p117.Line62c)	\$ 189,026	Form 1; Page 117; Line 62c	10			
11	(Plus) Amort. of Debt Disc. and Expense (428) (p117.Line63c)	3,210	Form 1; Page 117; Line 63c	11			
12	(Plus) Amortization of Loss on Reacquired Debt (428.1) (p117.Line64c)	2,393	Form 1; Page 117; Line 64c	12			
13	(Less) Amort. of Premium on Debt-Credit (429) (p117.Line65c)	-	Form 1; Page 117; Line 65c	13			
14	(Less) Amortization of Gain on Reacquired Debt-Credit (429.1) (p117.Line66c)	-	Form 1; Page 117; Line 66c	14			
15	i = LTD interest (p117, sum of Line56c thru Line60c, details on p257))	\$ 194,629	Sum Lines 10; 11; 12 Minus Lines 13 & 14	15			
16				16			
17	<b>Cost of Long-Term Debt:</b>	4.72%	Line 15 / Line 7	17			
18				18			
19	<b>Preferred Equity Component:</b>		19				
20	PF = Preferred Stock - Acct 204 (p112.3c)	\$ -	Form 1; Page 112; Line 3c	20			
21	d(pf) = Total Dividends Declared-Preferred Stocks (Acct. 437) (p118.29c)	\$ -	Form 1; Page 118; Line 29c	21			
22	Cost of Preferred Equity	0.00%	Line 21 / Line 20	22			
23				23			
24	<b>Common Equity Component:</b>		24				
25	Proprietary Capital (p112.16c)	\$ 4,933,978	Form 1; Page 112; Line 16c	25			
26	(Less) Preferred Stock - Acct 204 (p112.3c)	-	Form 1; Page 112; Line 3c	26			
27	(Less) Unappropriated Undistributed Subsidiary Earnings (Acct. 216.1) (p112.12c)	-	Form 1; Page 112; Line 12c	27			
28	(Less) Accumulated Other Comprehensive Income (Acct. 219) (p112.15c)	(11,998)	Form 1; Page 112; Line 15c	28			
29	CS = Common Stock	\$ 4,945,976	Line 25 Minus Lines 26, 27 & 28	29			
30				30			
31	<b>Return on Common Equity:</b>	10.05%	Offer of Settlement in FERC Docket No. ER13-941-001	31			
32	(a)	(b)	(c)	(d) = (b) x (c)	32		
33		Cap. Struct.	Cost of	Weighted	33		
34	<b>Weighted Cost of Capital:</b>	Amount <sup>1</sup>	Ratio	Capital	Cost of Capital	34	
35						35	
36	Long-Term Debt	\$ 4,126,077	45.48%	4.72%	2.15%	Col. C = Line 17 Above	36
37	Preferred Equity	-	0.00%	0.00%	0.00%	Col. C = Line 22 Above	37
38	Common Equity	4,945,976	54.52%	10.05%	5.48%	Col. C = Line 31 Above	38
39	Total Capital	\$ 9,072,053	100.00%		7.63%	Sum Lines 36 thru 38	39
40							40
41	<b>Cost of Equity Component (Preferred &amp; Common):</b>				5.48%	Sum Lines 37; 38; Col. (d)	41
42							42
43							43
44	<b>Incentive Return on Common Equity:</b> <sup>2</sup>				0.00%	Stmt AV WP; Page AV	44
45	(a)	(b)	(c)	(d) = (b) x (c)			45
46		Cap. Struct.	Cost of	Weighted			46
47	<b>Weighted Cost of Capital:</b>	Amount <sup>1</sup>	Ratio	Capital	Cost of Capital		47
48							48
49	Long-Term Debt	\$ 4,126,077	45.48%	4.72%	2.15%	Col. C = Line 17 Above	49
50	Preferred Equity	-	0.00%	0.00%	0.00%	Col. C = Line 22 Above	50
51	Common Equity	4,945,976	54.52%	0.00%	0.00%	Col. C = Line 44 Above	51
52	Total Capital	\$ 9,072,053	100.00%		2.15%	Sum Lines 49 thru 51	52
53							53
54	<b>Incentive Cost of Equity Component (Preferred &amp; Common):</b>				0.00%	Sum Lines 50; 51; Col. (d)	54

<sup>1</sup> Amount is based upon December 31 balances.

<sup>2</sup> The Incentive Return on Common Equity will be tracked and shown separately for each project. As a result, lines 44 through 54 will be repeated for each project.

<sup>3</sup> ROE is pursuant to SDG&E's TO4 Formula Offer of Settlement in Docket No. ER13-941-001.

<sup>4</sup> Information from Statement AV is used in Statement BK Section 2, Page 4 of 7 to derive Return plus Federal and State Income Tax applicable to Common and General ADIT allocated to Citizens.

SAN DIEGO GAS AND ELECTRIC COMPANY  
Statement AV  
Cost of Capital and Fair Rate of Return  
12 Months Base Period Ending December 31, 2014  
(\$1,000)

Line No.	Amounts	Reference	Line No.
1			1
2			2
3			3
4			4
5			5
6			6
7			7
8			8
9			9
10			10
11			11
12			12
13			13
14			14
15			15
16			16
17			17
18			18
19			19
20			20
21			21
22			22
23			23
24			24
25			25
26			26
27			27
28			28
29			29
30			30
31			31

<sup>1</sup> Line 8 - embedded in the Equity AFUDC Component of Transmission Depreciation Expense of \$4.4M is the Equity AFUDC of \$197K associated with Citizens portion of the Border-East Line.

San Diego Gas & Electric Company					
Non-Incentive Equity AFUDC Component of Transmission Depreciation Expense					
For Completed Transmission Capital Projects from 2001 Through 2014					
Applicable to the 2014 TO4-Cycle 3 Base Period					
For the 12-Month Period Ending December 31, 2014					
(\$1,000)					
	A	B	C	D	
Line No.	Vintages of Plant	AFUDC in Plant	AFUDC Equity in Plant Cost	Non-Incentive Equity AFUDC Component of Transmission Depn Exp.	Line No.
1					1
2	2001	\$ 2,152	\$ 1,501	\$ 51	2
3					3
4	2002	4,222	2,968	101	4
5					5
6	2003	3,164	2,260	75	6
7					7
8	2004	4,319	3,165	108	8
9					9
10	2005	3,277	2,382	83	10
11					11
12	2006	5,265	3,710	134	12
13					13
14	2007	8,392	6,034	163	14
15					15
16	2008	11,742	8,514	269	16
17					17
18	2009	3,939	2,887	104	18
19					19
20	2010	4,708	3,420	119	20
21					21
22	2011	4,706	3,362	114	22
23					23
24	2012	183,770	131,288	2,685	24
25					25
26	2013	9,936	7,142	258	26
27					27
28	2014	18,753	13,795	147	28
29					29
30					30
31	Total	\$ 268,346	\$ 192,427	\$ 4,410	31
32					32
33	Citizens Adjustment (see w/p AV-1B)			(197)	33
34					34
35	AFUDC Equity Depreciation Expense - Net of AFUDC Equity Depreciation Expense on Assets Leased to Citizens Sunrise			\$ 4,213	35
36					36
The above schedule calculates the AFUDC equity in depreciation used in Statement AV to calculate the Federal and State Income Taxes as reflected in the TO4 Formula. This equity AFUDC component of transmission depreciation expense is derived as follows:					
Col. A - reflects the years that were taken into consideration to develop the table. The table begins in 2001 because all the data needed was not available until 2001 in SAP (SDG&E's general accounting system).					
Col. B - reflects the total AFUDC in plant additions that went into service in each year as indicated. In 2014, the 2004 through 2014 amounts were adjusted as a result of the FERC audit.					
Col. C - represents the AFUDC equity embedded in Col. B for each year.					
Col. D - represents the annual amortization of Col. C that is embedded in SDG&E's annual transmission depreciation expense. As a result, the total of Col. D, Line 31, reflects the total equity AFUDC component of transmission depreciation expense for the 2014 base period.					

**San Diego Gas & Electric Company**  
**Citizens' Calculation of Revenue Requirement for Non-Deductibility of AFUDC Equity**  
**For the 12-Month Period Ending December 31, 2014**  
**(\$1,000)**

Line No.	Description	Amount	Reference	Line No.
1	AFUDC embedded in the Lease Payment on the Border-East Line	\$ 8,358		1
2	AFUDC Equity Percentage as of July 2012	70.83%		2
3	AFUDC Equity Embedded in the Border-East Line	\$ 5,920	Line 1 x Line 2	3
4	Annual Depreciation Rate (30 year Lease)	3.33%	1 / 30 years	4
5	Annual Book Depreciation on AFUDC Equity	\$ 197	Line 3 x Line 4	5



Name of Respondent San Diego Gas & Electric Company	This Report is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (mo, da, yr) / /	Year/Period of Report end of 2014/Q4
--	---	---------------------------------------	---

**COMPARATIVE BALANCE SHEET (LIABILITIES AND OTHER CREDITS)**

Line No.	Title of Account (a)	Ref. Page No. (b)	Current Year End of Quarter/Year Balance (c)	Prior Year End Balance 12/31 (d)
1	PROPRIETARY CAPITAL			
2	Common Stock Issued (201)	250-251	291,458,395	291,458,395
3	Preferred Stock Issued (204)	250-251	0	0
4	Capital Stock Subscribed (202, 205)		0	0
5	Stock Liability for Conversion (203, 206)		0	0
6	Premium on Capital Stock (207)		591,282,978	591,282,978
7	Other Paid-In Capital (208-211)	253	479,665,368	479,665,368
8	Installments Received on Capital Stock (212)	252	0	0
9	(Less) Discount on Capital Stock (213)	254	0	0
10	(Less) Capital Stock Expense (214)	254b	24,605,640	24,605,640
11	Retained Earnings (215, 215.1, 216)	118-119	3,608,175,171	3,300,924,471
12	Unappropriated Undistributed Subsidiary Earnings (216.1)	118-119	0	0
13	(Less) Reaquired Capital Stock (217)	250-251	0	0
14	Noncorporate Proprietorship (Non-major only) (218)		0	0
15	Accumulated Other Comprehensive Income (219)	122(a)(b)	-11,998,026	-9,009,678
16	Total Proprietary Capital (lines 2 through 15)		4,933,978,246	4,629,715,894
17	LONG-TERM DEBT			
18	Bonds (221)	256-257	3,912,505,099	3,926,855,000
19	(Less) Reaquired Bonds (222)	256-257	0	0
20	Advances from Associated Companies (223)	256-257	0	0
21	Other Long-Term Debt (224)	256-257	223,900,000	123,900,000
22	Unamortized Premium on Long-Term Debt (225)		0	0
23	(Less) Unamortized Discount on Long-Term Debt-Debit (226)		10,327,638	10,952,642
24	Total Long-Term Debt (lines 18 through 23)		4,126,077,362	4,039,802,358
25	OTHER NONCURRENT LIABILITIES			
26	Obligations Under Capital Leases - Noncurrent (227)		655,885,021	634,379,996
27	Accumulated Provision for Property Insurance (228.1)		0	0
28	Accumulated Provision for Injuries and Damages (228.2)		28,829,083	38,653,439
29	Accumulated Provision for Pensions and Benefits (228.3)		220,581,904	135,501,413
30	Accumulated Miscellaneous Operating Provisions (228.4)		0	0
31	Accumulated Provision for Rate Refunds (229)		0	0
32	Long-Term Portion of Derivative Instrument Liabilities		122,010,536	136,162,828
33	Long-Term Portion of Derivative Instrument Liabilities - Hedges		0	0
34	Asset Retirement Obligations (230)		871,879,253	911,318,616
35	Total Other Noncurrent Liabilities (lines 26 through 34)		1,899,185,797	1,856,016,292
36	CURRENT AND ACCRUED LIABILITIES			
37	Notes Payable (231)		245,572,061	58,999,787
38	Accounts Payable (232)		480,486,749	441,747,572
39	Notes Payable to Associated Companies (233)		0	0
40	Accounts Payable to Associated Companies (234)		21,149,206	39,566,489
41	Customer Deposits (235)		71,379,130	70,778,483
42	Taxes Accrued (236)	262-263	166,987,400	110,512,683
43	Interest Accrued (237)		44,591,625	44,272,115
44	Dividends Declared (238)		0	0
45	Matured Long-Term Debt (239)		0	0

*The above circled items are referenced in Statement AV*

Name of Respondent San Diego Gas & Electric Company	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) / /	Year/Period of Report End of 2014/Q4
--	---	---------------------------------------	---

STATEMENT OF INCOME FOR THE YEAR (continued)

Line No.	Title of Account (a)	(Ref.) Page No. (b)	TOTAL		Current 3 Months Ended Quarterly Only No 4th Quarter (e)	Prior 3 Months Ended Quarterly Only No 4th Quarter (f)
			Current Year (c)	Previous Year (d)		
27	Net Utility Operating Income (Carried forward from page 114)		683,228,308	675,023,801		
28	Other Income and Deductions					
29	Other Income					
30	Nonutility Operating Income					
31	Revenues From Merchandising, Jobbing and Contract Work (415)					
32	(Less) Costs and Exp. of Merchandising, Job. & Contract Work (416)					
33	Revenues From Nonutility Operations (417)		1,602	1,607		
34	(Less) Expenses of Nonutility Operations (417.1)					
35	Nonoperating Rental Income (418)		411,985	382,789		
36	Equity in Earnings of Subsidiary Companies (418.1)	119				
37	Interest and Dividend Income (419)		7,541,395	5,546,985		
38	Allowance for Other Funds Used During Construction (419.1)		37,118,230	39,702,349		
39	Miscellaneous Nonoperating Income (421)		1,560,404	-306,181		
40	Gain on Disposition of Property (421.1)					
41	TOTAL Other Income (Enter Total of lines 31 thru 40)		46,633,616	45,327,549		
42	Other Income Deductions					
43	Loss on Disposition of Property (421.2)					
44	Miscellaneous Amortization (425)		250,048	250,048		
45	Donations (426.1)		7,206,347	5,325,799		
46	Life Insurance (426.2)		-5,124,954	-4,730,197		
47	Penalties (426.3)		55,558	166,000		
48	Exp. for Certain Civic, Political & Related Activities (426.4)		1,941,492	1,549,081		
49	Other Deductions (426.5)		16,199,593	650,791		
50	TOTAL Other Income Deductions (Total of lines 43 thru 49)		20,528,084	3,211,522		
51	Taxes Applic. to Other Income and Deductions					
52	Taxes Other Than Income Taxes (408.2)	262-263	643,546	588,389		
53	Income Taxes-Federal (409.2)	262-263		1,933,506		
54	Income Taxes-Other (409.2)	262-263	1,944,220	17,119,228		
55	Provision for Deferred Inc. Taxes (410.2)	234, 272-277	23,157,299	81,385,757		
56	(Less) Provision for Deferred Income Taxes-Cr. (411.2)	234, 272-277	17,123,884	96,521,141		
57	Investment Tax Credit Adj.-Net (411.5)					
58	(Less) Investment Tax Credits (420)					
59	TOTAL Taxes on Other Income and Deductions (Total of lines 52-58)		8,621,181	4,505,739		
60	Net Other Income and Deductions (Total of lines 41, 50, 59)		17,484,351	37,610,288		
61	Interest Charges					
62	Interest on Long-Term Debt (427)		189,026,001	186,465,052		
63	Amort. of Debt Disc. and Expense (428)		3,210,416	3,084,227		
64	Amortization of Loss on Required Debt (428.1)		2,392,942	2,537,052		
65	(Less) Amort. of Premium on Debt-Credit (429)					
66	(Less) Amortization of Gain on Required Debt-Credit (429.1)					
67	Interest on Debt to Assoc. Companies (430)					
68	Other Interest Expense (431)		6,452,331	7,483,574		
69	(Less) Allowance for Borrowed Funds Used During Construction-Cr. (432)		14,744,740	16,474,904		
70	Net Interest Charges (Total of lines 62 thru 69)		186,336,950	183,095,001		
71	Income Before Extraordinary Items (Total of lines 27, 60 and 70)		514,375,709	529,539,088		
72	Extraordinary Items					
73	Extraordinary Income (434)					
74	(Less) Extraordinary Deductions (435)		5,794,327	200,000,000		
75	Net Extraordinary Items (Total of line 73 less line 74)		-5,794,327	-200,000,000		
76	Income Taxes-Federal and Other (409.3)	262-263	1,330,682	-81,492,000		
77	Extraordinary Items After Taxes (line 75 less line 76)		-7,125,009	-118,508,000		
78	Net Income (Total of line 71 and 77)		507,250,700	411,031,088		

AV4

Name of Respondent San Diego Gas & Electric Company	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) / /	Year/Period of Report End of 2014/Q4
--	---	---------------------------------------	---

**STATEMENT OF RETAINED EARNINGS**

1. Do not report Lines 49-53 on the quarterly version.
2. Report all changes in appropriated retained earnings, unappropriated retained earnings, year to date, and unappropriated undistributed subsidiary earnings for the year.
3. Each credit and debit during the year should be identified as to the retained earnings account in which recorded (Accounts 433, 436 - 439 inclusive). Show the contra primary account affected in column (b)
4. State the purpose and amount of each reservation or appropriation of retained earnings.
5. List first account 439, Adjustments to Retained Earnings, reflecting adjustments to the opening balance of retained earnings. Follow by credit, then debit items in that order.
6. Show dividends for each class and series of capital stock.
7. Show separately the State and Federal income tax effect of items shown in account 439, Adjustments to Retained Earnings.
8. Explain in a footnote the basis for determining the amount reserved or appropriated. If such reservation or appropriation is to be recurrent, state the number and annual amounts to be reserved or appropriated as well as the totals eventually to be accumulated.
9. If any notes appearing in the report to stockholders are applicable to this statement, include them on pages 122-123.

Line No	Item (a)	Contra Primary Account Affected (b)	Current Quarter/Year Year to Date Balance (c)	Previous Quarter/Year Year to Date Balance (d)
	<b>UNAPPROPRIATED RETAINED EARNINGS (Account 216)</b>			
1	Balance-Beginning of Period		3,300,924,471	2,896,569,733
2	Changes			
3	Adjustments to Retained Earnings (Account 439)			
4		207		939,775
5		214		( 1,082,931)
6		204		( 2,918,442)
7				
8				
9	TOTAL Credits to Retained Earnings (Acct 439)			( 3,061,598)
10				
11				
12				
13				
14				
15	TOTAL Debits to Retained Earnings (Acct. 439)			
16	Balance Transferred from Income (Account 433 less Account 418.1)		507,250,700	411,031,088
17	Appropriations of Retained Earnings (Acct. 436)			
18				
19				
20				
21				
22	TOTAL Appropriations of Retained Earnings (Acct. 436)			
23	Dividends Declared-Preferred Stock (Account 437)			
24				( 3,614,752)
25				
26				
27				
28				
29	TOTAL Dividends Declared-Preferred Stock (Acct. 437)			( 3,614,752)
30	Dividends Declared-Common Stock (Account 438)			
31			-200,000,000	
32				
33				
34				
35				
36	TOTAL Dividends Declared-Common Stock (Acct. 438)		-200,000,000	
37	Transfers from Acct 216.1, Unapprop. Undistrib Subsidiary Earnings			
38	Balance - End of Period (Total 1,9,15,16,22,29,36,37)		3,608,175,171	3,300,924,471
	<b>APPROPRIATED RETAINED EARNINGS (Account 215)</b>			
39				
40				

AVS

# **San Diego Gas & Electric Company**

## **Statement – BG**

### **Revenue Data to Reflect Changed Rates**

Statement BG  
Citizens Border-East Line  
Transmission Revenues Data to Reflect Proposed Rates  
Comparison of Revenues  
Rate Effective Period June 1, 2015 to May 31, 2016

000's															
Ln	Jun-15	Jul-15	Aug-15	Sep-15	Oct-15	Nov-15	Dec-15	Jan-16	Feb-16	Mar-16	Apr-16	May-16	Total	Reference	Ln
<b>No. A. Citizens Monthly O&amp;M Cost</b>															
1															1
2															2
3 Border-East Line O&M Costs @ Proposed Changed Rat	\$ 103	103	103	103	103	103	103	103	103	103	103	103	1,242	Statement BG; Page BG-2; Lines 2	3
4														39, respectively.	4
5															5
6 Border-East Line O&M Cost @ Present Rates <sup>1</sup>	\$ 391	391	391	391	391	391	391	391	391	391	391	391	4,690	Statement BH; Page BH-1; Lines 11	6
7														22, respectively.	7
8															8
9															9
10 Change in \$\$ (Line 3 - Line 6)	\$(287)	\$(287)	\$(287)	\$(287)	\$(287)	\$(287)	\$(287)	\$(287)	\$(287)	\$(287)	\$(287)	\$(287)	(3,448)		10
11															11
12 Percentage Change ( Line 10 / Line 6)	-73.5%	-73.5%	-73.5%	-73.5%	-73.5%	-73.5%	-73.5%	-73.5%	-73.5%	-73.5%	-73.5%	-73.5%			12
13															13
14															14
15															15
16															16
17															17
1. Present Rates are those rates currently in effect per Cycle 3 as approved by FERC in Docket No. ER14-2057-000.															

Statement BG  
**SAN DIEGO GAS AND ELECTRIC COMPANY**  
 Border - East Line Transmission Revenue Data to Reflect Changed Rates  
 Rate Effective Period June 1, 2015 to May 31, 2016

Line No.	Cost Components	(A)	(B)	(C)	(D)	(E)	(F)	(G)	Line No.
		Jun-15	Jul-15	Aug-15	Sep-15	Oct-15	Nov-15	Sub -Total	
1	Direct Maintenance Expense Cost Component	\$ 1	\$ 1	\$ 1	\$ 1	\$ 1	\$ 1	\$ 8	1
2									2
3	Non-Direct Expense Cost Component	210	210	210	210	210	210	\$ 1,261	3
4									4
5	Cost Components Containing Other Specific Cost	(20)	(20)	(20)	(20)	(20)	(20)	\$ (118)	5
6									6
7	True-Up Adjustment Cost Component:								7
8									8
9	12- Month True-Up Adjustment (2014)	(30)	(30)	(30)	(30)	(30)	(30)	\$ (182)	9
10									10
11	4-Month True-Up Adjustment (Sept -Dec 2013)	(58)	(58)	(58)	(58)	(58)	(58)	\$ (346)	11
12									12
13	Interest True-Up Adjustment Cost Components:								13
14									14
15	Net Interest Applicable to 4-Month True-Up ADJ.	2	2	2	2	2	2	\$ 10	15
16									16
17	Interest Applicable to Cycle 3 True-Up ADJ	(2)	(2)	(2)	(2)	(2)	(2)	\$ (11)	17
18									18
19									19
20	TOTAL	\$ 103	\$ 103	\$ 103	\$ 103	\$ 103	\$ 103	\$ 621	20

Line No.	Cost Components	(A)	(B)	(C)	(D)	(E)	(F)	(G)	Line No.
		Dec-15	Jan-16	Feb-16	Mar-16	Apr-16	May-16	Total	
21	Direct Maintenance Expense Cost Component	\$ 1	\$ 1	\$ 1	\$ 1	\$ 1	\$ 1	\$ 15	21
22									22
23	Non-Direct Expense Cost Component	210	210	210	210	210	210	\$ 2,522	23
24									24
25	Cost Components Containing Other Specific Cost	(20)	(20)	(20)	(20)	(20)	(20)	\$ (236)	25
26									26
27	True-Up Adjustment Cost Component								27
28									28
29	12- Month True-Up Adjustment (2014)	(30)	(30)	(30)	(30)	(30)	(30)	\$ (365)	29
30									30
31	4-Month True-Up Adjustment (Sept -Dec 2013)	(58)	(58)	(58)	(58)	(58)	(58)	\$ (692)	31
32									32
33	Interest True-Up Adjustment Cost Components:								33
34									34
35	Net Interest Applicable to 4-Month True-Up ADJ.	2	2	2	2	2	2	\$ 20	35
36									36
37	Interest Applicable to Cycle 3 True-Up ADJ	(2)	(2)	(2)	(2)	(2)	(2)	\$ (23)	37
38									38
39	TOTAL	\$ 103	\$ 103	\$ 103	\$ 103	\$ 103	\$ 103	\$ 1,242	39

# **San Diego Gas & Electric Company**

## **Statement – BH**

### **Revenue Data to Reflect Present Rates**

**Statement BH**

**SAN DIEGO GAS AND ELECTRIC COMPANY**

**Border - East Line Transmission Revenue Data to Reflect Present Rates**

**Rate Effective Period June 1, 2015 to May 31, 2016**

		(A)	(B)	(C)	(D)	(E)	(F)	(G)	
<b>Line No.</b>	<b>Cost Components</b>	<b>Jun-15</b>	<b>Jul-15</b>	<b>Aug-15</b>	<b>Sep-15</b>	<b>Oct-15</b>	<b>Nov-15</b>	<b>Sub-Total</b>	<b>Line No.</b>
1	Direct Maintenance Expense Cost Component	\$ 2	\$ 2	\$ 2	\$ 2	\$ 2	\$ 2	\$ 11	1
2									2
3	Non-Direct Expense Cost Component	\$ 253	253	253	253	253	253	\$ 1,521	3
4									4
5	Cost Components Containing Other Specific Cost	\$ 29	29	29	29	29	29	\$ 172	5
6									6
7	True-Up Adjustment Cost Component	\$ 108	108	108	108	108	108	\$ 647	7
8									8
9	Interest True-Up Adjustment Cost Component	\$ (1)	(1)	(1)	(1)	(1)	(1)	\$ (4)	9
10									10
11	<b>TOTAL</b>	<b>\$ 391</b>	<b>\$ 391</b>	<b>\$ 391</b>	<b>\$ 391</b>	<b>\$ 391</b>	<b>\$ 391</b>	<b>\$ 2,345</b>	<b>11</b>
		(A)	(B)	(C)	(D)	(E)	(F)	(G)	
<b>Line No.</b>	<b>Cost Components</b>	<b>Dec-15</b>	<b>Jan-16</b>	<b>Feb-16</b>	<b>Mar-16</b>	<b>Apr-16</b>	<b>May-16</b>	<b>Total</b>	<b>Line No.</b>
12	Direct Maintenance Expense Cost Component	\$ 2	\$ 2	\$ 2	\$ 2	\$ 2	\$ 2	\$ 21	12
13									13
14	Non-Direct Expense Cost Component	253	253	253	253	253	253	\$ 3,041	14
15									15
16	Cost Components Containing Other Specific Cost	29	29	29	29	29	29	\$ 343	16
17									17
18	True-Up Adjustment Cost Component	108	108	108	108	108	108	\$ 1,293	18
19									19
20	Interest True-Up Adjustment Cost Component	(1)	(1)	(1)	(1)	(1)	(1)	\$ (9)	20
21									21
22	<b>TOTAL</b>	<b>\$ 391</b>	<b>\$ 391</b>	<b>\$ 391</b>	<b>\$ 391</b>	<b>\$ 391</b>	<b>\$ 391</b>	<b>\$ 4,690</b>	<b>22</b>
	<b>NOTES:</b>								



# **San Diego Gas & Electric Company**

## **Derivation of 2014 Base Period / True-Up Period Transmission Rate Base**

San Diego Gas & Electric Company  
Derivation of End Use Transmission Rate Base  
For the 12 Months Base Period Ending December 31, 2014  
(\$1,000)

Line No.	Amounts	Reference	Line No.
<b><u>A. Derivation of Transmission Rate Base:</u></b>			
1			1
<b><u>Net Transmission Plant:</u></b>			
2			2
3	\$ 3,338,359	Page 2 of 2; Line 16	3
4	9,997	Page 2 of 2; Line 17	4
5	21,367	Page 2 of 2; Line 18	5
6	33,716	Page 2 of 2; Line 19	6
7	<u>\$ 3,403,439</u>	Sum Lines 2 thru 5	7
8			8
<b><u>Rate Base Additions:</u></b>			
9	\$ 6,546	Statement AG; Pg AG; Line 1	9
10	-	Misc. Stmt; Pg Misc. Statement	10
11	<u>\$ 6,546</u>	Sum Lines 9 thru 10	11
12			12
<b><u>Rate Base Reductions:</u></b>			
13			13
14	\$ (527,126)	Statement AF; Pg AF; Col. (c); Line 5	14
15	-	Statement AF; Pg AF; Col. (c); Line 10	15
16	<u>\$ (527,126)</u>	Sum Lines 14 thru 15	16
17			17
<b><u>Working Capital:</u></b>			
18			18
19	\$ 26,307	Statement AL; Pg AL; Line 5	19
20	15,369	Statement AL; Pg AL; Line 9	20
21	11,418	Statement AL; Pg AL; Line 19	21
22	<u>\$ 53,094</u>	Sum Lines 19 thru 21	22
23			23
24	-	Misc. Stmt; Pg Misc. Statement	24
25			25
26	<u>\$ 2,935,953</u>	Sum Lines 6; 11; 16; 22; 24	26
27			27
<b><u>B. Incentive ROE Project Transmission Rate Base:</u></b>			
28			28
29	\$ -	Page 2 of 2; Line 25	29
30	-	Statement AF; Pg AF	30
31	<u>\$ -</u>	Sum Lines 29 thru 30	31
32			32
<b><u>C. Incentive Transmission Plant Abandoned Project Rate Base:</u></b>			
33			33
34	\$ -	Misc. Stmt; Pg Misc. Statement	34
35	-	Statement AF; Pg AF	35
36	<u>\$ -</u>	Sum Lines 34 thru 35	36
37			37
38	<u>\$ -</u>	Statement AM, Pg AM	38

1. The Incentive ROE Transmission Plant will be tracked and shown for each incentive project and lines 29 through 31 will be repeated for each project.  
2. Incentive CWIP projects will be tracked separately and line 38 will be shown for each project.

San Diego Gas & Electric Company  
 Derivation of End Use Transmission Rate Base  
 For the 12 Months Base Period Ending December 31, 2014  
 (\$1,000)

Line No.	Amounts	Reference	Line No.
<b><u>A. Derivation of Net Transmission Plant:</u></b>			
1			1
<b><u>Gross Transmission Plant:</u></b>			
2			2
2	\$ 4,043,723	Statement AD; Pg AD, Line 19	2
3	13,582	Statement AD; Pg AD, Line 31	3
4	34,571	Statement AD; Pg AD, Line 33	4
5	70,106	Statement AD; Pg AD, Line 35	5
6	<u>\$ 4,161,982</u>	Sum Lines 2 thru 5	6
7			7
<b><u>Transmission Related Depreciation Reserve:</u></b>			
8			8
9	\$ 705,364	Statement AE; Pg AE, Line 1	9
10	3,585	Statement AE; Pg AE, Line 11	10
11	13,204	Statement AE; Pg AE, Line 13	11
12	36,390	Statement AE; Pg AE, Line 15	12
13	<u>\$ 758,543</u>	Sum Lines 9 thru 12	13
14			14
<b><u>Net Transmission Plant:</u></b>			
15			15
16	\$ 3,338,359	Line 2 Minus Line 9	16
17	9,997	Line 3 Minus Line 10	17
18	21,367	Line 4 Minus Line 11	18
19	33,716	Line 5 Minus Line 12	19
20	<u>\$ 3,403,439</u>	Sum Lines 16 thru 19	20
21			21
<b><u>B. Incentive Project Net Transmission Plant:</u></b>			
22			22
23	\$ -	Statement AD; Pg AD	23
24	-	Statement AE; Pg AE	24
25	<u>\$ -</u>	Line 23 Minus Line 24	25

1. The Incentive ROE Transmission Plant and depreciation reserve will be tracked and shown for each incentive project and lines 23 and 24 will be repeated for each project.

# **San Diego Gas & Electric Company**

## **Derivation of the Base Period / True-Up Period Non- Deductibility of AFUDC Equity Allocated to Citizens'**

### **Workpaper**

<b>Calculation of Revenue Requirement for Non-Deductibility of AFUDC Equity Allocated to Citizens</b>				
<b>Line</b>		<b>(x 1,000)</b>		<b>Line</b>
<b>No.</b>	<b>Description</b>	<b>Amount</b>	<b>Reference</b>	<b>No.</b>
1	AFUDC embedded in the Lease Payment on the Border-East Lin	8,358		1
2	AFUDC Equity Percentage as of July 2012	70.83%		2
3	AFUDC Equity Embedded in the Border-East Line	\$5,920	L1 X L2	3
4	Annual Depreciation Rate (30 year Lease)	3.33%	1 / 30 years	4
5	Annual Book Depreciation on AFUDC Equity	197.33	L3 X L4	5
6	Federal and State Combined Tax Rate	40.746%		6
7	Tax Cost of Non-Deductibility of AFUDC Equity	80	L5 X L6	7
8	Gross up Factor	1.680		8
9	Revenue Requirement	\$135.080	L7 X L8	9
10				10
11				11
12				12

# **San Diego Gas & Electric Company**

## **TO4 Formula Transmission Plant Depreciation Rates**

### **Workpaper**

**SAN DIEGO GAS AND ELECTRIC COMPANY  
Statement AJ - Workpapers**

**TO4 - Annual Transmission Plant Depreciation Rates <sup>1</sup>**

Cycle 3, For 12-Months Ending December 31, 2014

For Use During the 12-Months Period from January 1 to December 31, 2014

Line No	FERC Account	Description	(a) Life Rate	(b) Removal Rate	(c) = a + b Total Rate	Line No
1	E352.10	Other	1.36%	0.82%	2.18%	1
2	E352.20	SWPL	1.01%	0.61%	1.62%	2
3	E352.60	SRPL	1.39%	0.00%	1.39%	3
4	E352 - Total	Struct & Improv	1.36%	0.50%	1.86%	4
5	E353.10	Other	2.20%	1.32%	3.53%	5
6	E353.20	SWPL	2.51%	1.51%	4.02%	6
7	E353.40 <sup>2</sup>	CTC	2.03%	1.22%	3.25%	7
8	E353.60	SRPL	2.01%	0.00%	2.01%	8
9	E353	Station Equip	2.23%	1.16%	3.39%	9
10	E354.10	Other	1.57%	1.56%	3.13%	10
11	E354.20	SWPL	1.33%	1.32%	2.65%	11
12	E354.60	SRPL	1.47%	0.00%	1.47%	12
13	E354	Towers & Fixtrs	1.47%	0.22%	1.69%	13
14	E355.10 <sup>2</sup>	Other	2.33%	2.32%	4.65%	14
15	E355.20	SWPL	2.54%	2.54%	5.08%	15
16	E355.60	SRPL	2.26%	0.00%	2.26%	16
17	E355	Poles & Fixtrs	2.39%	2.36%	4.75%	17
18	E356.10	Other	1.60%	1.60%	3.20%	18
19	E356.20	SWPL	0.89%	0.88%	1.77%	19
20	E356.60	SRPL	1.75%	0.00%	1.75%	20
21	E356	OVH Cnd & Dev	1.58%	0.99%	2.58%	21
22	E357.00	Other & SWPL	1.68%	0.75%	2.43%	22
23	E357.60	Other & SRPL	1.69%	0.00%	1.69%	23
24	E357	Trans UG Cnduit	1.68%	0.51%	2.19%	24
25	E358.00	Other & SWPL	1.89%	0.19%	2.08%	25
26	E358.60	Other & SRPL	2.02%	0.00%	2.02%	26
27	E358	Trans UG Cndctr	1.94%	0.11%	2.05%	27
28	E359.10	Other	1.65%	0.00%	1.65%	28
29	E359.20	SWPL	1.44%	0.00%	1.44%	29
30	E359.60	SRPL	1.68%	0.00%	1.68%	30
31	E359	Roads & Trails	1.67%	0.00%	1.67%	31
32						32
33		Composite Depreciation Rate	1.82%	0.77%	2.59%	33

<sup>1</sup> The rates in these subaccounts will not change during the term of the TO4 Formula. Workpapers will be included in each Annual Information Filing that will calculate the annual composite rates shown on Line 33 pursuant to Term 53 in Appendix VIII which reads as follows:

" Transmission Plant Depreciation Expense shall equal SDG&E's transmission expenses recorded in FERC Account Nos. 403, 404, and 405 pursuant to the TO4 Settlement, excluding Incentive Transmission Plant Depreciation Expense. Both Transmission Plant Depreciation Expense and Incentive Transmission Plant Depreciation Expense will be calculated using the rates shown in Statement AJ workpapers. The Transmission Plant Depreciation Rates for each subaccount will not change during the term of TO4. However, the overall composite depreciation rate of 2.52% (based on plant balances as of May 31, 2012, except for the Sunrise Powerlink Project, which reflects plant balances as of July 31, 2012) will change based upon the activity within the plant/reserve balances in the subaccounts."

SWPL = SouthWest Powerlink

SRPL = Sunrise Powerlink