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October 2, 2012

The Honorable Kimberly D. Bose
Secretary
Federal Energy Regulatory Commission
888 First Street, N.E.
Washington, D.C. 20426

**Re: San Diego Gas & Electric Company, TO3, Cycle 6 Supplemental Filing,
Docket No. ER12-2454-00** _____

Dear Secretary Bose:

Pursuant to San Diego Gas & Electric Company's ("SDG&E") undertaking in the Transmission Owner ("TO") Formula 3 ("TO3"), Cycle 6¹ Informational Filing that it filed herein on August 15, 2001 (August 15th Filing), SDG&E hereby submits its Cycle 6 Supplemental Filing ("Cycle 6 Supplemental Filing"). The purpose of this Cycle 6 Supplemental Filing is to comply fully with the Federal Energy Regulatory Commission's ("Commission") *Order on Compliance Filing*,² pertaining to TO3, Cycle 5 (*Cycle 5 Compliance Order*).

I. NATURE AND PURPOSE OF FILING

The purpose of this Cycle 6 Supplemental Filing is to comply fully with the *Cycle 5 Compliance Order*. Specifically, the *Cycle 5 Compliance Order* directed SDG&E to make a Compliance Filing (by October 2, 2012) expensing all of the wildfire insurance premiums and Wildfire Property Costs (Wildfire Costs) at issue in Cycle 5 to Account 925 without capitalizing any portion of those costs (Wildfire Capitalized Amounts).³ SDG&E is making the Cycle 5 Compliance Filing concurrently with this Cycle 6 Supplemental Filing.

As SDG&E explained in the cover letter accompanying its August 15th Cycle Informational Filing, because of the short time period (12 calendar days) between issuance of the *Cycle 5 Compliance Order* on August 3rd and the August 15th due date for the Cycle 6 Informational Filing, SDG&E was unable to perform the various analyses and calculations

¹ The term "Cycle" refers to the number of annual filings made under the applicable formula. Cycle 6 is the sixth annual filing under the TO3 Formula.

² *San Diego Gas & Elec. Co.*, 140 FERC ¶ 61,108 (2012).

³ The *Compliance Order* also directed SDG&E to resubmit FERC Form No. 1 filings with the corrected amount recorded in Account 925 and all other accounts affected. SDG&E has resubmitted the FERC Form No. 1 filings for 2010 and 2011, the Base Periods for TO3 Cycles 5 and 6.

necessary to “back out” the Wildfire Capitalized Amounts from various accounts for the affected Prior Year and True-Up Period cost statements to be included in the August 15th Filing.

SDG&E, therefore, proposed a bifurcated process consisting of the following Cycle 6 Filings, *i.e.*, the August 15th Informational Filing and this October 2nd Supplemental Filing:

1. The August 15th Filing which includes rates and cost statements expensing 100 percent of the Wildfire Costs to Account 925 and an estimate of the Wildfire Capitalized Amounts, and
2. The October 2 Supplemental Filing which will include revised rates and cost statements reflecting 100% elimination of the Wildfire Capitalized Amounts. SDG&E’s current estimate of that adjustment is approximately \$1,049,000.⁴ SDG&E will also make any other adjustments to cost statements and rates contained in the August 15th Filing, such as recalculating the Cycle 6 True-Up Adjustment due to the carry-over effects of the Cycle 5 Compliance Filing and other conforming changes.

Accordingly, this Supplemental Filing reflects the 100% elimination of the Wildfire Capitalized Amounts in full conformance with the *Cycle 5 Compliance Order*.

II. LIST OF DOCUMENTS SUBMITTED

This Cycle 6 Supplemental Filing consists of the following:

1. Volume 1—Contains the following:
 - a. Cover Letter;
 - b. Revised Appendix I—SDG&E’s California Independent System Operator Corporation’s (“CAISO”) High Voltage and Low Voltage Transmission Revenue Requirements;
 - c. Attestation;
 - d. Attachment I—Cycle 6 Supplemental Filing Report serves as a roadmap detailing variances in cost statements and revenues between the Cycle 6 August 15th Informational Filing and this Supplemental Filing to reflect full compliance with the *Cycle 5 Compliance Order*;
2. Volume 2—Contains all revised Base Period, True-Up Period and Forecast Period revenue cost statements supporting the revised Retail and CAISO Wholesale BTRR resulting from this Supplemental Filing; and

⁴ See Volume 3B (Work paper Tab “Estimated Adjustment to Revenues Related to Wildfire”) Page 1) of the August 15th Filing.

3. Volume 3—Contains all work papers supporting the revised cost statements in Volume 2.

As set forth in the Supplemental Appendix I, SDG&E's Cycle 6 Supplemental Wholesale BTRR is equal to \$605.085M and the Cycle 6 Supplemental Retail BTRR is equal to \$610.732M.

III. WAIVER

SDG&E believes that it has provided sufficient data in this Supplemental Filing and the August 15th Informational Filing ("Cycle 6 Filings") to allow the Commission to accept and approve the Cycle 6 Filings. However, to the extent deemed necessary, SDG&E respectfully requests that the Commission waive its filing requirements contained in Section 35.13 of the Commission's Regulations, or any other applicable regulations, to permit the Cycle 6 Filings to become effective as proposed.

IV. SERVICE

Copies of this Supplemental Filing have been served on all parties to Docket No. ER08-1407, including the California Public Utilities Commission, the CAISO, Pacific Gas and Electric Company, Southern California Edison Company and other participating transmission owners that have transferred operational control over their transmission facilities and entitlements to the CAISO.

V. COMMUNICATIONS

Correspondence and other communications concerning this Supplemental Filing should be addressed to:⁵

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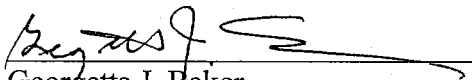
⁵ SDG&E requests waiver of Rule 203(b)(3) to the extent necessary to permit each of the individuals identified above to be placed on the Commission's official service list in this proceeding.

Kimberly D. Bose, Secretary
October 2, 2012
Page 4 of 4

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Respectfully submitted,



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Enclosures

cc: Debi Le Vine, Director CAISO
Nicholas Sher, California Public Utilities Commission

San Diego Gas & Electric Company

Appendix - I

Docket No. ER12-2454-000

APPENDIX - I
SDG&E's Transmission Revenue Requirement
Cycle 6 Supplemental Filing - Docket ER12-2454-000
Effective September 1, 2012

1. **End-Use Customers:** For purposes of the calculation of End-Use Transmission Rates, the Transmission Revenue Requirement shall be \$605,523,262, which is composed of the retail Base Transmission Revenue Requirement of \$610,731,814 and reduced by the retail TRBAA of \$5,208,552.

2. **Wholesale Customers:** For purposes of the California Independent System Operator's (CAISO) calculation of Access Charges:
 - a. The wholesale Transmission Revenue Requirement shall be \$591,572,094, which is equal to the wholesale Base Transmission Revenue Requirement of \$605,085,000, reduced by the wholesale TRBAA of \$5,192,202 and reduced by Standby Transmission Revenue of \$8,320,704.¹

 - b. The High Voltage Transmission Revenue Requirement shall be \$395,832,436.

 - c. The Low Voltage Transmission Revenue Requirement shall be \$195,739,658.

 - d. Gross Load consistent with the High Voltage Transmission Revenue Requirement shall be 21,266,400 megawatt hours.

3. **Effective Date:** The amounts in (1) and (2) shall be effective September 1, 2012, or until amended by the Participating TO or modified by FERC.

Footnote (1): Transmission Revenue Requirements consist of the following:

BTRR Cycle 6 Supplemental Filing in Docket ER12-2454-000	= \$605,085,000
TRBAA per FERC Order in Docket ER12-660-000	= (5,192,202)
Standby Revenues Supplemental Cycle 6 Filing in ER12-2454-000	= <u>(8,320,704)</u>
TOTAL	= \$591,572,094

¹ Consistent with CAISO Tariff, Appendix F, Schedule 3, and Section 8.1, SDG&E has separated all elements of the revenue requirements for its transmission facilities into High Voltage (HV) and Low Voltage (LV) components.

San Diego Gas & Electric Company

Attestation Form

Docket No. ER12-2454-000

**ATTESTATION REGARDING SAN DIEGO GAS & ELECTRIC COMPANY'S
TRANSMISSION OWNER FORMULA CYCLE 6 SUPPLEMENTAL FILING IN DOCKET NO.
ER12-2454-000, PURSUANT TO ORDER ON COMPLIANCE FILING, ISSUED AUGUST 3,
2012, IN DOCKET NO. ER11-4318-001 (CYCLE 5)
(18 CFR § 35.13 (d)(7))**

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

September 27, 2012


Lee Schavrien

.....

California All-Purpose Acknowledgement

State of California)
)
County of San Diego)

On September 27, 2012 before me, Annie Victoria Ruiz, Notary Public, personally appeared Lee Schavrien, who proved to me on the basis of satisfactory evidence to be the person whose name is subscribed to the within instrument and acknowledged to me that he executed the same in his authorized capacity, and that by his signature on the instrument the person, or the entity upon behalf of which the person acted, executed the instrument.

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

WITNESS my hand and official seal.


Annie Victoria Ruiz, Notary Public



**SAN DIEGO GAS & ELECTRIC COMPANY'S
CYCLE 6 SUPPLEMENTAL FILING REPORT
DOCKET NO. ER12-2454**

SUMMARY AND BACKGROUND

The purpose of this Cycle 6 Supplemental Filing Report (Report) is to explain the procedures and adjustments San Diego Gas & Electric Company (SDG&E) has made to applicable cost statements to fully comply with the *Order on Compliance Filing*¹ (*Compliance Order*) that the Federal Energy Regulatory Commission (Commission) issued herein on August 3, 2012 in connection with SDG&E's TO3, Cycle 5 Informational Filing. The *Compliance Order*, among other things, directed SDG&E to make a Compliance Filing (by October 2, 2012) expensing all wildfire insurance premiums and wildfire-related, third-party property losses and legal expenses (collectively, Wildfire Costs) to Account 925, without capitalizing any components of those costs (Capitalized Components).

As SDG&E explained in the cover letter accompanying its August 15th Cycle 6 Informational Filing, because of the short time period (12 calendar days) between issuance of the *Cycle 5 Compliance Order* on August 3rd and the August 15th due date for the Cycle 6 Informational Filing, SDG&E was unable to perform the various analyses and calculations necessary to "back out" the Wildfire Capitalized Amounts from various accounts for the affected Prior Year. SDG&E, therefore, proposed a bifurcated process consisting of the August 15th Informational Filing and this Supplemental Filing. SDG&E explained the bifurcated process as follows:

¹ *San Diego Gas & Elec. Co.*, 140 FERC ¶ 61,108 (2012).

1. The August 15th Filing which includes rates and cost statements expensing 100 percent of the Wildfire Costs to Account 925 and an estimate of the Wildfire Capitalized Amounts and
2. The October 2 Supplemental Filing which will include revised rates and cost statements reflecting 100% elimination of the Wildfire Capitalized Amounts. SDG&E's current estimate of that adjustment is approximately \$1,049,000.² SDG&E will also make any other adjustments to cost statements and rates contained in the August 15th Filing, such as recalculating the Cycle 6 True-Up Adjustment due to the carry-over effects of the Cycle 5 Compliance Filing and other conforming changes.

This Supplemental Filing, therefore, reflects the 100% elimination of the Wildfire Capitalized Amounts in full conformance with the *Compliance Order*.

This Report, detailing how SDG&E has complied with the *Compliance Order*, consists of the following sections.

- A. Introduction
- B. Explanation of How Capitalized Components of Wildfire Costs Were Removed from Transmission Plant Accounts
- C. Explanation of How SDG&E Removed Capitalized Components of Wildfire Costs from the Cycle 6 Forecast Period
- D. Explanation of Conforming Adjustments to the Cycle 6 Forecast Period
- E. Explanation of the Variance between SDG&E's Statements BK-2 BTRR under the Cycle 6 Supplemental and the August 15th Informational Filing.

² See August 15th Informational Filing, Volume 3B (Work paper Tab "Estimated Adjustment to Revenues Related to Wildfire") Page 1.

A. Introduction

SDG&E's TO3 Formula, Cycle 6, consists of the following components:

- Prior Year Revenue Requirements for the 12-month period ending December 31, 2011;
- Forecast Period Capital Addition Revenue Requirements for the 17 month period covering April 2012 through August 2013;
- A True Up ("TU") Adjustment for the 12-month TU Period that ends March 2012.
- An Interest TU Adjustment

To fully comply with the *Compliance Order's* directive, in this Supplemental Filing, SDG&E has adjusted the affected Cycle 6 costs statements to: (1) remove all Capitalized Components of Wildfire Costs from its Base Period and True-Up (TU) Period plant accounts, (2) remove all Capitalized Components of Wildfire Costs from the Forecast Period and (3) make three conforming changes to the Forecast Period associated with changes to: Allowance for Funds Used during Construction (AFUDC), the sale date of a helicopter, and in-service dates for two plant additions.

For purposes of this Report, the California Independent System Operator Corporation (CAISO) Wholesale BTRR from Statement BK-2 is being used to explain all adjustments and variances resulting from the *Compliance Order*; however the adjustments and variances, as explained below, apply to both Statement BK-1 and BK-2. As such, the CAISO BTRR from Statement BK-2 equals \$605.085M, as compared to SDG&E's August 15th Cycle 6 Informational Filing BTRR of \$608.815M, for a net decrease of \$3.730M. The components of this decrease are explained in more detail in Sections E and F below.

B. Explanation of How SDG&E Removed Capitalized Components of Wildfire Costs from Transmission Plant Accounts

SDG&E removed all of the Wildfire Costs capitalized from Accounts 107 and 101, reversed any AFUDC and Property taxes capitalized on such amount while recorded in Account 107 and reversed any depreciation expense and return recorded on such amounts while recorded in Account 101. The journal entries reflecting these corrections were recorded in August 2012 and are included in the Attachment to this Report.

More specifically, SDG&E reviewed the construction internal orders that received the wildfire insurance and damages overhead loading from November 2010 through July 2012 to determine the date that each of these internal orders was closed and transferred from CWIP to plant-in-service. The transmission project in-service date was used to determine not only when a project covered by an internal order went into service, but also whether or not it received additional loaders in the accounting system described below. This initial analysis also provided the detail necessary to allow SDG&E to segregate the cost of removal in internal orders that settled to accumulated depreciation.

While an internal order was in CWIP, it might also have received additional loaders for capitalized property taxes as well as AFUDC. Once an internal order was closed to plant-in-service, no additional property taxes or AFUDC would accrue. SDG&E took the total population of internal orders and segregated them based on system information retrieved during our analysis, which then allowed SDG&E to categorize the orders. Listed below are the different categories and their applied treatment.

- Cost of removal orders that got no additional loaders
- Internal orders that received only property taxes while in CWIP
- Internal orders that received both property taxes and AFUDC while in CWIP

- Internal orders that received no loaders (permanent orders that closed to plant monthly)

As stated above, the in-service date was also the driver used to determine when a project went into service. SDG&E tracked the wildfire overhead loader with additional property taxes and AFUDC, as appropriate, by individual order, by month. Once an internal order was closed to plant, the cumulative CWIP was reflected as a plant addition. Subsequently, depreciation was computed to determine the amount of depreciation expense on those plant additions. The resulting restatement of Cost Statements AD, AJ, and AE, reflects: (1) the reduction in plant-in-service for plant additions derived as stated above, (2) the reduction in depreciation expense computed on those plant additions, (3) the removal of the depreciation expense and (4) the cost of removal from accumulated depreciation.

C. Explanation of How SDG&E Removed the Capitalized Components of Wildfire Costs from the Cycle 6 Forecast Period

The process of removing the Capitalized Components of Wildfire Costs from the Cycle 6 Forecasted Capital Additions was divided into two segments. The first segment includes all non-Sunrise projects. The second segment consists of the work associated with the Sunrise project. Both segments are described below.

1. Non-Sunrise Projects

SDG&E's Cycle 6 August 15th Informational Filing, Volume 3B, Forecast Transmission Plant Additions, contains various non-Sunrise plant additions categories, including:

- Blanket Budget Projects
- Transmission Line Projects
- Substation Projects
- Wood to Steel Projects
- Generation Interconnection Projects

Fifty (50) projects make up this non-Sunrise group. SDG&E's normal process to develop the transmission forecast involves taking a project's CWIP balance as of March 31, 2012 and then adding projected cash flows that occur within the 17 month forecast period (April 2012 through August 2013), applying AFUDC to these cash flows and then placing the project in service when it is estimated to go into service.

The Cycle 6 non-Sunrise projects included Wildfire Costs in both the CWIP Balance as of March 31, 2012 and in the projected cash flows included in the 17 month Forecast Period. To remove these Capitalized Components from the March 31, 2012 CWIP balance, consistent with the Compliance Order, SDG&E reviewed the internal orders that received Wildfire Costs via overhead loading rates from November 2010 through July 2012. SDG&E analyzed the internal orders to determine which ones were placed in service and which ones remained open that affected the Cycle 6 project CWIP balance as of March 31, 2012. Once identified, SDG&E deducted from the March 31, 2012 CWIP balance, the Wildfire Costs charged to the open internal orders.

Additionally, some of the Cycle 6 Forecast Period cash flows covering April 2012 through the August 2013 period included only wildfire insurance premiums, but not wildfire damages. In these cases, SDG&E removed wildfire insurance premiums from the forecast cash flows and calculated a revised project total. As noted earlier, there was no adjustment made to Forecast Period cash flows for wildfire damages because overhead rates used to develop Cycle 6 Forecasted cash flows only included a wildfire insurance premium component. The total reduction to the March 31, 2012 CWIP balance and Forecast Period cash flows for Cycle 6 Non-Sunrise projects was approximately \$12.4M.

2. Sunrise Project

Both wildfire insurance premiums and damages were included in the Cycle 6 Sunrise Forecast. To determine the amount of these costs included in the Forecast Period, SDG&E analyzed the internal orders. The in-service dates determined whether an adjustment to the Cycle 6 Forecast Period was necessary. An in-service date of March 31, 2012 or prior indicated that the internal orders had been closed to plant and, therefore, were not included in the Forecast Period. A relatively small number of Sunrise internal orders were excluded on this basis and SDG&E removed the Capitalized Components of Wildfire Costs from the recorded TU Period transmission plant accounts (described in Sections C and F). The majority of internal orders, however, were considered open or in progress on April 1, 2012, and required adjustment to remove Capitalized Wildfire Components. For those orders identified as open or in progress, SDG&E removed all Wildfire Costs charged to the orders between November 2010 and July 2012. The Sunrise Forecast was then adjusted to reflect the revised Forecast Total. The final reduction to the Sunrise Forecast attributed to removal of the Capitalized Components of Wildfire Costs was approximately \$18.5M.

3. Summary of Variance between the August 15th Informational Filing and the Supplemental Filing

The removal of the Capitalized Components of Wildfire Costs from the Forecast Period for non-Sunrise and Sunrise projects is equal to \$12.4 M and \$18.5 M, respectively for a total of \$30.9M on an unweighted basis, *i.e.*, not differentiated by in-service date. In the August 15th Informational Filing, SDG&E reflected an estimate for the removal of the Wildfire Capitalized Components of \$25.3M in the Forecast period. As a consequence, the net change associated with the removal of the Capitalized Components of Wildfire Costs between the August 15th

Informational Filing and the Supplemental Filing is a capital reduction of \$5.6M (\$30.9M–\$25.3M) on an unweighted basis.

D. Explanation of Conforming Adjustments to the Cycle 6 Forecast Period

SDG&E proposes to incorporate three (3) additional adjustments in this Supplemental Filing. Two of the adjustments pertain to Sunrise and the other to in-service dates for two plant additions.

1. Sunrise AFUDC

Subsequent to the August 15th Informational Filing, SDG&E determined that during the construction phase of Sunrise, it had inadvertently accrued AFUDC on a portion of payments that SDG&E had retained for certain vendors pending SDG&E's inspection and approval of the goods and services covered by the invoices, *i.e.*, retention payments. The accrued AFUDC on those retention payments is equal to \$2.926M. SDG&E has reversed this amount from the Sunrise Forecast, as shown on Volume 3, Tab Forecast Transmission Capital Additions, page 3 of 4, line 74.

2. Sunrise Helicopter Sale

In the August 15th Informational Filing, SDG&E estimated that the helicopter used to build Sunrise would be sold in September 2012 and reflected a \$22M estimated sales credit for this month. Based upon the most current information today, however, SDG&E now estimates that the sale of the helicopter will be made in October 2012. Accordingly, Volume 3, Tab Forecast Transmission Capital Additions, page 3 of 4, line 73 has been revised to reflect the October 2012 sale date.

3. Changed In-Service Dates for Two Forecast Plant Additions

During the preparation of the Supplemental Filing, it became apparent that the initial in-service dates contained in the August 15th Informational Filing for two capital projects, *i.e.*, wood

to steel pole conversions for Tie Line (TL) 637 and TL6910 cannot be met. Accordingly, SDG&E proposes the following:

- TL637—March 2013 is the new estimated in-service date for this project (instead of December 2012). The forecast costs for this project did not change. The project's cost was only adjusted to remove Wildfire Costs and is currently estimated at \$40.2M.
- TL6910—July 2013 is the new estimated in-service date for this project (instead of January 2013). The Forecast costs for this project did not change. The project's cost was only adjusted to remove Wildfire Costs and is currently estimated at \$9.7M.

E. Explanation of Variance between SDG&E's Statements BK-2 BTRR under the Cycle 6 Supplemental Filing and the Cycle 6 August 15th Informational Filing

Attachment 1 of this Report explains the variance between Statements BK-2 BTRR resulting from the Supplemental Filing and the August 15th Informational Filing. The variance is a decrease of \$3.730M. The key features of the variance are summarized here.

1. Variances Decrease of \$0.455M Related to the Cycle 6 2011 Base Period

Attachment 1, Exhibit 1A, compares the variances in Statement BK-2. Column A shows costs applicable to the Supplemental Filing, Column B shows costs allocable to the Cycle 6 August 15th Informational Filing and Column C shows the variance or difference between A less B.

- Exhibit 1A, page 3 of 8 shows the derivation of the variance for the net plant in the 2011 Base Period. Line 2 of Column C shows a decrease of \$2.954M of Wildfire Costs that were removed from the Cycle 6 August 15th Informational

Filing's Statement AD Column A. Exhibit 2A is a copy of what appears in the Base Period Statement AD and shows the derivation of the \$2.954M.

- Exhibit 1A, page 3 of 8, line 4 shows a slight decrease of \$16K in Transmission Related General Plant. Exhibit 3A shows the derivation of the \$16K difference. The amounts shown in Exhibit 3A are for the Cycle 6 August 15th Informational Filing compared to this Supplemental Filing's Base Period Statement AD.
- Exhibit 1A, page 3 of 8, line 9 shows a variance of \$588K in transmission accumulated depreciation reserves. Exhibit 4A shows the derivation of the \$588K from the Base Period Statement AE that appears in this Supplemental Filing.
- Exhibit 1A, page 3 of 8, line 11 shows a variance of \$1K in transmission related general plant depreciation reserve. Exhibit 5A shows the derivation of this amount from the Base Period Statement AE that appears in this Supplemental Filing.
- Exhibit 1A, page 2 of 8 shows four variances other than the ones for net plant that were previously explained. The first, shown on line 12, reflects a variance for transmission related accumulated deferred income taxes equal to \$705K. Exhibit 6A is provided to explain this variance. The numbers in the columns come from Base Period Statement AE of this Supplemental Filing.
- Exhibit 1A page 2 of 8, line 15 shows a second variance of (\$17)K that is a reduction in this Supplemental Filing for transmission related materials and supplies. Exhibit 7A shows the derivation of this variance as it appears in the Cycle 6 Supplemental Base Period Statement AL.

- Exhibit 1A, page 2 of 8, line 16 shows a third variance of (\$10)K in transmission related prepayments. Exhibit 7A shows the derivation of this variance as it appears in the Supplemental Base Period Statement AL.
- Exhibit 1A, page 2 of 8, line 17 shows a fourth variance of (\$1) K which is due to a slight decrease in working cash. This decrease is due to a slight change in the property insurance allocated to transmission as a result of the slight decrease in the Transmission Plant Property Insurance Allocation factor due to the removal of Capitalized Wildfire Costs. Exhibit 7A shows the derivation of this variance as it appears in the Supplemental Base Period Statement AL.
- Exhibit 1A, page 1 of 8, shows the derivation of the 2011 Base Period revenues for Cycle 6. All variances shown on this page have previously been explained except for the two shown on lines 4 and 10. The first variance on line 4 shows a decrease of (\$2)K in allocated Administrative and General (A&G) expenses, which is the result of less property insurance being allocated to transmission service as a result of the decreased Transmission Plant Property Insurance allocator discussed above. Exhibit 8A was prepared to show how the variance of \$2K was determined, as reflected in the Base Period Statement AH in the Supplemental Filing.
- The variance in Exhibit 1A page 1 of 8, line 10, reflects a decrease equal to (\$107)K. Transmission depreciation expense decreased (\$106)K and general plant depreciation expense decreased (\$1)K. This decrease is the result of removing the Capitalized Components of Wildfire Costs from transmission plant, as discussed above. Exhibits 9A and 10A, which appear in the Base Period

Supplemental Filing, were prepared to explain the derivation of these variances for depreciation expense.

- The final variance in Exhibit 1A, page 1 of 8, line 14 shows an increase in transmission related property taxes of \$1K. The derivation of this variance is shown in Exhibit 11A, which compares the August 15th Base Period Statement AK with the Supplemental Base Period Statement AK.
- As a result of the above variances, Exhibit 1A, page 1 of 8, line 32 shows that total Cycle 6 Supplemental Base Period revenues have decreased by (\$0.455)M.
- Exhibit 1A page 5 of 8 summarizes the Cycle 5 BTRR variances as follows:
 - 2011 Base Period (\$0.455)M
 - TU Period Adjustment (\$0.676)M
 - TO3 Cycle 5 Interest TU Adjustment (\$0.185)M
 - Forecast Period revenues (\$2.378)M

2. Rationale for Cycle 6 TU Period Adjustment Decrease of (\$0.676) M

Exhibit 1A (page 5 of 8, line 5 of Column C) shows a decrease in the Supplemental Filing's TU Period Adjustment revenues of (\$0.676)M, as compared to the August 15th Informational Filing. The reason for the decrease is shown in Exhibit 12A to this Report.

As indicated in Exhibit 12A, line 3, the TU Period revenues SDG&E recorded during the TU Period from April 2011 through March 2012 did not change. However, line 5 shows that the Supplemental TU Cost of Service, as compared to the August 15th Information Filing TU Cost of Service, decreased by \$0.664M plus interest of \$0.11M, which equals \$0.675M. The reason for the decrease is that in the Supplemental Filing's TU Cost of Service, SDG&E has removed the Capitalized Components of the Wildfire Costs from Statements AD, AE, AJ, AE, AL and AH

from the August 15th Informational Filing's TU Cost of Service following the same methodology that it used for the 2011 Base Period Cost Statements discussed above. Similar workpapers showing the variances in cost statements discussed above for the Base Period are also provided for the TU Period cost statements.

3. Rationale for the TO3 Cycle 5 Interest TU Adjustment Decrease of (\$0.185)M

Exhibit 1A, page 5 of 8, line 7 shows that the TO3 Cycle 5 Interest TU Adjustment decreased in the Supplemental Filing by (\$0.185)M. This decrease is a result of the decrease in the Cycle 5 TU Adjustment that SDG&E calculated for its Cycle 5 Compliance Filing. The calculation of this revised interest TU Adjustment for Statement BK-2 is shown in Volume 2 behind the tab entitled Section 3.1.2.

4. Variance Decrease Related to the Cycle 6 Forecast Period Revenues

Exhibit 1A, page 5 of 8, line 13 shows a decrease of (\$2.378)M as a result of certain adjustments made to the Supplemental Forecast Period. These adjustments were discussed in detail above. Exhibit 13A to this Report explains and quantifies from a revenue requirement perspective the affects of these adjustments. Lines 2 and 9 of Exhibit 13A reflect the transmission weighted, *i.e.*, differentiated by in-service date, plant additions for the Supplemental Filing, as compared to the August 15th Informational Filing, are \$1.820M and \$1.834M, respectively for a difference of \$14M. This \$14M difference quantifies the total adjustment reduction that was made to the Supplemental Filing's Forecast Period.

Lines 4 and 11 of Exhibit 13A show the Annual Fixed Charge Rate (AFCR) for the Supplemental Filing and the August 15th Informational Filing. As shown, these Rates hardly changed because the Supplemental Filing's Base Period Revenues and the transmission gross plant used to calculate these Rates (see Exhibit 1A, page 4 of 8, line 12) did not materially

change from the amounts used in the August 15th Informational Filing. Exhibit 13A, line 15 shows how the (\$2.378)M reduction in Forecast Period revenues shown in Exhibit 1A, page 5, line 13 were calculated.

In summary, based on the revenue adjustments described above and reflected in Exhibit 1A, page 5 of 8, line 17, the Cycle 6 Supplemental BTRR has decreased by (\$3.693)M. When franchise fees are added, shown on page 8 of 8, line 15, column C, the total BTRR decrease is (\$3.730)M.

Attachment 1

EXHIBIT 1A

San Diego Gas & Electric Company
Statement BK-2

Cycle 6 Supplemental Filing
Derivation of ISO Prior Year Revenue Requirements (PYRR_{ISO})
For the Base Period Ending December 31, 2011
(\$1,000)

Line No.	A TO3 C6 Supplemental Filing Amounts	B TO3 C6 Informational Filing Amounts	C = A - B Difference Incr (Debr)	Reference	Line No.
1					1
2	\$ 47,112	\$ 47,112	\$ -	Statement AH; Page 5; Line 10	2
3					3
4	42,786	42,788	(2)	Statement AH; Page 5; Line 50	4
5					5
6				Not Recoverable From Wholesale Customers	6
7					7
8	\$ 89,898	\$ 89,900	\$ (2)	Sum Lines 2; 4	8
9					9
10	53,145	53,252	(107)	Statement AI; Page 7; Line 17	10
11					11
12	1,893	1,893	-	Statement AJ; Page 7; Line 19	12
13					13
14	11,347	11,346	1	Statement AK; Page 8; Line 27	14
15					15
16	1,954	1,954	-	Statement AK; Page 8; Line 34	16
17					17
18	\$ 158,237	\$ 158,345	\$ (108)	Sum Lines 8; 10; 12; 14; 16	18
19					19
20	12.0174%	12.0174%	0.0000%	Statement AV; Page 14; Line 33	20
21					21
22	\$ 1,182,444	\$ 1,185,324	\$ (2,880)	Statement BK-2; Page 2; Line 20	22
23					23
24	\$ 142,098	\$ 142,445	\$ (347)	Line 20 x Line 22	24
25				Not Recoverable From Wholesale Customers	25
26	(265)	(265)	-	Statement AR; Page 11; Line 1	26
27				Statement AR; Page 11; Line 3	27
28	(2,547)	(2,547)	-	Statement AU; Page 12; Line 11	28
29				Statement AU; Page 12, Line 13	29
30	\$ 297,524	\$ 297,978	\$ (455)	Line 18 + Sum of Lines (24 thru 29)	30
31					31
32	\$ 297,524	\$ 297,978	\$ (455)	Line 30	32

¹ Total Prior Year Revenues (PYRR) or Base Period Cost of Service is for calendar year 2011.

San Diego Gas & Electric Company
Statement BK-2

Cycle 6 Supplemental Filing

Derivation of ISO Prior Year Revenue Requirements (PYRR iso)

For the Base Period Ending December 31, 2011

(\$1,000)

Line No.	A TO3 C6 Supplemental Filing Amounts	B TO3 C6 Informational Filing Amounts	C = A - B Difference	Reference	Line No.
1					1
2	\$ 1,215,631	\$ 1,219,173	\$ (3,542)	Statement BK-2; Page 3; Line 16	2
3	601	601	-	Statement BK-2; Page 3; Line 17	3
4	16,281	16,296	(15)	Statement BK-2; Page 3; Line 18	4
5	33,970	33,970	-	Statement BK-2; Page 3; Line 19	5
6	\$ 1,266,483	\$ 1,270,040	\$ (3,557)	Sum Lines 2; 3; 4; 5	6
7					7
8					8
9	\$ 61,799	\$ 61,799	\$ -	Statement AG; Page 4; Line 3	9
10					10
11					11
12	\$ (174,440)	\$ (175,145)	\$ 705	Statement AF; Page 3; Line 5	12
13					13
14					14
15	\$ 11,101	\$ 11,118	\$ (17)	Statement AL; Page 9; Line 5	15
16	6,264	6,274	(10)	Statement AL; Page 9; Line 9	16
17	11,237	11,238	(1)	Statement AL; Page 9; Line 21	17
18	\$ 28,602	\$ 28,630	\$ (28)	Sum Lines 15; 16; 17	18
19					19
20	\$ 1,182,444	\$ 1,185,324	\$ (2,880)	Sum Lines 6; 9; 12; 18	20

San Diego Gas & Electric Company
Statement BK-2

Cycle 6 Supplemental Filing
Derivation of ISO Prior Year Revenue Requirements (PYRR_{ISO})
For the Base Period Ending December 31, 2011
(\$1,000)

Line No.	A TO3 C6 Supplemental Filing Amounts	B TO3 C6 Informational Filing Amounts	C = A - B Difference Incr (Decr)	Reference	Line No.
1					1
2	\$ 1,731,133	\$ 1,734,087	\$ (2,954)	Statement AD; Page 1, Line 25	2
3	2,761	2,761	-	Statement AD; Page 1, Line 27	3
4	28,522	28,538	(16)	Statement AD; Page 1, Line 29	4
5	68,944	68,944	-	Statement AD; Page 1, Line 31	5
6	\$ 1,831,360	\$ 1,834,330	\$ (2,970)	Sum Lines 2; 3; 4; 5	6
7					7
8					8
9	515,502	514,914	588	Statement AE; Page 2, Line 1	9
10	2,160	2,160	-	Statement AE; Page 2, Line 11	10
11	12,241	12,242	(1)	Statement AE; Page 2, Line 13	11
12	34,974	34,974	-	Statement AE; Page 2, Line 15	12
13	\$ 564,877	\$ 564,290	\$ 587	Sum Lines 9; 10; 11; 12	13
14					14
15					15
16	\$ 1,215,631	\$ 1,219,173	\$ (3,542)	Line 2 Minus Line 9	16
17	601	601	-	Line 3 Minus Line 10	17
18	16,281	16,296	(15)	Line 4 Minus Line 11	18
19	33,970	33,970	-	Line 5 Minus Line 12	19
20	\$ 1,266,483	\$ 1,270,040	\$ (3,557)	Sum Lines 16; 17; 18; 19	20

San Diego Gas & Electric Company
Statement BK-2

Cycle 6 Supplemental Filing
Derivation of ISO Forecast Period Capital Additions Revenue Requirements (FC_{iso})
For the Forecast Period Ending April 1, 2012 - August 31, 2013
(\$1,000)

Line No.	A TO3 C6 Supplemental Filing Amounts	B TO3 C6 Informational Filing Amounts	C = A - B Difference Incr (Decr)	Reference	Line No.
ANNUAL FIXED CHARGES APPLICABLE TO CAPITAL PROJECTS					
1	A. Derivation of Annual Fix Charge Rate (AFCR_{iso}) Applicable to				
2	Weighted Forecast Plant Additions:				
3	\$ 297,524	\$ 297,978	\$ (455)	Statement BK-2, Page 1; Line 32	3
4	(1,893)	(1,893)	-	Statement BK-2, Page 1; Line 12	4
5	265	265	-	Statement BK-2, Page 1; Line 26	5
6	-	-	-	Statement BK-2, Page 1; Line 27	6
7	-	-	-	Statement BK-2, Page 1; Line 29	7
8	\$ 295,895	\$ 296,350	\$ (455)	Sum Lines 3; 4; 5; 6; 7	8
9					9
10	\$ 1,831,360	\$ 1,834,330	\$ (2,970)	Statement BK-2, Page 3; Line 6	10
11					11
12	16.1571%	16.1558%	0.0013%	Line 8 / Line 10	12
13					13
14	\$ 1,820,356	\$ 1,835,223	\$ (14,867)	See Volume 2 WPs.	14
15				Summary of WTD HV-LV Plant Adds; Page 1; Ln 6	15
16	\$ 294,117	\$ 296,495	\$ (2,378)	Line 12 x Line 14	16

San Diego Gas & Electric Company
Statement BK-2

Cycle 6 Supplemental Filing

Derivation of ISO Base Transmission Revenue Requirements (BTRR_{iso})
For the Rate Effective Period September 1, 2012 - August 31, 2013
(\$1,000)

Line No.	A TO3 C6 Supplemental Filing Amounts	B TO3 C6 Informational Filing Amounts	C = A - B Difference Incr (Decr)	Reference	Line No.
1	<u>A. Total ISO BTRR_{iso}</u>				1
2					2
3	\$ 297,524	\$ 297,978	\$ (455)	Statement BK-2; Page 1; Line 32	3
4					4
5	6,353	7,029	(676)	Volume 1; Section 3.1.1; Pgs. 1-3; Line 34	5
6					6
7	850	1,035	(185)	Vol. 1; Section 3.1.2; Part 1.A; Pgs 1-2; Line 20	7
8					8
9	87	87	-	Vol. 1; Section 3.1.2; Part 2.A; Pgs 1-2; Line 20	9
10					10
11					11
12					12
13	294,117	296,495	(2,378)	Statement BK-2; Page 4; Line 16	13
14					14
15	\$ 598,931	\$ 602,624	\$ (3,693)	Sum Lines 3, 5; 7; 9; and 13	15
16					16
17	\$ 598,931	\$ 602,624	\$ (3,693)	Sum Line 15	17
	<u>B. Annual Fixed Charges Applicable to Capital Projects:</u>				
	Forecast Period Capital Addition Revenue Requirements				
	<u>C. Total BTRR_{iso} Excluding Franchise</u>				
	<u>D. Total BTRR_{iso} Excluding Franchise</u>				

San Diego Gas & Electric Company
Statement BK-2
Cycle 6 Supplemental Filing
Derivation of ISO HV Transmission Facility (BTRR_{iso-hv}) & LV Transmission Facility (BTRR_{iso-lv}) Revenue Requirements
For the Rate Effective Period September 1, 2012 - August 31, 2013
(\$1,000)

Line No.	A TO3 C6 Supplemental Filing Amounts	B TO3 C6 Informational Filing Amounts	C = A - B Difference Incr (Decr)	Reference	Line No.
1					1
2					2
3	\$ 598,931	\$ 602,624	\$ (3,693)	Statement BK-2; Page 5; Line 17	3
4					4
5					5
6	294,117	296,495	(2,378)	Statement BK-2; Page 5; Line 13	6
7					7
8	294,117	296,495	(2,378)	Sum Line 6	8
9					9
10	7,291	8,151	(860)	Statement BK-2; Page 5; Line 5; 7; & 9	10
11					11
12	297,524	297,978	(455)	Line 3 Minus Lines 8 & 10	12
13					13
14	7,291	8,151	(860)	Statement BK-2; Page 5; Line 5; 7; & 9	14
15					15
16	\$ 304,814	\$ 306,129	\$ (1,315)	Sum Lines 12 & 14	16

A. Derivation of Revenues for Recorded Facilities:

Total BTRR_{iso} Excluding Franchise

Less: Forecast Capital Additions Revenues Requirements
Forecast Period Capital Addition Revenue Requirements

Sub-Total Forecast Revenue Requirements

Total True-Up Adjustment and Interest True-Up Adjustment

Total End of Prior Year Revenue (PYRR_{iso}) Excluding FF

Total True-Up Adjustment and Interest True-Up Adjustment

End of Prior Year Revenue (PYRR_{iso}) & True-Up Adjustment

San Diego Gas & Electric Company
Statement BK-2
Cycle 6 Supplemental Filing
Derivation of ISO HV Transmission Facility (BTRR-ISO-HV) & LV Transmission Facility (BTRR-ISO-LV) Revenue Requirements
For the Rate Effective Period September 1, 2012 - August 31, 2013
(\$1,000)

Line No.	Description	A		B		C - A - B		Reference
		Filing Amounts	TO3 C6 Informational Filing Amounts	Difference	Incr (Deer)			
1	A. Derivation of Revenues Related with Total Transmission Facilities							
2	End of Prior Year Revenue (PYRR ISO)	\$ 304,814	\$ 306,129	\$ (1,315)		Statement BK-2; Page 6; Line 17		
3	Revenue Requirements Related With Transmission Forecast Plant Additions From April 1, 2011 thru August 31, 2012.	294,117	296,495	(2,378)		Statement BK-2; Page 6; Line 9		
4	Revenues Related With Total Transmission Facilities	\$ 598,931	\$ 602,624	\$ (3,693)		Sum Lines 3; 6		
5	B. Derivation of Split Between HV and LV ¹							
6	1. Percent Split Between HV & LV for Recorded Gross Transmission Plant Facilities:							
7	Gross Transmission Plant Facilities @ 12/31/2011	\$ 1,803,596	\$ 1,803,596	\$ 0.00%		795,351	1,008,245	(Vol. 2 WP Tab; HV-LV Study)
8	HV-LV Plant Allocation Ratios @ 12/31/2011	100.00%	100.00%	0.00%		44.10%	55.90%	Page 1; Cols. B and C.
9	Total Transmission Plant Facilities Revenues @ 12/31/2011	\$ 304,814	\$ 306,129	\$ (1,315)		\$ 170,397	\$ 134,997	Ratios Based on Line 16 Line 17 x Line 18; Col A
10	2. Percent Split Between HV and LV or Forecast Plant Adds From 4/1/2012 - 8/31/2013:							
11	Revenue related with forecast plant additions from April 1, 2011 thru August 31, 2012.	\$ 1,820,356	\$ 1,835,223	\$ (14,867)		159,838	1,688,690	Volume 3; WP Tab
12	Summary of ISO Transmission Facilities by High Voltage and Low Voltage Classifications:	\$ 100.00%	\$ 100.00%	\$ 0.00%		91.22%	90.38%	Summary of HV-LV Plant Adds; Page 1; Line 8
13	Recorded Transmission Facilities BTRR ISO	\$ 294,117	\$ 296,495	\$ (2,378)		\$ 25,828	\$ 267,975	Line 22 x Line 23; Col A
14	Forecast Transmission Facilities BTRR ISO	\$ 304,814	\$ 306,129	\$ (1,315)		\$ 170,397	\$ 134,997	Line 18 From Above
15	Total BTRR ISO Excluding Franchise	\$ 598,931	\$ 602,624	\$ (3,693)		\$ 196,225	\$ 402,972	Line 23 From Above Line 28 + Line 30

¹ Pursuant to the ISO's July 5, 2005 filing in compliance with the Commission's December 21, 2004 order, 109 FERC ¶ 61,301 (December 21, Order) and June 2, 2005 Order, 111 FERC ¶ 61,337 (June 2, Order), SDG&E in the instant filing has followed the ISO's new guidelines to separate all elements of its transmission facilities into HV and LV components. TRBA cost components shown in the instant filing are separated into the HV and LV components applicable to the ISO's HV and LV guidelines in effect 1/1/2005 pursuant to ISO Tariff Appendix F, Sch.3, Section 8.1.

EXHIBIT 1A

San Diego Gas & Electric Company
 Statement BK-2
 Cycle 6 Supplemental Filing
Derivation of ISO HV Transmission Facility (BTRR_{ISOHV}) & LV Transmission Facility (BTRR_{ISOHV}) Revenue Requirements
 For the Rate Effective Period September 1, 2012 - August 31, 2013
 (\$1,000)

Line No.	Description	A		B		C - A - B		Revised		Original		Reference	Line No.
		TO3 C6 Supplemental Filing Amounts	TO3 C6 Informational Filing Amounts	TO3 C6 Informational Filing Difference	TO3 C6 Informational Filing Difference	High Voltage ²	Low Voltage ²	High Voltage ²	Low Voltage ²	High Voltage ²	Low Voltage ²		
1	Summary of ISO HV and LV Transmission Revenues:												
2													
3	Recorded Facilities Transmission Revenue Requirements	\$ 304,814	\$ 306,129	\$ (1,315)	\$ 134,417	\$ 170,397	\$ 134,997	\$ 171,132	\$ 171,132	\$ 134,997	\$ 171,132	Summt BK-2; Page 7, Ln28	1
4	Base Franchise Fee (FF) @ 1.0275% ¹	3,132	3,145	(13)	1,381	1,751	1,387	1,758	1,758	1,387	1,758	Line 4 x 1.0275%	2
5	Total Forecast Transmission Facilities BTRR _{ISO}	\$ 307,946	\$ 309,274	\$ (1,328)	\$ 135,798	\$ 172,148	\$ 136,384	\$ 172,890	\$ 172,890	\$ 136,384	\$ 172,890	Sum Lines 4, 5	3
6													4
7	Forecast Transmission Facilities BTRR _{ISO}	\$ 294,117	\$ 296,495	\$ (2,378)	\$ 268,289	\$ 25,828	\$ 267,975	\$ 28,520	\$ 28,520	\$ 267,975	\$ 28,520	Summt BK-2; Page 7, Ln30	5
8	Base Franchise Fee (FF) @ 1.0275%	3,022	3,046	(24)	2,757	265	2,753	293	293	2,753	293	Line 10 x 1.0275%	6
9	Total Recorded Facilities BTRR _{ISO}	\$ 297,139	\$ 299,541	\$ (2,402)	\$ 271,046	\$ 26,093	\$ 270,728	\$ 28,813	\$ 28,813	\$ 270,728	\$ 28,813	Sum Lines 10; 11	7
10													8
11	Total BTRR _{ISO}	\$ 605,085	\$ 608,815	\$ (3,730)	\$ 406,844	\$ 198,241	\$ 407,112	\$ 201,703	\$ 201,703	\$ 407,112	\$ 201,703	Line 7 + Line 13	9
12													10
13													11
14													12
15													13

¹ Base franchise fees are applicable to all SDG&E customers.

² The following HV-LV Wholesale Base Transmission Revenue Requirements will be used by the CAISO to develop the TAC rates for the rate effective period September 1, 2012 through August 31, 2013.

EXHIBIT 2A

SAN DIEGO GAS & ELECTRIC COMPANY
STATEMENT AD
COST OF PLANT
PERIOD 1 - December 31, 2011 PER BOOK
(\$1,000)

TRANSMISSION PLANT

8/15/12 Informational Filing
TO3 Cycle 6 Supplemental Filing

8/15/12 Informational Filing
TO3 Cycle 6 Supplemental Filing

Line No.	Month	(1) Total Transmission Plant Per Book As Filed	(2) Total Transmission Plant Per Book Adjusted	(3) = (2) - (1) Variance	(4) Transmission Plant Ratemaking As Filed	(5) Transmission Plant Ratemaking Adjusted	(6) = (5) - (4) Variance	Line No.
1	Dec-10	\$ 1,727,359	\$ 1,726,210	\$ (1,149)	\$ 1,682,943	\$ 1,681,794	\$ (1,149)	1
2	Jan-11	1,732,433	1,731,007	(1,426)	1,687,998	1,686,573	(1,426)	2
3	Feb	1,733,838	1,732,256	(1,582)	1,689,454	1,687,872	(1,582)	3
4	Mar	1,757,636	1,754,845	(2,792)	1,709,346	1,706,554	(2,792)	4
5	Apr	1,757,243	1,754,386	(2,858)	1,708,262	1,705,405	(2,858)	5
6	May	1,766,148	1,763,237	(2,911)	1,716,634	1,713,723	(2,911)	6
7	June	1,784,489	1,781,544	(2,945)	1,735,082	1,732,138	(2,945)	7
8	July	1,802,078	1,798,844	(3,234)	1,751,852	1,748,618	(3,234)	8
9	Aug	1,812,457	1,808,925	(3,533)	1,762,200	1,758,667	(3,533)	9
10	Sep	1,815,987	1,812,236	(3,752)	1,765,731	1,761,980	(3,752)	10
11	Oct	1,819,414	1,815,528	(3,886)	1,769,068	1,765,181	(3,886)	11
12	Nov	1,822,235	1,818,273	(3,962)	1,770,151	1,766,189	(3,962)	12
13	Dec-11	1,858,792	1,854,786	(4,006)	1,803,596	1,799,591	(4,006)	13
14	Total 13 Months	23,190,110	23,152,075	(38,035)	22,552,319	22,514,283	(38,035)	14
15	Less 1/2 First & Last Months	1,793,075	1,790,498	(2,577)	1,743,270	1,740,692	(2,577)	15
16	Total 12 Months Wtd. Average	21,397,034	21,361,576	(35,458)	20,809,049	20,773,591	(35,458)	16
17	Monthly Weighted Average	\$ 1,783,086	\$ 1,780,131	\$ (2,954)	\$ 1,734,087	\$ 1,731,133	\$ (2,954)	17

SAN DIEGO GAS & ELECTRIC COMPANY
 STATEMENT AD
 COST OF PLANT
 PERIOD 1 - 12/31/2011 PER BOOK
 (\$1,000)
 GENERAL PLANT

8/15/12 TO3 Cycle 6
 Informational Supplemental
 Filing Filing

Line No.	(1) Adjusted FERC General Plant Balance As Filed	(2) Adjusted FERC General Plant Balance Adjusted	(3) = (2) - (1) Variance	Line No.
1	\$ 187,234	\$ 187,205	\$ (29)	1
2	203,698	203,501	(197)	2
3	\$ 195,466	\$ 195,353	\$ (113)	3
Beginning and End Period Average				1

1 General plant variance at line 3 above \$ (113)

Transmission wages & salaries allocation factor 14.60%

Transmission related general plant cost variance \$ (16)

On many of the electric transmission projects, there is a related telecomm component that is normally charged to electric general plant. As the internal orders for the telecomm component are directly related to the transmission project, an electric transmission overhead key is assigned to the general plant internal order. As a result, there were related wildfire insurance and damages overheads loaded on these general plant orders. These overhead charges were reversed as a result of the FERC order and the impacted electric general cost statements have been adjusted to reflect these reversals.

EXHIBIT 4A

SAN DIEGO GAS & ELECTRIC COMPANY
STATEMENT AE
ACCUMULATED DEPRECIATION AND AMORTIZATION
PERIOD 1 - December 31, 2011 PER BOOK
(\$1,000)
TRANSMISSION PLANT

Line No.	Month	8/15/12 Informational Filing		TO3 Cycle 6 Supplemental Filing		8/15/12 Informational Filing		TO3 Cycle 6 Supplemental Filing		Line No.
		(1) Total Transmission Reserves Per Book As Filed	(2) Total Transmission Reserves Per Book Adjusted	(3) = (2) - (1) Variance	(4) Transmission Reserves Ratemaking As Filed	(5) Transmission Reserves Ratemaking Adjusted	(6) = (5) - (4) Variance			
1	Dec-10	\$ 519,569	\$ 519,787	\$ 218	\$ 504,078	\$ 504,296	\$ 218			1
2	Jan-11	522,311	522,661	350	506,751	507,101	350			2
3	Feb	523,400	523,903	504	507,829	508,333	504			3
4	Mar	525,281	525,813	532	509,652	510,184	532			4
5	Apr	526,805	527,365	560	511,098	511,659	560			5
6	May	527,611	528,204	593	511,832	512,425	593			6
7	June	529,132	529,764	632	513,289	513,921	632			7
8	July	531,857	532,510	653	515,936	516,589	653			8
9	Aug	535,060	535,727	667	519,034	519,701	667			9
10	Sep	536,672	537,361	689	520,588	521,276	689			10
11	Oct	539,207	539,902	695	523,048	523,743	695			11
12	Nov	538,561	539,264	703	522,097	522,800	703			12
13	Dec-11	548,106	548,831	725	531,556	532,281	725			13
14	Total 13 Months	6,903,572	6,911,094	7,522	6,696,787	6,704,309	7,522			14
15	Less 1/2 First & Last Months	533,838	534,309	472	517,817	518,289	472			15
16	Total 12 Months Wtd. Average	6,369,734	6,376,784	7,051	6,178,970	6,186,021	7,050			16
17	Monthly Weighted Average	\$ 530,811	\$ 531,399	\$ 588	\$ 514,914	\$ 515,502	\$ 588			17

AE-1 Variance

EXHIBIT SA

SAN DIEGO GAS & ELECTRIC COMPANY
STATEMENT AE
ACCUMULATED DEPRECIATION AND AMORTIZATION
PERIOD 1 - 12/31/2011 PER BOOK
(\$1,000)
GENERAL PLANT

Line No.	8/15/12 TO3 Cycle 6 Informational Filing Supplemental Filing			Line No.
	(1) Adjusted FERC General Reserve Balance As Filed	(2) Adjusted FERC General Reserve Balance Adjusted	(3) = (2) - (1) Variance	
1	\$ 79,957	\$ 79,957	\$ (0)	1
2	87,739	87,734	(5)	2
3	\$ 83,848	\$ 83,845	\$ (3)	3
Beginning and Year End Average				

* General plant average balance at line 3 above \$ 83,848 \$ 83,845 \$ (3)

Transmission wages & salaries allocation factor 14.60% 14.60% 14.60%

Transmission related general plant cost variance \$ 12,242 \$ 12,241 \$ (1)

EXHIBIT 6A

8/15/12

AUG 15th FILING

SAN DIEGO GAS AND ELECTRIC COMPANY
Statement AF - Workpapers
Deferred Credits
Base Period - December 31, 2011
(\$1,000)

Line No	(a) 31-Dec-10	(b) 31-Dec-11	(c) = [(a)+(b)]/2 Average Balance	Reference	Line No
1	\$ (138,412)	\$ (157,478)	\$ (147,945)		1
2					2
3	(25,130)	(29,269)	(27,200)		3
4					4
5	\$ (163,542) ¹	\$ (186,747) ²	\$ (175,145) ^⓪	Sum Lines 1 and 3	5

Form 1; Pg. 450.1; Sch. Pg. 274; Ln. 2; Col. b and k

NOTE:

- ¹ See statement AF2 from FERC Form 1 supporting the beginning accumulated deferred income tax balance.
- ² See statement AF3 for the revised calculation supporting the ending accumulated deferred income tax balance as reflected on line 24.

Original TO3 cycle & Informational Filing	⓪ (175,145)
TO3 cycle & Supplemental Filing	(174,440)
Deferred Credits Variance	<u>705</u>

EXHIBIT 6A
 Pg 2 of 2

SAN DIEGO GAS AND ELECTRIC COMPANY
 Statement AF - Workpapers
 Deferred Credits
 Base Period - December 31, 2011
 (\$1,000)

C6 SUPPLEMENTAL

Line No	(a) 31-Dec-10	(b) 31-Dec-11	(c) = [(a)+(b)]/2 Average Balance	Reference	Line No	
1	Transmission Related ADIT - Excluding Bonus Depreciation	v \$ (138,399)	v \$ (157,241)	v \$ (147,820)		1
2						2
3	Transmission Related ADIT from Bonus Depreciation	v (24,929)	v (28,310)	v (26,620)		3
4						4
5	Total	v \$ (163,328) ¹	v \$ (185,551) ²	v \$ (174,440)	Sum Lines 1 and 3	5

Form 1; Pg. 450.1; Sch. Pg. 274; Ln. 2; Cols. b and k

NOTE:

- ¹ See statement AF2 from FERC Form 1 supporting the beginning accumulated deferred income tax balance.
- ² See statement AF3 for the revised calculation supporting the ending accumulated deferred income tax balance as reflected on line 24.
- v Items that are in **BOLD** have changed compared to the original TO3-Cycle 6 Informational Filing last August 15, 2012.

CG AUG 15 FILING

EXHIBIT 7A

Pg 1 of 2

SAN DIEGO GAS AND ELECTRIC COMPANY
 Statement AL - Workpapers
 Working Capital
 Base Period - December 31, 2011
 (\$1,000)

Line No.		Working Cash	13 Months Average Balance	Reference	Line No.
1	Plant Materials and Operating Supplies ^{a, b}		\$ 55,952	BPWP; Page AL-1; Line 17	1
2					2
3	Transmission Plant Allocation Factor		19.87%	Statement AD1; Line 35	3
4					4
5	Transmission Related Materials and Supplies		\$ 11,118 ^①	Line 1 x Line 3	5
6					6
7	Prepayment ^a		31,574	BPWP; Page AL-2; Line 17	7
8					8
9	Transmission Related Prepayments		\$ 6,274 ^②	Line 3 x Line 7	9
10					10
11	<u>Derivation of Transmission Related Cash Working Capital:</u>				
12	Transmission O&M Expense - Excluding Intervenor Funding Expense	\$ 47,112		Statement AH1; Line 9	12
13	Transmission Related Administrative & General Expenses	42,788		Statement AH1; Line 52	13
14	Intervenor Funding Expense			Statement AH1; Line 8	14
15	Total	\$ 89,900		Sum Lines 12; 13; 14	15
16					16
17	One Eighth O&M Rule		12.50%	FERC Method = 1/8 of O&M Expense	17
18					18
19	Transmission Related Cash Working Capital - Retail Customers	\$ 11,238		Line 15 x Line 17	19
20					20
21	Transmission Related Cash Working Capital - Wholesale Customers	\$ 11,238 ^③		(Line 12 + Line 13) x Line 17	21

^a The balances for Materials & Supplies and Prepayments are derived based on a 13-month weighted average balance.

^b See the attached FERC Form 1 Footnote Data, Page 450.1, Schedule Page 227, Line 12; Column C, as filed in SDG&E's 2011 annual FERC Form 1 filing.

Transmission Related Materials - Supplies - Orig. File ^① 11,118
 Revised File 11,101
 Difference 17

Transmission Related Prepayments - Orig. File ^② 6,274
 Revised File 6,264
 Difference 10

Transmission Related Working Capital - Orig. File ^③ 11,238
 Revised File 11,237
 Difference 1

8/15/12 Informational Filing

EXHIBIT 7A
Pg 2 of 2

SAN DIEGO GAS AND ELECTRIC COMPANY
Statement AL - Workpapers
Working Capital
Base Period - December 31, 2011
(\$1,000)

CG SUPPLEMENTAL

Line No.		Working Cash	13 Months Average Balance	Reference	Line No.
1	Plant Materials and Operating Supplies ^{a, b}		\$ 55,952	BPWP; Page AL-1; Line 17	1
2					2
3	Transmission Plant Allocation Factor		<u>19.84%</u> ✓	Statement AD1; Line 35	3
4					4
5	Transmission Related Materials and Supplies		<u>\$ 11,101</u> ✓	Line 1 x Line 3	5
6					6
7	Prepayment ^a		<u>31,574</u>	BPWP; Page AL-2; Line 17	7
8					8
9	Transmission Related Prepayments		<u>\$ 6,264</u> ✓	Line 3 x Line 7	9
10					10
11	<u>Derivation of Transmission Related Cash Working Capital:</u>				11
12	Transmission O&M Expense - Excluding Intervenor Funding Expense	\$ 47,112		Statement AH1; Line 9	12
13	Transmission Related Administrative & General Expenses	42,786 ✓		Statement AH1; Line 52	13
14	Intervenor Funding Expense	-		Statement AH1; Line 8	14
15	Total	<u>\$ 89,898</u> ✓		Sum Lines 12; 13; 14	15
16					16
17	One Eighth O&M Rule		<u>12.50%</u>	FERC Method = 1/8 of O&M Expense	17
18					18
19	Transmission Related Cash Working Capital - Retail Customers	<u>\$ 11,237</u> ✓		Line 15 x Line 17	19
20					20
21	Transmission Related Cash Working Capital - Wholesale Customers	<u>\$ 11,237</u> ✓		(Line 12 + Line 13) x Line 17	21

^a The balances for Materials & Supplies and Prepayments are derived based on a 13-month weighted average balance.

^b See the attached FERC Form 1 Footnote Data, Page 450.1, Schedule Page 227, Line 12; Column C, as filed in SDG&E's 2011 annual FERC Form 1 filing.

✓ Items that are in **BOLD** have changed compared to the original TO3-Cycle 6 Informational Filing last August 15, 2012.

06 AUG 15 FILING

SAN DIEGO GAS AND ELECTRIC COMPANY
 Statement AH - Workpapers
 Operation and Maintenance Expenses
 Base Period - December 31, 2011
 (\$1,000)

EXHIBIT 8A
 R 1 of 2

Line No.	Amount	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
32			32
33			33
34			34
35			35
36			36
37			37
38			38
39			39
40			40
41			41
42			42
43			43
44			44
45			45
46			46
47			47
48			48
49			49
50			50
51			51
52			52

original TO 3 cycle 6 Informational Filing
 TO 3 cycle 6 Supplemental Filing
 Transm. Related Prop. Ins. Variance

1,217
 1,215
 <2>

EXHIBIT 8A
P 2 of 2

SAN DIEGO GAS AND ELECTRIC COMPANY
Statement AH - Workpapers
Operation and Maintenance Expenses
Base Period - December 31, 2011
(\$1,000)

C6 SUPPLEMENTAL

Line No.	Amount	Reference	Line No.
1			1
1		<u>Derivation of Transmission Operation and Maintenance Expense:</u>	
2	\$ 61,402	Stmnt AH WP; Page-AH2; Line 32; Col. (a)	2
2	Total Transmission Expenses		2
3	(8,263)	Stmnt AH WP; Page-AH2; Line 6; Col. (b)	3
3	Less: Account (561.4) - Load Dispatching		3
4	(1,209)	Stmnt AH WP; Page-AH2; Line 10; Col. (b)	4
4	Less: Account (561.8) - Market Administration Monitor		4
5	(4,262)	Stmnt AH WP; Page-AH2; Line 14; Col. (b)	5
5	Less: Account (565) - Transmission of Electricity by Others		5
6	(556)	Stmnt AH WP; Page-AH2; Line 15; Col. (b)	6
6	Less: Account (566) - Miscellaneous Transmission Expenses		6
7	\$ 47,112	Sum Lines 2 thru 6	7
7	Total Transmission O&M Expenses Including Intervener Compensation Costs		7
8	-		8
8	Less: CPUC Intervener Funding Expenses (See Statement BK1; Page 1; Line 6)		8
9	\$ 47,112	Sum Lines 7 thru 8	9
9	Total Transmission O&M Expense (See Statement BK1; Page 1; Line 2)		9
10			10
11			11
11		<u>Derivation of Administrative and General Expense:</u>	
12	\$ 355,448 ✓	Stmnt AH WP; Page-AH4; Line 19; Col. (a)	12
12	Total Administrative & General Expenses		12
13			13
13		<u>Adjustments to Per Book A&G Expenses:</u>	
14	(883) ✓	Stmnt AH WP; Page-AH4; Line 23; Col. (c)	14
14	Nuclear liability insurance expenses		14
15	(44,489) ✓	Stmnt AH WP; Page-AH4; Line 24; Col. (c)	15
15	Wildfire damage claims - TO3 Cycle 5		15
16	(5,119)	Stmnt AH WP; Page-AH4; Line 25; Col. (b)	16
16	CPUC reimbursement fees		16
17	(784)	Stmnt AH WP; Page-AH4; Line 26; Col. (b)	17
17	Litigation expenses - Litigation Cost Memorandum Account (LCMA)		17
18	(13,665)	Stmnt AH WP; Page-AH4; Line 28; Col. (c)	18
18	CPUC energy efficiency programs		18
19	(611)	Stmnt AH WP; Page-AH4; Line 29; Col. (c)	19
19	Advanced Metering Infrastructure (AMI) lease facilities		19
20	(6)	Stmnt AH WP; Page-AH4; Line 30; Col. (c)	20
20	Hazardous substances - Hazardous Substance Cleanup Cost Account		20
21	\$ 289,892	Sum Lines 14 thru 20	21
21	Total Adjusted A&G Expenses Before Excluding Property Insurance		21
22	(5,160)	Stmnt AH WP; Page-AH4; Line 6; Col. (c)	22
22	Property Insurance (Reflected on Line 46 below due to different allocation factor)		22
23	\$ 284,732	Sum Lines 21 and 22	23
23	Total Adjusted A&G Expenses Excluding Property Insurance		23
24	14.60%	Statement AI; Page 1, Line 19	24
24	Transmission Wages and Salaries Allocation Factor		24
25	\$ 41,571	Line 23 x Line 24	25
25	Total Transmission Related Administrative and General Expenses		25
26			26
27			27
27		<u>Derivation of Transmission Plant Property Insurance Allocation Factor:</u>	
28	\$ 1,731,133 ✓	Statement AD; Page 1; Line 25	28
28	Transmission Plant		28
29	28,522 ✓	Statement AD; Page 1; Line 29	29
29	Transmission Related General Plant		29
30	68,944	Statement AD; Page 1; Line 31	30
30	Transmission Related Common Plant		30
31	\$ 1,828,599 ✓	Sum Lines 28; 29; 30	31
31	Total Transmission Related Investment in Plant		31
32			32
33	\$ 1,731,133 ✓	Statement AD; Page 1; Line 25	33
33	Total Transmission Plant		33
34	380,494	Statement AD; Page 1; Line 3	34
34	Total Steam Production Plant		34
35	325,981	Statement AD; Page 1; Line 9	35
35	Total Other Production Plant		35
36	-	Not Applicable in Developing Ratio	36
36	Total Nuclear Production Plant		36
37	4,659,101 ✓	Statement AD; Page 1; Line 13	37
37	Total Distribution plant		37
38	195,353 ✓	Statement AD; Page 1; Line 17	38
38	Total General Plant		38
39	472,220	Statement AD; Page 1; Line 19	39
39	Total Common Plant		39
40	\$ 7,764,281 ✓	Sum Lines (33 through 39)	40
40	Total Plant in Service Excluding SONGS		40
41			41
42	23.55% ✓	Line 31 / Line 40	42
42	Transmission Plant Property Insurance Allocation Factor		42
43			43
44	\$ 5,160	See Line 22 Above	44
44	Total Property Insurance		44
45			45
46	1,215 ✓	Line 42 x Line 44	46
46	Property Insurance Allocated to Transmission, General, and Common Plant		46
47			47
48	41,571	See Line 25 Above	48
48	Transmission Related A & G Expenses		48
49			49
50	\$ 42,786 ✓	Sum Lines 46 and 48	50
50	Transmission Related A & G Expenses Including Property Insurance		50

✓ Items that are in BOLD have changed compared to the original TO3-Cycle 6 Informational Filing last August 15, 2012.

EXHIBIT 9A

SDG&E STATEMENT AJ
TRANSMISSION EXPENSE AND EXPENSE RELATED TO TRANSMISSION
 In Thousands
 Depreciation and Amortization Expense as of December 31, 2011

8/15/12 TO3 Cycle 6 TO3 Cycle 6
 Informational Supplemental Supplemental
 Filing Filing Filing

Line No.	Account No.	Description	(1) FERC Transmission Expense Per Book As Filed	(2) FERC Transmission Expense Per Book Adjusted	(3) = (2) - (1) Variance	(4) Transmission Expense Ratemaking As Filed	(5) Transmission Expense Ratemaking Adjusted	(6) = (5) - (4) Variance	Line No.
1	303	Intangibles	\$ -	\$ -	\$ -				1
2	350	Land and Land Rights	636	636	(0)				2
3	352	Structures and Improvements	2,644	2,644	(0)				3
4	353	Station Equipment	15,736	15,736	(0)				4
5	354	Towers and Fixtures	2,354	2,354	(1)				5
6	355	Poles and Fixtures	9,466	9,406	(60)				6
7	356	Overhead Conductors & Devices	8,271	8,242	(29)				7
8	357	Underground Conduit	3,442	3,436	(6)				8
9	358	Underground Conductors & Devices	3,357	3,349	(8)				9
10	359	Roads and Trails	484	482	(2)				10
11		Subtotal	\$ 46,391	\$ 45,285	\$ (1,105)	\$ 45,383	\$ 45,229	\$ (105)	11
12		Valley Rainbow Amortization Expense	1,893	1,893	-	1,893	1,893	-	12
13		Total Transmission Expense	\$ 48,284	\$ 47,178	\$ (1,105)	\$ 47,277	\$ 47,122	\$ (105)	13

EXHIBIT 10A

SAN DIEGO GAS & ELECTRIC COMPANY
STATEMENT AJ
DEPRECIATION AND AMORTIZATION EXPENSE
PERIOD 1 - 12/31/2011 PER BOOK
(\$1,000)
GENERAL PLANT

8/15/12 TO3 Cycle 6
Informational Supplemental
Filing Filing

Line No.	(1) FERC General Plant Expense As Filed	(2) FERC General Plant Expense Adjusted	(3) = (2) - (1) Variance	Line No.
1	\$ 8,778	\$ 8,773	\$ (6)	1
December 31, 2011 Expense				

* General plant average balance at line 1 above

Transmission wages & salaries allocation factor

Transmission related general plant cost variance

\$ (6)

14.60%

\$ (1)

EXHIBIT 11A

R 142

SAN DIEGO GAS AND ELECTRIC COMPANY

Statement AK - Workpapers

Taxes Other Than Income Taxes

Base Period - December 31, 2011

(\$1,000)

CG AUG 15 FILING

Line No.		Amount	Reference	Line No.
1	Total Property Taxes per FERC Form 1	\$ 51,850	Form 1; Page 263; Line 2; Col. 1	1
2				2
3	Less: Allocation Adjustment ¹	(16)	See Footnote 1	3
4				4
5	Less: Other Taxes (Business license taxes) ¹	(15)	See Footnote 1	5
6				6
7	Net Property Taxes	\$ 51,819	Line 1 Minus Lines 3 and 5	7
8				8
9	Less: SONGS Property Taxes ²	(3,659)	Form 1; Page 450.1; Sch. Pg 262; Line 2	9
10				10
11	Total Property Taxes Expense	\$ 48,160	Line 7 Minus Line 9	11
12				12
13	Transmission Related Property Tax Allocation Factor	23.56%	Cost Statement AK; Pg 8 of 14; Line 25	13
14				14
15	Transmission Related Property Taxes Expense	\$ 11,346 ¹	Line 11 x Line 13	15
16				16
17				17
18	Total Payroll Taxes Expense per FERC Form 1	\$ 13,370	Form 1; Pg. 263; Line 10; 18; 19; 20; Col. 1	18
19				19
20	Add: Allocation Adjustment ³	16	See Footnote 3	20
21				21
22	Total Transmission Payroll Taxes Expense	\$ 13,386	Line 18 + Line 20	22
23				23
24	Transmission Wages and Salaries Allocation Factor	14.60%	Statement A1; Line 19	24
25				25
26	Transmission Related Payroll Taxes Expense	\$ 1,954	Line 22 x Line 24	26

NOTES:

- ¹ The amount of property taxes expense reflected in FERC Form 1 equals \$51.850 million and includes other taxes besides ad valorem taxes. These other taxes consists of \$15K business license taxes and an inadvertent allocation adjustment of \$16K for payroll taxes expense which was included on the property taxes expense line. The \$16K. should have been included as part of payroll taxes expense in FERC Form 1 (see footnote ³).
- ² The amount of property tax expense reflected in the FERC Form 1 for the SONGS facilities is \$3.659 million.
- ³ The total amount of payroll taxes expense reflected in FERC Form 1 equals \$13.370 million which inadvertently excluded the \$16K payroll tax mentioned in footnote 1.
- ⁴ The results of the above adjustments to the FERC Form 1 numbers for the transmission cost statements will reduce total transmission cost of service.

original TO3 cycle & Informational Filing
 TO3 cycle & Supplemental Filing
 Transmission Related Prop. Taxes Variance

11,346
11,347
1

EXHIBIT 11A
P. 242

CG SUPPLEMENT 12

SAN DIEGO GAS AND ELECTRIC COMPANY
Statement AK - Workpapers
Taxes Other Than Income Taxes
Base Period - December 31, 2011
(\$1,000)

Line No.		Amount	Reference	Line No.
1	Total Property Taxes per FERC Form 1	\$ 51,915 v	Form 1; Page 263; Line 2; Col. i	1
2				2
3	Less: Allocation Adjustment ¹	(16)	See Footnote 1	3
4				4
5	Less: Other Taxes (Business license taxes) ¹	(15)	See Footnote 1	5
6				6
7	Net Property Taxes	\$ 51,884 v	Line 1 Minus Lines 3 and 5	7
8				8
9	Less: SONGS Property Taxes ²	(3,659)	Form 1; Page 450.1; Sch. Pg 262; Line 2	9
10				10
11	Total Property Taxes Expense	\$ 48,225 v	Line 7 Minus Line 9	11
12				12
13	Transmission Related Property Tax Allocation Factor	23.53% v	Cost Statement AK; Pg 8 of 14; Line 25	13
14				14
15	Transmission Related Property Taxes Expense	\$ 11,347 v	Line 11 x Line 13	15
16				16
17				17
18	Total Payroll Taxes Expense per FERC Form 1	\$ 13,370	Form 1; Pg. 263; Line 10;18;19;20; Col. i	18
19				19
20	Add: Allocation Adjustment ³	16	See Footnote 3	20
21				21
22	Total Transmission Payroll Taxes Expense	\$ 13,386	Line 18 + Line 20	22
23				23
24	Transmission Wages and Salaries Allocation Factor	14.60%	Statement AI; Line 19	24
25				25
26	Transmission Related Payroll Taxes Expense	\$ 1,954	Line 22 x Line 24	26

NOTES:

- ¹ The amount of property taxes expense reflected in FERC Form 1 equals \$51.915 million and includes other taxes besides ad valorem taxes. These other taxes consists of \$15K business license taxes and an inadvertent allocation adjustment of \$16K for payroll taxes expense which was included on the property taxes expense line. The \$16K should have been included as part of payroll taxes expense in FERC Form 1 (see footnote ³).
- ² The amount of property tax expense reflected in the FERC Form 1 for the SONGS facilities is \$3.659 million.
- ³ The total amount of payroll taxes expense reflected in FERC Form 1 equals \$13.370 million which inadvertently excluded the \$16K payroll tax mentioned in footnote 1.
- ⁴ The results of the above adjustments to the FERC Form 1 numbers for the transmission cost statements will reduce total transmission cost of service.
- v Items that are in **BOLD** have changed compared to the original TO3-Cycle 6 Informational Filing last August 15, 2012.

	SDG&E								Exhibit 12A
	Comparison of Cycle 6 Supplemental Filing and Cycle 6 Original Filing TU Adjustment								
	(\$ in 1,000)								
Ln			A		B		C		Ln
No.			Cycle 6		Cycle 6				No.
1			Supplemental		Original Filing		A-B		1
2									2
3	TU Period Recorded Revenues		315,295 (1)		315,295 (3)		-		3
4									4
5	TU Period Cost of Service		321,273 (2)		321,937 (4)		(664)		5
6									6
7	TU Adjustment	L5 -3	5,978		6,642		(664)		7
8									8
9	Interest on TU Adjustment		376		387		(11)		9
10									10
11	Total TU Adjustment		6,354		7,029		(675)		11
	(1) See Cycle 6 Supplemental Filing; Volume 1; Tab Entitled "Section 3.1.1"; Line 21.								
	(2) See Cycle 6 Supplemental Filing; Volume 1; Tab Entitled "Section 3.1.1"; Line 23.								
	(3) See original August 15, 2012 Cycle 6 Filing; Volume 2B; Tab entitled "Section 3.1.1"; Line 21.								
	(4) See original August 15, 2012 Cycle 6 Filing; Volume 2B; Tab entitled "Section 3.1.1"; Line 23.								

SDG&E		Exhibit 13A		
Comparison of Settlement and August 15th Informational Filing Period Revenues				
Ln.				Ln.
No.		\$ Millions		No.
1				1
2	Supplemental Filing Weighted Forecast Period Plant Additions	\$ 1,820	(1)	2
3				3
4	Supplemental Filing Annual Fix Charge Rate	16.15710%	(2)	4
5				5
6	Supplemental Filing Forecast Period Revenues	L2 x 4 \$ 294.059		6
7				7
8				8
9	August 15 Informational Filing Weighted Forecast Period Plant Additions	\$ 1,834	(3)	9
10				10
11	August 15th Informational Filing Annual Fix Charge Rate	16.15580%	(4)	11
12				12
13	August 15th Informational Filing Forecast Period Revenues	L9 x 11 \$ 296.297		13
14				14
15	Difference in Forecast Period Revenues	L6-13 \$ (2.238)		15
	(1) See Supplemental Filing Statement BK-2, Page 4, Line 10			
	(2) See Supplemental Filing Statement BK-2, Page 4, Line 12			
	(3) See August 15th Informational Filing Statement BK-2, Page 4, Line 10			
	(4) See August 15th Informational Filing Statement BK-2, Page 4, Line 12			
	(5) Settlement less August 15th Informational Filing Annual Fix Charge (16.15710% - 16.15580% = 0.00130%)			

Journal entry recorded in August 2012 to for the calendar year 2011 to reflect in the FERC Form No. 1 of 2011 the removal of wildfire insurance premiums and wildfire claims and legal costs previously capitalized and all associated impacts.

<u>Account</u>	<u>Account Title</u>	<u>Debit</u>	<u>Credit</u>
925	Electric Distribution Injuries and Damages	\$ 1,902,903	
925	Electric Transmission Injuries and Damages	14,301,087	
432	AFUDC Debt	168,818	
419	AFUDC Equity	420,994	
408	Property Taxes	65,239	
182	Other Regulatory Assets	16,738,535	
282	Accumulated Deferred Income Taxes	985,487	
419	Interest and Dividend Income		\$ 133,638
403	Depreciation Expense		120,506
456	Other Electric Revenues		16,604,897
101	Electric Plant in Service		3,188,411
108	Accumulated Depreciation		508,241
107	Electric Construction Work in Progress		13,041,883
236	Taxes Accrued		985,487

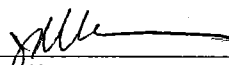
CERTIFICATE OF SERVICE

I hereby certify that I have this day served a copy of the foregoing document upon each person designated on the official service list compiled by the Secretary in this proceeding. In addition, I certify that I have also caused the foregoing to be served by overnight delivery upon the following:

Frank Lindh
General Counsel
California Public Utilities Commission
505 Van Ness Avenue
San Francisco, CA 94102

Nancy Saracino
General Counsel
California Independent System Operator Corporation
151 Blue Ravine Road
Folsom, CA 95630

Dated at San Diego, California, this 2nd day of October 2012.



Joel Dellosa