

San Diego Gas & Electric Company

Volume – 3

TO5 – Cycle 1

Cost Adjustment Workpapers

October 30, 2018

Docket No. ER19- -

Table of Contents

Page No.

A. Summary of ADIT & FIT BTRR Adj.	1
B. Summary of ADIT BTRR Adj.	2
• TO4 Cycle 2 Workpapers	3-31
• TO4 Cycle 3 Workpapers	32-62
• TO4 Cycle 4 Workpapers	63-92
• TO4 Cycle 5 Workpapers	93-118
C. Fed. Inc. Tax Reduction BTRR Adj.	119-141

San Diego Gas & Electric Company
TO5 Cycle 1 Annual Informational Filing
Summary of BTRR Adjustments
Dollars in (\$1,000s)

Line No.	Description	Amounts	Reference	Line No.
1	<u>BTRR Adjustment - ADIT Error Correction:</u>			1
2	ADIT Error Correction - Return and Associated Income Taxes	\$ 79,410	Page 2; Total Column; Line 4.	2
3	Interest	<u>10,820</u>	Page 2; Total Column; Line 5.	3
4	Total BTRR Adjustment Excluding FF&U	\$ 90,230	Line 2 + Line 3	4
5	Transmission Related Municipal Franchise Fees	<u>927</u>	Page 2; Total Column; Line 7.	5
6	Subtotal BTRR Adjustment Including Franchise Fees	\$ 91,157	Line 4 + Line 5	6
7	Transmission Related Uncollectibles	<u>156</u>	Page 2; Total Column; Line 9.	7
8	Total BTRR Adjustment	<u>\$ 91,313</u>	Line 6 + Line 7	8
9	<u>BTRR Adjustment - Tax Cuts and Jobs Act:</u>			9
10	TO4 Cycle 5 - Revised BTRR	\$ 747,343	Page 125; Line 27; Col. A	10
11	TO4 Cycle 5 - Original BTRR	<u>813,492</u>	Page 125; Line 27; Col. B	11
12	Difference	\$ (66,149)	Line 10 Minus Line 11	12
13	Allocation Ratio for the Refund Period (3-15-2018 thru 12-31-2018)	<u>79%</u>	9.5 Months / 12 Months	13
14	Total Refund Before Interest	\$ (52,368)	Line 12 * Line 13	14
15	Interest	<u>(1,014)</u>	Page 141; Line 16	15
16	Total BTRR Adjustment Excluding FF&U	\$ (53,382)	Line 14 + Line 15	16
17	Franchise Fees	<u>(549)</u>	Page 119; Line 8	17
18	Subtotal BTRR Adjustment Including Franchise Fees	\$ (53,931)	Line 16 + Line 17	18
19	Transmission Related Uncollectibles	<u>(93)</u>	Page 119; Line 12	19
20	Total BTRR Adjustment	<u>\$ (54,024)</u>	Line 18 + Line 19	20
21	Total - BTRR Adjustment (WHOLESALE)	<u>\$ 37,226</u>	Line 6 + Line 18	21
22	Total - BTRR Adjustment (RETAIL)	<u>\$ 37,289</u>	Line 8 + Line 20	22

San Diego Gas & Electric Company
ADIT Base Transmission Revenue Requirements Adjustment Summary
For TO4 Cycles 2 to 5
(\$1,000)

Line No.	Description	Base Period 2013 - Cycle 2 ^{1,2}		Base Period 2014 - Cycle 3 ³		Base Period 2015 - Cycle 4 ⁴		Base Period 2016 - Cycle 5 ⁵		Total Difference
		Revised	As Filed Difference	Revised	As Filed Difference	Revised	As Filed Difference	Revised	As Filed Difference	
1	ADIT	\$ (289,007)	\$ (393,258) \$ 104,251	\$ (411,667)	\$ (514,923) \$ 103,256	\$ (503,877)	\$ (745,603) \$ 241,726	\$ (593,684)	\$ (905,037) \$ 311,353	
2	Transmission Rate Base	2,934,860	2,830,609 104,251	2,999,037	2,895,781 103,256	3,448,726	3,207,000 241,726	3,555,748	3,244,395 311,353	
3	Cost of Capital Rate	11.3310%	11.3334%	11.4800%	11.4829%	11.7370%	11.7429%	11.4972%	11.5050%	
4	Return and Associated Income Taxes	110,850	106,935 3,915	344,290	332,520 11,770	404,778	376,596 28,182	408,811	373,268 35,543	79,410
5	Interest		820		2,148		4,064		3,788	10,820
6	Total BTRR Adjustment Excluding FF&U		4,735		13,918		32,246		39,331	90,230
7	Transmission Related Municipal Franchise Fees		49		143		331		404	927
8	Subtotal BTRR Adjustment Including Franchise Fees		4,784		14,061		32,577		39,735	91,157
9	Transmission Related Uncollectibles		8		24		56		68	156
10	Total Retail BTRR Adjustment		\$ 4,792		\$ 14,085		\$ 32,633		\$ 39,803	\$ 91,313

¹ The TO4 Rate Effective Period is from September 1, 2013 through December 31, 2018. The amounts reflected in this column trues up the 4-month period September - December 2013.
² Information and related workpapers are included within tab labeled 'ADIT Adj. - TO4 Cycle 2'.
³ Information and related workpapers are included within tab labeled 'ADIT Adj. - TO4 Cycle 3'.
⁴ Information and related workpapers are included within tab labeled 'ADIT Adj. - TO4 Cycle 4'.
⁵ Information and related workpapers are included within tab labeled 'ADIT Adj. - TO4 Cycle 5'.

San Diego Gas & Electric Company
TO4 Cycle 2 ADIT Adjustment to Base Transmission Revenue Requirements ¹
For the Rate Effective Period January 1, 2019 - December 31, 2019
(\$1,000)

Line No.	<u>Description</u>	<u>Amounts</u>	<u>Reference</u>	Line <u>No.</u>
1	<u>BTRR Adjustment due to TO4 Cycle 2 ADIT Error Calculation:</u>			1
2	Retail BTRR Adjustment - Before Interest	\$ 3,915	Page 2.6; Col (c); Line 27	2
3				3
4	Interest Expense	<u>820</u>	Page 7.6; Line 16 Total Column	4
5				5
6	Total BTRR Adjustment Excluding FF&U	4,735	Line 2 + Line 4	6
7				7
8	Transmission Related Municipal Franchise Fees Expenses	<u>49</u>	Line 6 x 1.031%	8
9				9
10	Subtotal BTRR Adjustment Including Francise Fees Expenses	4,784	Line 6 + Line 8	10
11				11
12	Transmission Related Uncollectible Expense	<u>8</u>	Line 6 x 0.174%	12
13				13
14	<u>Total Retail BTRR Adjustment Including FF&U</u>	<u><u>\$ 4,792</u></u>	Line 10 + Line 12	14

¹ Section C.5. of the Protocols provides a mechanism for SDG&E to correct errors that affected the TU TRR in a previous Informational Filing. In this TO5 Cycle 1 Informational Filing, SDG&E is correcting a TO4 Cycle 2 error of approximately \$4.8M due to ADIT recalculation of the transmission related ADIT from Bonus Depreciation. Lines 1 - 14 show SDG&E's quantification of the revenue requirements including interest.

San Diego Gas & Electric Company
Statement BK-1
Derivation of Incremental BTRR Adjustments
For the 4-Months True-Up Period Ending December 31, 2013
(\$1,000)

Line No.	A		B		C = A - B		Reference	Line No.
	Revised TO4 C2 4 Mos. TU - Period Amounts	As Filed TO4 C2 4 Mos. TU - Period ER15-553 Amounts	Difference Incr (Decr)					
1	A. Revenues:							
2	Transmission Operation & Maintenance Expense	\$ 26,677	\$ 26,677	\$ -			Page 3.1 and Page 4.1, Line 2	2
3								3
4	Transmission Related A&G Expense	35,284	35,284	-			Page 3.1 and Page 4.1, Line 4	4
5								5
6	CPUC Intervenor Funding Expense	-	-	-			Page 3.1 and Page 4.1, Line 6	6
7								7
8	Total O&M Expenses	\$ 61,961	\$ 61,961	\$ -			Sum Lines 2 thru 6	8
9								9
10	Transmission, Intangible, General and Common Depr. & Amort. Expense	34,866	34,866	-			Page 3.1 and Page 4.1, Line 10	10
11								11
12	Valley Rainbow Project Cost Amortization Expense	158	158	-			Page 3.1 and Page 4.1, Line 12	12
13								13
14	Transmission Plant Abandoned Project Cost Amortization Expense	-	-	-			Page 3.1 and Page 4.1, Line 14	14
15								15
16	Transmission Related Property Taxes Expense	8,877	8,877	-			Page 3.1 and Page 4.1, Line 16	16
17								17
18	Transmission Related Payroll Taxes Expense	722	722	-			Page 3.1 and Page 4.1, Line 18	18
19								19
20	Sub-Total Expense	\$ 106,584	\$ 106,584	\$ -			Sum Lines 8 thru 18	20
21								21
22	Cost of Capital Rate (COCR)	11.3310% v	11.3334%	-0.0024%			Page 3.1 and Page 4.1, Line 22	22
23	Transmission Rate Base	\$ 2,934,860 v	\$ 2,830,609	104,251			Page 3.1 and Page 4.1, Line 23	23
24	Return and Associated Income Taxes	\$ 332,550 v	\$ 320,805	\$ 11,745			Line 22 x Line 23	24
25	Proration Factor for 4 Mo T/U	33%	33%	0%			1/3	25
26	Prorated Four Month Return for 4 Month T/U	\$ 110,850 v	\$ 106,935	\$ 3,915			Line 24 x Line 25	26
27								27
28	South Georgia Income Tax Adjustment	\$ 778	\$ 778	\$ -			Page 3.1 and Page 4.1, Line 28	28
29	Transmission Related Amortization of ITC	(88)	(88)	-			Page 3.1 and Page 4.1, Line 29	29
30	Transmission Related Amortization of Excess Deferred Tax Liabilities	(101)	(101)	-			Page 3.1 and Page 4.1, Line 30	30
31	Transmission Related Revenue Credits	(1,499)	(1,499)	-			Page 3.1 and Page 4.1, Line 31	31
32	Transmission Related Regulatory Debits	-	-	-			Page 3.1 and Page 4.1, Line 32	32
33	(Gains)/Losses from Sale of Plant Held for Future Use	-	-	-			Page 3.1 and Page 4.1, Line 33	33
34								34
35	End of Prior Year Revenues (PYRR _{EU}) Excluding FF&U	\$ 216,524 v	\$ 212,609	\$ 3,915			Line 20 + Sum Lines (26 thru 33)	35
36								36
37	B. Incentive ROE Project Transmission Revenue:							
38	Incentive Transmission Plant Depreciation Expense	\$ -	\$ -	\$ -			Page 3.1 and Page 4.1, Line 38	38
39								39
40	Incentive Cost of Capital Rate (COCR) ¹	0.0000% ⁴	0.0000%	0.0000%			Page 3.1 and Page 4.1, Line 40	40
41	Total Incentive ROE Project Transmission Rate Base	\$ -	\$ -	\$ -			Page 3.1 and Page 4.1, Line 41	41
42	Incentive ROE Project Return and Associated Income Taxes	\$ -	\$ -	\$ -			Line 40 x Line 41	42
43								43
44	Total Incentive ROE Project Transmission Revenue	\$ -	\$ -	\$ -			Sum Lines 38; 42	44
45								45
46	C. Incentive Transmission Plant Abandoned Project Revenue:							
47	Incentive Transmission Plant Abandoned Project Cost Amortization Expense	\$ -	\$ -	\$ -			Page 3.1 and Page 4.1, Line 47	47
48								48
49	Total Incentive Transmission Plant Abandoned Project Cost Rate Base	\$ -	\$ -	\$ -			Page 3.1 and Page 4.1, Line 49	49
50	Cost of Capital Rate (COCR)	11.3310% v	11.3334%	-0.0024%			Page 3.1 and Page 4.1, Line 50	50
51	Incentive Transmission Plant Abandoned Project Return and Associated Income Taxes	\$ -	\$ -	\$ -			Line 49 x Line 50	51
52								52
53	Total Incentive Transmission Plant Abandoned Project Revenue	\$ -	\$ -	\$ -			Sum Lines 47; 51	53
54								54
55	D. Incentive Transmission Construction Work In Progress (CWIP) Revenue:							
56	Incentive Transmission Construction Work In Progress ²	\$ -	\$ -	\$ -			Page 3.1 and Page 4.1, Line 56	56
57	Cost of Capital Rate (COCR)	11.3310% v	11.3334%	-0.0024%			Page 3.1 and Page 4.1, Line 57	57
58	Incentive CWIP Return and Associated Income Taxes	\$ -	\$ -	\$ -			Line 56 x Line 57	58
59								59
60	Total Incentive End of Prior Year Revenues (PYRR _{EU-IR}) Excluding FF&U	\$ -	\$ -	\$ -			Sum Lines 44; 53; 58	60
61								61
62	E. Total (PYRR_{EU}) Excluding FF&U³	\$ 216,524 v	\$ 212,609	\$ 3,915			Sum Lines 35; 60	62

v Items that are in bold have changed compared to the original TO4 Cycle 2 filing per ER15-553.

¹ The incentive rate cost components for each ROE incentive project will be tracked and shown separately for each project and lines 36 through 40 will be repeated for each project. As a result, the data on this page may carryover to the next page.

² Incentive Transmission CWIP shall be the CWIP for which SDG&E is authorized to collect incentives under FERC Order No. 679 and will be tracked and shown for each project and lines 54 through 56 will be repeated for each project.

³ Total Prior Year Revenues (PYRR) or Base Period Revenue is for 4 months ending December 31, 2013

⁴ The Incentive Cost of Capital Rate will be tracked and shown separately for each project. However, this will be entered as 0% in BK-1 when there's no incentive project to show.

⁵ Blank lines that show up in the Formula Rate Spreadsheet will not be populated with any numbers absent a Section 205 filing to approve the blank lines.

San Diego Gas & Electric Company
Statement BK-1
Derivation of Incremental BTRR Adjustments
For the 4-Months True-Up Period Ending December 31, 2013
(\$1,000)

Line No.	A		B		C = A - B		Reference	Line No.
	Revised TO4 C2 4 Mos. TU - Period Amounts	As Filed TO4 C2 4 Mos. TU - Period ER15-553 Amounts	Difference	Incr (Decr)				
A. Transmission Rate Base								
1	<u>Net Transmission Plant:</u>							
2	\$ 3,067,214	\$ 3,067,214	\$ -				Page 3.2 and Page 4.2, Line 2	2
3	12,892	12,892	-				Page 3.2 and Page 4.2, Line 3	3
4	27,329	27,329	-				Page 3.2 and Page 4.2, Line 4	4
5	46,508	46,508	-				Page 3.2 and Page 4.2, Line 5	5
6	<u>\$ 3,153,943</u>	<u>\$ 3,153,943</u>	<u>\$ -</u>				Sum Lines 2 thru 5	6
7								
8	<u>Rate Base Additions:</u>							
9	\$ 6,546	\$ 6,546	\$ -				Page 3.2 and Page 4.2, Line 9	9
10	-	-	-				Page 3.2 and Page 4.2, Line 10	10
11	<u>\$ 6,546</u>	<u>\$ 6,546</u>	<u>\$ -</u>				Sum Lines 9 thru 10	11
12								
13	<u>Rate Base Reductions:</u>							
14	\$ (289,007) ✓	\$ (393,258)	\$ 104,251				Page 3.2 and Page 4.2, Line 14	14
15	-	-	-				Page 3.2 and Page 4.2, Line 15	15
16	<u>\$ (289,007) ✓</u>	<u>\$ (393,258)</u>	<u>\$ 104,251</u>				Sum Lines 14 thru 15	16
17								
18	<u>Working Capital:</u>							
19	\$ 22,401	\$ 22,401	\$ -				Page 3.2 and Page 4.2, Line 19	19
20	17,742	17,742	-				Page 3.2 and Page 4.2, Line 20	20
21	23,235	23,235	-				Page 3.2 and Page 4.2, Line 21	21
22	<u>\$ 63,378</u>	<u>\$ 63,378</u>	<u>\$ -</u>				Sum Lines 19 thru 21	22
23								
24	\$ -	\$ -	\$ -				Page 3.2 and Page 4.2, Line 24	24
25								
26	<u>\$ 2,934,860 ✓</u>	<u>\$ 2,830,609</u>	<u>\$ 104,251</u>				Sum Lines 6; 11; 16; 22; 24	26
27								
28	B. Incentive ROE Project Transmission Rate Base:							
29	\$ -	\$ -	\$ -				Page 3.2 and Page 4.2, Line 29	29
30	-	-	-				Page 3.2 and Page 4.2, Line 30	30
31	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>				Sum Lines 29 thru 30	31
32								
33	C. Incentive Transmission Plant Abandoned Project Rate Base:							
34	\$ -	\$ -	\$ -				Page 3.2 and Page 4.2, Line 34	34
35	-	-	-				Page 3.2 and Page 4.2, Line 35	35
36	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>				Sum Lines 34 thru 35	36
37								
38	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>				Page 3.2 and Page 4.2, Line 38	38

✓ Items that are in bold have changed compared to the original TO4 Cycle 2 filing per ER15-553.

¹ The Incentive ROE Transmission Plant will be tracked and shown for each incentive project and lines 29 through 31 will be repeated for each project.

² Incentive CWIP projects will be tracked separately and line 38 will be shown for each project.

San Diego Gas & Electric Company
Statement BK-1
Derivation of Incremental BTRR Adjustments
For the 4-Months True-Up Period Ending December 31, 2013
(\$1,000)

Line No.	A		B		C = A - B		Reference	Line No.
	Revised TO4 C2 4 Mos. TU - Period Amounts	As Filed TO4 C2 4 Mos. TU - Period ER15-553 Amounts	Difference	Incr (Decr)				
<u>A. Transmission Plant</u>								
1	<u>Gross Transmission Plant:</u>							
2	Transmission Plant	\$ 3,723,358	\$ 3,723,358	\$ -			Page 3.3 and Page 4.3, Line 2	2
3	Transmission Related Electric Miscellaneous Intangible Plant	16,024	16,024	-			Page 3.3 and Page 4.3, Line 3	3
4	Transmission Related General Plant	45,182	45,182	-			Page 3.3 and Page 4.3, Line 4	4
5	Transmission Related Common Plant	92,352	92,352	-			Page 3.3 and Page 4.3, Line 5	5
6	Total Gross Transmission Plant	<u>\$ 3,876,916</u>	<u>\$ 3,876,916</u>	<u>\$ -</u>			Sum Lines 2 thru 5	6
7								
8	<u>Accumulated Depreciation Reserve:</u>							
9	Transmission Plant Depreciation Reserve	\$ 656,144	\$ 656,144	\$ -			Page 3.3 and Page 4.3, Line 9	9
10	Transmission Related Electric Miscellaneous Intangible Amortization Reserve	3,132	3,132	-			Page 3.3 and Page 4.3, Line 10	10
11	Transmission Related General Plant Depr Reserve	17,853	17,853	-			Page 3.3 and Page 4.3, Line 11	11
12	Transmission Related Common Plant Depr Reserve	45,844	45,844	-			Page 3.3 and Page 4.3, Line 12	12
13	Total Transmission Related Accumulated Depreciation Reserve	<u>\$ 722,973</u>	<u>\$ 722,973</u>	<u>\$ -</u>			Sum Lines 9 thru 12	13
14								
15	<u>Net Transmission Plant:</u>							
16	Transmission Plant	\$ 3,067,214	\$ 3,067,214	\$ -			Page 3.3 and Page 4.3, Line 16	16
17	Transmission Related Electric Miscellaneous Intangible Plant	12,892	12,892	-			Page 3.3 and Page 4.3, Line 17	17
18	Transmission Related General Plant	27,329	27,329	-			Page 3.3 and Page 4.3, Line 18	18
19	Transmission Related Common Plant	46,508	46,508	-			Page 3.3 and Page 4.3, Line 19	19
20	Total Net Transmission Plant	<u>\$ 3,153,943</u>	<u>\$ 3,153,943</u>	<u>\$ -</u>			Sum Lines 16 thru 19	20
21								
22	<u>B. Incentive Project Transmission Plant:</u>							
23	Incentive Transmission Plant ¹	\$ -	\$ -	\$ -			Page 3.3 and Page 4.3, Line 23	23
24	Incentive Transmission Plant Depreciation Reserve ¹	-	-	-			Page 3.3 and Page 4.3, Line 24	24
25	Total Net Incentive Transmission Plant	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>			Line 23 Minus Line 24	25

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

San Diego Gas & Electric Company
Statement BK-1
Derivation of Incremental BTRR Adjustments
For the 4-Months True-Up Period Ending December 31, 2013
(\$1,000)

Line No.	A		B		C = A - B		Reference	Line No.
	Revised TO4 C2 4 Mos. TU - Period Amounts		As Filed TO4 C2 4 Mos. TU - Period ER15-553 Amounts		Difference	Incr (Decr)		
ANNUAL FIXED CHARGES APPLICABLE TO CAPITAL PROJECTS								
1	A. Derivation of Annual Fix Charge Rate (AFCR_{EU}) Applicable to							
2	Weighted Forecast Plant Additions:							
3	PYRR _{EU} Excluding Franchise Fees and Uncollectible	\$ 216,524	√	\$ 212,609	\$ 3,915		Page 3.4 and Page 4.4, Line 3	3
4	50% of Transmission O&M Expense	(13,339)		(13,339)	-		Page 3.4 and Page 4.4, Line 4	4
5	50% of Transmission Related A&G Expense	(17,642)		(17,642)	-		Page 3.4 and Page 4.4, Line 5	5
6	CPUC Intervenor Funding Expense	-		-	-		Page 3.4 and Page 4.4, Line 6	6
7	Valley Rainbow Project Cost Amortization Expense	(158)		(158)	-		Page 3.4 and Page 4.4, Line 7	7
8	South Georgia Income Tax Adjustment	(778)		(778)	-		Page 3.4 and Page 4.4, Line 8	8
9	Transmission Related Amortization of Investment Tax Credit	88		88	-		Page 3.4 and Page 4.4, Line 9	9
10	Transmission Related Amortization of Excess Deferred Tax Liabilities	101		101	-		Page 3.4 and Page 4.4, Line 10	10
11	(Gains)/Losses from Sale of Plant Held for Future Use	-		-	-		Page 3.4 and Page 4.4, Line 11	11
12	Total (PYRR _{EU}) Excluding FF&U - Adjusted	\$ 184,796	√	\$ 180,882	\$ 3,915		Sum Lines 3 thru 11	12
13								13
14	Gross Transmission Plant	\$ 3,876,916		\$ 3,876,916	\$ -		Page 3.4 and Page 4.4, Line 14	14
15								15
16	Annual Fix Charge Rate (AFCR _{EU})	4.7666%	√	4.6656%	0.1010%		Page 3.4 and Page 4.4, Line 16	16
17								17
18	Weighted Forecast Plant Additions	\$ -		\$ -	\$ -		Page 3.4 and Page 4.4, Line 18	18
19								19
20	Forecast Period Capital Addition Revenue Requirements	\$ -		\$ -	\$ -		Line 16 x Line 18	20

√ Items that are in bold have changed compared to the original TO4 Cycle 2 filing per ER15-553.

San Diego Gas & Electric Company
Statement BK-1
Derivation of Incremental BTRR Adjustments
For the 4-Months True-Up Period Ending December 31, 2013
(\$1,000)

Line No.	C = A - B			Reference	Line No.
	A	B	C = A - B		
	Revised TO4 C2 4 Mos. TU - Period Amounts	As Filed TO4 C2 4 Mos. TU - Period ER15-553 Amounts	Difference Incr (Decr)		
	ANNUAL FIXED CHARGES APPLICABLE TO INCENTIVE CAPITAL PROJECTS				
1	A. Derivation of Annual Fix Charge Rate (AFCR_{EU-IR-ROE}) Applicable to				1
2	Incentive Weighted Forecast Plant Additions (ROE Incentive Only):				2
3	PYRR _{EU-IR-ROE} Excluding Franchise Fees and Uncollectible	\$ 216,524	\$ 212,609	\$ 3,915	Page 3.5 and Page 4.5, Line 3
4	50% of Transmission O&M Expense	(13,339)	(13,339)	-	Page 3.5 and Page 4.5, Line 4
5	50% of Transmission Related A&G Expense	(17,642)	(17,642)	-	Page 3.5 and Page 4.5, Line 5
6	CPUC Intervenor Funding Expense - Transmission	-	-	-	Page 3.5 and Page 4.5, Line 6
7	Valley Rainbow Project Cost Amortization Expense	(158)	(158)	-	Page 3.5 and Page 4.5, Line 7
8	South Georgia Income Tax Adjustment	(778)	(778)	-	Page 3.5 and Page 4.5, Line 8
9	Transmission Related Amortization of Investment Tax Credit	88	88	-	Page 3.5 and Page 4.5, Line 9
10	Transmission Related Amortization of Excess Deferred Tax Liabilities	101	101	-	Page 3.5 and Page 4.5, Line 10
11	(Gains)/Losses from Sale of Plant Held for Future Use	-	-	-	Page 3.5 and Page 4.5, Line 11
12	Adjusted Total (PYRR _{EU-IR-ROE}) Excluding FF&U	<u>\$ 184,796</u>	<u>\$ 180,882</u>	<u>\$ 3,915</u>	Sum Lines 3 thru 11
13					
14	Gross Transmission Plant & Incentive Transmission Plant	\$ 3,876,916	\$ 3,876,916	\$ -	Page 3.5 and Page 4.5, Line 14
15					
16	Incentive Annual Fix Charge Rate (AFCR _{EU-IR-ROE}) ¹	4.7666% <u>v</u>	4.6656%	0.1010%	Page 3.5 and Page 4.5, Line 16
17					
18	Incentive Weighted Forecast Plant Additions	\$ -	-	\$ -	Page 3.5 and Page 4.5, Line 18
19					
20	Forecast Period Incentive Capital Addition Revenue Requirements (FC _{EU-IR-ROE})	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	Line 16 x Line 18
21					
22	B. Derivation of Incentive Forecast Transmission CWIP Revenues:				22
23	1. For the Period After the Base Period and Before the Rate Effective Period:				23
24	Incentive Weighted Forecast Transmission Construction Work In Progress	\$ -	\$ -	\$ -	Page 3.5 and Page 4.5, Line 24
25					
26	Cost of Capital Rate (COCR)	11.3310% <u>v</u>	11.3334%	-0.0024%	Page 3.5 and Page 4.5, Line 26
27					
28	Incentive Transmission Forecast CWIP Projects Revenue Requirements	\$ -	\$ -	\$ -	Line 24 x Line 26
29					
30	2. For the Period During the Rate Effective Period:				30
31	Incentive Weighted Forecast Transmission Construction Work In Progress	\$ -	\$ -	\$ -	Page 3.5 and Page 4.5, Line 31
32					
33	Cost of Capital Rate (COCR)	11.3310% <u>v</u>	11.3334%	-0.0024%	Page 3.5 and Page 4.5, Line 33
34					
35	Incentive Transmission Forecast CWIP Projects Revenue Requirements	\$ -	\$ -	\$ -	Line 31 x Line 33
36					
37	Total Incentive Transmission Forecast CWIP Projects Revenue Requirements	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	Sum Lines 28; 35

¹ The Incentive Annual Fixed Charge Rate will be tracked and shown for each incentive project as applicable.

San Diego Gas & Electric Company
Statement BK-1
Derivation of Incremental BTRR Adjustments
For the 4-Months True-Up Period Ending December 31, 2013
(\$1,000)

Line No.	C = A - B			Reference	Line No.	
	A Revised TO4 C2 4 Mos. TU - Period Amounts	B As Filed TO4 C2 4 Mos. TU - Period ER15-553 Amounts	Difference Incr (Decr)			
1	<u>A. End Use Customer Base Transmission Revenue Requirement (BTRR_{EU}):</u>				1	
2					2	
3	End of Prior Year Revenues (PYRR _{EU}) Excluding FF&U	\$ 216,524	\$ 212,609	\$ 3,915	Page 3.6 and Page 4.6, Line 3	3
4					4	
5	Incentive End of Prior Year Revenues (PYRR _{EU-IR}) Excluding FF&U	-	-	-	Page 3.6 and Page 4.6, Line 5	5
6					6	
7	Sub-Total Base Period Revenues	\$ 216,524	\$ 212,609	\$ 3,915	Sum Lines 3 thru 5	7
8					8	
9	Retail True-Up Period Adjustment	\$ -	\$ -	\$ -	Page 3.6 and Page 4.6, Line 9	9
10					10	
11	Retail Interest True-Up Adjustment	-	-	-	Page 3.6 and Page 4.6, Line 11	11
12					12	
13	Sub-Total True-Up Adjustments	\$ -	\$ -	\$ -	Sum Lines 9 thru 11	13
14					14	
15	<u>B. Annual Fixed Charges Applicable to Capital Projects:</u>				15	
16					16	
17	Forecast Period Capital Addition Revenue Requirements	\$ -	\$ -	\$ -	Page 3.6 and Page 4.6, Line 17	17
18					18	
19	<u>C. Annual Fixed Charges Applicable to Incentive Capital Projects:</u>				19	
20					20	
21	Forecast Period Incentive Capital Additions Revenue Requirements (FC _{EU-IR-ROE})	\$ -	\$ -	\$ -	Page 3.6 and Page 4.6, Line 21	21
22					22	
23	<u>D. Incentive Forecast Transmission CWIP Revenues:</u>				23	
24					24	
25	Incentive Transmission Forecast CWIP Projects Revenue Requirements	\$ -	\$ -	\$ -	Page 3.6 and Page 4.6, Line 25	25
26					26	
27	<u>E. Subtotal BTRR_{EU} Excluding FF&U:</u>	\$ 216,524	\$ 212,609	\$ 3,915	Sum Lines 7; 13; 17; 21; 25	27
28					28	
29	Transmission Related Municipal Franchise Fees Expenses	2,232	2,192	40	Line 27 x 1.031%	29
30	Transmission Related Uncollectible Expense	377	370	7	Line 27 x 0.174%	30
31					31	
32	<u>F. Total Retail BTRR_{EU} With FF&U</u>	\$ 219,133	\$ 215,171	\$ 3,962	Sum Lines 27 thru 30	32

√ Items that are in bold have changed compared to the original TO4 Cycle 2 filing per ER15-553.

San Diego Gas & Electric Company
Statement BK-1
Derivation of End Use Prior Year Revenue Requirements (PYRR_{EU})
For the 4-Month True-Up Period Ending December 31, 2013
(\$1,000)

Line No.		Amounts ⁵	Reference	Line No.
1	<u>A. Revenues:</u>			1
2	Transmission Operation & Maintenance Expense	\$ 26,677	Statement AH; Page 5, Line 9	2
3				3
4	Transmission Related A&G Expense	35,284	Statement AH; Page 5, Line 56	4
5				5
6	CPUC Intervenor Funding Expense - Transmission	-	Statement AH; Page 5, Line 17	6
7				7
8	Total O&M Expenses	\$ 61,961	Sum Lines 2 thru 6	8
9				9
10	Transmission, General, Common Plant Depn. Exp., and Electric Misc. Intangible Plant Amort. Exp.	34,866	Statement AJ; Page 7, Line 17	10
11				11
12	Valley Rainbow Project Cost Amortization Expense	158	Statement AJ; Page 7, Line 19	12
13				13
14	Transmission Plant Abandoned Project Cost Amortization Expense	-	Statement AJ; Page 7, Line 23	14
15				15
16	Transmission Related Property Taxes Expense	8,877	Statement AK; Page 8, Line 27	16
17				17
18	Transmission Related Payroll Taxes Expense	722	Statement AK; Page 8, Line 33	18
19				19
20	Sub-Total Expense	\$ 106,584	Sum Lines 8 thru 18	20
21				21
22	Cost of Capital Rate _(COCR)	11.3310% ✓	Statement AV; Page 15, Line 31	22
23	Transmission Rate Base	2,934,860 ✓	Statement BK-1; Page 2, Line 26	23
24	Return and Associated Income Taxes	\$ 332,550 ✓	Line 22 x Line 23	24
25	Proration Factor for 4 Mo T/U	33%	1/3	25
26	Prorated Four Month Return for 4 Month T/U	\$ 110,850 ✓	Line 24 x Line 25	26
27				27
28	South Georgia Income Tax Adjustment	\$ 778	Statement AQ; Page 11, Line 1	28
29	Transmission Related Amortization of Investment Tax Credits	(88)	Statement AR; Page 12, Line 1	29
30	Transmission Related Amortization of Excess Deferred Tax Liabilities	(101)	Statement AR; Page 12, Line 3	30
31	Transmission Related Revenue Credits	(1,499)	Statement AU; Page 13, Line 11	31
32	Transmission Related Regulatory Debits	-	Misc. Statement; Page 17, Line 1	32
33	(Gains)/Losses from Sale of Plant Held for Future Use	-	Statement AU; Page 13, Line 13	33
34				34
35	End of Prior Year Revenues (PYRR _{EU}) Excluding FF&U	\$ 216,524 ✓	Line 20 + Sum Lines (26 thru 33)	35
36				36
37	<u>B. Incentive ROE Project Transmission Revenue:</u>			37
38	Incentive Transmission Plant Depreciation Expense	\$ -	Statement AJ; Page 7; Line 21	38
39				39
40	Incentive Cost of Capital Rate _(ICOCR) ¹	0.0000% ⁴	Statement AV; Page 16, Line 31	40
41	Total Incentive ROE Project Transmission Rate Base	\$ -	Statement BK-1; Page 2; Line 31	41
42	Incentive ROE Project Return and Associated Income Taxes	\$ -	Line 40 x Line 41	42
43				43
44	Total Incentive ROE Project Transmission Revenue	\$ -	Sum Lines 38; 42	44
45				45
46	<u>C. Incentive Transmission Plant Abandoned Project Revenue:</u>			46
47	Incentive Transmission Plant Abandoned Project Cost Amortization Expense	\$ -	Statement AJ; Page 7; Line 25	47
48				48
49	Total Incentive Transmission Plant Abandoned Project Cost Rate Base	\$ -	Statement BK-1; Page 2; Line 36	49
50	Cost of Capital Rate _(COCR)	11.3310% ✓	Statement AV; Page 15, Line 31	50
51	Incentive Transmission Plant Abandoned Project Return and Associated Income Taxes	\$ -	Line 49 x Line 50	51
52				52
53	Total Incentive Transmission Plant Abandoned Project Revenue	\$ -	Sum Lines 47; 51	53
54				54
55	<u>D. Incentive Transmission Construction Work In Progress (CWIP) Revenue:</u>			55
56	Incentive Transmission Construction Work In Progress ²	\$ -	Statement BK-1; Page 2; Line 38	56
57	Cost of Capital Rate _(COCR)	11.3310% ✓	Statement AV; Page 15, Line 31	57
58	Incentive CWIP Return and Associated Income Taxes	\$ -	Line 56 x Line 57	58
59				59
60	Total Incentive End of Prior Year Revenues (PYRR _{EU-IR}) Excluding FF&U	\$ -	Sum Lines 44; 53; 58	60
61				61
62	<u>E. Total (PYRR_{EU}) Excluding FF&U ³</u>	\$ 216,524 ✓	Sum Lines 35; 60	62

✓ Items that are in bold have changed compared to the original TO4 Cycle 2 filing per ER15-553.

¹ The incentive rate cost components for each ROE incentive project will be tracked and shown separately for each project and lines 36 through 40 will be repeated for each project. As a result, the data on this page may carryover to the next page.

² Incentive Transmission CWIP shall be the CWIP for which SDG&E is authorized to collect incentives under FERC Order No. 679 and will be tracked and shown for each project and lines 54 through 56 will be repeated for each project.

³ Total Prior Year Revenues (PYRR) or Base Period Revenue is for 4 months ending December 31, 2013

⁴ The Incentive Cost of Capital Rate will be tracked and shown separately for each project. However, this will be entered as 0% in BK-1 when there's no incentive project to show.

⁵ Blank lines that show up in the Formula Rate Spreadsheet will not be populated with any numbers absent a Section 205 filing to approve the blank lines.

San Diego Gas & Electric Company
Statement BK-1
Derivation of End Use Prior Year Revenue Requirements (PYRR_{EU})
For the 4-Month True-Up Period Ending December 31, 2013
(\$1,000)

Line No.	Amounts	Reference	Line No.
<u>A. Transmission Rate Base:</u>			
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
<u>B. Incentive ROE Project Transmission Rate Base:</u>			
29			29
30			30
31			31
32			32
33			33
34			34
35			35
36			36
37			37
38			38
<u>C. Incentive Transmission Plant Abandoned Project Rate Base:</u>			
34			34
35			35
36			36
37			37
38			38
<u>D. Incentive Transmission Construction Work In Progress</u> ²			

√ Items that are in bold have changed compared to the original TO4 Cycle 2 filing per ER15-553.

¹ The Incentive ROE Transmission Plant will be tracked and shown for each incentive project and lines 29 through 31 will be repeated for each project.

² Incentive CWIP projects will be tracked separately and line 38 will be shown for each project.

San Diego Gas & Electric Company
Statement BK-1
Derivation of End Use Prior Year Revenue Requirements (PYRR_{EU})
For the 4-Month True-Up Period Ending December 31, 2013
(\$1,000)

Line No.	Amounts	Reference	Line No.
<u>A. Transmission Plant:</u>			
1			1
<u>Gross Transmission Plant:</u>			
2	\$ 3,723,358	Statement AD; Page 1, Line 15	2
3	16,024	Statement AD; Page 1, Line 31	3
4	45,182	Statement AD; Page 1, Line 33	4
5	92,352	Statement AD; Page 1, Line 35	5
6	<u>\$ 3,876,916</u>	Sum Lines 2 thru 5	6
7			7
<u>Transmission Related Depreciation Reserve:</u>			
9	\$ 656,144	Statement AE; Page 2, Line 1	9
10	3,132	Statement AE; Page 2, Line 11	10
11	17,853	Statement AE; Page 2, Line 13	11
12	45,844	Statement AE; Page 2, Line 15	12
13	<u>\$ 722,973</u>	Sum Lines 9 thru 12	13
14			14
<u>Net Transmission Plant:</u>			
16	\$ 3,067,214	Line 2 Minus Line 9	16
17	12,892	Line 3 Minus Line 10	17
18	27,329	Line 4 Minus Line 11	18
19	46,508	Line 5 Minus Line 12	19
20	<u>\$ 3,153,943</u>	Sum Lines 16 thru 19	20
21			21
<u>B. Incentive Project Transmission Plant:</u>			
23	\$ -	Statement AD; Page 1, Line 17	23
24	-	Statement AE; Page 2, Line 19	24
25	<u>\$ -</u>	Line 23 Minus Line 24	25

✓ Items that are in bold have changed compared to the original TO4 Cycle 2 filing per ER15-553.

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

San Diego Gas & Electric Company
Statement BK-1

Derivation of End Use Forecast Period Capital Additions Revenue Requirements (FC_{EU})
For the Forecast Period January 1, 2014 - December 31, 2015
(\$1,000)

Line No.	Amounts	Reference	Line No.
ANNUAL FIXED CHARGES APPLICABLE TO CAPITAL PROJECTS			
1			1
<u>A. Derivation of Annual Fix Charge Rate (AFCR_{EU}) Applicable to</u>			
2			2
<u>Weighted Forecast Plant Additions:</u>			
3			3
4	\$ 216,524 √	Statement BK-1; Page 1; Line 33	3
5	(13,339)	Statement BK-1; Page 1; Line 2 * 50%	4
6	(17,642)	Statement BK-1; Page 1; Line 4 * 50%	5
7	-	Statement BK-1; Page 1; Line 6	6
8	(158)	Statement BK-1; Page 1; Line 12	7
9	(778)	Statement BK-1; Page 1; Line 26	8
10	88	Statement BK-1; Page 1; Line 27	9
11	101	Statement BK-1; Page 1; Line 28	10
12	-	Statement BK-1; Page 1; Line 31	11
13	<u>\$ 184,796 √</u>	Sum Lines 3 thru 11	12
14			13
15	\$ 3,876,916	Statement BK-1; Page 3, Line 6	14
16			15
17	4.7666% √	Line 12 / Line 14	16
18			17
19	\$ -	Summary of HV-LV Plant Additions; Pg 1; Ln 5, Col. (f)	18
20	\$ -	Line 16 x Line 18	19
			20

√ Items that are in bold have changed compared to the original TO4 Cycle 2 filing per ER15-553.

San Diego Gas & Electric Company
Statement BK-1
Derivation of End Use Forecast Period Capital Additions Revenue Requirements (FC_{EU})
For the Forecast Period January 1, 2014 - December 31, 2015
(\$1,000)

Line No.	Amounts	Reference	Line No.
ANNUAL FIXED CHARGES APPLICABLE TO INCENTIVE CAPITAL PROJECTS			
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

▼ Items that are in bold have changed compared to the original TO4 Cycle 2 filing per ER15-553.

¹ The Incentive Annual Fixed Charge Rate will be tracked and shown for each incentive project as applicable.

San Diego Gas & Electric Company
Statement BK-1
Derivation of End Use Base Transmission Revenue Requirements (BTRR_{EU})
For the Rate Effective Period January 1, 2015 - December 31, 2015
(\$1,000)

Line No.	Amounts	Reference	Line No.
1			1
2			2
3			3
4			4
5			5
6			6
7			7
8			8
9			9
10			10
11			11
12			12
13			13
14			14
15			15
16			16
17			17
18			18
19			19
20			20
21			21
22			22
23			23
24			24
25			25
26			26
27			27
28			28
29			29
30			30
31			31
32			32

✓ Items that are in bold have changed compared to the original TO4 Cycle 2 filing per ER15-553.

San Diego Gas & Electric Company
Statement BK-1
Derivation of End Use Prior Year Revenue Requirements (PYRR_{EU})
For the 4-Month True-Up Period Ending December 31, 2013
(\$1,000)

Line No.	Amounts ⁵	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
53			53
54			54
55			55
56			56
57			57
58			58
59			59
60			60
61			61
62			62

¹ The incentive rate cost components for each ROE incentive project will be tracked and shown separately for each project and lines 36 through 40 will be repeated for each project. As a result, the data on this page may carryover to the next page.

² Incentive Transmission CWIP shall be the CWIP for which SDG&E is authorized to collect incentives under FERC Order No. 679 and will be tracked and shown for each project and lines 54 through 56 will be repeated for each project.

³ Total Prior Year Revenues (PYRR) or Base Period Revenue is for 4 months ending December 31, 2013

⁴ The Incentive Cost of Capital Rate will be tracked and shown separately for each project. However, this will be entered as 0% in BK-1 when there's no incentive project to show.

⁵ Blank lines that show up in the Formula Rate Spreadsheet will not be populated with any numbers absent a Section 205 filing to approve the blank lines.

San Diego Gas & Electric Company
Statement BK-1
Derivation of End Use Prior Year Revenue Requirements (PYRR_{EU})
For the 4-Month True-Up Period Ending December 31,2013
(\$1,000)

Line No.	Amounts	Reference	Line No.
<u>A. Transmission Rate Base:</u>			
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
<u>B. Incentive ROE Project Transmission Rate Base:</u>			
29			29
30			30
31			31
32			32
33			33
34			34
35			35
36			36
37			37
38			38
<u>C. Incentive Transmission Plant Abandoned Project Rate Base:</u>			
34			34
35			35
36			36
37			37
38			38
<u>D. Incentive Transmission Construction Work In Progress ²</u>			

¹ The Incentive ROE Transmission Plant will be tracked and shown for each incentive project and lines 29 through 31 will be repeated for each project.

² Incentive CWIP projects will be tracked separately and line 38 will be shown for each project.

San Diego Gas & Electric Company
Statement BK-1
Derivation of End Use Prior Year Revenue Requirements (PYRR_{EU})
For the 4-Month True-Up Period Ending December 31, 2013
(\$1,000)

Line No.	Amounts	Reference	Line No.
<u>A. Transmission Plant:</u>			
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
<u>B. Incentive Project Transmission Plant:</u>			
23			23
24			24
25			25

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

San Diego Gas & Electric Company
Statement BK-1

Derivation of End Use Forecast Period Capital Additions Revenue Requirements (FC_{EU})
For the Forecast Period January 1, 2014 - December 31, 2015
(\$1,000)

Line No.	Amounts	Reference	Line No.
ANNUAL FIXED CHARGES APPLICABLE TO CAPITAL PROJECTS			
1			1
2			2
<u>A. Derivation of Annual Fix Charge Rate (AFCR_{EU}) Applicable to Weighted Forecast Plant Additions:</u>			
3	\$ 212,609	Statement BK-1; Page 1; Line 33	3
4	(13,339)	Statement BK-1; Page 1; Line 2 * 50%	4
5	(17,642)	Statement BK-1; Page 1; Line 4 * 50%	5
6	-	Statement BK-1; Page 1; Line 6	6
7	(158)	Statement BK-1; Page 1; Line 12	7
8	(778)	Statement BK-1; Page 1; Line 26	8
9	88	Statement BK-1; Page 1; Line 27	9
10	101	Statement BK-1; Page 1; Line 28	10
11	-	Statement BK-1; Page 1; Line 31	11
12	<u>\$ 180,882</u>	Sum Lines 3 thru 11	12
13			13
14	<u>\$ 3,876,916</u>	Statement BK-1; Page 3, Line 6	14
15			15
16	4.6656%	Line 12 / Line 14	16
17			17
18	<u>\$ -</u>	Summary of HV-LV Plant Additions; Pg 1; Ln 5, Col. (f)	18
19			19
20	<u>\$ -</u>	Line 16 x Line 18	20

San Diego Gas & Electric Company
Statement BK-1
Derivation of End Use Forecast Period Capital Additions Revenue Requirements (FC_{EU})
For the Forecast Period January 1, 2014 - December 31, 2015
(\$1,000)

Line No.	Amounts	Reference	Line No.
ANNUAL FIXED CHARGES APPLICABLE TO INCENTIVE CAPITAL PROJECTS			
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

¹ The Incentive Annual Fixed Charge Rate will be tracked and shown for each incentive project as applicable.

San Diego Gas & Electric Company
Statement BK-1
Derivation of End Use Base Transmission Revenue Requirements (BTRR_{EU})
For the Rate Effective Period January 1, 2015 - December 31, 2015
(\$1,000)

Line No.	Amounts	Reference	Line No.
1			1
2			2
3			3
4			4
5			5
6			6
7			7
8			8
9			9
10			10
11			11
12			12
13			13
14			14
15			15
16			16
17			17
18			18
19			19
20			20
21			21
22			22
23			23
24			24
25			25
26			26
27			27
28			28
29			29
30			30
31			31
32			32
1			1
2			2
3	\$ 212,609	Statement BK-1; Page 1; Line 33	3
4			4
5	-	Statement BK-1; Page 1; Line 58	5
6			6
7	\$ 212,609	Sum Lines 3 thru 5	7
8			8
9	\$ -	(Retail TU Adj; Total Col; Line 29) / 1,000	9
10			10
11	-	(Retl Int TU-1 + Retl Int TU-2; Ttl Col; Ln 20)/1,000	11
12			12
13	\$ -	Sum Lines 9 thru 11	13
14			14
15			15
16			16
17	\$ -	Statement BK-1; Page 4, Line 20	17
18			18
19			19
20			20
21	\$ -	Statement BK-1; Page 5, Line 20	21
22			22
23			23
24			24
25	\$ -	Statement BK-1; Page 5, Line 37	25
26			26
27	\$ 212,609	Sum Lines 7; 13; 17; 21; 25	27
28			28
29	2,192	Line 27 x 1.031%	29
30	370	Line 27 x 0.174%	30
31			31
32	\$ 215,171	Sum Lines 27 thru 30	32

SAN DIEGO GAS AND ELECTRIC COMPANY
Statement AF - Workpapers
Deferred Credits

Base Period 12 - Months Ending December 31, 2013
(\$1,000)

Line No	(a) 31-Dec-12	(b) 31-Dec-13	(c) = [(a)+(b)]/2 Average Balance	Reference	Line No
1	\$ (211,753)	\$ (276,123)	\$ (243,938)	Stmt AF WP; Page AF-1; Line 1	1
2					2
3	(7,052) ✓	(83,086) ✓	(45,069) ✓	Stmt AF WP; Page AF-1; Line 3	3
4					4
5	\$ (218,804) ✓	\$ (359,209) ✓	\$ (289,007) ✓	Sum of Lines 1 thru 3	5
6				Form 1; Pg. 450.1; Sch. Pg. 274; Ln 2; Cols. b and k	6
7					7
8	\$ -	\$ -	\$ -	Stmt AF WP; Page AF-2; Line 1	8
9					9
10	\$ -	\$ -	\$ -	Stmt AF WP; Page AF-2; Line 4	10
11					11
12	\$ -	\$ -	\$ -	Stmt AF WP; Page AF-2; Line 7	12

✓ **Items that are in bold have changed compared to the original TO4 Cycle 2 filing per ER15-553.**

SAN DIEGO GAS AND ELECTRIC COMPANY
Statement AV - Workpapers
Cost of Capital and Fair Rate of Return

For the 4-Month True-Up Period Ending December 31, 2013

(\$1,000)

Line No.	Amounts	Reference	Line No.				
1	<u>Long-Term Debt Component - Denominator:</u>		1				
2	(Plus) Bonds (Acct. 221) (p112.Line18c)	\$ 3,926,855	Form 1; Page 112; Line 18c	2			
3	(Less) Reacquired Bonds (Acct. 222) (p112.Line19c)	-	Form 1; Page 112; Line 19c	3			
4	(Plus) Other Long-Term Debt (Acct. 224) (p112.Line21c)	123,900	Form 1; Page 112; Line 21c	4			
5	(Plus) Unamortized Premium on Long-Term Debt (Acct 225) (p112.Line22c)	-	Form 1; Page 112; Line 22c	5			
6	(Less) Unamortized Discount on Long-Term Debt-Debit (Acct 226) (p112.Line23c)	10,953	Form 1; Page 112; Line 23c	6			
7	LTD = Long Term Debt (p112, sum of Line17d thru Line22d, details on p256-257)	\$ 4,039,802	Line 2 Minus Line 3 Plus Lines 4 & 5 Minus Line 6	7			
8				8			
9	<u>Long-Term Debt Component - Numerator:</u>		9				
10	(Plus) Interest on Long-Term Debt (427) (p117.Line62c)	\$ 186,465	Form 1; Page 117; Line 62c	10			
11	(Plus) Amort. of Debt Disc. and Expense (428) (p117.Line63c)	3,084	Form 1; Page 117; Line 63c	11			
12	(Plus) Amortization of Loss on Reacquired Debt (428.1) (p117.Line64c)	2,537	Form 1; Page 117; Line 64c	12			
13	(Less) Amort. of Premium on Debt-Credit (429) (p117.Line65c)	-	Form 1; Page 117; Line 65c	13			
14	(Less) Amortization of Gain on Reacquired Debt-Credit (429.1) (p117.Line66c)	-	Form 1; Page 117; Line 66c	14			
15	i = LTD interest (p117, sum of Line56c thru Line60c, details on p257))	\$ 192,086	Sum Lines 10; 11; 12 Minus Lines 13 & 14	15			
16				16			
17	<u>Cost of Long-Term Debt:</u>	4.75%	Line 15 / Line 7	17			
18				18			
19	<u>Preferred Equity Component:</u>		19				
20	PF = Preferred Stock - Acct 204 (p112.3c)	\$ -	Form 1; Page 112; Line 3c	20			
21	d(pf) = Total Dividends Declared-Preferred Stocks (Acct. 437) (p118.29c)	\$ 1,205	Form 1; Page 118; Line 29c	21			
22	Cost of Preferred Equity	0.00%	Line 21 / Line 20	22			
23				23			
24	<u>Common Equity Component:</u>		24				
25	Proprietary Capital (p112.16c)	\$ 4,629,716	Form 1; Page 112; Line 16c	25			
26	(Less) Preferred Stock - Acct 204 (p112.3c)	-	Form 1; Page 112; Line 3c	26			
27	(Less) Unappropriated Undistributed Subsidiary Earnings (Acct. 216.1) (p112.12c)	-	Form 1; Page 112; Line 12c	27			
28	(Less) Accumulated Other Comprehensive Income (Acct. 219) (p112.15c)	9,010	Form 1; Page 112; Line 15c	28			
29	CS = Common Stock	\$ 4,620,706	Line 25 Minus Lines 26, 27 & 28	29			
30				30			
31	<u>Return on Common Equity:</u>	10.05%	Offer of Settlement in FERC Docket No. ER13-941-001	31			
32	(a)	(b)	(c)	(d) = (b) x (c)	32		
33		Cap. Struct.	Cost of	Weighted	33		
34	<u>Weighted Cost of Capital:</u>	Amount ¹	Ratio	Capital	Cost of Capital	34	
35						35	
36	Long-Term Debt	\$ 4,039,802	46.65%	4.75%	2.22%	Col. C = Line 17 Above	36
37	Preferred Equity	-	0.00%	0.00%	0.00%	Col. C = Line 22 Above	37
38	Common Equity	4,620,706	53.35%	10.05%	5.36%	Col. C = Line 31 Above	38
39	Total Capital	\$ 8,660,508	100.00%		7.58%	Sum Lines 36 thru 38	39
40							40
41	<u>Cost of Equity Component (Preferred & Common):</u>				5.36%	Sum Lines 37; 38; Col. (d)	41
42							42
43							43
44	<u>Incentive Return on Common Equity:</u> ²					Stmt AV WP; Page AV	44
45	(a)	(b)	(c)	(d) = (b) x (c)			45
46		Cap. Struct.	Cost of	Weighted			46
47	<u>Weighted Cost of Capital:</u>	Amount ¹	Ratio	Capital	Cost of Capital		47
48							48
49	Long-Term Debt	\$ 4,039,802	46.65%	4.75%	2.22%	Col. C = Line 17 Above	49
50	Preferred Equity	-	0.00%	0.00%	0.00%	Col. C = Line 22 Above	50
51	Common Equity	4,620,706	53.35%	0.00%	0.00%	Col. C = Line 44 Above	51
52	Total Capital	\$ 8,660,508	100.00%		2.22%	Sum Lines 49 thru 51	52
53							53
54	<u>Incentive Cost of Equity Component (Preferred & Common):</u>				0.00%	Sum Lines 50; 51; Col. (d)	54

¹ Amount is based upon December 31 balances.

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

SAN DIEGO GAS AND ELECTRIC COMPANY

Statement AV

Cost of Capital and Fair Rate of Return

For the 4-Month True-Up Period Ending December 31,2013

(\$1,000)

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

✓ Items that are in bold have changed compared to the original TO4 Cycle 2 filing per ER15-553.

SAN DIEGO GAS AND ELECTRIC COMPANY
Statement AV

Cost of Capital and Fair Rate of Return

For the 4-Month True-Up Period Ending December 31, 2013

(\$1,000)

Line No.	Amounts	Reference	Line No.
1			1
2			2
3			3
4			4
5			5
6	0.00%	Stmnt AV WP; Page AV1; Line 54	6
7	0	Shall be Zero for Incentive ROE Projects	7
8	\$ -	Stmnt AV WP; Page AV	8
9	\$ -	Statement BK1; Page 2; Line 31	9
10	35%	Stmnt AV WP; Page AV2; Line 10	10
11			11
12	0.0000%	Federal Income Tax Expense	12
13			13
14			14
15			15
16			16
17			17
18	0.00%	Stmnt AV WP; Page AV1; Line 54	18
19	\$ -	Line 8 Above	19
20	\$ -	Line 9 Above	20
21	0.0000%	Line 12 Above	21
22	8.84%	Stmnt AV WP; Page AV2; Line 22	22
23			23
24	0.0000%	State Income Tax Expense	24
25			25
26			26
27	0.0000%	Sum Lines 12; 24	27
28			28
29	2.2200%	Stmnt AV WP; Page AV1; Line 52	29
30			30
31	2.2200% ¹	Sum Lines 27; 29	31

¹ The Incentive Cost of Capital Rate Calculation will be tracked and shown separately for each project. As a result, lines 3 through 31 will be repeated for each project. However, this will be entered as 0% in BK-1 when there's no incentive project to show.

San Diego Gas & Electric Company
ADIT Error Correction
Plus Accrued Interest Expense (Jan 2013 - Dec 2018)
(\$1,000)

Line No.	Description	Reference	2013													
			Jan-13	Feb-13	Mar-13	Apr-13	May-13	Jun-13	Jul-13	Aug-13	Sep-13	Oct-13	Nov-13	Dec-13		
1	Beginning Balance (Overcollection)/Undercollection	Previous Month's Balance	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2	Ratio of Revised True-up Cost of Service Revenues / Total True-up Cost of Service Revenues for the TU Period ¹		0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	31.19%	23.62%	22.50%	22.69%
4	Retail BTRR Excluding FF&U Difference Associated with the ADIT Error Correction ²	Line 3 x Line 5, 'Total' Column See Footnote 1	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 1,221	\$ 925	\$ 881	\$ 888
7	Interest Expense Calculation: ³															
8	Beginning Balance for Interest Calculation	Beginning Quarterly Balances	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 1,223	\$ 1,223	\$ 1,223
9	Monthly Activity Included in Interest Calculation Basis	Interest Calculation Basis	0	0	0	0	0	0	0	0	0	0	611	462	1,365	2,250
12	Basis for Interest Expense Calculation	Line 8 + Line 10	0	0	0	0	0	0	0	0	0	0	611	1,685	2,588	3,473
14	Monthly Interest Rate ⁴	FERC Monthly Rates	0.28000%	0.25000%	0.28000%	0.27000%	0.28000%	0.28000%	0.27000%	0.28000%	0.28000%	0.27000%	0.27000%	0.28000%	0.27000%	0.28000%
15	Interest Expense	Line 12 x Line 14	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 2	\$ 5	\$ 7	\$ 10
16	Ending Balance (Overcollection)/Undercollection	Line 1 + Line 5 + Line 16	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 1,223	\$ 2,153	\$ 3,041	\$ 3,939

NOTES:

- Percentages developed to appropriate the monthly amounts of the Retail BTRR amount due to the error correction are based upon the ratio of the monthly true-up cost of service revenues with the total annual cost of service revenues.
- Total Undercollection on line 5 ties to Page 2.6; Col (c); Line 27.
- Interest expense calculation is predicated based on the methodology prescribed under Title 18 of the Code of Federal Regulations, Section 35.19A, where interest expense is compounded on a quarterly basis using the average balance of the overcollection or undercollection.
- Interest rates are based on the actual rates posted on the FERC website.

San Diego Gas & Electric Company
ADIT Error Correction
Plus Accrued Interest Expense (Jan 2013 - Dec 2018)
(\$1,000)

Line No.	Description	Reference	2014											
			Jan-14	Feb-14	Mar-14	Apr-14	May-14	Jun-14	Jul-14	Aug-14	Sep-14	Oct-14	Nov-14	Dec-14
1	Beginning Balance (Overcollection)/Undercollection	Previous Month's Balance	\$ 3,939	\$ 3,950	\$ 3,960	\$ 3,971	\$ 3,982	\$ 3,993	\$ 4,004	\$ 4,015	\$ 4,026	\$ 4,037	\$ 4,048	\$ 4,059
2	Ratio of Revised True-up Cost of Service Revenues / Total True-up Cost of Service Revenues for the TU Period ¹		0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
3	Retail BTRR Excluding FF&U Difference Associated with the ADIT Error Correction ²	Line 3 x Line 5, 'Total' Column	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
4	Interest Expense Calculation: ³													
5	Beginning Balance for Interest Calculation	Beginning Quarterly Balances	\$ 3,939	\$ 3,939	\$ 3,939	\$ 3,971	\$ 3,971	\$ 3,971	\$ 4,004	\$ 4,004	\$ 4,004	\$ 4,037	\$ 4,037	\$ 4,037
6	Monthly Activity Included in Interest Calculation Basis	Interest Calculation Basis	0	0	0	0	0	0	0	0	0	0	0	0
7	Basis for Interest Expense Calculation	Line 8 + Line 10	3,939	3,939	3,939	3,971	3,971	3,971	4,004	4,004	4,004	4,037	4,037	4,037
8	Monthly Interest Rate ⁴	FERC Monthly Rates	0.28000%	0.25000%	0.28000%	0.27000%	0.28000%	0.27000%	0.28000%	0.28000%	0.27000%	0.28000%	0.27000%	0.28000%
9	Interest Expense	Line 12 x Line 14	\$ 11	\$ 10	\$ 11	\$ 11	\$ 11	\$ 11	\$ 11	\$ 11	\$ 11	\$ 11	\$ 11	\$ 11
10	Ending Balance (Overcollection)/Undercollection	Line 1 + Line 5 + Line 16	\$ 3,950	\$ 3,960	\$ 3,971	\$ 3,982	\$ 3,993	\$ 4,004	\$ 4,015	\$ 4,026	\$ 4,037	\$ 4,048	\$ 4,059	\$ 4,070

NOTES:

¹ Percentages developed to appropriate the monthly amounts of the Retail BTRR amount due to the error correction are based upon the ratio of the monthly true-up cost of service revenues with the total annual cost of service revenues.

² Total Undercollection on line 5 ties to Page 2.6; Col (c); Line 27.

³ Interest expense calculation is predicated based on the methodology prescribed under Title 18 of the Code of Federal Regulations, Section 35.19A, where interest expense is compounded on a quarterly basis using the average balance of the overcollection or undercollection.

⁴ Interest rates are based on the actual rates posted on the FERC website.

San Diego Gas & Electric Company
ADIT Error Correction
Plus Accrued Interest Expense (Jan 2013 - Dec 2018)
(\$1,000)

Line No.	Description	Reference	2015											
			Jan-15	Feb-15	Mar-15	Apr-15	May-15	Jun-15	Jul-15	Aug-15	Sep-15	Oct-15	Nov-15	Dec-15
1	Beginning Balance (Overcollection)/Undercollection	Previous Month's Balance	\$ 4,070	\$ 4,081	\$ 4,091	\$ 4,102	\$ 4,113	\$ 4,124	\$ 4,135	\$ 4,147	\$ 4,159	\$ 4,170	\$ 4,182	\$ 4,193
2	Ratio of Revised True-up Cost of Service Revenues / Total True-up Cost of Service Revenues for the TU Period ¹		0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
3	Retail BTRR Excluding FF&U Difference Associated with the ADIT Error Correction ²	Line 3 x Line 5, 'Total' Column	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
4	Interest Expense Calculation: ³													
5	Beginning Balance for Interest Calculation	Beginning Quarterly Balances	\$ 4,070	\$ 4,070	\$ 4,070	\$ 4,102	\$ 4,102	\$ 4,102	\$ 4,135	\$ 4,135	\$ 4,135	\$ 4,170	\$ 4,170	\$ 4,170
6	Monthly Activity Included in Interest Calculation Basis	Interest Calculation Basis	0	0	0	0	0	0	0	0	0	0	0	0
7	Basis for Interest Expense Calculation	Line 8 + Line 10	4,070	4,070	4,070	4,102	4,102	4,102	4,135	4,135	4,135	4,170	4,170	4,170
8	Monthly Interest Rate ⁴	FERC Monthly Rates	0.28000%	0.25000%	0.28000%	0.27000%	0.28000%	0.27000%	0.28000%	0.28000%	0.27000%	0.28000%	0.27000%	0.28000%
9	Interest Expense	Line 12 x Line 14	\$ 11	\$ 10	\$ 11	\$ 11	\$ 11	\$ 11	\$ 12	\$ 12	\$ 11	\$ 12	\$ 11	\$ 12
10	Ending Balance (Overcollection)/Undercollection	Line 1 + Line 5 + Line 16	\$ 4,081	\$ 4,091	\$ 4,102	\$ 4,113	\$ 4,124	\$ 4,135	\$ 4,147	\$ 4,159	\$ 4,170	\$ 4,182	\$ 4,193	\$ 4,205

NOTES:

¹ Percentages developed to appropriate the monthly amounts of the Retail BTRR amount due to the error correction are based upon the ratio of the monthly true-up cost of service revenues with the total annual cost of service revenues.

² Total Undercollection on line 5 ties to Page 2.6; Col (c); Line 27.

³ Interest expense calculation is predicated based on the methodology prescribed under Title 18 of the Code of Federal Regulations, Section 35.19A, where interest expense is compounded on a quarterly basis using the average balance of the overcollection or undercollection.

⁴ Interest rates are based on the actual rates posted on the FERC website.

San Diego Gas & Electric Company
ADIT Error Correction
Plus Accrued Interest Expense (Jan 2013 - Dec 2018)
(\$1,000)

Line No.	Description	Reference	2016											
			Jan-16	Feb-16	Mar-16	Apr-16	May-16	Jun-16	Jul-16	Aug-16	Sep-16	Oct-16	Nov-16	Dec-16
1	Beginning Balance (Overcollection)/Undercollection	Previous Month's Balance	\$ 4,205	\$ 4,217	\$ 4,228	\$ 4,240	\$ 4,252	\$ 4,264	\$ 4,276	\$ 4,289	\$ 4,302	\$ 4,314	\$ 4,327	\$ 4,340
2	Ratio of Revised True-up Cost of Service Revenues / Total True-up Cost of Service Revenues for the TU Period ¹		0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
3	Retail BTRR Excluding FF&U Difference Associated with the ADIT Error Correction ²	Line 3 x Line 5, 'Total' Column	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
4	Interest Expense Calculation: ³													
5	Beginning Balance for Interest Calculation	Beginning Quarterly Balances	\$ 4,205	\$ 4,205	\$ 4,205	\$ 4,240	\$ 4,240	\$ 4,240	\$ 4,276	\$ 4,276	\$ 4,276	\$ 4,314	\$ 4,314	\$ 4,314
6	Monthly Activity Included in Interest Calculation Basis	Interest Calculation Basis	0	0	0	0	0	0	0	0	0	0	0	0
7	Basis for Interest Expense Calculation	Line 8 + Line 10	4,205	4,205	4,205	4,240	4,240	4,240	4,276	4,276	4,276	4,314	4,314	4,314
8	Monthly Interest Rate ⁴	FERC Monthly Rates	0.28000%	0.26000%	0.28000%	0.28000%	0.29000%	0.28000%	0.30000%	0.30000%	0.29000%	0.30000%	0.29000%	0.30000%
9	Interest Expense	Line 12 x Line 14	\$ 12	\$ 11	\$ 12	\$ 12	\$ 12	\$ 12	\$ 13	\$ 13	\$ 12	\$ 13	\$ 13	\$ 13
10	Ending Balance (Overcollection)/Undercollection	Line 1 + Line 5 + Line 16	\$ 4,217	\$ 4,228	\$ 4,240	\$ 4,252	\$ 4,264	\$ 4,276	\$ 4,289	\$ 4,302	\$ 4,314	\$ 4,327	\$ 4,340	\$ 4,353

NOTES:

¹ Percentages developed to appropriate the monthly amounts of the Retail BTRR amount due to the error correction are based upon the ratio of the monthly true-up cost of service revenues with the total annual cost of service revenues.

² Total Undercollection on line 5 ties to Page 2.6; Col (c); Line 27.

³ Interest expense calculation is predicated based on the methodology prescribed under Title 18 of the Code of Federal Regulations, Section 35.19A, where interest expense is compounded on a quarterly basis using the average balance of the overcollection or undercollection.

⁴ Interest rates are based on the actual rates posted on the FERC website.

San Diego Gas & Electric Company
ADIT Error Correction
Plus Accrued Interest Expense (Jan 2013 - Dec 2018)
(\$1,000)

Line No.	Description	Reference	2017											
			Jan-17	Feb-17	Mar-17	Apr-17	May-17	Jun-17	Jul-17	Aug-17	Sep-17	Oct-17	Nov-17	Dec-17
1	Beginning Balance (Overcollection)/Undercollection	Previous Month's Balance	\$ 4,353	\$ 4,366	\$ 4,378	\$ 4,391	\$ 4,404	\$ 4,418	\$ 4,431	\$ 4,446	\$ 4,461	\$ 4,476	\$ 4,492	\$ 4,508
2	Ratio of Revised True-up Cost of Service Revenues / Total True-up Cost of Service Revenues for the TU Period ¹		0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
3	Retail BTRR Excluding FF&U Difference Associated with the ADIT Error Correction ²	Line 3 x Line 5, 'Total' Column	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
4	Interest Expense Calculation: ³													
5	Beginning Balance for Interest Calculation	Beginning Quarterly Balances	\$ 4,353	\$ 4,353	\$ 4,353	\$ 4,391	\$ 4,391	\$ 4,391	\$ 4,431	\$ 4,431	\$ 4,431	\$ 4,476	\$ 4,476	\$ 4,476
6	Monthly Activity Included in Interest Calculation Basis	Interest Calculation Basis	0	0	0	0	0	0	0	0	0	0	0	0
7	Basis for Interest Expense Calculation	Line 8 + Line 10	4,353	4,353	4,353	4,391	4,391	4,391	4,431	4,431	4,431	4,476	4,476	4,476
8	Monthly Interest Rate ⁴	FERC Monthly Rates	0.30000%	0.27000%	0.30000%	0.30000%	0.32000%	0.30000%	0.34000%	0.34000%	0.33000%	0.36000%	0.35000%	0.36000%
9	Interest Expense	Line 12 x Line 14	\$ 13	\$ 12	\$ 13	\$ 13	\$ 14	\$ 13	\$ 15	\$ 15	\$ 15	\$ 16	\$ 16	\$ 16
10	Ending Balance (Overcollection)/Undercollection	Line 1 + Line 5 + Line 16	\$ 4,366	\$ 4,378	\$ 4,391	\$ 4,404	\$ 4,418	\$ 4,431	\$ 4,446	\$ 4,461	\$ 4,476	\$ 4,492	\$ 4,508	\$ 4,524

NOTES:

¹ Percentages developed to appropriate the monthly amounts of the Retail BTRR amount due to the error correction are based upon the ratio of the monthly true-up cost of service revenues with the total annual cost of service revenues.

² Total Undercollection on line 5 ties to Page 2.6; Col (c); Line 27.

³ Interest expense calculation is predicated based on the methodology prescribed under Title 18 of the Code of Federal Regulations, Section 35.19A, where interest expense is compounded on a quarterly basis using the average balance of the overcollection or undercollection.

⁴ Interest rates are based on the actual rates posted on the FERC website.

San Diego Gas & Electric Company
ADIT Error Correction
Plus Accrued Interest Expense (Jan 2013 - Dec 2018)
(\$1,000)

Line No.	Description	Reference	2018												Total
			Jan-18	Feb-18	Mar-18	Apr-18	May-18	Jun-18	Jul-18	Aug-18	Sep-18	Oct-18	Nov-18	Dec-18	
1	Beginning Balance (Overcollection)/Undercollection	Previous Month's Balance	\$ 4,524	\$ 4,540	\$ 4,555	\$ 4,571	\$ 4,588	\$ 4,605	\$ 4,622	\$ 4,640	\$ 4,658	\$ 4,676	\$ 4,696	\$ 4,715	\$ -
2	Ratio of Revised True-up Cost of Service Revenues / Total True-up Cost of Service Revenues for the TU Period ¹	See Footnote 1	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	100.00%
3															
4															
5	Retail BTRR Excluding FTR&U Difference Associated with the ADIT Error Correction ²	Line 3 x Line 5, "Total" Column	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 3,915
6															
7	Interest Expense Calculation ³	Beginning Quarterly Balances	\$ 4,524	\$ 4,524	\$ 4,524	\$ 4,571	\$ 4,571	\$ 4,571	\$ 4,622	\$ 4,622	\$ 4,622	\$ 4,676	\$ 4,676	\$ 4,676	
8	Beginning Balance for Interest Calculation	Interest Calculation Basis	0	0	0	0	0	0	0	0	0	0	0	0	
9	Monthly Activity Included in Interest Calculation Basis	Line 8 + Line 10	4,524	4,524	4,524	4,571	4,571	4,571	4,622	4,622	4,622	4,676	4,676	4,676	
10	Basis for Interest Expense Calculation	FERC Monthly Rates	0.36000%	0.33000%	0.36000%	0.37000%	0.38000%	0.37000%	0.40000%	0.40000%	0.39000%	0.42000%	0.41000%	0.42000%	
11	Monthly Interest Rate ⁴	Line 12 x Line 14	16	15	16	17	17	17	18	18	18	20	19	20	820
12	Interest Expense	Line 1 + Line 5 + Line 16	\$ 4,540	\$ 4,555	\$ 4,571	\$ 4,588	\$ 4,605	\$ 4,622	\$ 4,640	\$ 4,658	\$ 4,676	\$ 4,696	\$ 4,715	\$ 4,735	\$ 4,735
13															
14	Ending Balance (Overcollection)/Undercollection														
15															
16															
17															
18															
19															

NOTES:

1 Percentages developed to appropriate the monthly amounts of the Retail BTRR amount due to the error correction are based upon the ratio of the monthly true-up cost of service revenues with the total annual cost of service revenues.

2 Total Undercollection on line 5 ties to Page 2.6, Col (c); Line 27.

3 Interest expense calculation is predicated based on the methodology prescribed under Title 18 of the Code of Federal Regulations, Section 35.19A, where interest expense is compounded on a quarterly basis using the average balance of the overcollection or undercollection.

4 Interest rates are based on the actual rates posted on the FERC website.

San Diego Gas & Electric Company
TO4 Cycle 3 ADIT Adjustment to Base Transmission Revenue Requirements ¹
For the Rate Effective Period January 1, 2019 - December 31, 2019
(\$1,000)

Line No.	<u>Description</u>	<u>Amounts</u>	<u>Reference</u>	Line <u>No.</u>
1	<u>BTRR Adjustment due to TO4 Cycle 3 ADIT Error Calculation:</u>			1
2	Retail BTRR Adjustment - Before Interest	\$ 11,770	Page 2.6; Col (c); Line 27	2
3				3
4	Interest Expense	<u>2,148</u>	Page 7.5; Line 16 Total Column	4
5				5
6	Total BTRR Adjustment Excluding FF&U	13,918	Line 2 + Line 4	6
7				7
8	Transmission Related Municipal Franchise Fees Expenses	<u>143</u>	Line 6 x 1.031%	8
9				9
10	Subtotal BTRR Adjustment Including Francise Fees Expenses	14,061	Line 6 + Line 8	10
11				11
12	Transmission Related Uncollectible Expense	<u>24</u>	Line 6 x 0.174%	12
13				13
14	<u>Total Retail BTRR Adjustment Including FF&U</u>	<u>\$ 14,085</u>	Line 10 + Line 12	14

¹ Section C.5. of the Protocols provides a mechanism for SDG&E to correct errors that affected the TU TRR in a previous Informational Filing. In this TO5 Cycle 1 Informational Filing, SDG&E is correcting a TO4 Cycle 3 error of approximately \$14.1M due to ADIT recalculation of the transmission related ADIT from Bonus Depreciation. Lines 1 - 14 show SDG&E's quantification of the revenue requirements including interest.

San Diego Gas & Electric Company
Statement BK-1
Derivation of Incremental BTRR Adjustments
TO4 Cycle 3 True-Up Period (1/1/2014 - 12/31/2014)
(\$1,000)

Line No.	A Revised TO4 C3 TU - Period Amounts	B As Filed TO4 C3 TU - Period ER16-445 Amounts	C = A - B Difference Incr (Decr)	Reference	Line No.
1	A. Revenues:				
2	\$ 62,465	\$ 62,465	\$ -	Page 3.1 and Page 4.1, Line 2	2
3					3
4	79,884	79,884	-	Page 3.1 and Page 4.1, Line 4	4
5					5
6	-	-	-	Page 3.1 and Page 4.1, Line 6	6
7					7
8	\$ 142,349	\$ 142,349	\$ -	Sum Lines 2 thru 6	8
9					9
10	113,437	113,437	-	Page 3.1 and Page 4.1, Line 10	10
11					11
12	-	-	-	Page 3.1 and Page 4.1, Line 12	12
13					13
14	550	550	-	Page 3.1 and Page 4.1, Line 14	14
15					15
16	30,122	30,122	-	Page 3.1 and Page 4.1, Line 16	16
17					17
18	2,482	2,482	-	Page 3.1 and Page 4.1, Line 18	18
19					19
20	\$ 288,940	\$ 288,940	\$ -	Sum Lines 8 thru 18	20
21					21
22	11.4800% √	11.4829%	-0.0029%	Page 3.1 and Page 4.1, Line 22	22
23	\$ 2,999,037 √	\$ 2,895,781	103,256	Page 3.1 and Page 4.1, Line 23	23
24	\$ 344,290 √	\$ 332,520	\$ 11,770	Line 22 x Line 23	24
25					25
26	\$ 2,333	\$ 2,333	\$ -	Page 3.1 and Page 4.1, Line 26	26
27	(265)	(265)	-	Page 3.1 and Page 4.1, Line 27	27
28	-	-	-	Page 3.1 and Page 4.1, Line 28	28
29	(4,019)	(4,019)	-	Page 3.1 and Page 4.1, Line 29	29
30	-	-	-	Page 3.1 and Page 4.1, Line 30	30
31	-	-	-	Page 3.1 and Page 4.1, Line 31	31
32					32
33	\$ 631,279 √	\$ 619,509	\$ 11,770	Line 20 + Sum Lines (24 thru 31)	33
34					34
35	B. Incentive ROE Project Transmission Revenue:				
36	\$ -	\$ -	\$ -	Page 3.1 and Page 4.1, Line 36	36
37					37
38	0.0000% ¹	0.0000%	0.0000%	Page 3.1 and Page 4.1, Line 38	38
39	\$ -	\$ -	\$ -	Page 3.1 and Page 4.1, Line 39	39
40	\$ -	\$ -	\$ -	Line 38 x Line 39	40
41					41
42	\$ -	\$ -	\$ -	Sum Lines 36; 40	42
43					43
44	C. Incentive Transmission Plant Abandoned Project Revenue:				
45	\$ -	\$ -	\$ -	Page 3.1 and Page 4.1, Line 45	45
46					46
47	\$ -	\$ -	\$ -	Page 3.1 and Page 4.1, Line 47	47
48	11.4800% √	11.4829%	-0.0029%	Page 3.1 and Page 4.1, Line 48	48
49	\$ -	\$ -	\$ -	Line 47 x Line 48	49
50					50
51	\$ -	\$ -	\$ -	Sum Lines 45; 49	51
52					52
53	D. Incentive Transmission Construction Work In Progress (CWIP) Revenue:				
54	\$ -	\$ -	\$ -	Page 3.1 and Page 4.1, Line 54	54
55	11.4800% √	11.4829%	-0.0029%	Page 3.1 and Page 4.1, Line 55	55
56	\$ -	\$ -	\$ -	Line 54 x Line 55	56
57					57
58	\$ -	\$ -	\$ -	Sum Lines 42; 51; 56	58
59					59
60	\$ 631,279 √	\$ 619,509	\$ 11,770	Sum Lines 33; 58	60

√ Items that are in bold have changed compared to the original TO4 Cycle 3 filing per ER16-445.

¹ The incentive rate cost components for each ROE incentive project will be tracked and shown separately for each project and lines 36 through 40 will be repeated for each project. As a result, the data on this page may carryover to the next page.

² Incentive Transmission CWIP shall be the CWIP for which SDG&E is authorized to collect incentives under FERC Order No. 679 and will be tracked and shown for each project and lines 54 through 56 will be repeated for each project.

³ Total Prior Year Revenues (PYRR) or Base Period Revenue is for 4 months ending December 31, 2013

⁴ The Incentive Cost of Capital Rate will be tracked and shown separately for each project. However, this will be entered as 0% in BK-1 when there's no incentive project to show.

⁵ Blank lines that show up in the Formula Rate Spreadsheet will not be populated with any numbers absent a Section 205 filing to approve the blank lines.

San Diego Gas & Electric Company
Statement BK-1
Derivation of Incremental BTRR Adjustments
TO4 Cycle 3 True-Up Period (1/1/2014 - 12/31/2014)
(\$1,000)

Line No.	A		B		C = A - B	Reference	Line No.
	Revised TO4 C3 TU - Period Amounts	As Filed TO4 C3 TU - Period ER16-445 Amounts	Difference Incr (Decr)				
A. Transmission Rate Base							
1	<u>Net Transmission Plant:</u>						
2	Transmission Plant	\$ 3,253,172	\$ 3,253,172	\$ -		Page 3.2 and Page 4.2, Line 2	1
3	Transmission Related Electric Miscellaneous Intangible Plant	14,066	14,066	-		Page 3.2 and Page 4.2, Line 3	2
4	Transmission Related General Plant	30,066	30,066	-		Page 3.2 and Page 4.2, Line 4	3
5	Transmission Related Common Plant	47,441	47,441	-		Page 3.2 and Page 4.2, Line 5	4
6	Total Net Transmission Plant	\$ 3,344,745	\$ 3,344,745	\$ -		Sum Lines 2 thru 5	5
7							
8	<u>Rate Base Additions:</u>						
9	Transmission Plant Held for Future Use	\$ 6,546	\$ 6,546	\$ -		Page 3.2 and Page 4.2, Line 9	6
10	Transmission Plant Abandoned Project Cost	-	-	-		Page 3.2 and Page 4.2, Line 10	7
11	Total Rate Base Additions	\$ 6,546	\$ 6,546	\$ -		Sum Lines 9 thru 10	8
12							
13	<u>Rate Base Reductions:</u>						
14	Transmission Related Accum. Def. Inc. Taxes	\$ (411,667) v	\$ (514,923)	\$ 103,256		Page 3.2 and Page 4.2, Line 14	9
15	Transmission Plant Abandoned Accum. Def. Inc. Taxes	-	-	-		Page 3.2 and Page 4.2, Line 15	10
16	Total Rate Base Reductions	\$ (411,667) v	\$ (514,923)	\$ 103,256		Sum Lines 14 thru 15	11
17							
18	<u>Working Capital:</u>						
19	Transmission Related Material and Supplies	\$ 26,271	\$ 26,271	\$ -		Page 3.2 and Page 4.2, Line 19	12
20	Transmission Related Prepayments	15,348	15,348	-		Page 3.2 and Page 4.2, Line 20	13
21	Transmission Related Cash Working Capital	17,794	17,794	-		Page 3.2 and Page 4.2, Line 21	14
22	Total Working Capital	\$ 59,413	\$ 59,413	\$ -		Sum Lines 19 thru 21	15
23							
24	Other Regulatory Assets/Liabilities	\$ -	\$ -	\$ -		Page 3.2 and Page 4.2, Line 24	16
25							
26	Total Transmission Rate Base	\$ 2,999,037 v	\$ 2,895,781	\$ 103,256		Sum Lines 6; 11; 16; 22; 24	17
27							
28	B. Incentive ROE Project Transmission Rate Base:						
29	Net Incentive Transmission Plant ¹	\$ -	\$ -	\$ -		Page 3.2 and Page 4.2, Line 29	18
30	Incentive Transmission Plant Accum. Def. Income Taxes	-	-	-		Page 3.2 and Page 4.2, Line 30	19
31	Total Incentive ROE Project Transmission Rate Base	\$ -	\$ -	\$ -		Sum Lines 29 thru 30	20
32							
33	C. Incentive Transmission Plant Abandoned Project Rate Base:						
34	Incentive Transmission Plant Abandoned Project Cost	\$ -	\$ -	\$ -		Page 3.2 and Page 4.2, Line 34	21
35	Incentive Transmission Plant Abandoned Project Cost Accum. Def. Inc. Taxes	-	-	-		Page 3.2 and Page 4.2, Line 35	22
36	Total Incentive Transmission Plant Abandoned Project Cost Rate Base	\$ -	\$ -	\$ -		Sum Lines 34 thru 35	23
37							
38	D. Incentive Transmission Construction Work In Progress ²	\$ -	\$ -	\$ -		Page 3.2 and Page 4.2, Line 38	24

v Items that are in bold have changed compared to the original TO4 Cycle 3 filing per ER16-445.

¹ The Incentive ROE Transmission Plant will be tracked and shown for each incentive project and lines 29 through 31 will be repeated for each project.

² Incentive CWIP projects will be tracked separately and line 38 will be shown for each project.

San Diego Gas & Electric Company
Statement BK-1
Derivation of Incremental BTRR Adjustments
TO4 Cycle 3 True-Up Period (1/1/2014 - 12/31/2014)
(\$1,000)

Line No.	A		B		C = A - B	Reference	Line No.
	Revised TO4 C3 TU - Period Amounts	As Filed TO4 C3 TU - Period ER16-445 Amounts	Difference Incr (Decr)				
<u>A. Transmission Plant</u>							
1	Gross Transmission Plant:						
2	Transmission Plant	\$ 3,958,529	\$ 3,958,529	\$ -	Page 3.3 and Page 4.3, Line 2		1
3	Transmission Related Electric Miscellaneous Intangible Plant	19,111	19,111	-	Page 3.3 and Page 4.3, Line 3		2
4	Transmission Related General Plant	48,644	48,644	-	Page 3.3 and Page 4.3, Line 4		3
5	Transmission Related Common Plant	98,644	98,644	-	Page 3.3 and Page 4.3, Line 5		4
6	Total Gross Transmission Plant	<u>\$ 4,124,928</u>	<u>\$ 4,124,928</u>	<u>\$ -</u>	Sum Lines 2 thru 5		5
7							
8	Accumulated Depreciation Reserve:						
9	Transmission Plant Depreciation Reserve	\$ 705,357	\$ 705,357	\$ -	Page 3.3 and Page 4.3, Line 9		6
10	Transmission Related Electric Miscellaneous Intangible Amortization Reserve	5,045	5,045	-	Page 3.3 and Page 4.3, Line 10		7
11	Transmission Related General Plant Depr Reserve	18,578	18,578	-	Page 3.3 and Page 4.3, Line 11		8
12	Transmission Related Common Plant Depr Reserve	51,203	51,203	-	Page 3.3 and Page 4.3, Line 12		9
13	Total Transmission Related Accumulated Depreciation Reserve	<u>\$ 780,183</u>	<u>\$ 780,183</u>	<u>\$ -</u>	Sum Lines 9 thru 12		10
14							
15	Net Transmission Plant:						
16	Transmission Plant	\$ 3,253,172	\$ 3,253,172	\$ -	Page 3.3 and Page 4.3, Line 16		11
17	Transmission Related Electric Miscellaneous Intangible Plant	14,066	14,066	-	Page 3.3 and Page 4.3, Line 17		12
18	Transmission Related General Plant	30,066	30,066	-	Page 3.3 and Page 4.3, Line 18		13
19	Transmission Related Common Plant	47,441	47,441	-	Page 3.3 and Page 4.3, Line 19		14
20	Total Net Transmission Plant	<u>\$ 3,344,745</u>	<u>\$ 3,344,745</u>	<u>\$ -</u>	Sum Lines 16 thru 19		15
21							
22	<u>B. Incentive Project Transmission Plant:</u>						
23	Incentive Transmission Plant ¹	\$ -	\$ -	\$ -	Page 3.3 and Page 4.3, Line 23		16
24	Incentive Transmission Plant Depreciation Reserve ¹	-	-	-	Page 3.3 and Page 4.3, Line 24		17
25	Total Net Incentive Transmission Plant	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	Line 23 Minus Line 24		18

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

San Diego Gas & Electric Company
Statement BK-1
Derivation of Incremental BTRR Adjustments
TO4 Cycle 3 True-Up Period (1/1/2014 - 12/31/2014)
(\$1,000)

Line No.	C = A - B			Reference	Line No.	
	A Revised TO4 C3 TU - Period Amounts	B As Filed TO4 C3 TU - Period ER16-445 Amounts	C = A - B Difference Incr (Decr)			
<u>ANNUAL FIXED CHARGES APPLICABLE TO CAPITAL PROJECTS</u>						
1	<u>A. Derivation of Annual Fix Charge Rate (AFCR_{EU}) Applicable to</u>				1	
2	<u>Weighted Forecast Plant Additions:</u>				2	
3	PYRR _{EU} Excluding Franchise Fees and Uncollectible	\$ 631,279	\$ 619,509	\$ 11,770	Page 3.4 and Page 4.4, Line 3	3
4	50% of Transmission O&M Expense	(31,233)	(31,233)	-	Page 3.4 and Page 4.4, Line 4	4
5	50% of Transmission Related A&G Expense	(39,942)	(39,942)	-	Page 3.4 and Page 4.4, Line 5	5
6	CPUC Intervenor Funding Expense	-	-	-	Page 3.4 and Page 4.4, Line 6	6
7	Valley Rainbow Project Cost Amortization Expense	-	-	-	Page 3.4 and Page 4.4, Line 7	7
8	South Georgia Income Tax Adjustment	(2,333)	(2,333)	-	Page 3.4 and Page 4.4, Line 8	8
9	Transmission Related Amortization of Investment Tax Credit	265	265	-	Page 3.4 and Page 4.4, Line 9	9
10	Transmission Related Amortization of Excess Deferred Tax Liabilities	-	-	-	Page 3.4 and Page 4.4, Line 10	10
11	(Gains)/Losses from Sale of Plant Held for Future Use	-	-	-	Page 3.4 and Page 4.4, Line 11	11
12	Total (PYRR _{EU}) Excluding FF&U - Adjusted	\$ 558,036	\$ 546,266	\$ 11,770	Sum Lines 3 thru 11	12
13						13
14	Gross Transmission Plant	\$ 4,124,928	\$ 4,124,928	\$ -	Page 3.4 and Page 4.4, Line 14	14
15						15
16	Annual Fix Charge Rate (AFCR _{EU})	13.5284%	13.2430%	0.2854%	Page 3.4 and Page 4.4, Line 16	16
17						17
18	Weighted Forecast Plant Additions	\$ -	\$ -	\$ -	Page 3.4 and Page 4.4, Line 18	18
19						19
20	Forecast Period Capital Addition Revenue Requirements	\$ -	\$ -	\$ -	Line 16 x Line 18	20

✓ Items that are in bold have changed compared to the original TO4 Cycle 3 filing per ER16-445.

San Diego Gas & Electric Company
Statement BK-1
Derivation of Incremental BTRR Adjustments
TO4 Cycle 3 True-Up Period (1/1/2014 - 12/31/2014)
(\$1,000)

Line No.	A	B	C = A - B	Reference	Line No.
	Revised TO4 C3 TU - Period Amounts	As Filed TO4 C3 TU - Period ER16-445 Amounts	Difference Incr (Decr)		
<u>ANNUAL FIXED CHARGES APPLICABLE TO INCENTIVE CAPITAL PROJECTS</u>					
1	<u>A. Derivation of Annual Fix Charge Rate (AFCR_{EU-IR-ROE}) Applicable to Incentive Weighted Forecast Plant Additions (ROE Incentive Only):</u>				
2					
3	PYRR _{EU-IR-ROE} Excluding Franchise Fees and Uncollectible	\$ 631,279	√ \$ 619,509	\$ 11,770	Page 3.5 and Page 4.5, Line 3
4	50% of Transmission O&M Expense	(31,233)	(31,233)	-	Page 3.5 and Page 4.5, Line 4
5	50% of Transmission Related A&G Expense	(39,942)	(39,942)	-	Page 3.5 and Page 4.5, Line 5
6	CPUC Intervenor Funding Expense - Transmission	-	-	-	Page 3.5 and Page 4.5, Line 6
7	Valley Rainbow Project Cost Amortization Expense	-	-	-	Page 3.5 and Page 4.5, Line 7
8	South Georgia Income Tax Adjustment	(2,333)	(2,333)	-	Page 3.5 and Page 4.5, Line 8
9	Transmission Related Amortization of Investment Tax Credit	265	265	-	Page 3.5 and Page 4.5, Line 9
10	Transmission Related Amortization of Excess Deferred Tax Liabilities	-	-	-	Page 3.5 and Page 4.5, Line 10
11	(Gains)/Losses from Sale of Plant Held for Future Use	-	-	-	Page 3.5 and Page 4.5, Line 11
12	Adjusted Total (PYRR _{EU-IR-ROE}) Excluding FF&U	\$ 558,036	√ \$ 546,266	\$ 11,770	Sum Lines 3 thru 11
13					
14	Gross Transmission Plant & Incentive Transmission Plant	\$ 4,124,928	\$ 4,124,928	\$ -	Page 3.5 and Page 4.5, Line 14
15					
16	Incentive Annual Fix Charge Rate (AFCR _{EU-IR-ROE}) ¹	13.5284%	√ 13.2430%	0.2854%	Page 3.5 and Page 4.5, Line 16
17					
18	Incentive Weighted Forecast Plant Additions	\$ -	-	\$ -	Page 3.5 and Page 4.5, Line 18
19					
20	Forecast Period Incentive Capital Addition Revenue Requirements (FC _{EU-IR-ROE})	\$ -	\$ -	\$ -	Line 16 x Line 18
21					
22	<u>B. Derivation of Incentive Forecast Transmission CWIP Revenues:</u>				
23	<u>1. For the Period After the Base Period and Before the Rate Effective Period:</u>				
24	Incentive Weighted Forecast Transmission Construction Work In Progress	\$ -	\$ -	\$ -	Page 3.5 and Page 4.5, Line 24
25					
26	Cost of Capital Rate (COCR)	11.4800%	√ 11.4829%	-0.0029%	Page 3.5 and Page 4.5, Line 26
27					
28	Incentive Transmission Forecast CWIP Projects Revenue Requirements	\$ -	\$ -	\$ -	Line 24 x Line 26
29					
30	<u>2. For the Period During the Rate Effective Period:</u>				
31	Incentive Weighted Forecast Transmission Construction Work In Progress	\$ -	\$ -	\$ -	Page 3.5 and Page 4.5, Line 31
32					
33	Cost of Capital Rate (COCR)	11.4800%	√ 11.4829%	-0.0029%	Page 3.5 and Page 4.5, Line 33
34					
35	Incentive Transmission Forecast CWIP Projects Revenue Requirements	\$ -	\$ -	\$ -	Line 31 x Line 33
36					
37	Total Incentive Transmission Forecast CWIP Projects Revenue Requirements	\$ -	\$ -	\$ -	Sum Lines 28; 35

√ Items that are in bold have changed compared to the original TO4 Cycle 3 filing per ER16-445.

¹ The Incentive Annual Fixed Charge Rate will be tracked and shown for each incentive project as applicable.

San Diego Gas & Electric Company
Statement BK-1
Derivation of Incremental BTRR Adjustments
TO4 Cycle 3 True-Up Period (1/1/2014 - 12/31/2014)
(\$1,000)

Line No.	A Revised TO4 C3 TU - Period Amounts	B As Filed TO4 C3 TU - Period ER16-445 Amounts	C = A - B Difference Incr (Decr)	Reference	Line No.
1	<u>A. End Use Customer Base Transmission Revenue Requirement (BTRR_{EU}):</u>				1
2					2
3	\$ 631,279	\$ 619,509	\$ 11,770	Page 3.6 and Page 4.6, Line 3	3
4					4
5	-	-	-	Page 3.6 and Page 4.6, Line 5	5
6					6
7	\$ 631,279	\$ 619,509	\$ 11,770	Sum Lines 3 thru 5	7
8					8
9	\$ -	\$ -	\$ -	Page 3.6 and Page 4.6, Line 9	9
10					10
11	-	-	-	Page 3.6 and Page 4.6, Line 11	11
12					12
13	\$ -	\$ -	\$ -	Sum Lines 9 thru 11	13
14					14
15	<u>B. Annual Fixed Charges Applicable to Capital Projects:</u>				15
16					16
17	\$ -	\$ -	\$ -	Page 3.6 and Page 4.6, Line 17	17
18					18
19	<u>C. Annual Fixed Charges Applicable to Incentive Capital Projects:</u>				19
20					20
21	\$ -	\$ -	\$ -	Page 3.6 and Page 4.6, Line 21	21
22					22
23	<u>D. Incentive Forecast Transmission CWIP Revenues:</u>				23
24					24
25	\$ -	\$ -	\$ -	Page 3.6 and Page 4.6, Line 25	25
26					26
27	\$ 631,279	\$ 619,509	\$ 11,770	Sum Lines 7; 13; 17; 21; 25	27
28					28
29	6,508	6,387	121	Line 27 x 1.031%	29
30	1,098	1,078	20	Line 27 x 0.174%	30
31					31
32	\$ 638,885	\$ 626,974	\$ 11,911	Sum Lines 27 thru 30	32

√ Items that are in bold have changed compared to the original TO4 Cycle 3 filing per ER16-445.

San Diego Gas & Electric Company
Statement BK-1
Derivation of Incremental BTRR Adjustments
TO4 Cycle 3 True-Up Period (1/1/2014 - 12/31/2014)
(\$1,000)

Line No.	A Revised TO4 C3 TU - Period Amounts	B As Filed TO4 C3 TU - Period ER16-445 Amounts	C = A - B Difference Incr (Decr)	Reference	Line No.	
1	A. Total TO4 Cycle 3 Retail BTRR_{EU} With FF&U:					1
2					2	
3	\$ 638,885	v \$ 626,974	\$ 11,911	Page 3.7 and Page 4.7, Line 3	3	
4					4	
5	B. Other Retail BTRR Adjustments:					5
6					6	
7	\$ 1,423	\$ 1,423	\$ -	Page 3.7 and Page 4.7, Line 7	7	
8					8	
9	15	15	-	Page 3.7 and Page 4.7, Line 9	9	
10					10	
11	2	2	-	Page 3.7 and Page 4.7, Line 11	11	
12					12	
13	1,440	1,440	-	Sum Lines 7 thru 11	13	
14					14	
15	(1,109)	(1,109)	-	Page 3.7 and Page 4.7, Line 15	15	
16					16	
17	32	32	-	Page 3.7 and Page 4.7, Line 17	17	
18					18	
19	\$ 363	\$ 363	\$ -	Sum Lines 13 thru 17	19	
20					20	
21	\$ 639,248	v \$ 627,337	\$ 11,911	Sum Lines 3 + Line 19	21	

v Items that are in bold have changed compared to the original TO4 Cycle 3 filing per ER16-445.

¹ This sheet is not part of the TO4 Formula Excel Spreadsheet Model and was created solely to provide a summary of all the TO4 Retail Base Transmission Revenue Requirement components including those items that were not contemplated by the TO4 Formula Excel Spreadsheet Model, namely the FERC Audit Adjustment from FERC Docket No. FA 12-8-000, the Interest True-Up Adjustment from January 2015 - December 2015 for the TO3-Final True-Up Adjustment, and an Error Correction adjustment applicable to depreciation expense.

San Diego Gas & Electric Company
Statement BK-1
Derivation of End Use Prior Year Revenue Requirements (PYRR_{EU})
For the Base Period & True-Up Period Ending December 31, 2014
(\$1,000)

Line No.		Amounts ⁵	Reference	Line No.
1	<u>A. Revenues:</u>			1
2	Transmission Operation & Maintenance Expense	\$ 62,465	Statement AH; Page 5, Line 9	2
3				3
4	Transmission Related A&G Expense	79,884	Statement AH; Page 5, Line 56	4
5				5
6	CPUC Intervenor Funding Expense - Transmission	-	Statement AH; Page 5, Line 17	6
7				7
8	Total O&M Expenses	\$ 142,349	Sum Lines 2 thru 6	8
9				9
10	Transmission, General, Common Plant Depn. Exp., and Electric Misc. Intangible Plant Amort. Exp.	113,437	Statement AJ; Page 7, Line 17	10
11				11
12	Valley Rainbow Project Cost Amortization Expense	-	Statement AJ; Page 7, Line 19	12
13				13
14	Transmission Plant Abandoned Project Cost Amortization Expense	550	Statement AJ; Page 7, Line 23	14
15				15
16	Transmission Related Property Taxes Expense	30,122	Statement AK; Page 8, Line 27	16
17				17
18	Transmission Related Payroll Taxes Expense	2,482	Statement AK; Page 8, Line 33	18
19				19
20	Sub-Total Expense	\$ 288,940	Sum Lines 8 thru 18	20
21				21
22	Cost of Capital Rate _(COCR)	11.4800% ✓	Statement AV; Page 15, Line 31	22
23	Transmission Rate Base	2,999,037 ✓	Statement BK-1; Page 2, Line 26	23
24	Return and Associated Income Taxes	\$ 344,290 ✓	Line 22 x Line 23	24
25				25
26	South Georgia Income Tax Adjustment	\$ 2,333	Statement AQ; Page 11, Line 1	26
27	Transmission Related Amortization of Investment Tax Credits	(265)	Statement AR; Page 12, Line 1	27
28	Transmission Related Amortization of Excess Deferred Tax Liabilities	-	Statement AR; Page 12, Line 3	28
29	Transmission Related Revenue Credits	(4,019)	Statement AU; Page 13, Line 11	29
30	Transmission Related Regulatory Debits	-	Misc. Statement; Page 17, Line 1	30
31	(Gains)/Losses from Sale of Plant Held for Future Use	-	Statement AU; Page 13, Line 13	31
32				32
33	End of Prior Year Revenues (PYRR _{EU}) Excluding FF&U	\$ 631,279 ✓	Line 20 + Sum Lines (24 thru 31)	33
34				34
35	<u>B. Incentive ROE Project Transmission Revenue:</u>			35
36	Incentive Transmission Plant Depreciation Expense	\$ -	Statement AJ; Page 7; Line 21	36
37				37
38	Incentive Cost of Capital Rate _(COCR) ¹	0.0000% ⁴	Statement AV; Page 16, Line 31	38
39	Total Incentive ROE Project Transmission Rate Base	\$ -	Statement BK-1; Page 2; Line 31	39
40	Incentive ROE Project Return and Associated Income Taxes	\$ -	Line 38 x Line 39	40
41				41
42	Total Incentive ROE Project Transmission Revenue	\$ -	Sum Lines 36; 40	42
43				43
44	<u>C. Incentive Transmission Plant Abandoned Project Revenue:</u>			44
45	Incentive Transmission Plant Abandoned Project Cost Amortization Expense	\$ -	Statement AJ; Page 7; Line 25	45
46				46
47	Total Incentive Transmission Plant Abandoned Project Cost Rate Base	\$ -	Statement BK-1; Page 2; Line 36	47
48	Cost of Capital Rate _(COCR)	11.4800% ✓	Statement AV; Page 15, Line 31	48
49	Incentive Transmission Plant Abandoned Project Return and Associated Income Taxes	\$ -	Line 47 x Line 48	49
50				50
51	Total Incentive Transmission Plant Abandoned Project Revenue	\$ -	Sum Lines 45; 49	51
52				52
53	<u>D. Incentive Transmission Construction Work In Progress (CWIP) Revenue:</u>			53
54	Incentive Transmission Construction Work In Progress ²	\$ -	Statement BK-1; Page 2; Line 38	54
55	Cost of Capital Rate _(COCR)	11.4800% ✓	Statement AV; Page 15, Line 31	55
56	Incentive CWIP Return and Associated Income Taxes	\$ -	Line 54 x Line 55	56
57				57
58	Total Incentive End of Prior Year Revenues (PYRR _{EU-IR}) Excluding FF&U	\$ -	Sum Lines 42; 51; 56	58
59				59
60	<u>E. Total (PYRR_{EU}) Excluding FF&U</u> ³	\$ 631,279 ✓	Sum Lines 33; 58	60

✓ Items that are in bold have changed compared to the original TO4 Cycle 3 filing per ER16-445.

¹ The incentive rate cost components for each ROE incentive project will be tracked and shown separately for each project and lines 36 through 40 will be repeated for each project. As a result, the data on this page may carryover to the next page.

² Incentive Transmission CWIP shall be the CWIP for which SDG&E is authorized to collect incentives under FERC Order No. 679 and will be tracked and shown for each project and lines 54 through 56 will be repeated for each project.

³ Total Prior Year Revenues (PYRR) or Base Period Revenue is for 12 months ending the applicable cycle base period.

⁴ The Incentive Cost of Capital Rate will be tracked and shown separately for each project. However, this will be entered as 0% in BK-1 when there's no incentive project to show.

⁵ Blank lines that show up in the Formula Rate Spreadsheet will not be populated with any numbers absent a Section 205 filing to approve the blank lines.

San Diego Gas & Electric Company
Statement BK-1
Derivation of End Use Prior Year Revenue Requirements (PYRR_{EU})
For the Base Period & True-Up Period Ending December 31, 2014
((\$1,000))

Line No.	Amounts	Reference	Line No.
<u>A. Transmission Rate Base:</u>			
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
<u>B. Incentive ROE Project Transmission Rate Base:</u>			
<u>C. Incentive Transmission Plant Abandoned Project Rate Base:</u>			
<u>D. Incentive Transmission Construction Work In Progress ²</u>			

√ Items that are in bold have changed compared to the original TO4 Cycle 3 filing per ER16-445.

¹ The Incentive ROE Transmission Plant will be tracked and shown for each incentive project and lines 29 through 31 will be repeated for each project.

² Incentive CWIP projects will be tracked separately and line 38 will be shown for each project.

San Diego Gas & Electric Company
Statement BK-1
Derivation of End Use Prior Year Revenue Requirements (PYRR_{EU})
For the Base Period & True-Up Period Ending December 31, 2014
(S1,000)

Line No.	Amounts	Reference	Line No.
<u>A. Transmission Plant:</u>			
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
<u>B. Incentive Project Transmission Plant:</u>			
23			23
24			24
25			25

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

San Diego Gas & Electric Company
Statement BK-1
Derivation of End Use Forecast Period Capital Additions Revenue Requirements (FC_{EU})
For the Forecast Period January 1, 2015 - December 31, 2016
((\$1,000))

Line No.	Amounts	Reference	Line No.
ANNUAL FIXED CHARGES APPLICABLE TO CAPITAL PROJECTS			
1			1
<u>A. Derivation of Annual Fix Charge Rate (AFCR_{EU}) Applicable to</u>			
2			2
<u>Weighted Forecast Plant Additions:</u>			
3	\$ 631,279 v	Statement BK-1; Page 1; Line 33	3
4	(31,233)	Statement BK-1; Page 1; Line 2 * 50%	4
5	(39,942)	Statement BK-1; Page 1; Line 4 * 50%	5
6	-	Statement BK-1; Page 1; Line 6	6
7	-	Statement BK-1; Page 1; Line 12	7
8	(2,333)	Statement BK-1; Page 1; Line 26	8
9	265	Statement BK-1; Page 1; Line 27	9
10	-	Statement BK-1; Page 1; Line 28	10
11	-	Statement BK-1; Page 1; Line 31	11
12	<u>\$ 558,036 v</u>	Sum Lines 3 thru 11	12
13			13
14	<u>\$ 4,124,928</u>	Statement BK-1; Page 3, Line 6	14
15			15
16	13.5284% v	Line 12 / Line 14	16
17			17
18	<u>\$ -</u>	Summary of HV-LV Plant Additions; Pg 1; Ln 5, Col. (f)	18
19			19
20	<u>\$ -</u>	Line 16 x Line 18	20

v Items that are in bold have changed compared to the original TO4 Cycle 3 filing per ER16-445.

San Diego Gas & Electric Company
Statement BK-1
Derivation of End Use Forecast Period Capital Additions Revenue Requirements (FC_{EU})
For the Forecast Period January 1, 2015 - December 31, 2016
(\$1,000)

Line No.	Amounts	Reference	Line No.
ANNUAL FIXED CHARGES APPLICABLE TO INCENTIVE CAPITAL PROJECTS			
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
Items that are in bold have changed compared to the original TO4 Cycle 3 filing per ER16-445.			
¹ The Incentive Annual Fixed Charge Rate will be tracked and shown for each incentive project as applicable.			

San Diego Gas & Electric Company
Statement BK-1
Derivation of End Use Base Transmission Revenue Requirements (BTRR_{EU})
For the Rate Effective Period January 1, 2016 - December 31, 2016
(\$1,000)

Line No.	Amounts	Reference	Line No.
1			1
2			2
3	\$ 631,279 ✓	Statement BK-1; Page 1; Line 33	3
4			4
5	-	Statement BK-1; Page 1; Line 58	5
6			6
7	\$ 631,279 ✓	Sum Lines 3 thru 5	7
8			8
9	\$ -	(Retail TU Adj; Total Col; Line 29) / 1,000	9
10			10
11	-	(Retail Int TU-1 + Retail Int TU-2; Ttl Col; Ln 20)/1,000	11
12			12
13	\$ -	Sum Lines 9 thru 11	13
14			14
15			15
16			16
17	\$ -	Statement BK-1; Page 4, Line 20	17
18			18
19			19
20			20
21	\$ -	Statement BK-1; Page 5, Line 20	21
22			22
23			23
24			24
25	\$ -	Statement BK-1; Page 5, Line 37	25
26			26
27	\$ 631,279 ✓	Sum Lines 7; 13; 17; 21; 25	27
28			28
29	6,508 ✓	Line 27 x 1.031%	29
30	1,098 ✓	Line 27 x 0.174%	30
31			31
32	\$ 638,885 ✓	Sum Lines 27 thru 30	32

✓ Items that are in bold have changed compared to the original TO4 Cycle 3 filing per ER16-445.

San Diego Gas & Electric Company
Statement BK-1 Annual BTRR & Additional Revenues
For the Rate Effective Period January 1, 2016 - December 31, 2016
(\$1,000)

Line No.	Amounts	Reference	Line No.
1			1
2			2
3	\$ 638,885	Statement BK-1; Page 6 of 6; Line 32	3
4			4
5			5
6			6
7	\$ 1,423	Vol. 3; Retail TO3 Final 17-Month Interest True-Up Adjustment Workpapers; Sec. 2.1B; Page 2; Line 18	7
8			8
9	15	Line 7 x 1.031%	9
10			10
11	2	Line 7 x 0.174%	11
12			12
13	1,440	Sum Lines 7 thru 11	13
14			14
15	(1,109)	Vol. 4; FERC Audit Net Adjustment Summary Workpapers; Sec. B; Page 1; Line 14	15
16			16
17	32	Vol. 2; TO4 Cycle 2 TU Depn. Exp. Correction WPs; Part I; Page 1; Line 28	17
18			18
19	\$ 363	Sum Lines 13 thru 17	19
20			20
21	\$ 639,248	Sum Lines 3 + Line 19	21

✓ Items that are in bold have changed compared to the original TO4 Cycle 3 filing per ER16-445.

¹ This sheet is not part of the TO4 Formula Excel Spreadsheet Model and was created solely to provide a summary of all the TO4 Retail Base Transmission Revenue Requirement components including those items that were not contemplated by the TO4 Formula Excel Spreadsheet Model, namely the FERC Audit Adjustment from FERC Docket No. FA 12-8-000, the Interest True-Up Adjustment from January 2015 - December 2015 for the TO3-Final True-Up Adjustment, and an Error Correction adjustment applicable to depreciation expense.

San Diego Gas & Electric Company
Statement BK-1
Derivation of End Use Prior Year Revenue Requirements (PYRR_{EU})
For the Base Period & True-Up Period Ending December 31, 2014
(\$1,000)

Line No.	Amounts ⁵	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
53			53
54			54
55			55
56			56
57			57
58			58
59			59
60			60

¹ The incentive rate cost components for each ROE incentive project will be tracked and shown separately for each project and lines 36 through 40 will be repeated for each project. As a result, the data on this page may carryover to the next page.

² Incentive Transmission CWIP shall be the CWIP for which SDG&E is authorized to collect incentives under FERC Order No. 679 and will be tracked and shown for each project and lines 54 through 56 will be repeated for each project.

³ Total Prior Year Revenues (PYRR) or Base Period Revenue is for 12 months ending the applicable cycle base period.

⁴ The Incentive Cost of Capital Rate will be tracked and shown separately for each project. However, this will be entered as 0% in BK-1 when there's no incentive project to show.

⁵ Blank lines that show up in the Formula Rate Spreadsheet will not be populated with any numbers absent a Section 205 filing to approve the blank lines.

San Diego Gas & Electric Company
Statement BK-1
Derivation of End Use Prior Year Revenue Requirements (PYRR_{ED})
For the Base Period & True-Up Period Ending December 31, 2014
(\$1,000)

Line No.	Amounts	Reference	Line No.
<u>A. Transmission Rate Base:</u>			
1			1
<u>Net Transmission Plant:</u>			
2			2
3	\$ 3,253,172	Statement BK-1; Page 3; Line 16	3
4	14,066	Statement BK-1; Page 3; Line 17	4
5	30,066	Statement BK-1; Page 3; Line 18	5
6	47,441	Statement BK-1; Page 3; Line 19	6
7	<u>\$ 3,344,745</u>	Sum Lines 2 thru 5	7
<u>Rate Base Additions:</u>			
9	\$ 6,546	Statement AG; Page 4; Line 1	9
10	-	Misc. Statement; Page 17, Line 4	10
11	<u>\$ 6,546</u>	Sum Lines 9 thru 10	11
<u>Rate Base Reductions:</u>			
14	\$ (514,923)	Statement AF; Page 3; Line 5	14
15	-	Statement AF; Page 3; Line 9	15
16	<u>\$ (514,923)</u>	Sum Lines 14 thru 15	16
<u>Working Capital:</u>			
19	\$ 26,271	Statement AL; Page 9; Line 5	19
20	15,348	Statement AL; Page 9; Line 9	20
21	17,794	Statement AL; Page 9; Line 19	21
22	<u>\$ 59,413</u>	Sum Lines 19 thru 21	22
24	-	Misc. Statement; Page 17, Line 7	24
26	<u>\$ 2,895,781</u>	Sum Lines 6; 11; 16; 22; 24	26
<u>B. Incentive ROE Project Transmission Rate Base:</u>			
29	\$ -	Statement BK-1; Page 3; Line 25	29
30	-	Statement AF; Page 3; Line 7	30
31	<u>\$ -</u>	Sum Lines 29 thru 30	31
<u>C. Incentive Transmission Plant Abandoned Project Rate Base:</u>			
34	\$ -	Misc. Statement; Page 17, Line 10	34
35	-	Statement AF; Page 3; Line 11	35
36	<u>\$ -</u>	Sum Lines 34 thru 35	36
<u>D. Incentive Transmission Construction Work In Progress ²</u>			
38	<u>\$ -</u>	Statement AM; Page 10; Line 1	38

¹ The Incentive ROE Transmission Plant will be tracked and shown for each incentive project and lines 29 through 31 will be repeated for each project.

² Incentive CWIP projects will be tracked separately and line 38 will be shown for each project.

San Diego Gas & Electric Company
Statement BK-1
Derivation of End Use Prior Year Revenue Requirements (PYRR_{EU})
For the Base Period & True-Up Period Ending December 31, 2014
(\$1,000)

Line No.	Amounts	Reference	Line No.
A. Transmission Plant:			
1			1
<u>Gross Transmission Plant:</u>			
2			2
3	\$ 3,958,529	Statement AD; Page 1, Line 15	3
4	19,111	Statement AD; Page 1, Line 31	4
5	48,644	Statement AD; Page 1, Line 33	5
6	98,644	Statement AD; Page 1, Line 35	6
7	<u>\$ 4,124,928</u>	Sum Lines 2 thru 5	7
<u>Transmission Related Depreciation Reserve:</u>			
8			8
9	\$ 705,357	Statement AE; Page 2, Line 1	9
10	5,045	Statement AE; Page 2, Line 11	10
11	18,578	Statement AE; Page 2, Line 13	11
12	51,203	Statement AE; Page 2, Line 15	12
13	<u>\$ 780,183</u>	Sum Lines 9 thru 12	13
14			14
<u>Net Transmission Plant:</u>			
15			15
16	\$ 3,253,172	Line 2 Minus Line 9	16
17	14,066	Line 3 Minus Line 10	17
18	30,066	Line 4 Minus Line 11	18
19	47,441	Line 5 Minus Line 12	19
20	<u>\$ 3,344,745</u>	Sum Lines 16 thru 19	20
21			21
B. Incentive Project Transmission Plant:			
22			22
23	\$ -	Statement AD; Page 1, Line 17	23
24	-	Statement AE; Page 2, Line 19	24
25	<u>\$ -</u>	Line 23 Minus Line 24	25

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

San Diego Gas & Electric Company
Statement BK-1
Derivation of End Use Forecast Period Capital Additions Revenue Requirements (FC_{EU})
For the Forecast Period January 1, 2015 - December 31, 2016
(\$1,000)

Line No.	Amounts	Reference	Line No.
ANNUAL FIXED CHARGES APPLICABLE TO CAPITAL PROJECTS			
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

San Diego Gas & Electric Company
Statement BK-1
Derivation of End Use Forecast Period Capital Additions Revenue Requirements (FC_{EU})
For the Forecast Period January 1, 2015 - December 31, 2016
(\$1,000)

Line No.	Amounts	Reference	Line No.
	<u>ANNUAL FIXED CHARGES APPLICABLE TO INCENTIVE CAPITAL PROJECTS</u>		
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

¹ The Incentive Annual Fixed Charge Rate will be tracked and shown for each incentive project as applicable.

San Diego Gas & Electric Company
Statement BK-1
Derivation of End Use Base Transmission Revenue Requirements (BTRR_{EU})
For the Rate Effective Period January 1, 2016 - December 31, 2016
(\$1,000)

Line No.	Amounts	Reference	Line No.
1			1
2			2
3			3
4			4
5			5
6			6
7			7
8			8
9			9
10			10
11			11
12			12
13			13
14			14
15			15
16			16
17			17
18			18
19			19
20			20
21			21
22			22
23			23
24			24
25			25
26			26
27			27
28			28
29			29
30			30
31			31
32			32
1			1
2			2
3	\$ 619,509	Statement BK-1; Page 1; Line 33	3
4	-	Statement BK-1; Page 1; Line 58	5
5			5
6			6
7	\$ 619,509	Sum Lines 3 thru 5	7
8			8
9	\$ -	(Retail TU Adj; Total Col; Line 29) / 1,000	9
10			10
11	-	(Retail Int TU-1 + Retail Int TU-2; Ttl Col; Ln 20)/1,000	11
12			12
13	\$ -	Sum Lines 9 thru 11	13
14			14
15			15
16			16
17	\$ -	Statement BK-1; Page 4, Line 20	17
18			18
19			19
20			20
21	\$ -	Statement BK-1; Page 5, Line 20	21
22			22
23			23
24			24
25	\$ -	Statement BK-1; Page 5, Line 37	25
26			26
27	\$ 619,509	Sum Lines 7; 13; 17; 21; 25	27
28			28
29	6,387	Line 27 x 1.031%	29
30	1,078	Line 27 x 0.174%	30
31			31
32	\$ 626,974	Sum Lines 27 thru 30	32

San Diego Gas & Electric Company
Statement BK-1 Annual BTRR & Additional Revenues
For the Rate Effective Period January 1, 2016 - December 31, 2016
(\$1,000)

Line No.	Amounts	Reference	Line No.
1	<u>A. Total TO4 Cycle 3 Retail BTRR_{EU} With FF&U:</u>		1
2			2
3	\$ 626,974	Statement BK-1; Page 6 of 6; Line 32	3
4			4
5	<u>B. Other Retail BTRR Adjustments:</u>		5
6			6
7	\$ 1,423	Vol. 3; Retail TO3 Final 17-Month Interest True-Up Adjustment Workpapers; Sec. 2.1B; Page 2; Line 18	7
8			8
9	15	Line 7 x 1.031%	9
10			10
11	2	Line 7 x 0.174%	11
12			12
13	1,440	Sum Lines 7 thru 11	13
14			14
15	(1,109)	Vol. 4; FERC Audit Net Adjustment Summary Workpapers; Sec. B; Page 1; Line 14	15
16			16
17	32	Vol. 2; TO4 Cycle 2 TU Depn. Exp. Correction WPs; Part I; Page 1; Line 28	17
18			18
19	\$ 363	Sum Lines 13 thru 17	19
20			20
21	<u>\$ 627,337</u>	Sum Lines 3 + Line 19	21

¹ This sheet is not part of the TO4 Formula Excel Spreadsheet Model and was created solely to provide a summary of all the TO4 Retail Base Transmission Revenue Requirement components including those items that were not contemplated by the TO4 Formula Excel Spreadsheet Model, namely the FERC Audit Adjustment from FERC Docket No. FA 12-8-000, the Interest True-Up Adjustment from January 2015 - December 2015 for the TO3-Final True-Up Adjustment, and an Error Correction adjustment applicable to depreciation expense.

SAN DIEGO GAS AND ELECTRIC COMPANY
Statement AF - Workpapers
Deferred Credits

Base Period 12 - Months Ending December 31, 2014
(\$1,000)

Line No	(a) 31-Dec-13	(b) 31-Dec-14	(c) = [(a)+(b)]/2 Average Balance	Reference	Line No
1	\$ (276,123)	\$ (309,582)	\$ (292,852)	Stmt AF WP; Page AF-1; Line 1	1
2					2
3	(83,086) ✓	(154,543) ✓	(118,815) ✓	Stmt AF WP; Page AF-1; Line 3	3
4					4
5	\$ (359,209) ✓	\$ (464,125) ✓	\$ (411,667) ✓	Sum of Lines 1 thru 3	5
6				Form 1; Pg. 450.1; Sch. Pg. 274; Ln 2; Cols. b and k	6
7					7
8	\$ -	\$ -	\$ -	Stmt AF WP; Page AF-2; Line 1	8
9					9
10	\$ -	\$ -	\$ -	Stmt AF WP; Page AF-2; Line 4	10
11					11
12	\$ -	\$ -	\$ -	Stmt AF WP; Page AF-2; Line 7	12

✓ **Items that are in bold have changed compared to the original TO4 Cycle 3 filing per ER16-445.**

SAN DIEGO GAS AND ELECTRIC COMPANY
Statement AV - Workpapers
Cost of Capital and Fair Rate of Return

Base Period & True-Up Period 12 - Months Ending December 31, 2014
(\$1,000)

Line No.	Amounts	Reference	Line No.
1			1
2			2
3			3
4			4
5			5
6			6
7			7
8			8
9			9
10			10
11			11
12			12
13			13
14			14
15			15
16			16
17			17
18			18
19			19
20			20
21			21
22			22
23			23
24			24
25			25
26			26
27			27
28			28
29			29
30			30
Offer of Settlement in FERC Docket No. ER13-941-001			
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
53			53
54			54

¹ Amount is based upon December 31 balances.

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

SAN DIEGO GAS AND ELECTRIC COMPANY
Statement AV
Cost of Capital and Fair Rate of Return

Base Period & True-Up Period 12 - Months Ending December 31, 2014
(\$1,000)

Line No.		Amounts	Reference	Line No.
1	<u>Cost of Capital Rate (COCR) Calculation:</u>			1
2				2
3	<u>a. Federal Income Tax Component:</u>			3
4				4
5	Where:			5
6	A = Sum of Preferred Stock and Return on Equity Component	5.48%	Stmt AV WP; Page AV1; Line 41	6
7	B = Trans. Related Amort. of ITC and Excess Deferred Tax Liab.	\$ 265	Statement AR; Page 12; Line 5	7
8	C = Equity AFUDC Component of Transmission Depreciation Expense	\$ 4,213	Stmt AV WP; Page AV-1; Line 4	8
9	D = Transmission Rate Base	2,999,037 ✓	Statement BK1; Page 2; Line 26	9
10	FT = Federal Income Tax Rate @ 35%	35.00%	Federal Income Tax Rate	10
11				11
12	Federal Income Tax = $\frac{((A) + (C / D)) * FT - (B / D)}{(1 - FT)}$	3.0128% ✓	Federal Income Tax Expense	12
13				13
14				14
15	<u>B. State Income Tax Component:</u>			15
16				16
17	Where:			17
18	A = Sum of Preferred Stock and Return on Equity Component	5.48%	Stmt AV WP; Page AV1; Line 41	18
19	B = Equity AFUDC Component of Transmission Depreciation Expense	\$ 4,213	Line 8 Above	19
20	C = Transmission Rate Base	\$ 2,999,037 ✓	Statement BK1; Page 2; Line 26	20
21	FT = Federal Income Tax Expense	3.0128% ✓	Line 12 Above	21
22	ST = State Income Tax Rate @ 8.84%	8.84%	State Income Tax Rate	22
23				23
24	State Income Tax = $\frac{((A) + (B / C) + \text{Federal Income Tax}) * (ST)}{(1 - ST)}$	0.8372% ✓	State Income Tax Expense	24
25				25
26				26
27	<u>C. Total Federal & State Income Tax Rate:</u>	3.8500% ✓	Sum Lines 12; 24	27
28				28
29	<u>D. Total Weighted Cost of Capital:</u>	7.6300%	Stmt AV WP; Page AV1; Line 39	29
30				30
31	<u>E. Cost of Capital Rate (COCR):</u>	11.4800% ✓	Sum Lines 27; 29	31

✓ Items that are in bold have changed compared to the original TO4 Cycle 3 filing per ER16-445.

SAN DIEGO GAS AND ELECTRIC COMPANY
Statement AV

Cost of Capital and Fair Rate of Return

Base Period & True-Up Period 12 - Months Ending December 31, 2014

(\$1,000)

Line No.	Amounts	Reference	Line No.
1			1
2			2
3			3
4			4
5			5
6	0.00%	Stmt AV WP; Page AV1; Line 54	6
7	0	Shall be Zero for Incentive ROE Projects	7
8	\$ -	Stmt AV WP; Page AV-1; Line 7	8
9	\$ -	Statement BK1; Page 2; Line 31	9
10	35%	Stmt AV WP; Page AV2; Line 10	10
11			11
12			12
13			13
14			14
15			15
16			16
17			17
18	0.00%	Stmt AV WP; Page AV1; Line 54	18
19	\$ -	Line 8 Above	19
20	\$ -	Line 9 Above	20
21	#DIV/0!	Line 12 Above	21
22	8.84%	Stmt AV WP; Page AV2; Line 22	22
23			23
24			24
25			25
26			26
27			27
28			28
29	2.1500%	Stmt AV WP; Page AV1; Line 52	29
30			30
31	#DIV/0! ¹	Sum Lines 27; 29	31

¹ The Incentive Cost of Capital Rate Calculation will be tracked and shown separately for each project. As a result, lines 3 through 31 will be repeated for each project. However, this will be entered as 0% in BK-1 when there's no incentive project to show.

San Diego Gas & Electric Company
ADIT Error Correction
Plus Accrued Interest Expense (Jan 2014 - Dec 2018)
(\$1,000)

Line No.	Description	Reference	2014											
			Jan-14	Feb-14	Mar-14	Apr-14	May-14	Jun-14	Jul-14	Aug-14	Sep-14	Oct-14	Nov-14	Dec-14
1	Beginning Balance (Overcollection)/Undercollection	Previous Month's Balance	\$ -	\$ 975	\$ 1,891	\$ 2,725	\$ 3,584	\$ 4,581	\$ 5,576	\$ 6,633	\$ 7,753	\$ 9,022	\$ 10,101	\$ 11,037
2	Ratio of Revised True-up Cost of Service Revenues / Total True-up Cost of Service Revenues for the TU Period ¹		8.28%	7.74%	7.04%	7.22%	8.37%	8.34%	8.83%	9.35%	10.59%	8.93%	7.72%	7.59%
3		See Footnote 1												
4														
5	Retail BTRR Excluding FE&U Difference Associated with the ADIT Error Correction ²	Line 3 x Line 5, 'Total' Column	\$ 974	\$ 911	\$ 829	\$ 850	\$ 985	\$ 981	\$ 1,040	\$ 1,100	\$ 1,246	\$ 1,051	\$ 909	\$ 893
6	Interest Expense Calculation: ³													
7	Beginning Balance for Interest Calculation	Beginning Quarterly Balances	\$ -	\$ -	\$ -	\$ 2,725	\$ 2,725	\$ 2,725	\$ 5,576	\$ 5,576	\$ 5,576	\$ 9,022	\$ 9,022	\$ 9,022
8	Monthly Activity Included in Interest Calculation Basis	Interest Calculation Basis	487	1,430	2,300	425	1,343	2,326	520	1,590	2,763	526	1,506	2,406
9	Basis for Interest Expense Calculation	Line 8 + Line 10	487	1,430	2,300	3,150	4,068	5,051	6,096	7,166	8,339	9,548	10,528	11,428
10	Monthly Interest Rate ⁴	FERC Monthly Rates	0.28000%	0.25000%	0.28000%	0.27000%	0.28000%	0.27000%	0.28000%	0.28000%	0.27000%	0.28000%	0.27000%	0.28000%
11	Interest Expense	Line 12 x Line 14	\$ 1	\$ 4	\$ 6	\$ 9	\$ 11	\$ 14	\$ 17	\$ 20	\$ 23	\$ 27	\$ 28	\$ 32
12	Ending Balance (Overcollection)/Undercollection	Line 1 + Line 5 + Line 16	\$ 975	\$ 1,891	\$ 2,725	\$ 3,584	\$ 4,581	\$ 5,576	\$ 6,633	\$ 7,753	\$ 9,022	\$ 10,101	\$ 11,037	\$ 11,962

NOTES:

¹ Percentages developed to appropriate the monthly amounts of the Retail BTRR amount due to the error correction are based upon the ratio of the monthly true-up cost of service revenues with the total annual cost of service revenues.

² Total Undercollection on line 5 ties to Page 2.6; Col (c); Line 27.

³ Interest expense calculation is predicated based on the methodology prescribed under Title 18 of the Code of Federal Regulations, Section 35.19A, where interest expense is compounded on a quarterly basis using the average balance of the overcollection or undercollection.

⁴ Interest rates are based on the actual rates posted on the FERC website.

San Diego Gas & Electric Company
ADIT Error Correction
Plus Accrued Interest Expense (Jan 2014 - Dec 2018)
(\$1,000)

Line No.	Description	Reference	2015											
			Jan-15	Feb-15	Mar-15	Apr-15	May-15	Jun-15	Jul-15	Aug-15	Sep-15	Oct-15	Nov-15	Dec-15
1	Beginning Balance (Overcollection)/Undercollection	Previous Month's Balance	\$ 11,962	\$ 11,995	\$ 12,025	\$ 12,058	\$ 12,091	\$ 12,125	\$ 12,158	\$ 12,192	\$ 12,226	\$ 12,259	\$ 12,293	\$ 12,326
2	Ratio of Revised True-up Cost of Service Revenues / Total True-up Cost of Service Revenues for the TU Period ¹		0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
4	Retail BTRR Excluding FF&U Difference Associated with the ADIT Error Correction ²	See Footnote 1												
5	Interest Expense Calculation: ³	Line 3 x Line 5, 'Total' Column	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
7	Beginning Balance for Interest Calculation	Beginning Quarterly Balances	\$ 11,962	\$ 11,962	\$ 11,962	\$ 12,058	\$ 12,058	\$ 12,058	\$ 12,158	\$ 12,158	\$ 12,158	\$ 12,259	\$ 12,259	\$ 12,259
8	Monthly Activity Included in Interest Calculation Basis	Interest Calculation Basis	0	0	0	0	0	0	0	0	0	0	0	0
10	Basis for Interest Expense Calculation	Line 8 + Line 10	11,962	11,962	11,962	12,058	12,058	12,058	12,158	12,158	12,158	12,259	12,259	12,259
12	Monthly Interest Rate ⁴	FERC Monthly Rates	0.28000%	0.25000%	0.28000%	0.27000%	0.28000%	0.27000%	0.28000%	0.28000%	0.27000%	0.28000%	0.27000%	0.28000%
14	Interest Expense	Line 12 x Line 14	\$ 33	\$ 30	\$ 33	\$ 33	\$ 34	\$ 33	\$ 34	\$ 34	\$ 33	\$ 34	\$ 33	\$ 34
16	Ending Balance (Overcollection)/Undercollection	Line 1 + Line 5 + Line 16	\$ 11,995	\$ 12,025	\$ 12,058	\$ 12,091	\$ 12,125	\$ 12,158	\$ 12,192	\$ 12,226	\$ 12,259	\$ 12,293	\$ 12,326	\$ 12,360

NOTES:

- Percentages developed to appropriate the monthly amounts of the Retail BTRR amount due to the error correction are based upon the ratio of the monthly true-up cost of service revenues with the total annual cost of service revenues.
- Total Undercollection on line 5 ties to Page 2.6; Col (c); Line 27.
- Interest expense calculation is predicated based on the methodology prescribed under Title 18 of the Code of Federal Regulations, Section 35.19A, where interest expense is compounded on a quarterly basis using the average balance of the overcollection or undercollection.
- Interest rates are based on the actual rates posted on the FERC website.

San Diego Gas & Electric Company
ADIT Error Correction
Plus Accrued Interest Expense (Jan 2014 – Dec 2018)
(\$1,000)

Line No.	Description	Reference	2016											
			Jan-16	Feb-16	Mar-16	Apr-16	May-16	Jun-16	Jul-16	Aug-16	Sep-16	Oct-16	Nov-16	Dec-16
1	Beginning Balance (Overcollection)/Undercollection	Previous Month's Balance	\$ 12,360	\$ 12,395	\$ 12,427	\$ 12,462	\$ 12,497	\$ 12,533	\$ 12,568	\$ 12,606	\$ 12,644	\$ 12,680	\$ 12,718	\$ 12,755
2	Ratio of Revised True-up Cost of Service Revenues / Total True-up Cost of Service Revenues for the TU Period ¹		0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
3		See Footnote 1												
4														
5	Retail BTRR Excluding FF&U Difference Associated with the ADIT Error Correction ²	Line 3 x Line 5, 'Total' Column	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
6														
7	Interest Expense Calculation: ³													
8	Beginning Balance for Interest Calculation	Beginning Quarterly Balances	\$ 12,360	\$ 12,360	\$ 12,360	\$ 12,462	\$ 12,462	\$ 12,462	\$ 12,568	\$ 12,568	\$ 12,568	\$ 12,680	\$ 12,680	\$ 12,680
9	Monthly Activity Included in Interest Calculation Basis	Interest Calculation Basis	0	0	0	0	0	0	0	0	0	0	0	0
10														
11														
12	Basis for Interest Expense Calculation	Line 8 + Line 10	12,360	12,360	12,360	12,462	12,462	12,462	12,568	12,568	12,568	12,680	12,680	12,680
13														
14	Monthly Interest Rate ⁴	FERC Monthly Rates	0.28000%	0.26000%	0.28000%	0.28000%	0.29000%	0.28000%	0.30000%	0.30000%	0.29000%	0.30000%	0.29000%	0.30000%
15														
16	Interest Expense	Line 12 x Line 14	\$ 35	\$ 32	\$ 35	\$ 35	\$ 36	\$ 35	\$ 38	\$ 38	\$ 36	\$ 38	\$ 37	\$ 38
17														
18	Ending Balance (Overcollection)/Undercollection	Line 1 + Line 5 + Line 16	\$ 12,395	\$ 12,427	\$ 12,462	\$ 12,497	\$ 12,533	\$ 12,568	\$ 12,606	\$ 12,644	\$ 12,680	\$ 12,718	\$ 12,755	\$ 12,793
19														

NOTES:

- Percentages developed to appropriate the monthly amounts of the Retail BTRR amount due to the error correction are based upon the ratio of the monthly true-up cost of service revenues with the total annual cost of service revenues.
- Total Undercollection on line 5 ties to Page 2.6; Col (c); Line 27.
- Interest expense calculation is predicated based on the methodology prescribed under Title 18 of the Code of Federal Regulations, Section 35.19A, where interest expense is compounded on a quarterly basis using the average balance of the overcollection or undercollection.
- Interest rates are based on the actual rates posted on the FERC website.

San Diego Gas & Electric Company
ADIT Error Correction
Plus Accrued Interest Expense (Jan 2014 – Dec 2018)
(\$1,000)

Line No.	Description	Reference	2017											
			Jan-17	Feb-17	Mar-17	Apr-17	May-17	Jun-17	Jul-17	Aug-17	Sep-17	Oct-17	Nov-17	Dec-17
1	Beginning Balance (Overcollection)/Undercollection	Previous Month's Balance	\$ 12,793	\$ 12,831	\$ 12,866	\$ 12,904	\$ 12,943	\$ 12,984	\$ 13,023	\$ 13,067	\$ 13,111	\$ 13,154	\$ 13,201	\$ 13,247
2	Ratio of Revised True-up Cost of Service Revenues / Total True-up Cost of Service Revenues for the TU Period ¹	See Footnote 1	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
4	Retail BTRR Excluding FF&U Difference Associated with the ADIT Error Correction ²	Line 3 x Line 5, 'Total' Column	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
6	Interest Expense Calculation: ³	Beginning Quarterly Balances	\$ 12,793	\$ 12,793	\$ 12,793	\$ 12,904	\$ 12,904	\$ 12,904	\$ 13,023	\$ 13,023	\$ 13,023	\$ 13,154	\$ 13,154	\$ 13,154
8	Beginning Balance for Interest Calculation	Interest Calculation Basis	0	0	0	0	0	0	0	0	0	0	0	0
9	Monthly Activity Included in Interest Calculation Basis	Line 8 + Line 10	12,793	12,793	12,793	12,904	12,904	12,904	13,023	13,023	13,023	13,154	13,154	13,154
11	Basis for Interest Expense Calculation	FERC Monthly Rates	0.30000%	0.27000%	0.30000%	0.30000%	0.32000%	0.30000%	0.34000%	0.34000%	0.33000%	0.36000%	0.35000%	0.36000%
13	Monthly Interest Rate ⁴	Line 12 x Line 14	\$ 38	\$ 35	\$ 38	\$ 39	\$ 41	\$ 39	\$ 44	\$ 44	\$ 43	\$ 47	\$ 46	\$ 47
15	Interest Expense	Line 1 + Line 5 + Line 16	\$ 12,831	\$ 12,866	\$ 12,904	\$ 12,943	\$ 12,984	\$ 13,023	\$ 13,067	\$ 13,111	\$ 13,154	\$ 13,201	\$ 13,247	\$ 13,294
17	Ending Balance (Overcollection)/Undercollection													

NOTES:

- Percentages developed to appropriate the monthly amounts of the Retail BTRR amount due to the error correction are based upon the ratio of the monthly true-up cost of service revenues with the total annual cost of service revenues.
- Total Undercollection on line 5 ties to Page 2.6; Col (c); Line 27.
- Interest expense calculation is predicated based on the methodology prescribed under Title 18 of the Code of Federal Regulations, Section 35.19A, where interest expense is compounded on a quarterly basis using the average balance of the overcollection or undercollection.
- Interest rates are based on the actual rates posted on the FERC website.

San Diego Gas & Electric Company
ADIT Error Correction
Plus Accrued Interest Expense (Jan 2014 – Dec 2018)
(\$1,000)

Line No.	Description	Reference	2018												Total
			Jan-18	Feb-18	Mar-18	Apr-18	May-18	Jun-18	Jul-18	Aug-18	Sep-18	Oct-18	Nov-18	Dec-18	
1	Beginning Balance (Overcollection)/Undercollection	Previous Month's Balance	\$ 13,294	\$ 13,342	\$ 13,386	\$ 13,434	\$ 13,484	\$ 13,535	\$ 13,585	\$ 13,639	\$ 13,693	\$ 13,746	\$ 13,804	\$ 13,860	\$ -
2	Ratio of Revised True-up Cost of Service Revenues / Total True-up Cost of Service Revenues for the TU Period ¹	See Footnote 1	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	100.00%
3															
4															
5	Retail BTRR Excluding FER&U Difference Associated with the ADIT Error Correction ²	Line 3 x Line 5, "Total" Column	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 11,770
6															
7	Interest Expense Calculation ³	Beginning Quarterly Balances	\$ 13,294	\$ 13,294	\$ 13,294	\$ 13,434	\$ 13,434	\$ 13,434	\$ 13,585	\$ 13,585	\$ 13,585	\$ 13,746	\$ 13,746	\$ 13,746	
8	Beginning Balance for Interest Calculation	Interest Calculation Basis	0	0	0	0	0	0	0	0	0	0	0	0	
9	Monthly Activity Included in Interest Calculation Basis														
10															
11	Basis for Interest Expense Calculation	Line 8 + Line 10	\$ 13,294	\$ 13,294	\$ 13,294	\$ 13,434	\$ 13,434	\$ 13,434	\$ 13,585	\$ 13,585	\$ 13,585	\$ 13,746	\$ 13,746	\$ 13,746	
12															
13	Monthly Interest Rate ⁴	FERC Monthly Rates	0.36000%	0.33000%	0.36000%	0.37000%	0.38000%	0.37000%	0.40000%	0.40000%	0.39000%	0.42000%	0.41000%	0.42000%	
14															
15	Interest Expense	Line 12 x Line 14	\$ 48	\$ 44	\$ 48	\$ 50	\$ 51	\$ 50	\$ 54	\$ 54	\$ 53	\$ 58	\$ 56	\$ 58	\$ 2,148
16															
17	Ending Balance (Overcollection)/Undercollection	Line 1 + Line 5 + Line 16	\$ 13,342	\$ 13,386	\$ 13,434	\$ 13,484	\$ 13,535	\$ 13,639	\$ 13,693	\$ 13,746	\$ 13,804	\$ 13,860	\$ 13,918	\$ 13,918	\$ 13,918
18															
19															

NOTES:

- Percentages developed to appropriate the monthly amounts of the Retail BTRR amount due to the error correction are based upon the ratio of the monthly true-up cost of service revenues with the total annual cost of service revenues.
- Total Undercollection on line 5 ties to Page 2.6; Col (c); Line 27.
- Interest expense calculation is predicated based on the methodology prescribed under Title 18 of the Code of Federal Regulations, Section 35.19A, where interest expense is compounded on a quarterly basis using the average balance of the overcollection or undercollection.
- Interest rates are based on the actual rates posted on the FERC website.

San Diego Gas & Electric Company
TO4 Cycle 4 ADIT Adjustment to Base Transmission Revenue Requirements ¹
For the Rate Effective Period January 1, 2019 - December 31, 2019
(\$1,000)

Line No.	<u>Description</u>	<u>Amounts</u>	<u>Reference</u>	Line <u>No.</u>
1	<u>BTRR Adjustment due to TO4 Cycle 4 ADIT Error Calculation:</u>			1
2	Retail BTRR Adjustment - Before Interest	\$ 28,182	Page 2.6; Col (c); Line 27	2
3				3
4	Interest Expense	<u>4,064</u>	Page 7.4; Line 16 Total Column	4
5				5
6	Total BTRR Adjustment Excluding FF&U	32,246	Line 2 + Line 4	6
7				7
8	Transmission Related Municipal Franchise Fees Expenses	<u>331</u>	Line 6 x 1.0277%	8
9				9
10	Subtotal BTRR Adjustment Including Francise Fees Expenses	32,577	Line 6 + Line 8	10
11				11
12	Transmission Related Uncollectible Expense	<u>56</u>	Line 6 x 0.174%	12
13				13
14	<u>Total Retail BTRR Adjustment Including FF&U</u>	<u><u>\$ 32,633</u></u>	Line 10 + Line 12	14

¹ Section C.5. of the Protocols provides a mechanism for SDG&E to correct errors that affected the TU TRR in a previous Informational Filing. In this TO5 Cycle 1 Informational Filing, SDG&E is correcting a TO4 Cycle 4 error of approximately \$32.6M due to ADIT recalculation of the transmission related ADIT from Bonus Depreciation. Lines 1 - 14 show SDG&E's quantification of the revenue requirements including interest.

San Diego Gas & Electric Company
Statement BK-1
Derivation of Incremental BTRR Adjustments
TO4 Cycle 4 True-Up Period (1/1/2015 - 12/31/2015)
(\$1,000)

Line No.	A			B			C = A - B		
	Revised TO4 C4 TU - Period Amounts	As Filed TO4 C4 TU - Period ER17-470 Amounts	Difference Incr (DeCr)	Reference	Line No.				
1	A. Revenues:								
2	\$ 68,154	\$ 68,154	\$ -	Page 3.1 and Page 4.1, Line 2	2				
3					3				
4	Transmission Related A&G Expense	54,318	54,318	-	Page 3.1 and Page 4.1, Line 4	4			
5					5				
6	CPUC Intervenor Funding Expense	-	-	-	Page 3.1 and Page 4.1, Line 6	6			
7					7				
8	Total O&M Expenses	\$ 122,472	\$ 122,472	\$ -	Sum Lines 2 thru 6	8			
9					9				
10	Transmission, Intangible, General and Common Depr. & Amort. Expense	131,586	131,586	-	Page 3.1 and Page 4.1, Line 10	10			
11					11				
12	Valley Rainbow Project Cost Amortization Expense	-	-	-	Page 3.1 and Page 4.1, Line 12	12			
13					13				
14	Transmission Plant Abandoned Project Cost Amortization Expense	-	-	-	Page 3.1 and Page 4.1, Line 14	14			
15					15				
16	Transmission Related Property Taxes Expense	36,525	36,525	-	Page 3.1 and Page 4.1, Line 16	16			
17					17				
18	Transmission Related Payroll Taxes Expense	2,574	2,574	-	Page 3.1 and Page 4.1, Line 18	18			
19					19				
20	Sub-Total Expense	\$ 293,157	\$ 293,157	\$ -	Sum Lines 8 thru 18	20			
21					21				
22	Cost of Capital Rate (COCR)	11.7370% v	11.7429%	-0.0059%	Page 3.1 and Page 4.1, Line 22	22			
23	Transmission Rate Base	\$ 3,448,726 v	\$ 3,207,000	241,726	Page 3.1 and Page 4.1, Line 23	23			
24	Return and Associated Income Taxes	\$ 404,778 v	\$ 376,596	\$ 28,182	Line 22 x Line 23	24			
25					25				
26	South Georgia Income Tax Adjustment	\$ 2,333	\$ 2,333	\$ -	Page 3.1 and Page 4.1, Line 26	26			
27	Transmission Related Amortization of ITC	(265)	(265)	-	Page 3.1 and Page 4.1, Line 27	27			
28	Transmission Related Amortization of Excess Deferred Tax Liabilities	-	-	-	Page 3.1 and Page 4.1, Line 28	28			
29	Transmission Related Revenue Credits	(7,126)	(7,126)	-	Page 3.1 and Page 4.1, Line 29	29			
30	Transmission Related Regulatory Debits	-	-	-	Page 3.1 and Page 4.1, Line 30	30			
31	(Gains)/Losses from Sale of Plant Held for Future Use	-	-	-	Page 3.1 and Page 4.1, Line 31	31			
32					32				
33	End of Prior Year Revenues (PYRR _{EU}) Excluding FF&U	\$ 692,877 v	\$ 664,695	\$ 28,182	Line 20 + Sum Lines (24 thru 31)	33			
34					34				
35	B. Incentive ROE Project Transmission Revenue:								
36	Incentive Transmission Plant Depreciation Expense	\$ -	\$ -	\$ -	Page 3.1 and Page 4.1, Line 36	36			
37					37				
38	Incentive Cost of Capital Rate (COCR) ¹	0.0000% ⁴	0.0000%	0.0000%	Page 3.1 and Page 4.1, Line 38	38			
39	Total Incentive ROE Project Transmission Rate Base	\$ -	\$ -	\$ -	Page 3.1 and Page 4.1, Line 39	39			
40	Incentive ROE Project Return and Associated Income Taxes	\$ -	\$ -	\$ -	Line 38 x Line 39	40			
41					41				
42	Total Incentive ROE Project Transmission Revenue	\$ -	\$ -	\$ -	Sum Lines 36; 40	42			
43					43				
44	C. Incentive Transmission Plant Abandoned Project Revenue:								
45	Incentive Transmission Plant Abandoned Project Cost Amortization Expense	\$ -	\$ -	\$ -	Page 3.1 and Page 4.1, Line 45	45			
46					46				
47	Total Incentive Transmission Plant Abandoned Project Cost Rate Base	\$ -	\$ -	\$ -	Page 3.1 and Page 4.1, Line 47	47			
48	Cost of Capital Rate (COCR)	11.7370% v	11.7429%	-0.0059%	Page 3.1 and Page 4.1, Line 48	48			
49	Incentive Transmission Plant Abandoned Project Return and Associated Income Taxes	\$ -	\$ -	\$ -	Line 47 x Line 48	49			
50					50				
51	Total Incentive Transmission Plant Abandoned Project Revenue	\$ -	\$ -	\$ -	Sum Lines 45; 49	51			
52					52				
53	D. Incentive Transmission Construction Work In Progress (CWIP) Revenue:								
54	Incentive Transmission Construction Work In Progress ²	\$ -	\$ -	\$ -	Page 3.1 and Page 4.1, Line 54	54			
55	Cost of Capital Rate (COCR)	11.7370% v	11.7429%	-0.0059%	Page 3.1 and Page 4.1, Line 55	55			
56	Incentive CWIP Return and Associated Income Taxes	\$ -	\$ -	\$ -	Line 54 x Line 55	56			
57					57				
58	Total Incentive End of Prior Year Revenues (PYRR _{EU-IR}) Excluding FF&U	\$ -	\$ -	\$ -	Sum Lines 42; 51; 56	58			
59					59				
60	E. Total (PYRR_{EU}) Excluding FF&U³	\$ 692,877 v	\$ 664,695	\$ 28,182	Sum Lines 33; 58	60			

v Items that are in bold have changed compared to the original TO4 Cycle 4 filing per ER17-470.

¹ The incentive rate cost components for each ROE incentive project will be tracked and shown separately for each project and lines 36 through 40 will be repeated for each project. As a result, the data on this page may carryover to the next page.

² Incentive Transmission CWIP shall be the CWIP for which SDG&E is authorized to collect incentives under FERC Order No. 679 and will be tracked and shown for each project and lines 54 through 56 will be repeated for each project.

³ Total Prior Year Revenues (PYRR) or Base Period Revenue is for 4 months ending December 31, 2013

⁴ The Incentive Cost of Capital Rate will be tracked and shown separately for each project. However, this will be entered as 0% in BK-1 when there's no incentive project to show.

⁵ Blank lines that show up in the Formula Rate Spreadsheet will not be populated with any numbers absent a Section 205 filing to approve the blank lines.

San Diego Gas & Electric Company
Statement BK-1
Derivation of Incremental BTRR Adjustments
TO4 Cycle 4 True-Up Period (1/1/2015 - 12/31/2015)
(\$1,000)

Line No.	A Revised TO4 C4 TU - Period Amounts	B As Filed TO4 C4 TU - Period ER17-470 Amounts	C = A - B Difference Incr (DeCr)	Reference	Line No.	
<u>A. Transmission Rate Base</u>						
1	<u>Net Transmission Plant:</u>					1
2	Transmission Plant	\$ 3,778,613	\$ 3,778,613	\$ -	Page 3.2 and Page 4.2, Line 2	2
3	Transmission Related Electric Miscellaneous Intangible Plant	14,784	14,784	-	Page 3.2 and Page 4.2, Line 3	3
4	Transmission Related General Plant	32,676	32,676	-	Page 3.2 and Page 4.2, Line 4	4
5	Transmission Related Common Plant	56,020	56,020	-	Page 3.2 and Page 4.2, Line 5	5
6	Total Net Transmission Plant	<u>\$ 3,882,093</u>	<u>\$ 3,882,093</u>	<u>\$ -</u>	Sum Lines 2 thru 5	6
7						7
8	<u>Rate Base Additions:</u>					8
9	Transmission Plant Held for Future Use	\$ 5,860	\$ 5,860	\$ -	Page 3.2 and Page 4.2, Line 9	9
10	Transmission Plant Abandoned Project Cost	-	-	-	Page 3.2 and Page 4.2, Line 10	10
11	Total Rate Base Additions	<u>\$ 5,860</u>	<u>\$ 5,860</u>	<u>\$ -</u>	Sum Lines 9 thru 10	11
12						12
13	<u>Rate Base Reductions:</u>					13
14	Transmission Related Accum. Def. Inc. Taxes	\$ (503,877) v	\$ (745,603)	\$ 241,726	Page 3.2 and Page 4.2, Line 14	14
15	Transmission Plant Abandoned Accum. Def. Inc. Taxes	-	-	-	Page 3.2 and Page 4.2, Line 15	15
16	Total Rate Base Reductions	<u>\$ (503,877) v</u>	<u>\$ (745,603)</u>	<u>\$ 241,726</u>	Sum Lines 14 thru 15	16
17						17
18	<u>Working Capital:</u>					18
19	Transmission Related Material and Supplies	\$ 35,424	\$ 35,424	\$ -	Page 3.2 and Page 4.2, Line 19	19
20	Transmission Related Prepayments	13,917	13,917	-	Page 3.2 and Page 4.2, Line 20	20
21	Transmission Related Cash Working Capital	15,309	15,309	-	Page 3.2 and Page 4.2, Line 21	21
22	Total Working Capital	<u>\$ 64,650</u>	<u>\$ 64,650</u>	<u>\$ -</u>	Sum Lines 19 thru 21	22
23						23
24	Other Regulatory Assets/Liabilities	\$ -	\$ -	\$ -	Page 3.2 and Page 4.2, Line 24	24
25						25
26	Total Transmission Rate Base	<u>\$ 3,448,726 v</u>	<u>\$ 3,207,000</u>	<u>\$ 241,726</u>	Sum Lines 6; 11; 16; 22; 24	26
27						27
28	<u>B. Incentive ROE Project Transmission Rate Base:</u>					28
29	Net Incentive Transmission Plant ¹	\$ -	\$ -	\$ -	Page 3.2 and Page 4.2, Line 29	29
30	Incentive Transmission Plant Accum. Def. Income Taxes	-	-	-	Page 3.2 and Page 4.2, Line 30	30
31	Total Incentive ROE Project Transmission Rate Base	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	Sum Lines 29 thru 30	31
32						32
33	<u>C. Incentive Transmission Plant Abandoned Project Rate Base:</u>					33
34	Incentive Transmission Plant Abandoned Project Cost	\$ -	\$ -	\$ -	Page 3.2 and Page 4.2, Line 34	34
35	Incentive Transmission Plant Abandoned Project Cost Accum. Def. Inc. Taxes	-	-	-	Page 3.2 and Page 4.2, Line 35	35
36	Total Incentive Transmission Plant Abandoned Project Cost Rate Base	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	Sum Lines 34 thru 35	36
37						37
38	<u>D. Incentive Transmission Construction Work In Progress</u> ²	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	Page 3.2 and Page 4.2, Line 38	38

v Items that are in bold have changed compared to the original TO4 Cycle 4 filing per ER17-470.

¹ The Incentive ROE Transmission Plant will be tracked and shown for each incentive project and lines 29 through 31 will be repeated for each project.

² Incentive CWIP projects will be tracked separately and line 38 will be shown for each project.

San Diego Gas & Electric Company
Statement BK-1
Derivation of Incremental BTRR Adjustments
TO4 Cycle 4 True-Up Period (1/1/2015 - 12/31/2015)
(\$1,000)

Line No.	A Revised TO4 C4 TU - Period Amounts	B As Filed TO4 C4 TU - Period ER17-470 Amounts	C = A - B Difference Incr (Decr)	Reference	Line No.
<u>A. Transmission Plant</u>					
<u>Gross Transmission Plant:</u>					
1					1
2					2
3	\$ 4,574,358	\$ 4,574,358	\$ -	Page 3.3 and Page 4.3, Line 2	2
4	23,257	23,257	-	Page 3.3 and Page 4.3, Line 3	3
5	52,855	52,855	-	Page 3.3 and Page 4.3, Line 4	4
6	113,784	113,784	-	Page 3.3 and Page 4.3, Line 5	5
7	<u>\$ 4,764,254</u>	<u>\$ 4,764,254</u>	<u>\$ -</u>	Sum Lines 2 thru 5	6
8					7
<u>Accumulated Depreciation Reserve:</u>					
9	\$ 795,745	\$ 795,745	\$ -	Page 3.3 and Page 4.3, Line 9	9
10	8,473	8,473	-	Page 3.3 and Page 4.3, Line 10	10
11	20,179	20,179	-	Page 3.3 and Page 4.3, Line 11	11
12	57,764	57,764	-	Page 3.3 and Page 4.3, Line 12	12
13	<u>\$ 882,161</u>	<u>\$ 882,161</u>	<u>\$ -</u>	Sum Lines 9 thru 12	13
14					14
<u>Net Transmission Plant:</u>					
15					15
16	\$ 3,778,613	\$ 3,778,613	\$ -	Page 3.3 and Page 4.3, Line 16	16
17	14,784	14,784	-	Page 3.3 and Page 4.3, Line 17	17
18	32,676	32,676	-	Page 3.3 and Page 4.3, Line 18	18
19	56,020	56,020	-	Page 3.3 and Page 4.3, Line 19	19
20	<u>\$ 3,882,093</u>	<u>\$ 3,882,093</u>	<u>\$ -</u>	Sum Lines 16 thru 19	20
21					21
<u>B. Incentive Project Transmission Plant:</u>					
22					22
23	\$ -	\$ -	\$ -	Page 3.3 and Page 4.3, Line 23	23
24	-	-	-	Page 3.3 and Page 4.3, Line 24	24
25	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	Line 23 Minus Line 24	25

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

San Diego Gas & Electric Company
Statement BK-1
Derivation of Incremental BTRR Adjustments
TO4 Cycle 4 True-Up Period (1/1/2015 - 12/31/2015)
(\$1,000)

Line No.	A Revised TO4 C4 TU - Period Amounts	B As Filed TO4 C4 TU - Period ER17-470 Amounts	C = A - B Difference Incr (DeCr)	Reference	Line No.	
<u>ANNUAL FIXED CHARGES APPLICABLE TO CAPITAL PROJECTS</u>						
1	<u>A. Derivation of Annual Fix Charge Rate (AFCR_{EU}) Applicable to</u>					1
2	<u>Weighted Forecast Plant Additions:</u>					2
3	PYRR _{EU} Excluding Franchise Fees and Uncollectible	\$ 692,877	\$ 664,695	\$ 28,182	Page 3.4 and Page 4.4, Line 3	3
4	50% of Transmission O&M Expense	(34,077)	(34,077)	-	Page 3.4 and Page 4.4, Line 4	4
5	50% of Transmission Related A&G Expense	(27,159)	(27,159)	-	Page 3.4 and Page 4.4, Line 5	5
6	CPUC Intervenor Funding Expense	-	-	-	Page 3.4 and Page 4.4, Line 6	6
7	Valley Rainbow Project Cost Amortization Expense	-	-	-	Page 3.4 and Page 4.4, Line 7	7
8	South Georgia Income Tax Adjustment	(2,333)	(2,333)	-	Page 3.4 and Page 4.4, Line 8	8
9	Transmission Related Amortization of Investment Tax Credit	265	265	-	Page 3.4 and Page 4.4, Line 9	9
10	Transmission Related Amortization of Excess Deferred Tax Liabilities	-	-	-	Page 3.4 and Page 4.4, Line 10	10
11	(Gains)/Losses from Sale of Plant Held for Future Use	-	-	-	Page 3.4 and Page 4.4, Line 11	11
12	Total (PYRR _{EU}) Excluding FF&U - Adjusted	<u>\$ 629,573</u>	<u>\$ 601,391</u>	<u>\$ 28,182</u>	Sum Lines 3 thru 11	12
13						13
14	Gross Transmission Plant	\$ 4,764,254	\$ 4,764,254	\$ -	Page 3.4 and Page 4.4, Line 14	14
15						15
16	Annual Fix Charge Rate (AFCR _{EU})	13.2145%	12.6230%	0.5915%	Page 3.4 and Page 4.4, Line 16	16
17						17
18	Weighted Forecast Plant Additions	\$ -	\$ -	\$ -	Page 3.4 and Page 4.4, Line 18	18
19						19
20	Forecast Period Capital Addition Revenue Requirements	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	Line 16 x Line 18	20

▼ Items that are in bold have changed compared to the original TO4 Cycle 4 filing per ER17-470.

San Diego Gas & Electric Company
Statement BK-1
Derivation of Incremental BTRR Adjustments
TO4 Cycle 4 True-Up Period (1/1/2015 - 12/31/2015)
(\$1,000)

Line No.	A Revised TO4 C4 TU - Period Amounts	B As Filed TO4 C4 TU - Period ER17-470 Amounts	C = A - B Difference Incr (DeCr)	Reference	Line No.
<u>ANNUAL FIXED CHARGES APPLICABLE TO INCENTIVE CAPITAL PROJECTS</u>					
<u>A. Derivation of Annual Fix Charge Rate (AFCR_{EU-IR-ROE}) Applicable to Incentive Weighted Forecast Plant Additions (ROE Incentive Only):</u>					
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
	\$ 692,877	\$ 664,695	\$ 28,182	Page 3.5 and Page 4.5, Line 3	
	(34,077)	(34,077)	-	Page 3.5 and Page 4.5, Line 4	
	(27,159)	(27,159)	-	Page 3.5 and Page 4.5, Line 5	
	-	-	-	Page 3.5 and Page 4.5, Line 6	
	-	-	-	Page 3.5 and Page 4.5, Line 7	
	(2,333)	(2,333)	-	Page 3.5 and Page 4.5, Line 8	
	265	265	-	Page 3.5 and Page 4.5, Line 9	
	-	-	-	Page 3.5 and Page 4.5, Line 10	
	-	-	-	Page 3.5 and Page 4.5, Line 11	
	<u>\$ 629,573</u>	<u>\$ 601,391</u>	<u>\$ 28,182</u>	Sum Lines 3 thru 11	
	\$ 4,764,254	\$ 4,764,254	\$ -	Page 3.5 and Page 4.5, Line 14	
	13.2145%	12.6230%	0.5915%	Page 3.5 and Page 4.5, Line 16	
	\$ -	-	\$ -	Page 3.5 and Page 4.5, Line 18	
	\$ -	\$ -	\$ -	Line 16 x Line 18	
<u>B. Derivation of Incentive Forecast Transmission CWIP Revenues:</u>					
<u>1. For the Period After the Base Period and Before the Rate Effective Period:</u>					
	\$ -	\$ -	\$ -	Page 3.5 and Page 4.5, Line 24	
	11.7370%	11.7429%	-0.0059%	Page 3.5 and Page 4.5, Line 26	
	\$ -	\$ -	\$ -	Line 24 x Line 26	
<u>2. For the Period During the Rate Effective Period:</u>					
	\$ -	\$ -	\$ -	Page 3.5 and Page 4.5, Line 31	
	11.7370%	11.7429%	-0.0059%	Page 3.5 and Page 4.5, Line 33	
	\$ -	\$ -	\$ -	Line 31 x Line 33	
	\$ -	\$ -	\$ -	Sum Lines 28; 35	

√ Items that are in bold have changed compared to the original TO4 Cycle 4 filing per ER17-470.

¹ The Incentive Annual Fixed Charge Rate will be tracked and shown for each incentive project as applicable.

San Diego Gas & Electric Company
Statement BK-1
Derivation of Incremental BTRR Adjustments
TO4 Cycle 4 True-Up Period (1/1/2015 - 12/31/2015)
(\$1,000)

Line No.	A Revised TO4 C4 TU - Period Amounts	B As Filed TO4 C4 TU - Period ER17-470 Amounts	C = A - B Difference Incr (DeCr)	Reference	Line No.
1	<u>A. End Use Customer Base Transmission Revenue Requirement (BTRR_{EU}):</u>				1
2					2
3	\$ 692,877	\$ 664,695	\$ 28,182	Page 3.6 and Page 4.6, Line 3	3
4					4
5	-	-	-	Page 3.6 and Page 4.6, Line 5	5
6					6
7	\$ 692,877	\$ 664,695	\$ 28,182	Sum Lines 3 thru 5	7
8					8
9	-	-	-	Page 3.6 and Page 4.6, Line 9	9
10					10
11	-	-	-	Page 3.6 and Page 4.6, Line 11	11
12					12
13	-	-	-	Sum Lines 9 thru 11	13
14					14
15	<u>B. Annual Fixed Charges Applicable to Capital Projects:</u>				15
16					16
17	-	-	-	Page 3.6 and Page 4.6, Line 17	17
18					18
19	<u>C. Annual Fixed Charges Applicable to Incentive Capital Projects:</u>				19
20					20
21	-	-	-	Page 3.6 and Page 4.6, Line 21	21
22					22
23	<u>D. Incentive Forecast Transmission CWIP Revenues:</u>				23
24					24
25	-	-	-	Page 3.6 and Page 4.6, Line 25	25
26					26
27	\$ 692,877	\$ 664,695	\$ 28,182	Sum Lines 7; 13; 17; 21; 25	27
28					28
29	7,121	6,831	290	Line 27 x 1.0277%	29
30	1,206	1,157	49	Line 27 x 0.174%	30
31					31
32	\$ 701,204	\$ 672,683	\$ 28,521	Sum Lines 27 thru 30	32

√ Items that are in bold have changed compared to the original TO4 Cycle 4 filing per ER17-470.

San Diego Gas & Electric Company
Statement BK-1
Derivation of Incremental BTRR Adjustments
TO4 Cycle 4 True-Up Period (1/1/2015 - 12/31/2015)
(\$1,000)

Line No.	A Revised TO4 C4 TU - Period Amounts	B As Filed TO4 C4 TU - Period ER17-470 Amounts	C = A - B Difference Incr (Deer)	Reference	Line No.
1	<u>A. Total TO4 Cycle 4 Retail BTRR_{EU} With FF&U:</u>				1
2					2
3	\$ 701,204	\$ 672,683	\$ 28,521	Page 3.7 and Page 4.7, Line 3	3
4					4
5	<u>B. Other Retail BTRR Adjustments:</u>				5
6					6
7	(419)	(419)	-	Page 3.7 and Page 4.7, Line 7	7
8					8
9	<u>\$ 700,785</u>	<u>\$ 672,264</u>	<u>\$ 28,521</u>	Sum Lines 3 + Line 7	9

✓ **Items that are in bold have changed compared to the original TO4 Cycle 4 filing per ER17-470.**

¹ This sheet is not part of the TO4 Formula Excel Spreadsheet Model and was created solely to provide a summary of all the TO4 Retail Base Transmission Revenue Requirement components including items that were not contemplated by the TO4 Formula Excel Spreadsheet Model, namely an Error Correction adjustment on the TO4 Cycle 3 applicable to A&G expense.

San Diego Gas & Electric Company
Statement BK-1
Derivation of End Use Prior Year Revenue Requirements (PYRR_{EU})
For the Base Period & True-Up Period Ending December 31, 2015
(\$1,000)

Line No.		Amounts ⁵	Reference	Line No.
1	A. Revenues:			1
2	Transmission Operation & Maintenance Expense	\$ 68,154	Statement AH; Page 5, Line 9	2
3				3
4	Transmission Related A&G Expense	54,318	Statement AH; Page 5, Line 56	4
5				5
6	CPUC Intervenor Funding Expense - Transmission	-	Statement AH; Page 5, Line 17	6
7				7
8	Total O&M Expenses	\$ 122,472	Sum Lines 2 thru 6	8
9				9
10	Transmission, General, Common Plant Depn. Exp., and Electric Misc. Intangible Plant Amort. Exp.	131,586	Statement AJ; Page 7, Line 17	10
11				11
12	Valley Rainbow Project Cost Amortization Expense	-	Statement AJ; Page 7, Line 19	12
13				13
14	Transmission Plant Abandoned Project Cost Amortization Expense	-	Statement AJ; Page 7, Line 23	14
15				15
16	Transmission Related Property Taxes Expense	36,525	Statement AK; Page 8, Line 27	16
17				17
18	Transmission Related Payroll Taxes Expense	2,574	Statement AK; Page 8, Line 33	18
19				19
20	Sub-Total Expense	\$ 293,157	Sum Lines 8 thru 18	20
21				21
22	Cost of Capital Rate (COCR)	11.7370% ✓	Statement AV; Page 15, Line 31	22
23	Transmission Rate Base	3,448,726 ✓	Statement BK-1; Page 2, Line 26	23
24	Return and Associated Income Taxes	\$ 404,778 ✓	Line 22 x Line 23	24
25				25
26	South Georgia Income Tax Adjustment	\$ 2,333	Statement AQ; Page 11, Line 1	26
27	Transmission Related Amortization of Investment Tax Credits	(265)	Statement AR; Page 12, Line 1	27
28	Transmission Related Amortization of Excess Deferred Tax Liabilities	-	Statement AR; Page 12, Line 3	28
29	Transmission Related Revenue Credits	(7,126)	Statement AU; Page 13, Line 11	29
30	Transmission Related Regulatory Debits	-	Misc. Statement; Page 17, Line 1	30
31	(Gains)/Losses from Sale of Plant Held for Future Use	-	Statement AU; Page 13, Line 13	31
32				32
33	End of Prior Year Revenues (PYRR _{EU}) Excluding FF&U	\$ 692,877 ✓	Line 20 + Sum Lines (24 thru 31)	33
34				34
35	B. Incentive ROE Project Transmission Revenue:			35
36	Incentive Transmission Plant Depreciation Expense	\$ -	Statement AJ; Page 7; Line 21	36
37				37
38	Incentive Cost of Capital Rate (ICOCR) ¹	0.0000% ⁴	Statement AV; Page 16, Line 31	38
39	Total Incentive ROE Project Transmission Rate Base	\$ -	Statement BK-1; Page 2; Line 31	39
40	Incentive ROE Project Return and Associated Income Taxes	\$ -	Line 38 x Line 39	40
41				41
42	Total Incentive ROE Project Transmission Revenue	\$ -	Sum Lines 36; 40	42
43				43
44	C. Incentive Transmission Plant Abandoned Project Revenue:			44
45	Incentive Transmission Plant Abandoned Project Cost Amortization Expense	\$ -	Statement AJ; Page 7; Line 25	45
46				46
47	Total Incentive Transmission Plant Abandoned Project Cost Rate Base	\$ -	Statement BK-1; Page 2; Line 36	47
48	Cost of Capital Rate (COCR)	11.7369% ✓	Statement AV; Page 15, Line 31	48
49	Incentive Transmission Plant Abandoned Project Return and Associated Income Taxes	\$ -	Line 47 x Line 48	49
50				50
51	Total Incentive Transmission Plant Abandoned Project Revenue	\$ -	Sum Lines 45; 49	51
52				52
53	D. Incentive Transmission Construction Work In Progress (CWIP) Revenue:			53
54	Incentive Transmission Construction Work In Progress ²	\$ -	Statement BK-1; Page 2; Line 38	54
55	Cost of Capital Rate (COCR)	11.7369% ✓	Statement AV; Page 15, Line 31	55
56	Incentive CWIP Return and Associated Income Taxes	\$ -	Line 54 x Line 55	56
57				57
58	Total Incentive End of Prior Year Revenues (PYRR _{EU-IR}) Excluding FF&U	\$ -	Sum Lines 42; 51; 56	58
59				59
60	E. Total (PYRR_{ET}) Excluding FF&U ³	\$ 692,877 ✓	Sum Lines 33; 58	60

✓ Items that are in bold have changed compared to the original TO4 Cycle 4 filing per ER17-470.

¹ The incentive rate cost components for each ROE incentive project will be tracked and shown separately for each project and lines 36 through 40 will be repeated for each project. As a result, the data on this page may carryover to the next page.

² Incentive Transmission CWIP shall be the CWIP for which SDG&E is authorized to collect incentives under FERC Order No. 679 and will be tracked and shown for each project and lines 54 through 56 will be repeated for each project.

³ Total Prior Year Revenues (PYRR) or Base Period Revenue is for 12 months ending the applicable cycle base period.

⁴ The Incentive Cost of Capital Rate will be tracked and shown separately for each project. However, this will be entered as 0% in BK-1 when there's no incentive project to show.

⁵ Blank lines that show up in the Formula Rate Spreadsheet will not be populated with any numbers absent a Section 205 filing to approve the blank lines.

San Diego Gas & Electric Company
Statement BK-1
Derivation of End Use Prior Year Revenue Requirements (PYRR_{EU})
For the Base Period & True-Up Period Ending December 31, 2015
(\$1,000)

Line No.	Amounts	Reference	Line No.
<u>A. Transmission Rate Base:</u>			
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
<u>B. Incentive ROE Project Transmission Rate Base:</u>			
<u>C. Incentive Transmission Plant Abandoned Project Rate Base:</u>			
<u>D. Incentive Transmission Construction Work In Progress ²</u>			

✓ Items that are in bold have changed compared to the original TO4 Cycle 4 filing per ER17-470.

¹ The Incentive ROE Transmission Plant will be tracked and shown for each incentive project and lines 29 through 31 will be repeated for each project.

² Incentive CWIP projects will be tracked separately and line 38 will be shown for each project.

San Diego Gas & Electric Company
Statement BK-1
Derivation of End Use Prior Year Revenue Requirements (PYRR_{EU})
For the Base Period & True-Up Period Ending December 31, 2015
(\$1,000)

Line No.	Amounts	Reference	Line No.
<u>A. Transmission Plant:</u>			
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
<u>B. Incentive Project Transmission Plant:</u>			
23			23
24			24
25			25

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

San Diego Gas & Electric Company
Statement BK-1

Derivation of End Use Forecast Period Capital Additions Revenue Requirements (FC_{EU})
For the Forecast Period January 1, 2016 - December 31, 2017
((\$1,000))

Line No.	Amounts	Reference	Line No.
ANNUAL FIXED CHARGES APPLICABLE TO CAPITAL PROJECTS			
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

√ Items that are in bold have changed compared to the original TO4 Cycle 4 filing per ER17-470.

San Diego Gas & Electric Company
Statement BK-1
Derivation of End Use Forecast Period Capital Additions Revenue Requirements (FC_{EU})
For the Forecast Period January 1, 2016 - December 31, 2017
(\$1,000)

Line No.	Amounts	Reference	Line No.
ANNUAL FIXED CHARGES APPLICABLE TO INCENTIVE CAPITAL PROJECTS			
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
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

✓ Items that are in bold have changed compared to the original TO4 Cycle 4 filing per ER17-470.

¹ The Incentive Annual Fixed Charge Rate will be tracked and shown for each incentive project as applicable.

San Diego Gas & Electric Company
Statement BK-1
Derivation of End Use Base Transmission Revenue Requirements (BTRR_{EU})
For the Rate Effective Period January 1, 2017 - December 31, 2017
(\$1,000)

Line No.	Amounts	Reference	Line No.
1			1
2			2
3			3
4			4
5			5
6			6
7			7
8			8
9			9
10			10
11			11
12			12
13			13
14			14
15			15
16			16
17			17
18			18
19			19
20			20
21			21
22			22
23			23
24			24
25			25
26			26
27			27
28			28
29			29
30			30
31			31
32			32

✓ Items that are in bold have changed compared to the original TO4 Cycle 4 filing per ER17-470.

¹ This amount represents the Interest True-Up Adjustment on the previous cycle True-Up Adjustment under-collection/(over-collection) balance.

San Diego Gas & Electric Company
Statement BK-1 Total Annual BTRR Including Other Adjustments
For the Rate Effective Period January 1, 2017 - December 31, 2017
(\$1,000)

Line No.	Amounts	Reference	Line No.
1	<u>A. Total TO4 Cycle 4 Retail BTRR_{EU} With FF&U:</u>		1
2			2
3	\$ 701,204	Statement BK-1; Page 6 of 6; Line 32	3
4			4
5	<u>B. Other Retail BTRR Adjustments:</u>		5
6			6
7	(419)	Vol. 2; TO4 Cycle 3 A&G Exp. Correction WPs; Part I; Page 1; Line 24	7
8			8
9	<u>\$ 700,785</u>	Sum Lines 3 + Line 7	9

√ Items that are in bold have changed compared to the original TO4 Cycle 4 filing per ER17-470.

¹ This sheet is not part of the TO4 Formula Excel Spreadsheet Model and was created solely to provide a summary of all the TO4 Retail Base Transmission Revenue Requirement components including items that were not contemplated by the TO4 Formula Excel Spreadsheet Model, namely an Error Correction adjustment on the TO4 Cycle 3 applicable to A&G expense.

San Diego Gas & Electric Company
Statement BK-1
Derivation of End Use Prior Year Revenue Requirements (PYRR_{EU})
For the Base Period & True-Up Period Ending December 31, 2015
(\$1,000)

Line No.	Amounts ⁵	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
53			53
54			54
55			55
56			56
57			57
58			58
59			59
60			60

¹ The incentive rate cost components for each ROE incentive project will be tracked and shown separately for each project and lines 36 through 40 will be repeated for each project. As a result, the data on this page may carryover to the next page.

² Incentive Transmission CWIP shall be the CWIP for which SDG&E is authorized to collect incentives under FERC Order No. 679 and will be tracked and shown for each project and lines 54 through 56 will be repeated for each project.

³ Total Prior Year Revenues (PYRR) or Base Period Revenue is for 12 months ending the applicable cycle base period.

⁴ The Incentive Cost of Capital Rate will be tracked and shown separately for each project. However, this will be entered as 0% in BK-1 when there's no incentive project to show.

⁵ Blank lines that show up in the Formula Rate Spreadsheet will not be populated with any numbers absent a Section 205 filing to approve the blank lines.

San Diego Gas & Electric Company
Statement BK-1
Derivation of End Use Prior Year Revenue Requirements (PYRR_{EU})
For the Base Period & True-Up Period Ending December 31, 2015
(\$1,000)

Line No.	Amounts	Reference	Line No.
A. Transmission Rate Base:			
1			1
<u>Net Transmission Plant:</u>			
2			2
3	\$ 3,778,613	Statement BK-1; Page 3; Line 16	3
4	14,784	Statement BK-1; Page 3; Line 17	4
5	32,676	Statement BK-1; Page 3; Line 18	5
6	56,020	Statement BK-1; Page 3; Line 19	6
7	<u>\$ 3,882,093</u>	Sum Lines 2 thru 5	7
<u>Rate Base Additions:</u>			
9	\$ 5,860	Statement AG; Page 4; Line 1	9
10	-	Misc. Statement; Page 17, Line 4	10
11	<u>\$ 5,860</u>	Sum Lines 9 thru 10	11
<u>Rate Base Reductions:</u>			
14	\$ (745,603)	Statement AF; Page 3; Line 5	14
15	-	Statement AF; Page 3; Line 9	15
16	<u>\$ (745,603)</u>	Sum Lines 14 thru 15	16
<u>Working Capital:</u>			
19	\$ 35,424	Statement AL; Page 9; Line 5	19
20	13,917	Statement AL; Page 9; Line 9	20
21	15,309	Statement AL; Page 9; Line 19	21
22	<u>\$ 64,650</u>	Sum Lines 19 thru 21	22
24	-	Misc. Statement; Page 17, Line 7	24
26	<u>\$ 3,207,000</u>	Sum Lines 6; 11; 16; 22; 24	26
B. Incentive ROE Project Transmission Rate Base:			
29	\$ -	Statement BK-1; Page 3; Line 25	29
30	-	Statement AF; Page 3; Line 7	30
31	<u>\$ -</u>	Sum Lines 29 thru 30	31
C. Incentive Transmission Plant Abandoned Project Rate Base:			
34	\$ -	Misc. Statement; Page 17, Line 10	34
35	-	Statement AF; Page 3; Line 11	35
36	<u>\$ -</u>	Sum Lines 34 thru 35	36
D. Incentive Transmission Construction Work In Progress ²			
38	<u>\$ -</u>	Statement AM; Page 10; Line 1	38

¹ The Incentive ROE Transmission Plant will be tracked and shown for each incentive project and lines 29 through 31 will be repeated for each project.

² Incentive CWIP projects will be tracked separately and line 38 will be shown for each project.

San Diego Gas & Electric Company
Statement BK-1
Derivation of End Use Prior Year Revenue Requirements (PYRR_{EU})
For the Base Period & True-Up Period Ending December 31, 2015
(\$1,000)

Line No.	Amounts	Reference	Line No.
A. Transmission Plant:			
1			1
<u>Gross Transmission Plant:</u>			
2			2
3	\$ 4,574,358	Statement AD; Page 1, Line 15	3
4	23,257	Statement AD; Page 1, Line 31	4
5	52,855	Statement AD; Page 1, Line 33	5
6	113,784	Statement AD; Page 1, Line 35	6
7	<u>\$ 4,764,254</u>	Sum Lines 2 thru 5	7
<u>Transmission Related Depreciation Reserve:</u>			
8			8
9	\$ 795,745	Statement AE; Page 2, Line 1	9
10	8,473	Statement AE; Page 2, Line 11	10
11	20,179	Statement AE; Page 2, Line 13	11
12	57,764	Statement AE; Page 2, Line 15	12
13	<u>\$ 882,161</u>	Sum Lines 9 thru 12	13
14			14
<u>Net Transmission Plant:</u>			
15			15
16	\$ 3,778,613	Line 2 Minus Line 9	16
17	14,784	Line 3 Minus Line 10	17
18	32,676	Line 4 Minus Line 11	18
19	56,020	Line 5 Minus Line 12	19
20	<u>\$ 3,882,093</u>	Sum Lines 16 thru 19	20
21			21
B. Incentive Project Transmission Plant:			
22			22
23	\$ -	Statement AD; Page 1, Line 17	23
24	-	Statement AE; Page 2, Line 19	24
25	<u>\$ -</u>	Line 23 Minus Line 24	25

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

San Diego Gas & Electric Company
Statement BK-1
Derivation of End Use Forecast Period Capital Additions Revenue Requirements (FC_{EU})
For the Forecast Period January 1, 2016 - December 31, 2017
(\$1,000)

Line No.	Amounts	Reference	Line No.
ANNUAL FIXED CHARGES APPLICABLE TO CAPITAL PROJECTS			
1			1
A. Derivation of Annual Fix Charge Rate (AFCR_{EU}) Applicable to			
2			2
Weighted Forecast Plant Additions:			
3	\$ 664,695	Statement BK-1; Page 1; Line 33	3
4	(34,077)	Statement BK-1; Page 1; Line 2 * 50%	4
5	(27,159)	Statement BK-1; Page 1; Line 4 * 50%	5
6	-	Statement BK-1; Page 1; Line 6	6
7	-	Statement BK-1; Page 1; Line 12	7
8	(2,333)	Statement BK-1; Page 1; Line 26	8
9	265	Statement BK-1; Page 1; Line 27	9
10	-	Statement BK-1; Page 1; Line 28	10
11	-	Statement BK-1; Page 1; Line 31	11
12	\$ 601,391	Sum Lines 3 thru 11	12
13			13
14	\$ 4,764,254	Statement BK-1; Page 3, Line 6	14
15			15
16	12.6230%	Line 12 / Line 14	16
17			17
18	\$ -	Summary of HV-LV Plant Additions; Pg 1; Ln 5, Col. (f)	18
19			19
20	\$ -	Line 16 x Line 18	20

San Diego Gas & Electric Company
Statement BK-1
Derivation of End Use Base Transmission Revenue Requirements (BTRR_{EU})
For the Rate Effective Period January 1, 2017 - December 31, 2017
(\$1,000)

Line No.	Amounts	Reference	Line No.
1			1
2			2
3			3
4			4
5			5
6			6
7			7
8			8
9			9
10			10
11			11
12			12
13			13
14			14
15			15
16			16
17			17
18			18
19			19
20			20
21			21
22			22
23			23
24			24
25			25
26			26
27			27
28			28
29			29
30			30
31			31
32			32
A. End Use Customer Base Transmission Revenue Requirement (BTRR_{EU}):			
End of Prior Year Revenues (PYRR _{EU}) Excluding FF&U	\$ 664,695	Statement BK-1; Page 1; Line 33	
Incentive End of Prior Year Revenues (PYRR _{EU-IR}) Excluding FF&U	-	Statement BK-1; Page 1; Line 58	
Sub-Total Base Period Revenues	\$ 664,695	Sum Lines 3 thru 5	
Retail True-Up Period Adjustment	\$ -	(Retail TU Adj; Total Col; Line 29) / 1,000	
Retail Interest True-Up Adjustment ¹	-	(Retail Int TU-1 + Retail Int TU-2; Ttl Col; Ln 18)/1,000	
Sub-Total True-Up Adjustments	\$ -	Sum Lines 9 thru 11	
B. Annual Fixed Charges Applicable to Capital Projects:			
Forecast Period Capital Addition Revenue Requirements	\$ -	Statement BK-1; Page 4, Line 20	
C. Annual Fixed Charges Applicable to Incentive Capital Projects:			
Forecast Period Incentive Capital Additions Revenue Requirements (FC _{EU-IR-ROE})	\$ -	Statement BK-1; Page 5, Line 20	
D. Incentive Forecast Transmission CWIP Revenues:			
Incentive Transmission Forecast CWIP Projects Revenue Requirements	\$ -	Statement BK-1; Page 5, Line 37	
E. Subtotal BTRR_{EU} Excluding FF&U:			
Transmission Related Municipal Franchise Fees Expenses	6,831	Line 27 x 1.0277%	
Transmission Related Uncollectible Expense	1,157	Line 27 x 0.174%	
F. Total Retail BTRR_{EU} With FF&U	\$ 672,683	Sum Lines 27 thru 30	

¹ This amount represents the Interest True-Up Adjustment on the previous cycle True-Up Adjustment under-collection/(over-collection) balance.

San Diego Gas & Electric Company
Statement BK-1 Total Annual BTRR Including Other Adjustments
For the Rate Effective Period January 1, 2017 - December 31, 2017
(\$1,000)

Line No.	Amounts	Reference	Line No.
1			1
2			2
3	\$ 672,683	Statement BK-1; Page 6 of 6; Line 32	3
4			4
5			5
6			6
7	(419)	Vol. 2; TO4 Cycle 3 A&G Exp. Correction WPs; Part I; Page 1; Line 24	7
8			8
9	<u>\$ 672,264</u>	Sum Lines 3 + Line 7	9

¹ This sheet is not part of the TO4 Formula Excel Spreadsheet Model and was created solely to provide a summary of all the TO4 Retail Base Transmission Revenue Requirement components including items that were not contemplated by the TO4 Formula Excel Spreadsheet Model, namely an Error Correction adjustment on the TO4 Cycle 3 applicable to A&G expense.

SAN DIEGO GAS AND ELECTRIC COMPANY
Statement AF - Workpapers
Deferred Credits

Base Period & True-Up Period 12 - Months Ending December 31, 2015
(\$1,000)

Line No	(a) 31-Dec-14	(b) 31-Dec-15	(c) = [(a)+(b)]/2 Average Balance	Reference	Line No
1	\$ (309,582)	\$ (302,922)	\$ (306,252)	Stmt AF WP; Page AF-1; Line 1	1
2					2
3	(154,543) ✓	(240,706) ✓	(197,625) ✓	Stmt AF WP; Page AF-1; Line 3	3
4					4
5	\$ (464,125) ✓	\$ (543,628) ✓	\$ (503,877) ✓	Sum of Lines 1 thru 3	5
6				Form 1; Pg. 450.1; Sch. Pg. 274; Ln 2; Cols. b and k	6
7					7
8	\$ -	\$ -	\$ -	Stmt AF WP; Page AF-2; Line 1	8
9					9
10	\$ -	\$ -	\$ -	Stmt AF WP; Page AF-2; Line 4	10
11					11
12	\$ -	\$ -	\$ -	Stmt AF WP; Page AF-2; Line 7	12

✓ Items that are in bold have changed compared to the original TO4 Cycle 4 filing per ER17-470.

SAN DIEGO GAS AND ELECTRIC COMPANY
Statement AV - Workpapers
Cost of Capital and Fair Rate of Return

Base Period & True-Up Period 12 - Months Ending December 31, 2015
(\$1,000)

Line No.	Amounts	Reference	Line No.
1			1
2			2
3			3
4			4
5			5
6			6
7			7
8			8
9			9
10			10
11			11
12			12
13			13
14			14
15			15
16			16
17			17
18			18
19			19
20			20
21			21
22			22
23			23
24			24
25			25
26			26
27			27
28			28
29			29
30			30
31		Offer of Settlement in FERC Docket No. ER13-941-001	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		Stmt AV WP; Page AV-1; Line 1	44
45			45
46			46
47			47
48			48
49			49
50			50
51			51
52			52
53			53
54			54

¹ Amount is based upon December 31 balances.

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

SAN DIEGO GAS AND ELECTRIC COMPANY
Statement AV

Cost of Capital and Fair Rate of Return

Base Period & True-Up Period 12 - Months Ending December 31, 2015

(\$1,000)

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

✓ Items that are in bold have changed compared to the original TO4 Cycle 4 filing per ER17-470.

SAN DIEGO GAS AND ELECTRIC COMPANY
Statement AV

Cost of Capital and Fair Rate of Return

Base Period & True-Up Period 12 - Months Ending December 31, 2015

(\$1,000)

Line No.	Amounts	Reference	Line No.
1			1
2			2
3			3
4			4
5			5
6	0.00%	Stmnt AV WP; Page AV1; Line 54	6
7	0	Shall be Zero for Incentive ROE Projects	7
8	\$ -	Stmnt AV WP; Page AV-1; Line 7	8
9	\$ -	Statement BK1; Page 2; Line 31	9
10	35%	Stmnt AV WP; Page AV2; Line 10	10
11			11
12		Federal Income Tax Expense	12
13			13
14			14
15			15
16			16
17			17
18	0.00%	Stmnt AV WP; Page AV1; Line 54	18
19	\$ -	Line 8 Above	19
20	\$ -	Line 9 Above	20
21	#DIV/0!	Line 12 Above	21
22	8.84%	Stmnt AV WP; Page AV2; Line 22	22
23			23
24		State Income Tax Expense	24
25			25
26			26
27		Sum Lines 12; 24	27
28			28
29	2.0900%	Stmnt AV WP; Page AV1; Line 52	29
30			30
31		Sum Lines 27; 29	31

¹ The Incentive Cost of Capital Rate Calculation will be tracked and shown separately for each project. As a result, lines 3 through 31 will be repeated for each project. However, this will be entered as 0% in BK-1 when there's no incentive project to show.

**San Diego Gas & Electric
ADIT Error Correction
Plus Accrued Interest Expense (Jan 2015 - Dec 2018)
(\$1,000)**

Line No.	Description	Reference	2015											
			Jan-15	Feb-15	Mar-15	Apr-15	May-15	Jun-15	Jul-15	Aug-15	Sep-15	Oct-15	Nov-15	Dec-15
1	Beginning Balance (Overcollection)/Undercollection	Previous Month's Balance	\$ -	\$ 2,324	\$ 4,424	\$ 6,515	\$ 8,666	\$ 10,855	\$ 12,993	\$ 15,529	\$ 18,136	\$ 21,031	\$ 23,945	\$ 26,333
2	Ratio of Revised True-up Cost of Service Revenues / Total True-up Cost of Service Revenues for the TU Period ¹	See Footnote 1	8.23%	7.43%	7.36%	7.56%	7.67%	7.47%	8.86%	9.08%	10.08%	10.12%	8.23%	7.89%
3	Retail BTRR Excluding FE&U Difference Associated with the ADIT Error Correction ²	Line 3 x Line 5, 'Total' Column	\$ 2,321	\$ 2,093	\$ 2,075	\$ 2,131	\$ 2,163	\$ 2,106	\$ 2,496	\$ 2,560	\$ 2,842	\$ 2,851	\$ 2,320	\$ 2,225
4	Interest Expense Calculation: ³	Beginning Quarterly Balances	\$ -	\$ -	\$ -	\$ 6,515	\$ 6,515	\$ 6,515	\$ 12,993	\$ 12,993	\$ 12,993	\$ 21,031	\$ 21,031	\$ 21,031
5	Beginning Balance for Interest Calculation	Interest Calculation Basis	1,160	3,367	5,451	1,066	3,212	5,347	1,248	3,776	6,477	1,426	4,011	6,284
6	Monthly Activity Included in Interest Calculation Basis	Line 8 + Line 10	1,160	3,367	5,451	7,581	9,727	11,862	14,241	16,769	19,470	22,457	25,042	27,315
7	Basis for Interest Expense Calculation	FERC Monthly Rates	0.28000%	0.25000%	0.28000%	0.27000%	0.28000%	0.27000%	0.28000%	0.28000%	0.27000%	0.28000%	0.27000%	0.28000%
8	Monthly Interest Rate ⁴	Line 12 x Line 14	\$ 3	\$ 8	\$ 15	\$ 20	\$ 27	\$ 32	\$ 40	\$ 47	\$ 53	\$ 63	\$ 68	\$ 76
9	Interest Expense	Line 1 + Line 5 + Line 16	\$ 2,324	\$ 4,424	\$ 6,515	\$ 8,666	\$ 10,855	\$ 12,993	\$ 15,529	\$ 18,136	\$ 21,031	\$ 23,945	\$ 26,333	\$ 28,634
10	Ending Balance (Overcollection)/Undercollection													

NOTES:

- Percentages developed to appropriate the monthly amounts of the Retail BTRR amount due to the error correction are based upon the ratio of the monthly true-up cost of service revenues with the total annual cost of service revenues.
- Total Undercollection on line 5 ties to Page 2.6; Col (c); Line 27.
- Interest expense calculation is predicated based on the methodology prescribed under Title 18 of the Code of Federal Regulations, Section 35.19A, where interest expense is compounded on a quarterly basis using the average balance of the overcollection or undercollection.
- Interest rates are based on the actual rates posted on the FERC website.

**San Diego Gas & Electric
ADIT Error Correction
Plus Accrued Interest Expense (Jan 2015 - Dec 2018)
(\$1,000)**

Line No.	Description	Reference	2016											
			Jan-16	Feb-16	Mar-16	Apr-16	May-16	Jun-16	Jul-16	Aug-16	Sep-16	Oct-16	Nov-16	Dec-16
1	Beginning Balance (Overcollection)/Undercollection	Previous Month's Balance	\$ 28,634	\$ 28,714	\$ 28,788	\$ 28,868	\$ 28,949	\$ 29,033	\$ 29,114	\$ 29,201	\$ 29,288	\$ 29,372	\$ 29,460	\$ 29,545
2	Ratio of Revised True-up Cost of Service Revenues / Total True-up Cost of Service Revenues for the TU Period ¹	See Footnote 1	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
3	Retail BTRR Excluding FF&U Difference Associated with the ADIT Error Correction ²	Line 3 x Line 5, 'Total' Column	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
4	Interest Expense Calculation: ³	Beginning Quarterly Balances	\$ 28,634	\$ 28,634	\$ 28,634	\$ 28,868	\$ 28,868	\$ 28,868	\$ 29,114	\$ 29,114	\$ 29,114	\$ 29,372	\$ 29,372	\$ 29,372
5	Monthly Activity Included in Interest Calculation Basis	Interest Calculation Basis	0	0	0	0	0	0	0	0	0	0	0	0
6	Basis for Interest Expense Calculation	Line 8 + Line 10	28,634	28,634	28,634	28,868	28,868	28,868	29,114	29,114	29,114	29,372	29,372	29,372
7	Monthly Interest Rate ⁴	FERC Monthly Rates	0.28000%	0.26000%	0.28000%	0.28000%	0.29000%	0.28000%	0.30000%	0.30000%	0.29000%	0.30000%	0.29000%	0.30000%
8	Interest Expense	Line 12 x Line 14	\$ 80	\$ 74	\$ 80	\$ 81	\$ 84	\$ 81	\$ 87	\$ 87	\$ 84	\$ 88	\$ 85	\$ 88
9	Ending Balance (Overcollection)/Undercollection	Line 1 + Line 5 + Line 16	\$ 28,714	\$ 28,788	\$ 28,868	\$ 28,949	\$ 29,033	\$ 29,114	\$ 29,201	\$ 29,288	\$ 29,372	\$ 29,460	\$ 29,545	\$ 29,633

NOTES:

- Percentages developed to appropriate the monthly amounts of the Retail BTRR amount due to the error correction are based upon the ratio of the monthly true-up cost of service revenues with the total annual cost of service revenues.
- Total Undercollection on line 5 ties to Page 2.6; Col (c); Line 27.
- Interest expense calculation is predicated based on the methodology prescribed under Title 18 of the Code of Federal Regulations, Section 35.19A, where interest expense is compounded on a quarterly basis using the average balance of the overcollection or undercollection.
- Interest rates are based on the actual rates posted on the FERC website.

**San Diego Gas & Electric
ADIT Error Correction
Plus Accrued Interest Expense (Jan 2015 - Dec 2018)
(\$1,000)**

Line No.	Description	Reference	2017											
			Jan-17	Feb-17	Mar-17	Apr-17	May-17	Jun-17	Jul-17	Aug-17	Sep-17	Oct-17	Nov-17	Dec-17
1	Beginning Balance (Overcollection)/Undercollection	Previous Month's Balance	\$ 29,633	\$ 29,722	\$ 29,802	\$ 29,891	\$ 29,981	\$ 30,077	\$ 30,167	\$ 30,270	\$ 30,373	\$ 30,473	\$ 30,583	\$ 30,690
2	Ratio of Revised True-up Cost of Service Revenues / Total True-up Cost of Service Revenues for the TU Period ¹	See Footnote 1	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
3	Retail BTRR Excluding FF&U Difference Associated with the ADIT Error Correction ²	Line 3 x Line 5, 'Total' Column	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
4	Interest Expense Calculation: ³	Beginning Quarterly Balances	\$ 29,633	\$ 29,633	\$ 29,633	\$ 29,891	\$ 29,891	\$ 29,891	\$ 30,167	\$ 30,167	\$ 30,167	\$ 30,473	\$ 30,473	\$ 30,473
5	Monthly Activity Included in Interest Calculation Basis	Interest Calculation Basis	0	0	0	0	0	0	0	0	0	0	0	0
6	Basis for Interest Expense Calculation	Line 8 + Line 10	29,633	29,633	29,633	29,891	29,891	29,891	30,167	30,167	30,167	30,473	30,473	30,473
7	Monthly Interest Rate ⁴	FERC Monthly Rates	0.30000%	0.27000%	0.30000%	0.30000%	0.32000%	0.30000%	0.34000%	0.34000%	0.33000%	0.36000%	0.35000%	0.36000%
8	Interest Expense	Line 12 x Line 14	\$ 89	\$ 80	\$ 89	\$ 90	\$ 96	\$ 90	\$ 103	\$ 103	\$ 100	\$ 110	\$ 107	\$ 110
9	Ending Balance (Overcollection)/Undercollection	Line 1 + Line 5 + Line 16	\$ 29,722	\$ 29,802	\$ 29,891	\$ 29,981	\$ 30,077	\$ 30,167	\$ 30,270	\$ 30,373	\$ 30,473	\$ 30,583	\$ 30,690	\$ 30,800

NOTES:

- 1 Percentages developed to appropriate the monthly amounts of the Retail BTRR amount due to the error correction are based upon the ratio of the monthly true-up cost of service revenues with the total annual cost of service revenues.
- 2 Total Undercollection on line 5 ties to Page 2.6; Col (c); Line 27.
- 3 Interest expense calculation is predicated based on the methodology prescribed under Title 18 of the Code of Federal Regulations, Section 35.19A, where interest expense is compounded on a quarterly basis using the average balance of the overcollection or undercollection.
- 4 Interest rates are based on the actual rates posted on the FERC website.

**San Diego Gas & Electric
ADIT Error Correction
Plus Accrued Interest Expense (Jan 2015 - Dec 2018)
(\$1,000)**

Line No.	Description	Reference	2018												Total
			Jan-18	Feb-18	Mar-18	Apr-18	May-18	Jun-18	Jul-18	Aug-18	Sep-18	Oct-18	Nov-18	Dec-18	
1	Beginning Balance (Overcollection)/Undercollection	Previous Month's Balance	\$ 30,800	\$ 30,911	\$ 31,013	\$ 31,124	\$ 31,239	\$ 31,357	\$ 31,472	\$ 31,598	\$ 31,724	\$ 31,847	\$ 31,981	\$ 32,112	\$ -
2	Ratio of Revised True-up Cost of Service Revenues / Total True-up Cost of Service Revenues for the TU Period ¹	See Footnote 1	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	100.00%
3	Retail BTRR Excluding FE&U Difference Associated with the ADIT Error Correction ²	Line 3 x Line 5, 'Total' Column	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 28,182
4	Interest Expense Calculation: ³	Beginning Quarterly Balances	\$ 30,800	\$ 30,800	\$ 30,800	\$ 31,124	\$ 31,124	\$ 31,124	\$ 31,472	\$ 31,472	\$ 31,472	\$ 31,847	\$ 31,847	\$ 31,847	\$ -
5	Beginning Balance for Interest Calculation	Interest Calculation Basis	0	0	0	0	0	0	0	0	0	0	0	0	0
6	Monthly Activity Included in Interest Calculation Basis	Line 8 + Line 10	30,800	30,800	30,800	31,124	31,124	31,124	31,472	31,472	31,472	31,847	31,847	31,847	31,847
7	Basis for Interest Expense Calculation	FERC Monthly Rates	0.36000%	0.33000%	0.36000%	0.37000%	0.38000%	0.37000%	0.40000%	0.40000%	0.39000%	0.42000%	0.41000%	0.42000%	0.42000%
8	Monthly Interest Rate ⁴	Line 12 x Line 14	\$ 111	\$ 102	\$ 111	\$ 115	\$ 118	\$ 115	\$ 126	\$ 126	\$ 123	\$ 134	\$ 131	\$ 134	\$ 4,064
9	Interest Expense	Line 1 + Line 5 + Line 16	\$ 30,911	\$ 31,013	\$ 31,124	\$ 31,239	\$ 31,357	\$ 31,472	\$ 31,598	\$ 31,724	\$ 31,847	\$ 31,981	\$ 32,112	\$ 32,246	\$ 32,246
10	Ending Balance (Overcollection)/Undercollection														

NOTES:

- Percentages developed to appropriate the monthly amounts of the Retail BTRR amount due to the error correction are based upon the ratio of the monthly true-up cost of service revenues with the total annual cost of service revenues.
- Total Undercollection on line 5 ties to Page 2.6, Col (c); Line 27.
- Interest expense calculation is predicated based on the methodology prescribed under Title 18 of the Code of Federal Regulations, Section 35.19A, where interest expense is compounded on a quarterly basis using the average balance of the overcollection or undercollection.
- Interest rates are based on the actual rates posted on the FERC website.

San Diego Gas & Electric Company
TO4 Cycle 5 ADIT Adjustment to Base Transmission Revenue Requirements ¹
For the Rate Effective Period January 1, 2019 - December 31, 2019
(\$1,000)

Line No.	<u>Description</u>	<u>Amounts</u>	<u>Reference</u>	Line <u>No.</u>
1	<u>BTRR Adjustment due to TO4 Cycle 5 ADIT Error Calculation:</u>			1
2	Retail BTRR Adjustment - Before Interest	\$ 35,543	Page 2.6; Col (c); Line 27	2
3				3
4	Interest Expense	<u>3,788</u>	Page 7.3; Line 16 Total Column	4
5				5
6	Total BTRR Adjustment Excluding FF&U	39,331	Line 2 + Line 4	6
7				7
8	Transmission Related Municipal Franchise Fees Expenses	<u>404</u>	Line 6 x 1.0277%	8
9				9
10	Subtotal BTRR Adjustment Including Francise Fees Expenses	39,735	Line 6 + Line 8	10
11				11
12	Transmission Related Uncollectible Expense	<u>68</u>	Line 6 x 0.174%	12
13				13
14	<u>Total Retail BTRR Adjustment Including FF&U</u>	<u><u>\$ 39,803</u></u>	Line 10 + Line 12	14

¹ Section C.5. of the Protocols provides a mechanism for SDG&E to correct errors that affected the TU TRR in a previous Informational Filing. In this TO5 Cycle 1 Informational Filing, SDG&E is correcting a TO4 Cycle 5 error of approximately \$39.8M due to ADIT recalculation of the transmission related ADIT from Bonus Depreciation. Lines 1 - 14 show SDG&E's quantification of the revenue requirements including interest.

San Diego Gas & Electric Company
Statement BK-1
Derivation of Incremental BTRR Adjustments
TO4 Cycle 5 True-Up Period (1/1/2016 - 12/31/2016)
(\$1,000)

Line No.	A			B			C = A - B		
	Revised TO4 C5 TU - Period Amounts	As Filed TO4 C5 TU - Period ER18-358 Amounts	Difference Incr (Deer)	Reference	Line No.				
1	A. Revenues:								
2	\$ 73,249	\$ 73,249	\$ -	Page 3.1 and Page 4.1, Line 2	2				
3					3				
4	49,516	49,516	-	Page 3.1 and Page 4.1, Line 4	4				
5					5				
6	-	-	-	Page 3.1 and Page 4.1, Line 6	6				
7					7				
8	\$ 122,765	\$ 122,765	\$ -	Sum Lines 2 thru 6	8				
9					9				
10	142,827	142,827	-	Page 3.1 and Page 4.1, Line 10	10				
11					11				
12	-	-	-	Page 3.1 and Page 4.1, Line 12	12				
13					13				
14	-	-	-	Page 3.1 and Page 4.1, Line 14	14				
15					15				
16	38,137	38,137	-	Page 3.1 and Page 4.1, Line 16	16				
17					17				
18	2,458	2,458	-	Page 3.1 and Page 4.1, Line 18	18				
19					19				
20	\$ 306,187	\$ 306,187	\$ -	Sum Lines 8 thru 18	20				
21					21				
22	11.4972% v	11.5050%	-0.0078%	Page 3.1 and Page 4.1, Line 22	22				
23	\$ 3,555,748 v	\$ 3,244,395	\$ 311,353	Page 3.1 and Page 4.1, Line 23	23				
24	\$ 408,811 v	\$ 373,268	\$ 35,543	Line 22 x Line 23	24				
25					25				
26	\$ 2,333	\$ 2,333	\$ -	Page 3.1 and Page 4.1, Line 26	26				
27	(265)	(265)	-	Page 3.1 and Page 4.1, Line 27	27				
28	-	-	-	Page 3.1 and Page 4.1, Line 28	28				
29	(5,518)	(5,518)	-	Page 3.1 and Page 4.1, Line 29	29				
30	-	-	-	Page 3.1 and Page 4.1, Line 30	30				
31	-	-	-	Page 3.1 and Page 4.1, Line 31	31				
32					32				
33	\$ 711,548 v	\$ 676,005	\$ 35,543	Line 20 + Sum Lines (24 thru 31)	33				
34					34				
35	B. Incentive ROE Project Transmission Revenue:								
36	\$ -	\$ -	\$ -	Page 3.1 and Page 4.1, Line 36	36				
37					37				
38	0.0000% ⁴	0.0000%	0.0000%	Page 3.1 and Page 4.1, Line 38	38				
39	\$ -	\$ -	\$ -	Page 3.1 and Page 4.1, Line 39	39				
40	\$ -	\$ -	\$ -	Line 38 x Line 39	40				
41					41				
42	\$ -	\$ -	\$ -	Sum Lines 36; 40	42				
43					43				
44	C. Incentive Transmission Plant Abandoned Project Revenue:								
45	\$ -	\$ -	\$ -	Page 3.1 and Page 4.1, Line 45	45				
46					46				
47	\$ -	\$ -	\$ -	Page 3.1 and Page 4.1, Line 47	47				
48	11.4972% v	11.5050%	-0.0078%	Page 3.1 and Page 4.1, Line 48	48				
49	\$ -	\$ -	\$ -	Line 47 x Line 48	49				
50					50				
51	\$ -	\$ -	\$ -	Sum Lines 45; 49	51				
52					52				
53	D. Incentive Transmission Construction Work In Progress (CWIP) Revenue:								
54	\$ -	\$ -	\$ -	Page 3.1 and Page 4.1, Line 54	54				
55	11.4972% v	11.5050%	-0.0078%	Page 3.1 and Page 4.1, Line 55	55				
56	\$ -	\$ -	\$ -	Line 54 x Line 55	56				
57					57				
58	\$ -	\$ -	\$ -	Sum Lines 42; 51; 56	58				
59					59				
60	\$ 711,548 v	\$ 676,005	\$ 35,543	Sum Lines 33; 58	60				

v Items that are in bold have changed compared to the original TO4 Cycle 5 filing per ER18-358.

¹ The incentive rate cost components for each ROE incentive project will be tracked and shown separately for each project and lines 36 through 40 will be repeated for each project. As a result, the data on this page may carryover to the next page.

² Incentive Transmission CWIP shall be the CWIP for which SDG&E is authorized to collect incentives under FERC Order No. 679 and will be tracked and shown for each project and lines 54 through 56 will be repeated for each project.

³ Total Prior Year Revenues (PYRR) or Base Period Revenue is for 4 months ending December 31, 2013

⁴ The Incentive Cost of Capital Rate will be tracked and shown separately for each project. However, this will be entered as 0% in BK-1 when there's no incentive project to show.

⁵ Blank lines that show up in the Formula Rate Spreadsheet will not be populated with any numbers absent a Section 205 filing to approve the blank lines.

San Diego Gas & Electric Company
Statement BK-1
Derivation of Incremental BTRR Adjustments
TO4 Cycle 5 True-Up Period (1/1/2016 - 12/31/2016)
(\$1,000)

Line No.	A Revised TO4 C5 TU - Period Amounts	B As Filed TO4 C5 TU - Period ER18-358 Amounts	C = A - B Difference Incr (Deer)	Reference	Line No.	
<u>A. Transmission Rate Base</u>						
1	<u>Net Transmission Plant:</u>					1
2	Transmission Plant	\$ 3,959,698	\$ 3,959,698	\$ -	Page 3.2 and Page 4.2, Line 2	2
3	Transmission Related Electric Miscellaneous Intangible Plant	13,463	13,463	-	Page 3.2 and Page 4.2, Line 3	3
4	Transmission Related General Plant	35,760	35,760	-	Page 3.2 and Page 4.2, Line 4	4
5	Transmission Related Common Plant	65,669	65,669	-	Page 3.2 and Page 4.2, Line 5	5
6	Total Net Transmission Plant	<u>\$ 4,074,590</u>	<u>\$ 4,074,590</u>	<u>\$ -</u>	Sum Lines 2 thru 5	6
7						7
8	<u>Rate Base Additions:</u>					8
9	Transmission Plant Held for Future Use	\$ 5,654	\$ 5,654	\$ -	Page 3.2 and Page 4.2, Line 9	9
10	Transmission Plant Abandoned Project Cost	-	-	-	Page 3.2 and Page 4.2, Line 10	10
11	Total Rate Base Additions	<u>\$ 5,654</u>	<u>\$ 5,654</u>	<u>\$ -</u>	Sum Lines 9 thru 10	11
12						12
13	<u>Rate Base Reductions:</u>					13
14	Transmission Related Accum. Def. Inc. Taxes	\$ (593,684) v	\$ (905,037)	\$ 311,353	Page 3.2 and Page 4.2, Line 14	14
15	Transmission Plant Abandoned Accum. Def. Inc. Taxes	-	-	-	Page 3.2 and Page 4.2, Line 15	15
16	Total Rate Base Reductions	<u>\$ (593,684) v</u>	<u>\$ (905,037)</u>	<u>\$ 311,353</u>	Sum Lines 14 thru 15	16
17						17
18	<u>Working Capital:</u>					18
19	Transmission Related Material and Supplies	\$ 37,814	\$ 37,814	\$ -	Page 3.2 and Page 4.2, Line 19	19
20	Transmission Related Prepayments	16,028	16,028	-	Page 3.2 and Page 4.2, Line 20	20
21	Transmission Related Cash Working Capital	15,346	15,346	-	Page 3.2 and Page 4.2, Line 21	21
22	Total Working Capital	<u>\$ 69,188</u>	<u>\$ 69,188</u>	<u>\$ -</u>	Sum Lines 19 thru 21	22
23						23
24	Other Regulatory Assets/Liabilities	\$ -	\$ -	\$ -	Page 3.2 and Page 4.2, Line 24	24
25						25
26	Total Transmission Rate Base	<u>\$ 3,555,748 v</u>	<u>\$ 3,244,395</u>	<u>\$ 311,353</u>	Sum Lines 6; 11; 16; 22; 24	26
27						27
28	<u>B. Incentive ROE Project Transmission Rate Base:</u>					28
29	Net Incentive Transmission Plant ¹	\$ -	\$ -	\$ -	Page 3.2 and Page 4.2, Line 29	29
30	Incentive Transmission Plant Accum. Def. Income Taxes	-	-	-	Page 3.2 and Page 4.2, Line 30	30
31	Total Incentive ROE Project Transmission Rate Base	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	Sum Lines 29 thru 30	31
32						32
33	<u>C. Incentive Transmission Plant Abandoned Project Rate Base:</u>					33
34	Incentive Transmission Plant Abandoned Project Cost	\$ -	\$ -	\$ -	Page 3.2 and Page 4.2, Line 34	34
35	Incentive Transmission Plant Abandoned Project Cost Accum. Def. Inc. Taxes	-	-	-	Page 3.2 and Page 4.2, Line 35	35
36	Total Incentive Transmission Plant Abandoned Project Cost Rate Base	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	Sum Lines 34 thru 35	36
37						37
38	<u>D. Incentive Transmission Construction Work In Progress</u> ²	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	Page 3.2 and Page 4.2, Line 38	38

v Items that are in bold have changed compared to the original TO4 Cycle 5 filing per ER18-358.

¹ The Incentive ROE Transmission Plant will be tracked and shown for each incentive project and lines 29 through 31 will be repeated for each project.

² Incentive CWIP projects will be tracked separately and line 38 will be shown for each project.

San Diego Gas & Electric Company
Statement BK-1
Derivation of Incremental BTRR Adjustments
TO4 Cycle 5 True-Up Period (1/1/2016 - 12/31/2016)
(\$1,000)

Line No.	A Revised TO4 C5 TU - Period Amounts	B As Filed TO4 C5 TU - Period ER18-358 Amounts	C = A - B Difference Incr (DeCr)	Reference	Line No.	
<u>A. Transmission Plant</u>						
1	Gross Transmission Plant:					1
2	Transmission Plant	\$ 4,857,202	\$ 4,857,202	\$ -	Page 3.3 and Page 4.3, Line 2	2
3	Transmission Related Electric Miscellaneous Intangible Plant	26,074	26,074	-	Page 3.3 and Page 4.3, Line 3	3
4	Transmission Related General Plant	58,773	58,773	-	Page 3.3 and Page 4.3, Line 4	4
5	Transmission Related Common Plant	131,261	131,261	-	Page 3.3 and Page 4.3, Line 5	5
6	Total Gross Transmission Plant	<u>\$ 5,073,310</u>	<u>\$ 5,073,310</u>	<u>\$ -</u>	Sum Lines 2 thru 5	6
7						7
8	<u>Accumulated Depreciation Reserve:</u>					8
9	Transmission Plant Depreciation Reserve	\$ 897,504	\$ 897,504	\$ -	Page 3.3 and Page 4.3, Line 9	9
10	Transmission Related Electric Miscellaneous Intangible Amortization Reserve	12,611	12,611	-	Page 3.3 and Page 4.3, Line 10	10
11	Transmission Related General Plant Depr Reserve	23,013	23,013	-	Page 3.3 and Page 4.3, Line 11	11
12	Transmission Related Common Plant Depr Reserve	65,592	65,592	-	Page 3.3 and Page 4.3, Line 12	12
13	Total Transmission Related Accumulated Depreciation Reserve	<u>\$ 998,720</u>	<u>\$ 998,720</u>	<u>\$ -</u>	Sum Lines 9 thru 12	13
14						14
15	<u>Net Transmission Plant:</u>					15
16	Transmission Plant	\$ 3,959,698	\$ 3,959,698	\$ -	Page 3.3 and Page 4.3, Line 16	16
17	Transmission Related Electric Miscellaneous Intangible Plant	13,463	13,463	-	Page 3.3 and Page 4.3, Line 17	17
18	Transmission Related General Plant	35,760	35,760	-	Page 3.3 and Page 4.3, Line 18	18
19	Transmission Related Common Plant	65,669	65,669	-	Page 3.3 and Page 4.3, Line 19	19
20	Total Net Transmission Plant	<u>\$ 4,074,590</u>	<u>\$ 4,074,590</u>	<u>\$ -</u>	Sum Lines 16 thru 19	20
21						21
22	<u>B. Incentive Project Transmission Plant:</u>					22
23	Incentive Transmission Plant ¹	\$ -	\$ -	\$ -	Page 3.3 and Page 4.3, Line 23	23
24	Incentive Transmission Plant Depreciation Reserve ¹	-	-	-	Page 3.3 and Page 4.3, Line 24	24
25	Total Net Incentive Transmission Plant	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	Line 23 Minus Line 24	25

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

San Diego Gas & Electric Company
Statement BK-1
Derivation of Incremental BTRR Adjustments
TO4 Cycle 5 True-Up Period (1/1/2016 - 12/31/2016)
(\$1,000)

Line No.	A Revised TO4 C5 TU - Period Amounts	B As Filed TO4 C5 TU - Period ER18-358 Amounts	C = A - B Difference Incr (Deer)	Reference	Line No.	
<u>ANNUAL FIXED CHARGES APPLICABLE TO CAPITAL PROJECTS</u>						
1	<u>A. Derivation of Annual Fix Charge Rate (AFCR_{EU}) Applicable to</u>					1
2	<u>Weighted Forecast Plant Additions:</u>					2
3	PYRR _{EU} Excluding Franchise Fees and Uncollectible	\$ 711,548	\$ 676,005	\$ 35,543	Page 3.4 and Page 4.4, Line 3	3
4	50% of Transmission O&M Expense	(36,625)	(36,625)	-	Page 3.4 and Page 4.4, Line 4	4
5	50% of Transmission Related A&G Expense	(24,758)	(24,758)	-	Page 3.4 and Page 4.4, Line 5	5
6	CPUC Intervenor Funding Expense	-	-	-	Page 3.4 and Page 4.4, Line 6	6
7	Valley Rainbow Project Cost Amortization Expense	-	-	-	Page 3.4 and Page 4.4, Line 7	7
8	South Georgia Income Tax Adjustment	(2,333)	(2,333)	-	Page 3.4 and Page 4.4, Line 8	8
9	Transmission Related Amortization of Investment Tax Credit	265	265	-	Page 3.4 and Page 4.4, Line 9	9
10	Transmission Related Amortization of Excess Deferred Tax Liabilities	-	-	-	Page 3.4 and Page 4.4, Line 10	10
11	(Gains)/Losses from Sale of Plant Held for Future Use	-	-	-	Page 3.4 and Page 4.4, Line 11	11
12	Total (PYRR _{EU}) Excluding FF&U - Adjusted	<u>\$ 648,097</u>	<u>\$ 612,554</u>	<u>\$ 35,543</u>	Sum Lines 3 thru 11	12
13						13
14	Gross Transmission Plant	\$ 5,073,310	\$ 5,073,310	\$ -	Page 3.4 and Page 4.4, Line 14	14
15						15
16	Annual Fix Charge Rate (AFCR _{EU})	12.7746%	12.0741%	0.7005%	Page 3.4 and Page 4.4, Line 16	16
17						17
18	Weighted Forecast Plant Additions	\$ -	\$ -	\$ -	Page 3.4 and Page 4.4, Line 18	18
19						19
20	Forecast Period Capital Addition Revenue Requirements	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	Line 16 x Line 18	20

▼ Items that are in bold have changed compared to the original TO4 Cycle 5 filing per ER18-358.

San Diego Gas & Electric Company
Statement BK-1
Derivation of Incremental BTRR Adjustments
TO4 Cycle 5 True-Up Period (1/1/2016 - 12/31/2016)
(\$1,000)

Line No.	A Revised TO4 C5 TU - Period Amounts	B As Filed TO4 C5 TU - Period ER18-358 Amounts	C = A - B Difference Incr (Deer)	Reference	Line No.	
<u>ANNUAL FIXED CHARGES APPLICABLE TO INCENTIVE CAPITAL PROJECTS</u>						
1	<u>A. Derivation of Annual Fix Charge Rate (AFCR_{EU-IR-ROE}) Applicable to</u>					1
2	<u>Incentive Weighted Forecast Plant Additions (ROE Incentive Only):</u>					2
3	PYRR _{EU-IR-ROE} Excluding Franchise Fees and Uncollectible	\$ 711,548	\$ 676,005	\$ 35,543	Page 3.5 and Page 4.5, Line 3	3
4	50% of Transmission O&M Expense	(36,625)	(36,625)	-	Page 3.5 and Page 4.5, Line 4	4
5	50% of Transmission Related A&G Expense	(24,758)	(24,758)	-	Page 3.5 and Page 4.5, Line 5	5
6	CPUC Intervenor Funding Expense - Transmission	-	-	-	Page 3.5 and Page 4.5, Line 6	6
7	Valley Rainbow Project Cost Amortization Expense	-	-	-	Page 3.5 and Page 4.5, Line 7	7
8	South Georgia Income Tax Adjustment	(2,333)	(2,333)	-	Page 3.5 and Page 4.5, Line 8	8
9	Transmission Related Amortization of Investment Tax Credit	265	265	-	Page 3.5 and Page 4.5, Line 9	9
10	Transmission Related Amortization of Excess Deferred Tax Liabilities	-	-	-	Page 3.5 and Page 4.5, Line 10	10
11	(Gains)/Losses from Sale of Plant Held for Future Use	-	-	-	Page 3.5 and Page 4.5, Line 11	11
12	Adjusted Total (PYRR _{EU-IR-ROE}) Excluding FF&U	<u>\$ 648,097</u>	<u>\$ 612,554</u>	<u>\$ 35,543</u>	Sum Lines 3 thru 11	12
13						13
14	Gross Transmission Plant & Incentive Transmission Plant	\$ 5,073,310	\$ 5,073,310	\$ -	Page 3.5 and Page 4.5, Line 14	14
15						15
16	Incentive Annual Fix Charge Rate (AFCR _{EU-IR-ROE}) ¹	<u>12.7746%</u>	12.0741%	<u>0.7005%</u>	Page 3.5 and Page 4.5, Line 16	16
17						17
18	Incentive Weighted Forecast Plant Additions	\$ -	-	\$ -	Page 3.5 and Page 4.5, Line 18	18
19						19
20	Forecast Period Incentive Capital Addition Revenue Requirements (FC _{EU-IR-ROE})	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	Line 16 x Line 18	20
21						21
22	<u>B. Derivation of Incentive Forecast Transmission CWIP Revenues:</u>					22
23	<u>1. For the Period After the Base Period and Before the Rate Effective Period:</u>					23
24	Incentive Weighted Forecast Transmission Construction Work In Progress	\$ -	-	\$ -	Page 3.5 and Page 4.5, Line 24	24
25						25
26	Cost of Capital Rate (COCR)	<u>11.4972%</u>	11.5050%	<u>-0.0078%</u>	Page 3.5 and Page 4.5, Line 26	26
27						27
28	Incentive Transmission Forecast CWIP Projects Revenue Requirements	\$ -	-	\$ -	Line 24 x Line 26	28
29						29
30	<u>2. For the Period During the Rate Effective Period:</u>					30
31	Incentive Weighted Forecast Transmission Construction Work In Progress	\$ -	-	\$ -	Page 3.5 and Page 4.5, Line 31	31
32						32
33	Cost of Capital Rate (COCR)	<u>11.4972%</u>	11.5050%	<u>-0.0078%</u>	Page 3.5 and Page 4.5, Line 33	33
34						34
35	Incentive Transmission Forecast CWIP Projects Revenue Requirements	\$ -	-	\$ -	Line 31 x Line 33	35
36						36
37	Total Incentive Transmission Forecast CWIP Projects Revenue Requirements	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	Sum Lines 28; 35	37

√ Items that are in bold have changed compared to the original TO4 Cycle 5 filing per ER18-358.

¹ The Incentive Annual Fixed Charge Rate will be tracked and shown for each incentive project as applicable.

San Diego Gas & Electric Company
Statement BK-1
Derivation of Incremental BTRR Adjustments
TO4 Cycle 5 True-Up Period (1/1/2016 - 12/31/2016)
(\$1,000)

Line No.	A Revised TO4 C5 TU - Period Amounts	B As Filed TO4 C5 TU - Period ER18-358 Amounts	C = A - B Difference Incr (Deer)	Reference	Line No.
1	<u>A. End Use Customer Base Transmission Revenue Requirement (BTRR_{EU}):</u>				1
2					2
3	\$ 711,548	\$ 676,005	\$ 35,543	Page 3.6 and Page 4.6, Line 3	3
4					4
5	-	-	-	Page 3.6 and Page 4.6, Line 5	5
6					6
7	\$ 711,548	\$ 676,005	\$ 35,543	Sum Lines 3 thru 5	7
8					8
9	\$ -	\$ -	\$ -	Page 3.6 and Page 4.6, Line 9	9
10					10
11	-	-	-	Page 3.6 and Page 4.6, Line 11	11
12					12
13	\$ -	\$ -	\$ -	Sum Lines 9 thru 11	13
14					14
15	<u>B. Annual Fixed Charges Applicable to Capital Projects:</u>				15
16					16
17	\$ -	\$ -	\$ -	Page 3.6 and Page 4.6, Line 17	17
18					18
19	<u>C. Annual Fixed Charges Applicable to Incentive Capital Projects:</u>				19
20					20
21	\$ -	\$ -	\$ -	Page 3.6 and Page 4.6, Line 21	21
22					22
23	<u>D. Incentive Forecast Transmission CWIP Revenues:</u>				23
24					24
25	\$ -	\$ -	\$ -	Page 3.6 and Page 4.6, Line 25	25
26					26
27	\$ 711,548	\$ 676,005	\$ 35,543	Sum Lines 7; 13; 17; 21; 25	27
28					28
29	7,313	6,947	366	Line 27 x 1.0277%	29
30	1,238	1,176	62	Line 27 x 0.174%	30
31					31
32	\$ 720,099	\$ 684,128	\$ 35,971	Sum Lines 27 thru 30	32

√ Items that are in bold have changed compared to the original TO4 Cycle 5 filing per ER18-358.

San Diego Gas & Electric Company
Statement BK-1
Derivation of End Use Prior Year Revenue Requirements (PYRR_{EU})
For the Base Period & True-Up Period Ending December 31, 2016
(\$1,000)

Line No.		Amounts ⁵	Reference	Line No.
1	A. Revenues:			1
2	Transmission Operation & Maintenance Expense	\$ 73,249	Statement AH; Page 5, Line 9	2
3				3
4	Transmission Related A&G Expense	49,516	Statement AH; Page 5, Line 56	4
5				5
6	CPUC Intervenor Funding Expense - Transmission	-	Statement AH; Page 5, Line 17	6
7				7
8	Total O&M Expenses	\$ 122,765	Sum Lines 2 thru 6	8
9				9
10	Transmission, General, Common Plant Depn. Exp., and Electric Misc. Intangible Plant Amort. Exp.	142,827	Statement AJ; Page 7, Line 17	10
11				11
12	Valley Rainbow Project Cost Amortization Expense	-	Statement AJ; Page 7, Line 19	12
13				13
14	Transmission Plant Abandoned Project Cost Amortization Expense	-	Statement AJ; Page 7, Line 23	14
15				15
16	Transmission Related Property Taxes Expense	38,137	Statement AK; Page 8, Line 27	16
17				17
18	Transmission Related Payroll Taxes Expense	2,458	Statement AK; Page 8, Line 33	18
19				19
20	Sub-Total Expense	\$ 306,187	Sum Lines 8 thru 18	20
21				21
22	Cost of Capital Rate (COCR)	11.4972% ^v	Statement AV; Page 15, Line 31	22
23	Transmission Rate Base	3,555,748 ^v	Statement BK-1; Page 2, Line 26	23
24	Return and Associated Income Taxes	\$ 408,811 ^v	Line 22 x Line 23	24
25				25
26	South Georgia Income Tax Adjustment	\$ 2,333	Statement AQ; Page 11, Line 1	26
27	Transmission Related Amortization of Investment Tax Credits	(265)	Statement AR; Page 12, Line 1	27
28	Transmission Related Amortization of Excess Deferred Tax Liabilities	-	Statement AR; Page 12, Line 3	28
29	Transmission Related Revenue Credits	(5,518)	Statement AU; Page 13, Line 11	29
30	Transmission Related Regulatory Debits	-	Misc. Statement; Page 17, Line 1	30
31	(Gains)/Losses from Sale of Plant Held for Future Use	-	Statement AU; Page 13, Line 13	31
32				32
33	End of Prior Year Revenues (PYRR _{EU}) Excluding FF&U	\$ 711,548 ^v	Line 20 + Sum Lines (24 thru 31)	33
34				34
35	B. Incentive ROE Project Transmission Revenue:			35
36	Incentive Transmission Plant Depreciation Expense	\$ -	Statement AJ; Page 7; Line 21	36
37				37
38	Incentive Cost of Capital Rate (ICOCR) ¹	0.0000% ⁴	Statement AV; Page 16, Line 31	38
39	Total Incentive ROE Project Transmission Rate Base	\$ -	Statement BK-1; Page 2; Line 31	39
40	Incentive ROE Project Return and Associated Income Taxes	\$ -	Line 38 x Line 39	40
41				41
42	Total Incentive ROE Project Transmission Revenue	\$ -	Sum Lines 36; 40	42
43				43
44	C. Incentive Transmission Plant Abandoned Project Revenue:			44
45	Incentive Transmission Plant Abandoned Project Cost Amortization Expense	\$ -	Statement AJ; Page 7; Line 25	45
46				46
47	Total Incentive Transmission Plant Abandoned Project Cost Rate Base	\$ -	Statement BK-1; Page 2; Line 36	47
48	Cost of Capital Rate (COCR)	11.4972% ^v	Statement AV; Page 15, Line 31	48
49	Incentive Transmission Plant Abandoned Project Return and Associated Income Taxes	\$ -	Line 47 x Line 48	49
50				50
51	Total Incentive Transmission Plant Abandoned Project Revenue	\$ -	Sum Lines 45; 49	51
52				52
53	D. Incentive Transmission Construction Work In Progress (CWIP) Revenue:			53
54	Incentive Transmission Construction Work In Progress ²	\$ -	Statement BK-1; Page 2; Line 38	54
55	Cost of Capital Rate (COCR)	11.4972% ^v	Statement AV; Page 15, Line 31	55
56	Incentive CWIP Return and Associated Income Taxes	\$ -	Line 54 x Line 55	56
57				57
58	Total Incentive End of Prior Year Revenues (PYRR _{EU-IR}) Excluding FF&U	\$ -	Sum Lines 42; 51; 56	58
59				59
60	E. Total (PYRR_{ET}) Excluding FF&U ³	\$ 711,548 ^v	Sum Lines 33; 58	60

v Items that are in bold have changed compared to the original TO4 Cycle 5 filing per ER18-358.

¹ The incentive rate cost components for each ROE incentive project will be tracked and shown separately for each project and lines 36 through 40 will be repeated for each project. As a result, the data on this page may carryover to the next page.

² Incentive Transmission CWIP shall be the CWIP for which SDG&E is authorized to collect incentives under FERC Order No. 679 and will be tracked and shown for each project and lines 54 through 56 will be repeated for each project.

³ Total Prior Year Revenues (PYRR) or Base Period Revenue is for 12 months ending the applicable cycle base period.

⁴ The Incentive Cost of Capital Rate will be tracked and shown separately for each project. However, this will be entered as 0% in BK-1 when there's no incentive project to show.

⁵ Blank lines that show up in the Formula Rate Spreadsheet will not be populated with any numbers absent a Section 205 filing to approve the blank lines.

San Diego Gas & Electric Company
Statement BK-1
Derivation of End Use Prior Year Revenue Requirements (PYRR_{EU})
For the Base Period & True-Up Period Ending December 31, 2016
(\$1,000)

Line No.	Amounts	Reference	Line No.
<u>A. Transmission Rate Base:</u>			
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
<u>B. Incentive ROE Project Transmission Rate Base:</u>			
<u>C. Incentive Transmission Plant Abandoned Project Rate Base:</u>			
<u>D. Incentive Transmission Construction Work In Progress</u> ²			

✓ Items that are in bold have changed compared to the original TO4 Cycle 5 filing per ER18-358.

¹ The Incentive ROE Transmission Plant will be tracked and shown for each incentive project and lines 29 through 31 will be repeated for each project.

² Incentive CWIP projects will be tracked separately and line 38 will be shown for each project.

San Diego Gas & Electric Company
Statement BK-1
Derivation of End Use Prior Year Revenue Requirements (PYRR_{EU})
For the Base Period & True-Up Period Ending December 31, 2016
(\$1,000)

Line No.	Amounts	Reference	Line No.
<u>A. Transmission Plant:</u>			
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
<u>B. Incentive Project Transmission Plant:</u>			
23			23
24			24
25			25

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

San Diego Gas & Electric Company
Statement BK-1

Derivation of End Use Forecast Period Capital Additions Revenue Requirements (FC_{EU})
For the Forecast Period January 1, 2017 - December 31, 2018
(\$1,000)

Line No.	Amounts	Reference	Line No.
ANNUAL FIXED CHARGES APPLICABLE TO CAPITAL PROJECTS			
1			1
A. Derivation of Annual Fix Charge Rate (AFCR_{EU}) Applicable to			
2			2
Weighted Forecast Plant Additions:			
3	\$ 711,548	Statement BK-1; Page 1; Line 33	3
4	(36,625)	Statement BK-1; Page 1; Line 2 * 50%	4
5	(24,758)	Statement BK-1; Page 1; Line 4 * 50%	5
6	-	Statement BK-1; Page 1; Line 6	6
7	-	Statement BK-1; Page 1; Line 12	7
8	(2,333)	Statement BK-1; Page 1; Line 26	8
9	265	Statement BK-1; Page 1; Line 27	9
10	-	Statement BK-1; Page 1; Line 28	10
11	-	Statement BK-1; Page 1; Line 31	11
12	<u>\$ 648,097</u>	Sum Lines 3 thru 11	12
13			13
14	<u>\$ 5,073,310</u>	Statement BK-1; Page 3, Line 6	14
15			15
16	12.7746%	Line 12 / Line 14	16
17			17
18	<u>\$ -</u>	Summary of HV-LV Plant Additions; Pg 1; Ln 5, Col. (f)	18
19			19
20	<u>\$ -</u>	Line 16 x Line 18	20

√ Items that are in bold have changed compared to the original TO4 Cycle 5 filing per ER18-358.

San Diego Gas & Electric Company
Statement BK-1
Derivation of End Use Forecast Period Capital Additions Revenue Requirements (FC_{EU})
For the Forecast Period January 1, 2017 - December 31, 2018
(\$1,000)

Line No.	Amounts	Reference	Line No.
ANNUAL FIXED CHARGES APPLICABLE TO INCENTIVE CAPITAL PROJECTS			
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
Items that are in bold have changed compared to the original TO4 Cycle 5 filing per ER18-358.			
¹ The Incentive Annual Fixed Charge Rate will be tracked and shown for each incentive project as applicable.			

San Diego Gas & Electric Company
Statement BK-1
Derivation of End Use Base Transmission Revenue Requirements (BTRR_{EU})
For the Rate Effective Period January 1, 2018 - December 31, 2018
(\$1,000)

Line No.	Amounts	Reference	Line No.
1			1
2			2
3			3
4			4
5			5
6			6
7			7
8			8
9			9
10			10
11			11
12			12
13			13
14			14
15			15
16			16
17			17
18			18
19			19
20			20
21			21
22			22
23			23
24			24
25			25
26			26
27			27
28			28
29			29
30			30
31			31
32			32

✓ Items that are in bold have changed compared to the original TO4 Cycle 5 filing per ER18-358.

¹ This amount represents the Interest True-Up Adjustment on the previous cycle True-Up Adjustment under-collection/(over-collection) balance.

San Diego Gas & Electric Company
Statement BK-1
Derivation of End Use Prior Year Revenue Requirements (PYRR_{EU})
For the Base Period & True-Up Period Ending December 31, 2016
((\$1,000))

Line No.		Amounts ⁵	Reference	Line No.
1	<u>A. Revenues:</u>			1
2	Transmission Operation & Maintenance Expense	\$ 73,249	Statement AH; Page 5, Line 9	2
3				3
4	Transmission Related A&G Expense	49,516	Statement AH; Page 5, Line 56	4
5				5
6	CPUC Intervenor Funding Expense - Transmission	-	Statement AH; Page 5, Line 17	6
7				7
8	Total O&M Expenses	\$ 122,765	Sum Lines 2 thru 6	8
9				9
10	Transmission, General, Common Plant Depn. Exp., and Electric Misc. Intangible Plant Amort. Exp.	142,827	Statement AJ; Page 7, Line 17	10
11				11
12	Valley Rainbow Project Cost Amortization Expense	-	Statement AJ; Page 7, Line 19	12
13				13
14	Transmission Plant Abandoned Project Cost Amortization Expense	-	Statement AJ; Page 7, Line 23	14
15				15
16	Transmission Related Property Taxes Expense	38,137	Statement AK; Page 8, Line 27	16
17				17
18	Transmission Related Payroll Taxes Expense	2,458	Statement AK; Page 8, Line 33	18
19				19
20	Sub-Total Expense	\$ 306,187	Sum Lines 8 thru 18	20
21				21
22	Cost of Capital Rate _(COCR)	11.5050%	Statement AV; Page 15, Line 31	22
23	Transmission Rate Base	3,244,395	Statement BK-1; Page 2, Line 26	23
24	Return and Associated Income Taxes	\$ 373,268	Line 22 x Line 23	24
25				25
26	South Georgia Income Tax Adjustment	\$ 2,333	Statement AQ; Page 11, Line 1	26
27	Transmission Related Amortization of Investment Tax Credits	(265)	Statement AR; Page 12, Line 1	27
28	Transmission Related Amortization of Excess Deferred Tax Liabilities	-	Statement AR; Page 12, Line 3	28
29	Transmission Related Revenue Credits	(5,518)	Statement AU; Page 13, Line 11	29
30	Transmission Related Regulatory Debits	-	Misc. Statement; Page 17, Line 1	30
31	(Gains)/Losses from Sale of Plant Held for Future Use	-	Statement AU; Page 13, Line 13	31
32				32
33	End of Prior Year Revenues (PYRR _{EU}) Excluding FF&U	\$ 676,005	Line 20 + Sum Lines (24 thru 31)	33
34				34
35	<u>B. Incentive ROE Project Transmission Revenue:</u>			35
36	Incentive Transmission Plant Depreciation Expense	\$ -	Statement AJ; Page 7; Line 21	36
37				37
38	Incentive Cost of Capital Rate _(COCR) ¹	0.0000% ⁴	Statement AV; Page 16, Line 31	38
39	Total Incentive ROE Project Transmission Rate Base	\$ -	Statement BK-1; Page 2; Line 31	39
40	Incentive ROE Project Return and Associated Income Taxes	\$ -	Line 38 x Line 39	40
41				41
42	Total Incentive ROE Project Transmission Revenue	\$ -	Sum Lines 36; 40	42
43				43
44	<u>C. Incentive Transmission Plant Abandoned Project Revenue:</u>			44
45	Incentive Transmission Plant Abandoned Project Cost Amortization Expense	\$ -	Statement AJ; Page 7; Line 25	45
46				46
47	Total Incentive Transmission Plant Abandoned Project Cost Rate Base	\$ -	Statement BK-1; Page 2; Line 36	47
48	Cost of Capital Rate _(COCR)	11.5050%	Statement AV; Page 15, Line 31	48
49	Incentive Transmission Plant Abandoned Project Return and Associated Income Taxes	\$ -	Line 47 x Line 48	49
50				50
51	Total Incentive Transmission Plant Abandoned Project Revenue	\$ -	Sum Lines 45; 49	51
52				52
53	<u>D. Incentive Transmission Construction Work In Progress (CWIP) Revenue:</u>			53
54	Incentive Transmission Construction Work In Progress ²	\$ -	Statement BK-1; Page 2; Line 38	54
55	Cost of Capital Rate _(COCR)	11.5050%	Statement AV; Page 15, Line 31	55
56	Incentive CWIP Return and Associated Income Taxes	\$ -	Line 54 x Line 55	56
57				57
58	Total Incentive End of Prior Year Revenues (PYRR _{EU-IR}) Excluding FF&U	\$ -	Sum Lines 42; 51; 56	58
59				59
60	<u>E. Total (PYRR_{EU}) Excluding FF&U ³</u>	\$ 676,005	Sum Lines 33; 58	60

¹ The incentive rate cost components for each ROE incentive project will be tracked and shown separately for each project and lines 36 through 40 will be repeated for each project. As a result, the data on this page may carryover to the next page.

² Incentive Transmission CWIP shall be the CWIP for which SDG&E is authorized to collect incentives under FERC Order No. 679 and will be tracked and shown for each project and lines 54 through 56 will be repeated for each project.

³ Total Prior Year Revenues (PYRR) or Base Period Revenue is for 12 months ending the applicable cycle base period.

⁴ The Incentive Cost of Capital Rate will be tracked and shown separately for each project. However, this will be entered as 0% in BK-1 when there's no incentive project to show.

⁵ Blank lines that show up in the Formula Rate Spreadsheet will not be populated with any numbers absent a Section 205 filing to approve the blank lines.

San Diego Gas & Electric Company
Statement BK-1
Derivation of End Use Prior Year Revenue Requirements (PYRR_{EU})
For the Base Period & True-Up Period Ending December 31, 2016
(\$1,000)

Line No.	Amounts	Reference	Line No.
<u>A. Transmission Rate Base:</u>			
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
<u>B. Incentive ROE Project Transmission Rate Base:</u>			
<u>C. Incentive Transmission Plant Abandoned Project Rate Base:</u>			
<u>D. Incentive Transmission Construction Work In Progress²</u>			

¹ The Incentive ROE Transmission Plant will be tracked and shown for each incentive project and lines 29 through 31 will be repeated for each project.

² Incentive CWIP projects will be tracked separately and line 38 will be shown for each project.

San Diego Gas & Electric Company
Statement BK-1
Derivation of End Use Prior Year Revenue Requirements (PYRR_{EU})
For the Base Period & True-Up Period Ending December 31, 2016
(S1,000)

Line No.	Amounts	Reference	Line No.
<u>A. Transmission Plant:</u>			
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
<u>B. Incentive Project Transmission Plant:</u>			
23			23
24			24
25			25

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

San Diego Gas & Electric Company
Statement BK-1
Derivation of End Use Forecast Period Capital Additions Revenue Requirements (FC_{EU})
For the Forecast Period January 1, 2017 - December 31, 2018
((\$1,000))

Line No.	Amounts	Reference	Line No.
ANNUAL FIXED CHARGES APPLICABLE TO CAPITAL PROJECTS			
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
A. Derivation of Annual Fix Charge Rate (AFCR_{EU}) Applicable to Weighted Forecast Plant Additions:			
	\$ 676,005	Statement BK-1; Page 1; Line 33	
	(36,625)	Statement BK-1; Page 1; Line 2 * 50%	
	(24,758)	Statement BK-1; Page 1; Line 4 * 50%	
	-	Statement BK-1; Page 1; Line 6	
	-	Statement BK-1; Page 1; Line 12	
	(2,333)	Statement BK-1; Page 1; Line 26	
	265	Statement BK-1; Page 1; Line 27	
	-	Statement BK-1; Page 1; Line 28	
	-	Statement BK-1; Page 1; Line 31	
	<u>\$ 612,554</u>	Sum Lines 3 thru 11	
	<u>\$ 5,073,310</u>	Statement BK-1; Page 3, Line 6	
	12.0741%	Line 12 / Line 14	
	\$ -	Summary of HV-LV Plant Additions; Pg 1; Ln 5, Col. (f)	
	<u>\$ -</u>	Line 16 x Line 18	

San Diego Gas & Electric Company
Statement BK-1
Derivation of End Use Forecast Period Capital Additions Revenue Requirements (FC_{EU})
For the Forecast Period January 1, 2017 - December 31, 2018
((\$1,000))

Line No.	Amounts	Reference	Line No.
ANNUAL FIXED CHARGES APPLICABLE TO INCENTIVE CAPITAL PROJECTS			
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

¹ The Incentive Annual Fixed Charge Rate will be tracked and shown for each incentive project as applicable.

San Diego Gas & Electric Company
Statement BK-1
Derivation of End Use Base Transmission Revenue Requirements (BTRR_{EU})
For the Rate Effective Period January 1, 2018 - December 31, 2018
(\$1,000)

Line No.		Amounts	Reference	Line No.
1	<u>A. End Use Customer Base Transmission Revenue Requirement (BTRR_{EU}):</u>			1
2				2
3	End of Prior Year Revenues (PYRR _{EU}) Excluding FF&U	\$ 676,005	Statement BK-1; Page 1; Line 33	3
4				4
5	Incentive End of Prior Year Revenues (PYRR _{EU,IR}) Excluding FF&U	-	Statement BK-1; Page 1; Line 58	5
6				6
7	Sub-Total Base Period Revenues	\$ 676,005	Sum Lines 3 thru 5	7
8				8
9	Retail True-Up Period Adjustment	\$ -	(Retail TU Adj; Total Col; Line 29) / 1,000	9
10				10
11	Retail Interest True-Up Adjustment ¹	-	(Retail Int TU-1 + Retail Int TU-2; Ttl Col; Ln 18)/1,000	11
12				12
13	Sub-Total True-Up Adjustments	\$ -	Sum Lines 9 thru 11	13
14				14
15	<u>B. Annual Fixed Charges Applicable to Capital Projects:</u>			15
16				16
17	Forecast Period Capital Addition Revenue Requirements	\$ -	Statement BK-1; Page 4, Line 20	17
18				18
19	<u>C. Annual Fixed Charges Applicable to Incentive Capital Projects:</u>			19
20				20
21	Forecast Period Incentive Capital Additions Revenue Requirements (FC _{EU,IR,ROE})	\$ -	Statement BK-1; Page 5, Line 20	21
22				22
23	<u>D. Incentive Forecast Transmission CWIP Revenues:</u>			23
24				24
25	Incentive Transmission Forecast CWIP Projects Revenue Requirements	\$ -	Statement BK-1; Page 5, Line 37	25
26				26
27	<u>E. Subtotal BTRR_{EU} Excluding FF&U:</u>	\$ 676,005	Sum Lines 7; 13; 17; 21; 25	27
28				28
29	Transmission Related Municipal Franchise Fees Expenses	6,947	Line 27 x 1.0277%	29
30	Transmission Related Uncollectible Expense	1,176	Line 27 x 0.174%	30
31				31
32	<u>F. Total Retail BTRR_{EU} With FF&U</u>	\$ 684,128	Sum Lines 27 thru 30	32

¹ This amount represents the Interest True-Up Adjustment on the previous cycle True-Up Adjustment under-collection/(over-collection) balance.

SAN DIEGO GAS AND ELECTRIC COMPANY
Statement AF - Workpapers
Deferred Credits

Base Period & True-Up Period 12 - Months Ending December 31, 2016

(\$1,000)

Line No	(a) 31-Dec-15	(b) 31-Dec-16	(c) = [(a)+(b)]/2 Average Balance	Reference	Line No
1	\$ (302,922)	\$ (169,594)	\$ (236,258)	Stmt AF WP; Page AF-1; Line 1	1
2					2
3	(240,706) ✓	(474,146) ✓	(357,426) ✓	Stmt AF WP; Page AF-1; Line 3	3
4					4
5	\$ (543,628) ✓	\$ (643,740) ✓	\$ (593,684) ✓	Sum of Lines 1 thru 3	5
6				Form 1; Pg. 450.1; Sch. Pgs. 274 and 234; Ln 2; Cols. b,c and k	6
7					7
8	\$ -	\$ -	\$ -	Stmt AF WP; Page AF-2; Line 1	8
9					9
10	\$ -	\$ -	\$ -	Stmt AF WP; Page AF-2; Line 4	10
11					11
12	\$ -	\$ -	\$ -	Stmt AF WP; Page AF-2; Line 7	12

✓ Items that are in bold have changed compared to the original TO4 Cycle 5 filing per ER18-358.

SAN DIEGO GAS AND ELECTRIC COMPANY
Statement AV - Workpapers
Cost of Capital and Fair Rate of Return

Base Period & True-Up Period 12 - Months Ending December 31, 2016

(\$1,000)

Line No.	Amounts	Reference	Line No.		
1	<u>Long-Term Debt Component - Denominator:</u>		1		
2	(Plus) Bonds (Acct. 221) (p112.Line18c)	\$ 4,348,934	Form 1; Page 112; Line 18c	2	
3	(Less) Reacquired Bonds (Acct. 222) (p112.Line19c)	-	Form 1; Page 112; Line 19c	3	
4	(Plus) Other Long-Term Debt (Acct. 224) (p112.Line21c)	-	Form 1; Page 112; Line 21c	4	
5	(Plus) Unamortized Premium on Long-Term Debt (Acct 225) (p112.Line22c)	-	Form 1; Page 112; Line 22c	5	
6	(Less) Unamortized Discount on Long-Term Debt-Debit (Acct 226) (p112.Line23c)	10,661	Form 1; Page 112; Line 23c	6	
7	LTD = Long Term Debt (p112, sum of Line17d thru Line22d, details on p256-257)	\$ 4,338,273	Line 2 Minus Line 3 Plus Lines 4 & 5 Minus Line 6	7	
8				8	
9	<u>Long-Term Debt Component - Numerator:</u>		9		
10	(Plus) Interest on Long-Term Debt (427) (p117.Line62c)	\$ 176,237	Form 1; Page 117; Line 62c	10	
11	(Plus) Amort. of Debt Disc. and Expense (428) (p117.Line63c)	3,332	Form 1; Page 117; Line 63c	11	
12	(Plus) Amortization of Loss on Reacquired Debt (428.1) (p117.Line64c)	3,264	Form 1; Page 117; Line 64c	12	
13	(Less) Amort. of Premium on Debt-Credit (429) (p117.Line65c)	-	Form 1; Page 117; Line 65c	13	
14	(Less) Amortization of Gain on Reacquired Debt-Credit (429.1) (p117.Line66c)	-	Form 1; Page 117; Line 66c	14	
15	i = LTD interest (p117, sum of Line56c thru Line60c, details on p257))	\$ 182,833	Sum Lines 10; 11; 12 Minus Lines 13 & 14	15	
16				16	
17	<u>Cost of Long-Term Debt:</u>	4.21%	Line 15 / Line 7	17	
18				18	
19	<u>Preferred Equity Component:</u>		19		
20	PF = Preferred Stock - Acct 204 (p112.3c)	\$ -	Form 1; Page 112; Line 3c	20	
21	d(pf) = Total Dividends Declared-Preferred Stocks (Acct. 437) (p118.29c)	\$ -	Form 1; Page 118; Line 29c	21	
22	Cost of Preferred Equity	0.00%	Line 21 / Line 20	22	
23				23	
24	<u>Common Equity Component:</u>		24		
25	Proprietary Capital (p112.16c)	\$ 5,640,460	Form 1; Page 112; Line 16c	25	
26	(Less) Preferred Stock - Acct 204 (p112.3c)	-	Form 1; Page 112; Line 3c	26	
27	(Less) Unappropriated Undistributed Subsidiary Earnings (Acct. 216.1) (p112.12c)	-	Form 1; Page 112; Line 12c	27	
28	(Less) Accumulated Other Comprehensive Income (Acct. 219) (p112.15c)	(7,479)	Form 1; Page 112; Line 15c	28	
29	CS = Common Stock	\$ 5,647,939	Line 25 Minus Lines 26, 27 & 28	29	
30				30	
31	<u>Return on Common Equity:</u>	10.05%	Offer of Settlement in FERC Docket No. ER13-941-001	31	
32				32	
33	(a) (b) (c) (d) = (b) x (c)			33	
34	<u>Weighted Cost of Capital:</u>	Amount ¹ Ratio Cost of Capital	Weighted Cost of Capital	34	
35				35	
36	Long-Term Debt	\$ 4,338,273 43.44%	4.21% 1.83%	Col. C = Line 17 Above	36
37	Preferred Equity	- 0.00%	0.00% 0.00%	Col. C = Line 22 Above	37
38	Common Equity	5,647,939 56.56%	10.05% 5.68%	Col. C = Line 31 Above	38
39	Total Capital	\$ 9,986,212 100.00%	7.51%	Sum Lines 36 thru 38	39
40				40	
41	<u>Cost of Equity Component (Preferred & Common):</u>		5.68%	Sum Lines 37; 38; Col. (d)	41
42				42	
43				43	
44	<u>Incentive Return on Common Equity:</u> ²		0.00%	Stmnt AV WP; Page AV-1; Line 1	44
45				45	
46	(a) (b) (c) (d) = (b) x (c)			46	
47	<u>Weighted Cost of Capital:</u>	Amount ¹ Ratio Cost of Capital	Weighted Cost of Capital	47	
48				48	
49	Long-Term Debt	\$ 4,338,273 43.44%	4.21% 1.83%	Col. C = Line 17 Above	49
50	Preferred Equity	- 0.00%	0.00% 0.00%	Col. C = Line 22 Above	50
51	Common Equity	5,647,939 56.56%	0.00% 0.00%	Col. C = Line 44 Above	51
52	Total Capital	\$ 9,986,212 100.00%	1.83%	Sum Lines 49 thru 51	52
53				53	
54	<u>Incentive Cost of Equity Component (Preferred & Common):</u>		0.00%	Sum Lines 50; 51; Col. (d)	54

¹ Amount is based upon December 31 balances.

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

SAN DIEGO GAS AND ELECTRIC COMPANY

Statement AV

Cost of Capital and Fair Rate of Return

Base Period & True-Up Period 12 - Months Ending December 31, 2016

(\$1,000)

Line No.		Amounts	Reference	Line No.
1	<u>Cost of Capital Rate (COCR) Calculation:</u>			1
2				2
3	<u>a. Federal Income Tax Component:</u>			3
4				4
5	Where:			5
6	A = Sum of Preferred Stock and Return on Equity Component	5.68%	Stmt AV WP; Page AV1; Line 41	6
7	B = Trans. Related Amort. of ITC and Excess Deferred Tax Liab.	\$ 265	Statement AR; Page 1; Line 5	7
8	C = Equity AFUDC Component of Transmission Depreciation Expense	\$ 4,857	Stmt AV WP; Page AV-1; Line 4	8
9	D = Transmission Rate Base	\$ 3,555,748 v	Statement BK1; Page 2; Line 26	9
10	FT = Federal Income Tax Rate @ 35%	35.00%	Federal Income Tax Rate	10
11				11
12	Federal Income Tax = $\frac{(((A) + (C / D)) * FT) - (B / D)}{(1 - FT)}$	3.1205% v	Federal Income Tax Expense	12
13				13
14				14
15	<u>B. State Income Tax Component:</u>			15
16				16
17	Where:			17
18	A = Sum of Preferred Stock and Return on Equity Component	5.68%	Stmt AV WP; Page AV1; Line 41	18
19	B = Equity AFUDC Component of Transmission Depreciation Expense	\$ 4,857	Line 8 Above	19
20	C = Transmission Rate Base	\$ 3,555,748 v	Statement BK1; Page 2; Line 26	20
21	FT = Federal Income Tax Expense	3.1205% v	Line 12 Above	21
22	ST = State Income Tax Rate @ 8.84%	8.84%	State Income Tax Rate	22
23				23
24	State Income Tax = $\frac{((A) + (B / C) + \text{Federal Income Tax}) * (ST)}{(1 - ST)}$	0.8667% v	State Income Tax Expense	24
25				25
26				26
27	<u>C. Total Federal & State Income Tax Rate:</u>	3.9872% v	Sum Lines 12; 24	27
28				28
29	<u>D. Total Weighted Cost of Capital:</u>	7.5100%	Stmt AV WP; Page AV1; Line 39	29
30				30
31	<u>E. Cost of Capital Rate (COCR):</u>	11.4972% v	Sum Lines 27; 29	31

v Items that are in bold have changed compared to the original TO4 Cycle 5 filing per ER18-358.

SAN DIEGO GAS AND ELECTRIC COMPANY

Statement AV

Cost of Capital and Fair Rate of Return

Base Period & True-Up Period 12 - Months Ending December 31, 2016

(\$1,000)

Line No.	Amounts	Reference	Line No.
1			1
2			2
3			3
4			4
5			5
6	0.00%	Stmt AV WP; Page AV1; Line 54	6
7	0	Shall be Zero for Incentive ROE Projects	7
8	\$ -	Stmt AV WP; Page AV-1; Line 7	8
9	\$ -	Statement BK1; Page 2; Line 31	9
10	35%	Stmt AV WP; Page AV2; Line 10	10
11			11
12	#DIV/0!	Federal Income Tax Expense	12
13			13
14			14
15			15
16			16
17			17
18	0.00%	Stmt AV WP; Page AV1; Line 54	18
19	\$ -	Line 8 Above	19
20	\$ -	Line 9 Above	20
21	#DIV/0!	Line 12 Above	21
22	8.84%	Stmt AV WP; Page AV2; Line 22	22
23			23
24	#DIV/0!	State Income Tax Expense	24
25			25
26			26
27	#DIV/0!	Sum Lines 12; 24	27
28			28
29	1.8300%	Stmt AV WP; Page AV1; Line 52	29
30			30
31	#DIV/0! ¹	Sum Lines 27; 29	31

¹ The Incentive Cost of Capital Rate Calculation will be tracked and shown separately for each project. As a result, lines 3 through 31 will be repeated for each project. However, this will be entered as 0% in BK-1 when there's no incentive project to show.

**San Diego Gas & Electric
ADIT Error Correction
Plus Accrued Interest Expense (Jan 2016 - Dec 2018)
(\$1,000)**

Line No.	Description	Reference	2016											
			Jan-16	Feb-16	Mar-16	Apr-16	May-16	Jun-16	Jul-16	Aug-16	Sep-16	Oct-16	Nov-16	Dec-16
1	Beginning Balance (Overcollection)/Undercollection	Previous Month's Balance	\$ -	\$ 2,952	\$ 5,477	\$ 8,391	\$ 11,039	\$ 13,667	\$ 16,501	\$ 19,407	\$ 23,229	\$ 26,767	\$ 30,233	\$ 33,183
2	Ratio of Revised True-up Cost of Service Revenues / Total True-up Cost of Service Revenues for the TU Period ¹	See Footnote 1	8.29%	7.07%	8.15%	7.37%	7.29%	7.86%	8.02%	10.57%	9.75%	9.51%	8.04%	8.06%
3	Retail BTRR Excluding FF&U Difference Associated with the ADIT Error Correction ²	Line 3 x Line 5, "Total" Column	\$ 2,948	\$ 2,514	\$ 2,895	\$ 2,621	\$ 2,592	\$ 2,792	\$ 2,852	\$ 3,758	\$ 3,466	\$ 3,381	\$ 2,887	\$ 2,866
4	Interest Expense Calculation: ³	Beginning Quarterly Balances	\$ -	\$ -	\$ -	\$ 8,391	\$ 8,391	\$ 8,391	\$ 16,501	\$ 16,501	\$ 16,501	\$ 26,767	\$ 26,767	\$ 26,767
5	Beginning Balance for Interest Calculation	Interest Calculation Basis	1,474	4,205	6,909	1,310	3,917	6,609	1,426	4,731	8,343	1,690	4,810	7,671
6	Monthly Activity Included in Interest Calculation Basis	Line 8 + Line 10	1,474	4,205	6,909	9,701	12,308	15,000	17,927	21,232	24,844	28,457	31,577	34,438
7	Basis for Interest Expense Calculation	FERC Monthly Rates	0.280000%	0.260000%	0.280000%	0.280000%	0.290000%	0.280000%	0.300000%	0.300000%	0.290000%	0.300000%	0.290000%	0.300000%
8	Monthly Interest Rate ⁴	Line 12 x Line 14	\$ 4	\$ 11	\$ 19	\$ 27	\$ 36	\$ 42	\$ 54	\$ 64	\$ 72	\$ 85	\$ 92	\$ 103
9	Interest Expense	Line 1 + Line 5 + Line 16	\$ 2,952	\$ 5,477	\$ 8,391	\$ 11,039	\$ 13,667	\$ 16,501	\$ 19,407	\$ 23,229	\$ 26,767	\$ 30,233	\$ 33,183	\$ 36,152
10	Ending Balance (Overcollection)/Undercollection													

NOTES:

- Percentages developed to appropriate the monthly amounts of the Retail BTRR amount due to the error correction are based upon the ratio of the monthly true-up cost of service revenues with the total annual cost of service revenues.
- Total Undercollection on line 5 ties to Page 2.6; Col (c); Line 27.
- Interest expense calculation is predicated based on the methodology prescribed under Title 18 of the Code of Federal Regulations, Section 35.19A, where interest expense is compounded on a quarterly basis using the average balance of the overcollection or undercollection.
- Interest rates are based on the actual rates posted on the FERC website.

**San Diego Gas & Electric
ADIT Error Correction
Plus Accrued Interest Expense (Jan 2016 - Dec 2018)
(\$1,000)**

Line No.	Description	Reference	2017											
			Jan-17	Feb-17	Mar-17	Apr-17	May-17	Jun-17	Jul-17	Aug-17	Sep-17	Oct-17	Nov-17	Dec-17
1	Beginning Balance (Overcollection)/Undercollection	Previous Month's Balance	\$ 36,152	\$ 36,260	\$ 36,358	\$ 36,466	\$ 36,575	\$ 36,692	\$ 36,801	\$ 36,926	\$ 37,051	\$ 37,172	\$ 37,306	\$ 37,436
2	Ratio of Revised True-up Cost of Service Revenues / Total True-up Cost of Service Revenues for the TU Period ¹	See Footnote 1	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
3	Retail BTRR Excluding FF&U Difference Associated with the ADIT Error Correction ²	Line 3 x Line 5, 'Total' Column	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
4	Interest Expense Calculation: ³	Beginning Quarterly Balances	\$ 36,152	\$ 36,152	\$ 36,152	\$ 36,466	\$ 36,466	\$ 36,466	\$ 36,801	\$ 36,801	\$ 36,801	\$ 37,172	\$ 37,172	\$ 37,172
5	Beginning Balance for Interest Calculation	Interest Calculation Basis	0	0	0	0	0	0	0	0	0	0	0	0
6	Monthly Activity Included in Interest Calculation Basis	Line 8 + Line 10	36,152	36,152	36,466	36,466	36,466	36,466	36,801	36,801	36,801	37,172	37,172	37,172
7	Basis for Interest Expense Calculation	FERC Monthly Rates	0.300000%	0.270000%	0.300000%	0.300000%	0.320000%	0.300000%	0.340000%	0.340000%	0.330000%	0.360000%	0.350000%	0.360000%
8	Monthly Interest Rate ⁴	Line 12 x Line 14	\$ 108	\$ 98	\$ 108	\$ 109	\$ 117	\$ 109	\$ 125	\$ 125	\$ 121	\$ 134	\$ 130	\$ 134
9	Interest Expense	Line 1 + Line 5 + Line 16	\$ 36,260	\$ 36,358	\$ 36,466	\$ 36,575	\$ 36,692	\$ 36,801	\$ 36,926	\$ 37,051	\$ 37,172	\$ 37,306	\$ 37,436	\$ 37,570
10	Ending Balance (Overcollection)/Undercollection													

NOTES:

- Percentages developed to appropriate the monthly amounts of the Retail BTRR amount due to the error correction are based upon the ratio of the monthly true-up cost of service revenues with the total annual cost of service revenues.
- Total Undercollection on line 5 ties to Page 2.6; Col (c); Line 27.
- Interest expense calculation is predicated based on the methodology prescribed under Title 18 of the Code of Federal Regulations, Section 35.19A, where interest expense is compounded on a quarterly basis using the average balance of the overcollection or undercollection.
- Interest rates are based on the actual rates posted on the FERC website.

**San Diego Gas & Electric
ADIT Error Correction
Plus Accrued Interest Expense (Jan 2016 - Dec 2018)
(\$1,000)**

Line No.	Description	Reference	2018												Total
			Jan-18	Feb-18	Mar-18	Apr-18	May-18	Jun-18	Jul-18	Aug-18	Sep-18	Oct-18	Nov-18	Dec-18	
1	Beginning Balance (Overcollection)/Undercollection	Previous Month's Balance	\$ 37,570	\$ 37,705	\$ 37,829	\$ 37,964	\$ 38,104	\$ 38,248	\$ 38,388	\$ 38,542	\$ 38,696	\$ 38,846	\$ 39,009	\$ 39,168	\$ -
2	Ratio of Revised True-up Cost of Service Revenues / Total True-up Cost of Service Revenues for the TU Period ¹	See Footnote 1	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	100.00%
3	Retail BTRR Excluding FF&U Difference Associated with the ADIT Error Correction ²	Line 3 x Line 5, 'Total' Column	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 35,543
4	Interest Expense Calculation: ³	Beginning Quarterly Balances	\$ 37,570	\$ 37,570	\$ 37,570	\$ 37,964	\$ 37,964	\$ 37,964	\$ 38,388	\$ 38,388	\$ 38,388	\$ 38,846	\$ 38,846	\$ 38,846	\$ -
5	Beginning Balance for Interest Calculation	Interest Calculation Basis	0	0	0	0	0	0	0	0	0	0	0	0	0
6	Monthly Activity Included in Interest Calculation Basis	Line 8 + Line 10	37,570	37,570	37,570	37,964	37,964	37,964	38,388	38,388	38,388	38,846	38,846	38,846	0
7	Basis for Interest Expense Calculation	FERC Monthly Rates	0.360000%	0.330000%	0.360000%	0.370000%	0.380000%	0.370000%	0.400000%	0.400000%	0.390000%	0.420000%	0.410000%	0.420000%	0
8	Monthly Interest Rate ⁴	Line 12 x Line 14	\$ 135	\$ 124	\$ 135	\$ 140	\$ 144	\$ 140	\$ 154	\$ 154	\$ 150	\$ 163	\$ 159	\$ 163	\$ 3,788
9	Interest Expense	Line 1 + Line 5 + Line 16	\$ 37,705	\$ 37,829	\$ 37,964	\$ 38,104	\$ 38,248	\$ 38,388	\$ 38,542	\$ 38,696	\$ 38,846	\$ 39,009	\$ 39,168	\$ 39,331	\$ 39,331
10	Ending Balance (Overcollection)/Undercollection														

NOTES:

- Percentages developed to appropriate the monthly amounts of the Retail BTRR amount due to the error correction are based upon the ratio of the monthly true-up cost of service revenues with the total annual cost of service revenues.
- Total Undercollection on line 5 ties to Page 2-6; Col (c); Line 27.
- Interest expense calculation is predicated based on the methodology prescribed under Title 18 of the Code of Federal Regulations, Section 35.19A, where interest expense is compounded on a quarterly basis using the average balance of the overcollection or undercollection.
- Interest rates are based on the actual rates posted on the FERC website.

San Diego Gas & Electric Company
TO4 Cycle 5 BTRR Adjustment Associated with the Reduction in the Federal Income Tax Rate ¹
For the Rate Effective Period January 1, 2019 - December 31, 2019
(\$1,000)

Line No.	<u>Description</u>	<u>Amounts</u>	<u>Reference</u>	Line No.
1	<u>TO4 Cycle 5 BTRR Adjustment Associated with Reduction in FIT Rate:</u>			1
2	Total BTRR Adjustment - Before Interest	\$ (52,368)	Page 2.6; Line 37	2
3				3
4	Interest Expense	<u>(1,014)</u>	Page 6.1; Line 16	4
5				5
6	Total BTRR Adjustment Excluding FF&U	(53,382)	Line 2 + Line 4	6
7				7
8	Transmission Related Municipal Franchise Fees Expenses	<u>(549)</u>	Line 6 x 1.0277%	8
9				9
10	Subtotal BTRR Adjustment Including Franchise Fees Expenses	(53,931)	Line 6 + Line 8	10
11				11
12	Transmission Related Uncollectible Expense	<u>(93)</u>	Line 6 x 0.174%	12
13				13
14	<u>Total Retail BTRR Adjustment Including FF&U</u>	<u>\$ (54,024)</u>	Line 10 + Line 12	14

¹ Derivation of the BTRR Adjustment associated with SDG&E's answer to FERC Show Cause Order dated March 15, 2018 in docket number EL18-62-000 resulting from the Tax Cuts and Jobs Act passed by Congress.

San Diego Gas & Electric Company
Statement BK-1
Derivation of Incremental BTRR Adjustments
TO4 Cycle 5 True-Up Period (1/1/2016 - 12/31/2016)
(\$1,000)

Line No.	A Revised TO4 C5 (For Fed Income Tax Rate Adj) Amounts	B As Filed TO4 ER18-358 C5 TU - Period Amounts	C = A - B Difference Incr (Deer)	Reference	Line No.	
1	A. Revenues:					1
2	\$ 73,249	\$ 73,249	\$ -	Page 3.1 and Page 4.1, Line 2	2	
3					3	
4	49,516	49,516	-	Page 3.1 and Page 4.1, Line 4	4	
5					5	
6	-	-	-	Page 3.1 and Page 4.1, Line 6	6	
7					7	
8	\$ 122,765	\$ 122,765	\$ -	Sum Lines 2 thru 6	8	
9					9	
10	142,827	142,827	-	Page 3.1 and Page 4.1, Line 10	10	
11					11	
12	-	-	-	Page 3.1 and Page 4.1, Line 12	12	
13					13	
14	-	-	-	Page 3.1 and Page 4.1, Line 14	14	
15					15	
16	38,137	38,137	-	Page 3.1 and Page 4.1, Line 16	16	
17					17	
18	2,458	2,458	-	Page 3.1 and Page 4.1, Line 18	18	
19					19	
20	\$ 306,187	\$ 306,187	\$ -	Sum Lines 8 thru 18	20	
21					21	
22	9.7639% v	11.5050%	-1.7411%	Page 3.1 and Page 4.1, Line 22	22	
23	\$ 3,244,395	\$ 3,244,395	\$ -	Page 3.1 and Page 4.1, Line 23	23	
24	\$ 316,780 v	\$ 373,268	\$ (56,488)	Line 22 x Line 23	24	
25					25	
26	\$ 2,333	\$ 2,333	\$ -	Page 3.1 and Page 4.1, Line 26	26	
27	(265)	(265)	-	Page 3.1 and Page 4.1, Line 27	27	
28	-	-	-	Page 3.1 and Page 4.1, Line 28	28	
29	(5,518)	(5,518)	-	Page 3.1 and Page 4.1, Line 29	29	
30	-	-	-	Page 3.1 and Page 4.1, Line 30	30	
31	-	-	-	Page 3.1 and Page 4.1, Line 31	31	
32					32	
33	\$ 619,517 v	\$ 676,005	\$ (56,488)	Line 20 + Sum Lines (24 thru 31)	33	
34					34	
35	B. Incentive ROE Project Transmission Revenue:					35
36	\$ -	\$ -	\$ -	Page 3.1 and Page 4.1, Line 36	36	
37					37	
38	0.0000% ⁴	0.0000%	0.0000%	Page 3.1 and Page 4.1, Line 38	38	
39	\$ -	\$ -	\$ -	Page 3.1 and Page 4.1, Line 39	39	
40	\$ -	\$ -	\$ -	Line 38 x Line 39	40	
41					41	
42	\$ -	\$ -	\$ -	Sum Lines 36; 40	42	
43					43	
44	C. Incentive Transmission Plant Abandoned Project Revenue:					44
45	\$ -	\$ -	\$ -	Page 3.1 and Page 4.1, Line 45	45	
46					46	
47	\$ -	\$ -	\$ -	Page 3.1 and Page 4.1, Line 47	47	
48	9.7639% v	11.5050%	-1.7411%	Page 3.1 and Page 4.1, Line 48	48	
49	\$ -	\$ -	\$ -	Line 47 x Line 48	49	
50					50	
51	\$ -	\$ -	\$ -	Sum Lines 45; 49	51	
52					52	
53	D. Incentive Transmission Construction Work In Progress (CWIP) Revenue:					53
54	\$ -	\$ -	\$ -	Page 3.1 and Page 4.1, Line 54	54	
55	9.7639% v	11.5050%	-1.7411%	Page 3.1 and Page 4.1, Line 55	55	
56	\$ -	\$ -	\$ -	Line 54 x Line 55	56	
57					57	
58	\$ -	\$ -	\$ -	Sum Lines 42; 51; 56	58	
59					59	
60	\$ 619,517 v	\$ 676,005	\$ (56,488)	Sum Lines 33; 58	60	

v Items that are in bold have changed compared to the revised TO4 Cycle 5 filing per ER18-358 on the Federal Income Tax Rate.

¹ The incentive rate cost components for each ROE incentive project will be tracked and shown separately for each project and lines 36 through 40 will be repeated for each project. As a result, the data on this page may carryover to the next page.

² Incentive Transmission CWIP shall be the CWIP for which SDG&E is authorized to collect incentives under FERC Order No. 679 and will be tracked and shown for each project and lines 54 through 56 will be repeated for each project.

³ Total Prior Year Revenues (PYRR) or Base Period Revenue is for 4 months ending December 31, 2013

⁴ The Incentive Cost of Capital Rate will be tracked and shown separately for each project. However, this will be entered as 0% in BK-1 when there's no incentive project to show.

⁵ Blank lines that show up in the Formula Rate Spreadsheet will not be populated with any numbers absent a Section 205 filing to approve the blank lines.

San Diego Gas & Electric Company
Statement BK-1
Derivation of Incremental BTRR Adjustments
TO4 Cycle 5 True-Up Period (1/1/2016 - 12/31/2016)
(\$1,000)

Line No.	A Revised TO4 C5 (For Fed Income Tax Rate Adj) Amounts	B As Filed TO4 ER18-358 C5 TU - Period Amounts	C = A - B Difference Incr (Deer)	Reference	Line No.	
<u>A. Transmission Rate Base</u>						
1	<u>Net Transmission Plant:</u>					1
2	Transmission Plant	\$ 3,959,698	\$ 3,959,698	\$ -	Page 3.2 and Page 4.2, Line 2	2
3	Transmission Related Electric Miscellaneous Intangible Plant	13,463	13,463	-	Page 3.2 and Page 4.2, Line 3	3
4	Transmission Related General Plant	35,760	35,760	-	Page 3.2 and Page 4.2, Line 4	4
5	Transmission Related Common Plant	65,669	65,669	-	Page 3.2 and Page 4.2, Line 5	5
6	Total Net Transmission Plant	\$ 4,074,590	\$ 4,074,590	\$ -	Sum Lines 2 thru 5	6
7						7
8	<u>Rate Base Additions:</u>					8
9	Transmission Plant Held for Future Use	\$ 5,654	\$ 5,654	\$ -	Page 3.2 and Page 4.2, Line 9	9
10	Transmission Plant Abandoned Project Cost	-	-	-	Page 3.2 and Page 4.2, Line 10	10
11	Total Rate Base Additions	\$ 5,654	\$ 5,654	\$ -	Sum Lines 9 thru 10	11
12						12
13	<u>Rate Base Reductions:</u>					13
14	Transmission Related Accum. Def. Inc. Taxes	\$ (905,037)	\$ (905,037)	\$ -	Page 3.2 and Page 4.2, Line 14	14
15	Transmission Plant Abandoned Accum. Def. Inc. Taxes	-	-	-	Page 3.2 and Page 4.2, Line 15	15
16	Total Rate Base Reductions	\$ (905,037)	\$ (905,037)	\$ -	Sum Lines 14 thru 15	16
17						17
18	<u>Working Capital:</u>					18
19	Transmission Related Material and Supplies	\$ 37,814	\$ 37,814	\$ -	Page 3.2 and Page 4.2, Line 19	19
20	Transmission Related Prepayments	16,028	16,028	-	Page 3.2 and Page 4.2, Line 20	20
21	Transmission Related Cash Working Capital	15,346	15,346	-	Page 3.2 and Page 4.2, Line 21	21
22	Total Working Capital	\$ 69,188	\$ 69,188	\$ -	Sum Lines 19 thru 21	22
23						23
24	Other Regulatory Assets/Liabilities	\$ -	\$ -	\$ -	Page 3.2 and Page 4.2, Line 24	24
25						25
26	Total Transmission Rate Base	\$ 3,244,395	\$ 3,244,395	\$ -	Sum Lines 6; 11; 16; 22; 24	26
27						27
28	<u>B. Incentive ROE Project Transmission Rate Base:</u>					28
29	Net Incentive Transmission Plant ¹	\$ -	\$ -	\$ -	Page 3.2 and Page 4.2, Line 29	29
30	Incentive Transmission Plant Accum. Def. Income Taxes	-	-	-	Page 3.2 and Page 4.2, Line 30	30
31	Total Incentive ROE Project Transmission Rate Base	\$ -	\$ -	\$ -	Sum Lines 29 thru 30	31
32						32
33	<u>C. Incentive Transmission Plant Abandoned Project Rate Base:</u>					33
34	Incentive Transmission Plant Abandoned Project Cost	\$ -	\$ -	\$ -	Page 3.2 and Page 4.2, Line 34	34
35	Incentive Transmission Plant Abandoned Project Cost Accum. Def. Inc. Taxes	-	-	-	Page 3.2 and Page 4.2, Line 35	35
36	Total Incentive Transmission Plant Abandoned Project Cost Rate Base	\$ -	\$ -	\$ -	Sum Lines 34 thru 35	36
37						37
38	<u>D. Incentive Transmission Construction Work In Progress ²</u>	\$ -	\$ -	\$ -	Page 3.2 and Page 4.2, Line 38	38

√ Items that are in bold have changed compared to the revised TO4 Cycle 5 filing per ER18-358 on the Federal Income Tax Rate.

¹ The Incentive ROE Transmission Plant will be tracked and shown for each incentive project and lines 29 through 31 will be repeated for each project.

² Incentive CWIP projects will be tracked separately and line 38 will be shown for each project.

San Diego Gas & Electric Company
Statement BK-1
Derivation of Incremental BTRR Adjustments
TO4 Cycle 5 True-Up Period (1/1/2016 - 12/31/2016)
(\$1,000)

Line No.	A Revised TO4 C5 (For Fed Income Tax Rate Adj) Amounts	B As Filed TO4 C5 TU - Period ER18-358 Amounts	C = A - B Difference Incr (Deer)	Reference	Line No.
<u>A. Transmission Plant</u>					
<u>Gross Transmission Plant:</u>					
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
<u>B. Incentive Project Transmission Plant:</u>					
23					23
24					24
25					25

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

San Diego Gas & Electric Company
Statement BK-1
Derivation of Incremental BTRR Adjustments
TO4 Cycle 5 True-Up Period (1/1/2016 - 12/31/2016)
(\$1,000)

Line No.	A Revised TO4 C5 (For Fed Income Tax Rate Adj) Amounts	B As Filed TO4 C5 TU - Period ER18-358 Amounts	C = A - B Difference Incr (Deer)	Reference	Line No.	
<u>ANNUAL FIXED CHARGES APPLICABLE TO CAPITAL PROJECTS</u>						
1	<u>A. Derivation of Annual Fix Charge Rate (AFCR_{EU}) Applicable to</u>					1
2	<u>Weighted Forecast Plant Additions:</u>					2
3	PYRR _{EU} Excluding Franchise Fees and Uncollectible	\$ 619,517	\$ 676,005	\$ (56,488)	Page 3.4 and Page 4.4, Line 3	3
4	50% of Transmission O&M Expense	(36,625)	(36,625)	-	Page 3.4 and Page 4.4, Line 4	4
5	50% of Transmission Related A&G Expense	(24,758)	(24,758)	-	Page 3.4 and Page 4.4, Line 5	5
6	CPUC Intervenor Funding Expense	-	-	-	Page 3.4 and Page 4.4, Line 6	6
7	Valley Rainbow Project Cost Amortization Expense	-	-	-	Page 3.4 and Page 4.4, Line 7	7
8	South Georgia Income Tax Adjustment	(2,333)	(2,333)	-	Page 3.4 and Page 4.4, Line 8	8
9	Transmission Related Amortization of Investment Tax Credit	265	265	-	Page 3.4 and Page 4.4, Line 9	9
10	Transmission Related Amortization of Excess Deferred Tax Liabilities	-	-	-	Page 3.4 and Page 4.4, Line 10	10
11	(Gains)/Losses from Sale of Plant Held for Future Use	-	-	-	Page 3.4 and Page 4.4, Line 11	11
12	Total (PYRR EU) Excluding FF&U - Adjusted	<u>\$ 556,066</u>	<u>\$ 612,554</u>	<u>\$ (56,488)</u>	Sum Lines 3 thru 11	12
13						13
14	Gross Transmission Plant	\$ 5,073,310	\$ 5,073,310	\$ -	Page 3.4 and Page 4.4, Line 14	14
15						15
16	Annual Fix Charge Rate (AFCR _{EU})	10.9606%	12.0741%	-1.1135%	Page 3.4 and Page 4.4, Line 16	16
17						17
18	Weighted Forecast Plant Additions	\$ 867,661	\$ 867,661	\$ -	Page 3.4 and Page 4.4, Line 18	18
19						19
20	Forecast Period Capital Addition Revenue Requirements	<u>\$ 95,101</u>	<u>\$ 104,762</u>	<u>\$ (9,661)</u>	Line 16 x Line 18	20

▼ Items that are in bold have changed compared to the revised TO4 Cycle 5 filing per ER18-358 on the Federal Income Tax Rate.

San Diego Gas & Electric Company
Statement BK-1
Derivation of Incremental BTRR Adjustments
TO4 Cycle 5 True-Up Period (1/1/2016 - 12/31/2016)
(\$1,000)

Line No.	A Revised TO4 C5 (For Fed Income Tax Rate Adj) Amounts	B As Filed TO4 ER18-358 C5 TU - Period Amounts	C = A - B Difference Incr (Deer)	Reference	Line No.	
<u>ANNUAL FIXED CHARGES APPLICABLE TO INCENTIVE CAPITAL PROJECTS</u>						
1	<u>A. Derivation of Annual Fix Charge Rate (AFCR_{EU-IR-ROE}) Applicable to</u>					1
2	<u>Incentive Weighted Forecast Plant Additions (ROE Incentive Only):</u>					2
3	PYRR _{EU-IR-ROE} Excluding Franchise Fees and Uncollectible	\$ 619,517	\$ 676,005	\$ (56,488)	Page 3.5 and Page 4.5, Line 3	3
4	50% of Transmission O&M Expense	(36,625)	(36,625)	-	Page 3.5 and Page 4.5, Line 4	4
5	50% of Transmission Related A&G Expense	(24,758)	(24,758)	-	Page 3.5 and Page 4.5, Line 5	5
6	CPUC Intervenor Funding Expense - Transmission	-	-	-	Page 3.5 and Page 4.5, Line 6	6
7	Valley Rainbow Project Cost Amortization Expense	-	-	-	Page 3.5 and Page 4.5, Line 7	7
8	South Georgia Income Tax Adjustment	(2,333)	(2,333)	-	Page 3.5 and Page 4.5, Line 8	8
9	Transmission Related Amortization of Investment Tax Credit	265	265	-	Page 3.5 and Page 4.5, Line 9	9
10	Transmission Related Amortization of Excess Deferred Tax Liabilities	-	-	-	Page 3.5 and Page 4.5, Line 10	10
11	(Gains)/Losses from Sale of Plant Held for Future Use	-	-	-	Page 3.5 and Page 4.5, Line 11	11
12	Adjusted Total (PYRR _{EU-IR-ROE}) Excluding FF&U	<u>\$ 556,066</u>	<u>\$ 612,554</u>	<u>\$ (56,488)</u>	Sum Lines 3 thru 11	12
13						13
14	Gross Transmission Plant & Incentive Transmission Plant	\$ 5,073,310	\$ 5,073,310	\$ -	Page 3.5 and Page 4.5, Line 14	14
15						15
16	Incentive Annual Fix Charge Rate (AFCR _{EU-IR-ROE}) ¹	10.9606%	12.0741%	-1.1135%	Page 3.5 and Page 4.5, Line 16	16
17						17
18	Incentive Weighted Forecast Plant Additions	\$ -	-	\$ -	Page 3.5 and Page 4.5, Line 18	18
19						19
20	Forecast Period Incentive Capital Addition Revenue Requirements (FC _{EU-IR-ROE})	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	Line 16 x Line 18	20
21						21
22	<u>B. Derivation of Incentive Forecast Transmission CWIP Revenues:</u>					22
23	<u>1. For the Period After the Base Period and Before the Rate Effective Period:</u>					23
24	Incentive Weighted Forecast Transmission Construction Work In Progress	\$ -	\$ -	\$ -	Page 3.5 and Page 4.5, Line 24	24
25						25
26	Cost of Capital Rate (COCR)	<u>9.7639%</u>	11.5050%	<u>-1.7411%</u>	Page 3.5 and Page 4.5, Line 26	26
27						27
28	Incentive Transmission Forecast CWIP Projects Revenue Requirements	\$ -	\$ -	\$ -	Line 24 x Line 26	28
29						29
30	<u>2. For the Period During the Rate Effective Period:</u>					30
31	Incentive Weighted Forecast Transmission Construction Work In Progress	\$ -	\$ -	\$ -	Page 3.5 and Page 4.5, Line 31	31
32						32
33	Cost of Capital Rate (COCR)	<u>9.7639%</u>	11.5050%	<u>-1.7411%</u>	Page 3.5 and Page 4.5, Line 33	33
34						34
35	Incentive Transmission Forecast CWIP Projects Revenue Requirements	\$ -	\$ -	\$ -	Line 31 x Line 33	35
36						36
37	Total Incentive Transmission Forecast CWIP Projects Revenue Requirements	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	Sum Lines 28; 35	37

▼ Items that are in bold have changed compared to the revised TO4 Cycle 5 filing per ER18-358 on the Federal Income Tax Rate.

¹ The Incentive Annual Fixed Charge Rate will be tracked and shown for each incentive project as applicable.

San Diego Gas & Electric Company
Statement BK-1
Derivation of Incremental BTRR Adjustments
TO4 Cycle 5 True-Up Period (1/1/2016 - 12/31/2016)
(\$1,000)

Line No.	A Revised TO4 C5 (For Fed Income Tax Rate Adj) Amounts	B As Filed TO4 C5 TU - Period ER18-358 Amounts	C = A - B Difference Incr (Deer)	Reference	Line No.
1	<u>A. End Use Customer Base Transmission Revenue Requirement (BTRR_{EU}):</u>				1
2					2
3	\$ 619,517	\$ 676,005	\$ (56,488)	Page 3.6 and Page 4.6, Line 3	3
4					4
5	-	-	-	Page 3.6 and Page 4.6, Line 5	5
6					6
7	\$ 619,517	\$ 676,005	\$ (56,488)	Sum Lines 3 thru 5	7
8					8
9	\$ 30,689	\$ 30,689	\$ -	Page 3.6 and Page 4.6, Line 9	9
10					10
11	2,036	2,036	-	Page 3.6 and Page 4.6, Line 11	11
12					12
13	\$ 32,724	\$ 32,724	\$ -	Sum Lines 9 thru 11	13
14					14
15	<u>B. Annual Fixed Charges Applicable to Capital Projects:</u>				15
16					16
17	\$ 95,101	\$ 104,762	\$ (9,661)	Page 3.6 and Page 4.6, Line 17	17
18					18
19	<u>C. Annual Fixed Charges Applicable to Incentive Capital Projects:</u>				19
20					20
21	\$ -	\$ -	\$ -	Page 3.6 and Page 4.6, Line 21	21
22					22
23	<u>D. Incentive Forecast Transmission CWIP Revenues:</u>				23
24					24
25	\$ -	\$ -	\$ -	Page 3.6 and Page 4.6, Line 25	25
26					26
27	\$ 747,343	\$ 813,492	\$ (66,149)	Sum Lines 7; 13; 17; 21; 25	27
28					28
29	7,680	8,360	(680)	Line 27 x 1.0277%	29
30	1,300	1,415	(115)	Line 27 x 0.174%	30
31					31
32	\$ 756,323	\$ 823,267	\$ (66,944)	Sum Lines 27 thru 30	32

✓ Items that are in bold have changed compared to the revised TO4 Cycle 5 filing per ER18-358 on the Federal Income Tax Rate.

33	Retail BTRR Excluding FF&U Adjustment due to Fed Income Tax Rate Change	\$ (66,149)	Line 27 Above	33
34				34
35	2018 Allocation per FERC Show Cause Order No. EL18-62 dtd March 15, 2018	79%	Mar 15 thru Dec 31, 2018 = 9.5 months / 12	35
36				36
37	Retail BTRR Excluding FF&U Difference Associated with the Fed Income Tax Rate Change	\$ (52,368)	Line 33 * Line 35	37

San Diego Gas & Electric Company
Statement BK-1
Derivation of End Use Prior Year Revenue Requirements (PYRR_{EU})
For the Base Period & True-Up Period Ending December 31, 2016
(S1,000)

Line No.		Amounts ⁵	Reference	Line No.
1	A. Revenues:			1
2	Transmission Operation & Maintenance Expense	\$ 73,249	Statement AH; Page 5, Line 9	2
3				3
4	Transmission Related A&G Expense	49,516	Statement AH; Page 5, Line 56	4
5				5
6	CPUC Intervenor Funding Expense - Transmission	-	Statement AH; Page 5, Line 17	6
7				7
8	Total O&M Expenses	\$ 122,765	Sum Lines 2 thru 6	8
9				9
10	Transmission, General, Common Plant Depn. Exp., and Electric Misc. Intangible Plant Amort. Exp.	142,827	Statement AJ; Page 7, Line 17	10
11				11
12	Valley Rainbow Project Cost Amortization Expense	-	Statement AJ; Page 7, Line 19	12
13				13
14	Transmission Plant Abandoned Project Cost Amortization Expense	-	Statement AJ; Page 7, Line 23	14
15				15
16	Transmission Related Property Taxes Expense	38,137	Statement AK; Page 8, Line 27	16
17				17
18	Transmission Related Payroll Taxes Expense	2,458	Statement AK; Page 8, Line 33	18
19				19
20	Sub-Total Expense	\$ 306,187	Sum Lines 8 thru 18	20
21				21
22	Cost of Capital Rate _(COCR)	9.7639% v	Statement AV; Page 15, Line 31	22
23	Transmission Rate Base	3,244,395	Statement BK-1; Page 2, Line 26	23
24	Return and Associated Income Taxes	\$ 316,780 v	Line 22 x Line 23	24
25				25
26	South Georgia Income Tax Adjustment	\$ 2,333	Statement AQ; Page 11, Line 1	26
27	Transmission Related Amortization of Investment Tax Credits	(265)	Statement AR; Page 12, Line 1	27
28	Transmission Related Amortization of Excess Deferred Tax Liabilities	-	Statement AR; Page 12, Line 3	28
29	Transmission Related Revenue Credits	(5,518)	Statement AU; Page 13, Line 11	29
30	Transmission Related Regulatory Debits	-	Misc. Statement; Page 17, Line 1	30
31	(Gains)/Losses from Sale of Plant Held for Future Use	-	Statement AU; Page 13, Line 13	31
32				32
33	End of Prior Year Revenues (PYRR _{EU}) Excluding FF&U	\$ 619,517 v	Line 20 + Sum Lines (24 thru 31)	33
34				34
35	B. Incentive ROE Project Transmission Revenue:			35
36	Incentive Transmission Plant Depreciation Expense	\$ -	Statement AJ; Page 7; Line 21	36
37				37
38	Incentive Cost of Capital Rate _(COCR) ¹	0.0000% ⁴	Statement AV; Page 16, Line 31	38
39	Total Incentive ROE Project Transmission Rate Base	\$ -	Statement BK-1; Page 2; Line 31	39
40	Incentive ROE Project Return and Associated Income Taxes	\$ -	Line 38 x Line 39	40
41				41
42	Total Incentive ROE Project Transmission Revenue	\$ -	Sum Lines 36; 40	42
43				43
44	C. Incentive Transmission Plant Abandoned Project Revenue:			44
45	Incentive Transmission Plant Abandoned Project Cost Amortization Expense	\$ -	Statement AJ; Page 7; Line 25	45
46				46
47	Total Incentive Transmission Plant Abandoned Project Cost Rate Base	\$ -	Statement BK-1; Page 2; Line 36	47
48	Cost of Capital Rate _(COCR)	9.7639% v	Statement AV; Page 15, Line 31	48
49	Incentive Transmission Plant Abandoned Project Return and Associated Income Taxes	\$ -	Line 47 x Line 48	49
50				50
51	Total Incentive Transmission Plant Abandoned Project Revenue	\$ -	Sum Lines 45; 49	51
52				52
53	D. Incentive Transmission Construction Work In Progress (CWIP) Revenue:			53
54	Incentive Transmission Construction Work In Progress ²	\$ -	Statement BK-1; Page 2; Line 38	54
55	Cost of Capital Rate _(COCR)	9.7639% v	Statement AV; Page 15, Line 31	55
56	Incentive CWIP Return and Associated Income Taxes	\$ -	Line 54 x Line 55	56
57				57
58	Total Incentive End of Prior Year Revenues (PYRR _{EU-IR}) Excluding FF&U	\$ -	Sum Lines 42; 51; 56	58
59				59
60	E. Total (PYRR_{EU}) Excluding FF&U ³	\$ 619,517 v	Sum Lines 33; 58	60

v Items that are in bold have changed compared to the revised TO4 Cycle 5 filing per ER18-358 on the Federal Income Tax Rate.

¹ The incentive rate cost components for each ROE incentive project will be tracked and shown separately for each project and lines 36 through 40 will be repeated for each project. As a result, the data on this page may carryover to the next page.

² Incentive Transmission CWIP shall be the CWIP for which SDG&E is authorized to collect incentives under FERC Order No. 679 and will be tracked and shown for each project and lines 54 through 56 will be repeated for each project.

³ Total Prior Year Revenues (PYRR) or Base Period Revenue is for 12 months ending the applicable cycle base period.

⁴ The Incentive Cost of Capital Rate will be tracked and shown separately for each project. However, this will be entered as 0% in BK-1 when there's no incentive project to show.

⁵ Blank lines that show up in the Formula Rate Spreadsheet will not be populated with any numbers absent a Section 205 filing to approve the blank lines.

San Diego Gas & Electric Company
Statement BK-1
Derivation of End Use Prior Year Revenue Requirements (PYRR_{EU})
For the Base Period & True-Up Period Ending December 31, 2016
(S1,000)

Line No.	Amounts	Reference	Line No.
<u>A. Transmission Rate Base:</u>			
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			
<u>B. Incentive ROE Project Transmission Rate Base:</u>			
29			29
30			30
31			31
32			32
33			33
34			34
35			35
36			36
37			37
38			38
<u>C. Incentive Transmission Plant Abandoned Project Rate Base:</u>			
34			34
35			35
36			36
37			37
38			38
<u>D. Incentive Transmission Construction Work In Progress</u> ²			

▼ Items that are in bold have changed compared to the revised TO4 Cycle 5 filing per ER18-358 on the Federal Income Tax Rate.

¹ The Incentive ROE Transmission Plant will be tracked and shown for each incentive project and lines 29 through 31 will be repeated for each project.

² Incentive CWIP projects will be tracked separately and line 38 will be shown for each project.

San Diego Gas & Electric Company
Statement BK-1
Derivation of End Use Prior Year Revenue Requirements (PYRR_{EU})
For the Base Period & True-Up Period Ending December 31, 2016
((\$1,000))

Line No.	Amounts	Reference	Line No.
<u>A. Transmission Plant:</u>			
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
<u>B. Incentive Project Transmission Plant:</u>			
23			23
24			24
25			25

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

REVISED

San Diego Gas & Electric Company
Statement BK-1
Derivation of End Use Forecast Period Capital Additions Revenue Requirements (FC_{EU})
For the Forecast Period January 1, 2017 - December 31, 2018
((\$1,000))

Line No.	Amounts	Reference	Line No.
ANNUAL FIXED CHARGES APPLICABLE TO CAPITAL PROJECTS			
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
	\$ 619,517 ✓	Statement BK-1; Page 1; Line 33	
	(36,625)	Statement BK-1; Page 1; Line 2 * 50%	
	(24,758)	Statement BK-1; Page 1; Line 4 * 50%	
	-	Statement BK-1; Page 1; Line 6	
	-	Statement BK-1; Page 1; Line 12	
	(2,333)	Statement BK-1; Page 1; Line 26	
	265	Statement BK-1; Page 1; Line 27	
	-	Statement BK-1; Page 1; Line 28	
	-	Statement BK-1; Page 1; Line 31	
	\$ 556,066 ✓	Sum Lines 3 thru 11	
	\$ 5,073,310	Statement BK-1; Page 3, Line 6	
	10.9606% ✓	Line 12 / Line 14	
	\$ 867,661	Summary of HV-LV Plant Additions; Pg 1; Ln 5, Col. (f)	
	\$ 95,101 ✓	Line 16 x Line 18	

✓ Items that are in bold have changed compared to the revised TO4 Cycle 5 filing per ER18-358 on the Federal Income Tax Rate.

San Diego Gas & Electric Company
Statement BK-1
Derivation of End Use Forecast Period Capital Additions Revenue Requirements (FC_{EU})
For the Forecast Period January 1, 2017 - December 31, 2018
(\$1,000)

Line No.	Amounts	Reference	Line No.	
ANNUAL FIXED CHARGES APPLICABLE TO INCENTIVE CAPITAL PROJECTS				
A. Derivation of Annual Fix Charge Rate (AFCR_{EU-IR-ROE}) Applicable to Incentive Weighted Forecast Plant Additions (ROE Incentive Only):				
1			1	
2			2	
3	PYRR _{EU-IR-ROE} Excluding Franchise Fees and Uncollectible	\$ 619,517 v	Statement BK-1; Page 1; Line 33 + Line 42	3
4	50% of Transmission O&M Expense	(36,625)	Statement BK-1; Page 1; Line 2 * 50%	4
5	50% of Transmission Related A&G Expense	(24,758)	Statement BK-1; Page 1; Line 4 * 50%	5
6	CPUC Intervenor Funding Expense - Transmission	-	Statement BK-1; Page 1; Line 6	6
7	Valley Rainbow Project Cost Amortization Expense	-	Statement BK-1; Page 1; Line 12	7
8	South Georgia Income Tax Adjustment	(2,333)	Statement BK-1; Page 1; Line 26	8
9	Transmission Related Amortization of Investment Tax Credit	265	Statement BK-1; Page 1; Line 27	9
10	Transmission Related Amortization of Excess Deferred Tax Liabilities	-	Statement BK-1; Page 1; Line 28	10
11	(Gains)/Losses from Sale of Plant Held for Future Use	-	Statement BK-1; Page 1; Line 31	11
12	Adjusted Total (PYRR _{EU-IR-ROE}) Excluding FF&U	\$ 556,066 v	Sum Lines 3 thru 11	12
13				13
14	Gross Transmission Plant & Incentive Transmission Plant	\$ 5,073,310	Statement BK-1; Page 3, Line 6 + Line 23	14
15				15
16	Incentive Annual Fix Charge Rate (AFCR _{EU-IR-ROE}) ¹	10.9606% v	Line 12 / Line 14	16
17				17
18	Incentive Weighted Forecast Plant Additions	\$ -	Summary of HV-LV Plant Additions; Pg 1; Ln 8; Col. (f)	18
19				19
20	Forecast Period Incentive Capital Addition Revenue Requirements (FC _{EU-IR-ROE})	\$ -	Line 16 x Line 18	20
21				21
22	B. Derivation of Incentive Forecast Transmission CWIP Revenues:			22
23	1. For the Period After the Base Period and Before the Rate Effective Period:			23
24	Incentive Weighted Forecast Transmission Construction Work In Progress	\$ -	Summary of HV-LV Plant Additions; Pg 1; Ln 10; Col. (f)	24
25				25
26	Cost of Capital Rate (COCR)	9.7639% v	Statement AV; Page 15, Line 31	26
27				27
28	Incentive Transmission Forecast CWIP Projects Revenue Requirements	\$ -	Line 24 x Line 26	28
29				29
30	2. For the Period During the Rate Effective Period:			30
31	Incentive Weighted Forecast Transmission Construction Work In Progress	\$ -	Summary of HV-LV Plant Additions; Pg 1; Ln 12; Col. (f)	31
32				32
33	Cost of Capital Rate (COCR)	9.7639% v	Statement AV; Page 15, Line 31	33
34				34
35	Incentive Transmission Forecast CWIP Projects Revenue Requirements	\$ -	Line 31 x Line 33	35
36				36
37	Total Incentive Transmission Forecast CWIP Projects Revenue Requirements	\$ -	Sum Lines 28; 35	37

v Items that are in bold have changed compared to the revised TO4 Cycle 5 filing per ER18-358 on the Federal Income Tax Rate.

¹ The Incentive Annual Fixed Charge Rate will be tracked and shown for each incentive project as applicable.

REVISED

San Diego Gas & Electric Company
Statement BK-1
Derivation of End Use Base Transmission Revenue Requirements (BTRR_{EU})
For the Rate Effective Period January 1, 2018 - December 31, 2018
(\$1,000)

Line No.		Amounts	Reference	Line No.
1	<u>A. End Use Customer Base Transmission Revenue Requirement (BTRR_{EU}):</u>			1
2				2
3	End of Prior Year Revenues (PYRR _{EU}) Excluding FF&U	\$ 619,517 ✓	Statement BK-1; Page 1; Line 33	3
4				4
5	Incentive End of Prior Year Revenues (PYRR _{EU-R}) Excluding FF&U	-	Statement BK-1; Page 1; Line 58	5
6				6
7	Sub-Total Base Period Revenues	\$ 619,517 ✓	Sum Lines 3 thru 5	7
8				8
9	Retail True-Up Period Adjustment	\$ 30,689	(Retail TU Adj; Total Col; Line 29) / 1,000	9
10				10
11	Retail Interest True-Up Adjustment ¹	2,036	(Retail Int TU-1 + Retail Int TU-2; Ttl Col; Ln 18)/1,000	11
12				12
13	Sub-Total True-Up Adjustments	\$ 32,724	Sum Lines 9 thru 11	13
14				14
15	<u>B. Annual Fixed Charges Applicable to Capital Projects:</u>			15
16				16
17	Forecast Period Capital Addition Revenue Requirements	\$ 95,101 ✓	Statement BK-1; Page 4, Line 20	17
18				18
19	<u>C. Annual Fixed Charges Applicable to Incentive Capital Projects:</u>			19
20				20
21	Forecast Period Incentive Capital Additions Revenue Requirements (FC _{EU-R,ROE})	\$ -	Statement BK-1; Page 5, Line 20	21
22				22
23	<u>D. Incentive Forecast Transmission CWIP Revenues:</u>			23
24				24
25	Incentive Transmission Forecast CWIP Projects Revenue Requirements	\$ -	Statement BK-1; Page 5, Line 37	25
26				26
27	<u>E. Subtotal BTRR_{EU} Excluding FF&U:</u>	\$ 747,343 ✓	Sum Lines 7; 13; 17; 21; 25	27
28				28
29	Transmission Related Municipal Franchise Fees Expenses	7,680 ✓	Line 27 x 1.0277%	29
30	Transmission Related Uncollectible Expense	1,300 ✓	Line 27 x 0.174%	30
31				31
32	<u>F. Total Retail BTRR_{EU} With FF&U</u>	\$ 756,323 ✓	Sum Lines 27 thru 30	32

✓ Items that are in bold have changed compared to the revised TO4 Cycle 5 filing per ER18-358 on the Federal Income Tax Rate.

¹ This amount represents the Interest True-Up Adjustment on the previous cycle True-Up Adjustment under-collection/(over-collection) balance.

San Diego Gas & Electric Company
Statement BK-1
Derivation of End Use Prior Year Revenue Requirements (PYRR_{EU})
For the Base Period & True-Up Period Ending December 31, 2016
(\$1,000)

Line No.	Amounts ⁵	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
53			53
54			54
55			55
56			56
57			57
58			58
59			59
60			60

¹ The incentive rate cost components for each ROE incentive project will be tracked and shown separately for each project and lines 36 through 40 will be repeated for each project. As a result, the data on this page may carryover to the next page.

² Incentive Transmission CWIP shall be the CWIP for which SDG&E is authorized to collect incentives under FERC Order No. 679 and will be tracked and shown for each project and lines 54 through 56 will be repeated for each project.

³ Total Prior Year Revenues (PYRR) or Base Period Revenue is for 12 months ending the applicable cycle base period.

⁴ The Incentive Cost of Capital Rate will be tracked and shown separately for each project. However, this will be entered as 0% in BK-1 when there's no incentive project to show.

⁵ Blank lines that show up in the Formula Rate Spreadsheet will not be populated with any numbers absent a Section 205 filing to approve the blank lines.

San Diego Gas & Electric Company
Statement BK-1
Derivation of End Use Prior Year Revenue Requirements (PYRR_{ED})
For the Base Period & True-Up Period Ending December 31, 2016
(\$1,000)

Line No.	Amounts	Reference	Line No.
A. Transmission Rate Base:			
1			1
<u>Net Transmission Plant:</u>			
2			2
3	\$ 3,959,698	Statement BK-1; Page 3; Line 16	3
4	13,463	Statement BK-1; Page 3; Line 17	4
5	35,760	Statement BK-1; Page 3; Line 18	5
6	65,669	Statement BK-1; Page 3; Line 19	6
7	\$ 4,074,590	Sum Lines 2 thru 5	7
<u>Rate Base Additions:</u>			
9	\$ 5,654	Statement AG; Page 4; Line 1	9
10	-	Misc. Statement; Page 17, Line 4	10
11	\$ 5,654	Sum Lines 9 thru 10	11
<u>Rate Base Reductions:</u>			
14	\$ (905,037)	Statement AF; Page 3; Line 5	14
15	-	Statement AF; Page 3; Line 9	15
16	\$ (905,037)	Sum Lines 14 thru 15	16
<u>Working Capital:</u>			
19	\$ 37,814	Statement AL; Page 9; Line 5	19
20	16,028	Statement AL; Page 9; Line 9	20
21	15,346	Statement AL; Page 9; Line 19	21
22	\$ 69,188	Sum Lines 19 thru 21	22
24	-	Misc. Statement; Page 17, Line 7	24
26	\$ 3,244,395	Sum Lines 6; 11; 16; 22; 24	26
B. Incentive ROE Project Transmission Rate Base:			
29	\$ -	Statement BK-1; Page 3; Line 25	29
30	-	Statement AF; Page 3; Line 7	30
31	\$ -	Sum Lines 29 thru 30	31
C. Incentive Transmission Plant Abandoned Project Rate Base:			
34	\$ -	Misc. Statement; Page 17, Line 10	34
35	-	Statement AF; Page 3; Line 11	35
36	\$ -	Sum Lines 34 thru 35	36
D. Incentive Transmission Construction Work In Progress ²			
38	\$ -	Statement AM; Page 10; Line 1	38

¹ The Incentive ROE Transmission Plant will be tracked and shown for each incentive project and lines 29 through 31 will be repeated for each project.

² Incentive CWIP projects will be tracked separately and line 38 will be shown for each project.

San Diego Gas & Electric Company
Statement BK-1
Derivation of End Use Prior Year Revenue Requirements (PYRR_{EU})
For the Base Period & True-Up Period Ending December 31, 2016
(\$1,000)

Line No.	Amounts	Reference	Line No.
A. Transmission Plant:			
1			1
<u>Gross Transmission Plant:</u>			
2			2
3	\$ 4,857,202	Statement AD; Page 1, Line 15	3
4	26,074	Statement AD; Page 1, Line 31	4
5	58,773	Statement AD; Page 1, Line 33	5
6	131,261	Statement AD; Page 1, Line 35	6
7	<u>\$ 5,073,310</u>	Sum Lines 2 thru 5	7
<u>Transmission Related Depreciation Reserve:</u>			
8			8
9	\$ 897,504	Statement AE; Page 2, Line 1	9
10	12,611	Statement AE; Page 2, Line 11	10
11	23,013	Statement AE; Page 2, Line 13	11
12	65,592	Statement AE; Page 2, Line 15	12
13	<u>\$ 998,720</u>	Sum Lines 9 thru 12	13
14			14
<u>Net Transmission Plant:</u>			
15			15
16	\$ 3,959,698	Line 2 Minus Line 9	16
17	13,463	Line 3 Minus Line 10	17
18	35,760	Line 4 Minus Line 11	18
19	65,669	Line 5 Minus Line 12	19
20	<u>\$ 4,074,590</u>	Sum Lines 16 thru 19	20
21			21
B. Incentive Project Transmission Plant:			
22			22
23	\$ -	Statement AD; Page 1, Line 17	23
24	-	Statement AE; Page 2, Line 19	24
25	<u>\$ -</u>	Line 23 Minus Line 24	25

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

San Diego Gas & Electric Company
Statement BK-1
Derivation of End Use Forecast Period Capital Additions Revenue Requirements (FC_{EU})
For the Forecast Period January 1, 2017 - December 31, 2018
(\$1,000)

Line No.	Amounts	Reference	Line No.
ANNUAL FIXED CHARGES APPLICABLE TO CAPITAL PROJECTS			
1			1
A. Derivation of Annual Fix Charge Rate (AFCR_{EU}) Applicable to			
2			2
Weighted Forecast Plant Additions:			
3	\$ 676,005	Statement BK-1; Page 1; Line 33	3
4	(36,625)	Statement BK-1; Page 1; Line 2 * 50%	4
5	(24,758)	Statement BK-1; Page 1; Line 4 * 50%	5
6	-	Statement BK-1; Page 1; Line 6	6
7	-	Statement BK-1; Page 1; Line 12	7
8	(2,333)	Statement BK-1; Page 1; Line 26	8
9	265	Statement BK-1; Page 1; Line 27	9
10	-	Statement BK-1; Page 1; Line 28	10
11	-	Statement BK-1; Page 1; Line 31	11
12	\$ 612,554	Sum Lines 3 thru 11	12
13			13
14	\$ 5,073,310	Statement BK-1; Page 3, Line 6	14
15			15
16	12.0741%	Line 12 / Line 14	16
17			17
18	\$ 867,661	Summary of HV-LV Plant Additions; Pg 1; Ln 5, Col. (f)	18
19			19
20	\$ 104,762	Line 16 x Line 18	20

San Diego Gas & Electric Company
Statement BK-1
Derivation of End Use Forecast Period Capital Additions Revenue Requirements (FC_{EU})
For the Forecast Period January 1, 2017 - December 31, 2018
(\$1,000)

Line No.	Amounts	Reference	Line No.
ANNUAL FIXED CHARGES APPLICABLE TO INCENTIVE CAPITAL PROJECTS			
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

¹ The Incentive Annual Fixed Charge Rate will be tracked and shown for each incentive project as applicable.

San Diego Gas & Electric Company
Statement BK-1
Derivation of End Use Base Transmission Revenue Requirements (BTRR_{EU})
For the Rate Effective Period January 1, 2018 - December 31, 2018
(\$1,000)

Line No.	Amounts	Reference	Line No.
1			1
2			2
3			3
4			4
5			5
6			6
7			7
8			8
9			9
10			10
11			11
12			12
13			13
14			14
15			15
16			16
17			17
18			18
19			19
20			20
21			21
22			22
23			23
24			24
25			25
26			26
27			27
28			28
29			29
30			30
31			31
32			32

¹ This amount represents the Interest True-Up Adjustment on the previous cycle True-Up Adjustment under-collection/(over-collection) balance.

REVISED

SAN DIEGO GAS AND ELECTRIC COMPANY
Statement AV - Workpapers
Cost of Capital and Fair Rate of Return

Base Period & True-Up Period 12 - Months Ending December 31, 2016

(\$1,000)

Line No.	Amounts	Reference	Line No.
1	<u>Long-Term Debt Component - Denominator:</u>		1
2	(Plus) Bonds (Acct. 221) (p112.Line18c)	\$ 4,348,934 Form 1; Page 112; Line 18c	2
3	(Less) Reacquired Bonds (Acct. 222) (p112.Line19c)	- Form 1; Page 112; Line 19c	3
4	(Plus) Other Long-Term Debt (Acct. 224) (p112.Line21c)	- Form 1; Page 112; Line 21c	4
5	(Plus) Unamortized Premium on Long-Term Debt (Acct 225) (p112.Line22c)	- Form 1; Page 112; Line 22c	5
6	(Less) Unamortized Discount on Long-Term Debt-Debit (Acct 226) (p112.Line23c)	10,661 Form 1; Page 112; Line 23c	6
7	LTD = Long Term Debt (p112, sum of Line17d thru Line22d, details on p256-257)	\$ 4,338,273 Line 2 Minus Line 3 Plus Lines 4 & 5 Minus Line 6	7
8			8
9	<u>Long-Term Debt Component - Numerator:</u>		9
10	(Plus) Interest on Long-Term Debt (427) (p117.Line62c)	\$ 176,237 Form 1; Page 117; Line 62c	10
11	(Plus) Amort. of Debt Disc. and Expense (428) (p117.Line63c)	3,332 Form 1; Page 117; Line 63c	11
12	(Plus) Amortization of Loss on Reacquired Debt (428.1) (p117.Line64c)	3,264 Form 1; Page 117; Line 64c	12
13	(Less) Amort. of Premium on Debt-Credit (429) (p117.Line65c)	- Form 1; Page 117; Line 65c	13
14	(Less) Amortization of Gain on Reacquired Debt-Credit (429.1) (p117.Line66c)	- Form 1; Page 117; Line 66c	14
15	i = LTD interest (p117, sum of Line56c thru Line60c, details on p257))	\$ 182,833 Sum Lines 10; 11; 12 Minus Lines 13 & 14	15
16			16
17	<u>Cost of Long-Term Debt:</u>	4.21% Line 15 / Line 7	17
18			18
19	<u>Preferred Equity Component:</u>		19
20	PF = Preferred Stock - Acct 204 (p112.3c)	\$ - Form 1; Page 112; Line 3c	20
21	d(pf) = Total Dividends Declared-Preferred Stocks (Acct. 437) (p118.29c)	\$ - Form 1; Page 118; Line 29c	21
22	Cost of Preferred Equity	0.00% Line 21 / Line 20	22
23			23
24	<u>Common Equity Component:</u>		24
25	Proprietary Capital (p112.16c)	\$ 5,640,460 Form 1; Page 112; Line 16c	25
26	(Less) Preferred Stock - Acct 204 (p112.3c)	- Form 1; Page 112; Line 3c	26
27	(Less) Unappropriated Undistributed Subsidiary Earnings (Acct. 216.1) (p112.12c)	- Form 1; Page 112; Line 12c	27
28	(Less) Accumulated Other Comprehensive Income (Acct. 219) (p112.15c)	(7,479) Form 1; Page 112; Line 15c	28
29	CS = Common Stock	\$ 5,647,939 Line 25 Minus Lines 26, 27 & 28	29
30			30
31	<u>Return on Common Equity:</u>	10.05% Offer of Settlement in FERC Docket No. ER13-941-001	31
32			32
33	(a) (b) (c) (d) = (b) x (c)	Weighted	33
34	<u>Weighted Cost of Capital:</u>	Amount ¹ Ratio Cost of Capital Cost of Capital	34
35			35
36	Long-Term Debt	\$ 4,338,273 43.44% 4.21% 1.83%	Col. C = Line 17 Above 36
37	Preferred Equity	- 0.00% 0.00% 0.00%	Col. C = Line 22 Above 37
38	Common Equity	5,647,939 56.56% 10.05% 5.68%	Col. C = Line 31 Above 38
39	Total Capital	\$ 9,986,212 100.00% 7.51%	Sum Lines 36 thru 38 39
40			40
41	<u>Cost of Equity Component (Preferred & Common):</u>	5.68%	Sum Lines 37; 38; Col. (d) 41
42			42
43			43
44	<u>Incentive Return on Common Equity:</u> ²	0.00%	Stmnt AV WP; Page AV-1; Line 1 44
45	(a) (b) (c) (d) = (b) x (c)	Weighted	45
46	<u>Weighted Cost of Capital:</u>	Amount ¹ Ratio Cost of Capital Cost of Capital	46
47			47
48			48
49	Long-Term Debt	\$ 4,338,273 43.44% 4.21% 1.83%	Col. C = Line 17 Above 49
50	Preferred Equity	- 0.00% 0.00% 0.00%	Col. C = Line 22 Above 50
51	Common Equity	5,647,939 56.56% 0.00% 0.00%	Col. C = Line 44 Above 51
52	Total Capital	\$ 9,986,212 100.00% 1.83%	Sum Lines 49 thru 51 52
53			53
54	<u>Incentive Cost of Equity Component (Preferred & Common):</u>	0.00%	Sum Lines 50; 51; Col. (d) 54

¹ Amount is based upon December 31 balances.

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

REVISED

SAN DIEGO GAS AND ELECTRIC COMPANY

Statement AV

Cost of Capital and Fair Rate of Return

Base Period & True-Up Period 12 - Months Ending December 31, 2016

(\$1,000)

Line No.		Amounts	Reference	Line No.
1	Cost of Capital Rate _(COCR) Calculation:			1
2				2
3	<u>a. Federal Income Tax Component:</u>			3
4				4
5	Where:			5
6	A = Sum of Preferred Stock and Return on Equity Component	5.68%	Stmt AV WP; Page AV1; Line 41	6
7	B = Trans. Related Amort. of ITC and Excess Deferred Tax Liab.	\$ 265	Statement AR; Page 1; Line 5	7
8	C = Equity AFUDC Component of Transmission Depreciation Expense	\$ 4,857	Stmt AV WP; Page AV-1; Line 4	8
9	D = Transmission Rate Base	\$ 3,244,395	Statement BK1; Page 2; Line 26	9
10	FT = Federal Income Tax Rate @ 35%	21.00% v	Federal Income Tax Rate	10
11				11
12	Federal Income Tax = $\frac{((A) + (C / D)) * FT - (B / D)}{(1 - FT)}$	1.5393% v	Federal Income Tax Expense	12
13				13
14				14
15	<u>B. State Income Tax Component:</u>			15
16				16
17	Where:			17
18	A = Sum of Preferred Stock and Return on Equity Component	5.68%	Stmt AV WP; Page AV1; Line 41	18
19	B = Equity AFUDC Component of Transmission Depreciation Expense	\$ 4,857	Line 8 Above	19
20	C = Transmission Rate Base	\$ 3,244,395	Statement BK1; Page 2; Line 26	20
21	FT = Federal Income Tax Expense	1.5393% v	Line 12 Above	21
22	ST = State Income Tax Rate @ 8.84%	8.84%	State Income Tax Rate	22
23				23
24	State Income Tax = $\frac{((A) + (B / C) + \text{Federal Income Tax}) * (ST)}{(1 - ST)}$	0.7146% v	State Income Tax Expense	24
25				25
26				26
27	<u>C. Total Federal & State Income Tax Rate:</u>	2.2539% v	Sum Lines 12; 24	27
28				28
29	<u>D. Total Weighted Cost of Capital:</u>	7.5100%	Stmt AV WP; Page AV1; Line 39	29
30				30
31	<u>E. Cost of Capital Rate _(COCR):</u>	9.7639% v	Sum Lines 27; 29	31

v Items that are in bold have changed compared to the revised TO4 Cycle 5 filing per ER18-358 on the Federal Income Tax Rate.

REVISED

SAN DIEGO GAS AND ELECTRIC COMPANY
Statement AV

Cost of Capital and Fair Rate of Return

Base Period & True-Up Period 12 - Months Ending December 31, 2016

(\$1,000)

Line No.	Amounts	Reference	Line No.
1			1
2			2
3			3
4			4
5			5
6	0.00%	Stmt AV WP; Page AV1; Line 54	6
7	0	Shall be Zero for Incentive ROE Projects	7
8	\$ -	Stmt AV WP; Page AV-1; Line 7	8
9	\$ -	Statement BK1; Page 2; Line 31	9
10	21%	Stmt AV WP; Page AV2; Line 10	10
11			11
12		Federal Income Tax Expense	12
13			13
14			14
15			15
16			16
17			17
18	0.00%	Stmt AV WP; Page AV1; Line 54	18
19	\$ -	Line 8 Above	19
20	\$ -	Line 9 Above	20
21	#DIV/0!	Line 12 Above	21
22	8.84%	Stmt AV WP; Page AV2; Line 22	22
23			23
24		State Income Tax Expense	24
25			25
26			26
27		Sum Lines 12; 24	27
28			28
29	1.8300%	Stmt AV WP; Page AV1; Line 52	29
30			30
31	#DIV/0! ¹	Sum Lines 27; 29	31

¹ The Incentive Cost of Capital Rate Calculation will be tracked and shown separately for each project. As a result, lines 3 through 31 will be repeated for each project. However, this will be entered as 0% in BK-1 when there's no incentive project to show.

**San Diego Gas & Electric
Federal Income Tax Rate Adjustment
Plus Accrued Interest Expense (Jan 2018 - Dec 2018)
(\$1,000)¹**

Line No.	Description	Reference	2018												Total
			Jan-18	Feb-18	Mar-18	Apr-18	May-18	Jun-18	Jul-18	Aug-18	Sep-18	Oct-18	Nov-18	Dec-18	
1	Beginning Balance (Overcollection)/Undercollection	Previous Month's Balance	\$ -	\$ -	\$ -	\$ (2,761)	\$ (8,294)	\$ (13,848)	\$ (19,421)	\$ (25,023)	\$ (30,646)	\$ (36,288)	\$ (41,964)	\$ (47,660)	\$ -
2	Retail BTRR Excluding F&U Difference Associated with the Fed Income Tax Rate Change ¹	Monthly Allocation from Mar 15 - Dec 31, 2018			\$ (2,756)	\$ (5,512)	\$ (5,512)	\$ (5,512)	\$ (5,512)	\$ (5,512)	\$ (5,512)	\$ (5,512)	\$ (5,512)	\$ (5,512)	\$ (52,368)
3															
4	Net Monthly (Overcollection)/Undercollection	Sum Line 3	\$ -	\$ -	\$ (2,756)	\$ (5,512)	\$ (5,512)	\$ (5,512)	\$ (5,512)	\$ (5,512)	\$ (5,512)	\$ (5,512)	\$ (5,512)	\$ (5,512)	\$ (52,368)
5															
6	Interest Expense Calculation: ²														
7	Beginning Balance for Interest Calculation	Beginning Quarterly Balances	\$ -	\$ -	\$ -	\$ (2,761)	\$ (2,761)	\$ (2,761)	\$ (19,421)	\$ (19,421)	\$ (19,421)	\$ (36,288)	\$ (36,288)	\$ (36,288)	
8	Monthly Activity Included in Interest Calculation Basis	Interest Calculation Basis	0	0	(1,378)	(2,756)	(8,269)	(13,781)	(2,756)	(8,269)	(13,781)	(2,756)	(8,269)	(13,781)	
9															
10	Basis for Interest Expense Calculation	Line 8 + Line 10	0	0	(1,378)	(5,517)	(11,030)	(16,542)	(22,177)	(27,690)	(33,202)	(39,044)	(44,557)	(50,069)	
11	Monthly Interest Rate ³	FERC Monthly Rates	0.36000%	0.33000%	0.36000%	0.37000%	0.38000%	0.37000%	0.40000%	0.40000%	0.39000%	0.42000%	0.41000%	0.42000%	
12	Interest Expense	Line 12 x Line 14	\$ -	\$ -	\$ (5)	\$ (20)	\$ (42)	\$ (61)	\$ (89)	\$ (111)	\$ (129)	\$ (164)	\$ (183)	\$ (210)	\$ (1,014)
13															
14	Ending Balance (Overcollection)/Undercollection	Line 1 + Line 5 + Line 16	\$ -	\$ -	\$ (2,761)	\$ (8,294)	\$ (13,848)	\$ (19,421)	\$ (25,023)	\$ (30,646)	\$ (36,288)	\$ (41,964)	\$ (47,660)	\$ (53,382)	\$ (53,382)
15															
16															
17															
18															
19															

NOTES:

- Total Undercollection on line 5 ties to Page 2.6; Col (c); Line 37.
- Interest expense calculation is predicated based on the methodology prescribed under Title 18 of the Code of Federal Regulations, Section 35.19A, where interest expense is compounded on a quarterly basis using the average balance of the overcollection or undercollection.
- Interest rates are based on the actual rate posted on the FERC website thru Dec 2018.