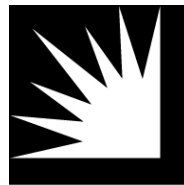


Investigation No.: 12-10-013  
Exhibit No.: SCE-54  
Witnesses: Richard Fisher  
Douglas Snow



SOUTHERN CALIFORNIA  
**EDISON**<sup>®</sup>

An *EDISON INTERNATIONAL*<sup>®</sup> Company

(U 338-E)

***SCE'S TESTIMONY PROVIDING INFORMATION  
FOR QUESTION NOS. 1-4, 6-7, 12, 14, AND 19-20  
AS DIRECTED IN ADMINISTRATIVE LAW  
JUDGES' RULING DATED APRIL 24, 2014***

Before the

**Public Utilities Commission of the State of California**

Rosemead, California  
May 1, 2014

I. RESPONSE TO QUESTIONS.....

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Witness Qualifications A

*Southern California Edison*  
**SONGS OII I.12-10-013**

**DATA REQUEST SET CPUC-ALJ-SCE-001-Attachment-A**

**To:** CPUC  
**Prepared by:** Rick Fisher  
**Title:** Manager  
**Dated:** 04/17/2014

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**Question 01:**

1. Section 2.6 provides a definition of “Base Plant” as “the Net Book Value of all-SONGS-related capital investments, except the SGRP, in the Utilities’ rate bases....,” including marine mitigation, and excluding Materials and Supplies (M&S), Cash working capital, and Nuclear Fuel Investment.

In what ways is this definition consistent or different from the list of weighted SONGS related capital assets identified in Appendices A and C in exhibit SCE-36 submitted during the Phase 2 hearings in this OII?

**Response to Question 01:**

The differences are as follows:

- Appendices A and C show gross plant dollars without the offset for accumulated depreciation (whereas Base Plant is "Net Book Value").
- Appendices A and C balances are as of May 31, 2013 (Base Plant is at February 1, 2012).
- Balances in Appendices A and C include SGRP, but are weighted according to use after shutdown (Base Plant excludes SGRP and does not weight the components based on use after shutdown).
- Appendices A and C do not include marine mitigation and Nuclear Design Basis Documentation (DBD) and Deferred Debits (Base Plant includes these balances).

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**Question 02:**

2. In §3.48, the Agreement states that the total amount of deferred taxes on SONGS investment (excluding the SGRP) as of February 1, 2012, is \$152 million for SCE, and \$4.5 million for SDG&E.

- What year dollars are these amounts (e.g., \$2011)?

**Response to Question 02:**

The deferred taxes in the agreement represent the accumulated balance of prior deferred tax accruals at February 1, 2012 (i.e., the dollar amounts are nominal).

---

**Question 03:**

3. As set forth in §3.36, what portion of SCE's \$597 million share, and SDG&E's \$160.4 million share, of the Net Book Value of the SGRP as of February 1, 2012 is CWIP?

**Response to Question 03:**

SCE's share of SGRP CWIP at February 1, 2012 is \$91 million. The \$597 million balance is broken out as follows:

SONGS Steam Generator Replacement	
As of February 1, 2012	
\$ millions	
	Total SGRP
Plant In Service	590
Accumulated Depreciation	(84)
	506
CWIP	91
Total SGRP w(CWIP)	597

---

**Question 04:**

4. In §4.2, the Agreement provides that the Capital-Related Revenue Requirement for the SGRP will be terminated as of February 1, 2012, and “the Utilities shall refund to ratepayers all amounts collected in rates as the Capital-Related Revenue Requirement for the SGRP for all periods on or after February 1, 2012.” Further, the Utilities shall not recover in rates the net Book Value of the SGRP as of February 1, 2012.

**Settling Parties shall prepare and serve an exhibit which contains the following information in table form for both SCE and SDG&E:**

- All amounts collected in rates as the Capital-Related Revenue Requirement for the SGRP through January 31, 2012, from February 1, 2012 through December 31, 2012, and from January 1, 2013 through December 31, 2013.
- For each time period include a breakdown between the net book value or capital investment and other capital-related revenue requirement.

**Response to Question 04:**

Please see the table below.

SONGS Steam Generators												
Included in Rates												
Millions of Dollars												
	A 1/	B	C	D	E	F	G	H	I	J	K	
	2006	2007	2008	2009	2010	2011	2012	Jan 2012	Total Thru Feb - Dec 2012	2013	Total Thru 2013	
1. Steam Generators												
2. Depreciation for Est 20% of Removal and Disposal 2/	3.03	3.32	3.59	3.78	3.84	4.06			21.62			
3. Depreciation					15.62	42.58	4.21	62.41	47.52	59.41	231.75	
4. Income taxes					8.06	10.48	1.62	20.16	9.64	20.35	70.32	
5. Property taxes						1.60	0.27	1.87	4.55	6.06	14.35	
6. Return					16.72	39.99	3.47	60.18	37.67	40.28	198.32	
7. Total Revenue Requirement with FF&U	3.03	3.32	3.59	3.78	44.24	98.71	9.58	166.25	99.38	126.09	557.98	
8. Franchise Fees & Uncollectibles	0.03	0.04	0.05	0.04	0.51	1.14	0.11	1.92	1.12	1.42	5.78	
9.	3.06	3.36	3.64	3.82	44.75	99.85	9.69	168.18	100.50	127.51	563.76	
1/ Columns A - G plus Column I equals \$268.7 million, the amount from Table IV-5 and IV-6 of SCE-6, A.13-03-005.												
2/ Amounts recovered related to the 20% of estimated removal & disposal expenses (2006 -2011) were offset with a reduction to rate base that is not included above.												
<b>10. Rate Base Detail</b>												
11. Plant End of year					284,060	590,335			584,172	590,153		
12. Accumulated Depreciations Reserve End of Year					(15,616)	(58,200)			(25,048)	(82,757)		
13. Accumulated Deferred Taxes End of Year					495	(31,171)			(37,155)	(23,904)		
14. <b>Total Rate Base</b>					268,939	500,964			521,969	483,492		
15. <b>Net Book Value (line 11+ line 12)</b>					268,444	532,135			559,124	507,396		

The attachment to this data request response provides the monthly detail for February 2012 through December 2013 with the breakdown of the capital investment.

**SONGS Steam Generators**

Included in Rates

Millions of Dollars

	A 1/ 2006	B 2007	C 2008	D 2009	E 2010	F 2011	G Jan 2012	H Total Thru Jan 2012	I Feb - Dec 2012	J 2013	K Total Thru 2013
1. <b>Steam Generators</b>											
2. <b>Depreciation for Est 20% of Removal and Disposal 2/</b>	3.03	3.32	3.59	3.78	3.84	4.06		21.62			
3. Depreciation					15.62	42.58	4.21	62.41	47.52	59.41	231.75
4. Income taxes					8.06	10.48	1.62	20.16	9.64	20.35	70.32
5. Property taxes						1.60	0.27	1.87	4.55	6.06	14.35
6. Return					16.72	39.99	3.47	60.18	37.67	40.28	198.32
7. Total Revenue Requirement with FF&U	3.03	3.32	3.59	3.78	44.24	98.71	9.58	166.25	99.38	126.09	557.98
8. Franchise Fees & Uncollectibles	0.03	0.04	0.05	0.04	0.51	1.14	0.11	1.92	1.12	1.42	5.78
9.	3.06	3.36	3.64	3.82	44.75	99.85	9.69	168.18	100.50	127.51	563.76

1/ Columns A - G plus Column I equals \$268.7 million, the amount from Table IV-5 and IV-6 of SCE-6, A.13-03-005.

2/ Amounts recovered related to the 20% of estimated removal & disposal expenses (2006 -2011) were offset with a reduction to rate base that is not included above.

10. <b>Rate Base Detail</b>											
11. Plant End of year					284,060	590,335			584,172	590,153	
12. Accumulated Depreciations Reserve End of Year					(15,616)	(58,200)			(25,048)	(82,757)	
13. Accumulated Deferred Taxes End of Year					495	(31,171)			(37,155)	(23,904)	
14. <b>Total Rate Base</b>					268,939	500,964			521,969	483,492	
15. <b>Net Book Value (line 11+ line 12)</b>					268,444	532,135			559,124	507,396	



SOUTHERN CALIFORNIA EDISON COMPANY  
SONGS 2&3 Steam Generator Replacement/Removal  
I.12-10-013  
Thousands of Dollars

		2012												Feb - Dec	Jan - Dec
		January	February	March	April	May	June	July	August	September	October	November	December	YTD	YTD
1.	<b>II. Steam Gen Replacement/Removal Capital Cost Subaccount</b>														
6.	Rate Base - Replace - End of Month	528,435	524,141	519,846	515,552	511,258	510,188	505,868	501,548	498,977	494,640	479,247	475,068		
7.	Rate Base - Remove - End of Month	(53,414)	(53,433)	(53,561)	(53,584)	(53,665)	(53,597)	(53,604)	(53,642)	(53,693)	(4,416)	47,376	46,901		
8.	Depreciation	4,211	4,211	4,211	4,211	4,211	4,211	4,238	4,238	4,238	4,253	4,605	4,891	47,520	51,731
9.	Taxes on Income	1,624	1,610	1,565	1,579	1,548	1,577	1,550	1,526	1,509	1,554	415	(4,789)	9,643	11,268
10.	Ad Valorem Taxes	273	273	273	273	273	273	532	532	532	532	532	527	4,548	4,821
11.	Return	3,474	3,443	3,411	3,379	3,347	3,328	3,308	3,277	3,251	3,406	3,702	3,817	37,669	41,143
12.	Revenue Requirement	9,582	9,537	9,460	9,442	9,379	9,389	9,628	9,573	9,530	9,744	9,253	4,445	99,381	108,963
13.	Rate Base Detail														
14.	Plant EOM	590,335	590,335	590,335	590,335	590,335	593,568	593,568	593,568	595,325	595,325	584,172	584,172		
15.	Reserve EOM 1/	(84,038)	(88,250)	(92,461)	(96,672)	(100,883)	(105,095)	(109,333)	(113,571)	(117,809)	(72,625)	(20,157)	(25,048)		
16.	Deferred Taxes EOM	(31,276)	(31,378)	(31,589)	(31,695)	(31,859)	(31,882)	(31,971)	(32,090)	(32,231)	(32,475)	(37,392)	(37,155)		
17.	<b>Total Rate Base</b>	<b>475,021</b>	<b>470,708</b>	<b>466,286</b>	<b>461,968</b>	<b>457,592</b>	<b>456,591</b>	<b>452,264</b>	<b>447,907</b>	<b>445,285</b>	<b>490,225</b>	<b>526,623</b>	<b>521,969</b>		
18.	<b>Net Book Value</b>	<b>506,297</b>	<b>502,085</b>	<b>497,874</b>	<b>493,663</b>	<b>489,452</b>	<b>488,473</b>	<b>484,235</b>	<b>479,997</b>	<b>477,515</b>	<b>522,699</b>	<b>564,015</b>	<b>559,124</b>		

1/ Beginning in 2012, the \$22 million of accumulated depreciation from the 20% recovery of removal & disposal expense was moved from base rates to SGRP R&D balancing accounts.

		2013												YTD
		January	February	March	April	May	June	July	August	September	October	November	December	YTD
19.	<b>II. Steam Gen Replacement/Removal Capital Cost Subaccount</b>													
20.	Rate Base - Replace - End of Month	477,155	472,765	468,783	464,571	460,438	456,298	452,171	448,038	443,960	440,547	437,133	433,720	
21.	Rate Base - Remove - End of Month	54,984	54,557	54,121	53,643	53,162	52,677	52,194	51,709	51,225	50,741	50,256	49,772	
22.	Depreciation	4,891	4,957	4,955	4,957	4,956	4,956	4,956	4,956	4,956	4,956	4,956	4,956	59,407
23.	Taxes on Income	1,621	1,762	1,748	1,740	1,726	1,712	1,697	1,682	1,668	1,654	1,563	1,773	20,346
24.	Ad Valorem Taxes	531	531	531	531	531	531	479	479	479	479	479	479	6,059
25.	Return	3,494	3,486	3,456	3,426	3,395	3,365	3,335	3,304	3,274	3,246	3,056	3,443	40,281
26.	Revenue Requirement	10,537	10,736	10,689	10,654	10,608	10,563	10,466	10,422	10,377	10,336	10,054	10,651	126,093
27.	Rate Base													
28.	Plant EOM	590,356	590,098	590,246	590,165	590,163	590,153	590,156	590,153	590,153	590,153	590,153	590,153	
29.	Reserve EOM	(28,417)	(33,288)	(38,168)	(43,116)	(48,067)	(53,024)	(57,977)	(62,933)	(67,889)	(72,845)	(77,801)	(82,757)	
30.	Deferred Taxes EOM	(29,800)	(29,488)	(29,174)	(28,835)	(28,496)	(28,154)	(27,814)	(27,473)	(27,079)	(26,021)	(24,962)	(23,904)	
31.	<b>Total Rate Base</b>	<b>532,139</b>	<b>527,321</b>	<b>522,904</b>	<b>518,214</b>	<b>513,600</b>	<b>508,975</b>	<b>504,365</b>	<b>499,747</b>	<b>495,185</b>	<b>491,287</b>	<b>487,390</b>	<b>483,492</b>	
32.	<b>Net Book Value</b>	<b>561,939</b>	<b>556,809</b>	<b>552,078</b>	<b>547,049</b>	<b>542,096</b>	<b>537,129</b>	<b>532,179</b>	<b>527,220</b>	<b>522,264</b>	<b>517,308</b>	<b>512,352</b>	<b>507,396</b>	

*Southern California Edison*  
SONGS OII 1.12-10-013

**DATA REQUEST SET CPUC-ALJ-SCE-001-Attachment-A**

**To:** CPUC

**Prepared by:** Karen Salvato

**Title:** Manager of GRC Revenue Requirements

**Dated:** 04/17/2014

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**Question 06:**

6. In §4.3(i), *inter alia*, the Agreement provides that each Utility will “factor in a gross-up for... income tax when calculating its revenue requirement....In addition, the revenue requirement shall include franchise fees and uncollectibles.” Appendix A provides an example of an adjustment for deferred taxes is applied as of February 1, 2012.

**Settling Parties shall prepare and serve an exhibit which contains the following information in table form for both SCE and SDG&E:**

- All amounts collected in rates as the Capital-Related Revenue Requirement for the Base Plant (excluding SGRP) from February 1, 2012 through December 31, 2012, and from January 1, 2013 through December 31, 2013.
- For each time period include a breakdown between the net book value or capital investment and other capital-related revenue requirement.

**Response to Question 06:**

Please see the table below to this data request response for the authorized capital related amounts collected in rates from February 2012 through Decemer 31, 2012 and from January 1, 2013 through December 31, 2013. The authorized amouts have been updated to reflect the inclusion of the authorized repairs deduction and the revenue requirement for SONGS related general & intangible plant (non-productive plant).

**SONGS 2&3 Authorized Revenue Requirement**

Millions of Dollars

	2012	2013
<b>1. Capital Revenue Requirement Production 1/</b>		
2. Depreciation - System	67	73
3. Property Taxes	7	7
4. Income Taxes	24	18
5. Return	52	47
6. Rate Base - (Average)	597	594
7. Rate of Return	8.74%	7.90%
<b>8. Capital Revenue Requirement - Production</b>	<b>149</b>	<b>145</b>
9. General & Intangible Plant Revenue Requirement 2/	<u>16</u>	<u>14</u>
10. Total Capital Revenue Requirement without FF&U	<b>165</b>	<b>159</b>
11. Total Capital Revenue Requirement with FF&U	<b>167</b>	<b>161</b>
12. <b>February to December 2012 using MDPs</b>	<b>155</b>	

1/ Capital-related revenue requirement shown above includes return on M&S. Under the Settlement Agreement, M&S is defined as being separate from Base Plant.

2/ Authorized based on recorded for 2012 and 2013.

<b>13. Wt Avg Authorized Rate Base</b>	<b>2012</b>	<b>2013</b>
14. Plant in Service (Avg.)	4,757	4,808
15. Materials and Supplies (Avg.)	86	89
16. Depreciation Reserve (Avg.)	(4,110)	(4,171)
17. Taxes Def. - Plant ( Avg.)	<u>(137)</u>	<u>(132)</u>
18. Total Rate Base (Avg.)	<b>597</b>	<b>594</b>
19. <b>Net Book Value based on Wt. Avg (line 14 + line 16)</b>	<b>648</b>	<b>637</b>

*Southern California Edison*  
**SONGS OII 1.12-10-013**

**DATA REQUEST SET CPUC-ALJ-SCE-001-Attachment-A**

**To:** CPUC

**Prepared by:** Karen Salvato

**Title:** Manager of GRC Revenue Requirements

**Dated:** 04/17/2014

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**Question 07:**

7. Section 4.3(e) and (f) identify SCE's 2012 and 2013 reduced rates of return on SONGS Base Plant as 2.95% and 2.62%, respectively. In §4.3(i), the Agreement states these rates do not include gross-ups for taxes on the portion related to preferred equity.

**Settling Parties shall prepare and serve an exhibit which contains the following information in table form for both SCE and SDG&E:**

- The estimated Capital-Related Revenue Requirement for the Base Plant (excluding SGRP) from February 1, 2012 through December 31, 2012, and from January 1, 2013 through December 31, 2013.
- For each time period include a breakdown between the net book value or capital investment and other capital-related revenue requirement.

**Response to Question 07:**

Please see the table below.

**SONGS Capital Related Revenue Requirement**

Millions of Dollars

Line No.	Feb-Dec		Nominal Total
	2012	2013	
<b>1. Revenue Requirement Supporting Settlement Agreement 1/</b>			
2. Depreciation	86	103	189
3. Taxes on Income	(22)	(57)	(79)
4. Ad Valorem Taxes	6	10	16
5. Return	23	23	46
6. Total Capital Revenue Requirement	93	79	1,374
<i>Note: Does not include FF&amp;U</i>			
7. Regulatory Asset			
8. Gross Investment end of year	4,914	5,018	
9. Materials & Supplies end of year	90	80	
10. Depreciation Reserve end of year	(4,002)	(4,095)	
11. Deferred Tax Reserve end of year	(139)	(84)	
12. Total Regulatory Asset	863	919	
13. Net Book Value (line 12 + line 14)	912	923	

1/ Revenue requirement shown above includes amortization of and return on CWIP and return on M&S. Under the Settlement Agreement, M&S and CWIP are defined as being separate from Base Plant, but time did not permit separate identification of these elements

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**Question 12:**

12. Settling Parties shall prepare and serve an exhibit which identifies the amount of SGRP-related CWIP which is to be removed from the total CWIP balance of each Utility as of February 1, 2012.

**Response to Question 12:**

See response to question #3:

SCE's share of SGRP CWIP at February 1, 2012 is \$91 million. The \$597 million balance is broken out as follows:

SONGS Steam Generator Replacement	
As of February 1, 2012	
\$ millions	
	Total SGRP
Plant In Service	590
Accumulated Depreciation	(84)
	506
CWIP	91
Total SGRP w(CWIP)	597

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**Question 14:**

14. Section 4.9(b) of the Agreement provides that SCE will “retain all SONGS-related revenue collected pursuant to the revenue requirement for Non-O&M expenses provisionally authorized in D. 12-11-051 for calendar year 2012.” But, SCE will refund to ratepayers any such SONGS related rate revenues collected in 2012 “that exceed 2012 recorded Non-O&M expenses by more than \$10 million.” Also, at §4.9(c) states that SDG&E will retain rate revenue “sufficient to defray all recorded Non-O&M expenses.” Non-O&M expenses are defined in §2.27 by what they are not, rather than specifically identified.

**Settling Parties shall prepare and serve an exhibit which contains the following information in table form for both SCE and SDG&E:**

- An itemized list of the referenced Non-O&M expenses (e.g., Pensions, benefits, regulatory, taxes, etc.), the FERC account where the expense is recorded, the 2012 and 2013 provisionally authorized amount for each expense category, and recorded expenses for 2012 and 2013 by expense category, using consistent types of dollars.

Furthermore, it is unclear whether the Agreement anticipates recovery of the \$10 million benchmark in excess of 2012 allowed expenses is to be made against each individual Non-O&M expense category, or in the aggregate of all Non-O&M expense categories.

- Clarify the provision that SCE will refund rate revenues collected in 2012 “that exceed 2012 recorded Non-O&M expenses by more than \$10 million.”

**Response to Question 14:**

Section 2.28 defines “Non-O&M Expenses” as “All SONGS-related expenses recorded in FERC accounts 408, 924, 925, and 926 that are *not* (a) Non-O&M Balancing Account Expenses; (b) Capitalized overhead; or (c) Recorded in FERC accounts 517-532.” The referenced FERC accounts are:

FERC Account 408 – Payroll taxes  
FERC Account 924 – Property insurance  
FERC Account 925 – Liability insurance  
FERC Account 926 – Employee pensions and benefits

In addition, SCE has included FERC Account 930 - Miscellaneous General Expenses, where the SONGS related A&G participant credits record.

Because “Non-O&M Expenses” excludes costs booked in balancing accounts, amounts recorded in account 926 for Pensions & post-retirement benefits other than pensions; and medical, dental and vision, are excluded, leaving only 401(k), disability programs, group life insurance, miscellaneous benefits, executive benefits, offset by participant credits. In addition, capitalized amounts are excluded. The result is shown below and included in the attachment to this data request response with the relevant labor loaders.

<b>SONGS Related Non O&amp;M expenses</b>						
<b>Thousands of Dollars</b>						
	2012	2013	2012	2013	2012	2013
	<b>A&amp;G Authorized Detail</b>		<b>A&amp;G Recorded Detail</b>		<b>Recorded greater than (less than) Authorized</b>	
<b>FERC Account 408 1/</b>						
1. Payroll Taxes	5,734	4,814	13,442	7,995	7,708	3,181
<b>FERC Account 924</b>						
2. Property insurance	695	695	3,816	4,091	3,121	3,396
<b>FERC Account 925</b>						
3. Corp Liability Insurance	4,058	4,058	6,334	5,361		
4. Less amounts capitalized	(1,530)	(1,530)	(2,388)	(2,021)		
5. FERC 925 Total	2,528	2,528	3,946	3,340	1,418	812
<b>FERC Account 926 1/</b>						
6. 401(k)	15,855	16,271	7,921	4,985	(7,934)	(11,286)
7. Disability Programs	3,189	2,881	2,818	1,667	(371)	(1,215)
8. Group Life Insurance	121	110	107	64	(14)	(47)
9. Miscellaneous Benefits	19	17	17	10	(2)	(7)
10. Executives Benefits	901	813	796	470	(105)	(343)
11. Less amounts capitalized	(7,572)	(7,575)			7,572	7,575
12. FERC 926 Subtotal	12,513	12,518	11,659	7,195	(854)	(5,322)
13. Total non balancing accounts before participant credits	21,470	20,555	32,862	22,621	11,392	2,066
14. P&B Participant Credits - 926	(10,311)	(10,311)	(11,244)	(6,964)	(933)	3,347
15. Less amounts capitalized	3,887	3,887	4,239	2,625	352	(1,262)
16. P&B Participant Credits - 926, net of capitalizatio	(6,424)	(6,424)	(7,005)	(4,339)	(581)	2,085
17. FERC 926 Total	6,089	6,094	4,654	2,857	(1,435)	(3,237)
18. A&G Participant Credits - 930 2/	(22,852)	(23,418)	(23,163)	(14,231)	(311)	9,187
19. Total Non O&M expense (line 1 + line 2 + line 5 + line 17 + line 18)	(7,805)	(9,287)	2,694	4,051	10,500	13,339

1/ The recorded amounts were calculated base on SCE's share of labor times the authorized benefit to labor rate developed from the 2012 GRC.

2/ An adjustment was made in 2013 for 2012 credits of \$6.373 million related to 2012. This amount is shown in 2012 on this schedule.

As indicated, the recorded costs in 2012 for Non-O&M Expenses exceeded the authorized amount. Accordingly, the \$10 million benchmark is not relevant. However, had the recorded costs in 2012 for



Non-O&M Expenses been lower than authorized, the \$10 million limit would have applied to the aggregate of all Non-O&M Expense categories.

SONGS Related Non O&M expenses						
Thousands of Dollars						
	2012	2013	2012	2013	2012	2013
	A&G Authorized Detail		A&G Recorded Detail		Recorded greater than (less than) Authorized	
FERC Account 408 1/						
1. Payroll Taxes	5,734	4,814	13,442	7,995	7,708	3,181
FERC Account 924						
2. Property insurance	695	695	3,816	4,091	3,121	3,396
FERC Account 925						
3. Corp Liability Insurance	4,058	4,058	6,334	5,361		
4. Less amounts capitalized	(1,530)	(1,530)	(2,388)	(2,021)		
5. <b>FERC 925 Total</b>	<b>2,528</b>	<b>2,528</b>	<b>3,946</b>	<b>3,340</b>	<b>1,418</b>	<b>812</b>
FERC Account 926 1/						
6. 401(k)	15,855	16,271	7,921	4,985	(7,934)	(11,286)
7. Disability Programs	3,189	2,881	2,818	1,667	(371)	(1,215)
8. Group Life Insurance	121	110	107	64	(14)	(47)
9. Miscellaneous Benefits	19	17	17	10	(2)	(7)
10. Executives Benefits	901	813	796	470	(105)	(343)
11. Less amounts capitalized	(7,572)	(7,575)			7,572	7,575
12. <b>FERC 926 Subtotal</b>	<b>12,513</b>	<b>12,518</b>	<b>11,659</b>	<b>7,195</b>	<b>(854)</b>	<b>(5,322)</b>
<b>Total non balancing accounts before participant credits</b>	<b>21,470</b>	<b>20,555</b>	<b>32,862</b>	<b>22,621</b>	<b>11,392</b>	<b>2,066</b>
14. P&B Participant Credits - 926	(10,311)	(10,311)	(11,244)	(6,964)	(933)	3,347
15. Less amounts capitalized	3,887	3,887	4,239	2,625	352	(1,262)
16. P&B Participant Credits - 926, net of capitalize	(6,424)	(6,424)	(7,005)	(4,339)	(581)	2,085
17. <b>FERC 926 Total</b>	<b>6,089</b>	<b>6,094</b>	<b>4,654</b>	<b>2,857</b>	<b>(1,435)</b>	<b>(3,237)</b>
18. A&G Participant Credits - 930 2/	(22,852)	(23,418)	(23,163)	(14,231)	(311)	9,187
19. <b>Total Non O&amp;M expense (line 1 + line 2 + line 5 + line 17 + line 18)</b>	<b>(7,805)</b>	<b>(9,287)</b>	<b>2,694</b>	<b>4,051</b>	<b>10,500</b>	<b>13,339</b>

1/ The recorded amounts were calculated base on SCE's share of labor times the authorized benefit to labor rate developed from the 2012 GRC.  
2/ An adjustment was made in 2013 for 2012 credits of \$6.373 million related to 2012. This amount is shown in 2012 on this schedule.

SCE share labor	200,027	118,971
Benefits - 401(k)	3.96%	4.19%
Disability	1.41%	1.40%
Group Life	0.05%	0.05%
Misc Benefits	0.01%	0.01%
Executives Benefits	0.40%	0.40%
Payroll Taxes	6.72%	6.72%
Results Sharing	8.64%	8.63%
Pensions & PBOPs	11.48%	11.73%
Medical, Dental & Vision	7.89%	8.17%

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**Question 19:**

19. Section 4.14 provides that, except as expressly provided in the Agreement, “all costs recorded in SCE’s SONGSMA, SDG&E’s SONGSBA, and both Utility’s SONGSOMA shall be recovered in rates and shall not be subject to any disallowance, refund, or any form of reasonableness review by the Commission.

**Settling Parties shall prepare and serve an exhibit which contains the following information in table form for each account:**

- A list of expense categories not expressly provided for in the Agreement which are referenced by this section (e.g., regulatory, seismic, etc.) and recorded 2012 and 2013 expenses by category.
- Reference to where the expenses would otherwise be subject to reasonableness review.

**Response to Question 19:**

Please see the attachment to this data request response that provides a listing of the SONGS OMA expenses and where cost recovery is addressed. The revenue requirement recorded in the SONGSMA are recovered subject to the settlement.

**SOUTHERN CALIFORNIA EDISON COMPANY**  
**SONGS 2&3 Outage Memorandum Account**  
**I.12-10-013**

Thousands of Dollars

		Cost Recovery Addressed	Recorded		
			2012	2013	Total
1.	<b>I. Base Capital Cost Subaccount</b>				
2.	Capital Expenditures	Settlement			
3.	CWIP Balance	Settlement			
4.	Rate Base - End of Month	Settlement			
5.	Depreciation	Settlement			
6.	Taxes on Income	Settlement			
7.	Ad Valorem Taxes	Settlement			
8.	Return	Settlement			
9.	Subtotal Revenue Requirement	Settlement			
10.	<b>II. Steam Gen Replacement/Removal Capital Cost Subaccount</b>				
11.	Capital Expenditures -Replace	Settlement - No recovery			
12.	Capital Expenditures -Remove	Settlement - No recovery			
13.	CWIP Balance - Replace	Settlement - No recovery			
14.	CWIP Balance - Remove	Settlement - No recovery			
15.	Rate Base - Replace - End of Month	Settlement - No recovery			
16.	Rate Base - Remove - End of Month	Settlement - No recovery			
17.	Depreciation	Settlement - No recovery			
18.	Taxes on Income	Settlement - No recovery			
19.	Ad Valorem Taxes	Settlement - No recovery			
20.	Return	Settlement - No recovery			
21.	Subtotal Revenue Requirement	Settlement - No recovery			
22.	<b>III. O&amp;M Expense Subaccount</b>				
23.	Fuel (ERRA)	ERRA/ Settlement	4,657	8,212	12,869
24.	Fuel Carrying Costs (ERRA)	Settlement			
25.	Replacement Power (ERRA)	Settlement - Replacement Power			
26.	Capacity Payments (ERRA)	Settlement - Replacement Power			
27.	Foregone Sales Revenue (ERRA)	Settlement - Replacement Power			
28.	Routine O&M	Settlement			
29.	Refueling (1 in 2012)	Settlement			
30.	Seismic Safety	D. 12-05-004 Allowed recovery up to \$50.1 millic	3,261	6,843	10,105
31.	Investigation	Settlement			
32.	Repairs - After Outage	Settlement			
33.	Regulatory - After Outage	Settlement			
34.	Defueling	Settlement			
35.	Litigation	Settlement			
36.	Payroll Taxes	Settlement			
37.	Other (Pensions, PBOP, Insurance)	Settlement except for balancing and memorandum related accounts which are excluded from the settlement and recovered per the GRC	33,865	27,510	61,375
38.	Subtotal	See above	41,783	42,565	84,349
39.	<b>IV. Huntington Beach Subaccount</b>	Settlement - Replacement Power			
40.	<b>V. Demand Response Subaccount</b>	Deman Response proceedings	2,769	95	2,864
41.	<b>VI. Transmission Upgrades Subaccount</b>				
42.	Capital Expenditures	FERC/GRC	236	391	627
43.	Rate Base	FERC/GRC	-		
44.	Depreciation	FERC/GRC	-		
45.	Taxes on Income	FERC/GRC	-		
46.	Ad Valorem Taxes	FERC/GRC	-		
47.	Return	FERC/GRC	-		
48.	Subtotal Revenue Requirement	FERC/GRC	-		
49.	O&M (if any)	FERC/GRC	190	35	225

*Southern California Edison*  
SONGS OII 1.12-10-013

**DATA REQUEST SET CPUC-ALJ-SCE-001-Attachment-A**

**To:** CPUC  
**Prepared by:** Douglas Snow  
**Title:** Director  
**Dated:** 04/17/2014

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**Question 20:**

20. In §3.42, the Agreement identifies SCE's share of O&M costs recorded in connection with the U2Cycle 17 Refueling Outage as \$41.1 million, and SDG&E's recorded costs as \$9.3 million, for a total of \$50.4 million.

- What year dollars are used, and explain why this amount is in excess of the \$45 million SCE asserted was provisionally authorized in the 2012 GRC.

**Response to Question 20:**

The Refueling Outage ("RFO") amounts set forth in section 3.42 are in nominal dollars.

The question states that SCE asserted that the 2012 GRC provisionally authorized \$45 million for the RFO. Actually, in D. 12-11-051, the Commission declined to authorize any amount for the RFO, and instead authorized SCE to establish the SONGSMA for post-2011 RFO expenditures and to continue the Flexible RFO mechanism. See SCE-7, p. 5. Accordingly, SCE filed Advice Letter 2851-E (Feb. 14, 2013), noting that total RFO expenses for the U2C17 outage recorded through December 31, 2012 were \$40.2 million, and that the 2012 recorded RFO expenses of \$35.3 million were recorded in the SONGSMA and SONGSOMA. SCE intended to recover the full recorded costs of the U2C17 outage, including those incurred in 2011, through the OII docket.

Section 3.42 recites that SCE's share of the RFO costs was \$41.1 million. Section 3.42 recites that SDG&E's share was \$9.3 million as is shown in SDG&E's OMA report. These figures correspond to the record in the OII. In SCE-4, page 76, SCE witness Perez testified that "... 2012 recorded costs for the Unit 2 Cycle 17 RFO were \$45.1 million." The testimony continues in footnote 74: "Additionally, \$6.6M (2011\$) was expended in 2011 for outage planning and preparation activities." The specific activities are detailed in Appendix 3 of SCE-4. In live testimony, Mr. Perez also distinguished between costs recorded in 2011 and those recorded in 2012. Tr. 361. While the scope of Phase 1 was limited to the \$45.1 million in RFO costs recorded in 2012, the settlement agreement would enable the Utilities to recover all recorded O&M costs incurred in connection with the U2C17 RFO. Section 4.9(l).

1                                   **SOUTHERN CALIFORNIA EDISON COMPANY**  
2                                   **QUALIFICATIONS AND PREPARED TESTIMONY**  
3                                   **OF RICK FISHER**

4    Q.    Please state your name and business address for the record.

5    A.    My name is Rick Fisher, and my business address is 2244 Walnut Grove Avenue,  
6           Rosemead, California 91770.

7    Q.    Briefly describe your present responsibilities at the Southern California Edison  
8           Company.

9    A.    I am the Manager of Capital Reporting and Integration. I manage a team  
10           responsible for special projects supporting systems and business process integration  
11           across the Controller's organization, with a core function of supporting the Capital  
12           Asset Accounting division.

13   Q.    Briefly describe your educational and professional background.

14   A.    I have a Bachelor of Science degree in Business Administration, with an emphasis  
15           in Finance, Real Estate, and Law from California State Polytechnic University,  
16           Pomona, and a Masters of Business Administration from the University of Southern  
17           California. I am a member of the Society of Depreciation Professionals and have  
18           been qualified as a Certified Depreciation Professional.

19           I joined Southern California Edison in the Capital Recovery Department in 1999  
20           and from 1999-2006 I performed the role of a financial analyst. I was promoted to  
21           Manager of Capital Recovery in 2006. My responsibilities included functions  
22           involving depreciation and nuclear decommissioning accounting, depreciation  
23           studies, and the development of forecasting models for plant additions, rate base,  
24           and depreciation expense in direct support of the Company's regulatory filings. In  
25           2008 I accepted a position in the Investor Relations group at Edison International,

1 where my primary role was communicating the Company's financial and  
2 operational results with institutional equity and fixed income investors and  
3 analysts. In 2010 I rejoined Southern California Edison and assumed my current  
4 role as Manager of Capital Reporting and Integration in the Financial Information  
5 Services division of the Controller's Organization.

6 Q. What is the purpose of your testimony in this proceeding?

7 A. The purpose of my testimony in this proceeding is to sponsor those portions of Exhibit SCE-54,  
8 titled *SCE's Testimony Providing Information For Questions Nos. 1-4, 6-7, 12, 14,*  
9 *And 19-20 As Directed In Administrative Law Judge's Ruling Dated, April 24, 2014,*  
10 as identified in the Tables of Contents thereto.

11 Q. Was this material prepared by you or under your supervision?

12 A. Yes, it was.

13 Q. Insofar as this material is factual in nature, do you believe it to be correct?

14 A. Yes, I do.

15 Q. Insofar as this material is in the nature of opinion or judgment, does it represent  
16 your best judgment?

17 A. Yes, it does.

18 Q. Does this conclude your qualifications and prepared testimony?

19 A. Yes, it does.





1 Q. What is the purpose of your testimony in this proceeding?

2 A. The purpose of my testimony in this proceeding is to sponsor Exhibits SCE-56, titled *SCE's*  
3 *Testimony Providing Information For Questions Nos. 1-4, 6-7, 12, 14, And 19-20 As Directed In*  
4 *Administrative Law Judge's Ruling Dated, April 24, 2014*, as identified in the Table of Contents  
5 thereto.

6 Q. Was this material prepared by you or under your supervision?

7 A. Yes, it was.

8 Q. Insofar as this material is factual in nature, do you believe it to be correct?

9 A. Yes, I do.

10 Q. Insofar as this material is in the nature of opinion or judgment, does it represent your best  
11 judgment?

12 A. Yes, it does.

13 Q. Does this conclude your qualifications and prepared testimony?

14 A. Yes, it does.