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October 2, 2012

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

**Re: San Diego Gas & Electric Company, Docket No. ER11-4318-00 ;
Compliance Filing**

Dear Secretary Bose:

Pursuant to *Order on Compliance Filing*,¹ issued August 3, 2012 (*Compliance Order*), pertaining to San Diego Gas & Electric Company (“SDG&E”) Transmission Owner (“TO”) Formula 3 (“TO3”) Cycle 5 Informational Filing, SDG&E submits an original and five (5) copies of this Compliance Filing.

More specifically, the *Compliance Order*, among other things, directed SDG&E to make a Compliance Filing expensing all wildfire insurance premiums and wildfire third-party property losses (collectively, Wildfire Costs) to Account 925, without capitalizing any components of those costs (“Compliance Adjustments”). This Compliance Filing complies with that directive.²

I. DESCRIPTION OF THE FILING AND LIST OF DOCUMENTS SUBMITTED

This Compliance Filing consists of the following:

1. Volume 1—Contains the following:
 - a. Cover Letter

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

² The *Compliance Order* also directed SDG&E to resubmit FERC Form No. 1 filings with the corrected amount recorded in Account 925 and all other accounts affected. SDG&E has resubmitted the FERC Form No. 1 filings for 2010 and 2011, the Base Periods for TO3 Cycles 5 and 6.

- b. Revised Appendix I—SDG&E’s California Independent System Operator Corporation’s (“CAISO”) High Voltage and Low Voltage Transmission Revenue Requirements;
 - c. Attestation;
 - d. Attachment I—Cycle 5 Compliance Report which serves as a roadmap to the cost statements that changed as a result of this Compliance Filing, with supporting workpapers;
2. Volume 2—Contains all revised Base Period Revenue, True-Up Period Revenue and Forecast Period Revenue cost statements supporting the revised Retail BTRR and Wholesale BTRR resulting from this Compliance Filing;
 3. Volume 3—Contains all work papers supporting the cost statements in Volume 1.

As reflected in Appendix I, the Cycle 5 Compliance Filing Wholesale BTRR is equal to \$404.443 M and as reflected in Statement BG, Retail BTRR is equal to \$402.197 M.

II. REFUND PROCEDURES

Any refunds resulting from this Compliance Filing will be made pursuant to the CAISO Tariff. SDG&E will provide such refunds to the CAISO based on the rates that result from the revised BTRR, with interest as required under 18 C.F.R. §35.19(a). Within ten (10) business days of the date on which all necessary approvals of this Compliance Filing are obtained, SDG&E will request that the CAISO calculate and make refunds to Participating Transmission Owners (“PTO”) and Scheduling Coordinators for Access Charges and Wheeling Access Charges, as appropriate, under the CAISO Tariff. SDG&E will also request that the CAISO adjust the Wheeling Access Charge revenues allocable to each PTO to reflect the refunds for Wheeling Access Charge service. Further, SDG&E will request that the CAISO, consistent with its Tariff, ensure that such adjustments to Wheeling Access Charge revenues be debited to each PTO’s TRBA in the first restatement of SDG&E’s and other PTOs’ TRBAs following all approvals of this Compliance Filing.

Refunds for retail End Use Customers resulting from the Compliance Filing will be effectuated through the TO3 Final True-Up Adjustment, plus interest as required by the Commission’s regulations, 18 C.F.R. §35.19. The refunds will be based upon a refund period from September 1, 2011 through August 31, 2012.

III. COMMUNICATIONS

Correspondence and other communications concerning this Compliance Filing should be addressed to:³

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IV. REQUEST FOR WAIVER

SDG&E believes the data contained in this Compliance Filing provides sufficient information for the Commission to accept this Filing; however, to the extent necessary, SDG&E requests the Commission to waive its filing requirements contained in Section 35.13 of the Commission's Regulations.⁴

SDG&E also seeks any waivers deemed necessary to permit it to recover \$918,000 in its TO3 Final True-Up Filing. More specifically, SDG&E has not reflected this amount in this Compliance Filing because the *Compliance Order* is limited to Cycle 5 and these costs arise from the overlap of the Cycle 4 True-Up Period with the Cycle 5 Base Period. January, February and March 2010 are the last three months of the Cycle 4 True-Up Period and the first three months of the Cycle 5 Base Period. Accordingly, SDG&E seeks Commission authorization to make Compliance Adjustments for the last three months of the Cycle 4 True-Up Period in its TO3 Final True Up. The work paper supporting the \$918,000 is contained in Volume 2 of this Compliance Filing.

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

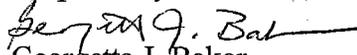
⁴ 18. C.F.R. §35.13.

Kimberly D. Bose, Secretary
October 2, 2012
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V. SERVICE

A copy of this Compliance Filing is being served on all parties to Docket No. ER11-4318-000. In addition, this Compliance Filing is also being served on the California Public Utilities Commission, the CAISO, Pacific Gas and Electric Company, Southern California Edison Company and the CAISO-registered Scheduling Coordinators.

Respectfully submitted,


Georgetta J. Baker

James F. Walsh

Attorneys for San Diego Gas & Electric Company

San Diego Gas & Electric Company

Appendix - I

Docket No. ER11-4318-001

APPENDIX - I
SDG&E's Transmission Revenue Requirement
Cycle 5 Order on Compliance Filing Per Docket ER11-4318-001
Effective September 1, 2011

1. **End-Use Customers:** For purposes of the calculation of End-Use Transmission Rates, the Transmission Revenue Requirement shall be \$399,631,184, which is composed of the retail Base Transmission Revenue Requirement of \$402,196,816 and reduced by the retail TRBAA of \$2,565,632.

2. **Wholesale Customers:** For purposes of the California Independent System Operator's (CAISO) calculation of Access Charges:
 - a. The wholesale Transmission Revenue Requirement shall be \$396,845,502, which is equal to the wholesale Base Transmission Revenue Requirement of \$404,443,000, reduced by the wholesale TRBAA of \$2,569,294 and reduced by Standby Transmission Revenue of \$5,028,204.¹

 - b. The High Voltage Transmission Revenue Requirement shall be \$200,762,669.

 - c. The Low Voltage Transmission Revenue Requirement shall be \$196,082,833.

 - d. Gross Load consistent with the High Voltage Transmission Revenue Requirement shall be 21,539,407 megawatt hours.

3. **Effective Date:** The amounts in (1) and (2) shall be effective September 1, 2011, or until amended by the Participating TO or modified by FERC.

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

BTRR Cycle 5 Order of Compliance Filing Docket ER11-4318-001	=	\$404,443,000
TRBAA per FERC Order in Docket ER11-2430-000	=	(2,569,294)
Standby Revenues Cycle 5 Order of Compliance Filing ER11-4318	=	(5,028,204)
TOTAL	=	\$396,845,502

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

San Diego Gas & Electric Company

Attestation Form

Docket No. ER11-4318- _____

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

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

September 27, 2012


Lee Schavrien

California All-Purpose Acknowledgement

State of California)
)
County of San Diego)

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

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

WITNESS my hand and official seal.


Annie Victoria Ruiz, Notary Public



**SAN DIEGO GAS & ELECTRIC COMPANY'S CYCLE 5 COMPLIANCE REPORT
DOCKET NO. ER11-4318**

SUMMARY

The purpose of this Compliance Report (Report) is to explain the procedures and adjustments San Diego Gas & Electric Company (SDG&E) has made to applicable cost statements to comply with the *Order on Compliance Filing (Compliance Order)*¹ that the Federal Energy Regulatory Commission (Commission) issued herein on August 3, 2012 in connection with SDG&E's currently-effective Transmission Owner Formula (TO3), Cycle 5. The *Compliance Order*, among other things, directed SDG&E to make a Compliance Filing (by October 2, 2012) expensing all wildfire insurance premiums and wildfire property costs (damages) (collectively Wildfire Costs) to Account 925, without capitalizing any components of those costs (Capitalized Components). This Report, detailing how SDG&E has complied with the *Compliance Order*, consists of the following sections.

- A. Introduction
- B. Expense Adjustments Made to Cost Statement AH
- C. Explanation of How SDG&E Removed Capitalized Components of Wildfire Costs from Transmission Plant Accounts
- D. Explanation of How SDG&E Removed Capitalized Components of Wildfire Costs from the Cycle 5 Forecast Period

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

E. Explanation of Variance between SDG&E's Statements BK-2 BTRR under the Cycle 5 Settlement² and the Cycle 5 Compliance Filing

A. Introduction

SDG&E's TO3 Formula, Cycle 5, consists of the following components:

- Prior Year Revenue Requirements for the 12-month period ending December 31, 2010;
- Forecast Period Capital Addition Revenue Requirements for the 17 month period covering April 2011 through August 2012;
- A True Up ("TU") Adjustment for the 12-month TU Period that ends March 2011.
- An Interest TU Adjustment

Pursuant to the *Compliance Order's* directive, SDG&E has adjusted the affected Cycle 5 Settlement costs statements to: (1) restate and record all Wildfire Costs to Electric Division Account 925, (2) remove all Capitalized Components of Wildfire Costs from its plant accounts, (3) allocate all Wildfire Costs between transmission service and distribution service on the basis of labor ratios (Compliance Adjustments) and (4) remove all Capitalized Components of Wildfire Costs from the Forecast Period. As adjusted, the California Independent System Operator Corporation (CAISO) Wholesale BTRR equals \$404.443M, as compared to the Settlement BTRR of \$404.808M, for a net decrease of \$365,000. This decrease is explained in more detail in Section F below.

² The Cycle 5 Settlement, filed on November 17, 2011, either resolved or provided for the resolution of all issues set for hearing and settlement judge procedures in *Order on Annual Formula Rate Filing, Directing Accounting Change and Establishing Hearing and Settlement Judge Procedures*, issued on October 14, 2011, 137 FERC ¶61,041 (2011) ("*October 14 Order*"). Although the Settlement does not address Wildfire Costs, as that matter was pending in the Compliance Filing that SDG&E filed on November 14, 2011, SDG&E uses the cost statements underlying the Settlement to illustrate the effect of removing Capitalized Components of Wildfire Costs. The Commission approved the Settlement in a Letter Order issued February 1, 2012, 138 FERC ¶ 61,081 (2012).

B. Expense Adjustments Made to Cost Statement AH for the Base Period (January 2010 through December 2010) and TU Period (April 2010 through 2011)

1. Cycle 5 Base Period (January 2010 through December 2010)

Attachment 1 WPBP-1 explains Statement AH adjustments SDG&E made to Account 925 to comply with the *Compliance Order*'s directive regarding the Wildfire Costs for the Cycle 5 Base Period. Line 9 reflects an exclusion adjustment for wildfire insurance premiums of \$17.8M incurred during the Cycle 4 period. Because they were incurred during Cycle 4 period, they have been excluded for recovery in Cycle 5 transmission rates. Line 8 reflects an addition of \$56.3M of wildfire insurance premiums that were incurred during the Cycle 5 Base Period, including amounts that were previously capitalized. This amount is now being charged to Electric Division Account 925 as shown on line 8 of column C.

2. True-Up Period (April 2010 through March 2011)

Attachment 1 WPTU-1 explains the Statement AH adjustments SDG&E made to Account 925 for the Cycle 5 TU Period. WPTU-1 reflects Statement AH for the Cycle 5 TU Period. Lines 9 and 10 of Column B reflect exclusion adjustments for wildfire insurance premiums of \$17.8M and \$9.9M that were incurred during the Cycle 4 period. To the extent they were incurred during the Cycle 4 period, SDG&E has excluded them for recovery in the Cycle 5 transmission rates.

Lines 7 and 8 reflect \$64.5M of wildfire insurance premiums and \$44.5M of wildfire damages that were incurred during the Cycle 5 TU Period. These adjustments charge all of these Cycle 5 TU Period Wildfire Costs, including those previously capitalized to transmission Construction Work in Progress (CWIP), to Electric Division Account 925 as shown in column C.

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

SDG&E removed all of the Wildfire Costs capitalized from Accounts 107 and 101, reversed any AFUDC and Property taxes capitalized on such amount while recorded in Account 107 and reversed any depreciation expense and return recorded on such amounts while recorded in Account 101. The journal entries reflecting these corrections were recorded in August 2012 and are included in the resubmitted FERC Form 1 for 2010 and in the Attachment to this Report.

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

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

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

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

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

D. Explanation of How SDG&E Removed the Capitalized Components of Wildfire Costs from the Cycle 5 Forecast Period

SDG&E reviewed internal orders, as discussed in Section C in removing the Capitalized Components of Wildfire Costs from the Cycle 5 Forecasted Capital Additions for non-Sunrise projects and for the Sunrise project. Both are described below.

1. Non-Sunrise Projects

SDG&E's Cycle 5 filing, Volume 3, Forecast Transmission Plant Additions, contains various non-Sunrise plant additions categories, including:

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

Forty-two (42) projects make up this non-Sunrise group. SDG&E's normal process to develop the transmission forecast involves taking a project's CWIP balance as of March 31, 2011 and then adding projected cash flows that occur within the 17 month forecast period (April 2011 through August 2012), applying AFUDC and placing the project in service when it is estimated to go into service.

The *Compliance Order's* directive requiring SDG&E to remove the Capitalized Component of Wildfire Costs from its Cycle 5 filing only affected the amounts of the CWIP balance as of March 31, 2011 and the associated AFUDC. To remove the Capitalized Components of the Wildfire Costs from this CWIP balance, SDG&E reviewed the internal orders that received wildfire insurance and damages amounts *via* overhead loading rates from November 2010 through July 2012. The internal orders associated with projects listed in the Cycle 5 forecast period were identified. Any wildfire overhead costs charged to these internal orders between November 2010 and March 2011 was deducted from the CWIP March 31, 2011 balance to arrive at a reduced beginning balance for each project. The Capitalized Component of Wildfire Costs removed from the CWIP balance for Non-Sunrise projects is approximately \$2.8M, including AFUDC.

The *Compliance Order* did not affect SDG&E's Forecast Period project cash flows beginning in April 2011 because the planning overhead rates used to develop project cash flows did not include overhead rates for Wildfire Costs. Although SDG&E allocated wildfire insurance premiums to capital projects in November 2010, it was not until July 2011 that Wildfire Costs began to be included in overhead rates. Because the estimates used in the Cycle 5 Forecast of Plant Additions were prepared in May 2011, no Capitalized Components of Wildfire Costs were included in non-Sunrise project cash flows.

2. Sunrise Project

The Sunrise estimate represented the California Public Utilities Commission's (CPUC) project cap established by the Certificate of Public Convenience and Necessity³ authorizing the construction of Sunrise. The project cap amount was intended to cover certain enumerated items, such as communications costs assigned to distribution, adjustment for items already in service, removal of fire mitigation options. To eliminate the effect of Wildfire Costs included in the Sunrise forecast, SDG&E reviewed internal order activity, as discussed above, but related to Sunrise internal orders. From this review, SDG&E identified and removed all wildfire related overhead loadings occurring between November 2010 and July 2012. The sum of the monthly loadings was approximately \$17.7M from November 2010 through July 2012. All of Sunrise was forecast to go into service by June 2012. AFUDC was applied to the monthly loadings through July 2012 bringing the total to approximately \$18.9M. The \$18.9M reduction to the Sunrise forecast was allocated to the 10 projects listed under Sunrise Projects in proportion to estimated plant balances. The allocation was based on the project in service dollar amounts as filed in the Cycle 5 Compliance filing.

In summary, approximately \$21.7M of un-weighted *i.e.*, not differentiated by in-service date, Capitalized Wildfire Costs were removed from Forecast Plant Additions, approximately \$2.8M from non-Sunrise projects, and \$18.9M from the Sunrise Project. On a weighted basis, *i.e.*, differentiated by in-service date, this is equal to approximately \$8M. As a result, when one compares the Cycle 5 Settlement with the Cycle 5 *Compliance Order*, the Forecast Period weighted transmission plant additions reflect a decrease from \$641M to \$633M respectively, for a difference of \$8M.

³ Decision 08-12-058, 2008, Cal. PUC LEXIS 534.
http://docs.cpuc.ca.gov/WORD_PDF/FINAL_DECISION/95750.PDF.

E. Explanation of Variance between SDG&E's Statements BK-2 BTRR under the Cycle 5 Settlement and Cycle 5 Compliance Filing

Attachment 2 of this Report explains the variance between Statements BK-2 BTRR resulting from the Settlement and the *Compliance Order*. The variance is a decrease of \$365,000. The key features of the variance are summarized here.

1. Variances Increase of \$5.5M Related to the Cycle 5 Base Period

Attachment 2 Exhibit 1A compares the variances in Statement BK-2. Column A shows costs applicable to the *Compliance Order*, Column B shows costs allocable to the Settlement, and Column C shows the variance or difference between A less B.

- Page 3 of 8 shows the derivation of the variance for the net plant in the 2010 Base Period. Line 2 of Column C shows a variance amount of \$52K of Wildfire Costs that were removed from the Compliance Filing's Statement AD Column A. Exhibit 2A is a copy of what appears in the Base Period Statement AD and shows the derivation of the \$52K amount.
- Exhibit 1A page 3 of 8, line 4 shows a slight difference of \$2K in Transmission Related General Plant. Exhibit 3A shows the derivation of the \$2K difference. The amounts shown in Exhibit 3A are based on the Settlement and Compliance Filing's Base Period Statement AD.
- Exhibit 1A page 3 of 8, line 9 shows a variance of \$11K in transmission accumulated depreciation reserves. Exhibit 4A shows the derivation of the \$11K from Base Period Statement AE that appears in the Compliance Filing.
- Exhibit 1A page 2 of 8, shows two variances other than the ones for net plant that were previously explained. The first, shown on line 12, reflects a variance for transmission related accumulated deferred income taxes equal to \$107K. Exhibit

5A is provided to explain this variance. The numbers in the columns come from Base Period Statement AE of the Compliance Filing.

- Exhibit 1A page 2 of 8, line 17 shows a second and larger variance of an increase of \$679K which is due to the increase in working cash arising from expensing and charging all Wildfire Costs to Electric Division Account 925. Exhibit 6A, which is in the Base Period Statement AL of the Compliance Filing is provided to explain this variance between the cost statements for the Settlement and Compliance filings.
- Exhibit 1A, page 1 of 8, shows the derivation of the 2010 Base Period revenues for Cycle 5. All variances shown on this page have previously been explained except for the two shown on lines 4 and 10. The first variance on line 4 shows an increase of \$5.4M in allocated Administrative and General (A&G) expenses, which is the result of expensing all wildfire costs to the Electric Division Account 925. Exhibit 7A was prepared to show how the variance of \$5.4M was determined, as reflected in the Base Period Statement AH in the Compliance Filing.
- The second variance in Exhibit 1A page 1 of 8, shown on line 10, reflects the difference in transmission depreciation expense. The variance in Column C shows this amount has decreased slightly in the Compliance Filing because of the removal of a small amount of capitalized wildfire transmission plant and the resulting reduction of transmission depreciation expense in Statement AJ. Exhibit 8A, which appears in the Base Period Compliance Filing, was prepared to explain the variance in transmission depreciation expense.

- As a result of the above variances, Exhibit 1A page 1 of 8, line 32 shows total Base Period revenues increased by \$5.5M.
- Exhibit 1A page 5 of 8 summarizes the Cycle 5 BTRR variances as follows:
 - 2010 Base Period \$5.5M
 - TU Period Adjustment (\$6.7)M
 - Forecast Period revenues \$0.8M

2. Rationale for Cycle 5 TU Period Adjustment Decrease of (\$6.7M)

Exhibit 1A (page 5 of 8, line 5 of Column C) shows a decrease in the Compliance Filing's TU Period Adjustment revenues of \$6.7M, as compared to the corresponding Settlement amount. The reason for the decrease is shown in Exhibit 9A to this Report.

As indicated in Exhibit 9A, line 3, the TU Period revenues SDG&E recorded during the TU Period from April 2010 through March 2011 did not change. However, line 5 shows that the Compliance TU Cost of Service, as compared to the Settlement TU Cost of Service, decreased by \$6.6M plus interest of \$0.10M, which equals \$6.7M. The reason for the decrease is that in the Settlement TU Cost of Service, SDG&E reflected approximately \$19.7M of inverse condemnation expenses. Because the Commission subsequently denied this treatment, SDG&E removed this amount from the TU Cost of Service. Additionally, as mandated by the *Compliance Order*, SDG&E is now expensing all Wildfire Costs as shown in Statement AH (WPTU-1) to Electric Division Account 925. When this amount is allocated to ET service, A&G expenses allocated to ET service increased by approximately \$13M. As a consequence, the reduction of \$19.7M plus the increase in A&G expenses yield a TU Period Cost Adjustment of (\$6.7M), as discussed above. See Exhibit 9A, line 11 Column C.

3. Variance Increase Related to the Cycle 5 Forecast Period Revenues

Exhibit 10A to this Report was prepared to explain why there was an increase in the Compliance Filing versus Settlement Forecast Period Revenues of \$0.8M, yet there was a decrease in the comparable Forecast Period's weighted transmission plant additions equal to \$8M (as discussed in the last part of Section E above). Exhibit 10A line 2 indicates the Compliance Filing's weighted plant additions of \$633M are \$8M less than line 9 Settlement weighted plant additions of \$641M. Although the weighted Forecast Plant Additions have decreased by \$8M, line 15 indicates that the Forecast Period revenues have increased by \$0.81M. This increase is due to the fact that the Compliance Annual Fixed Charge Rate (AFCR) is greater than the Settlement AFCR. Specifically, the AFCR on line 4 equal to 15.5766% in this Compliance Filing has increased from the Settlement AFCR on line 11 equal to 15.2563%. The increase of 0.3203% causes the Compliance Forecast Period revenues to be greater than Settlement Forecast Period revenues.

Stated differently, the increase in the Compliance AFCR outweighs the decrease in the Compliance Forecast Plant weighted plant additions. This in turn results in an increase in Forecast Period Revenues because the Compliance Base Period revenues are \$5.5M greater than the Settlement Base Period revenues because the *Compliance Order* essentially requires that all Wildfire Costs be charged to Electric Division Account 925 and allocated to ET service.

In summary, the increase in Forecast Period revenues is due to the incremental increase in the Compliance AFCR outweighing the incremental decrease in the Compliance Forecast Period's weighted plant additions.

Attachment 1

San Diego Gas & Electric
Administrative & General Expenses
12 - Months True-Up Ending March 31, 2011
(\$1,000)

Line No.	FERC Account	A	B	C	Line No.
		Total Per Books	Adj. & Excl. Amounts	= A + B Total Adjusted	
1	920 A&G Salaries	\$ 14,969	\$ -	\$ 14,969	1
2	921 Office Supplies & Expenses	5,342	-	5,342	2
3	922 Less Construction Transfer	(5,965)	-	(5,965)	3
4	923 Outside Services	60,424	-	60,424	4
5	924 Property Insurance	3,427	(1)	3,426	5
6	925 Damages & Injuries	14,116	(1,408)	12,708	6
7	925.4 Wildfire Insurance Premium C4 2009 True up ¹	✓ 17,792	(17,792)	0	7
8	925.4 Wildfire Insurance Premium C4 Jan-Mar 2010 True Up ²	✓ 9,892	(9,892)	0	8
9	925.4 Wildfire Insurance Premium C5 ³	✓ 62,614	1,852	64,465	9
10	925.4 Wildfire Damage Claims Adjustment ⁴	✓ -	44,489	44,489	10
11	926 Employee Pension & Benefits	51,695	(573)	51,122	11
12	927 Franchise Expenses	-	-	-	12
13	928 Regulatory Expenses	15,276	(7,486)	7,790	13
14	929 Company Energy Use	(1,741)	-	(1,741)	14
15	930 Misc. General Expenses	30,061	(27,920)	2,141	15
16	931 Rents	9,129	(816)	8,313	16
17	935 Maintenance of General Plant	7,795	(221)	7,574	17
18					18
19	Total	\$ 294,826	\$ (19,768)	\$ 275,058	19
20					20
21			12 MTD Mar		21
22	<u>Excluded Expenses</u>		'11		22
23	924 Nuclear property insurance expenses		\$ (1)		23
24	925 Nuclear liability insurance expenses		(1,264)		24
25	925.4 Wildfire Ins Premium Allocation C4	(17,792)			25
26	925.4 Wildfire Ins Premium Allocation C4	(9,892)			26
27		(27,684)	(27,684)		27
28	925.4 Wildfire Ins Premium Allocation C5 recorded in Dec 2011		1,852		28
29	925.4 Wildfire Damages		44,489		29
30	928 CPUC reimbursement fees		(5,248)		30
31	928 Litigation Expense (LCMA)		(2,238)		31
32	930.2 CPSD Wildfire Investigation Settlement		(14,350)		32
33	925/926/930 CPUC energy efficiency programs		(14,287)		33
34	931 AMI Lease Facilities		(816)		34
35	935 Hazardous Substances		(221)		35
36	Total Excluded Expenses		\$ (19,768)		36
				WPTU-1	

San Diego Gas & Electric
 Administrative & General Expenses
 12 Month Ending December 31, 2010
 (\$1,000)

ELECTRIC DIVISION

Line No.	FERC Acct	Description	(a) Total Per Books	(b) Excluded Expenses	(c) = (a) + (b) Total Adjusted	Reference	Line No.
1		<u>Administrative & General</u>					1
2	920	A&G Salaries	\$ 17,201	-	\$ 17,201	Form 1; Pg. 323; Ln. 181; Col. B	2
3	921	Office Supplies & Expenses	7,655	-	7,655	Form 1; Pg. 323; Ln. 182; Col. B	3
4	922	Less Construction Transfer	(5,767)	-	(5,767)	Form 1; Pg. 323; Ln. 183; Col. B	4
5	923	Outside Services	60,412	-	60,412	Form 1; Pg. 323; Ln. 184; Col. B	5
6	924	Property Insurance	3,646	(98)	3,548	Form 1; Pg. 323; Ln. 185; Col. B	6
7	925	Damages & Injuries ¹	15,363	(1,201)	14,162	Form 1; Pg. 323; Ln. 186; Col. B	7
8	925	Damages & Injuries - Wildfire Ins. Premium - TO3 Cycle 5 ²	56,264	-	56,264	Form 1; Pg. 323; Ln. 186; Col. B	8
9	925	Damages & Injuries - Wildfire Ins. Premium - TO3 Cycle 4 ³	17,792	(17,792)	-	Form 1; Pg. 323; Ln. 186; Col. B	9
10	926	Employee Pension & Benefits	51,223	(559)	50,664	Form 1; Pg. 323; Ln. 187; Col. B	10
11	927	Franchise Expenses	-	-	-	Form 1; Pg. 323; Ln. 189; Col. B	11
12	928	Regulatory Expenses	15,437	(7,191)	8,246	Form 1; Pg. 323; Ln. 190; Col. B	12
13	929	Company Energy Use	(1,707)	-	(1,707)	Form 1; Pg. 323; Ln. 192; Col. B	13
14	930	Misc. General Expenses	30,024	(27,964)	2,060	Form 1; Pg. 323; Ln. 193; Col. B	14
15	931	Rents	8,606	(873)	7,733	Form 1; Pg. 323; Ln. 193; Col. B	15
16	935	Maintenance of General Plant	7,571	(227)	7,344	Form 1; Pg. 323; Ln. 196; Col. B	16
17							17
18		Total Administrative & General Expenses	\$ 283,719	\$ (55,904)	\$ 227,815	Sum Lines 2 thru 16	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

FERC Acct	Excluded Expenses	Current Year
924	Nuclear property insurance expenses	\$ (98)
925	Nuclear liability insurance expenses	(1,055)
925	2009 Wildfire insurance premium recorded in 2010 - TO3 Cycle 4 ³	(17,792) ✓
928	CPUC reimbursement fees	(4,962)
928	Litigation expenses - Litigation Cost Memorandum Account (LCMA)	(2,229)
930	Consumer Protection & Safety Division (CPSD) wildfire investigation settlement	(14,350)
925	CPUC energy efficiency programs	\$ (145)
926	CPUC energy efficiency programs	(559)
930	CPUC energy efficiency programs	(13,614)
931	Advanced Metering Infrastructure (AMI) lease facilities	(873)
935	Hazardous substances-Hazardous Substance Cleanup Cost Account	(227)
	Total	\$ (55,904) ✓

Notes:

- FERC Acct 925 is shown in three parts to reflect wildfire insurance premium by cycle.
- The \$56.3M wildfire insurance premium expense was recorded during Cycle 5 Base Period that now includes the previously capitalized cost to comply with FERC Cycle 5 Order ER11-4318 to reflect all wildfire insurance premium expenses to be charged to FERC electric division acct 925.
- The \$17.8M wildfire insurance premium expense was taken out of FERC accounts 566 and 588 and recorded to FERC account 925 in Nov and Dec 2010 to comply with FERC Cycle 4 Order ER10-2235. This includes the capital cost to comply with FERC Cycle 5 Order ER11-4318 to reflect all wildfire insurance premium expenses to be charged to FERC electric division acct 925. This amount is excluded as it pertains to SDG&E's Cycle 4 filing.

Items that are in **BOLD** have changed compared to the original TO3-Cycle 5 Informational filing last August 15, 2011.

WPBP-1

Attachment 2

San Diego Gas & Electric Company
Statement BK-2

EXHIBIT 1A

Cycle 5 Order of Compliance
Derivation of ISO Transmission Cost of Service
Base Period, Forecast Period & True-Up Adjustment Revenues
In Effect During the Rate Effective Period September 1, 2011 - August 31, 2012
(\$1,000)

Line No.	A TO3 C5 Order of Compliance Amounts	B TO3 C5 Settlement Amounts	C=A-B Difference Incr (Decr)	Reference	Line No.
1					1
2	\$ 43,628	\$ 43,628	\$ -	Statement AH, Page 5; Line 10.	2
3					3
4	\$ 34,899	\$ 29,466	\$ 5,433	Statement AH, Page 5; Line 53	4
5					5
6				Not Recoverable From Wholesale Customers	6
7					7
8	\$ 78,527	\$ 73,094	\$ 5,433	Sum Lines 2; 4	8
9					9
10	\$ 48,803	\$ 48,805	\$ (2)	Statement AJ, Page 7; Line 17	10
11					11
12	\$ 1,893	\$ 1,893	\$ -	Statement AJ, Page 7; Line 19	12
13					13
14	\$ 10,693	\$ 10,693	\$ -	Statement AK, Page 8; Line 27	14
15					15
16	\$ 1,977	\$ 1,977	\$ -	Statement AK, Page 8; Line 34	16
17					17
18	\$ 141,893	\$ 136,462	\$ 5,431	Sum Lines 8; 10; 12; 14; 16	18
19					19
20	\$ 12.0558%	\$ 12.0558%	\$ 0.000%	Statement AV; Page 14; Line 33	20
21					21
22	\$ 1,086,589	\$ 1,085,868	\$ 721	Statement BK-2; Page 2; Line 20	22
23					23
24	\$ 130,997	\$ 130,910	\$ 87	Line 20 x Line 22	24
25				Not Recoverable From Wholesale Customers	25
26	\$ (265)	\$ (265)	\$ -	Statement AR, Page 11; Line 1	26
27	\$ (4)	\$ (4)	\$ -	Statement AR, Page 11; Line 3	27
28	\$ (2,250)	\$ (2,250)	\$ -	Statement AU; Page 12; Line 11	28
29				Statement AU; Page 12; Line 13	29
30	\$ 270,371	\$ 264,853	\$ 5,518	Line 18 + Sum of Lines (24 thru 29)	30
31					31
32	\$ 270,371	\$ 264,853	\$ 5,518	Line 30	32

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

* COL @ CONFIRMS TO SDGE'S CS SETTLEMENT FILED NOV 17, 2011, WHICH ONLY EXCLUDED SOURCES FIRE MITIGATION TRUST FROM THE FORECAST PERIOD. ALL OTHER CS COST STATEMENTS THAT SUPPORTED STATEMENT BK1 & BK2 IN THE SETTLEMENT COME FROM SDGE'S CS AUG 15, 2011 INFORMATIONAL FILING

San Diego Gas & Electric Company
Statement BK-2

Cycle 5 Order of Compliance
Derivation of ISO Transmission Cost of Service
Base Period, Forecast Period & True-Up Adjustment Revenues
In Effect During the Rate Effective Period September 1, 2011 - August 31, 2012
(\$1,000)

Line No.	A TO3 C5 Order of Compliance Amounts	B TO3 C5 Settlement Amounts	C = A - B Difference Incr (Decr)	Reference	Line No.
1					1
2	\$ 1,127,869	\$ 1,127,932	\$ (63)	Statement BK-2; Page 3; Line 16	2
3	214	214	-	Statement BK-2; Page 3; Line 17	3
4	15,613	15,615	(2)	Statement BK-2; Page 3; Line 18	4
5	32,961	32,961	-	Statement BK-2; Page 3; Line 19	5
6	\$ 1,176,657	\$ 1,176,722	\$ (65)	Sum Lines 2; 3; 4; 5	6
7					7
8					8
9	\$ 28,695	\$ 28,695	\$ -	Statement AG; Page 4; Line 3	9
10					10
11					11
12	\$ (144,281)	\$ (144,388)	\$ 107	Statement AF; Page 3; Line 3	12
13					13
14					14
15	\$ 10,609	\$ 10,609	\$ -	Statement AL; Page 9; Line 5	15
16	5,093	5,093	-	Statement AL; Page 9; Line 9	16
17	9,816	9,137	679	Statement AL; Page 9; Line 21	17
18	25,518	24,839	679	Sum Lines 15; 16; 17	18
19					19
20	\$ 1,086,589	\$ 1,085,868	\$ 721	Sum Lines 6; 9; 12; 18	20

San Diego Gas & Electric Company
Statement BK-2

Cycle 5 Order of Compliance
Derivation of ISO Transmission Cost of Service
Base Period, Forecast Period & True-Up Adjustment Revenues
In Effect During the Rate Effective Period September 1, 2011 - August 31, 2012

(\$1,000)

Line No.	Description	A		B		C = A - B		Reference	Line No.
		TO3 C5 Order of Compliance Amounts	TO3 C5 Settlement Amounts	TO3 C5 Settlement Amounts	Difference Incr (Decr)				
1	Gross Transmission Plant:								
2	Transmission Plant	\$ 1,621,480	\$ 1,621,532	\$	(52)	Statement AD; Page 1, Line 25			1
3	Transmission Related Electric Misc. Intangible Plant	4,149	4,149	-	-	Statement AD; Page 1, Line 27			2
4	Transmission Related General Plant	27,212	27,214	(2)	(2)	Statement AD; Page 1, Line 29			3
5	Transmission Related Common Plant	72,483	72,483	-	-	Statement AD; Page 1, Line 31			4
6	Gross Transmission Plant	\$ 1,725,324	\$ 1,725,378	\$	(54)	Sum Lines 2; 3; 4; 5			5
7									6
8	Accumulated Depreciation Reserve:								7
9	Transmission Related Depreciation Reserve for Transmission Plant	493,611	493,600	11	11	Statement AE; Page 2, Line 1			8
10	Transmission Related Electric Misc. Intangible Depreciation Reserve	3,935	3,935	-	-	Statement AE; Page 2, Line 11			9
11	Transmission Related General Plant Depr Reserve	11,599	11,599	-	-	Statement AE; Page 2, Line 13			10
12	Transmission Related Common Plant Depr Reserve	39,522	39,522	-	-	Statement AE; Page 2, Line 15			11
13	Total Transmission Related Depreciation Reserve	\$ 548,667	\$ 548,656	\$	11	Sum Lines 9; 10; 11; 12			12
14									13
15	Net Transmission Plant:								14
16	Transmission Plant	\$ 1,127,869	\$ 1,127,932	\$	(63)	Line 2 Minus Line 9			15
17	Transmission Related Electric Misc. Intangible Plant	214	214	-	-	Line 3 Minus Line 10			16
18	Transmission Related General Plant	15,613	15,615	(2)	(2)	Line 4 Minus Line 11			17
19	Transmission Related Common Plant	32,961	32,961	-	-	Line 5 Minus Line 12			18
20	Total Net Transmission Plant	\$ 1,176,657	\$ 1,176,722	\$	(65)	Sum Lines 16; 17; 18; 19			19

San Diego Gas & Electric Company
Statement BK-2

Cycle 5 Order of Compliance

Derivation of ISO Transmission Cost of Service

Base Period, Forecast Period & True-Up Adjustment Revenues

In Effect During the Rate Effective Period September 1, 2011 - August 31, 2012

(\$1,000)

Line No.	A TO3 C5 Order of Compliance Amounts	B TO3 C5 Settlement Amounts	C = A - B Difference Iner (Decr)	Reference	Line No.
1					1
2					2
3	\$ 270,371	\$ 264,853	\$ 5,518	Statement BK-2; Page 1; Line 32	3
4	(1,893)	(1,893)	-	Statement BK-2; Page 1; Line 12	4
5	265	265	-	Statement BK-2; Page 1; Line 26	5
6	4	4	-	Statement BK-2; Page 1; Line 27	6
7	-	-	-	Statement BK-2; Page 1; Line 29	7
8	\$ 268,747	\$ 263,229	\$ 5,518	Sum Lines 3; 4; 5; 6; 7	8
9					9
10	\$ 1,725,324	\$ 1,725,378	\$ (54)	Statement BK-2; Page 3; Line 6	10
11					11
12	15.5766%	15.2563%	0.3203%	Line 8 / Line 10	12
13					13
14	\$ 632,767	\$ 640,620	\$ (7,853)	See Volume 3 WPs.	14
15				Summary of WTD HV-LV Plant Adds; Page 1A; Ln. 6	15
16	\$ 98,564	\$ 97,735	\$ 829	Line 12 x Line 14	16

ANNUAL FIXED CHARGES APPLICABLE TO CAPITAL PROJECTS

A. Derivation of Annual Fix Charge Rate (AFCR_{iso}) Applicable to

Weighted Forecast Plant Additions:

- 1 PYRR_{iso} Excluding Franchise
- 2 Valley Rainbow Project Cost Amortization Expense
- 3 Transmission Related Amortization of Investment Tax Credit
- 4 Transmission Related Amortization of Excess Deferred Tax Liabilities
- 5 (Gains)/Losses from Sale of Plant Held for Future Use
- 6 BTRR_{iso} Adjusted

Gross Transmission Plant

Annual Fix Charge Rate (AFCR_{iso})

Weighted Forecast Plant Additions

Forecast Period Capital Additions Revenues

San Diego Gas & Electric Company
Statement BK-2

Cycle 5 Order of Compliance
Derivation of ISO Transmission Cost of Service
Base Period, Forecast Period & True-Up Adjustment Revenues
In Effect During the Rate Effective Period September 1, 2011 - August 31, 2012
(\$1,000)

Line No.	A TO3 C5 Order of Compliance Amounts	B TO3 C5 Settlement Amounts	C = A - B Difference Incr (Decr)	Reference	Line No.
1					1
2					2
3	\$ 270,371	\$ 264,853	\$ 5,518	Statement BK-2; Page 1; Line 32	3
4					4
5	30,639	37,347	(6,708)	Volume 2; Section 3.1A; Pgs. 1-3; Line 35	5
6					6
7	735	735	-	Vol. 2; Section 3.1B; Part 1.A; Pgs 1-2; Line 20	7
8					8
9	20	20	-	Vol. 2; Section 3.1B; Part 2.A; Pgs 1-2; Line 20	9
10					10
11					11
12					12
13	98,564	97,735	829	Statement BK-2; Page 4; Line 16	13
14					14
15	\$ 400,329	\$ 400,689	\$ (361)	Sum Lines 3; 5; 7; 9; and 13	15
16					16
17	\$ 400,329	\$ 400,689	\$ (361)	Sum Line 15	17

A. Total ISO BTRR iso.

Prior Year Revenue (PYRR iso) Excluding FF

12-Month TO3; Cycle 5; True-Up Period Adjustment

TO3-Cycle 4 Interest True-Up Adjustment

TO3-Cycle 3 Interest True-Up Adjustment

B. Annual Fixed Charges Applicable to Capital Projects:

Forecast Period Capital Addition Revenue Requirements

C. Total BTRR iso Excluding Franchise

D. Total BTRR iso Excluding Franchise

San Diego Gas & Electric Company
Statement BK-2

Cycle 5 Order of Compliance
Derivation of ISO Transmission Cost of Service
Base Period, Forecast Period & True-Up Adjustment Revenues
In Effect During the Rate Effective Period September 1, 2011 - August 31, 2012
(\$1,000)

Line No.	A TO3 C5 Order of Compliance Amounts	B TO3 C5 Settlement Amounts	C = A - B Difference Incr (Decr)	Reference	Line No.
1					1
2					2
3	\$ 400,329	\$ 400,689	\$ (360)	Statement BK-2; Page 5; Line 17	3
4					4
5					5
6	98,564	97,735	829	Statement BK-2; Page 5; Line 13	6
7					7
8	98,564	97,735	829	Sum Line 6	8
9					9
10	31,394	38,101	(6,708)	Statement BK-2; Page 5; Line 5; 7; & 9	10
11					11
12	270,371	264,853	5,519	Line 3 Minus Lines 8 & 10	12
13					13
14	31,394	38,101	(6,708)	Statement BK-2; Page 5; Line 5; 7; & 9	14
15					15
16	\$ 301,765	\$ 302,954	\$ (1,189)	Sum Lines 12 & 14	16

A. Derivation of Revenues for Recorded Facilities:

1 Total BTRR_{iso} Excluding Franchise

2

3

4

5 Less: Forecast Capital Additions Revenues Requirements

6 Forecast Period Capital Addition Revenue Requirements

7

8 Sub-Total Forecast Revenue Requirements

9

10 Total True-Up Adjustment and Interest True-Up Adjustment

11

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

13

14 Total True-Up Adjustment and Interest True-Up Adjustment

15

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

San Diego Gas & Electric Company
Statement BK-2

Cycle 5 Order of Compliance
Derivation of ISO Transmission Cost of Service
Base Period, Forecast Period & True-Up Adjustment Revenues
In Effect During the Rate Effective Period September 1, 2011 - August 31, 2012
(\$1,000)

Line No.	A	B	C = A - B	Difference	Incr (Decr)	Reference	Line No.
	TO3 C5 Order of Compliance Amounts	TO3 C5 Settlement Amounts					
1							1
2							2
3	\$ 301,765	\$ 302,954	\$	(1,189)	Statement BK-2, Page 6; Line 16		3
4							4
5	98,564	97,735		829	Statement BK-2, Page 6; Line 8		5
6							6
7	\$ 400,329	\$ 400,689	\$	(360)	Sum Lines 3; 6		7
8							8
9							9
10							10
11							11
12							12
13							13
14							14
15							15
16							16
17	\$ 1,682,943	1,682,943		0.00%	763,031	919,912	17
18	100.00%	100.00%		45.34%	45.34%	54.66%	18
19	\$ 301,765	\$ 302,954	\$	(1,189)	\$ 136,818	\$ 164,948	19
20							20
21							21
22	\$ 632,767	640,620		(7,853)	\$ 431,795	\$ 200,973	22
23	100.00%	100.00%		68.24%	68.18%	31.76%	23
24	\$ 98,564	\$ 97,735	\$	829	\$ 67,259	\$ 31,305	24
25							25
26							26
27							27
28							28
29	\$ 301,765	\$ 302,954	\$	(1,189)	\$ 136,818	\$ 164,948	29
30							30
31	98,564	97,735		829	67,259	31,305	31
32							32
33	\$ 400,329	\$ 400,689	\$	(360)	\$ 204,077	\$ 196,253	33

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

EXHIBIT 1A

San Diego Gas & Electric Company
Statement BK-2

Cycle 5 Order of Compliance
Derivation of ISO Transmission Cost of Service
Base Period, Forecast Period & True-Up Adjustment Revenues
In Effect During the Rate Effective Period September 1, 2011 - August 31, 2012
(\$1,000)

Line No.	A TO3 C5 Order of Compliance Amounts	B TO3 C5 Settlement Amounts	C - A - B Difference		Revised		Original		Reference	Line No.
			Incr (Deer)	High Voltage ²	Low Voltage ²	High Voltage ²	Low Voltage ²			
1										
2										
3										
4		\$ 301,765	\$ 302,954	\$ (1,189)	\$ 136,818	\$ 164,948	\$ 137,357	\$ 165,598	Stmnt BK-2; Page 7, Ln29	
5		3,101	3,113	(12)	1,406	1,695	1,411	1,702	Line 4 x 1.0275%	
6										
7		\$ 304,866	\$ 306,067	\$ (1,201)	\$ 138,224	\$ 166,643	\$ 138,768	\$ 167,300	Sum Lines 4, 5	
8										
9										
10		\$ 98,564	\$ 97,735	\$ 829	\$ 67,259	\$ 31,305	\$ 66,638	\$ 31,097	Stmnt BK-2; Page 7, Ln31	
11		1,013	1,005	8	691	322	685	320	Line 10 x 1.0275%	
12										
13		\$ 99,577	\$ 98,740	\$ 837	\$ 67,950	\$ 31,627	\$ 67,323	\$ 31,417	Sum Lines 10, 11	
14										
15		\$ 404,443	\$ 404,808	\$ (364)	\$ 206,173	\$ 198,270	\$ 206,091	\$ 198,717	Line 7 + Line 13	

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

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

SAN DIEGO GAS & ELECTRIC COMPANY
 STATEMENT AD
 COST OF PLANT
 PERIOD 1 - December 31, 2010 PER BOOK
 (\$1,000)
 TRANSMISSION PLANT

Line No.	Month	8/15/11 Informational Filing	Order of Compliance Filing	(3) = (2) - (1)	8/15/11 Informational Filing	Order of Compliance Filing	(6) = (5) - (4)
		(1) Total Transmission Plant Per Book As Filed	(2) Total Transmission Plant Per Book Adjusted	Variance	(4) Transmission Plant Ratemaking As Filed	(5) Transmission Plant Ratemaking Adjusted	Variance
1	Dec-09	\$ 1,647,983	\$ 1,647,983	\$ -	\$ 1,601,245	\$ 1,601,245	\$ -
2	Jan-10	1,638,349	1,638,349	-	1,591,653	1,591,653	-
3	Feb	1,639,401	1,639,401	-	1,592,730	1,592,730	-
4	Mar	1,644,591	1,644,591	-	1,597,920	1,597,920	-
5	Apr	1,651,657	1,651,657	-	1,604,986	1,604,986	-
6	May	1,660,957	1,660,957	-	1,614,285	1,614,285	-
7	June	1,667,510	1,667,510	-	1,620,838	1,620,838	-
8	July	1,671,673	1,671,673	-	1,625,000	1,625,000	-
9	Aug	1,684,996	1,684,996	-	1,638,324	1,638,324	-
10	Sep	1,688,559	1,688,559	-	1,641,886	1,641,886	-
11	Oct	1,690,012	1,690,012	-	1,643,343	1,643,343	-
12	Nov	1,692,034	1,691,988	(46)	1,645,325	1,645,278	(46)
13	Dec-10	1,727,359	1,726,210	(1,149)	1,682,943	1,681,794	(1,149)
14	Total 13 Months	21,705,082	21,703,887	(1,195)	21,100,478	21,099,282	(1,195)
15	Less 1/2 First & Last Months	1,687,671	1,687,097	(575)	1,642,094	1,641,519	(575)
16	Total 12 Months Wtd. Average	20,017,410	20,016,789	(621)	19,458,383	19,457,763	(621)
17	Monthly Weighted Average	\$ 1,668,117	\$ 1,668,066	\$ (52)	\$ 1,621,532	\$ 1,621,480	\$ (52)

SAN DIEGO GAS & ELECTRIC COMPANY
STATEMENT AD
COST OF PLANT
PERIOD 1 - 12/31/2010 PER BOOK
(\$1,000)
GENERAL PLANT

8/15/11 Order of
 Informational Compliance
 Filing Filing

Line No.	(1) Adjusted FERC General Plant Balance As Filled	(2) Adjusted FERC General Plant Balance Adjusted	(3) = (2) - (1) Variance	Line No.
1	\$ 171,081	\$ 171,081	-	1
2	187,234	187,205	(29)	2
3	\$ 179,158	\$ 179,143	\$ (15)	3
Beginning and End Period Average				1

Notes:

1 General plant variance at line 3 above

Transmission wages & salaries allocation factor

Transmission related general plant cost variance

\$ (15)

15.19%

\$ (2)

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

SAN DIEGO GAS & ELECTRIC COMPANY
STATEMENT AE
ACCUMULATED DEPRECIATION AND AMORTIZATION
PERIOD 1 - December 31, 2010 PER BOOK
(\$1,000)
TRANSMISSION PLANT

Line No.	Month	8/15/11 Informational Filing		Order of Compliance Filing		8/15/11 Informational Filing		Order of Compliance Filing	
		(1) Total Transmission Reserves Per Book As Filed	(2) Total Transmission Reserves Per Book Adjusted	(3) = (2) - (1) Variance	(4) Transmission Reserves Ratemaking As Filed	(5) Transmission Reserves Ratemaking Adjusted	(6) = (5) - (4) Variance		
1	Dec-09	\$ 498,036	\$ 498,036	\$ -	\$ 482,893	\$ 482,893	\$ -		
2	Jan-10	499,214	499,214	-	484,025	484,025	-		
3	Feb	499,213	499,213	-	483,992	483,992	-		
4	Mar	501,633	501,633	-	486,335	486,335	-		
5	Apr	505,298	505,298	-	489,912	489,912	-		
6	May	507,604	507,604	-	492,138	492,138	-		
7	June	509,031	509,031	-	493,502	493,502	-		
8	July	511,145	511,145	-	495,538	495,538	-		
9	Aug	513,387	513,387	-	497,712	497,712	-		
10	Sep	515,679	515,679	-	499,934	499,934	-		
11	Oct	517,515	517,515	-	501,710	501,710	-		
12	Nov	520,809	520,825	17	504,922	504,938	17		
13	Dec-10	519,569	519,787	218	504,078	504,296	218		
14	Total 13 Months	6,618,132	6,618,367	235	6,416,691	6,416,926	235		
15	Less 1/2 First & Last Months	508,803	508,912	109	493,486	493,595	109		
16	Total 12 Months Wtd. Average	6,109,328	6,109,454	126	5,923,205	5,923,331	126		
17	Monthly Weighted Average	\$ 509,111	\$ 509,121	\$ 11	\$ 493,600	\$ 493,611	\$ 11		

Exhibit - 5A
 pg 1 of 2

SAN DIEGO GAS AND ELECTRIC COMPANY
 Statement AF - Workpapers
 Deferred Credits
 For 12-Months Ending - December 31, 2010
 (\$1,000)

Line No	(a) 31-Dec-09	(b) 31-Dec-10	(c) = [(a)+(b)]/2 Average Balance	Reference	Line No
1	\$ (105,633)	\$ (138,412)	\$ (122,023)		1
2					2
3	(19,600)	(25,130)	(22,365)		3
4					4
5	<u>\$ (125,233)</u>	<u>\$ (163,542)</u>	<u>\$ (144,388)</u> ⁽¹⁾	Sum Lines 1 and 3	5

Form 1; Pg. 450.1; Sch. Pg. 274; Ln. 2; Cols. B and K

NOTE:

¹ See the attached page from FERC Form 1 supporting the beginning and ending accumulated deferred income tax balances.

original TD3 CS Informational Filing ⁽¹⁾ (144,388)
 order of compliance Filing (144,281)
 Variance 107

Exhibit - 5A
Pg. 2 of 2

SAN DIEGO GAS AND ELECTRIC COMPANY
Statement AF - Workpapers
Deferred Credits
For 12-Months Ending - December 31, 2010
(\$1,000)

Line No	(a) 31-Dec-09	(b) 31-Dec-10	(c) = [(a)+(b)]/2 Average Balance	Reference	Line No	
1	Transmission Related ADIT - Excluding Bonus Depreciation	\$ (105,633)	\$ (138,399) ✓	\$ (122,016) ✓		1
2						2
3	Transmission Related ADIT from Bonus Depreciation	(19,600)	(24,929) ✓	(22,264) ✓		3
4						4
5	Total ¹	\$ (125,233)	\$ (163,328) ✓	\$ (144,281) ✓	Sum Lines 1 and 3	5

Form 1; Pg. 450.1; Sch. Pg. 274; Ln. 2; Cols. B and K

NOTE:

¹ See the attached page from FERC Form 1 supporting the beginning and ending accumulated deferred income tax balances.

✓ Items that are in BOLD have changed compared to the original TO3-Cycle 5 Informational Filing that was filed on August 15, 2011.

SAN DIEGO GAS AND ELECTRIC COMPANY
Statement AL - Workpapers
Working Capital
For 12-Months Ending - December 31, 2010
(\$1,000)

Line No.	Working Cash	13 Months Average Balance	Reference	Line No.
1	Plant Materials and Operating Supplies ^{a, b}	\$ 53,421	BPWP; Page AL-2; Line 17	1
2				2
3	Transmission Plant Allocation Factor	19.86%	Statement AD1; Line 35	3
4				4
5	Transmission Related Materials and Supplies	\$ 10,609	Line 1 x Line 3	5
6				6
7	Prepayment ^a	25,644	BPWP; Page AL-3; Line 17	7
8				8
9	Transmission Related Prepayments	\$ 5,093	Line 3 x Line 7	9
10				10
11	<u>Derivation of Transmission Related Cash Working Capital:</u>			
12	Transmission O&M Expense - Excluding Intervenor Funding Expense	\$ 43,628	Statement AH1; Line 10	12
13	Transmission Related Administrative & General Expenses	29,466 ^⓪	Statement AH1; Line 53	13
14	Intervenor Funding Expense	-	Statement AH1; Line 9	14
15	Total	\$ 73,094	Sum Lines 12; 13; 14	15
16				16
17	One Eighth O&M Rule	12.50%	FERC Method = 1/8 of O&M Expense	17
18				18
19	Transmission Related Cash Working Capital - Retail Customers	\$ 9,137	Line 15 x Line 17	19
20				20
21	Transmission Related Cash Working Capital - Wholesale Customers	\$ 9,137	(Line 12 + Line 13) x Line 17	21

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

^b See the attached FERC Form 1 Footnote Data, Page 450.1, Schedule Page 227, Line 12; Column C, as filed in SDG&E's 2010 annual FERC Form 1 filing.

original TO3 cycle 5 Informational Filing ^⓪ 29,466
 order of compliance Filing 34,899
 Variance 5,433
 1/8 of O&M 12.50%
 Transmission Related Working Capital Variance = 679

SAN DIEGO GAS AND ELECTRIC COMPANY
Statement AL - Workpapers
Working Capital
For 12-Months Ending - December 31, 2010
(\$1,000)

Line No.		Working Cash	13 Months Average Balance	Reference	Line No.
1	Plant Materials and Operating Supplies ^{a, b}		\$ 53,421	BPWP; Page AL-2; Line 17	1
2					2
3	Transmission Plant Allocation Factor		<u>19.86% *</u>	Statement AD1; Line 35	3
4					4
5	Transmission Related Materials and Supplies		<u>\$ 10,609</u>	Line 1 x Line 3	5
6					6
7	Prepayment ^a		<u>25,644</u>	BPWP; Page AL-3; Line 17	7
8					8
9	Transmission Related Prepayments		<u>\$ 5,093</u>	Line 3 x Line 7	9
10					10
11	<u>Derivation of Transmission Related Cash Working Capital:</u>				11
12	Transmission O&M Expense - Excluding Intervenor Funding Expense	\$ 43,628		Statement AH1; Line 10	12
13	Transmission Related Administrative & General Expenses	34,899 v		Statement AH1; Line 53	13
14	Intervenor Funding Expense	-		Statement AH1; Line 9	14
15	Total	<u>\$ 78,527 v</u>		Sum Lines 12; 13; 14	15
16					16
17	One Eighth O&M Rule		<u>12.50%</u>	FERC Method = 1/8 of O&M Expense	17
18					18
19	Transmission Related Cash Working Capital - Retail Customers	<u>\$ 9,816 v</u>		Line 15 x Line 17	19
20					20
21	Transmission Related Cash Working Capital - Wholesale Customers	<u>\$ 9,816 v</u>		(Line 12 + Line 13) x Line 17	21

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

^b See the attached FERC Form 1 Footnote Data, Page 450.1, Schedule Page 227, Line 12; Column C, as filed in SDG&E's 2010 annual FERC Form 1 filing.

v Items that are in BOLD have changed compared to the original TO3-Cycle 5 Informational Filing that was filed on August 15, 2011.

* The minute change in the plant balances had no effect on the Transmission Plant Allocation Factor of 19.86%.

San Diego Gas & Electric
 Administrative & General Expenses
 12 Month Ending December 31, 2010
 (\$1,000)

ELECTRIC
 DIVISION

EXHIBIT 7A
 Pg 1-2

FROM C5 AUG 15 2011 INFORMATIONAL FILE

Line No.	FERC Acct	Description	(a) Total Per Books	(b) Excluded Expenses	(c) = (a) + (b) Total Adjusted	Reference	Line No.
1		<u>Administrative General</u>					1
2	920	A&G Salaries	\$ 17,201	\$ -	\$ 17,201	Form 1; Pg. 323; Ln. 181; Col. B	2
3	921	Office Supplies & Expenses	7,655	-	7,655	Form 1; Pg. 323; Ln. 182; Col. B	3
4	922	Less Construction Transfer	(5,767)	-	(5,767)	Form 1; Pg. 323; Ln. 183; Col. B	4
5	923	Outside Services	60,412	-	60,412	Form 1; Pg. 323; Ln. 184; Col. B	5
6	924	Property Insurance	3,646	(98)	3,548	Form 1; Pg. 323; Ln. 185; Col. B	6
7	925	Damages & Injuries	15,392	(1,201)	14,191	Form 1; Pg. 323; Ln. 186; Col. B	7
8	925	Damages & Injuries - Wildfire Ins. Premium Alloc. ¹	68,389	(47,924)	20,465	Form 1; Pg. 323; Ln. 186; Col. B	8
9	926	Employee Pension & Benefits	51,223	(559)	50,664	Form 1; Pg. 323; Ln. 187; Col. B	9
10	927	Franchise Expenses	-	-	-		10
11	928	Regulatory Expenses	15,437	(7,191)	8,246	Form 1; Pg. 323; Ln. 189; Col. B	11
12	929	Company Energy Use	(1,707)	-	(1,707)	Form 1; Pg. 323; Ln. 190; Col. B	12
13	930	Misc. General Expenses	30,024	(27,964)	2,060	Form 1; Pg. 323; Ln. 192; Col. B	13
14	931	Rents	8,606	(873)	7,733	Form 1; Pg. 323; Ln. 193; Col. B	14
15	935	Maintenance of General Plant	7,571	(227)	7,344	Form 1; Pg. 323; Ln. 196; Col. B	15
16							16
17		Total	\$ 278,082	\$ (86,037)	\$ 192,046	① Sum Lines 2 thru 15	17
18							18
19							19
20	FERC						20
21	Acct	Excluded Expenses		Current Year			21
22	924	Nuclear property insurance expenses		\$ (98)			22
23	925	Nuclear liability insurance expenses		(1,055)			23
24	925.4	Wildfire insurance premium allocations		(47,924)			24
25	928	CPUC reimbursement fees		(4,962)			25
26	928	Litigation expenses - Litigation Cost Memorandum Account (LCMA)		(2,229)			26
		Consumer Protection & Safety Division (CPSD)					
27	930.2	wildfire investigation settlement		(14,350)			27
28	925/926/930	CPUC energy efficiency programs		(14,318)			28
29	931	Advanced Metering Infrastructure (AMI) lease facilities		(873)			29
30	935	Hazardous substances-Hazardous Substance Cleanup Cost Account		(227)			30
31		Total		\$ (86,037)			31
32							32

¹ FERC Acct 925 is shown in two parts to reflect wildfire insurance premium allocations separately.

TOO C5 Original File @ 192,046
 ORDER OF COMPLIANCE (TOO C5 Revised File) 227,815
 Difference 35,769
 Labor Ratio 15.19%
 Transmission Related Diff. 5,433 VARIANCE

EXHIBIT 7A
P 2 of 2

CS ORDER OF COMPLIANCE

San Diego Gas & Electric
Administrative & General Expenses
12 Month Ending December 31, 2010
(\$1,000)

COMPLIANCE AMTS

ELECTRIC DIVISION

Line No.	FERC Acct	Description	(a) Total Per Books	(b) Excluded Expenses	(c) = (a) + (b) Total Adjusted	Reference	Line No.
1		<i>Administrative & General</i>					1
2	920	A&G Salaries	\$ 17,201	-	\$ 17,201	Form 1; Pg. 323; Ln. 181; Col. B	2
3	921	Office Supplies & Expenses	7,655	-	7,655	Form 1; Pg. 323; Ln. 182; Col. B	3
4	922	Less Construction Transfer	(5,767)	-	(5,767)	Form 1; Pg. 323; Ln. 183; Col. B	4
5	923	Outside Services	60,412	-	60,412	Form 1; Pg. 323; Ln. 184; Col. B	5
6	924	Property Insurance	3,646	(98)	3,548	Form 1; Pg. 323; Ln. 185; Col. B	6
7	925	Damages & Injuries ¹	15,363	(1,201)	14,162	Form 1; Pg. 323; Ln. 186; Col. B	7
8	925	Damages & Injuries - Wildfire Ins. Premium - TO3 Cycle 4 ²	17,792	(17,792)	-	Form 1; Pg. 323; Ln. 186; Col. B	8
9	925	Damages & Injuries - Wildfire Ins. Premium - TO3 Cycle 5 ³	56,264	-	56,264	Form 1; Pg. 323; Ln. 186; Col. B	9
10	926	Employee Pension & Benefits	51,223	(559)	50,664	Form 1; Pg. 323; Ln. 187; Col. B	10
11	927	Franchise Expenses	-	-	-	-	11
12	928	Regulatory Expenses	15,437	(7,191)	8,246	Form 1; Pg. 323; Ln. 189; Col. B	12
13	929	Company Energy Use	(1,707)	-	(1,707)	Form 1; Pg. 323; Ln. 190; Col. B	13
14	930	Misc. General Expenses	30,024	(27,964)	2,060	Form 1; Pg. 323; Ln. 192; Col. B	14
15	931	Rents	8,606	(873)	7,733	Form 1; Pg. 323; Ln. 193; Col. B	15
16	935	Maintenance of General Plant	7,571	(227)	7,344	Form 1; Pg. 323; Ln. 196; Col. B	16
17		Total Administrative & General Expenses	\$ 283,719	\$ (55,904)	\$ 227,815	Sum Lines 2 thru 16	17
18							18
19							19
20							20
21							21
22	FERC Acct	Excluded Expenses		Current Year			22
23	924	Nuclear property insurance expenses		\$ (98)			23
24	925	Nuclear liability insurance expenses		(1,055)			24
25	925	2009 Wildfire insurance premium recorded in 2010 - TO3 Cycle 4 ²		(17,792) v			25
26	928	CPUC reimbursement fees	\$ (4,962)				26
27	928	Litigation expenses - Litigation Cost Memorandum Account (LCMA)	(2,229)	(7,191)			27
28	930	Consumer Protection & Safety Division (CPSD) wildfire investigation settlement		(14,350)			28
29	925	CPUC energy efficiency programs	\$ (145)				29
30	926	CPUC energy efficiency programs	(559)				30
31	930	CPUC energy efficiency programs	(13,614)				31
32	931	Advanced Metering Infrastructure (AMI) lease facilities		(873)			32
33	935	Hazardous substances-Hazardous Substance Cleanup Cost Account		(227)			33
34		Total		\$ (55,904) v			34
35							35

Notes:
 1 FERC Act 925 is shown in three parts to reflect wildfire insurance premium by cycle separately. Some reclassifications were made to this damages & injuries account that revised the adjusted total for lines 7 and 9.
 2 The \$17.8M wildfire insurance premium expense was taken out of FERC accounts 566 and 588 and recorded to FERC account 925 in Nov and Dec 2010 to comply with FERC Cycle 4 Order ER10-2235. This included the capital allocation to comply with FERC Cycle 5 Order ER11-4318 to reflect all wildfire insurance premium expenses to be charged to FERC act 925. This amount is excluded as it pertains to SDG&E's Cycle 4 filing.
 3 The \$56.3M wildfire insurance premium expense was recorded during Cycle 5 Base Period including the previously capitalized allocation to comply with FERC Cycle 5 Order ER11-4318 to reflect all wildfire insurance premium expenses to be charged to FERC act 925.
 v Items that are in BOLD have changed from the TO3-Cycle 5 settlement filing last November 17, 2011.

SDG&E STATEMENT AJ
TRANSMISSION EXPENSE AND EXPENSE RELATED TO TRANSMISSION
 In Thousands
 Depreciation and Amortization Expense as of December 31, 2010

Account No.	Description	8/15/11		8/15/11		(3) = (2) - (1)	Order of		(6) = (5) - (4)
		(1) FERC Transmission Expense Per Book As Filed	(2) FERC Transmission Expense Per Book Adjusted	(4) Transmission Expense Ratemaking As Filed	(5) Transmission Expense Ratemaking Adjusted		Informational Filing	Compliance Filing	
303	Intangibles	\$ -	\$ -	\$ -	\$ -	\$ -			
350	Land and Land Rights	622	622	-	622	-			
352	Structures and Improvements	2,548	2,548	0	2,548	0			
353	Station Equipment	14,926	14,926	(0)	14,926	(0)			
354	Towers and Fixtures	2,332	2,332	(0)	2,332	(0)			
355	Poles and Fixtures	7,786	7,785	(1)	7,785	(1)			
356	Overhead Conductors & Devices	7,716	7,716	(0)	7,716	(0)			
357	Underground Conduit	3,312	3,312	(0)	3,312	(0)			
358	Underground Conductors & Devices	3,159	3,159	(0)	3,159	(0)			
359	Roads and Trails	404	404	(0)	404	(0)			
	Subtotal	42,805	42,804	(2)	42,804	(2)	\$ 41,808	\$ 41,806	\$ (2)
	Valley Rainbow Amortization Expense	1,893	1,893	-	1,893	-	1,893	1,893	-
	Total Transmission Expense	\$ 44,698	\$ 44,696	(2)	\$ 44,696	(2)	\$ 43,701	\$ 43,699	\$ (2)

SDG&E				Exhibit 10A
Comparison of Order of Compliance and Settlement Forecast Period Revenues				
Ln.				Ln.
No.			\$ Millions	No.
1				1
2	Order of Compliance Weighted Forecast Period Plant Additions (1)		\$ 633	2
3				3
4	Order of Compliance Annual Fix Charge Rate (2)		15.5766%	4
5				5
6	Order of Compliance Forecast Period Revenue	L2 x 4	\$ 98.60	6
7				7
8				8
9	Settlement Weighted Forecast Period Plant Additions (3)		\$ 641	9
10				10
11	Settlement Annual Fix Charge Rate (4)		15.2563%	(5) 11
12				12
13	Settlement Forecast Period Revenues	L9 x 11	\$ 97.79	13
14				14
15	Difference in Forecast Period Revenues (6)	L6-12	\$ 0.81	15
16				16
17				17
	(1) See Order of Compliance Vol 1 Statement BK-2 page 4 of 8 line 14			
	(2) See Order of Compliance Vol 1 Statement BK-2 page 4 of line 12			
	(3) See Nov 17, 2011 Settlement filing Statement BK-2 page 4 of 8 line14.			
	(4) See Nov 17, 2011 Settlement filing Statement BK-2 page 4 of 8 line12.			
	(5) Order of Compliance less Settlement Annual Fix Charge (15.5766% - 15.2563 = 0.3203%			

Journal entry recorded in August 2012 to for the calendar year 2010 to reflect in the FERC Form No. 1 of 2010 the removal of wildfire insurance premiums and wildfire claims and legal costs previously capitalized and all associated impacts.

<u>Account</u>	<u>Account Title</u>	<u>Debit</u>	<u>Credit</u>
925	Electric Distribution Injuries and Damages	\$ 194,152	
925	Electric Transmission Injuries and Damages	5,442,622	
432	AFUDC Debt	3,245	
419	AFUDC Equity	7,428	
408	Property Taxes	551	
182	Other Regulatory Assets	5,645,873	
282	Accumulated Deferred Income Taxes	213,785	
419	Interest and Dividend Income		\$ 18,824
403	Depreciation Expense		2,125
456	Other Electric Revenues		5,627,049
101	Electric Plant in Service		1,301,111
108	Accumulated Depreciation		219,722
107	Electric Construction Work in Progress		4,125,040
236	Taxes Accrued		213,785

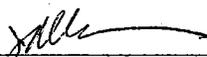
CERTIFICATE OF SERVICE

I hereby certify that I have this day served an electronic copy of the foregoing document upon each person designated on the official service list compiled by the Secretary in Docket No. ER11-4318-000. In addition, I certify that I have also caused the foregoing to be served by overnight delivery upon the following:

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

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

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



Joel Delloso