

San Diego Gas & Electric Company

Appendix X Cycle 4 Informational Filing

Volume 2 of 2

May 29, 2015

San Diego Gas & Electric Company

ATTACHMENT 5 – STMT BK2 DERIVATION OF CITIZENS’ 4-MONTH TRUE-UP PERIOD ADJUSTMENT (SEPT- DEC 2013) COST COMPONENTS

TO4 AND TO3 FORMULA

SECTIONS 1 - 5

San Diego Gas & Electric Company

ATTACHMENT 5A – STMT BK2

DERIVATION OF CITIZENS’ 4-MONTH TRUE-UP PERIOD (SEPT- DEC 2013) COST COMPONENTS

Under the TO4 FORMULA

SECTIONS 1 - 3

San Diego Gas & Electric Company
Cost Statement BK2
Section 1- Direct Maintenance Expense Cost Component
4-Month True- Up Period (September 1, 2013 - December 31, 2013)
(\$1,000)

Statement BK2
Section 1
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| Ln. No. | A. Derivation of Direct Maintenance Expenses Allocated to Citizens | Amount | Reference | Ln. No. |
|--------------|---|-----------------|---------------------------------------|------------|
| 1 | Citizens Direct Maintenance @ 50% Related with Border East Line ¹ | \$14.309 | | 1 |
| 2 | | | | 2 |
| 3 | Working Cash One Eight Maintenance Percentage @12.50% | 1.79 | One Eighth O&M Rule | 3 |
| 4 | | | | 4 |
| 5 | Adjustment O&M Rate to Account for 4-Month Period ² 37.50% | \$5.366 | Line 1 X 37.50% | 5 |
| 6 | | | | 6 |
| 7 | Return plus FIT and SIT 11.3583% 3.79% ³ | L5 * L7 \$0.203 | Stmnt BK2-Sec. 2; Page 7; Col. C; L47 | 7 |
| 8 | | | | 8 |
| 9 | Subtotal of Citizens Direct Maintenance | \$14.512 | L1 + L7 | 9 |
| 10 | | | | 10 |
| 11 | Franchise Fees @ 1.0310% | \$ 0.150 | Calc: L9 X .010310 | 11 |
| 12 | | | | 12 |
| 13 | Total Direct Maintenance Cost Plus Franchise Fees | \$ 14.661 | L9 + L11 | 13 |
| 14 | | | | 14 |
| 15 | | | | 15 |
| 16 | Monthly Direct Maintenance Assigned to Citizens | \$ 3.665 | L13 / 4 Months | 16 |
| 17 | | | | 17 |
| ¹ | Direct O&M expenses incurred during Sept 2013 - Dec 2013 TU period is equal to | \$28.62 | See WP- AH5, Line 39 | |
| | | 50% | Citizen 50% Share -Direct Maintenance | |
| | | \$14.31 | | |
| ² | The 12.5% Working Cash is based on a 45/360 days = 12.5 %. To reflect a 4 month working cash calculation, the following formula is used: 45 days/ (360 days x 1/3) = 37.50%. The 37.50% X \$14.309 derives the working capital on direct maintenance equal to \$5.366 as shown on line 5. | | | |
| ³ | The Return plus FIT and SIT of 11.3583% is multiplied by a factor of 0.33 to reflect that SDG&E is seeking a 4-month return on Citizens Direct Maintenance equal to 3.79%. The 3.79% X \$5.366 derives the 4-Month Return plus FIT and SIT equal to \$.203 shown on line 7. | | | |

San Diego Gas & Electric Company
Section 2 - Non-Direct Expenses Cost Component
4 - Month True-Up Period September 1, 2013 - December 31, 2013
(000's)

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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 Percentag | | | 0.32% | | See Pg 2; Col. D; Line 12 |
| 9 | | | | | | |
| 10 | Transmission Maintenance Expense Carrying Charge Percenta | | | 0.05% | | See Pg 2; Col. D; Line 14 |
| 11 | | | | | | |
| 12 | Transmission Related A&G Carrying Charge Percentage | | | 0.64% | | See Pg 2; Col. D; Line 48 |
| 13 | | | | | | |
| 14 | Transmission Related Payroll Tax Carrying Charge Percentag | | | 0.01% | | 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 | | | 0.16% | | See Pg 6; Col. D; Line 45 |
| 19 | Charge Percentage | | | | | |
| 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 | | | 0.05% | | See Pg 7; Col. D; Line 57 |
| 28 | Charge Percentage | | | | | |
| 29 | | | | | | |
| 30 | ADIT Adjustment | | | 0.00% | | See Statement BK - Section 3 |
| 31 | | | | | | |
| 32 | Total | | | 1.23% | | Sum of (L8:L30) |
| 33 | | | | | | |
| 34 | Franchise Fees Rate @ 1.0310% | 0.01031 | | 0.01% | | Calculation = (.0123 x .010310) |
| 35 | | | | | | |
| 36 | Annual Carrying Charge Rate as applied to transmission plant | | | 1.24% | | Line 32 + Line 34 |
| 37 | | | | | | |
| 38 | | | | | | |
| 39 | | | | | | |
| 40 | | | | | | |
| 41 | | | | | | |
| 42 | B. Derivation of Non-Direct Expense Cost Component | | | | | |
| 43 | | | | | | |
| 44 | Citizens Energy Portion of Sunrise Border-East Line | | | \$ 85,194 | | See AD-6A |
| 45 | | | | | | |
| 46 | Annual Carrying Charged Rate | | | 1.24% | | See Line 36 above |
| 47 | | | | | | |
| 48 | Annual Transmission Maintenance and Other Costs Charged to Citizens | | | \$ 1,056,406 | | Line 44 X Line 46 |
| 49 | | | | | | |
| 50 | | | | | | |
| 51 | | | | | | |
| 52 | | | | | | |
| 53 | | | | | | |

San Diego Gas & Electric Company
Section 2 - Non-Direct Expenses Cost Component
4 - Month True-Up Period September 1, 2013 - December 31, 2013
(000's)

Statement BK2
Section 2
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| 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 | | \$12,104 | | | Stmt AH; Pg AH2; Pg 1 of 2; Col.6; Line 17 |
| 5 | | | | | | |
| 6 | B. Transmission Maintenance Expenses | | \$ 1,786 | | | Stmt AH; Pg AH2; Pg 1 of 2; Col.6; Line 32 |
| 7 | | | | | | |
| 8 | Total Transmission O&M | | > | \$13,890 | | Line 4 + Line 6 |
| 9 | | | | | | |
| 10 | Total Transmission Plant | | > | \$3,808,552 | | Stmt AD; Pg AD; Line 15 |
| 11 | | | | | | |
| 12 | Transmission Operations Expense Carrying Charge Percentage | | > | 0.32% | | Calculation: L4 / L10 |
| 13 | | | | | | |
| 14 | Transmission Maintenance Expense Carrying Charge Percentage | | > | 0.05% | | Calculation: L6 / L10 |
| 15 | | | | | | |
| 16 | | | | | | |
| 17 | Part B. Derivation of Transmission Related A&G Expenses | | | | | |
| 18 | | | | | | |
| 19 | Total Administrative & General Expense: Less Exclusions | | > | \$198,942 | | Stmt AH; Pg AH3; Col. D; Line 22 |
| 20 | | | | | | |
| 21 | Less: Property Insurance | | > | \$2,338 | | Stmt AH; Pg AH3; Col. D; Line 9 |
| 22 | | | | | | |
| 23 | Total Adjusted A&G Expenses Excluding Property Insurance | | > | \$196,604 | | Line 19 - Line 21 |
| 24 | | | | | | |
| 25 | | | | | | |
| 26 | Transmission Wages & Salaries Allocation Factor for Citizens | | | 11.90% | | Stmt AI; Pg AI; Line 21 |
| 27 | | | | | | |
| 28 | Total Transmission Related A&G Expenses | | > | \$23,396 | | Line 23 X Line 26 |
| 29 | | | | | | |
| 30 | | | | | | |
| 31 | | | | | | |
| 32 | Part C. Derivation of Allocation of Property Insurance to Transmission Plant | | | | | |
| 33 | | | | | | |
| 34 | | | | | | |
| 35 | Transmission Plant Property Insurance Allocation Factor | | > | 36.29% | | Stmt AH; Pg AH; Line 17 |
| 36 | | | | | | |
| 37 | Property Insurance | | > | \$2,338 | | See Line 21 above. |
| 38 | | | | | | |
| 39 | | | | | | |
| 40 | Property Insurance Allocated to Trans, General & Common Plant | | > | \$848 | | Line 35 X Line 37 |
| 41 | | | | | | |
| 42 | | | | | | |
| 43 | | | | | | |
| 44 | Total Transmission Related A&G Expenses Including Property Ins. | | > | \$24,244 | | Line 28 + Line 40 |
| 45 | | | | | | |
| 46 | | | | | | |
| 47 | | | | | | |
| 48 | Transmission Related A&G Carrying Charge Percentage | | > | 0.64% | | Line 44 / Line 10 |
| 49 | | | | | | |
| 50 | | | | | | |
| 51 | | | | | | |

San Diego Gas & Electric Company
Section 2 - Non-Direct Expenses Cost Component
4 - Month True-Up Period September 1, 2013 - December 31, 2013
 (000's)

| Line No. | A | B | C | D | E | Reference |
|----------|--|----------|---|--------------|---------------|---------------------------|
| 1 | Part A - Electric Payroll (Electric Only) | | | | | |
| 2 | | | | | | |
| 3 | Total Electric Payroll Taxes | | | \$ 4,124 | | Stmnt AK; Pg AK; Line 21 |
| 4 | | | | | | |
| 5 | Payroll Tax Allocated to Transmission Per Wages Factor | | | 11.90% | | Stmnt AI; Pg AI1; Line 21 |
| 6 | | | | | | |
| 7 | Payroll Tax Allocated to Transmission | | | \$ 491 | | Line 3 X Line 5 |
| 8 | | | | | | |
| 9 | Total Transmission Plant | | | \$ 3,808,552 | | See Pg 2 ; Line 10 |
| 10 | | | | | | |
| 11 | | | | | | |
| 12 | Transmission Related Payroll Tax Carrying Charge Percentage | | | 0.01% | | Line 7 / Line 9 |
| 13 | | | | | | |
| 14 | | | | | | |
| 15 | Part B - Transmission Wages & Salaries Allocation Factor for Citizens | | | | | |
| 16 | | | | | | |
| 17 | A. Transmission Wages Expense | | > | \$4,960 | | Stmnt AI; Pg AI; Line 3 |
| 18 | | | | | | |
| 19 | B. A&G Wages Expense | | > | \$12,678 | | Stmnt AI; Pg AI; Line 17 |
| 20 | | | | | | |
| 21 | C. Total O&M Wages Expense | | > | \$54,355 | | Stmnt AI; Pg AI; Line 19 |
| 22 | | | | | | |
| 23 | | | | | | |
| 24 | | | | | | |
| 25 | | | | | | |
| 26 | | | | | | |
| 27 | | | | | | |
| 28 | | | | | | |
| 29 | A | = | Transmission Wages & Salaries Allocation Factor for Citizens | = | 11.90% | |
| 30 | (C - B) | | | | | |
| 31 | | | | | | |
| 32 | | | | | | |
| 33 | | | | | | |
| 34 | | | | | | |
| 35 | | | | | | |
| 36 | | | | | | |
| 37 | | | | | | |
| 38 | | | | | | |

San Diego Gas & Electric Company
Section 2 - Non-Direct Expenses Cost Component
4 - Month True-Up Period September 1, 2013 - December 31, 2013
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| Line No. | A | B | C | D | E | Reference |
|----------|---|--|----|-----------|---|---------------------------------|
| 1 | | | | | | |
| 2 | Part A - DEPRECIATION EXPENSE: | | | | | |
| 3 | | | | | | |
| 4 | DEc = | Common Depreciation Expense | > | \$18,393 | | Stmt AJ; Pg AJ; Line 1 |
| 5 | | | | | | |
| 6 | DEg = | General Depreciation Expense | > | \$3,232 | | Stmt AJ; Pg AJ; Line 3 |
| 7 | | | | | | |
| 8 | C = | Total Common Plant Investment | > | \$527,422 | | Stmt AD; Pg AD; Line 23 |
| 9 | | | | | | |
| 10 | G = | Total General Plant Investment | > | \$258,034 | | Stmt AD; Pg AD; Line 21 |
| 11 | | | | | | |
| 12 | | | | | | |
| 13 | Derivation of Common and General Plant Depreciation Rate | | | | | |
| 14 | | | | | | |
| 15 | | (DEc + DEg) / (C + G) | = | 2.75% | | |
| 16 | | | | | | |
| 17 | | | | | | |
| 18 | Part B. Derivation of Gen and Comm Plant Accum. Deferred Income Taxes (ADFIT) | | | | | |
| 19 | as a percent of Transmission Plant | | | | | |
| 20 | | | | | | |
| 21 | | General and Common Plant ADFIT | | (16,073) | | Stmt AF; Pg AF2; Col. C; Line 5 |
| 22 | | | | | | |
| 23 | | Return Plus FIT and SIT | | 11.3583% | | See Page 7; Line 47 |
| 24 | | | | | | |
| 25 | | Gen & Cmn Plant ADFIT Revenues | | (1,826) | | Line 21 X Line 23 |
| 26 | | | | | | |
| 27 | | True-Up Adjustment Factor ¹ | | 0.33 | | Ratio = 4 Months / 12 Months |
| 28 | | | | | | |
| 29 | | True-Up Adjustment Gen & Cmn Plant ADFIT Revenues | \$ | (603) | | Line 25 X Line 27 |
| 30 | | | | | | |
| 31 | | General & Cmn Plant Investment | | 785,456 | | Line 8 + Line 10 above |
| 32 | | | | | | |
| 33 | | Transmission Related General & Common Plant ADIT Revenue | | -0.08% | | Line 29 / Line 31 |
| 34 | | Carrying Charge Percentage | | | | |
| 35 | | | | | | |
| 36 | | | | | | |
| | ¹ The General and Common Plant ADFIT Revenues is multiplied by a factor of 0.33 to reflect that SDG&E is seeking 4 months return on general and common plant revenues. | | | | | |

San Diego Gas & Electric Company
Section 2 - Non-Direct Expenses Cost Component
4 - Month True-Up Period September 1, 2013 - December 31, 2013
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| Line No. | A | B | C | D | E | Reference |
|----------|--|---|---|--------------|---------------------------------|-------------------------|
| 1 | | | | | | |
| 2 | Part A. RATE OF RETURN WORKSHEET: | | | | | |
| 3 | | | | | | |
| 4 | 1. Common Stock Calculation | | | | | |
| 5 | | Proprietary Capital | > | \$4,629,716 | | 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 | > | \$9,010 | | Stmt AV;Pg AV1; Line 28 |
| 12 | | | | | | |
| 13 | | Common Stock = | > | \$4,620,706 | | Stmt AV;Pg AV1; Line 29 |
| 14 | | | | | | |
| 15 | 2. Rate of Return Calculation | | | | | |
| 16 | | LTD = Long Term Debt (Total) | > | \$4,039,802 | | Stmt AV;Pg AV1; Line 7 |
| 17 | | | | | | |
| 18 | | PF = Preferred Stock (Total) | > | \$0 | | Stmt AV;Pg AV1; Line 20 |
| 19 | | | | | | |
| 20 | | Common Stock | > | \$4,620,706 | | Stmt AV;Pg AV1; Line 29 |
| 21 | | | | | | |
| 22 | | Total Capital = | > | \$8,660,508 | | Sum of L16 + L18 +L20 |
| 23 | | | | | | |
| 24 | | i = LTD interest | > | \$192,086 | | Stmt AV;Pg AV1; Line 15 |
| 25 | | | | | | |
| 26 | | d(pf) = Preferred Dividends | > | \$1,205 | | Stmt AV;Pg AV1; Line 21 |
| 27 | | | | | | |
| 28 | LTD/CAP | 46.65% | Cost: | 4.75% | Weighted LTD Cost | 2.22% |
| 29 | PF/CAP | 0.00% | Cost: | 0.00% | Weighted Pf Cost | 0.00% |
| 30 | COM/CAP | 53.35% | Cost: | 10.05% | Weighted Cmn Cost | 5.36% |
| 31 | | | | | | |
| 32 | Rate of Return on | | | | OVERALL RATE OF RETURN = | 7.58% |
| 33 | Common Equity > | 10.05% | Offer of Settlement in FERC Docket No. ER13-941-001 | | | Stmt AV;Pg AV1; Line 39 |
| 34 | | | | | | |
| 35 | Part B - Derivation of Federal and State Income Tax Components: | | | | | |
| 36 | | | | | | |
| 37 | A = Sum of Preferred Stock and Return on Equity Component | | > | 5.36% | | Stmt AV;Pg AV1; Line 41 |
| 38 | | | | | | |
| 39 | B = Trans. Related Amort of ITC & Excess Deferred Tax Liability | | > | 189 | | Stmt AV;Pg AV2; Line 7 |
| 40 | | | | | | |
| 41 | C = Equity AFUDC Component of Transmission Deprec. Expense | | > | 4,325 | | Stmt AV;Pg AV2; Line 8 |
| 42 | | | | | | |
| 43 | D = Transmission Rate Base | | > | \$ 2,869,799 | | 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) | | > | 2.9572% | |
| 51 | | 1 - FT | | | | |
| 52 | | | | | | |
| 53 | | | | | | |
| 54 | | | | | | |
| 55 | State Income Tax = | ((A) + (C / D) + Federal Income Tax) * (ST) | | > | 0.8212% | |
| 56 | | 1- ST | | | | |
| 57 | | | | | | |
| 58 | | | | | | |
| 59 | | | | | | |
| 60 | Total Federal & State Income Tax Rate: | | > | 3.7783% | | Line 50 + Line 55 |
| 61 | | | | | | |
| 62 | | | | | | |

San Diego Gas & Electric Company
Section 2 - Non-Direct Expenses Cost Component
4 - Month True-Up Period September 1, 2013 - December 31, 2013
(000's)

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SUMMARY

| Line No. | A | B | C | D | E | Reference |
|----------|--|---|--------|-----------|---|--|
| 1 | | | | | | |
| 2 | A. Derivation of General and Common Plant Annual Revenue as a Percent of Transmission Plant | | | | | |
| 3 | | | | | | |
| 4 | | | | | | |
| 5 | | | | | | |
| 6 | | | | | | |
| 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 | | 2.75% | | | See Pg 4; Col. C; Line 15 |
| 15 | | | | | | |
| 16 | Federal & State Income Tax ¹ | | 1.25% | | | See Pg 5; Col. D; Line 60 X .33 (True-Up Adjustment Factor). |
| 17 | | | | | | |
| 18 | Rate of Return Adjustment Factor ² | | 2.50% | | | See Pg 5; Col. E; Line 32 X .33 (True-Up Adjustment Factor). |
| 19 | | | | | | |
| 20 | Working Capital | | 0.00% | | | Captured in trans plant allocation |
| 21 | | | | | | |
| 22 | General & Common Plant ADIT Adjustment | | -0.08% | | | See Page 4; Col. D; Line 33 |
| 23 | | | | | | |
| 24 | Annual Gen and Comm Plt Fixed Charge Rate | | 6.42% | | | Sum of (L8 thru L22) |
| 25 | | | | | | |
| 26 | | | | | | |
| 27 | B. General & Common Plant Rate Calculation: | | | | | |
| 28 | | | | | | |
| 29 | Total Electric Common Plant Investment | | | 527,422 | | See Page 4; Col. D; Line 8 |
| 30 | | | | | | |
| 31 | Total Electric General Plant Investment | | | 258,034 | | See Page 4; Col. D; Line 10 |
| 32 | | | | | | |
| 33 | Total Electric General and Common Plant | | | 785,456 | | Line 29 + Line 31 |
| 34 | | | | | | |
| 35 | Annual Gen & Comm Plt Fixed Charge Rate | | | 6.42% | | Line 24, Col. C above. |
| 36 | | | | | | |
| 37 | Electric Gen and Comm Plt Revenue | | | 50,426 | | Line 33 X Line 35 |
| 38 | | | | | | |
| 39 | Transmission Wages Allocation Factor for Citizens | | | 11.90% | | See Page 3; Line 29 |
| 40 | | | | | | |
| 41 | Transmission Related Gen & Comm Plt Revenue | | | 6,001 | | Line 37 X Line 39 |
| 42 | | | | | | |
| 43 | Total Transmission Plant | | | 3,808,552 | | See Page 2; Line 10 |
| 44 | | | | | | |
| 45 | Transmission Related General and Common Plant Revenue Carrying Charge Percentage | | | 0.16% | | Line 41 / Line 43 |
| 46 | | | | | | |
| 47 | | | | | | |

¹ The Federal and State Income Tax Rate is multiplied by 0.33 to reflect that SDG&E is seeking a 4 month Federal and State Income Tax rate on general and common plant.

² The Rate of Return is multiplied by a factor of 0.33 to reflect that SDG&E is seeking a 4 month Rate of Return on general and common plant.

San Diego Gas & Electric Company
Section 2 - Non-Direct Expenses Cost Component
4 - Month True-Up Period September 1, 2013 - December 31, 2013
(000's)

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| 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) | | 62,157 | | | Stmt AL; Line 1 |
| 7 | | | | | | |
| 8 | Transmission Plant Allocation Factor | | 36.09% | | | Stmt AD; Page AD; Line 39 |
| 9 | | | | | | |
| 10 | M&S Allocated to Transmission | | 22,432 | | | L6 X L8 |
| 11 | | | | | | |
| 12 | B. Prepayments | | | | | |
| 13 | | | | | | |
| 14 | Total Electric Prepayments | | 49,230 | | | Stmt AL; Line 7 |
| 15 | | | | | | |
| 16 | Transmission Plant Allocation Factor | | 36.09% | | | Stmt AD; Page AD; Line 39 |
| 17 | | | | | | |
| 18 | Prepayments Allocated to Transmission | | \$17,767 | | | Line 14 X Line 16 |
| 19 | | | | | | |
| 20 | C. Working Cash | | | | | |
| 21 | | | | | | |
| 22 | Citizens Financed Transmission | | | | | |
| 23 | | | | | | |
| 24 | Transmission Maintenance and A&G | | \$38,134 | | | See Pg 2; Line 8 + 44 |
| 25 | | | | | | |
| 26 | One Eight O&M Factor | | 12.50% | | | |
| 27 | | | | | | |
| 28 | Adjust O&M Percentage Rate to Account for 4-Month Period | | 37.50% | | | 4 Month True-Up Adjustment Rate = 45 days / (360 X 1/3) |
| 29 | | | | | | |
| 30 | Working Cash For Transmission | | \$ 14,300 | | | Line 24 X Line 28 |
| 31 | | | | | | |
| 32 | D. Transmission Working Capital as a Percent of Transmission Plant | | | | | |
| 33 | | | | | | |
| 34 | | | | | | |
| 35 | 1. Citizens Financed Transmission Projects | | | | | |
| 36 | | | | | | |
| 37 | M&S Allocated to Transmission | | 22,432 | | | Line 10 above |
| 38 | Prepayments Allocated to Transmission | | 17,767 | | | Line 18 above |
| 39 | Working Cash | | \$ 14,300 | | | Line 30 above |
| 40 | Total | | 54,500 | | | Sum (L37:39) |
| 41 | | | | | | |
| 42 | 2. Derivation of Return Plus FIT & SIT | | | | | |
| 43 | | | | | | |
| 44 | Federal Income Tax | | 2.9572% | | | See Page 5 above; Line 50 |
| 45 | State Income Tax | | 0.8212% | | | See Page 5 above; Line 55 |
| 46 | Rate of Return | | 7.5800% | | | Stmt AV; Page AV1; Line 39 |
| 47 | Total Return Plus FIT & SIT | | 11.3583% | | | |
| 48 | | | | | | |
| 49 | Transmission Working Capital Revenue | | 6,190 | | | Line 40 X Line 47 |
| 50 | | | | | | |
| 51 | Rate of Return Adjustment Factor | | 0.33 | | | Ratio of (4 Months / 12 Months) |
| 52 | | | | | | |
| 53 | 4-Month True-Up Period Transmission Working Capital Reve | | 2,063 | | | Line 49 X Line 51 |
| 54 | | | | | | |
| 55 | Total Transmission Plant | | \$ 3,808,552 | | | See Page 2, Line 10 |
| 56 | | | | | | |
| 57 | Transmission Related Working Capital Revenue | | | 0.05% | | Line 53 / Line 55 |
| 58 | Carrying Charge Percentage | | | | | |
| 59 | | | | | | |

¹ 12.5% Working cash is based on a 45 / 360 days = 12.50%. To reflect a 4 month working cash calculation, the following formula is used: 45 days / (360 days x 1/3) = 37.50%.

² Transmission Working Capital Revenue is multiplied by a factor of 0.33 to reflect that SDG&E is seeking a 4 month return on transmission working capital revenue instead of 12 months.

San Diego Gas & Electric Company
Cost Statement BK2

Section 3 - Cost Component Containing Other Specific Expenses
4 - Month True-Up Period (September 1, 2013 - December 31, 2013)
(\$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 ⁽¹⁾ | Amount | Reference | Ln No. |
|--------|---|-------------|-----------------------------|------------|--|--------|
| 1 | | | | | | 1 |
| 2 | 354 - Towers & Fixtures | \$ 46,971 | 0 | \$ - | See TO4 -Transmission Plant Deprec. Rates WP | 2 |
| 3 | | | | | | 3 |
| 4 | 356 - Overhead Cond & Devices | \$ 16,615 | 0 | \$ - | See 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 /4 Months | 20 |
| 21 | | | | | | 21 |
| 22 | | | | | | 22 |
| 23 | Total Other Specific Expenses | | | \$ (14.66) | Page 1 of 2: Part A, Line 24 + Part B, Line Line 33 + Part C, Line 41 + Page 2 of 2, Part D, Line 17 | 23 |
| 24 | | | | | | 24 |
| 25 | | | | | | 25 |
| 26 | 1. Authorized TO4 Sunrise Removal Rate is zero. | | | | | 26 |

San Diego Gas & Electric Company

ATTACHMENT 5B – STMT BK2

DERIVATION OF CITIZENS’ 4-MONTH TRUE-UP PERIOD

(SEPT- DEC 2013) COST COMPONENTS

Under the TO3 FORMULA

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 | |
| 4-Month True- Up Period (September 1, 2013 - December 31, 2013) | | | | | | | | | | | |
| (\$1,000) | | | | | | | | | | | |
| Ln. | | | | | | | | | | Ln. | |
| No. | A. Derivation of Direct Maintenance Expenses Allocated to Citizens | | | | | | Amount | Reference | | No. | |
| 1 | Citizens Direct Maintenance @ 50% Related with Border East Line ¹ | | | | | | \$14.309 | | | 1 | |
| 2 | | | | | | | | | | 2 | |
| 3 | Working Cash One Eight Maintenance Percentage @12.50% | | | | | | 1.79 | One Eighth O&M Rule | | 3 | |
| 4 | | | | | | | | | | 4 | |
| 5 | Adjustment O&M Rate to Account for 4-Month Period ² 37.50% | | | | | | \$5.366 | Line 1 X 37.50% | | 5 | |
| 6 | | | | | | | | | | 6 | |
| 7 | Return plus FIT and SIT | 12.4472% | | 4.14% ³ | L5 * L7 | \$ 0.222 | Stmnt BK2-Sec. 2; Page 7; Col. C; L47 | | 7 | | |
| 8 | | | | | | | | | | 8 | |
| 9 | Subtotal of Citizens Direct Maintenance | | | | | | \$14.531 | L1 + L7 | | 9 | |
| 10 | | | | | | | | | | 10 | |
| 11 | Franchise Fees @ 1.0310% | | | | | | \$ 0.15 | Calc: L9 X .010310 | | 11 | |
| 12 | | | | | | | | | | 12 | |
| 13 | Total Direct Maintenance Cost Plus Franchise Fees | | | | | | \$ 14.681 | L9 + L11 | | 13 | |
| 14 | | | | | | | | | | 14 | |
| 15 | | | | | | | | | | 15 | |
| 16 | Monthly Direct Maintenances Assigned to Citizens | | | | | | \$ 3.670 | L13 / 4 Months | | 16 | |
| 17 | | | | | | | | | | 17 | |
| ¹ | Direct O&M expenses incurred during Sept 2013 - Dec 2013 TU period is equal | | | | | | \$28.62 | See WP- AH5, Line 39 | | | |
| | | | | | | | 50% | Citizen 50% Share -Direct Maintenance | | | |
| | | | | | | | \$14.31 | | | | |
| ² | The 12.5% Working Cash is based on a 45/360 days = 12.5 %. To reflect a 4 month working cash calculation, the following formula is used: 45 days/ (360 days x 1/3) = 37.50%. The 37.50% X 14.309 derives the working capital on direct maintenance equal to \$5.366 as shown on line 5. | | | | | | | | | | |
| ³ | The Return plus FIT and SIT of 12.4472% is multiplied by a factor of 0.33 to reflect that SDG&E is seeking a 4-month return on Citizens Direct Maintenance equal to 4.14%. The 4.14% X \$5.366 derives the 4-Month Return plus FIT and SIT equal to \$.222 shown on line 7. | | | | | | | | | | |

San Diego Gas & Electric Company
Derivation of Section 2 Non-Direct Expenses Cost Component
4-Month True-Up Period (September 1, 2013 to December 31, 2013)
(000's)

Statement BK2
Section 2
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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 Percenta | | | 0.32% | | See Pg 2; Col. D; Line 12 |
| 9 | | | | | | |
| 10 | Transmission Maintenance Expense Carrying Charge Percen | | | 0.05% | | See Pg 2; Col. D; Line 14 |
| 11 | | | | | | |
| 12 | Transmission Related A&G Carrying Charge Percentage | | | 0.64% | | See Pg 2; Col. D; Line 48 |
| 13 | | | | | | |
| 14 | Transmission Related Payroll Tax Carrying Charge Percenta | | | 0.01% | | 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 | | | 0.17% | | See Pg 6; Col. D; Line 45 |
| 19 | Charge Percentage | | | | | |
| 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 | | | 0.06% | | See Pg 7; Col. D; Line 57 |
| 28 | Charge Percentage | | | | | |
| 29 | | | | | | |
| 30 | ADIT Adjustment | | | 0.00% | | See Statement BK - Section 3 |
| 31 | | | | | | |
| 32 | Total | | | 1.25% | | Sum of (L8:L30) |
| 33 | | | | | | |
| 34 | Franchise Fees Rate @ 1.0310% | 0.01031 | | 0.01% | | Calculation = (.0125 x .010310) |
| 35 | | | | | | |
| 36 | Annual Carrying Charge Rate as applied to transmission plant | | | 1.26% | | Line 32 + Line 34 |
| 37 | | | | | | |
| 38 | | | | | | |
| 39 | | | | | | |
| 40 | | | | | | |
| 41 | | | | | | |
| 42 | B. Derivation of Non-Direct Expense Cost Component | | | | | |
| 43 | | | | | | |
| 44 | Citizens Energy Lease Portion of Sunrise Border-East Line | | | \$ 85,194 | | See AD6-A |
| 45 | | | | | | |
| 46 | Annual Carrying Charged Rate | | | 1.26% | | See Line 36 above |
| 47 | | | | | | |
| 48 | Annual Transmission Maintenance and Other Costs Charged to Citizens | | | \$ 1,073.444 | | Line 44 X Line 46 |
| 49 | | | | | | |
| 50 | | | | | | |
| 51 | | | | | | |
| 52 | | | | | | |
| 53 | | | | | | |

San Diego Gas & Electric Company
Derivation of Section 2 Non-Direct Expenses Cost Component
4-Month True-Up Period (September 1, 2013 to December 31, 2013)
(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 | | \$12,104 | | | Stmt AH; Pg AH2; Pg 1 of 2; Col.6; Line 17 |
| 5 | | | | | | |
| 6 | B. Transmission Maintenance Expenses | \$ | 1,786 | | | Stmt AH; Pg AH2; Pg 1 of 2; Col.6; Line 32 |
| 7 | | | | | | |
| 8 | Total Transmission O&M | | | > | \$13,890 | Line 4 + Line 6 |
| 9 | | | | | | |
| 10 | Total Transmission Plant | | | > | \$3,808,552 | Stmt AD; Pg AD; Line 15 |
| 11 | Transmission Operations Expense Carrying Charge Percentage | | | > | 0.32% | Calculation: L4 / L10 |
| 12 | | | | | | |
| 13 | Transmission Maintenance Expense Carrying Charge Percentage | | | > | 0.05% | Calculation: L6 / L10 |
| 14 | | | | | | |
| 15 | | | | | | |
| 16 | | | | | | |
| 17 | Part B. Derivation of Transmission Related A&G Expenses | | | | | |
| 18 | | | | | | |
| 19 | Total Administrative & General Expense: Less Exclusions | | | > | \$198,942 | Stmt AH; Pg AH3; Col. D; Line 22 |
| 20 | | | | | | |
| 21 | Less: Property Insurance | | | > | \$2,338 | Stmt AH; Pg AH3; Line 9 |
| 22 | | | | | | |
| 23 | Total Adjusted A&G Expenses Excluding Property Insurance | | | > | \$196,604 | Line 19 - Line 21 |
| 24 | | | | | | |
| 25 | | | | | | |
| 26 | Transmission Wages & Salaries Allocation Factor for Citizens | | | | 11.90% | Stmt AI; Pg AI; Line 21 |
| 27 | | | | | | |
| 28 | Total Transmission Related A&G Expenses | | | > | \$23,396 | Line 23 X Line 26 |
| 29 | | | | | | |
| 30 | | | | | | |
| 31 | | | | | | |
| 32 | Part C. Derivation of Allocation of Property Insurance to Transmission Plant | | | | | |
| 33 | | | | | | |
| 34 | | | | | | |
| 35 | Transmission Plant Property Insurance Allocation Factor | | | > | 36.29% | Stmt AH; Pg AH; Line 17 |
| 36 | | | | | | |
| 37 | Property Insurance | | | > | \$2,338 | See Line 21 above. |
| 38 | | | | | | |
| 39 | | | | | | |
| 40 | Property Insurance Allocated to Trans, General & Common Plant | | | > | \$848 | Line 35 X Line 37 |
| 41 | | | | | | |
| 42 | | | | | | |
| 43 | | | | | | |
| 44 | Total Transmission Related A&G Expenses Including Property Ins. | | | > | \$24,244 | Line 28 + Line 40 |
| 45 | | | | | | |
| 46 | | | | | | |
| 47 | | | | | | |
| 48 | Transmission Related A&G Carrying Charge Percentage | | | > | 0.64% | Line 44 / Line 10 |
| 49 | | | | | | |
| 50 | | | | | | |
| 51 | | | | | | |

San Diego Gas & Electric Company
 Derivation of Section 2 Non-Direct Expenses Cost Component
 4-Month True-Up Period (September 1, 2013 to December 31, 2013)
 (000's)

Statement BK2
 Section 2
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| Line No. | A | B | C | D | E | Reference |
|----------|--|---|--|--------------|--------|--------------------------|
| 1 | Part A - Electric Payroll (Electric Only) | | | | | |
| 2 | | | | | | |
| 3 | Total Electric Payroll Taxes | | | \$ 4,124 | | Stmt AK; Pg AK; Line 21 |
| 4 | | | | | | |
| 5 | Payroll Tax Allocated to Transmission Per Wages Factor | | | 11.90% | | Stmnt AI; Pg AI; Line 21 |
| 6 | | | | | | |
| 7 | Payroll Tax Allocated to Transmission | | | \$ 491 | | Line 3 X Line 5 |
| 8 | | | | | | |
| 9 | Total Transmission Plant | | | \$ 3,808,552 | | See Pg 2 ; Line 10 |
| 10 | | | | | | |
| 11 | | | | | | |
| 12 | Transmission Related Payroll Tax Carrying Charge Percentage | | | 0.01% | | Line 7 / Line 9 |
| 13 | | | | | | |
| 14 | | | | | | |
| 15 | Part B - Transmission Wages & Salaries Allocation Factor for Citizens | | | | | |
| 16 | | | | | | |
| 17 | A. Transmission Wages Expense | | | > \$4,960 | | Stmnt AI; Pg AI; Line 3 |
| 18 | | | | | | |
| 19 | B. A&G Wages Expense | | | > \$12,678 | | Stmnt AI; Pg AI; Line 17 |
| 20 | | | | | | |
| 21 | C. Total O&M Wages Expense | | | > \$54,355 | | Stmnt AI; Pg AI; Line 19 |
| 22 | | | | | | |
| 23 | | | | | | |
| 24 | | | | | | |
| 25 | | | | | | |
| 26 | | | | | | |
| 27 | | | | | | |
| 28 | | | | | | |
| 29 | A | = | Transmission Wages & Salaries Allocation Factor for Citizens | = | 11.90% | |
| 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
4-Month True-Up Period (September 1, 2013 to December 31, 2013)
(000's)

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Section 2
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| Line No. | A | B | C | D | E | Reference |
|----------|--|--|---|----|------------|---------------------------------|
| 1 | | | | | | |
| 2 | Part A - DEPRECIATION EXPENSE: | | | | | |
| 3 | | | | | | |
| 4 | DEc = | Common Depreciation Expense | | > | \$18,393 | Stmt AJ; Pg AJ; Line 1 |
| 5 | | | | | | |
| 6 | DEg = | General Depreciation Expense | | > | \$3,232 | Stmt AJ; Pg AJ; Line 3 |
| 7 | | | | | | |
| 8 | C = | Total Common Plant Investment | | > | \$527,422 | Stmt AD; Pg AD; Line 23 |
| 9 | | | | | | |
| 10 | G = | Total General Plant Investment | | > | \$258,034 | Stmt AD; Pg AD; Line 21 |
| 11 | | | | | | |
| 12 | | | | | | |
| 13 | Derivation of Common and General Plant Depreciation Rate | | | | | |
| 14 | | | | | | |
| 15 | | (DEc + DEg) / (C + G) | = | | 2.75% | |
| 16 | | | | | | |
| 17 | | | | | | |
| 18 | Part B. Derivation of Gen and Comm Plant Accum. Deferred Income Taxes (ADFIT) | | | | | |
| 19 | as a percent of Transmission Plant | | | | | |
| 20 | | | | | | |
| 21 | | General and Common Plant ADFIT | | | (16,073) | Stmt AF; Pg AF; Line 5 |
| 22 | | | | | | |
| 23 | | Return Plus FIT and SIT | | | 12.4472% | See Page 7; Line 47 |
| 24 | | | | | | |
| 25 | | Gen & Cmn Plant ADFIT Revenues | | | (2,000.63) | Line 21 X Line 23 |
| 26 | | | | | | |
| 27 | | True-Up Adjustment Factor ¹ | | | 0.33 | Ratio of (4 Months /12 Months) |
| 28 | | | | | | |
| 29 | | True-Up Adjustment Gen & Cmn ADFIT Revenues | | \$ | (666.81) | Line 25 X Line 27 |
| 30 | | | | | | |
| 31 | | General & Cmn Plant Investment | | | 785,456 | Line 8 + Line 10 above |
| 32 | | | | | | |
| 33 | | | | | | |
| 34 | | Transmission Related General & Common Plant ADIT Revenue | | | -0.08% | Line 29 / Line 31 |
| 35 | | Carrying Charge Percentage | | | | |
| 36 | | | | | | |
| 37 | | | | | | |
| | ¹ The General & Common Plant ADFIT Revenues is multiplied by a factor of 0.33 to reflect that SDG&E is seeking a 4 months return on general and common plant revenues instead of 12 months. | | | | | |

San Diego Gas & Electric Company
Derivation of Section 2 Non-Direct Expenses Cost Component
4-Month True-Up Period (September 1, 2013 to December 31, 2013)
(000's)

Statement BK2
Section 2
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| Line No. | A | B | C | D | E | Reference |
|----------|--|--------------|-----|------------------|-------|---|
| 1 | | | | | | |
| 2 | Part A. RATE OF RETURN WORKSHEET: | | | | | |
| 3 | | | | | | |
| 4 | 1. Common Stock Calculation | | | | | |
| 5 | Proprietary Capital | | | > \$4,629,716 | | 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 | | | \$9,010 | | Stmt AV;Pg AV1; Line 28 |
| 12 | | | | | | |
| 13 | Common Stock = | | | > \$4,620,706 | | Stmt AV;Pg AV1; Line 29 |
| 14 | | | | | | |
| 15 | 2. Rate of Return Calculation | | | | | |
| 16 | LTD = Long Term Debt (Total) | | | > \$4,039,802 | | Stmt AV;Pg AV1; Line 7 |
| 17 | | | | | | |
| 18 | PF = Preferred Stock (Total) | | | > \$0 | | Stmt AV;Pg AV1; Line 20 |
| 19 | | | | | | |
| 20 | Common Stock | | | > \$4,620,706 | | Stmt AV;Pg AV1; Line 29 |
| 21 | | | | | | |
| 22 | Total Capital = | | | > \$8,660,508 | | Sum of L16 + L18 +L20 |
| 23 | | | | | | |
| 24 | i = LTD interest | | | > \$192,086 | | Stmt AV;Pg AV1; Line 15 |
| 25 | | | | | | |
| 26 | d(pf) = Preferred Dividends | | | > \$1,205 | | Stmt AV;Pg AV1; Line 21 |
| 27 | | | | | | |
| 28 | LTD/CAP 46.65% | Cost: 4.75% | | Weighted LTD Cos | 2.22% | 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 53.35% | Cost: 11.35% | | Weighted Cmn Cos | 6.06% | Stmt AV;Pg AV1; Line 38 |
| 31 | | | | | | |
| 32 | Rate of Return on | | | | | |
| 33 | Common Equity > | 11.35% | | | 8.28% | OVERALL RATE OF RETURN = Stmt AV;Pg AV1; Line 39 |
| 34 | | | | | | Stmt AV;Pg AV1; Line 31 |
| 35 | Part B - Derivation of Federal and State Income Tax Components: | | | | | |
| 36 | | | | | | |
| 37 | A = Sum of Preferred Stock and Return on Equity Component | | | > 6.06% | | Stmt AV;Pg AV1; Line 41 |
| 38 | | | | | | |
| 39 | FT = Federal Income Tax Rate | | | > 35% | | Federal Income Tax Rate |
| 40 | | | | | | |
| 41 | ST = State Income Tax Rate | | | > 8.84% | | State Income Tax Rate |
| 42 | | | | | | |
| 43 | | | | | | |
| 44 | Federal Income Tax = | (A * FT) | = B | > 3.2631% | | |
| 45 | | (1 - FT) | | | | |
| 46 | | | | | | |
| 47 | | | | | | |
| 48 | | | | | | |
| 49 | State Income Tax = | (A + B) * ST | | > 0.9041% | | |
| 50 | | (1 - ST) | | | | |
| 51 | | | | | | |
| 52 | | | | | | |
| 53 | | | | | | |
| 54 | Total Federal & State Income Tax Rate: | | | > 4.1672% | | Line 44 + Line 49 |

San Diego Gas & Electric Company
Derivation of Section 2 Non-Direct Expenses Cost Component
4-Month True-Up Period (September 1, 2013 to December 31, 2013)
(000's)

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Section 2
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SUMMARY

| Line No. | A | B | C | D | E | Reference |
|----------|--|---|---------|-----------|---|---|
| 1 | | | | | | |
| 2 | A. Derivation of General and Common Plant Annual Revenue as a Percent of Transmission Plant | | | | | |
| 3 | | | | | | |
| 4 | | | | | | |
| 5 | | | | | | |
| 6 | | | | | | |
| 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 | | 2.75% | | | See Pg 4; Col. C; Line 15 |
| 15 | | | | | | |
| 16 | Federal & State Income Tax ¹ | | 1.39% | | | See Pg 5; Col. D; Line 54 * 0.33 (True-Up Adjustment Factor). |
| 17 | | | | | | |
| 18 | Rate of Return Adjustment Factor ² | | 2.76% | | | See Pg 5; Col. E; Line 32 * 0.33 (True-Up Adjustment Factor). |
| 19 | | | | | | |
| 20 | Working Capital | | 0.00% | | | Captured in trans plant allocation |
| 21 | | | | | | |
| 22 | General & Common Plant ADIT Adjustment | | -0.08% | | | See Page 4; Col. D; Line 34 |
| 23 | | | | | | |
| 24 | Annual Gen and Comm Plt Fixed Charge Rate | | 6.8187% | | | Sum of (L8 thru L22) |
| 25 | | | | | | |
| 26 | | | | | | |
| 27 | B. General & Common Plant Rate Calculation: | | | | | |
| 28 | | | | | | |
| 29 | Total Electric Common Plant Investment | | | 527,422 | | See Page 4; Col. D; Line 8 |
| 30 | | | | | | |
| 31 | Total Electric General Plant Investment | | | 258,034 | | See Page 4; Col. D; Line 10 |
| 32 | | | | | | |
| 33 | Total Electric General and Common Plant | | | 785,456 | | Line 29 + Line 31 |
| 34 | | | | | | |
| 35 | Annual Gen & Comm Plt Fixed Charge Rate | | | 6.8187% | | See Line 24 above |
| 36 | | | | | | |
| 37 | Electric Gen and Comm Plt Revenue | | | 53,558 | | Line 33 X Line 35 |
| 38 | | | | | | |
| 39 | Transmission Wages Allocation Factor for Citizens | | | 11.90% | | See Page 3; Line 29 |
| 40 | | | | | | |
| 41 | Transmission Related Gen & Comm Plt Revenue | | | 6,373 | | Line 37 X Line 39 |
| 42 | | | | | | |
| 43 | Total Transmission Plant | | | 3,808,552 | | See Page 2; Line 10 |
| 44 | | | | | | |
| 45 | Transmission Related General and Common Plant Revenue Carrying Charge Percentage | | | 0.17% | | Line 41 / Line 43 |
| 46 | | | | | | |
| 47 | | | | | | |

¹ The Federal and State Income Tax Rate is multiplied by a factor of 0.33 to reflect that SDG&E is seeking a month Federal and State Income Tax rate on general and common plant.

² The Rate of Return is multiplied by a factor of 0.33 to reflect that SDG&E is seeking a 4 month Rate of Return on general and common plant.

San Diego Gas & Electric Company
Derivation of Section 2 Non-Direct Expenses Cost Component
4-Month True-Up Period (September 1, 2013 to December 31, 2013)
(000's)

Statement BK2
Section 2
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| 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) | | 62,157 | | | Stmt AL; Line 1 |
| 7 | | | | | | |
| 8 | Transmission Plant Allocation Factor | | 36.09% | | | Stmt AD; Page AD; Line 39 |
| 9 | | | | | | |
| 10 | M&S Allocated to Transmission | | 22,432 | | | L6 X L8 |
| 11 | | | | | | |
| 12 | B. Prepayments | | | | | |
| 13 | | | | | | |
| 14 | Total Electric Prepayments | | 49,230 | | | Stmt AL; Line 7 |
| 15 | | | | | | |
| 16 | Transmission Plant Allocation Factor | | 36.09% | | | Stmt AD; Page AD; Line 39 |
| 17 | | | | | | |
| 18 | Prepayments Allocated to Transmission | | 17,767 | | | Line 14 X Line 16 |
| 19 | | | | | | |
| 20 | C. Working Cash | | | | | |
| 21 | | | | | | |
| 22 | Citizens Financed Transmission | | | | | |
| 23 | | | | | | |
| 24 | Transmission Maintenance and A&G | | \$38,134 | | | See Pg 2; Line 8 + 44 |
| 25 | | | | | | |
| 26 | One Eight O&M Factor | | 12.50% | | | |
| 27 | | | | | | |
| 28 | Adjust O&M Percentage Rate to Account for 4- Month Perio | | 37.50% | | | 4-Month True-Up Adjustment = 45 days/ (360 X 1/3) |
| 29 | | | | | | |
| 30 | Working Cash For Transmission | | \$ 14,300 | | | Line 24 X Line 28 |
| 31 | | | | | | |
| 32 | D. Transmission Working Capital as a Percent of Transmission Plant | | | | | |
| 33 | | | | | | |
| 34 | | | | | | |
| 35 | 1. Citizens Financed Transmission Projects | | | | | |
| 36 | | | | | | |
| 37 | M&S Allocated to Transmission | | 22,432 | | | Line 10 above |
| 38 | Prepayments Allocated to Transmission | | 17,767 | | | Line 18 above |
| 39 | Working Cash | | \$ 14,300 | | | Line 30 above |
| 40 | Total | | 54,500 | | | Sum (L37:39) |
| 41 | | | | | | |
| 42 | 2. Derivation of Return Plus FIT & SIT | | | | | |
| 43 | | | | | | |
| 44 | Federal Income Tax | | 3.2631% | | | See Page 5 above; Col. D; Line 44 |
| 45 | State Income Tax | | 0.9041% | | | See Page 5 above; Col. D; Line 49 |
| 46 | Rate of Return | | 8.2800% | | | See Page 5 above; Col. E; Line 32 |
| 47 | Total Return Plus FIT & SIT | | 12.4472% | | | |
| 48 | | | | | | |
| 49 | Transmission Working Capital Revenue | | 6,784 | | | Line 40 X Line 47 |
| 50 | | | | | | |
| 51 | True-Up Adjustment Factor ² | | 0.33 | | | Ratio of (4 Months / 12 Months) |
| 52 | | | | | | |
| 53 | True-Up Period Transmission Working Capital Revenue | | 2,261 | | | Line 49 X Line 51 |
| 54 | | | | | | |
| 55 | Total Transmission Plant | | \$ 3,808,552 | | | See Page 2, Line 10 |
| 56 | | | | | | |
| 57 | Transmission Related Working Capital Revenue | | | 0.06% | | Line 53 / Line 55 |
| 58 | Carrying Charge Percentage | | | | | |

¹ 12.5% Working Cash is based on 45/360 days = 12.50%. To reflect a 4 month working cash calculation, the following formula is used: 45 days / 360 days X 1/3) = 37.50%.

² Transmission Related Working Capital Revenue is multiplied by a factor of 0.33 to reflect that SDG&E is seeking a 4 month return on transmission relate working capital revenue instead of 12 months.

San Diego Gas & Electric Company
Cost Statement BK2
Section 3 - Cost Component Containing Other Specific Costs
4 Month TU Period (September - December 31, 2013)

(\$1,000)

A B C D E
(col. B * col. C)

C. Derivation of Citizens Border East Line Removal Costs

| Ln | | Total | Removal | | | Ln |
|-----|--|-----------|---------------------|--------------|--|-----|
| No. | FERC Account | Costs | Rate ⁽¹⁾ | Amount | Reference | No. |
| 1 | | | | | | 1 |
| 2 | 354 - Towers & Fixtures | \$ 46,971 | 0.0091 | \$ 427 | See TO3 SDGE Deprec. Rates WP, Col.17, L8. | 2 |
| 3 | | | | | | 3 |
| 4 | 356 - Overhead Cond & Devices | \$ 16,615 | 0.0098 | \$ 163 | See TO3 SDGE Deprec. Rates WP, Col.17, L14. | 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 | | | \$ 590 | Sum (L2:L10) | 13 |
| 14 | | | | | | 14 |
| 15 | Franchise Fees @ 1.0310% | | | \$ 6 | L13 X .010310 | 15 |
| 16 | | | | | | 16 |
| 17 | Total Annual Removal Costs | | | \$ 596.34871 | L13 + L15 | 17 |
| 18 | | | | | | 18 |
| 19 | True-Up Adjustment Factor ² | | | \$ 0.33333 | Ratio of (4 Months / 12 Months) | 19 |
| 20 | | | | | | 20 |
| 21 | 4 Month Removal Costs | | | \$ 198.783 | Line 17 X Line 19 | 21 |
| 22 | | | | | | 22 |
| 23 | Monthly Removal Costs | | | \$ 50 | Line 17 /4 Months | 23 |
| 24 | | | | | | 24 |
| 25 | | | | | | 25 |
| 26 | Total Other Specific Costs | | | \$ 111.649 | Part A, Line 24 + Part B, Line 34 + Part C, Line 21 | 26 |
| 27 | | | | | | 27 |
| 28 | | | | | | 28 |

¹ Authorized TO3 Removal Rate

² The annual Removal Costs is multiplied by a factor of 0.33 to reflect that SDG&E is seeking a 4 month removal costs instead of 12 months.

San Diego Gas & Electric Company

ATTACHMENT 5C – STMT BK2

DERIVATION OF CITIZENS’ 4-MONTH TRUE-UP ADJUSTMENT

TO4 AND TO3 FORMULA

SECTIONS 4 - 5

San Diego Gas & Electric Company

Section 4

San Diego Gas & Electric Company

Section 4A

Derivation of the 4-Month True-Up Cost of Service Based on the TO3 Formula

| CITIZENS SHARE OF THE BORDER-EAST LINE | | | | |
|---|--|------------|--|---------|
| Derivation of Citizens True - Up 4- Month Cost of Service | | | | |
| September 1, 2013 to December 31, 2013 | | | | |
| (000's) | | | | |
| TO3 Formula | | | | |
| Line No | Description | Total | Reference ¹ | Line No |
| 1 | Section 1 - True-Up COS - Direct Maintenance Costs | \$ 14.681 | Attmt 5B: TO3- 4 Month TUP- Stmt BK2-Sec 1; Pg 1, L13 | 1 |
| 2 | | | | 2 |
| 3 | | | | 3 |
| 4 | Section 2 True-Up COS - Non-Direct Costs | 1,073.444 | Attmt 5B: TO3- 4 Month TUP- Stmt BK2-Sec 2; Pg 1, L48 | 4 |
| 5 | | | | 5 |
| 6 | Section 3 True-Up COS - Other Specific Costs | | | 6 |
| 7 | A. ADIT | (284.144) | Attmt 5B: TO3- 4 Month TUP- Stmt BK2-Sec 3; Pg 1 of 2, L24 | 7 |
| 8 | B. Property Taxes | 197.010 | Attmt 5B: TO3- 4 Month TUP- Stmt BK2-Sec 3; Pg 1 of 2, L34 | 8 |
| 9 | C. Removal Costs | 198.783 | Attmt 5B: TO3- 4 Month TUP- Stmt BK2-Sec 3; Pg 2 of 2, L21 | 9 |
| 10 | | | | 10 |
| 11 | Total 4 Month True-Up Cost of Service ^{2,3} | 1,199.774 | Sum of Line 1 through 10 | 11 |
| 12 | | | | 12 |
| 13 | | | | 13 |
| 14 | Monthly True-Up Cost of Service | \$ 299.944 | Line 11 / 4 Months | 14 |
| 15 | | | | 15 |
| ¹ Statement BK2 - Section 4A reflects the 4-Month True-Up Cost of Service under the TO3 Formula. | | | | |
| ² The amount shown on line 11 is forwarded to the following section (Recorded Revenues) to calculate the net 4- month true-up adjustment between the TO3 and TO4 Formula. See Section 4C, Part B, Column M, Line 15. | | | | |
| ³ The difference (overcollection) between the TO3 and TO4 Formula will be credited back to Citizens in the Cycle 4 Filing. | | | | |

San Diego Gas & Electric Company

Section 4B

Derivation of the 4-Month True-Up Cost of Service Based on the TO4 Formula

| CITIZENS SHARE OF THE BORDER-EAST LINE | | | | |
|--|--|------------|--|---------|
| Derivation of Citizens True-Up 4- Month Cost of Service | | | | |
| September 1, 2013 to December 31, 2013 | | | | |
| (000's) | | | | |
| TO4 Formula | | | | |
| Line No | Description | Total | Reference ¹ | Line No |
| 1 | Section 1 - True-Up COS - Direct Maintenance Costs | \$ 14.661 | Attmt 5A:TO4 4-Month TUP- Stmt BK2-Sec 1; Pg 1, L13 | 1 |
| 2 | | | | 2 |
| 3 | | | | 3 |
| 4 | Section 2 True-Up COS - Non-Direct Costs | 1,056.406 | Attmt 5A:TO4 4-Month TUP- Stmt BK2-Sec 2; Pg 1 of 7, L48 | 4 |
| 5 | | | | 5 |
| 6 | Section 3 True-Up COS - Other Specific Costs | | | 6 |
| 7 | A. ADIT | (256.694) | Attmt 5A:TO4 4-Month TUP- Stmt BK2-Sec 3; Pg 1 of 2, L24 | 7 |
| 8 | B. Property Taxes | 197.010 | Attmt 5A:TO4 4-Month TUP- Stmt BK2-Sec 3; Pg 1 of 2, L33 | 8 |
| 9 | C. Non-Deductibility of Equity AFUDC | 45.027 | Attmt 5A:TO4 4-Month TUP- Stmt BK2-Sec 3; Pg 1 of 2, L41 | 9 |
| 10 | D. Removal Costs | - | Attmt 5A:TO4 4-Month TUP- Stmt BK2-Sec 3; Pg 2 of 2, L17 | 10 |
| 11 | Total 4 Month True-Up Cost of Service ^{2,3} | 1,056.410 | Sum of Line 1 through 10 | 11 |
| 12 | | | | 12 |
| 13 | | | | 13 |
| 14 | Monthly True-Up Cost of Service | \$ 264.103 | Line 11 / 4 Months | 14 |
| 15 | | | | 15 |
| ¹ Statement BK2 - Section 4B reflects the 4-Month True-Up Cost of Service under the TO4 Formula. | | | | |
| ² The amount shown on line 11 above is forwarded to Section 4C (Recorded Revenues) to calculate the net 4- month true-up adjustment between the TO3 and TO4 Formula. See Section 4C, Part B, Column M, Line 17. | | | | |
| ³ The difference (overcollection) between the TO3 and TO4 Formula will be credited back to Citizens in the Cycle 4 Filing. | | | | |

San Diego Gas & Electric Company

Section 4C

Derivation the of 4-Month True-Up Adjustment – (Over)/Undercollection

**CITIZENS SHARE OF THE SUNRISE - BORDER-EAST LINE
OPERATIONS & MAINTENANCE EXPENSES
4 Months True-Up Period Ended December 31, 2013
CYCLE 2 INVOICE SUMMARY**

| Line No. | Citizens Monthly Cost | BORDER - EAST LINE | Line No. |
|-------------|---|-----------------------|-------------|
| 1 | | | 1 |
| 2 | Section 1 - Direct Maintenance Cost Component | \$ - | 2 |
| 3 | | | 3 |
| 4 | Section 2 - Non- Direct Expense Cost Component | \$ 120,105 | 4 |
| 5 | | | 5 |
| 6 | Section 3 - Cost Component Containing Other Specific Costs | \$ 15,994 | 6 |
| 7 | | | 7 |
| 8 | Section 4 - True-Up Adjustment Cost Component | \$ (25,376) | 8 |
| 9 | | | 9 |
| 10 | Section 5 - Interest True-Up Adjustment Cost Component | - | 10 |
| 11 | | | 11 |
| 12 | | | 12 |
| 13 | Total Citizens Monthly Recorded Revenues | \$ 110,723 | 13 |
| 14 | | | 14 |
| 15 | 4 Months (Sept - Dec 2013) | 4 | 15 |
| 16 | | | 16 |
| 17 | Total 4 Months True-Up Recorded Revenues (L13 X L15) | \$ 442,892 | 17 |
| 18 | | | 18 |
| 19 | | | 19 |
| 20 | | | 20 |

¹ Citizens Monthly Invoice Summary reflects Citizens Cycle 2 Allocated Costs, Docket No. ER13-1596-000, dated June 28, 2013.

San Diego Gas & Electric Company

Section 5

Derivation of Interest True-Up Adjustment Applicable to the 4-Month True-Up Adjustment Ending December 31, 2013

The Interest True-Up Adjustment in this filing is applicable to the 4-Month true-up adjustment that appears in this instant filing. The Cycle 4, 4-month true-up adjustment is equal to (\$692K) as shown on Page 1 of 3, column (a), line 1. Pages 1 through 3 calculate the monthly interest associated with the (\$692K). Page 3 of 3, column (r), line 16 reflects the derivation of (\$23K) associated with the (\$692K) over-collection.

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

| | | (a) | (b) | (c) | (d) | (e) | (f) |
|---------|--|-----------|-----------|-----------------|----------|----------|----------|
| Line No | Description | Jan-14 | Feb-14 | Mar-14 | Apr-14 | May-14 | Jun-14 |
| 1 | Beginning Balance (Over)/Undercollection | (691.562) | (693.50) | (695.23) | (697.16) | (699.05) | (701.00) |
| 2 | | | | | | | |
| 3 | A. Amortization of True-Up Balance: | | | | | | |
| 4 | | | | | | | |
| 5 | Amortization of True-Up Balance (see calculation below) | - | - | - | - | - | (58.42) |
| 6 | | | | | | | |
| 7 | | | | | | | |
| 8 | Net Monthly Collection/(Refunds) | - | - | - | - | - | 58.42 |
| 9 | | | | | | | |
| 10 | | | | | | | |
| 11 | B. Interest Expense Calculations: | | | | | | |
| 12 | Beginning Balance for Interest Expense ¹ | (691.562) | (691.56) | (691.56) | (697.16) | (697.16) | (697.16) |
| 13 | Monthly Activity Included in Interest Calculation Basis ² | - | - | - | - | - | 29.21 |
| 14 | Basis for Interest Expense Calculation | (691.56) | (691.56) | (691.56) | (697.16) | (697.16) | (667.96) |
| 15 | Monthly Interest Rate | 0.28000% | 0.25000% | 0.28000% | 0.27000% | 0.28000% | 0.27000% |
| 16 | Interest Expense | (1.94) | (1.73) | (1.94) | (1.88) | (1.95) | (1.80) |
| 17 | | | | | | | |
| 18 | Ending Balance (Over)/Undercollection | (693.50) | (695.23) | (697.16) | (699.05) | (701.00) | (644.39) |
| 19 | | | | | | | |
| | A. Amortization of Undercollection Balance as of May 31, 2014 | | (700.998) | col. e; line 18 | | | |
| | Amortization over 12 Months Rate Effective Period | | 12 | | | | |
| | Monthly Amortization of True-Up Adjustment | | (58.417) | | | | |
| | 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., repeats the process outlined in (a), (b), and (c) above. | | | | | | |

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

| 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 | (644.39) | (587.69) | (530.83) | (473.76) | (416.59) | (359.22) |
| 2 | | | | | | | |
| 3 | A. Amortization of True-Up Balance: | | | | | | |
| 4 | | | | | | | |
| 5 | Amortization of True-Up Balance (see calculation below) | (58.42) | (58.42) | (58.42) | (58.42) | (58.42) | (58.42) |
| 6 | | | | | | | |
| 7 | | | | | | | |
| 8 | Net Monthly Collection/(Refunds) | 58.42 | 58.42 | 58.42 | 58.42 | 58.42 | 58.42 |
| 9 | | | | | | | |
| 10 | | | | | | | |
| 11 | B. Interest Expense Calculations: | | | | | | |
| 12 | Beginning Balance for Interest Expense ¹ | (644.39) | (644.39) | (644.39) | (473.76) | (473.76) | (473.76) |
| 13 | Monthly Activity Included in Interest Calculation Basis ² | 29.21 | 87.62 | 146.04 | 29.21 | 87.62 | 146.04 |
| 14 | Basis for Interest Expense Calculation | (615.18) | (556.76) | (498.34) | (444.55) | (386.14) | (327.72) |
| 15 | Monthly Interest Rate | 0.28000% | 0.28000% | 0.27000% | 0.28000% | 0.27000% | 0.28000% |
| 16 | Interest Expense | (1.72) | (1.56) | (1.35) | (1.24) | (1.04) | (0.92) |
| 17 | | | | | | | |
| 18 | Ending Balance (Over)/Undercollection | (587.69) | (530.83) | (473.76) | (416.59) | (359.22) | (301.72) |
| 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 FEREC 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., repeats the process outlined in (a), (b), and (c) above | | | | | | |

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

| 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 | (301.72) | (244.23) | (186.78) | (129.62) | (71.63) | (691.562) | |
| 2 | | | | | | | | |
| 3 | A. Amortization of True-Up Balance: | | | | | | - | |
| 4 | | | | | | | - | |
| 5 | Amortization of True-Up Balance (see calculation below) | (58.42) | (58.42) | (58.42) | (58.42) | (71.63) | (714.216) | See Amortization Calculation below |
| 6 | | | | | | | - | |
| 7 | | | | | | | | |
| 8 | Net Monthly Collection/(Refunds) | 58.42 | 58.42 | 58.42 | 58.42 | 71.63 | 714.216 | Minus Line 5 |
| 9 | | | | | | | | |
| 10 | | | | | | | | |
| 11 | B. Interest Expense Calculations: | | | | | | | |
| 12 | Beginning Balance for Interest Expense ¹ | (301.72) | (301.72) | (301.72) | (129.62) | - | | Balance Beginning of Quarter |
| 13 | Monthly Activity Included in Interest Calculation Basis ² | (29.21) | (87.62) | (146.04) | (29.21) | | | See Footnote 2 |
| 14 | Basis for Interest Expense Calculation | (330.93) | (389.34) | (447.76) | (158.83) | - | | |
| 15 | Monthly Interest Rate | 0.28000% | 0.25000% | 0.28000% | 0.27000% | 0.28000% | | FERC Website |
| 16 | Interest Expense | (0.93) | (0.97) | (1.25) | (0.43) | | (22.654) | Line 14 X Line 15 |
| 17 | | | | | | | | |
| 18 | Ending Balance (Over)/Undercollection | (244.23) | (186.78) | (129.62) | (71.63) | - | 0.00 | Line 1+ Line 8 + Line 16 |
| 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., repeats the process outlined in (a), (b), and (c) above | | | | | | | |

San Diego Gas & Electric Company

ATTACHMENT 6 - 4 MONTH TRUE-UP PERIOD COST STATEMENTS AND WORKPAPERS

San Diego Gas & Electric Company

ATTACHMENT 6A - 4 MONTH TRUE-UP PERIOD COST STATEMENTS AND WORKPAPERS

Appendix X – TO4 Modifications

San Diego Gas & Electric Company

True-Up Period

Statement AD – Cost of Plant Workpaper

SAN DIEGO GAS AND ELECTRIC COMPANY
Statement AD - Workpapers
Cost of Plant
4 - Months True-Up Period Ending December 31, 2013
(\$1,000)

| Line No | (a) 31-Aug-13 | (b) 31-Dec-13 | (c) = [(a)+(b)]/2 Average Balance | Reference | Line No |
|---|------------------|------------------|--------------------------------------|-------------------------------|---------|
| 1 Total Electric Miscellaneous Intangible Plant ^{a, 1} | \$ 89,869 | \$ 93,154 | \$ 91,511 | Stmt AD WP; Page AD1; Line 3 | 1 |
| 2 | | | | | 2 |
| 3 Total Steam Production Plant ^b | | | 511,316 | Stmt AD WP; Page AD2; Line 9 | 3 |
| 4 | | | | | 4 |
| 5 Total Nuclear Production Plant ^b | | | - | Stmt AD WP; Page AD3; Line 9 | 5 |
| 6 | | | | | 6 |
| 7 Total Hydraulic Production Plant ^b | | | - | Stmt AD WP; Page AD | 7 |
| 8 | | | | | 8 |
| 9 Total Other Production Plant ^b | | | 474,596 | Stmt AD WP; Page AD4; Line 9 | 9 |
| 10 | | | | | 10 |
| 11 Total Production Plant and Intangible Plant | | | <u>\$ 1,077,423</u> | Sum Lines 1 thru 9 | 11 |
| 12 | | | | | 12 |
| 13 Total Distribution Plant ^a | 5,134,633 | 5,209,303 | 5,171,968 | Stmt AD WP; Page AD5; Line 3 | 13 |
| 14 | | | | | 14 |
| 15 Transmission Plant ^{b, 2} | | | <u>3,808,552</u> | Stmt AD WP; Page AD6; Line 11 | 15 |
| 16 | | | | | 16 |
| 17 Incentive Transmission Plant ³ | | | - | Stmt AD WP; Page AD | 17 |
| 18 | | | | | 18 |
| 19 Total Transmission Plant & Incentive Transmission Plant | | | <u>3,808,552</u> | Sum Lines 15 thru 17 | 19 |
| 20 | | | | | 20 |
| 21 Total General Plant ^{a, 1} | 249,111 | 266,956 | <u>258,034</u> | Stmt AD WP; Page AD7; Line 3 | 21 |
| 22 | | | | | 22 |
| 23 Total Common Plant ^{a, 1} | 520,846 | 533,999 | <u>527,422</u> | Stmt AD WP; Page AD8; Line 3 | 23 |
| 24 | | | | | 24 |
| 25 Total Plant in Service | | | <u>\$ 10,843,399</u> | Sum Lines 11; 13; 19; 21; 23 | 25 |
| 26 | | | | | 26 |
| 27 Transmission Wages and Salaries Allocation Factor | | | <u>11.90%</u> | Statement AI; Line 21 | 27 |
| 28 | | | | | 28 |
| 29 Total Transmission Plant & Incentive Transmission Plant | | | \$ 3,808,552 | See Line 19 Above | 29 |
| 30 | | | | | 30 |
| 31 Transmission Related Electric Miscellaneous Intangible Plant | | | 10,890 | Line 1 x Line 27 | 31 |
| 32 | | | | | 32 |
| 33 Transmission Related General Plant | | | 30,706 | Line 21 x Line 27 | 33 |
| 34 | | | | | 34 |
| 35 Transmission Related Common Plant | | | <u>62,763</u> | Line 23 x Line 27 | 35 |
| 36 | | | | | 36 |
| 37 Transmission Related Total Plant in Service | | | <u>\$ 3,912,911</u> | Sum Lines 29; 31; 33; 35 | 37 |
| 38 | | | | | 38 |
| 39 Transmission Plant Allocation Factor ⁴ | | | <u>36.09%</u> | Line 37 / Line 25 | 39 |

^a 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.

^b The balances for Steam, Nuclear, Hydraulic, Other Production, and Transmission plant are derived based on a 5-month average balance.

¹ 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.

² 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.

³ Indicate cost of Transmission Incentive Project.

⁴ Used to allocate all elements of working capital, other than working cash.

**SAN DIEGO GAS & ELECTRIC COMPANY
STATEMENT AD
COST OF PLANT
TRUE UP PERIOD - 9/1/2013 to 12/31/2013 PER BOOK**

(\$1,000)

INTANGIBLE PLANT

| Line No. | | Adjusted FERC Intangible Plant Balance | Reference From | Line No. |
|----------|---|--|----------------|----------|
| 1 | Aug-13 | 89,869 | I-wp2 | 1 |
| 2 | Dec-13 | 93,154 | I-wp1 | 2 |
| 3 | Beginning and End Period Average | 91,511 | Sum (L1:L2)/2 | 3 |

**SAN DIEGO GAS & ELECTRIC COMPANY
STATEMENT AD
COST OF PLANT
TRUE UP PERIOD - 9/1/2013 to 12/31/2013 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 | Aug-13 | 493,709 | " | 507,982 | " | 1 |
| 2 | Sep | 492,101 | " | 506,375 | " | 2 |
| 3 | Oct | 496,705 | " | 510,978 | " | 3 |
| 4 | Nov | 497,582 | " | 511,856 | " | 4 |
| 5 | Dec-13 | 505,116 | SP-wp1 | 519,390 | SP-wp1 | 5 |
| 6 | Total 5 Months | 2,485,214 | | 2,556,581 | Sum (L1:L5) | 6 |
| 7 | | | | | | 7 |
| 8 | | | | | | 8 |
| 9 | 5-Month Average | 497,043 | | 511,316 | L6 / 5 Months | 9 |

Column 2 represents the monthly ratemaking plant balances for the true-up 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 No. 888: Seven - Element Adjustment Factor.

**SAN DIEGO GAS & ELECTRIC COMPANY
STATEMENT AD
COST OF PLANT
TRUE UP PERIOD - 9/1/2013 to 12/31/2013 PER BOOK
(\$1,000)**

NUCLEAR PRODUCTION ^A

| Line No. | Month | (1) Total Nuclear Production Per Book | Reference From | (2) Nuclear Production Adjusted Book | Reference From | Line No. |
|----------|------------------------|---|-------------------|---|-------------------|----------|
| 1 | Aug-13 | - | " | - | " | 1 |
| 2 | Sep | - | " | - | " | 2 |
| 3 | Oct | - | " | - | " | 3 |
| 4 | Nov | - | " | - | " | 4 |
| 5 | Dec-13 | - | NP-wp1 | - | NP-wp1 | 5 |
| 6 | Total 5 Months | - | | - | | 6 |
| 7 | | | | | | 7 |
| 8 | | | | | | 8 |
| 9 | 5-Month Average | - | | - | | 9 |

A - SONGS was retired in June 2013.

**SAN DIEGO GAS & ELECTRIC COMPANY
STATEMENT AD
COST OF PLANT
TRUE UP PERIOD - 9/1/2013 to 12/31/2013 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 | Aug-13 | 512,782 | " | 473,564 | " | 1 |
| 2 | Sep | 513,046 | " | 473,647 | " | 2 |
| 3 | Oct | 513,136 | " | 473,737 | " | 3 |
| 4 | Nov | 514,151 | " | 473,916 | " | 4 |
| 5 | Dec-13 | 518,525 | OP-wp1 | 478,117 | OP-wp1 | 5 |
| 6 | Total 5 Months | 2,571,640 | | 2,372,981 | Sum (L1:L5) | 6 |
| 7 | | | | | | 7 |
| 8 | | | | | | 8 |
| 9 | 5-Month Average | 514,328 | | 474,596 | L6 / 5 Months | 9 |

Column 2 represents the monthly ratemaking plant balances for the true-up 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 No. 888: Seven - Element Adjustment Factor.

**SAN DIEGO GAS & ELECTRIC COMPANY
STATEMENT AD
COST OF PLANT
TRUE UP PERIOD - 9/1/2013 to 12/31/2013 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 | Aug-13 | 5,055,255 | D-wp2 | 5,134,633 | D-wp2 | 1 |
| 2 | Dec-13 | 5,127,373 | D-wp1 | 5,209,303 | D-wp1 | 2 |
| 3 | Beginning and End Period Average | 5,091,314 | | 5,171,968 | Sum (L1:L2)/2 | 3 |

Column 2 represents the monthly ratemaking plant balances for the true-up 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 No. 888: Seven - Element Adjustment Factor.

SAN DIEGO GAS & ELECTRIC COMPANY
STATEMENT AD
COST OF PLANT
TRUE UP PERIOD - 9/1/2013 to 12/31/2013 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 | Aug-13 | 3,733,359 | " | 3,679,149 | " | 1 |
| 2 | Sep | 3,752,076 | " | 3,698,036 | " | 2 |
| 3 | Oct | 3,763,436 | " | 3,708,854 | " | 3 |
| 4 | Nov | 3,802,096 | " | 3,746,801 | " | 4 |
| 5 | Dec-13 | 3,839,521 | See AD9 | 3,783,949 | See AD9 | 5 |
| 6 | Total 5 Months | 18,890,489 | | 18,616,789 | Sum (L1:L5) | 6 |
| 7 | | | | | | 7 |
| 8 | | | | | | 8 |
| 9 | 5-Month Average | 3,778,098 | | 3,723,358 | L6 / 5 Months | 9 |
| 10 | Citizens weighted average lease amount not included above | | | <u>85,194</u> | See AD-6A | 10 |
| 11 | Total Transmission Plant Cost Average Balance | | | <u><u>3,808,552</u></u> | L9 + L10 | 11 |

Column 2 represents the monthly ratemaking plant balances for the true-up 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 No. 888: Seven - Element Adjustment Factor.

**SAN DIEGO GAS & ELECTRIC COMPANY
STATEMENT AD
COST OF PLANT
TRUE UP PERIOD - 9/1/2013 to 12/31/2013 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 | Aug-13 | | " | 85,194 | " | 1 |
| 2 | Sep | | " | 85,194 | " | 2 |
| 3 | Oct | | " | 85,194 | " | 3 |
| 4 | Nov | | " | 85,194 | " | 4 |
| 5 | Dec-13 | | T-wp1 | 85,194 | T-wp1 | 5 |
| 6 | Total 5 Months | | | 425,970 | Sum (L1:L5) | 6 |
| 7 | | | | | | 7 |
| 8 | | | | | | 8 |
| 9 | 5-Month Average | | | 85,194 | Line 6 / 5 Months | 9 |

Column 2, Line 9 represents a 5 month weighted average of \$85,194 Citizens Lease Amount for the term of service.

**SAN DIEGO GAS & ELECTRIC COMPANY
STATEMENT AD
COST OF PLANT
TRUE UP PERIOD - 9/1/2013 to 12/31/2013 PER BOOK**

(\$1,000)

GENERAL PLANT

| Line No. | | Adjusted FERC General Plant Balance | Reference From | Line No. |
|-------------|----------------------------------|---|-------------------|-------------|
| 1 | Aug-13 | 249,111 | G-wp2 | 1 |
| 2 | Dec-13 | 266,956 | G-wp1 | 2 |
| 3 | Beginning and End Period Average | 258,034 | Sum (L1:L2)/2 | 3 |

**SAN DIEGO GAS & ELECTRIC COMPANY
 STATEMENT AD
 COST OF PLANT
 TRUE UP PERIOD - 9/1/2013 to 12/31/2013 PER BOOK
 (\$1,000)**

COMMON PLANT

| Line No. | Month | Total Common Plant to Electric Per Book | Reference From | Line No. |
|----------|----------------------------------|---|----------------|----------|
| 1 | Aug-13 | 520,846 | C-wp2 | 1 |
| 2 | Dec-13 | 533,999 | C-wp1 | 2 |
| 3 | Beginning and End Period Average | 527,422 | Sum (L1:L2)/2 | 3 |

**SDG&E
TRANSMISSION FUNCTIONALIZATION STUDY**

**DERIVATION OF TRANSMISSION RELATED PLANT DOLLARS
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 | TOTAL | TRANSMISSION RELATED | - | 4 | 4,659 | - | - | - | - | 4,664 | 6 |
| 7 | 350.0 | Land & Land Rights | 188,318 | - | - | - | - | - | (5,659) | 182,660 | 7 |
| 8 | 352.0 | Structures & Improvements | 268,634 | - | - | (1,928) | - | - | (36,371) | 230,335 | 8 |
| 9 | 353.0 | Station Equipment | 961,835 | - | - | (10,619) | (1,420) | - | (2,513) | 947,282 | 9 |
| 10 | 354.0 | Towers and Fixtures | 846,138 | - | - | - | - | - | - | 846,138 | 10 |
| 11 | 355.0 | Poles and Fixtures | 297,939 | - | - | - | - | - | - | 297,939 | 11 |
| 12 | 356.0 | OH Conductors and Device | 489,096 | - | - | - | - | - | - | 489,096 | 12 |
| 13 | 357.0 | Underground Conduit | 245,528 | - | - | - | - | - | - | 245,528 | 13 |
| 14 | 358.0 | UG Conductors & Devices | 280,882 | - | - | (1,726) | - | - | - | 279,156 | 14 |
| 15 | 359.0 | Roads & Trails | 261,150 | - | - | - | - | - | - | 261,150 | 15 |
| 16 | TOTAL | TRANSMISSION PLANT | 3,839,521 | - | - | (14,273) | (1,420) | - | (44,543) | 3,779,285 | 16 |
| 17 | GRAND TOTAL RECLASS TRANS PLANT | | 3,839,521 | 4 | 4,659 | (14,273) | (1,420) | - | (44,543) | 3,783,949 | 17 |

San Diego Gas & Electric Company

True-Up Period

Statement AE - Accumulated Depreciation and Amortization Workpaper

SAN DIEGO GAS AND ELECTRIC COMPANY
Statement AE - Workpapers
Accumulated Depreciation and Amortization
4 - Months True-Up Period Ending December 31, 2013
(\$1,000)

| Line No | (a) 31-Aug-13 | (b) 31-Dec-13 | (c) = [(a)+(b)]/2 Average Balance | Reference | Line No |
|---------|------------------|------------------|--------------------------------------|-------------------------------|---------|
| 1 | | | \$ 656,148 | Stmt AE WP; Page AE1; Line 11 | 1 |
| 2 | | | | | 2 |
| 3 | \$ 15,776 | \$ 19,994 | 17,885 | Stmt AE WP; Page AE2; Line 3 | 3 |
| 4 | | | | | 4 |
| 5 | 100,374 | 103,539 | 101,957 | Stmt AE WP; Page AE3; Line 3 | 5 |
| 6 | | | | | 6 |
| 7 | 253,011 | 270,623 | 261,817 | Stmt AE WP; Page AE4; Line 3 | 7 |
| 8 | | | | | 8 |
| 9 | | | 11.90% | Statement AI; Line 21 | 9 |
| 10 | | | | | 10 |
| 11 | | | \$ 2,128 | Line 3 x Line 9 | 11 |
| 12 | | | | | 12 |
| 13 | | | 12,133 | Line 5 x Line 9 | 13 |
| 14 | | | | | 14 |
| 15 | | | 31,156 | Line 7 x Line 9 | 15 |
| 16 | | | | | 16 |
| 17 | | | \$ 701,565 | Sum Lines 1; 11; 13; 15 | 17 |
| 18 | | | | | 18 |
| 19 | | | \$ - | Stmt AE WP; Page AE | 19 |

^a The depreciation reserve for transmission plant is derived based on a 5-month average balance.

^b The depreciation reserve for Electric Miscellaneous Intangible, General and Common plant is derived based on a simple average of beginning and end of year balances.

¹ 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.

² 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.

**SAN DIEGO GAS & ELECTRIC COMPANY
STATEMENT AE
ACCUMULATED DEPRECIATION AND AMORTIZATION
TRUE UP PERIOD - 9/1/2013 to 12/31/2013 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 | Aug-13 | 652,994 | " | 640,470 | " | 1 |
| 2 | Sep | 662,187 | " | 649,712 | " | 2 |
| 3 | Oct | 670,293 | " | 657,717 | " | 3 |
| 4 | Nov | 678,694 | " | 666,013 | " | 4 |
| 5 | Dec-13 | 679,574 | T-wp1 | 666,808 | T-wp1 | 5 |
| 6 | Total 5 Months | 3,343,741 | | 3,280,720 | Sum (L1:L5) | 6 |
| 7 | | | | | | 7 |
| 8 | | | | | | 8 |
| 9 | 5-Month Average | 668,748 | | 656,144 | Line 6 / 5 Months | 9 |
| 10 | Citizens weighted average accumulated depreciation not included above. | | | <u>4</u> | See AE-1A, Line 9 | 10 |
| 11 | Total Transmission Plant Accum. Deprec. Average Bal. | | | <u><u>656,148</u></u> | L9 + L10 | 11 |

Column 2 represents the monthly ratemaking depreciation reserve balances for the true-up 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
TRUE UP PERIOD - 9/1/2013 to 12/31/2013 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 | Aug-13 | 4 | " | 4 | " | 1 |
| 2 | Sep | 4 | " | 4 | " | 2 |
| 3 | Oct | 4 | " | 4 | " | 3 |
| 4 | Nov | 5 | " | 5 | " | 4 |
| 5 | Dec-13 | 5 | T-wp1 | 5 | T-wp1 | 5 |
| 6 | Total 5 Months | 22 | | 22 | Sum (L1:L5) | 6 |
| 7 | | | | | | 7 |
| 8 | | | | | | 8 |
| 9 | 5-Month Average | 4 | | 4 | Line 6 / 5 Months | 9 |

Column (2), Line 9 represents the 5 month weighted average of Citizens Border East Line accumulated depreciation and amortization.

**SAN DIEGO GAS & ELECTRIC COMPANY
STATEMENT AE
ACCUMULATED DEPRECIATION AND AMORTIZATION
TRUE UP PERIOD - 9/1/2013 to 12/31/2013 PER BOOK**

(\$1,000)

INTANGIBLE PLANT

| Line No. | | Adjusted FERC Intangible Plant Balance | Reference From | Line No. |
|----------|----------------------------------|--|-------------------|----------|
| 1 | Aug-13 | 15,776 | I-wp2 | 1 |
| 2 | Dec-13 | 19,994 | I-wp1 | 2 |
| 3 | Beginning and End Period Average | 17,885 | Sum(L1:L2) / 2 | 3 |

**SAN DIEGO GAS & ELECTRIC COMPANY
STATEMENT AE
ACCUMULATED DEPRECIATION AND AMORTIZATION
TRUE UP PERIOD - 9/1/2013 to 12/31/2013 PER BOOK**

(\$1,000)

GENERAL PLANT

| Line No. | | Adjusted FERC General Reserve Balance | Reference From | Line No. |
|----------|---------------------------------------|---|-------------------|----------|
| 1 | Aug-13 | 100,374 | G-wp2 | 1 |
| 2 | Dec-13 | 103,539 | G-wp1 | 2 |
| 3 | Beginning and Year End Average | 101,957 | Sum(L1:L2) / 2 | 3 |

**SAN DIEGO GAS & ELECTRIC COMPANY
STATEMENT AE
ACCUMULATED DEPRECIATION AND AMORTIZATION
TRUE UP PERIOD - 9/1/2013 to 12/31/2013 PER BOOK
(\$1,000)**

COMMON PLANT

| Line No. | Month | Total Common Reserves to Electric Per Book | Reference From | Line No. |
|----------|--------------------------------|---|-------------------|----------|
| 1 | Aug-13 | 253,011 | C-wp2 | 1 |
| 2 | Dec-13 | 270,623 | C-wp1 | 2 |
| 3 | Beginning and Year End Average | 261,817 | Sum(L1:L2) / 2 | 3 |

San Diego Gas & Electric Company

True-Up Period

Statement AF- Specified Deferred Credits

Workpaper

SAN DIEGO GAS AND ELECTRIC COMPANY
Statement AF - Workpapers
Deferred Credits
4 - Months True-Up Period Ending December 31, 2013
(\$1,000)

| Line No | (a) 1-Sep-13 | (b) 31-Dec-13 | (c) = [(a)+(b)]/2 Average Balance | Reference | Line No |
|---|---------------------|---------------------|--------------------------------------|---|---------|
| 1 Transmission Related ADIT- Excluding Bonus Depreciation | \$ (255,748) | \$ (277,709) | \$ (266,729) | Stmt AF WP; Page AF1; Col. (c); Line 15 | 1 |
| 2 | | | | | 2 |
| 3 Transmission Related ADIT from Bonus Depreciation | (122,585) | (149,141) | \$ (135,864) | Stmt AF WP; Page AF1; Col. (c); Line 17 | 3 |
| 4 | | | | | 4 |
| 5 Total Transmission Related ADIT | <u>\$ (378,334)</u> | <u>\$ (426,850)</u> | <u>\$ (402,593)</u> | Sum of Lines 1 thru 3 | 5 |
| 6 | | | | | 6 |
| 7 | | | | | 7 |
| 8 Incentive Transmission Plant ADIT | <u>\$ -</u> | <u>\$ -</u> | <u>\$ -</u> | Stmt AF WP; Page AF | 8 |
| 9 | | | | | 9 |
| 10 Transmission Plant Abandoned ADIT | <u>\$ -</u> | <u>\$ -</u> | <u>\$ -</u> | Stmt AF WP; Page AF | 10 |
| 11 | | | | | 11 |
| 12 Incentive Transmission Plant Abandoned Project Cost ADIT | <u>\$ -</u> | <u>\$ -</u> | <u>\$ -</u> | Stmt AF WP; Page AF | 12 |

SAN DIEGO GAS AND ELECTRIC COMPANY
Statement AF - Workpapers
Deferred Credits
4 - Months True-Up Period Ending December 31, 2013
(\$1,000)

| Line No | (a) 1-Sep-13 | (b) 31-Dec-13 | (c) = [(a)+(b)]/2 Average Balance | Reference | Line No |
|------------|--------------------|--------------------|--------------------------------------|-----------------------|------------|
| 1 | \$ (13,373) | \$ (18,774) | \$ (16,073) | | 1 |
| 2 | | | | | 2 |
| 3 | | | - | | 3 |
| 4 | | | | | 4 |
| 5 | <u>\$ (13,373)</u> | <u>\$ (18,774)</u> | <u>\$ (16,073)</u> | Sum of Lines 1 thru 3 | 5 |
| 6 | | | | | 6 |

¹ Page AF is utilized in Statement BK2- Section 2 , Page 4, Part B - Derivation of Gen and Cmn Plant ADIT Revenue Carry Charge Percentage.

Prepared by T. Williams
 Reviewed by R. Rose
 4/17/2015

**Citizens Income Accumulated Deferred Income Tax Comparison
With and Without Bonus Depreciation
4 Month True-Up Period September 1, 2013 to December 31, 2013
1,000's**

| | | 9/1/2013 | | | | 12/31/2013 | | | | |
|----------|-------------------------------------|--------------|--------------|------------|----------------|--------------|--------------|------------|----------------|----------|
| Line No. | Description | Federal ADTL | Federal ADTA | State ADIT | Net ADIT | Federal ADTL | Federal ADTA | State ADIT | Net ADIT | Line No. |
| 1 | Sunrise With Bonus D | (450,753) | 320,603 | (3,552) | (133,702) | (450,243) | 311,919 | (3,294) | (141,618) | 1 |
| 2 | | | | | | | | | | 2 |
| 3 | Sunrise Without Bonus D | (43,146) | - | (3,552) | (46,698) | (57,193) | 0 | (3,294) | (60,487) | 3 |
| 4 | | | | | | | | | | 4 |
| 5 | Difference With and Without Bonus D | (407,607) | 320,603 | - | (87,004) | (393,050) | 311,919 | - | (81,131) | 5 |
| 6 | | | | | | | | | | 6 |
| 7 | | | | | | | | | | 7 |
| 8 | | | | | | | | | | 8 |
| 9 | Citizens With Bonus D | (25,836) | 17,078 | (117) | (8,874) | (24,944) | 15,287 | (138) | (9,795) | 9 |
| 10 | | | | | | | | | | 10 |
| 11 | Citizens Without Bonus D | (2,127) | - | (117) | (2,244) | (2,730) | | (138) | (2,868) | 11 |
| 12 | | | | | | | | | | 12 |
| 13 | Difference With and Without Bonus D | (23,709) | 17,078 | - | (6,630) | (22,214) | 15,287 | - | (6,927) | 13 |

1 Page AF3 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

Prepared by T. Williams

Reviewed by R. Rose

San Diego Gas & Electric Company

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
4 - Months True-Up Period Ending December 31, 2013
(\$1,000)

| <u>Line No</u> | <u>(a) 31-Aug-13</u> | <u>(b) 31-Dec-13</u> | <u>(c) = [(a)+(b)]/2 Average Balance</u> | <u>Reference</u> | <u>Line No</u> |
|--------------------|---|--------------------------|--|------------------------------|--------------------|
| 1 | Transmission Plant Held for Future Use ¹ | | <u>\$ 6,546</u> | Stmt AG WP; Page AG1; Line 9 | 1 |

¹ The balances for Transmission Plant Held for Future Use are derived based on a 5-month average balance.

**SAN DIEGO GAS & ELECTRIC COMPANY
STATEMENT AG
SPECIFIED PLANT ACCOUNTS (OTHER THAN PLANT IN SERVICE)
AND DEFERRED DEBITS
TRUE UP PERIOD - 9/1/2013 TO 12/31/2013 PER BOOKS
(\$1,000)**

TRANSMISSION PLANT

| Line No. | Month | Transmission Plant Held For Future Use | | Line No. |
|----------|------------------------|--|--------------------------|----------|
| 1 | Aug | 6,546 | | 1 |
| 2 | Sep | 6,546 | | 2 |
| 3 | Oct | 6,546 | | 3 |
| 4 | Nov | 6,546 | | 4 |
| 5 | Dec-13 | 6,546 | | 5 |
| 6 | Total 5 Months | 32,732 | Sum (L1:L5) | 6 |
| 7 | | | | 7 |
| 8 | | | | 8 |
| 9 | 5-Month Average | 6,546 | Line 9 / 5 Months | 9 |

San Diego Gas & Electric Company

True-Up Period Statement AH Operations and Maintenance Expenses Workpaper

SAN DIEGO GAS AND ELECTRIC COMPANY
Statement AH - Workpapers
Derivation of Transmission Plant Property Insurance Allocation Factor
4 - Months True-Up Period Ending December 31, 2013
(\$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 |

¹ Used to allocate property insurance in conformance with TO4 settlement.

SAN DIEGO GAS AND ELECTRIC COMPANY
Electric Transmission O&M Expenses
For 4-Month True-Up Adjustment
September 1, 2013 to December 31, 2013
(\$1,000)

| Line No. | FERC Acct | Description | (a) Total Per Books | (b) Citizens ¹ 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 | \$ 2,537 | | \$ - | \$ 2,537 | | 2 |
| 3 | 561.1 | Load Dispatch - Reliability | 150 | | - | 150 | | 3 |
| 4 | 561.2 | Load Dispatch - Monitor and Operate Transmission System | 3,282 | | - | 3,282 | | 4 |
| 5 | 561.3 | Load Dispatch - Transmission Service and Scheduling | - | | - | - | | 5 |
| 6 | 561.4 | Scheduling, System Control and Dispatch Services | 2,887 | | (2,887) | - | | 6 |
| 7 | 561.5 | Reliability, Planning and Standards Development | - | | - | - | | 7 |
| 8 | 561.6 | Transmission Service Studies | - | | - | - | | 8 |
| 9 | 561.7 | Generation Interconnection Studies | - | | - | - | | 9 |
| 10 | 561.8 | Reliability, Planning and Standards Development Services | 394 | | (394) | - | | 10 |
| 11 | 562 | Station Expenses | 535 | | - | 535 | | 11 |
| 12 | 563 | Overhead Line Expenses | 775 | | - | 775 | | 12 |
| 13 | 564 | Underground Line Expenses | - | | - | - | | 13 |
| 14 | 565 | Transmission of Electricity by Others | 1,713 | | (1,713) | - | | 14 |
| 15 | 566 | Miscellaneous Transmission Expenses | 7,475 | 141 | (2,973) | 4,643 | | 15 |
| 16 | 567 | Rents | 717 | | - | 717 | | 16 |
| 17 | | <u>Total Operation</u> | \$ 20,465 | \$ 141 | \$ (7,967) | \$ 12,639 | Sum Lines 2 thru 16 | 17 |
| 18 | | <u>Electric Transmission Maintenance</u> | | | | | | 18 |
| 19 | 568 | Maintenance Supervision and Engineering | 268 | | - | 268 | | 19 |
| 20 | 569 | Maintenance of Structures | - | | - | - | | 20 |
| 21 | 569.1 | Maintenance of Computer Hardware | 604 | | - | 604 | | 21 |
| 22 | 569.2 | Maintenance of Computer Software | 878 | | - | 878 | | 22 |
| 23 | 569.3 | Maintenance of Communication Equipment | - | | - | - | | 23 |
| 24 | 569.4 | Maintenance of Miscellaneous Regional Transmission Plant | 11 | | - | 11 | | 24 |
| 25 | 570 | Maintenance of Station Equipment | 2,226 | | - | 2,226 | | 25 |
| 26 | 571 | Maintenance of Overhead Lines | 10,120 | | - | 10,120 | | 26 |
| 27 | 572 | Maintenance of Underground Lines | 47 | | - | 47 | | 27 |
| 28 | 573 | Maintenance of Miscellaneous Transmission Plant | 25 | | - | 25 | | 28 |
| 29 | | <u>Total Maintenance</u> | \$ 14,179 | \$ - | \$ - | \$ 14,179 | Sum Lines 20 thru 29 | 29 |
| 30 | | <u>Total Transmission O&M Expenses</u> | \$ 34,644 | \$ 141 | \$ (7,967) | \$ 26,818 | Line 17 + Line 30 | 30 |
| 31 | | | | | | | | 31 |
| 32 | | | | | | | | 32 |
| 33 | | | | | | | | 33 |
| 34 | | <u>Excluded Expenses (recovery method in parentheses)</u> | | | | | | 34 |
| 35 | 561.4 | Scheduling, System Control and Dispatch Services (ERRA) | | | \$ (2,887) | | | 35 |
| 36 | 561.8 | Reliability, Planning and Standards Development Services (ERRA) | | | (394) | | | 36 |
| 37 | 565 | Transmission of Electricity by Others (ERRA) | | | (1,713) | | | 37 |
| 38 | 566 | Miscellaneous Transmission Expenses: | | | | | | 38 |
| 39 | | ISO Grid Management Costs (ERRA) | \$ 1,530 | | | | | 39 |
| 40 | | Reliability Services (RS rates) | 2,420 | | | | | 40 |
| 41 | | Other (TRBAA, TACBA) | (977) | | (2,973) | | | 41 |
| 42 | | <u>Total Excluded Expenses</u> | | | \$ (7,967) | | | 42 |
| 43 | | | | | | | | 43 |
| 44 | | | | | | | | 44 |

¹ Column B, Line 15 represents Non-Direct O&M expenses billed to Citizens during 4-months (September 1 - December 31, 2013) True-Up Period equal to \$140,684 (see AH4, line 5) that is added back to derive Total 4-Months True-Up O&M expenses.

SDG&E Transmission O&M Expenses
4 Months Ending December 31, 2013
(\$1,000)

| | | | 1 | 2 | 3 | 4 | 5 | 6 | | |
|----------|-----------|--|-------------------|---------------------------------------|--------------------------------|-------------------|------------------------------------|-------------------|--------------------------------------|----------|
| | | | | | | sum (col.1:col.3) | | = col. 4 + col. 5 | | |
| | | | 4- Months | | | | Less: | Adjusted | | |
| Line No. | FERC Acct | Description | Sep- Dec 2013 O&M | Citizens ² Allocated Costs | Excluded ¹ Expenses | Total Adjusted | Trans O&M ³ Adjustments | Transmission O&M | Reference | Line No. |
| 1 | | Electric Transmission Operation | | | | | | | | 1 |
| 2 | 560 | Operation Supervision and Engineering | \$ 2,537 | | \$ - | \$ 2,537 | | \$ 2,537 | Col. 6 = Stmt AH1; Col. (d); Line 2 | 2 |
| 3 | 561.1 | Load Dispatch - Reliability | 150 | | - | 150 | | 150 | Col. 6 = Stmt AH1; Col. (d); Line 3 | 3 |
| 4 | 561.2 | Load Dispatch - Monitor and Operate Transmission System | 3,282 | | - | 3,282 | | 3,282 | Col. 6 = Stmt AH1; Col. (d); Line 4 | 4 |
| 5 | 561.3 | Load Dispatch - Transmission Service and Scheduling | - | | - | - | | 0 | Col. 6 = Stmt AH1; Col. (d); Line 5 | 5 |
| 6 | 561.4 | Scheduling, System Control and Dispatch Services | 2,887 | | (2,887) | - | | 0 | Col. 6 = Stmt AH1; Col. (d); Line 6 | 6 |
| 7 | 561.5 | Reliability, Planning and Standards Development | - | | - | - | | 0 | Col. 6 = Stmt AH1; Col. (d); Line 7 | 7 |
| 8 | 561.6 | Transmission Service Studies | - | | - | - | | 0 | Col. 6 = Stmt AH1; Col. (d); Line 8 | 8 |
| 9 | 561.7 | Generation Interconnection Studies | - | | - | - | | 0 | Col. 6 = Stmt AH1; Col. (d); Line 9 | 9 |
| 10 | 561.8 | Reliability, Planning and Standards Development Services | 394 | | (394) | - | | 0 | Col. 6 = Stmt AH1; Col. (d); Line 10 | 10 |
| 11 | 562 | Station Expenses | 535 | | - | 535 | (535) | 0 | Col. 4 = Stmt AH1; Col. (d); Line 11 | 11 |
| 12 | 563 | Overhead Line Expenses | 775 | | - | 775 | | 775 | Col. 6 = Stmt AH1; Col. (d); Line 12 | 12 |
| 13 | 564 | Underground Line Expenses | - | | - | - | | 0 | Col. 6 = Stmt AH1; Col. (d); Line 13 | 13 |
| 14 | 565 | Transmission of Electricity by Others | 1,713 | | (1,713) | - | | 0 | Col. 6 = Stmt AH1; Col. (d); Line 14 | 14 |
| 15 | 566 | Misc. Transmission Expenses | 7,475 | 141 | (2,973) | 4,643 | | 4,643 | Col. 6 = Stmt AH1; Col. (d); Line 15 | 15 |
| 16 | 567 | Rents | 717 | | - | 717 | | 717 | Col. 6 = Stmt AH1; Col. (d); Line 16 | 16 |
| 17 | | Total Transmission Operation | \$ 20,465 | \$ 141 | \$ (7,967) | \$ 12,639 | \$ (535) | \$ 12,104 | Sum Lines 2 thru 16 | 17 |
| 18 | | | | | | | | | | 18 |
| 19 | | Reconciles to Page AH1; Col. (d); Line 17 | | | | | | | | 19 |
| 20 | | | | | | | | | | 20 |
| 21 | | Electric Transmission Maintenance | | | | | | | | 21 |
| 22 | 568 | Maintenance Supervision and Engineering | 268 | | - | 268 | | 268 | Col. 6 = Stmt AH1; Col. (d); Line 20 | 22 |
| 23 | 569 | Maintenance of Structures | - | | - | - | - | - | Col. 4 = Stmt AH1; Col. (d); Line 21 | 23 |
| 24 | 569.1 | Maintenance of Computer Hardware | 604 | | - | 604 | | 604 | Col. 6 = Stmt AH1; Col. (d); Line 22 | 24 |
| 25 | 569.2 | Maintenance of Computer Software | 878 | | - | 878 | | 878 | Col. 6 = Stmt AH1; Col. (d); Line 23 | 25 |
| 26 | 569.3 | Maintenance of Communication Equipment | - | | - | - | | - | Col. 6 = Stmt AH1; Col. (d); Line 24 | 26 |
| 27 | 569.4 | Maintenance of Misc. Regional Transmission Plant | 11 | | - | 11 | | 11 | Col. 6 = Stmt AH1; Col. (d); Line 25 | 27 |
| 28 | 570 | Maintenance of Station Equipment | 2,226 | | - | 2,226 | (2,226) | - | Col. 4 = Stmt AH1; Col. (d); Line 26 | 28 |
| 29 | 571 | Maintenance of Overhead Lines | 10,120 | | - | 10,120 | (10,120) | - | Col. 4 = Stmt AH1; Col. (d); Line 27 | 29 |
| 30 | 572 | Maintenance of Underground Lines | 47 | | - | 47 | (47) | - | Col. 4 = Stmt AH1; Col. (d); Line 28 | 30 |
| 31 | 573 | Maintenance of Misc. Transmission Plant | 25 | | - | 25 | | 25 | Col. 6 = Stmt AH1; Col. (d); Line 29 | 31 |
| 32 | | Total Transmission Maintenance | \$ 14,179 | \$ - | \$ - | \$ 14,179 | \$ (12,393) | \$ 1,786 | Sum Lines 22 thru 31 | 32 |
| 33 | | | | | | | | | | 33 |
| 34 | | Total Adjusted Transmission O&M Expenses | \$ 34,644 | \$ 141 | \$ (7,967) | \$ 26,818 | \$ (12,928) | \$ 13,890 | Line 17 + Line 32 | 34 |
| 35 | | | | | | | | | | 35 |
| 36 | | | | | | | | | | 36 |
| 37 | | Reconciles to Page AH1; Col. (d); Line 32 | | | | | | | | 37 |
| 38 | | | | | | | | | | 38 |
| 39 | | | | | | | | | | 39 |

| | | | | | |
|--|---|----------------------|------------------|-------------------|-----------------------------|
| Footnote 1 | | | | | |
| Column 3 - Amounts Excluded From Formula Rate Recovery | | | | | |
| FERC | | | Where | | |
| No | Name | Description | Recovered | Amount | Reference |
| 561.4 | Scheduling, System Control and Dispatch Services (ERRA) ^{b1} | ISO Grid Mgt | ERRA | \$ (2,887) | Page AH1; Col. (c); Line 36 |
| 561.8 | Reliability, Planning and Standards Development Services (ERRA) ^{b2} | ISO Grid Mgt | ERRA | (394) | Page AH1; Col. (c); Line 37 |
| 565 | Transmission of Electricity by Others (ERRA) ^(a) | Boardman | ERRA | (1,713) | Page AH1; Col. (c); Line 38 |
| 566 | Misc. Transmission Expenses: | | | | |
| 566.21 | ISO Grid Management Costs (ERRA) ^{b3} | ISO Grid Mgt | ERRA | (1,530) | Page AH1; Col. (a); Line 40 |
| 566.22 | Reliability Services (RS rates) ^{b4} | Reliability Services | RS | (2,420) | Page AH1; Col. (a); Line 41 |
| 566.23 | Other (TRBAA, TACBAA) ^{b5} | | | \$ 977 | Page AH1; Col. (a); Line 42 |
| Total Excluded Expenses | | | | \$ (7,967) | |
| (a) The exclusion for FERC Account 565 is the amount paid to Portland General Electric for transmission wheeling expenses from its Boardman plant. | | | | | |
| (b) Contains amounts recovered in TRBAA, TACBA, and ERRA (various CAISO charges) | | | | | |
| Footnote 2 | | | | | |
| The \$141K shown in column 2, line 15 represents non-direct O&M expenses billed to Citizens from September to December 2013 under cycle 2 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 as a basis to allocate Total O&M expenses to Citizens. | | | | | |
| Footnote 3 | | | | | |
| 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
4-Months True-Up (September 1, 2013 to December 31, 2013)
(In thousands of Dollars)

| Line No. | Description | A | B | C | D = Sum (A:C) | Line No. |
|----------|---|--|-----------------------------|-----------------|-----------------|-----------|
| 1 | | 4-Months Ending December 31, 2013 | | | | 1 |
| 2 | | Total | Citizens² | Excluded | Total | 2 |
| 3 | Administrative General | Per Books | Allocated Cost | Expenses | Adjusted | 3 |
| 4 | | | | | | 4 |
| 5 | 920 A&G Salaries | 11,490 | | - | 11,490 | 5 |
| 6 | 921 Office Supplies & Expenses | 5,335 | (70) | - | 5,265 | 6 |
| 7 | 922 Less Construction Transfer | (2,882) | | - | (2,882) | 7 |
| 8 | 923 Outside Services | 38,459 | | - | 38,459 | 8 |
| 9 | 924 Property Insurance | 2,629 | | (291) | 2,338 | 9 |
| 10 | 925 Damages & Injuries | 4,050 | | 46 | 4,096 | 10 |
| 11 | 925.4 Wildfire Damage Claims | 75,779 | | - | 75,779 | 11 |
| 12 | 925.4 Wildfire Ins Prem | 28,290 | | - | 28,290 | 12 |
| 13 | 926 Employee Pension & Benefits w/o POB | 20,435 | | (89) | 20,346 | 13 |
| 14 | 926 PBOP | 3,239 | | | 3,239 | 14 |
| 15 | 927 Franchise Expenses | 0 | | - | | 15 |
| 16 | 928 Regulatory Expenses | 6,964 | | (1,908) | 5,056 | 16 |
| 17 | 929 Company Energy Use | (650) | | - | (650) | 17 |
| 18 | 930 Misc. General Expenses | 4,388 | | (1,416) | 2,972 | 18 |
| 19 | 931 Rents | 2,691 | | (134) | 2,557 | 19 |
| 20 | 935 Maintenance of General Plant | 2,602 | | (15) | 2,587 | 20 |
| 21 | | | | | | 21 |
| 22 | Total | 202,819 | (70) | (3,807) | 198,942 | 22 |

| | | | | | | |
|----|--------------------------------------|--|--|-----------------------|----------------|-----------|
| 22 | | | | | | 22 |
| 23 | | | | | FERC | 23 |
| 24 | <u>Excluded Expenses¹</u> | | | <u>Current Year</u> | <u>Account</u> | 24 |
| 25 | Nuclear property insurance expenses | | | (291) | 924 | 25 |
| 26 | Nuclear liability insurance expenses | | | 65 | 925 | 26 |
| 27 | Wildfire Damage Claims | | | 0 | 925.4 | 27 |
| 28 | Wildfire Ins Premium | | | 0 | 925.4 | 28 |
| 29 | CPUC energy efficiency programs | | | (19) | 925 | 29 |
| 30 | CPUC energy efficiency programs | | | (89) | 926 | 30 |
| 31 | CPUC energy efficiency programs | | | (46) | 928 | 31 |
| 32 | Intervenor Compensation(SRA) | | | (296) | 928 | 32 |
| 33 | CPUC reimbursement fees | | | (1,557) | 928 | 33 |
| 34 | Litigation Expense (LCMA) | | | (9) | 928 | 34 |
| 35 | CPUC energy efficiency programs | | | (1,416) | 930 | 35 |
| 36 | AMI Lease Facilities | | | (39) | 931 | 36 |
| 37 | CPUC energy efficiency programs | | | (95) | 931 | 37 |
| 38 | Hazardous Substances | | | (15) | 935 | 38 |
| 39 | | | | | | 39 |
| 40 | Total Excluded Expenses | | | <u><u>(3,807)</u></u> | | 40 |

² Column B, Line 3 represents Non-Direct A&G expenses billed to Citizens during the 4 Months True-Up Period (September 1, 2013 through December 31, 2013) equal to (\$70,404) that is being credited back to derive Total 4-Months True-Up A&G Expenses (see AH4, Line 6).

| Citizen's Recorded Revenues | | | |
|--|---|-----------------------------|--------------------------------|
| 4 Months True-Up Period Ended December 31, 2013 | | | |
| (000's) | | | |
| | | A | |
| Ln | | Sep - Dec 2013 ¹ | Ln |
| No. | Allocation of Direct, Non-Direct O&M and A&G Expenses | Invoice | Comments |
| 1 | <u>A. Direct Maintenance Cost Component</u> | (32,888) | See AH4-A, Col. H, Line 3 1 |
| 2 | <u>B. Non-Direct Expense Cost Component</u> | | 2 |
| 3 | Transmission Operations Carry Charge Rate | 162,768 | See AH4-A, Col. H, Line 5 3 |
| 4 | Transmission Maintenance Carry Charge Rate | 10,805 | See AH4-A, Col. H, Line 6 4 |
| 5 | L1 + L3 + L4 | 140,685 ² | 5 |
| 6 | Transmission Related A&G Carry Charge Rate | (70,403) ³ | See AH4-A, Col. H, Line 7 6 |
| 1 | Column A reflects Citizens Cycle 2 Filing Allocated Cost which includes 6 month true-up adjustment, Docket No.ER13-1596-000, dated June 28, 2013. | | 1 |
| 2 | The O&M amounts are added back to transmission O&M to derive total system O&M costs to Citizens. | | 2 |
| 3 | The A&G amount are included to transmission A&G to derive total A&G expenses. | | 3 |

Citizens Direct Maintenance Work Order Report
September - December 2013

| Line No | Cost Elements | Amount |
|---------|--------------------------------------|------------------|
| 1 | 6110030 SAL-MGMT T&1/2 | 716.44 |
| 2 | 6110110 SAL-UNION S/T | 5,042.14 |
| 3 | 6110120 SAL-UNION T&1/2 | 1,284.58 |
| 4 | 6110130 SALARIES-UNION DOUBLE TIME | 1,388.94 |
| 5 | 6130011 EMP TRVL-INCIDENTALS | 5 |
| 6 | 6130013 EMP TRAVEL-PER DIEM | 600 |
| 7 | 6130015 EMP TRVL-MEALS/ENT | 83.21 |
| 8 | 6213085 MATL-MISCELLANEOUS | 5.39 |
| 9 | 6220850 SRV-VEH&EQUIP W/OPER | 7,250.00 |
| 10 | 6261050 VEHICLE UTILIZATION-LABOR | 572.98 |
| 11 | 6262050 VEHICLE UTILIZATION-NONLABOR | 6,340.30 |
| 12 | 9121100 V&S L (CS) | 1,109.39 |
| 13 | 9121200 ICP (Costing Sheet) | 200.07 |
| 14 | 9121400 PLPD L (CS) | 13.76 |
| 15 | 9121500 Wk Comp L (CS) | 6.05 |
| 16 | 9121600 Pension & Benefits - Labor | 7.7 |
| 17 | 9122300 PR Tax NL (CS) | 708.02 |
| 18 | 9122400 PLPD NL (CS) | 267.86 |
| 19 | 9122500 Wk Comp NL (CS) | 77.29 |
| 20 | 9122600 Pension & Benefit - NonLabor | 1,644.92 |
| 21 | 9122900 P&B REF NL (CS) | 765.03 |
| 22 | 9123100 VACATION & SICK (CL) | 18.16 |
| 23 | 9123200 ICP (CL) | 23.79 |
| 24 | 9123400 PUBLIAB PROPDAM L(CL) | 0.22 |
| 25 | 9123500 WK COMP-LABOR (CL) | 0.1 |
| 26 | 9123600 P&B L (CL) | 0.12 |
| 27 | 9124300 PAYROLL TAXES (CL) | 25.71 |
| 28 | 9124400 PUBLIAB PROPDAM NL(CL) | 4.38 |
| 29 | 9124500 WK COMP-NONLABOR (CL) | 1.25 |
| 30 | 9124600 P&B NL (CL) | 26.93 |
| 31 | 9124900 P&B REF NL (CL) | 12.53 |
| 32 | 9131150 Purchasing L (CS) | 32.65 |
| 33 | 9131700 Shop Order L (CS) | 23.15 |
| 34 | 9131850 Small Tools L (CS) | 69.44 |
| 35 | 9132150 Purchasing NL (CS) | 9.43 |
| 36 | 9132300 Exmpt Matl E NL (CS) | 0.16 |
| 37 | 9132700 Shop Order NL (CS) | 13.88 |
| 38 | 9132850 Small Tools NL (CS) | 266.19 |
| 39 | Total Direct Maintenance Cost | <u>28,617.16</u> |

Note: Used in Statement BK2- Section 1 (Direct Maintenance Cost Component)

San Diego Gas & Electric Company

True-Up Period Statement AI Wages and Salaries Workpaper

SAN DIEGO GAS AND ELECTRIC COMPANY
Statement AI - Workpapers
Wages and Salaries
4 - Months True-Up Period Ending December 31, 2013
(\$1,000)

| <u>Line No.</u> | <u>Amounts</u> | <u>Reference</u> | <u>Line No.</u> |
|-----------------|----------------|---------------------------------------|-----------------|
| 1 | \$ 3,822 | Stmt AI WP; Page AI1; Line 1 + Line 3 | 1 |
| 2 | | | 2 |
| 3 | 4,960 | Stmt AI WP; Page AI2; Col. 4; Line 31 | 3 |
| 4 | | | 4 |
| 5 | 2,336 | Stmt AI WP; Page AI2; Col. 4; Line 30 | 5 |
| 6 | | | 6 |
| 7 | 16,694 | Stmt AI WP; Page AI1; Line 5 | 7 |
| 8 | | | 8 |
| 9 | 7,420 | Stmt AI WP; Page AI1; Line 6 | 9 |
| 10 | | | 10 |
| 11 | 6,445 | Stmt AI WP; Page AI1; Line 7 | 11 |
| 12 | | | 12 |
| 13 | - | | 13 |
| 14 | | | 14 |
| 15 | \$ 41,677 | Sum Lines 1 thru 13 | 15 |
| 16 | | | 16 |
| 17 | 12,678 | Stmt AI WP; Page AI1; Line 9 | 17 |
| 18 | | | 18 |
| 19 | \$ 54,355 | Sum Lines 15; 17 | 19 |
| 20 | | | 20 |
| 21 | 11.90% | Line 3 / Line 15 | 21 |

¹ 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.

² 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 & Salaries Allocation Factor for Citizens.

| SAN DIEGO GAS AND ELECTRIC COMPANY | | | | |
|--|--|---------------------------------------|----------------------|-----------|
| STATEMENT AI | | | | |
| WAGES AND SALARIES | | | | |
| September 1, 2013 THROUGH December 31, 2013 | | | | |
| (\$1,000) | | | | |
| Line No. | Title | 9/01/2013-12/31/2013 (\$000's) | Line No. | |
| 1 | 500-514 Steam Production | \$ 1,728 | 1 | } \$3,822 |
| 2 | 517-532 Nuclear Production (See Note Below) | \$ - | 2 | |
| 3 | 535-557 Other Power Supply | \$ 2,094 | 3 | |
| 4 | 560-574 Transmission | \$ 7,296 | 4 | |
| 5 | 580-598 Distribution | \$ 16,694 | 5 | |
| 6 | 901E-905E Customer Accounts | \$ 7,420 | 6 | |
| 7 | 906E-910E Customer Service and Informational | \$ 6,445 | 7 | |
| 8 | 911E-917E Sales | \$ - | 8 | |
| 9 | 920E-935E Administrative and General | \$ 12,678 | 9 | |
| 10 | | | 10 | |
| 11 | | | 11 | |
| 12 | TOTAL | \$ 54,355 | 12 | |
| Note: | Although San Diego Gas and Electric Company owns part of the SONGS nuclear power plant, it is not the operating company for the plant. As a result, SDG&E incurs minimal direct labor for these facilities. | | | |
| 13 | | \$ 41,677 | ← Sum of line 1 to 8 | |

SDG&E
Transmission Wages & Salaries
For the 4-Month True-Up Period - September 1, 2013 to December 31, 2013

| | 1 | 2 | 3 | 4 | |
|-------------|---|----------------------|----------------------------------|---------------------|---|
| | | | | | Substation, Under- ground & Overhead |
| Line No. | FERC Account | Description | Amount | Labor Exclusions | Line No. |
| 1 | 560100E | ET OPERATION SUPV | 1,153,867.69 | | 1 |
| 2 | 560200E | ET OPER ENG | 369,170.68 | | 2 |
| 3 | 561100E | LOAD DISP - RELIAB | 111,622.97 | | 3 |
| 4 | 561200E | LOAD DISP - MONITOR | 772,335.24 | | 4 |
| 5 | 562000E | STA EXPENSES | 15,083.39 | 15,083.39 | 5 |
| 6 | 562100E | STA OPER EXPENSE | 189,420.18 | 189,420.18 | 6 |
| 7 | 563100E | OPER OVERHD LINES | 179,618.12 | | 7 |
| 8 | 563200E | ENCROACHMNTS O/H R/W | 16,739.84 | | 8 |
| 9 | 566000E | MISC TRANSM EXP | 1,556,323.40 | | 9 |
| 10 | 568100E | MAINT SUPV | 171,276.45 | | 10 |
| 11 | 569100E | MAINT OF PC HARDWARE | 330,820.32 | | 11 |
| 12 | 569200E | MAINT OF PC SOFTWARE | 279,296.63 | | 12 |
| 13 | 569400E | MAINT OF MISC TRNSMS | 1,306.06 | | 13 |
| 14 | 570000E | MAINT OF STA EQ | 153,824.98 | 153,824.98 | 14 |
| 15 | 570100E | MAINT STA EQ GENERAL | 883,285.14 | 883,285.14 | 15 |
| 16 | 570121E | RTU SUPERVISORY EQ | 111,842.79 | 111,842.79 | 16 |
| 17 | 570122E | TELEMETER SYS MAINT | 38,858.16 | 38,858.16 | 17 |
| 18 | 570200E | MNT STA EQ CLN TREAT | 68,206.06 | 68,206.06 | 18 |
| 19 | 570600E | MAINT STA EQUIP | 61,657.86 | 61,657.86 | 19 |
| 20 | 570700E | SAN ONOFRE SUBSTA | 11,159.65 | 11,159.65 | 20 |
| 21 | 571000E | MAINT/OH LINES | 233,016.44 | 233,016.44 | 21 |
| 22 | 571100E | MAINT OH LINES GENL | 336,395.74 | 336,395.74 | 22 |
| 23 | 571120E | TRNG IN HOTSTICK MNT | 8,645.60 | 8,645.60 | 23 |
| 24 | 571200E | MAINT/OH LINES-TREE | 28,762.22 | 28,762.22 | 24 |
| 25 | 571310E | MNT OH INSUL WASHING | 126,303.22 | 126,303.22 | 25 |
| 26 | 571700E | ACCESS&PTRL RD MAINT | 46,335.50 | 46,335.50 | 26 |
| 27 | 571960E | OH PREV MNT-ETM F/UP | (1,486.21) | (1,486.21) | 27 |
| 28 | 572000E | MAINT/UG LINES | 24,819.83 | 24,819.83 | 28 |
| 29 | 573000E | MAINT/MISC TRANSM | 17,932.81 | | 29 |
| 30 | Total Transmission Wages & Salaries | | 7,296,440.76 | 2,336,130.55 | 30 |
| 31 | Total Transmission Wages & Salaries Less: ¹ | | (Col.3, L30 - Col.4, L30) | 4,960,310 | 31 |
| | Substation, Underground and Overhead Maintenance Wages | | | | |
| 1 | Transmission Wages & Salaries excludes FERC Accounts 562, 570, 571, and 572 associated with substations, underground and overhead wages and salaries not applicable to Citizens. | | | | |

San Diego Gas & Electric Company

True-Up Period

Statement AJ

Depreciation and Amortization Expenses

Workpaper

SAN DIEGO GAS AND ELECTRIC COMPANY
Statement AJ - Workpapers
Depreciation and Amortization Expense
4 - Months True-Up Period Ending December 31, 2013
(\$1,000)

| <u>Line No.</u> | <u>Amounts</u> | <u>Reference</u> | <u>Line No.</u> |
|--------------------------------------|----------------|------------------------------|---------------------|
| 1 Common Plant Depreciation Expense | \$ 18,393 | Stmt AJ WP; Page AJ1; Line 1 | 1 |
| 2 | | | 2 |
| 3 General Plant Depreciation Expense | \$ 3,232 | Stmt AJ WP; Page AJ2; Line 1 | 3 |
| 4 | | | 4 |

**SAN DIEGO GAS & ELECTRIC COMPANY
STATEMENT AJ
DEPRECIATION AND AMORTIZATION EXPENSE
TRUE UP PERIOD - 9/1/2013 TO 12/31/2013 PER BOOK
(\$1,000)**

COMMON PLANT

| Line No. | Description | Total Common Expense to Electric Per Book | Reference From | Line No. |
|----------|---------------------------|---|----------------|----------|
| 1 | December 31, 2013 Expense | 18,393 | AJ1-Cwp1 | 1 |

**SAN DIEGO GAS & ELECTRIC COMPANY
STATEMENT AJ
DEPRECIATION AND AMORTIZATION EXPENSE
TRUE UP PERIOD - 9/1/2013 TO 12/31/2013 PER BOOK**

(\$1,000)

GENERAL PLANT

| Line No. | | FERC General Plant Expense | Reference From | Line No. |
|-------------|----------------------------------|-------------------------------------|-------------------|-------------|
| 1 | December 31, 2013 Expense | 3,232 | AJ1-Gwp1 | 1 |

San Diego Gas & Electric Company

True-Up Period

Statement AK

Taxes Other Than Income Taxes

Workpaper

SAN DIEGO GAS AND ELECTRIC COMPANY
Statement AK - Workpapers
Taxes Other Than Income Taxes
4 - Months True-Up Period Ending December 31, 2013
(\$1,000)

| Line No. | Amounts | Reference | Line No. |
|----------|-----------|------------------------------|----------|
| 1 | \$ 26,328 | | 1 |
| 2 | | | 2 |
| 3 | \$ (15) | | 3 |
| 4 | | | 4 |
| 5 | \$ 26,313 | Line 1 + Line 3 | 5 |
| 6 | | | 6 |
| 7 | \$ 125 | Stmt AK WP; Page AK1, Line 4 | 7 |
| 8 | | | 8 |
| 9 | \$ 26,438 | Line 5 + Line 7 | 9 |
| 10 | | | 10 |
| 11 | (1,792) | | 11 |
| 12 | | | 12 |
| 13 | \$ 24,646 | Line 9 + Line 11 | 13 |
| 14 | | | 14 |
| 15 | | | 15 |
| 16 | | | 16 |
| 17 | \$ 4,122 | | 17 |
| 18 | | | 18 |
| 19 | \$ 2 | Stmt AK WP; Page AK1, Line 2 | 19 |
| 20 | | | 20 |
| 21 | \$ 4,124 | Line 17 + Line 19 | 21 |
| 22 | | | 22 |
| 23 | 11.90% | Statement AI; Line 21 | 23 |
| 24 | | | 24 |
| 25 | \$ 491 | Line 21 x Line 23 | 25 |

¹ Line 7 represents the Property Taxes allocated and charged to Citizens during 4- Months (Sept-Dec 2013) true-up period equal to \$124,555 (see AK1, Line 4) that is added back to derive Total 4-Months (Sept- Dec 2013) Property Taxes.

² Line 11 reflects 4-Months (Sept-Dec 2013) true-up period property tax expense for SONGS Facilities equal to \$1.792 million.

³ Line 19 represents Payroll Taxes allocated and charged to Citizens during 4-Months (Sept- Dec 2013) true-up period equal to \$2,320 (see AK1, Line 2) that is added back to derive Total 4-Months (Sept-Dec 2013) Payroll Taxes.

| Citizens Recorded Revenues | | |
|---|---|---------------------------|
| 4 Months - True-Up Period (Sep - Dec 2013) | | |
| | | |
| | A | |
| | Total | |
| Ln | Sep - Dec 2013 | |
| No. | Invoice | Reference |
| Allocation of Payroll and Property Taxes to Citizens | | |
| 1 | | |
| B. Non-Direct Expense Cost Component | | |
| 2 | 2,320 | See WP- AK1-A, Col. G, L3 |
| Transmission Related Payroll Carry Charge Rate | | |
| 3 | | |
| C. Other Specific Cost Component | | |
| 4 | 124,555 | See WP- AK1-A, Col. G, L6 |
| Property Taxes | | |
| 1 | Column A reflects Citizens Cycle 2 Filing Allocated Cost, Docket No.ER13-1596-000, dated June 28, 2013. | |
| | | |
| | | |
| | | |
| | | |
| | | |
| | | |
| | | |

| | A | B | C | D | E | F | G | |
|--------------|---|--------------------------|--------------------------------|---------------------------|--|-------------------------------------|---|-----------------------|
| Ln | | 7/3/2012 | | | | | | |
| No. | Description | Prepaid Lease Amt | | | | F = C + D + E | G = F * 4 Months | Ln No. |
| 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 ¹ | | | | |
| | | C2 Carrying Charge Rates | Total C2 Annual Billing Amount | C2 Monthly Billing Amount | Allocation of C2 TUP (Over) / Under-collection | Alloc. Of Monthly Interest (204.67) | July 2013- May 2014 Monthly Journal Entries | Total Sept - Dec 2013 |
| 2 | Actual Billings to Citizens by Cost Component | | 39,320* .06% | C = B / 11 | | | | 2 |
| 3 | B. Non-Direct Expense by Cost Component | | | | | | | |
| 4 | Transmission Related Payroll Carry Charge Rate | 0.06% | 23,592 | 2,144.73 | (1,564.73) | (0.04) | 580 | 2,320 |
| 5 | C. Other Specific Cost Component | | | | | | | |
| 6 | Property Taxes | N/A | 255,608 | 23,237.13 | 7,926.27 | (24.69) | 31,139 | 124,555 |
| ¹ | Citizens Cycle 2 had a rate effective period of 11 months (June 2013 - May 2014) due to modification filing. | | | | | | | |
| ² | Col. G reflects Citizens Billing Invoice for Non-Direct O&M (Payroll Taxes) and Other Specific Cost Component (Property Taxes) for September - December 2013. | | | | | | | |
| | | | | | | | | |
| | | | | | | | | |
| | | | | | | | | |
| | | | | | | | | |

SAN DIEGO GAS AND ELECTRIC COMPANY
Statement AK
Taxes Other Than Income Taxes
4- Month True-Up Period Ending December 31, 2013
(\$1,000)

| Line No. | Amounts | Reference | Line No. |
|---|----------------------|--------------------------------|----------|
| 1 Total Property Taxes | \$ 26,438 | Stmnt AK WP; Page-AK; Line 9 | 1 |
| 2 | | | 2 |
| 3 SONGS Property Taxes | <u>(1,792)</u> | Stmnt AK WP; Page-AK; Line 11 | 3 |
| 4 | | | 4 |
| 5 Property Taxes Less SONGS | <u>\$ 24,646</u> | Line 1 + Line 3 | 5 |
| 6 | | | 6 |
| 7 | | | 7 |
| 8 <u>Derivation of Citizens Border-East Line Transmission Property Tax Allocation Factor:</u> | | | 8 |
| 9 | | | 9 |
| 10 Citizens Border-East Line (Ferc Acct No. 104) | <u>\$ 85,194</u> | Lease Agreement | 10 |
| 11 | | | 11 |
| 12 Total Nuclear Plant | \$ - | N/A in Ratio Development | 12 |
| 13 Total Steam Plant | 511,316 | Statement AD; Page AD; Line 3 | 13 |
| 14 Total Other Production Plant | 474,596 | Statement AD; Page AD; Line 9 | 14 |
| 15 Total Transmission plant ¹ | 3,808,552 | Statement AD; Page AD; Line 15 | 15 |
| 16 Total Miscellaneous Intangible Plant | 91,511 | Statement AD; Page AD; Line 1 | 16 |
| 17 Total Distribution plant | 5,171,968 | Statement AD; Page AD; Line 13 | 17 |
| 18 Total General Plant | 258,034 | Statement AD; Page AD; Line 21 | 18 |
| 19 Total Common Plant | <u>527,422</u> | Statement AD; Page AD; Line 23 | 19 |
| 20 Total Investment in Plant Excluding SONGS | <u>\$ 10,843,399</u> | Sum Lines (12:19) | 20 |
| 21 | | | 21 |
| 22 Citizens Border-East Line Property Tax Allocation Factor | <u>0.79%</u> | Line 10 / Line 20 | 22 |
| 23 | | | 23 |
| 24 Citizens Border-East Line Property Taxes Expense | <u>\$ 195</u> | Line 5 x Line 22 | 24 |
| 25 | | | 25 |
| 26 | | | 26 |

1. Total Transmission Plant amount includes \$85,194 of 5-Month weighted average of \$85,194 Citizens Lease Amount (see AD-6A).

| |
|---------------|
| 3,723,358 |
| <u>85,194</u> |
| 3,808,552 |

San Diego Gas & Electric Company

True-Up Period Statement AL Working Capital Workpaper

SAN DIEGO GAS AND ELECTRIC COMPANY
Statement AL - Workpapers
Working Capital
4 - Months True-Up Period Ending December 31, 2013
(\$1,000)

| Line No. | Working Cash | 13 Months Average Balance | Reference | Line No. |
|----------|--------------|---------------------------|--|----------|
| 1 | | \$ 62,157 | Stmnt AL WP; Page AL1; Line 9 | 1 |
| 2 | | | | 2 |
| 3 | | 36.09% | Stmnt AD WP; Page AD; Line 39 | 3 |
| 4 | | | | 4 |
| 5 | | \$ 22,432 | Line 1 x Line 3 | 5 |
| 6 | | | | 6 |
| 7 | | \$ 49,230 | Stmnt AL WP; Page AL2; Line 9 | 7 |
| 8 | | | | 8 |
| 9 | | \$ 17,767 | Line 3 x Line 7 | 9 |
| 10 | | | | 10 |
| 11 | | | | 11 |
| 12 | \$ 13,890 | | Stmnt AH; Pg AH2, Page 1 of 2; Col. 6; Line 34 | 12 |
| 13 | 24,244 | | Stmnt BK-Sec 2;Page 2 of 7; Col. D; Line 44 | 13 |
| 14 | - | | | 14 |
| 15 | \$ 38,134 | | Sum Lines 12 thru 14 | 15 |
| 16 | | | | 16 |
| 17 | 12.50% | | FERC Method = 1/8 of O&M Expense | 17 |
| 18 | | | | 18 |
| 19 | 37.50% | | 4 Month True-Up Factor = 45 days / (360 X 1/3) | 19 |
| 20 | | | | 20 |
| 21 | \$ 14,300 | | Line 15 x Line 19 | 21 |
| 22 | | | | 22 |

^a The balances for Materials & Supplies and Prepayments are derived based on a 5-month average balance.

^b The 12.5% Working Cash is based on a 45/360 days = 12.5%. To reflect a 4-Month working cash calculation, the following formula is used : 45 days / (360 days X 1/3) = 37.50%. Based upon this calculation, the 37.50% is used to calculate working cash requirement.

SAN DIEGO GAS AND ELECTRIC COMPANY
STATEMENT AL
WORKING CAPITAL
TRUE UP PERIOD - 9/1/2013 TO 12/31/2013 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 | Aug-13 | 58,497 | | 1 |
| 2 | Sep | 59,451 | | 2 |
| 3 | Oct | 60,018 | | 3 |
| 4 | Nov | 61,872 | | 4 |
| 5 | Dec-13 | 70,946 | | 5 |
| 6 | Total 5 Months | 310,784 | Sum (L1:L5) | 6 |
| 7 | | | | 7 |
| 8 | | | | 8 |
| 9 | 5-Month Average | 62,157 | L6 / 5 Months | 9 |

SAN DIEGO GAS AND ELECTRIC COMPANY
STATEMENT AL
WORKING CAPITAL
TRUE UP PERIOD - 9/1/2013 TO 12/31/2013 PER BOOKS
(\$1,000)

ACCOUNT 165 PREPAYMENTS - ELECTRIC

| Line No. | Month | Total Electric Plant Prepayments | | Line No. |
|----------|------------------------|----------------------------------|----------------------|----------|
| 1 | Aug-13 | 54,471 | | 1 |
| 2 | Sep | 55,370 | | 2 |
| 3 | Oct | 48,243 | | 3 |
| 4 | Nov | 43,381 | | 4 |
| 5 | Dec-13 | 44,685 | | 5 |
| 6 | Total 5 Months | 246,150 | Sum (L1:L5) | 6 |
| 7 | | | | 7 |
| 8 | | | | 8 |
| 9 | 5-Month Average | 49,230 | L6 / 5 Months | 9 |

San Diego Gas & Electric Company

True-Up Period

Statement AR

Federal Tax Adjustments

Workpaper

SAN DIEGO GAS AND ELECTRIC COMPANY
Statement AR - Workpapers
Federal Tax Adjustments
4 - Months True-Up Period Ending December 31, 2013
(\$1,000)

| <u>Line No.</u> | <u>Amounts</u> | <u>Reference</u> | <u>Line No.</u> |
|-----------------|-----------------|------------------|-----------------|
| 1 | \$ (88) | | 1 |
| 2 | | | 2 |
| 3 | <u>(101)</u> | | 3 |
| 4 | | | 4 |
| 5 | <u>\$ (189)</u> | Sum Lines 1; 3 | 5 |

San Diego Gas & Electric Company

True-Up Period

Statement AV

Cost of Capital and Fair Rate of Return

Workpaper

SAN DIEGO GAS AND ELECTRIC COMPANY
Statement AV - Workpapers
Cost of Capital and Fair Rate of Return
4 - Months True-Up Period Ending December 31, 2013
(\$1,000)

| Line No. | Amounts | Reference | Line No. | |
|----------|--|--|----------|----|
| 1 | Long-Term Debt Component - Denominator: | | 1 | |
| 2 | (Plus) Bonds (Acct. 221) (p112.Line18c) | \$ 3,926,855 | 2 | |
| 3 | (Less) Reacquired Bonds (Acct. 222) (p112.Line19c) | - | 3 | |
| 4 | (Plus) Other Long-Term Debt (Acct. 224) (p112.Line21c) | 123,900 | 4 | |
| 5 | (Plus) Unamortized Premium on Long-Term Debt (Acct 225) (p112.Line22c) | - | 5 | |
| 6 | (Less) Unamortized Discount on Long-Term Debt-Debit (Acct 226) (p112.Line23c) | 10,953 | 6 | |
| | | Line 2 Minus Line 3 Plus Lines 4 & 5 Minus Line 6 | | |
| 7 | LTD = Long Term Debt (p112, sum of Line17d thru Line22d, details on p256-257) | \$ 4,039,802 | 7 | |
| 8 | | | 8 | |
| 9 | Long-Term Debt Component - Numerator: | | 9 | |
| 10 | (Plus) Interest on Long-Term Debt (427) (p117.Line62c) | \$ 186,465 | 10 | |
| 11 | (Plus) Amort. of Debt Disc. and Expense (428) (p117.Line63c) | 3,084 | 11 | |
| 12 | (Plus) Amortization of Loss on Reacquired Debt (428.1) (p117.Line64c) | 2,537 | 12 | |
| 13 | (Less) Amort. of Premium on Debt-Credit (429) (p117.Line65c) | - | 13 | |
| 14 | (Less) Amortization of Gain on Reacquired Debt-Credit (429.1) (p117.Line66c) | - | 14 | |
| 15 | i = LTD interest (p117, sum of Line56c thru Line60c, details on p257)) | \$ 192,086 | 15 | |
| | | Sum Lines 10; 11; 12 Minus Lines 13 & 14 | | |
| 16 | | | 16 | |
| 17 | Cost of Long-Term Debt: | 4.75% | 17 | |
| 18 | | Line 15 / Line 7 | 18 | |
| 19 | Preferred Equity Component: | | 19 | |
| 20 | PF = Preferred Stock - Acct 204 (p112.3c) | \$ - | 20 | |
| 21 | d(pf) = Total Dividends Declared-Preferred Stocks (Acct. 437) (p118.29c) | \$ 1,205 | 21 | |
| 22 | Cost of Preferred Equity | 0.00% | 22 | |
| | | Line 21 / Line 20 | | |
| 23 | | | 23 | |
| 24 | Common Equity Component: | | 24 | |
| 25 | Proprietary Capital (p112.16c) | \$ 4,629,716 | 25 | |
| 26 | (Less) Preferred Stock - Acct 204 (p112.3c) | - | 26 | |
| 27 | (Less) Unappropriated Undistributed Subsidiary Earnings (Acct. 216.1) (p112.12c) | - | 27 | |
| 28 | (Less) Accumulated Other Comprehensive Income (Acct. 219) (p112.15c) | 9,010 | 28 | |
| 29 | CS = Common Stock | \$ 4,620,706 | 29 | |
| | | Line 25 Minus Lines 26, 27 & 28 | | |
| 30 | | | 30 | |
| 31 | Return on Common Equity: | 10.05% ³ | 31 | |
| 32 | | (d) = (b) x (c) | 32 | |
| 33 | | Weighted | 33 | |
| 34 | Weighted Cost of Capital: | Cost of Capital | 34 | |
| 35 | | | 35 | |
| 36 | Long-Term Debt | \$ 4,039,802 46.65% 4.75% | 2.22% | 36 |
| 37 | Preferred Equity | - 0.00% 0.00% | 0.00% | 37 |
| 38 | Common Equity | 4,620,706 53.35% 10.05% | 5.36% | 38 |
| 39 | Total Capital | \$ 8,660,508 100.00% | 7.58% | 39 |
| 40 | | | 40 | |
| 41 | Cost of Equity Component (Preferred & Common): | 5.36% | 41 | |
| 42 | | Sum Lines 37; 38; Col. (d) | 42 | |
| 43 | | | 43 | |
| 44 | Incentive Return on Common Equity: ² | 0.00% | 44 | |
| 45 | | (d) = (b) x (c) | 45 | |
| 46 | | Weighted | 46 | |
| 47 | Weighted Cost of Capital: | Cost of Capital | 47 | |
| 48 | | | 48 | |
| 49 | Long-Term Debt | \$ 4,039,802 46.65% 4.75% | 2.22% | 49 |
| 50 | Preferred Equity | - 0.00% 0.00% | 0.00% | 50 |
| 51 | Common Equity | 4,620,706 53.35% 0.00% | 0.00% | 51 |
| 52 | Total Capital | \$ 8,660,508 100.00% | 2.22% | 52 |
| 53 | | | 53 | |
| 54 | Incentive Cost of Equity Component (Preferred & Common): | 0.00% | 54 | |
| | | Sum Lines 50; 51; Col. (d) | | |

¹ Amount is based upon December 31 balances.

² 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.

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

⁴ Information from Statement AV is used in Statement BK2, 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
4 - Months True-Up Period Ending December 31, 2013
(\$1,000)

For Illustrative Purposes Only

| 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 |

¹ Line 8 - embedded in the Equity AFUDC Component of Transmission Depreciation Expense of \$4.3M is the Equity AFUDC of \$149.4K associated with the Citizens 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 2013 | | | | | |
| Applicable to the 2013 TO4-Cycle 2 Base Period ¹ | | | | | |
| For the 12-Month Period Ending December 31, 2013 | | | | | |
| (\$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 | \$ 41 | 2 |
| 3 | | | | | 3 |
| 4 | 2002 | 4,222 | 2,968 | 78 | 4 |
| 5 | | | | | 5 |
| 6 | 2003 | 3,164 | 2,260 | 59 | 6 |
| 7 | | | | | 7 |
| 8 | 2004 | 4,321 | 3,166 | 85 | 8 |
| 9 | | | | | 9 |
| 10 | 2005 | 3,307 | 2,404 | 74 | 10 |
| 11 | | | | | 11 |
| 12 | 2006 | 5,324 | 3,752 | 123 | 12 |
| 13 | | | | | 13 |
| 14 | 2007 | 8,514 | 6,122 | 168 | 14 |
| 15 | | | | | 15 |
| 16 | 2008 | 11,899 | 8,607 | 240 | 16 |
| 17 | | | | | 17 |
| 18 | 2009 | 3,991 | 2,925 | 92 | 18 |
| 19 | | | | | 19 |
| 20 | 2010 | 4,778 | 3,471 | 104 | 20 |
| 21 | | | | | 21 |
| 22 | 2011 | 4,756 | 3,398 | 98 | 22 |
| 23 | | | | | 23 |
| 24 | 2012 | 183,838 | 131,336 | 3,066 | 24 |
| 25 | | | | | 25 |
| 26 | 2013 | 9,999 | 7,188 | 99 | 26 |
| 27 | | | | | 27 |
| 28 | | | | | 28 |
| 29 | Total | \$ 250,266 | \$ 179,098 | \$ 4,325 | 29 |
| 30 | | | | | 30 |
| 31 | Citizens Adjustment | | | (149) | 31 |
| 32 | | | | | 32 |
| 33 | AFUDC Equity Depreciation Expense - Net of AFUDC Equity Depreciation Expense on Assets Leased to Citizens Sunrise | | | \$ 4,175 | 33 |
| 34 | | | | | 34 |
| 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. | | | | | |
| 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 29, reflects the total equity AFUDC component of transmission depreciation expense for the 2013 base period. | | | | | |
| ¹ | The \$4.175 million in Column D, Line 33, is also used to derive the 4-month True-up Adjustment, as it is pro-rated down to reflect a 4-month amount when the annual rate of return as shown in BK1, Page 1 of 6, line 24, is multiplied by 33.33% to reflect that this is only for a 4-month true-up cost of service. | | | | |

San Diego Gas & Electric Company

Derivation of 4-Month True-Up Period Transmission Rate Base

San Diego Gas & Electric Company
Derivation of End Use Transmission Rate Base
For the 4- Month True-Up Period Ending December 31, 2013
(\$1,000)

| Line No. | Amounts | Reference | Line No. |
|--|---------------------|---------------------------------------|----------|
| <u>A. Derivation of Transmission Rate Base:</u> | | | |
| 1 | | | 1 |
| <u>Net Transmission Plant:</u> | | | |
| 2 | \$ 3,152,404 | Page 2 of 2; Line 16 | 2 |
| 3 | 8,762 | Page 2 of 2; Line 17 | 3 |
| 4 | 18,573 | Page 2 of 2; Line 18 | 4 |
| 5 | 31,607 | Page 2 of 2; Line 19 | 5 |
| 6 | <u>\$ 3,211,346</u> | Sum Lines 2 thru 5 | 6 |
| 7 | | | 7 |
| 8 | | | 8 |
| <u>Rate Base Additions:</u> | | | |
| 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 |
| 13 | | | 13 |
| <u>Rate Base Reductions:</u> | | | |
| 14 | \$ (402,592) | Statement AF; Pg AF; Col. (c); Line 5 | 14 |
| 15 | - | Statement AF; Pg AF | 15 |
| 16 | <u>\$ (402,592)</u> | Sum Lines 14 thru 15 | 16 |
| 17 | | | 17 |
| 18 | | | 18 |
| <u>Working Capital:</u> | | | |
| 19 | \$ 22,432 | Statement AL; Pg AL; Line 5 | 19 |
| 20 | 17,767 | Statement AL; Pg AL; Line 9 | 20 |
| 21 | 14,300 | Statement AL; Pg AL; Line 21 | 21 |
| 22 | <u>\$ 54,499</u> | Sum Lines 19 thru 21 | 22 |
| 23 | | | 23 |
| 24 | - | Misc. Stmt; Pg Misc. Statement | 24 |
| 25 | | | 25 |
| 26 | <u>\$ 2,869,799</u> | Sum Lines 6; 11; 16; 22; 24 | 26 |
| 27 | | | 27 |
| <u>B. Incentive ROE Project Transmission Rate Base:</u> | | | |
| 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 |
| <u>C. Incentive Transmission Plant Abandoned Project Rate Base:</u> | | | |
| 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 | 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 4- Months True-Up Period Ending December 31, 2013
(\$1,000)

| Line No. | Amounts | Reference | Line No. |
|--|---------------------|------------------------------|----------|
| <u>A. Derivation of Net Transmission Plant:</u> | | | |
| 1 | | | 1 |
| <u>Gross Transmission Plant:</u> | | | |
| 2 | \$ 3,808,552 | Statement AD; Pg AD, Line 19 | 2 |
| 3 | 10,890 | Statement AD; Pg AD, Line 31 | 3 |
| 4 | 30,706 | Statement AD; Pg AD, Line 33 | 4 |
| 5 | 62,763 | Statement AD; Pg AD, Line 35 | 5 |
| 6 | <u>\$ 3,912,911</u> | Sum Lines 2 thru 5 | 6 |
| 7 | | | 7 |
| <u>Transmission Related Depreciation Reserve:</u> | | | |
| 8 | | | 8 |
| 9 | \$ 656,148 | Statement AE; Pg AE, Line 1 | 9 |
| 10 | 2,128 | Statement AE; Pg AE, Line 11 | 10 |
| 11 | 12,133 | Statement AE; Pg AE, Line 13 | 11 |
| 12 | 31,156 | Statement AE; Pg AE, Line 15 | 12 |
| 13 | <u>\$ 701,565</u> | Sum Lines 9 thru 12 | 13 |
| 14 | | | 14 |
| <u>Net Transmission Plant:</u> | | | |
| 15 | | | 15 |
| 16 | \$ 3,152,404 | Line 2 Minus Line 9 | 16 |
| 17 | 8,762 | Line 3 Minus Line 10 | 17 |
| 18 | 18,573 | Line 4 Minus Line 11 | 18 |
| 19 | 31,607 | Line 5 Minus Line 12 | 19 |
| 20 | <u>\$ 3,211,346</u> | Sum Lines 16 thru 19 | 20 |
| 21 | | | 21 |
| <u>B. Incentive Project Net Transmission Plant:</u> | | | |
| 22 | | | 22 |
| 23 | \$ - | Statement AD | 23 |
| 24 | - | Statement 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 4-Month True-Up Period Non-Deductibility of AFUDC Equity Allocated to Citizens'

Workpaper

| San Diego Gas & Electric Company | | | | |
|---|--|----------|--------------------------------|------|
| Calculation of Revenue Requirement for Non-Deductibility of AFUDC Equity | | | | |
| 4-Month True-Up Period (September 1, 2013 - December 31, 2013) | | | | |
| (\$1,000) | | | | |
| | | | | |
| Line | | | | Line |
| No. | Description | Amount | Reference | 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 | 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 | True-Up Adjustment Factor ¹ | 0.33 | Ratio = (4 Months / 12 Months) | 6 |
| 7 | True-Up Adjustment Depreciation on AFUDC Equity | 65.78 | L5 X L6 | 7 |
| 8 | Federal and State Combined Tax Rate | 40.746% | | 8 |
| 9 | Tax Cost of Non-Deductibility of AFUDC Equity | 26.802 | L7 X L8 | 9 |
| 10 | Gross up Factor | 1.680 | | 10 |
| 11 | Revenue Requirement | \$45.027 | L9 X L10 | 11 |
| 12 | | | | 12 |
| 13 | | | | 13 |
| 14 | | | | 14 |
| | | | | |
| | | | | |
| 1 | Citizens Non-Deductibility AFUDC Equity is multiplied by a factor of 0.33 to reflect that SDG&E is seeking a 4 month revenues. | | | |

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 ¹

4-Month True-Up Ending December 31, 2013

| 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% | 0.32% | 1.68% | 4 |
| 5 | E353.10 | Other | 2.20% | 1.32% | 3.52% | 5 |
| 6 | E353.20 | SWPL | 2.51% | 1.51% | 4.02% | 6 |
| 7 | E353.40 | CTC | 2.03% | 1.22% | 3.25% | 7 |
| 8 | E353.60 | SRPL | 2.01% | 0.00% | 2.01% | 8 |
| 9 | E353 | Station Equip | 2.20% | 1.00% | 3.20% | 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 | 1.46% | 0.24% | 1.70% | 13 |
| 14 | E355.10 | 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 | 2.33% | 2.26% | 4.59% | 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 | 1.57% | 1.10% | 2.67% | 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 | 1.69% | 0.36% | 2.05% | 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 | 1.98% | 0.07% | 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% | 0.70% | 2.52% | 33 |

¹ 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.

² SWPL = Southwest Powerlink

³ SRPL = Sunrise Powerlink

San Diego Gas & Electric Company

ATTACHMENT 6B - 4 MONTH TRUE-UP PERIOD COST STATEMENTS AND WORKPAPERS

Appendix X – TO3 Methodology

San Diego Gas & Electric Company

True-Up Period

Statement AD – Cost of Plant Workpaper

SAN DIEGO GAS AND ELECTRIC COMPANY
Statement AD - Workpapers
Cost of Plant
4 - Months True-Up Period (September 1, 2013 to December 31, 2013)
(\$1,000)

| Line No | (a) 31-Aug-13 | (b) 31-Dec-13 | (c) = [(a)+(b)]/2 Average Balance | Reference | Line No |
|---------|------------------|------------------|--------------------------------------|-------------------------------|---------|
| 1 | \$ 89,869 | \$ 93,154 | \$ 91,511 | Stmt AD WP; Page AD1; Line 3 | 1 |
| 2 | | | | | 2 |
| 3 | | | 511,316 | Stmt AD WP; Page AD2; Line 9 | 3 |
| 4 | | | | | 4 |
| 5 | | | - | Stmt AD WP; Page AD3; Line 9 | 5 |
| 6 | | | | | 6 |
| 7 | | | - | Stmt AD WP; Page AD | 7 |
| 8 | | | | | 8 |
| 9 | | | 474,596 | Stmt AD WP; Page AD4; Line 9 | 9 |
| 10 | | | | | 10 |
| 11 | | | \$ 1,077,423 | Sum Lines 1 thru 9 | 11 |
| 12 | | | | | 12 |
| 13 | 5,134,633 | 5,209,303 | 5,171,968 | Stmt AD WP; Page AD5; Line 3 | 13 |
| 14 | | | | | 14 |
| 15 | | | 3,808,552 | Stmt AD WP; Page AD6; Line 11 | 15 |
| 16 | | | | | 16 |
| 17 | | | - | Stmt AD WP; Page AD | 17 |
| 18 | | | | | 18 |
| 19 | | | 3,808,552 | Sum Lines 15 thru 17 | 19 |
| 20 | | | | | 20 |
| 21 | 249,111 | 266,956 | 258,034 | Stmt AD WP; Page AD7; Line 3 | 21 |
| 22 | | | | | 22 |
| 23 | 520,846 | 533,999 | 527,422 | Stmt AD WP; Page AD8; Line 3 | 23 |
| 24 | | | | | 24 |
| 25 | | | \$ 10,843,399 | Sum Lines 11; 13; 19; 21; 23 | 25 |
| 26 | | | | | 26 |
| 27 | | | 11.90% | Statement AI; Line 21 | 27 |
| 28 | | | | | 28 |
| 29 | | | \$ 3,808,552 | See Line 19 Above | 29 |
| 30 | | | | | 30 |
| 31 | | | 10,890 | Line 1 x Line 27 | 31 |
| 32 | | | | | 32 |
| 33 | | | 30,706 | Line 21 x Line 27 | 33 |
| 34 | | | | | 34 |
| 35 | | | 62,763 | Line 23 x Line 27 | 35 |
| 36 | | | | | 36 |
| 37 | | | \$ 3,912,911 | Sum Lines 29; 31; 33; 35 | 37 |
| 38 | | | | | 38 |
| 39 | | | 36.09% | Line 37 / Line 25 | 39 |

^a 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.

^b The balances for Steam, Nuclear, Hydraulic, Other Production, and Transmission plant are derived based on a 5-month average balance.

¹ 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.

² 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.

³ Indicate cost of Transmission Incentive Project.

⁴ Used to allocate all elements of working capital, other than working cash.

**SAN DIEGO GAS & ELECTRIC COMPANY
STATEMENT AD
COST OF PLANT
TRUE UP PERIOD - 9/1/2013 to 12/31/2013 PER BOOK**

(\$1,000)

INTANGIBLE PLANT

| Line No. | | Adjusted FERC Intangible Plant Balance | Reference From | Line No. |
|----------|----------------------------------|--|----------------|----------|
| 1 | Aug-13 | 89,869 | I-wp2 | 1 |
| 2 | Dec-13 | 93,154 | I-wp1 | 2 |
| 3 | Beginning and End Period Average | 91,511 | Sum (L1:L2)/2 | 3 |

**SAN DIEGO GAS & ELECTRIC COMPANY
STATEMENT AD
COST OF PLANT
TRUE UP PERIOD - 9/1/2013 to 12/31/2013 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 | Aug-13 | 493,709 | " | 507,982 | " | 1 |
| 2 | Sep | 492,101 | " | 506,375 | " | 2 |
| 3 | Oct | 496,705 | " | 510,978 | " | 3 |
| 4 | Nov | 497,582 | " | 511,856 | " | 4 |
| 5 | Dec-13 | 505,116 | SP-wp1 | 519,390 | SP-wp1 | 5 |
| 6 | Total 5 Months | 2,485,214 | | 2,556,581 | Sum (L1:L5) | 6 |
| 7 | | | | | | 7 |
| 8 | | | | | | 8 |
| 9 | 5-Month Average | 497,043 | | 511,316 | L6 / 5 Months | 9 |

Column 2 represents the monthly ratemaking plant balances for the true-up 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 No. 888: Seven - Element Adjustment Factor.

**SAN DIEGO GAS & ELECTRIC COMPANY
STATEMENT AD
COST OF PLANT
TRUE UP PERIOD - 9/1/2013 to 12/31/2013 PER BOOK
(\$1,000)**

NUCLEAR PRODUCTION ^A

| Line No. | Month | (1) Total Nuclear Production Per Book | Reference From | (2) Nuclear Production Adjusted Book | Reference From | Line No. |
|----------|------------------------|---|-------------------|---|-------------------|----------|
| 1 | Aug-13 | - | " | - | " | 1 |
| 2 | Sep | - | " | - | " | 2 |
| 3 | Oct | - | " | - | " | 3 |
| 4 | Nov | - | " | - | " | 4 |
| 5 | Dec-13 | - | NP-wp1 | - | NP-wp1 | 5 |
| 6 | Total 5 Months | - | | - | | 6 |
| 7 | | | | | | 7 |
| 8 | | | | | | 8 |
| 9 | 5-Month Average | - | | - | | 9 |

A - SONGS was retired in June 2013.

**SAN DIEGO GAS & ELECTRIC COMPANY
STATEMENT AD
COST OF PLANT
TRUE UP PERIOD - 9/1/2013 to 12/31/2013 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 | Aug-13 | 512,782 | " | 473,564 | " | 1 |
| 2 | Sep | 513,046 | " | 473,647 | " | 2 |
| 3 | Oct | 513,136 | " | 473,737 | " | 3 |
| 4 | Nov | 514,151 | " | 473,916 | " | 4 |
| 5 | Dec-13 | 518,525 | OP-wp1 | 478,117 | OP-wp1 | 5 |
| 6 | Total 5 Months | 2,571,640 | | 2,372,981 | Sum (L1:L5) | 6 |
| 7 | | | | | | 7 |
| 8 | | | | | | 8 |
| 9 | 5-Month Average | 514,328 | | 474,596 | L6 / 5 Months | 9 |

Column 2 represents the monthly ratemaking plant balances for the true-up 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 No. 888: Seven - Element Adjustment Factor.

**SAN DIEGO GAS & ELECTRIC COMPANY
STATEMENT AD
COST OF PLANT
TRUE UP PERIOD - 9/1/2013 to 12/31/2013 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 | Aug-13 | 5,055,255 | D-wp2 | 5,134,633 | D-wp2 | 1 |
| 2 | Dec-13 | 5,127,373 | D-wp1 | 5,209,303 | D-wp1 | 2 |
| 3 | Beginning and End Period Average | 5,091,314 | | 5,171,968 | Sum (L1:L2)/2 | 3 |

Column 2 represents the monthly ratemaking plant balances for the true-up 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 No. 888: Seven - Element Adjustment Factor.

SAN DIEGO GAS & ELECTRIC COMPANY
STATEMENT AD
COST OF PLANT
TRUE UP PERIOD - 9/1/2013 to 12/31/2013 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 | Aug-13 | 3,733,359 | " | 3,679,149 | " | 1 |
| 2 | Sep | 3,752,076 | " | 3,698,036 | " | 2 |
| 3 | Oct | 3,763,436 | " | 3,708,854 | " | 3 |
| 4 | Nov | 3,802,096 | " | 3,746,801 | " | 4 |
| 5 | Dec-13 | 3,839,521 | See AD9 | 3,783,949 | See AD9 | 5 |
| 6 | Total 5 Months | 18,890,489 | | 18,616,789 | Sum (L1:L5) | 6 |
| 7 | | | | | | 7 |
| 8 | | | | | | 8 |
| 9 | 5-Month Average | 3,778,098 | | 3,723,358 | L6 / 5 Months | 9 |
| 10 | Citizens weighted average lease amount not included above | | | <u>85,194</u> | See AD-6A | 10 |
| 11 | Total Transmission Plant Cost Average Balance | | | <u><u>3,808,552</u></u> | L9 + L10 | 11 |

Column 2 represents the monthly ratemaking plant balances for the true-up 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 No. 888: Seven - Element Adjustment Factor.

**SAN DIEGO GAS & ELECTRIC COMPANY
STATEMENT AD
COST OF PLANT
TRUE UP PERIOD - 9/1/2013 to 12/31/2013 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 | Aug-13 | | " | 85,194 | " | 1 |
| 2 | Sep | | " | 85,194 | " | 2 |
| 3 | Oct | | " | 85,194 | " | 3 |
| 4 | Nov | | " | 85,194 | " | 4 |
| 5 | Dec-13 | | T-wp1 | 85,194 | T-wp1 | 5 |
| 6 | Total 5 Months | | | 425,970 | Sum (L1:L5) | 6 |
| 7 | | | | | | 7 |
| 8 | | | | | | 8 |
| 9 | 5-Month Average | | | 85,194 | Line 6 / 5 Months | 9 |

Column 2, Line 9 represents a 5 month weighted average of \$85,194 Citizens Lease Amount for the term of service.

**SAN DIEGO GAS & ELECTRIC COMPANY
STATEMENT AD
COST OF PLANT
TRUE UP PERIOD - 9/1/2013 to 12/31/2013 PER BOOK**

(\$1,000)

GENERAL PLANT

| Line No. | | Adjusted FERC General Plant Balance | Reference From | Line No. |
|----------|----------------------------------|---|-------------------|----------|
| 1 | Aug-13 | 249,111 | G-wp2 | 1 |
| 2 | Dec-13 | 266,956 | G-wp1 | 2 |
| 3 | Beginning and End Period Average | 258,034 | Sum (L1:L2)/2 | 3 |

**SAN DIEGO GAS & ELECTRIC COMPANY
 STATEMENT AD
 COST OF PLANT
 TRUE UP PERIOD - 9/1/2013 to 12/31/2013 PER BOOK
 (\$1,000)**

COMMON PLANT

| Line No. | Month | Total Common Plant to Electric Per Book | Reference From | Line No. |
|----------|----------------------------------|---|----------------|----------|
| 1 | Aug-13 | 520,846 | C-wp2 | 1 |
| 2 | Dec-13 | 533,999 | C-wp1 | 2 |
| 3 | Beginning and End Period Average | 527,422 | Sum (L1:L2)/2 | 3 |

**SDG&E
TRANSMISSION FUNCTIONALIZATION STUDY**

**DERIVATION OF TRANSMISSION RELATED PLANT DOLLARS
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 | TOTAL | TRANSMISSION RELATED | - | 4 | 4,659 | - | - | - | - | 4,664 | 6 |
| 7 | 350.0 | Land & Land Rights | 188,318 | - | - | - | - | - | (5,659) | 182,660 | 7 |
| 8 | 352.0 | Structures & Improvements | 268,634 | - | - | (1,928) | - | - | (36,371) | 230,335 | 8 |
| 9 | 353.0 | Station Equipment | 961,835 | - | - | (10,619) | (1,420) | - | (2,513) | 947,282 | 9 |
| 10 | 354.0 | Towers and Fixtures | 846,138 | - | - | - | - | - | - | 846,138 | 10 |
| 11 | 355.0 | Poles and Fixtures | 297,939 | - | - | - | - | - | - | 297,939 | 11 |
| 12 | 356.0 | OH Conductors and Device | 489,096 | - | - | - | - | - | - | 489,096 | 12 |
| 13 | 357.0 | Underground Conduit | 245,528 | - | - | - | - | - | - | 245,528 | 13 |
| 14 | 358.0 | UG Conductors & Devices | 280,882 | - | - | (1,726) | - | - | - | 279,156 | 14 |
| 15 | 359.0 | Roads & Trails | 261,150 | - | - | - | - | - | - | 261,150 | 15 |
| 16 | TOTAL | TRANSMISSION PLANT | 3,839,521 | - | - | (14,273) | (1,420) | - | (44,543) | 3,779,285 | 16 |
| 17 | GRAND TOTAL RECLASS TRANS PLANT | | 3,839,521 | 4 | 4,659 | (14,273) | (1,420) | - | (44,543) | 3,783,949 | 17 |

San Diego Gas & Electric Company

True-Up Period

Statement AE - Accumulated Depreciation and Amortization Workpaper

SAN DIEGO GAS AND ELECTRIC COMPANY
Statement AE - Workpapers
Accumulated Depreciation and Amortization
4 - Months True-Up Period (September 1, 2013 to December 31, 2013)
(\$1,000)

| Line No | (a) 31-Aug-13 | (b) 31-Dec-13 | (c) = [(a)+(b)]/2 Average Balance | Reference | Line No |
|---------|------------------|------------------|--------------------------------------|-------------------------------|---------|
| 1 | | | \$ 656,148 | Stmt AE WP; Page AE1; Line 11 | 1 |
| 2 | | | | | 2 |
| 3 | \$ 15,776 | \$ 19,994 | 17,885 | Stmt AE WP; Page AE2; Line 3 | 3 |
| 4 | | | | | 4 |
| 5 | 100,374 | 103,539 | 101,957 | Stmt AE WP; Page AE3; Line 3 | 5 |
| 6 | | | | | 6 |
| 7 | 253,011 | 270,623 | 261,817 | Stmt AE WP; Page AE4; Line 3 | 7 |
| 8 | | | | | 8 |
| 9 | | | 11.90% | Statement AI; Line 21 | 9 |
| 10 | | | | | 10 |
| 11 | | | \$ 2,128 | Line 3 x Line 9 | 11 |
| 12 | | | | | 12 |
| 13 | | | \$ 12,133 | Line 5 x Line 9 | 13 |
| 14 | | | | | 14 |
| 15 | | | 31,156 | Line 7 x Line 9 | 15 |
| 16 | | | | | 16 |
| 17 | | | \$ 701,565 | Sum Lines 1; 11; 13; 15 | 17 |
| 18 | | | | | 18 |
| 19 | | | \$ - | Stmt AE WP; Page AE | 19 |

^a The depreciation reserve for transmission plant is derived based on a 5-month average balance.

^b The depreciation reserve for Electric Miscellaneous Intangible, General and Common plant is derived based on a simple average of beginning and end of year balances.

¹ 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.

² 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.

³ Indicates Depreciation Reserve of a Transmission Incentive Plant Project.

**SAN DIEGO GAS & ELECTRIC COMPANY
STATEMENT AE
ACCUMULATED DEPRECIATION AND AMORTIZATION
TRUE UP PERIOD - 9/1/2013 to 12/31/2013 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 | Aug-13 | 652,994 | " | 640,470 | " | 1 |
| 2 | Sep | 662,187 | " | 649,712 | " | 2 |
| 3 | Oct | 670,293 | " | 657,717 | " | 3 |
| 4 | Nov | 678,694 | " | 666,013 | " | 4 |
| 5 | Dec-13 | 679,574 | T-wp1 | 666,808 | T-wp1 | 5 |
| 6 | Total 5 Months | 3,343,741 | | 3,280,720 | Sum (L1:L5) | 6 |
| 7 | | | | | | 7 |
| 8 | | | | | | 8 |
| 9 | 5-Month Average | 668,748 | | 656,144 | Line 6 / 5 Months | 9 |
| 10 | Citizens weighted average accumulated depreciation not included above. | | | <u>4</u> | See AE-1A, Line 9 | 10 |
| 11 | Total Transmission Plant Accum. Deprec. Average Bal. | | | <u><u>656,148</u></u> | L9 + L10 | 11 |

Column 2 represents the monthly ratemaking depreciation reserve balances for the true-up 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
TRUE UP PERIOD - 9/1/2013 to 12/31/2013 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 | Aug-13 | 4 | " | 4 | " | 1 |
| 2 | Sep | 4 | " | 4 | " | 2 |
| 3 | Oct | 4 | " | 4 | " | 3 |
| 4 | Nov | 5 | " | 5 | " | 4 |
| 5 | Dec-13 | 5 | T-wp1 | 5 | T-wp1 | 5 |
| 6 | Total 5 Months | 22 | | 22 | Sum (L1:L5) | 6 |
| 7 | | | | | | 7 |
| 8 | | | | | | 8 |
| 9 | 5-Month Average | 4 | | 4 | Line 6 / 5 Months | 9 |

Column (2), Line 9 represents the 5 month weighted average of Citizens Border East Line accumulated depreciation and amortization.

**SAN DIEGO GAS & ELECTRIC COMPANY
STATEMENT AE
ACCUMULATED DEPRECIATION AND AMORTIZATION
TRUE UP PERIOD - 9/1/2013 to 12/31/2013 PER BOOK**

(\$1,000)

INTANGIBLE PLANT

| Line No. | | Adjusted FERC Intangible Plant Balance | Reference From | Line No. |
|----------|----------------------------------|--|----------------|----------|
| 1 | Aug-13 | 15,776 | I-wp2 | 1 |
| 2 | Dec-13 | 19,994 | I-wp1 | 2 |
| 3 | Beginning and End Period Average | 17,885 | Sum(L1:L2) / 2 | 3 |

**SAN DIEGO GAS & ELECTRIC COMPANY
STATEMENT AE
ACCUMULATED DEPRECIATION AND AMORTIZATION
TRUE UP PERIOD - 9/1/2013 to 12/31/2013 PER BOOK**

(\$1,000)

GENERAL PLANT

| Line No. | | Adjusted FERC General Reserve Balance | Reference From | Line No. |
|----------|--------------------------------|---|-------------------|----------|
| 1 | Aug-13 | 100,374 | G-wp2 | 1 |
| 2 | Dec-13 | 103,539 | G-wp1 | 2 |
| 3 | Beginning and Year End Average | 101,957 | Sum(L1:L2) / 2 | 3 |

**SAN DIEGO GAS & ELECTRIC COMPANY
STATEMENT AE
ACCUMULATED DEPRECIATION AND AMORTIZATION
TRUE UP PERIOD - 9/1/2013 to 12/31/2013 PER BOOK
(\$1,000)**

COMMON PLANT

| Line No. | Month | Total Common Reserves to Electric Per Book | Reference From | Line No. |
|----------|--------------------------------|--|----------------|----------|
| 1 | Aug-13 | 253,011 | C-wp2 | 1 |
| 2 | Dec-13 | 270,623 | C-wp1 | 2 |
| 3 | Beginning and Year End Average | 261,817 | Sum(L1:L2) / 2 | 3 |

San Diego Gas & Electric Company

True-Up Period

Statement AF - Accumulated Depreciation and Amortization Workpaper

SAN DIEGO GAS AND ELECTRIC COMPANY
Statement AF - Workpapers
Deferred Credits
4 - Months True-Up Period (September 1, 2013 to December 31, 2013)
(\$1,000)

| <u>Line No</u> | <u>(a)</u> <u>1-Sep-13</u> | <u>(b)</u> <u>31-Dec-13</u> | <u>(c) = [(a)+(b)]/2</u> <u>Average Balance</u> | <u>Reference</u> | <u>Line No</u> |
|--|-------------------------------|--------------------------------|--|-----------------------|----------------|
| 1 Allocated General and Common ADIT | \$ (13,373) | \$ (18,774) | \$ (16,073) | | 1 |
| 2 | | | | | 2 |
| 3 | | | - | | 3 |
| 4 | | | | | 4 |
| 5 Total General/Common Transmission Related ADIT | <u>\$ (13,373)</u> | <u>\$ (18,774)</u> | <u>\$ (16,073)</u> | Sum of Lines 1 thru 3 | 5 |
| 6 | | | | | 6 |

Page AF is utilized in Statement BK2- Section 2, Page 4, Part B - Derivation of Gen and Cmn Plant ADIT Revenue Carrying Charge Percentage.

**Citizens Income Accumulated Deferred Income Tax Comparison
With and Without Bonus Depreciation
4 Month True-Up Period September 1, 2013 to December 31, 2013
1,000's**

| | | 9/1/2013 | | | | 12/31/2013 | | | | |
|----------|-------------------------------------|--------------|--------------|------------|----------------|--------------|--------------|------------|----------------|----------|
| Line No. | Description | Federal ADTL | Federal ADTA | State ADIT | Net ADIT | Federal ADTL | Federal ADTA | State ADIT | Net ADIT | Line No. |
| 1 | Sunrise With Bonus D | (450,753) | 320,603 | (3,552) | (133,702) | (450,243) | 311,919 | (3,294) | (141,618) | 1 |
| 2 | | | | | | | | | | 2 |
| 3 | Sunrise Without Bonus D | (43,146) | - | (3,552) | (46,698) | (57,193) | 0 | (3,294) | (60,487) | 3 |
| 4 | | | | | | | | | | 4 |
| 5 | Difference With and Without Bonus D | (407,607) | 320,603 | - | (87,004) | (393,050) | 311,919 | - | (81,131) | 5 |
| 6 | | | | | | | | | | 6 |
| 7 | | | | | | | | | | 7 |
| 8 | | | | | | | | | | 8 |
| 9 | Citizens With Bonus D | (25,836) | 17,078 | (117) | (8,874) | (24,944) | 15,287 | (138) | (9,795) | 9 |
| 10 | | | | | | | | | | 10 |
| 11 | Citizens Without Bonus D | (2,127) | - | (117) | (2,244) | (2,730) | | (138) | (2,868) | 11 |
| 12 | | | | | | | | | | 12 |
| 13 | Difference With and Without Bonus D | (23,709) | 17,078 | - | (6,630) | (22,214) | 15,287 | - | (6,927) | 13 |

1 Page AF1 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

Prepared by T. Williams
Reviewed by R. Rose

San Diego Gas & Electric Company

True-Up Period

Statement AH

Operations and Maintenance

Expenses

Workpaper

SAN DIEGO GAS AND ELECTRIC COMPANY
Statement AH - Workpapers
Derivation of Transmission Plant Property Insurance Allocation Factor
4 - Months True-Up Period (September 1, 2013 to December 31, 2013)
(\$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 |

¹ Used to allocate property insurance in conformance with TO3 Formula.

SAN DIEGO GAS AND ELECTRIC COMPANY
Electric Transmission O&M Expenses
For 4-Month True-Up Adjustment
September 1, 2013 to December 31, 2013
(\$1,000)

| Line No. | FERC Acct | Description | (a) Total Per Books | (b) Citizens ¹ 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 | \$ 2,537 | | \$ - | \$ 2,537 | | 2 |
| 3 | 561.1 | Load Dispatch - Reliability | 150 | | - | 150 | | 3 |
| 4 | 561.2 | Load Dispatch - Monitor and Operate Transmission System | 3,282 | | - | 3,282 | | 4 |
| 5 | 561.3 | Load Dispatch - Transmission Service and Scheduling | - | | - | - | | 5 |
| 6 | 561.4 | Scheduling, System Control and Dispatch Services | 2,887 | | (2,887) | - | | 6 |
| 7 | 561.5 | Reliability, Planning and Standards Development | - | | - | - | | 7 |
| 8 | 561.6 | Transmission Service Studies | - | | - | - | | 8 |
| 9 | 561.7 | Generation Interconnection Studies | - | | - | - | | 9 |
| 10 | 561.8 | Reliability, Planning and Standards Development Services | 394 | | (394) | - | | 10 |
| 11 | 562 | Station Expenses | 535 | | - | 535 | | 11 |
| 12 | 563 | Overhead Line Expenses | 775 | | - | 775 | | 12 |
| 13 | 564 | Underground Line Expenses | - | | - | - | | 13 |
| 14 | 565 | Transmission of Electricity by Others | 1,713 | | (1,713) | - | | 14 |
| 15 | 566 | Miscellaneous Transmission Expenses | 7,475 | 141 | (2,973) | 4,643 | | 15 |
| 16 | 567 | Rents | 717 | | - | 717 | | 16 |
| 17 | | <i>Total Operation</i> | \$ 20,465 | \$ 141 | \$ (7,967) | \$ 12,639 | Sum Lines 2 thru 16 | 17 |
| 18 | | <u>Electric Transmission Maintenance</u> | | | | | | 18 |
| 19 | | | | | | | | 19 |
| 20 | 568 | Maintenance Supervision and Engineering | 268 | | - | 268 | | 20 |
| 21 | 569 | Maintenance of Structures | - | | - | - | | 21 |
| 22 | 569.1 | Maintenance of Computer Hardware | 604 | | - | 604 | | 22 |
| 23 | 569.2 | Maintenance of Computer Software | 878 | | - | 878 | | 23 |
| 24 | 569.3 | Maintenance of Communication Equipment | - | | - | - | | 24 |
| 25 | 569.4 | Maintenance of Miscellaneous Regional Transmission Plant | 11 | | - | 11 | | 25 |
| 26 | 570 | Maintenance of Station Equipment | 2,226 | | - | 2,226 | | 26 |
| 27 | 571 | Maintenance of Overhead Lines | 10,120 | | - | 10,120 | | 27 |
| 28 | 572 | Maintenance of Underground Lines | 47 | | - | 47 | | 28 |
| 29 | 573 | Maintenance of Miscellaneous Transmission Plant | 25 | | - | 25 | | 29 |
| 30 | | <i>Total Maintenance</i> | \$ 14,179 | \$ - | \$ - | \$ 14,179 | Sum Lines 20 thru 29 | 30 |
| 31 | | | | | | | | 31 |
| 32 | | Total Transmission O&M Expenses | \$ 34,644 | \$ 141 | \$ (7,967) | \$ 26,818 | Line 17 + Line 30 | 32 |
| 33 | | | | | | | | 33 |
| 34 | | | | | | | | 34 |
| 35 | | <u>Excluded Expenses (recovery method in parentheses)</u> | | | | | | 35 |
| 36 | 561.4 | Scheduling, System Control and Dispatch Services (ERRA) | | | \$ (2,887) | | | 36 |
| 37 | 561.8 | Reliability, Planning and Standards Development Services (ERRA) | | | (394) | | | 37 |
| 38 | 565 | Transmission of Electricity by Others (ERRA) | | | (1,713) | | | 38 |
| 39 | 566 | Miscellaneous Transmission Expenses: | | | | | | 39 |
| 40 | | ISO Grid Management Costs (ERRA) | \$ 1,530 | | | | | 40 |
| 41 | | Reliability Services (RS rates) | 2,420 | | | | | 41 |
| 42 | | Other (TRBAA, TACBA) | (977) | | (2,973) | | | 42 |
| 43 | | Total Excluded Expenses | | | \$ (7,967) | | | 43 |
| 44 | | | | | | | | 44 |

¹ Column B, Line 15 represents Non-Direct O&M expenses billed to Citizens during 4-months (September 1 - December 31, 2013) True-Up Period equal to \$140,684 (see AH4, line 5) that is added back to derive Total 4-Months True-Up O&M expenses.

SDG&E Transmission O&M Expenses
4 Months Ending December 31, 2013
(\$1,000)

| | | 1 | 2 | 3 | 4 | 5 | 6 | | | |
|----------|-----------|--|-----------------------|-----------------------|-------------------|------------------------|-------------------|------------------|--------------------------------------|----------|
| | | | | | sum (col.1:col.3) | | = col. 4 + col. 5 | | | |
| | | 4- Months | | | | Less: | Formula | | | |
| | | Sep- Dec 2013 | Citizens ² | Excluded ¹ | Total | Trans O&M ³ | Adjusted | | | |
| Line No. | FERC Acct | Description | O&M | Allocated Costs | Expenses | Adjusted | Adjustments | Transmission O&M | Reference | Line No. |
| 1 | | Electric Transmission Operation | | | | | | | | 1 |
| 2 | 560 | Operation Supervision and Engineering | \$ 2,537 | | \$ - | \$ 2,537 | | \$ 2,537 | Col. 6 = Stmt AH1; Col. (d); Line 2 | 2 |
| 3 | 561.1 | Load Dispatch - Reliability | 150 | | - | 150 | | 150 | Col. 6 = Stmt AH1; Col. (d); Line 3 | 3 |
| 4 | 561.2 | Load Dispatch - Monitor and Operate Transmission System | 3,282 | | - | 3,282 | | 3,282 | Col. 6 = Stmt AH1; Col. (d); Line 4 | 4 |
| 5 | 561.3 | Load Dispatch - Transmission Service and Scheduling | - | | - | - | | 0 | Col. 6 = Stmt AH1; Col. (d); Line 5 | 5 |
| 6 | 561.4 | Scheduling, System Control and Dispatch Services | 2,887 | | (2,887) | - | | 0 | Col. 6 = Stmt AH1; Col. (d); Line 6 | 6 |
| 7 | 561.5 | Reliability, Planning and Standards Development | - | | - | - | | 0 | Col. 6 = Stmt AH1; Col. (d); Line 7 | 7 |
| 8 | 561.6 | Transmission Service Studies | - | | - | - | | 0 | Col. 6 = Stmt AH1; Col. (d); Line 8 | 8 |
| 9 | 561.7 | Generation Interconnection Studies | - | | - | - | | 0 | Col. 6 = Stmt AH1; Col. (d); Line 9 | 9 |
| 10 | 561.8 | Reliability, Planning and Standards Development Services | 394 | | (394) | - | | 0 | Col. 6 = Stmt AH1; Col. (d); Line 10 | 10 |
| 11 | 562 | Station Expenses | 535 | | - | 535 | (535) | 0 | Col. 4 = Stmt AH1; Col. (d); Line 11 | 11 |
| 12 | 563 | Overhead Line Expenses | 775 | | - | 775 | | 775 | Col. 6 = Stmt AH1; Col. (d); Line 12 | 12 |
| 13 | 564 | Underground Line Expenses | - | | - | - | | 0 | Col. 6 = Stmt AH1; Col. (d); Line 13 | 13 |
| 14 | 565 | Transmission of Electricity by Others | 1,713 | | (1,713) | - | | 0 | Col. 6 = Stmt AH1; Col. (d); Line 14 | 14 |
| 15 | 566 | Misc. Transmission Expenses | 7,475 | 141 | (2,973) | 4,643 | | 4,643 | Col. 6 = Stmt AH1; Col. (d); Line 15 | 15 |
| 16 | 567 | Rents | 717 | | - | 717 | | 717 | Col. 6 = Stmt AH1; Col. (d); Line 16 | 16 |
| 17 | | Total Transmission Operation | \$ 20,465 | \$ 141 | \$ (7,967) | \$ 12,639 | \$ (535) | \$ 12,104 | Sum Lines 2 thru 16 | 17 |
| 18 | | | | | | | | | | 18 |
| 19 | | Reconciles to Page AH1; Col. (d); Line 17 | | | | | | | | 19 |
| 20 | | | | | | | | | | 20 |
| 21 | | Electric Transmission Maintenance | | | | | | | | 21 |
| 22 | 568 | Maintenance Supervision and Engineering | 268 | | - | 268 | | 268 | Col. 6 = Stmt AH1; Col. (d); Line 20 | 22 |
| 23 | 569 | Maintenance of Structures | - | | - | - | - | - | Col. 4 = Stmt AH1; Col. (d); Line 21 | 23 |
| 24 | 569.1 | Maintenance of Computer Hardware | 604 | | - | 604 | | 604 | Col. 6 = Stmt AH1; Col. (d); Line 22 | 24 |
| 25 | 569.2 | Maintenance of Computer Software | 878 | | - | 878 | | 878 | Col. 6 = Stmt AH1; Col. (d); Line 23 | 25 |
| 26 | 569.3 | Maintenance of Communication Equipment | - | | - | - | | - | Col. 6 = Stmt AH1; Col. (d); Line 24 | 26 |
| 27 | 569.4 | Maintenance of Misc. Regional Transmission Plant | 11 | | - | 11 | | 11 | Col. 6 = Stmt AH1; Col. (d); Line 25 | 27 |
| 28 | 570 | Maintenance of Station Equipment | 2,226 | | - | 2,226 | (2,226) | - | Col. 4 = Stmt AH1; Col. (d); Line 26 | 28 |
| 29 | 571 | Maintenance of Overhead Lines | 10,120 | | - | 10,120 | (10,120) | - | Col. 4 = Stmt AH1; Col. (d); Line 27 | 29 |
| 30 | 572 | Maintenance of Underground Lines | 47 | | - | 47 | (47) | - | Col. 4 = Stmt AH1; Col. (d); Line 28 | 30 |
| 31 | 573 | Maintenance of Misc. Transmission Plant | 25 | | - | 25 | | 25 | Col. 6 = Stmt AH1; Col. (d); Line 29 | 31 |
| 32 | | Total Transmission Maintenance | \$ 14,179 | \$ - | \$ - | \$ 14,179 | \$ (12,393) | \$ 1,786 | Sum Lines 22 thru 31 | 32 |
| 33 | | | | | | | | | | 33 |
| 34 | | Total Adjusted Transmission O&M Expenses | \$ 34,644 | \$ 141 | \$ (7,967) | \$ 26,818 | \$ (12,928) | \$ 13,890 | Line 17 + Line 32 | 34 |
| 35 | | | | | | | | | | 35 |
| 36 | | | | | | | | | | 36 |
| 37 | | Reconciles to Page AH1; Col. (d); Line 32 | | | | | | | | 37 |
| 38 | | | | | | | | | | 38 |
| 39 | | | | | | | | | | 39 |

| | | | | | |
|--|---|----------------------|------------------------|-------------------|-----------------------------|
| Footnote 1 | | | | | |
| Column 3 - Amounts Excluded From Formula Rate Recovery | | | | | |
| FERC No | Name | Description | Where Recovered | Amount | Reference |
| 561.4 | Scheduling, System Control and Dispatch Services (ERRA) ^{b1} | ISO Grid Mgt | ERRA | \$ (2,887) | Page AH1; Col. (c); Line 36 |
| 561.8 | Reliability, Planning and Standards Development Services (ERRA) ^{b2} | ISO Grid Mgt | ERRA | (394) | Page AH1; Col. (c); Line 37 |
| 565 | Transmission of Electricity by Others (ERRA) ^(a) | Boardman | ERRA | (1,713) | Page AH1; Col. (c); Line 38 |
| 566 | Misc. Transmission Expenses: | | | | |
| 566.21 | ISO Grid Management Costs (ERRA) ^{b3} | ISO Grid Mgt | ERRA | (1,530) | Page AH1; Col. (a); Line 40 |
| 566.22 | Reliability Services (RS rates) ^{b4} | Reliability Services | RS | (2,420) | Page AH1; Col. (a); Line 41 |
| 566.23 | Other (TRBAA, TACBAA) ^{b5} | | | \$ 977 | Page AH1; Col. (a); Line 42 |
| Total Excluded Expenses | | | | \$ (7,967) | |
| (a) The exclusion for FERC Account 565 is the amount paid to Portland General Electric for transmission wheeling expenses from its Boardman plant. | | | | | |
| (b) Contains amounts recovered in TRBAA, TACBA, and ERRA (various CAISO charges) | | | | | |
| Footnote 2 | | | | | |
| The \$141K shown in column 2, line 15 represents non-direct O&M expenses billed to Citizens from September to December 2013 under cycle 2 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 as a basis to allocate Total O&M expenses to Citizens. | | | | | |
| Footnote 3 | | | | | |
| 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
4-Months True-Up (September 1, 2013 to December 31, 2013)
(In thousands of Dollars)

| Line No. | Description | A | B | C | D = Sum (A:C) | Line No. |
|----------|---|--|-----------------------------|-----------------|-----------------|-----------|
| 1 | | 4-Months Ending December 31, 2013 | | | | 1 |
| 2 | | Total | Citizens² | Excluded | Total | 2 |
| 3 | Administrative General | Per Books | Allocated Cost | Expenses | Adjusted | 3 |
| 4 | | | | | | 4 |
| 5 | 920 A&G Salaries | 11,490 | | - | 11,490 | 5 |
| 6 | 921 Office Supplies & Expenses | 5,335 | (70) | - | 5,265 | 6 |
| 7 | 922 Less Construction Transfer | (2,882) | | - | (2,882) | 7 |
| 8 | 923 Outside Services | 38,459 | | - | 38,459 | 8 |
| 9 | 924 Property Insurance | 2,629 | | (291) | 2,338 | 9 |
| 10 | 925 Damages & Injuries | 4,050 | | 46 | 4,096 | 10 |
| 11 | 925.4 Wildfire Damage Claims | 75,779 | | - | 75,779 | 11 |
| 12 | 925.4 Wildfire Ins Prem | 28,290 | | - | 28,290 | 12 |
| 13 | 926 Employee Pension & Benefits w/o POB | 20,435 | | (89) | 20,346 | 13 |
| 14 | 926 PBOP | 3,239 | | | 3,239 | 14 |
| 15 | 927 Franchise Expenses | 0 | | - | | 15 |
| 16 | 928 Regulatory Expenses | 6,964 | | (1,908) | 5,056 | 16 |
| 17 | 929 Company Energy Use | (650) | | - | (650) | 17 |
| 18 | 930 Misc. General Expenses | 4,388 | | (1,416) | 2,972 | 18 |
| 19 | 931 Rents | 2,691 | | (134) | 2,557 | 19 |
| 20 | 935 Maintenance of General Plant | 2,602 | | (15) | 2,587 | 20 |
| 21 | | | | | | 21 |
| 22 | Total | 202,819 | (70) | (3,807) | 198,942 | 22 |

| | | | | | | |
|----|--------------------------------------|--|--|-----------------------|----------------|-----------|
| 22 | | | | | | 22 |
| 23 | | | | | FERC | 23 |
| 24 | <u>Excluded Expenses¹</u> | | | <u>Current Year</u> | <u>Account</u> | 24 |
| 25 | Nuclear property insurance expenses | | | (291) | 924 | 25 |
| 26 | Nuclear liability insurance expenses | | | 65 | 925 | 26 |
| 27 | Wildfire Damage Claims | | | 0 | 925.4 | 27 |
| 28 | Wildfire Ins Premium | | | 0 | 925.4 | 28 |
| 29 | CPUC energy efficiency programs | | | (19) | 925 | 29 |
| 30 | CPUC energy efficiency programs | | | (89) | 926 | 30 |
| 31 | CPUC energy efficiency programs | | | (46) | 928 | 31 |
| 32 | Intervenor Compensation(SRA) | | | (296) | 928 | 32 |
| 33 | CPUC reimbursement fees | | | (1,557) | 928 | 33 |
| 34 | Litigation Expense (LCMA) | | | (9) | 928 | 34 |
| 35 | CPUC energy efficiency programs | | | (1,416) | 930 | 35 |
| 36 | AMI Lease Facilities | | | (39) | 931 | 36 |
| 37 | CPUC energy efficiency programs | | | (95) | 931 | 37 |
| 38 | Hazardous Substances | | | (15) | 935 | 38 |
| 39 | | | | | | 39 |
| 40 | Total Excluded Expenses | | | <u><u>(3,807)</u></u> | | 40 |

² Column B, Line 3 represents Non-Direct A&G expenses billed to Citizens during the 4 Months True-Up Period (September 1, 2013 through December 31, 2013) equal to (\$70,404) that is being credited back to derive Total 4-Months True-Up A&G Expenses (see AH4, Line 6).

| Citizen's Recorded Revenues | | | |
|--|---|------------------------------------|----------------------------------|
| 4 Months True-Up Period Ended December 31, 2013 | | | |
| (000's) | | | |
| | | A | |
| Ln | | Sep - Dec 2013 ¹ | Ln |
| No. | Allocation of Direct, Non-Direct O&M and A&G Expenses | Invoice | Comments |
| 1 | <u>A. Direct Maintenance Cost Component</u> | (32,888) | See AH4-A, Col. H, Line 3 |
| 2 | <u>B. Non-Direct Expense Cost Component</u> | | 2 |
| 3 | Transmission Operations Carry Charge Rate | 162,768 | See AH4-A, Col. H, Line 5 |
| 4 | Transmission Maintenance Carry Charge Rate | 10,805 | See AH4-A, Col. H, Line 6 |
| 5 | L1 + L3 + L4 | 140,685 ² | 5 |
| 6 | Transmission Related A&G Carry Charge Rate | (70,403) ³ | See AH4-A, Col. H, Line 7 |
| 1 | Column A reflects Citizens Cycle 2 Filing Allocated Cost which includes 6 month true-up adjustment, | | 1 |
| | Docket No.ER13-1596-000, dated June 28, 2013. | | |
| 2 | The O&M amounts are added back to transmission O&M to derive total system O&M costs to Citizens. | | 2 |
| 3 | The A&G amount are included to transmission A&G to derive total A&G expenses. | | 3 |

| | A | B | C | D | E | F | G | H | |
|------------|---|----------|------------------|------------|-----------------|-----------|---------------------------------|-------------------------|------------|
| | | | 7/3/2012 | | | | | | |
| Ln | | | Prepaid | | | | Col. D + Col. E + Col. F | H = G * 4 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 | Sept - Dec 2013 | 2 |
| 3 | <u>A. Direct Maintenance Expense Cost Component</u> | | - | - | (8,221.95) | - | (8,222) | (32,888) | 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 | 162,768 | 5 |
| 6 | Transmission Maintenance Carry Charge Rate | 0.17% | 66,844 | 6,076.73 | (3,375.21) | (0.14) | 2,701 | 10,805 | 6 |
| 7 | Transmission Related A&G Carry Charge Rate | 1.27% | 499,364 | 45,396.73 | (62,997.65) | 0.27 | (17,601) | (70,403) | 7 |
| | | | | | | | | | |
| | | | | | | | | | |
| | Col. H reflects Citizens Billing Invoice for Direct Maintenance and Non-Direct O&M and A&G Expenses from September - December 2013. | | | | | | | | |

Citizens Direct Maintenance Work Order Report
September - December 2013

| Line No | Cost Elements | Amount |
|---------|--------------------------------------|------------------|
| 1 | 6110030 SAL-MGMT T&1/2 | 716.44 |
| 2 | 6110110 SAL-UNION S/T | 5,042.14 |
| 3 | 6110120 SAL-UNION T&1/2 | 1,284.58 |
| 4 | 6110130 SALARIES-UNION DOUBLE TIME | 1,388.94 |
| 5 | 6130011 EMP TRVL-INCIDENTALS | 5 |
| 6 | 6130013 EMP TRAVEL-PER DIEM | 600 |
| 7 | 6130015 EMP TRVL-MEALS/ENT | 83.21 |
| 8 | 6213085 MATL-MISCELLANEOUS | 5.39 |
| 9 | 6220850 SRV-VEH&EQUIP W/OPER | 7,250.00 |
| 10 | 6261050 VEHICLE UTILIZATION-LABOR | 572.98 |
| 11 | 6262050 VEHICLE UTILIZATION-NONLABOR | 6,340.30 |
| 12 | 9121100 V&S L (CS) | 1,109.39 |
| 13 | 9121200 ICP (Costing Sheet) | 200.07 |
| 14 | 9121400 PLPD L (CS) | 13.76 |
| 15 | 9121500 Wk Comp L (CS) | 6.05 |
| 16 | 9121600 Pension & Benefits - Labor | 7.7 |
| 17 | 9122300 PR Tax NL (CS) | 708.02 |
| 18 | 9122400 PLPD NL (CS) | 267.86 |
| 19 | 9122500 Wk Comp NL (CS) | 77.29 |
| 20 | 9122600 Pension & Benefit - NonLabor | 1,644.92 |
| 21 | 9122900 P&B REF NL (CS) | 765.03 |
| 22 | 9123100 VACATION & SICK (CL) | 18.16 |
| 23 | 9123200 ICP (CL) | 23.79 |
| 24 | 9123400 PUBLIAB PROPDAM L(CL) | 0.22 |
| 25 | 9123500 WK COMP-LABOR (CL) | 0.1 |
| 26 | 9123600 P&B L (CL) | 0.12 |
| 27 | 9124300 PAYROLL TAXES (CL) | 25.71 |
| 28 | 9124400 PUBLIAB PROPDAM NL(CL) | 4.38 |
| 29 | 9124500 WK COMP-NONLABOR (CL) | 1.25 |
| 30 | 9124600 P&B NL (CL) | 26.93 |
| 31 | 9124900 P&B REF NL (CL) | 12.53 |
| 32 | 9131150 Purchasing L (CS) | 32.65 |
| 33 | 9131700 Shop Order L (CS) | 23.15 |
| 34 | 9131850 Small Tools L (CS) | 69.44 |
| 35 | 9132150 Purchasing NL (CS) | 9.43 |
| 36 | 9132300 Exmpt Matl E NL (CS) | 0.16 |
| 37 | 9132700 Shop Order NL (CS) | 13.88 |
| 38 | 9132850 Small Tools NL (CS) | 266.19 |
| 39 | Total Direct Maintenance Cost | <u>28,617.16</u> |

Note: Used in Statement BK2- Section 1 (Direct Maintenance Cost Component)

San Diego Gas & Electric Company

True-Up Period Statement AI Wages and Salaries Workpaper

SAN DIEGO GAS AND ELECTRIC COMPANY
Statement AI - Workpapers
Wages and Salaries
4 - Months True-Up Period (September 1, 2013 to December 31, 2013)
(\$1,000)

| Line No. | | Amounts | Reference | Line No. |
|----------|---|-----------|---------------------------------------|----------|
| 1 | Production Wages & Salaries (Includes Steam & Other Power Supply) | \$ 3,822 | Stmt AI WP; Page AI1; Line 1 + Line 3 | 1 |
| 2 | | | | 2 |
| 3 | Transmission Wages & Salaries ¹ | 4,960 | Stmt AI WP; Page AI2; Col. 4; Line 31 | 3 |
| 4 | | | | 4 |
| 5 | Transmission Wages & Salaries ² | 2,336 | Stmt AI WP; Page AI2; Col. 4; Line 30 | 5 |
| 6 | | | | 6 |
| 7 | Distribution Wages & Salaries | 16,694 | Stmt AI WP; Page AI1; Line 5 | 7 |
| 8 | | | | 8 |
| 9 | Customer Accounts Wages & Salaries | 7,420 | Stmt AI WP; Page AI1; Line 6 | 9 |
| 10 | | | | 10 |
| 11 | Customer Services and Informational Wages & Salaries | 6,445 | Stmt AI WP; Page AI1; Line 7 | 11 |
| 12 | | | | 12 |
| 13 | Sales Wages & Salaries | - | | 13 |
| 14 | | | | 14 |
| 15 | Sub-Total | \$ 41,677 | Sum Lines 1 thru 13 | 15 |
| 16 | | | | 16 |
| 17 | Administrative and General Wages & Salaries | 12,678 | Stmt AI WP; Page AI1; Line 9 | 17 |
| 18 | | | | 18 |
| 19 | Total Operating & Maintenance Wages & Salaries | \$ 54,355 | Sum Lines 15; 17 | 19 |
| 20 | | | | 20 |
| 21 | Transmission Wages and Salaries Allocation Factor for Citizens | 11.90% | Line 3 / Line 15 | 21 |

¹ 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.

² 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 & Salaries Allocation Factor for Citizens.

| SAN DIEGO GAS AND ELECTRIC COMPANY | | | | | |
|--|-----------|--|---------------------------------------|----------------------|---------|
| STATEMENT AI | | | | | |
| WAGES AND SALARIES | | | | | |
| September 1, 2013 THROUGH December 31, 2013 | | | | | |
| (\$1,000) | | | | | |
| Line No. | | Title | 9/01/2013-12/31/2013 (\$000's) | Line No. | |
| 1 | 500-514 | Steam Production | \$ 1,728 | 1 | \$3,822 |
| 2 | 517-532 | Nuclear Production (See Note Below) | \$ - | 2 | |
| 3 | 535-557 | Other Power Supply | \$ 2,094 | 3 | |
| 4 | 560-574 | Transmission | \$ 7,296 | 4 | |
| 5 | 580-598 | Distribution | \$ 16,694 | 5 | |
| 6 | 901E-905E | Customer Accounts | \$ 7,420 | 6 | |
| 7 | 906E-910E | Customer Service and Informational | \$ 6,445 | 7 | |
| 8 | 911E-917E | Sales | \$ - | 8 | |
| 9 | 920E-935E | Administrative and General | \$ 12,678 | 9 | |
| 10 | | | | 10 | |
| 11 | | | | 11 | |
| 12 | | TOTAL | \$ 54,355 | 12 | |
| Note: | | Although San Diego Gas and Electric Company owns part of the SONGS nuclear power plant, it is not the operating company for the plant. As a result, SDG&E incurs minimal direct labor for these facilities. | | | |
| 13 | | | \$ 41,677 | ← Sum of line 1 to 8 | |

SDG&E
Transmission Wages & Salaries
For the 4-Month True-Up Period - September 1, 2013 to December 31, 2013

| | 1 | 2 | 3 | 4 | |
|----------|--|----------------------|---------------------------|---|----------|
| Line No. | FERC Account | Description | Amount | Substation, Underground & Overhead Labor Exclusions | Line No. |
| 1 | 560100E | ET OPERATION SUPV | 1,153,867.69 | | 1 |
| 2 | 560200E | ET OPER ENG | 369,170.68 | | 2 |
| 3 | 561100E | LOAD DISP - RELIAB | 111,622.97 | | 3 |
| 4 | 561200E | LOAD DISP - MONITOR | 772,335.24 | | 4 |
| 5 | 562000E | STA EXPENSES | 15,083.39 | 15,083.39 | 5 |
| 6 | 562100E | STA OPER EXPENSE | 189,420.18 | 189,420.18 | 6 |
| 7 | 563100E | OPER OVERHD LINES | 179,618.12 | | 7 |
| 8 | 563200E | ENCROACHMNTS O/H R/W | 16,739.84 | | 8 |
| 9 | 566000E | MISC TRANSM EXP | 1,556,323.40 | | 9 |
| 10 | 568100E | MAINT SUPV | 171,276.45 | | 10 |
| 11 | 569100E | MAINT OF PC HARDWARE | 330,820.32 | | 11 |
| 12 | 569200E | MAINT OF PC SOFTWARE | 279,296.63 | | 12 |
| 13 | 569400E | MAINT OF MISC TRNSMS | 1,306.06 | | 13 |
| 14 | 570000E | MAINT OF STA EQ | 153,824.98 | 153,824.98 | 14 |
| 15 | 570100E | MAINT STA EQ GENERAL | 883,285.14 | 883,285.14 | 15 |
| 16 | 570121E | RTU SUPERVISORY EQ | 111,842.79 | 111,842.79 | 16 |
| 17 | 570122E | TELEMETER SYS MAINT | 38,858.16 | 38,858.16 | 17 |
| 18 | 570200E | MNT STA EQ CLN TREAT | 68,206.06 | 68,206.06 | 18 |
| 19 | 570600E | MAINT STA EQUIP | 61,657.86 | 61,657.86 | 19 |
| 20 | 570700E | SAN ONOFRE SUBSTA | 11,159.65 | 11,159.65 | 20 |
| 21 | 571000E | MAINT/OH LINES | 233,016.44 | 233,016.44 | 21 |
| 22 | 571100E | MAINT OH LINES GENL | 336,395.74 | 336,395.74 | 22 |
| 23 | 571120E | TRNG IN HOTSTICK MNT | 8,645.60 | 8,645.60 | 23 |
| 24 | 571200E | MAINT/OH LINES-TREE | 28,762.22 | 28,762.22 | 24 |
| 25 | 571310E | MNT OH INSUL WASHING | 126,303.22 | 126,303.22 | 25 |
| 26 | 571700E | ACCESS&PTRL RD MAINT | 46,335.50 | 46,335.50 | 26 |
| 27 | 571960E | OH PREV MNT-ETM F/UP | (1,486.21) | (1,486.21) | 27 |
| 28 | 572000E | MAINT/UG LINES | 24,819.83 | 24,819.83 | 28 |
| 29 | 573000E | MAINT/MISC TRANSM | 17,932.81 | | 29 |
| 30 | Total Transmission Wages & Salaries | | 7,296,440.76 | 2,336,130.55 | 30 |
| 31 | Total Transmission Wages & Salaries Less: ¹ | | (Col.3, L30 - Col.4, L30) | 4,960,310 | 31 |
| | Substation, Underground and Overhead Maintenance Wages | | | | |
| 1 | Transmission Wages & Salaries excludes FERC Accounts 562, 570, 571, and 572 associated with substations, underground and overhead wages and salaries not applicable to Citizens. | | | | |

San Diego Gas & Electric Company

True-Up Period

Statement AJ

Depreciation and Amortization Expenses Workpaper

SAN DIEGO GAS AND ELECTRIC COMPANY
Statement AJ - Workpapers
Depreciation and Amortization Expense
4 - Months True-Up Period (September 1, 2013 to December 31, 2013)
(\$1,000)

| <u>Line No.</u> | <u>Amounts</u> | <u>Reference</u> | <u>Line No.</u> |
|--------------------------------------|----------------|------------------------------|-----------------|
| 1 Common Plant Depreciation Expense | \$ 18,393 | Stmt AJ WP; Page AJ1; Line 1 | 1 |
| 2 | | | 2 |
| 3 General Plant Depreciation Expense | \$ 3,232 | Stmt AJ WP; Page AJ2; Line 1 | 3 |
| 4 | | | 4 |

SAN DIEGO GAS & ELECTRIC COMPANY
STATEMENT AJ
DEPRECIATION AND AMORTIZATION EXPENSE
TRUE UP PERIOD - 9/1/2013 TO 12/31/2013 PER BOOK
(\$1,000)

COMMON PLANT

| Line No. | Description | Total Common Expense to Electric Per Book | Reference From | Line No. |
|-------------|---------------------------|--|-------------------|-------------|
| 1 | December 31, 2013 Expense | 18,393 | AJ1-Cwp1 | 1 |

**SAN DIEGO GAS & ELECTRIC COMPANY
STATEMENT AJ
DEPRECIATION AND AMORTIZATION EXPENSE
TRUE UP PERIOD - 9/1/2013 TO 12/31/2013 PER BOOK**

(\$1,000)

GENERAL PLANT

| Line No. | | FERC General Plant Expense | Reference From | Line No. |
|-------------|---------------------------|-------------------------------------|-------------------|-------------|
| 1 | December 31, 2013 Expense | 3,232 | AJ1-Gwp1 | 1 |

San Diego Gas & Electric Company

True-Up Period

Statement AK

Taxes Other Than Income Taxes

Workpaper

SAN DIEGO GAS AND ELECTRIC COMPANY
Statement AK - Workpapers
Taxes Other Than Income Taxes
4 - Months True-Up Period (September 1, 2013 to December 31, 2013)
(\$1,000)

| Line No. | Amounts | Reference | Line No. |
|--|-------------------------|------------------------------|----------|
| 1 Total Property Taxes | \$ 26,328 | | 1 |
| 2 | | | 2 |
| 3 Less: Other Taxes (Business License Taxes) | <u>\$ (15)</u> | | 3 |
| 4 | | | 4 |
| 5 Net Property Taxes | \$ 26,313 | Line 1 + Line 3 | 5 |
| 6 | | | 6 |
| 7 Add: Citizens Allocated Portion of Property Taxes ¹ | <u>\$ 125</u> | Stmt AK WP; Page AK1, Line 4 | 7 |
| 8 | | | 8 |
| 9 Adjusted Property Taxes | \$ 26,438 | Line 5 + Line 7 | 9 |
| 10 | | | 10 |
| 11 Less: SONGS Property Taxes ² | <u>(1,792)</u> | | 11 |
| 12 | | | 12 |
| 13 Total Property Taxes Expense (Less SONGS) | <u><u>\$ 24,646</u></u> | Line 9 + Line 11 | 13 |
| 14 | | | 14 |
| 15 | | | 15 |
| 16 | | | 16 |
| 17 Total Payroll Taxes Expense | \$ 4,122 | | 17 |
| 18 | | | 18 |
| 19 Add: Citizens Allocated Portion of Payroll Taxes ³ | <u>\$ 2</u> | Stmt AK WP; Page AK1, Line 2 | 19 |
| 20 | | | 20 |
| 21 Total Transmission Payroll Tax Expense | \$ 4,124 | Line 17 + Line 19 | 21 |
| 22 | | | 22 |
| 23 Transmission Wages and Salaries Allocation Factor | <u>11.90%</u> | Statement AI; Line 21 | 23 |
| 24 | | | 24 |
| 25 Transmission Related Payroll Taxes Expense | <u><u>\$ 491</u></u> | Line 21 x Line 23 | 25 |

¹ Line 7 represents the Property Taxes allocated and charged to Citizens during 4- Months (Sept-Dec 2013) true-up period equal to \$124,555 (see AK1, line 4) that is added back to derive Total 4-Months (Sept- Dec 2013) Property Taxes.

² Line 11 reflects 4-Months (Sept-Dec 2013) true-up period property tax expense for SONGS Facilities equal to \$1.792 million.

³ Line 19 represents Payroll Taxes allocated and charged to Citizens during 4-Months (Sept- Dec 2013) true-up period equal to \$2,320 (see AK1, line 2) that is added back to derive Total 4-Months (Sept-Dec 2013) Payroll Taxes.

| Citizens Recorded Revenues | | | |
|--|---|----------------|---------------------------|
| 4 Months - True-Up Period (Sep - Dec 2013) | | | |
| Ln | | A | |
| | | Total | |
| | | Sep - Dec 2013 | |
| No. | Allocation of Payroll and Property Taxes to Citizens | Invoice | Reference |
| 1 | <u>B. Non-Direct Expense Cost Component</u> | | |
| 2 | Transmission Related Payroll Carry Charge Rate | 2,320 | See WP- AK1-A, Col. G, L3 |
| 3 | <u>C. Other Specific Cost Component</u> | | |
| 4 | Property Taxes | 124,555 | See WP- AK1-A, Col. G, L6 |
| 1 | Column A reflects Citizens Cycle 2 Filing Allocated Cost, Docket No.ER13-1596-000, dated June 28, 2013. | | |
| | | | |
| | | | |
| | | | |
| | | | |

SAN DIEGO GAS AND ELECTRIC COMPANY
Statement AK
Taxes Other Than Income Taxes
4 - Months True-Up Period (September 1, 2013 to December 31, 2013)
(\$1,000)

| Line No. | Amounts | Reference | Line No. |
|---|----------------------|--------------------------------|----------|
| 1 Total Property Taxes | \$ 26,438 | Stmnt AK WP; Page-AK; Line 9 | 1 |
| 2 | | | 2 |
| 3 SONGS Property Taxes | <u>(1,792)</u> | Stmnt AK WP; Page-AK; Line 11 | 3 |
| 4 | | | 4 |
| 5 Property Taxes Less SONGS | <u>\$ 24,646</u> | Line 1 + Line 3 | 5 |
| 6 | | | 6 |
| 7 | | | 7 |
| 8 <u>Derivation of Citizens Border-East Line Transmission Property Tax Allocation Factor:</u> | | | 8 |
| 9 | | | 9 |
| 10 Citizens Border-East Line (Ferc Acct No. 104) | <u>\$ 85,194</u> | Lease Agreement | 10 |
| 11 | | | 11 |
| 12 Total Nuclear Plant | \$ - | N/A in Ratio Development | 12 |
| 13 Total Steam Plant | 511,316 | Statement AD; Page AD; Line 3 | 13 |
| 14 Total Other Production Plant | 474,596 | Statement AD; Page AD; Line 9 | 14 |
| 15 Total Transmission plant ¹ | 3,808,552 | Statement AD; Page AD; Line 15 | 15 |
| 16 Total Miscellaneous Intangible Plant | 91,511 | Statement AD; Page AD; Line 1 | 16 |
| 17 Total Distribution plant | 5,171,968 | Statement AD; Page AD; Line 13 | 17 |
| 18 Total General Plant | 258,034 | Statement AD; Page AD; Line 21 | 18 |
| 19 Total Common Plant | <u>527,422</u> | Statement AD; Page AD; Line 23 | 19 |
| 20 Total Investment in Plant Excluding SONGS | <u>\$ 10,843,399</u> | Sum Lines (12:19) | 20 |
| 21 | | | 21 |
| 22 Citizens Border-East Line Property Tax Allocation Factor | <u>0.79%</u> | Line 10 / Line 20 | 22 |
| 23 | | | 23 |
| 24 Citizens Border-East Line Property Taxes Expense | <u>\$ 195</u> | Line 5 x Line 22 | 24 |
| 25 | | | 25 |
| 26 | | | 26 |

1. Total Transmission Plant amount includes \$85,194 of 5-Month weighted average of \$85,194 Citizens Lease Amount (see AD-6A).

| |
|---------------|
| 3,723,358 |
| <u>85,194</u> |
| 3,808,552 |

San Diego Gas & Electric Company

True-Up Period Statement AL Working Capital Workpaper

SAN DIEGO GAS AND ELECTRIC COMPANY
Statement AL - Workpapers
Working Capital
4 - Months True-Up Period (September 1, 2013 to December 31, 2013)
(\$1,000)

| Line No. | Working Cash | 13 Months Average Balance | Reference | Line No. |
|----------|---|---------------------------|--|----------|
| 1 | A. Plant Materials and Operating Supplies ^a | \$ 62,157 | Stmnt AL WP; Page AL1; Line 9 | 1 |
| 2 | | | | 2 |
| 3 | Transmission Plant Allocation Factor | 36.09% | Stmnt AD WP; Page AD; Line 39 | 3 |
| 4 | | | | 4 |
| 5 | Transmission Related Materials and Supplies | \$ 22,432 | Line 1 x Line 3 | 5 |
| 6 | | | | 6 |
| 7 | B. Prepayments ^a | \$ 49,230 | Stmnt AL WP; Page AL2; Line 9 | 7 |
| 8 | | | | 8 |
| 9 | Transmission Related Prepayments | \$ 17,767 | 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 | \$ 13,890 | Stmnt AH; Pg AH2, Page 1 of 2; Col. 6; Line 34 | 12 |
| 13 | Transmission Related Administrative & General Expense | 24,244 | Stmnt BK-Sec 2;Page 2 of 7; Col. D; Line 44 | 13 |
| 14 | CPUC Intervenor Funding Expense - Transmission | - | | 14 |
| 15 | Total | \$ 38,134 | 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 | Adjust O&M Percentage Rate to Account for 4-Month True-Up Period | 37.50% | 4 Month True-Up Factor = 45 days (360 X 1/3) | 19 |
| 20 | | | | 20 |
| 21 | Transmission Related Cash Working Capital - Retail Customers | \$ 14,300 | Line 15 x Line 19 | 21 |
| 22 | | | | 22 |

^a The balances for Materials & Supplies and Prepayments are derived based on a 5-month average balance.

^b The 12.5% Working Cash is based on a 45/360 days = 12.5%. To reflect a 4-Month working cash calculation, the following formula is used : 45 days / (360 days X 1/3) = 37.50%. Based upon this calculation, the 37.50% is used to calculate working cash requirement.

**SAN DIEGO GAS AND ELECTRIC COMPANY
STATEMENT AL
WORKING CAPITAL
TRUE UP PERIOD - 9/1/2013 TO 12/31/2013 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 | Aug-13 | 58,497 | | 1 |
| 2 | Sep | 59,451 | | 2 |
| 3 | Oct | 60,018 | | 3 |
| 4 | Nov | 61,872 | | 4 |
| 5 | Dec-13 | 70,946 | | 5 |
| 6 | Total 5 Months | 310,784 | Sum (L1:L5) | 6 |
| 7 | | | | 7 |
| 8 | | | | 8 |
| 9 | 5-Month Average | 62,157 | L6 / 5 Months | 9 |

**SAN DIEGO GAS AND ELECTRIC COMPANY
STATEMENT AL
WORKING CAPITAL
TRUE UP PERIOD - 9/1/2013 TO 12/31/2013 PER BOOKS
(\$1,000)**

ACCOUNT 165 PREPAYMENTS - ELECTRIC

| Line No. | Month | Total Electric Plant Prepayments | | Line No. |
|----------|------------------------|----------------------------------|----------------------|----------|
| 1 | Aug-13 | 54,471 | | 1 |
| 2 | Sep | 55,370 | | 2 |
| 3 | Oct | 48,243 | | 3 |
| 4 | Nov | 43,381 | | 4 |
| 5 | Dec-13 | 44,685 | | 5 |
| 6 | Total 5 Months | 246,150 | Sum (L1:L5) | 6 |
| 7 | | | | 7 |
| 8 | | | | 8 |
| 9 | 5-Month Average | 49,230 | L6 / 5 Months | 9 |

San Diego Gas & Electric Company

True-Up Period

Statement AV

Cost of Capital and Fair Rate of Return

Workpaper

SAN DIEGO GAS AND ELECTRIC COMPANY
Statement AV - Workpapers
Cost of Capital and Fair Rate of Return
4 - Months True-Up Period (September 1, 2013 to December 31, 2013)
(\$1,000)

| Line No. | Amounts | Reference | Line No. | | | | |
|----------|--|--|--------------------|-----------------|-----------------|----------------------------|----|
| 1 | Long-Term Debt Component - Denominator: | | 1 | | | | |
| 2 | (Plus) Bonds (Acct. 221) (p112.Line18c) | \$ 3,926,855 | 2 | | | | |
| 3 | (Less) Reacquired Bonds (Acct. 222) (p112.Line19c) | - | 3 | | | | |
| 4 | (Plus) Other Long-Term Debt (Acct. 224) (p112.Line21c) | 123,900 | 4 | | | | |
| 5 | (Plus) Unamortized Premium on Long-Term Debt (Acct 225) (p112.Line22c) | - | 5 | | | | |
| 6 | (Less) Unamortized Discount on Long-Term Debt-Debit (Acct 226) (p112.Line23c) | 10,953 | 6 | | | | |
| | | Line 2 Minus Line 3 Plus Lines 4 & 5 Minus | | | | | |
| 7 | LTD = Long Term Debt (p112, sum of Line17d thru Line22d, details on p256-257) | \$ 4,039,802 | Line 6 | | | | |
| 8 | | | 7 | | | | |
| 9 | Long-Term Debt Component - Numerator: | | 8 | | | | |
| 10 | (Plus) Interest on Long-Term Debt (427) (p117.Line62c) | \$ 186,465 | 9 | | | | |
| 11 | (Plus) Amort. of Debt Disc. and Expense (428) (p117.Line63c) | 3,084 | 10 | | | | |
| 12 | (Plus) Amortization of Loss on Reacquired Debt (428.1) (p117.Line64c) | 2,537 | 11 | | | | |
| 13 | (Less) Amort. of Premium on Debt-Credit (429) (p117.Line65c) | - | 12 | | | | |
| 14 | (Less) Amortization of Gain on Reacquired Debt-Credit (429.1) (p117.Line66c) | - | 13 | | | | |
| 15 | i = LTD interest (p117, sum of Line56c thru Line60c, details on p257)) | \$ 192,086 | 14 | | | | |
| | | Sum Lines 10; 11; 12 Minus Lines 13 & 14 | 15 | | | | |
| 16 | | | 16 | | | | |
| 17 | Cost of Long-Term Debt: | 4.75% | Line 15 / Line 7 | | | | |
| 18 | | | 17 | | | | |
| 19 | Preferred Equity Component: | | 18 | | | | |
| 20 | PF = Preferred Stock - Acct 204 (p112.3c) | \$ - | 19 | | | | |
| 21 | d(pf) = Total Dividends Declared-Preferred Stocks (Acct. 437) (p118.29c) | \$ 1,205 | 20 | | | | |
| 22 | Cost of Preferred Equity | 0.00% | Line 21 / Line 20 | | | | |
| 23 | | | 21 | | | | |
| 24 | Common Equity Component: | | 22 | | | | |
| 25 | Proprietary Capital (p112.16c) | \$ 4,629,716 | 23 | | | | |
| 26 | (Less) Preferred Stock - Acct 204 (p112.3c) | - | 24 | | | | |
| 27 | (Less) Unappropriated Undistributed Subsidiary Earnings (Acct. 216.1) (p112.12c) | - | 25 | | | | |
| 28 | (Less) Accumulated Other Comprehensive Income (Acct. 219) (p112.15c) | 9,010 | 26 | | | | |
| 29 | CS = Common Stock | \$ 4,620,706 | 27 | | | | |
| | | Line 25 Minus Lines 26, 27 & 28 | 28 | | | | |
| 30 | | | 29 | | | | |
| 31 | Return on Common Equity: | 11.35% ² | 30 | | | | |
| 32 | | (d) = (b) x (c) | 31 | | | | |
| 33 | | Weighted | 32 | | | | |
| 34 | Weighted Cost of Capital: | Cost of Capital | 33 | | | | |
| 35 | | | 34 | | | | |
| 36 | Long-Term Debt | \$ 4,039,802 | 46.65% | 4.75% | 2.22% | Col. C = Line 17 Above | 35 |
| 37 | Preferred Equity | - | 0.00% | 0.00% | 0.00% | Col. C = Line 22 Above | 36 |
| 38 | Common Equity | 4,620,706 | 53.35% | 11.35% | 6.06% | Col. C = Line 31 Above | 37 |
| 39 | Total Capital | \$ 8,660,508 | 100.00% | | 8.28% | Sum Lines 36 thru 38 | 38 |
| 40 | | | | | | | 39 |
| 41 | Cost of Equity Component (Preferred & Common): | | | | 6.06% | Sum Lines 37; 38; Col. (d) | 40 |
| 42 | | | | | | | 41 |
| 43 | | | | | | | 42 |
| 44 | Incentive Return on Common Equity: | | | | 11.35% | Stmt AV WP; Page AV-1 | 43 |
| 45 | | | | | (d) = (b) x (c) | | 44 |
| 46 | | | | | Weighted | | 45 |
| 47 | Weighted Cost of Capital: | Amount ¹ | Cap. Struct. Ratio | Cost of Capital | Cost of Capital | | 46 |
| 48 | | | | | | | 47 |
| 49 | Long-Term Debt | \$ 4,039,802 | 46.65% | 4.75% | 2.22% | Col. C = Line 17 Above | 48 |
| 50 | Preferred Equity | - | 0.00% | 0.00% | 0.00% | Col. C = Line 22 Above | 49 |
| 51 | Common Equity | 4,620,706 | 53.35% | 11.35% | 6.06% | Col. C = Line 44 Above | 50 |
| 52 | Total Capital | \$ 8,660,508 | 100.00% | | 8.28% | Sum Lines 49 thru 51 | 51 |
| 53 | | | | | | | 52 |
| 54 | Incentive Cost of Equity Component (Preferred & Common): | | | | 6.06% | Sum Lines 50; 51; Col. (d) | 53 |

¹ Amount is based upon December 31 balances.

² ROE is pursuant to SDG&E's TO3 Formula.

³ Information from Statement AV is used in Statement BK2, 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 & Electric Company

TO3 Formula Transmission Plant Depreciation Rates

Workpaper

