

ORDER INSTITUTING INVESTIGATION (OII)
SONGS UNITS 2 & 3

Updated: 01-31-2013

Month	Cost Category h	Cost Category j	Cost Category p	TOTAL
Jan-12	\$ 27,041.14	\$ -	\$ (5,333,160.72)	\$ (5,306,119.58)
Feb-12	\$ 2,688,661.64	\$ 666,014.62	\$ 86,961.29	\$ 3,441,637.55
Mar-12	\$ 4,597,149.00	\$ 184,817.14	\$ 148,844.09	\$ 4,930,810.23
Apr-12	\$ 5,565,519.59	\$ 72,101.51	\$ 106,105.47	\$ 5,743,726.57
May-12	\$ 6,221,963.91	\$ 410,572.18	\$ 104,271.78	\$ 6,736,807.87
Jun-12	\$ 5,842,964.16	\$ 271,108.03	\$ 126,614.96	\$ 6,240,687.15
Jul-12	\$ 7,183,545.93	\$ 1,093,176.48	\$ 131,818.09	\$ 8,408,540.50
Aug-12	\$ 9,394,039.10	\$ (489,549.09)	\$ 150,508.28	\$ 9,054,998.29
Sep-12	\$ 8,870,527.99	\$ 956,979.28	\$ 155,302.45	\$ 9,982,809.72
Oct-12	\$ 9,755,189.20	\$ 139,027.79	\$ -	\$ 9,894,216.99
Nov-12	\$ 8,785,847.35	\$ (117,401.80)	\$ -	\$ 8,668,445.55
Dec-12	\$ 8,653,920.05	\$ 89,528.76	\$ -	\$ 8,743,448.81
TOTAL	\$ 77,586,369.06	\$ 3,276,374.90	\$ (4,322,734.31)	\$ 76,540,009.65

Cost Category h:

Replacement generation costs

Cost Category j:

The cost of other energy products or services to provide reliable electric service during the period of the outage (including Demand Response programs)

Cost Category p:

Any other costs related to SONGS

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Cost Category: (h) Replacement generation costs

Month	SONGS Unit 2 (Out March 5, 2012)						SONGS Unit 3 (Out January 31, 2012)						TOTAL Costs (SONGS 2 & 3)
	Total hours	Volume	Avg SP15 DAM LMP Price ¹	Fuel Cost (\$/MWh) ²	Operating Capacity ³	Total Costs	Total hours	Volume	Avg SP15 DAM LMP Price ¹	Fuel Cost (\$/MWh) ²	Operating Capacity ³	Total Costs	
Jan-12							7	220	\$ 24.52		97.2%		
Feb-12							696	220	\$ 24.52		97.2%		
Mar-12	647	220	\$ 22.43		97.2%		743	220	\$ 22.59		97.2%		
Apr-12	720	220	\$ 25.16		97.2%		720	220	\$ 25.16		97.2%		
May-12	744	220	\$ 26.64		97.2%		744	220	\$ 26.64		97.2%		
Jun-12	720	220	\$ 26.07		97.2%		720	220	\$ 26.07		97.2%		
Jul-12	744	220	\$ 29.67		97.2%		744	220	\$ 29.67		97.2%		
Aug-12	744	220	\$ 36.61		97.2%		744	220	\$ 36.61		97.2%		
Sep-12	720	220	\$ 35.90		97.2%		720	220	\$ 35.90		97.2%		
Oct-12	744	220	\$ 37.75		97.2%		744	220	\$ 37.75		97.2%		
Nov-12	720	220	\$ 35.62		97.2%		720	220	\$ 35.62		97.2%		
Dec-12	744	220	\$ 34.29		97.2%		744	220	\$ 34.29		97.2%		
TOTAL						\$ 36,277,742.16						\$ 41,308,626.90	\$ 77,586,369.06

Footnotes:

¹ Replacement power price based on actual/forward on-peak and off-peak prices at SP15 Trading Hub. For January 31st and February 1st, SONGS Unit 3 replacement price based on Real-Time LMP minus Day-Ahead LMP at the SONGS 3 Pnode.

² Latest available monthly SONGS fuel cost information for 2012 from Tim Curtis.

³ Operating Capacity used is the same as SCE calculated factor based on 10 year average from 2002-2011.

Assumptions:

A) Adjusted SONGS availability to account for previously scheduled maintenance period prior to when SONGS Unit 3 were forced out of service.

>> SONGS Unit 2 refueling outage started January 9, 2012 through March 4, 2012.

>> SONGS Unit 3 refueling outage started October 8, 2012 and expected through December 2, 2012.

B) SONGS Unit 2 was on normal scheduled outage from January 9, 2012 through March 4, 2012. Replacement costs calculated as of March 5, 2012.

C) SONGS Unit 3 tripped off line on January 31, 2012 at Hour Ending 18:00 (HE18). Replacement costs calculated as of January 31, 2012 HE18.

D) SONGS Unit 2 & 3 most recent outage information provided by Southern California Edison (SCE).

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Cost Category: (j) The cost of other energy products or services to provide reliable electric service during the period of the outage (including Demand Response programs)

Month	SONGS Unit 2							SONGS Unit 3							TOTAL Costs (SONGS 2 & 3)	
	CPM Charges ¹	RA (Revenues) Purchases ²	CRR (Revenues) Charges ³	SCP (Revenues) Charges ⁴	Opportunity Costs ⁵	QF Dispatched Costs ⁶	TOTAL	CPM Charges ¹	RA (Revenues) Purchases ²	CRR (Revenues) Charges ³	SCP (Revenues) Charges ⁴	Opportunity Costs ⁵	QF Dispatched Costs ⁶	TOTAL		
Jan-12																
Feb-12																
Mar-12	102,637.75							6,264.81								
Apr-12	58,159.40							102,637.75								
May-12	205,286.09							58,159.40								
Jun-12	139,708.76							205,286.09								
Jul-12	190,627.54							139,708.76								
Aug-12	167,005.16							190,627.54								
Sep-12	242,406.29							167,005.16								
Oct-12	192,454.57							242,406.29								
Nov-12								192,454.57								
Dec-12																
TOTAL	\$ 1,298,285.55	\$ 466,150.00	\$ (837,776.06)	\$ (72,985.11)	\$ 136,500.00	\$ 37,163.21	\$ 1,027,337.59	\$ 1,304,550.36	\$ 466,150.00	\$ (837,776.06)	\$ 659,749.81	\$ 619,200.00	\$ 37,163.21	\$ 2,249,037.32	\$ 3,276,374.90	

Footnotes:

- ¹ Capacity Procurement Mechanism (CPM) charges includes CAISO Allocated CPM costs for Huntington Beach Unit 1, 3, & 4 and Encina Unit 4 for March & April 2012.
- ² Resource Adequacy (RA) purchases for replacement of SONGS RA capacity.
- ³ CRR Revenues/Charges under charge code 6700 (Settlement) and 6798 (CRR auction).
- ⁴ Standard Capacity Product (SCP) includes penalties/incentive payments.
 - >> SONGS was not included in the monthly supply plans after March 2012 therefore no further SCP impacts are expected.
 - >> SCP benefits, if any, for other plants as result of SONGS outage penalties included in overall calculations.
 - >> SCP Revenues for February 2012 is related to claw back revenue to offset SDG&E's Load costs for SONGS Unit 3.
 - >> SCP Revenues for June 2012 of (\$8,309.48) will be disputed for SONGS Unit 2.
- ⁵ Opportunity costs are foregone sales revenues if SONGS was operating not included in NEIL reporting.
- ⁶ Qualifying Facilities (QF) Weekend Dispatched costs paid to Goal Line and Applied Energy Inc. for Naval Station and NTC/MCRD facilities adjusted by SP15 DAM LMP.

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Cost Category: (p) Any other costs related to SONGS

Month	SONGS Unit 2 & 3 (20% Ownership)								
	Imbalance Charges ¹	GMC Charges ²	IST ³	CAISO Allocation Charge ⁴	Total	SCP (Revenues) Charges ⁵	Prior Year True-up ⁶	IST settled through SDG&E CAISO Statement	Total Cost Billed by SCE
Jan-12									
Feb-12									
Mar-12									
Apr-12									
May-12									
Jun-12									
Jul-12									
Aug-12									
Sep-12									
Oct-12									
Nov-12									
Dec-12									
TOTAL	\$ 1,175,188.91	\$ 84,433.74	\$ (5,599,765.59)	\$ 17,408.63	\$ (4,322,734.31)	\$ 644,012.01	\$ 297,409.99	\$ 5,593,689.53	\$ 2,212,377.22

Footnotes:

¹ Imbalance Charge includes charge codes 6470 & 6475.

² Grid Management Charge (GMC) includes charge codes 4535, 4560 & 4561.

³ Inter-SC Trades (IST) include charge code 6301.

⁴ CAISO Allocation Charge includes charge codes 721 & 752.

⁵ These SCP Revenues/Charges are already accounted in Cost Category j.

⁶ Jan 2012 amount is IST True-up for Oct-Dec 2011 and May 2012 amount is IST True-up for April 2009 through September 2011.