

**San Diego Gas & Electric Company**  
**Statement BK-1**  
**Derivation of End Use Prior Year Revenue Requirements (PYRR<sub>EU</sub>)**

**For the Base Period Ending May 31, 2012**  
**(\$1,000)**

Line No.		Amounts <sup>5</sup>	Reference	Line No.
1	<b><u>A. Revenues:</u></b>			1
2	Transmission Operation & Maintenance Expense	\$ 51,765	Statement AH; Page 5, Line 9	2
3				3
4	Transmission Related A&G Expense	41,496	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	\$ 93,261	Sum Lines 2 thru 6	8
9				9
10	Transmission, General, Common Plant Depn. Exp., and Electric Misc. Intangible Plant Amort. Exp.	54,755	Statement AJ; Page 7, Line 17	10
11				11
12	Valley Rainbow Project Cost Amortization Expense	1,893	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	11,156	Statement AK; Page 8, Line 27	16
17				17
18	Transmission Related Payroll Taxes Expense	2,030	Statement AK; Page 8, Line 33	18
19				19
20	Sub-Total Expense	\$ 163,095	Sum Lines 8 thru 18	20
21				21
22	Cost of Capital Rate <sub>(COCR)</sub>	10.7842%	Statement AV; Page 15, Line 31	22
23	Transmission Rate Base	1,222,194	Statement BK-1; Page 2, Line 26	23
24	Return and Associated Income Taxes	\$ 131,804	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	(2,652)	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 <sub>EU</sub> ) Excluding FF&U	\$ 294,315	Line 20 + Sum Lines (24 thru 31)	33
34				34
35	<b><u>B. Incentive ROE Project Transmission Revenue:</u></b>			35
36	Incentive Transmission Plant Depreciation Expense	\$ -	Statement AJ; Page 7; Line 21	36
37				37
38	Incentive Cost of Capital Rate <sub>(COCR)</sub> <sup>1</sup>	0.0000% <sup>4</sup>	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	<b><u>C. Incentive Transmission Plant Abandoned Project Revenue:</u></b>			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 <sub>(COCR)</sub>	10.7842%	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	<b><u>D. Incentive Transmission Construction Work In Progress (CWIP) Revenue:</u></b>			53
54	Incentive Transmission Construction Work In Progress <sup>2</sup>	\$ -	Statement BK-1; Page 2; Line 38	54
55	Cost of Capital Rate <sub>(COCR)</sub>	10.7842%	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 <sub>EU-IR</sub> ) Excluding FF&U	\$ -	Sum Lines 42; 51; 56	58
59				59
60	<b><u>E. Total (PYRR<sub>EU</sub>) Excluding FF&amp;U</u> <sup>3</sup></b>	<u>\$ 294,315</u>	Sum Lines 33; 58	60

<sup>1</sup> 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.

<sup>2</sup> 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.

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

<sup>4</sup> 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.

<sup>5</sup> 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 Ending May 31, 2012**

(\$1,000)

Line No.	Amounts	Reference	Line No.
<b><u>A. Transmission Rate Base:</u></b>			
1	<b><u>Net Transmission Plant:</u></b>		1
2	Transmission Plant	\$ 1,256,232	Statement BK-1; Page 3; Line 16
3	Transmission Related Electric Miscellaneous Intangible Plant	5,268	Statement BK-1; Page 3; Line 17
4	Transmission Related General Plant	16,585	Statement BK-1; Page 3; Line 18
5	Transmission Related Common Plant	32,956	Statement BK-1; Page 3; Line 19
6	Total Net Transmission Plant	\$ 1,311,041	Sum Lines 2 thru 5
7			7
8	<b><u>Rate Base Additions:</u></b>		8
9	Transmission Plant Held for Future Use	\$ 66,410	Statement AG; Page 4; Line 1
10	Transmission Plant Abandoned Project Cost	-	Misc. Statement; Page 17, Line 4
11	Total Rate Base Additions	\$ 66,410	Sum Lines 9 thru 10
12			12
13	<b><u>Rate Base Reductions:</u></b>		13
14	Transmission Related Accum. Def. Inc. Taxes	\$ (184,167)	Statement AF; Page 3; Line 5
15	Transmission Plant Abandoned Accum. Def. Inc. Taxes	-	Statement AF; Page 3; Line 9
16	Total Rate Base Reductions	\$ (184,167)	Sum Lines 14 thru 15
17			17
18	<b><u>Working Capital:</u></b>		18
19	Transmission Related Materials and Supplies	\$ 11,199	Statement AL; Page 9; Line 5
20	Transmission Related Prepayments	6,053	Statement AL; Page 9; Line 9
21	Transmission Related Cash Working Capital	11,658	Statement AL; Page 9; Line 19
22	Total Working Capital	\$ 28,910	Sum Lines 19 thru 21
23			23
24	Other Regulatory Assets/Liabilities	-	Misc. Statement; Page 17, Line 7
25			25
26	Total Transmission Rate Base	\$ 1,222,194	Sum Lines 6; 11; 16; 22; 24
27			27
28	<b><u>B. Incentive ROE Project Transmission Rate Base:</u></b>		28
29	Net Incentive Transmission Plant <sup>1</sup>	\$ -	Statement BK-1; Page 3; Line 25
30	Incentive Transmission Plant Accum. Def. Income Taxes	-	Statement AF; Page 3; Line 7
31	Total Incentive ROE Project Transmission Rate Base	\$ -	Sum Lines 29 thru 30
32			32
33	<b><u>C. Incentive Transmission Plant Abandoned Project Rate Base:</u></b>		33
34	Incentive Transmission Plant Abandoned Project Cost	\$ -	Misc. Statement; Page 17, Line 10
35	Incentive Transmission Plant Abandoned Project Cost Accum. Def. Inc. Taxes	-	Statement AF; Page 3; Line 11
36	Total Incentive Transmission Plant Abandoned Project Cost Rate Base	\$ -	Sum Lines 34 thru 35
37			37
38	<b><u>D. Incentive Transmission Construction Work In Progress</u></b> <sup>2</sup>	\$ -	Statement AM; Page 10; Line 1

<sup>1</sup> 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.

<sup>2</sup> 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<sub>EU</sub>)**

**For the Base Period Ending May 31, 2012**

(\$1,000)

Line No.	Amounts	Reference	Line No.
<b><u>A. Transmission Plant:</u></b>			
1			1
<b><u>Gross Transmission Plant:</u></b>			
2	\$ 1,785,183	Statement AD; Page 1, Line 15	2
3	7,520	Statement AD; Page 1, Line 31	3
4	29,185	Statement AD; Page 1, Line 33	4
5	67,986	Statement AD; Page 1, Line 35	5
6	<u>\$ 1,889,874</u>	Sum Lines 2 thru 5	6
7			7
<b><u>Transmission Related Depreciation Reserve:</u></b>			
8			8
9	\$ 528,951	Statement AE; Page 2, Line 1	9
10	2,252	Statement AE; Page 2, Line 11	10
11	12,600	Statement AE; Page 2, Line 13	11
12	35,030	Statement AE; Page 2, Line 15	12
13	<u>\$ 578,833</u>	Sum Lines 9 thru 12	13
14			14
<b><u>Net Transmission Plant:</u></b>			
15			15
16	\$ 1,256,232	Line 2 Minus Line 9	16
17	5,268	Line 3 Minus Line 10	17
18	16,585	Line 4 Minus Line 11	18
19	32,956	Line 5 Minus Line 12	19
20	<u>\$ 1,311,041</u>	Sum Lines 16 thru 19	20
21			21
<b><u>B. Incentive Project Transmission Plant:</u></b>			
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

<sup>1</sup> 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<sub>EU</sub>)**

**For the Forecast Period June 1, 2012 - August 31, 2014**  
**(\$1,000)**

Line No.	Amounts	Reference	Line No.	
<b><u>ANNUAL FIXED CHARGES APPLICABLE TO CAPITAL PROJECTS</u></b>				
1	<b><u>A. Derivation of Annual Fix Charge Rate (AFCR<sub>EU</sub>) Applicable to</u></b>		1	
2	<b><u>Weighted Forecast Plant Additions:</u></b>		2	
3	PYRR <sub>EU</sub> Excluding Franchise Fees and Uncollectible	\$ 294,315	Statement BK-1; Page 1; Line 33	3
4	50% of Transmission O&M Expense	(25,883)	Statement BK-1; Page 1; Line 2 * 50%	4
5	50% of Transmission Related A&G Expense	(20,748)	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	(1,893)	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 <sub>EU</sub> ) Excluding FF&U	\$ 243,723	Sum Lines 3 thru 11	12
13				13
14	Gross Transmission Plant	\$ 1,889,874	Statement BK-1; Page 3, Line 6	14
15				15
16	Annual Fix Charge Rate (AFCR <sub>EU</sub> )	12.8963%	Line 12 / Line 14	16
17				17
18	Weighted Forecast Plant Additions	\$ 1,868,244	Summary of HV-LV Plant Additions; Pg 1; Ln 5, Col. (f)	18
19				19
20	Forecast Period Capital Addition Revenue Requirements	\$ 240,934	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<sub>EU</sub>)**

**For the Forecast Period June 1, 2012 - August 31, 2014**  
**(\$1,000)**

Line No.	Amounts	Reference	Line No.
<b><u>ANNUAL FIXED CHARGES APPLICABLE TO INCENTIVE CAPITAL PROJECTS</u></b>			
<b><u>A. Derivation of Annual Fix Charge Rate (AFCR<sub>EU-IR-ROE</sub>) Applicable to Incentive Weighted Forecast Plant Additions (ROE Incentive Only):</u></b>			
1			1
2			2
3	\$ 294,315	Statement BK-1; Page 1; Line 33 + Line 42	3
4	(25,883)	Statement BK-1; Page 1; Line 2 * 50%	4
5	(20,748)	Statement BK-1; Page 1; Line 4 * 50%	5
6	-	Statement BK-1; Page 1; Line 6	6
7	(1,893)	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>\$ 243,723</u>	Sum Lines 3 thru 11	12
13			13
14	<u>\$ 1,889,874</u>	Statement BK-1; Page 3, Line 6 + Line 23	14
15			15
16	12.8963%	Line 12 / Line 14	16
17			17
18	<u>\$ -</u>	Summary of HV-LV Plant Additions; Pg 1; Ln 8; Col. (f)	18
19			19
20	<u>\$ -</u>	Line 16 x Line 18	20
21			21
22	<b><u>B. Derivation of Incentive Forecast Transmission CWIP Revenues:</u></b>		
23	<b><u>1. For the Period After the Base Period and Before the Rate Effective Period:</u></b>		
24	<u>\$ -</u>	Summary of HV-LV Plant Additions; Pg 1; Ln 10; Col. (f)	24
25			25
26	<u>10.7842%</u>	Statement AV; Page 15, Line 31	26
27			27
28	<u>\$ -</u>	Line 24 x Line 26	28
29			29
30	<b><u>2. For the Period During the Rate Effective Period:</u></b>		
31	<u>\$ -</u>	Summary of HV-LV Plant Additions; Pg 1; Ln 12; Col. (f)	31
32			32
33	<u>10.7842%</u>	Statement AV; Page 15, Line 31	33
34			34
35	<u>\$ -</u>	Line 31 x Line 33	35
36			36
37	<u>\$ -</u>	Sum Lines 28; 35	37

<sup>1</sup> 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<sub>EU</sub>)

For the Rate Effective Period September 1, 2013 - August 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
31			31
32			32

**A. End Use Customer Base Transmission Revenue Requirement (BTRR<sub>EU</sub>):**

End of Prior Year Revenues (PYRR<sub>EU</sub>) Excluding FF&U

\$ 294,315

Statement BK-1; Page 1; Line 33

Incentive End of Prior Year Revenues (PYRR<sub>EU-IR</sub>) Excluding FF&U

-

Statement BK-1; Page 1; Line 58

Sub-Total Base Period Revenues

\$ 294,315

Sum Lines 3 thru 5

Retail True-Up Period Adjustment

\$ -

(Retail TU Adj; Total Col; Line 29) / 1,000

Retail Interest True-Up Adjustment

-

(Retl Int TU-1 + Retl Int TU-2; Ttl Col; Ln 20)/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

\$ 240,934

Statement BK-1; Page 4, Line 20

**C. Annual Fixed Charges Applicable to Incentive Capital Projects:**

Forecast Period Incentive Capital Additions Revenue Requirements (FC<sub>EU-IR-ROE</sub>)

\$ -

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<sub>EU</sub> Excluding FF&U:**

\$ 535,249

Sum Lines 7; 13; 17; 21; 25

Transmission Related Municipal Franchise Fees Expenses

5,518

Line 27 x 1.031%

Transmission Related Uncollectible Expense

931

Line 27 x 0.174%

**F. Total Retail BTRR<sub>EU</sub> With FF&U**

\$ 541,698

Sum Lines 27 thru 30

**San Diego Gas & Electric Company**  
**Statement BK-2**  
**Derivation of CAISO Total Base Transmission Revenue Requirements**  
**For the Base Period Ending May 31, 2012**  
(\$1,000)

Line No.	Amounts	Reference	Line No.
1	<b>\$ 294,315</b>	Statement BK-1; Page 1; Line 60	1
2			2
3			3
4	-	Statement BK-1; Page 1; Line 6	4
5			5
6	-	Statement AL; Page 9; Line 30	6
7			7
8	(2,333)	Statement BK-1; Page 1; Line 26	8
9			9
10	-	Statement BK-1; Page 1; Line 28	10
11			11
12	<b>\$ (2,333)</b>	Sum Lines 4 thru 10	12
13			13
14	291,982	Sum Lines 1; 12	14
15			15
16	-	(Wholesale TU Adj; Total Col; Line 29) / 1,000	16
17			17
18	-	(Wholesale Int TU-1 + Wholesale Int TU-2; Ttl Col; Ln 20) / 1000	18
19			19
20	\$ 291,982	Sum Lines 14 thru 18	20
21			21
22	<b>240,934</b>	Statement BK-1; Page 4; Line 20	22
23			23
24	-	Statement BK-1; Page 5; Line 20	24
25			25
26	-	Statement BK-1; Page 5; Line 37	26
27			27
28	<b>\$ 532,916</b>	Sum Lines 20 thru 26	28

<sup>1</sup> Total Prior Year Revenues (PYRR) or Base Period Revenue is for 12 months ending the applicable cycle base period.

**San Diego Gas & Electric Company  
Statement BK-2**

**Derivation of CAISO HV Transmission Facility (BTRR<sub>CAISO-HV</sub>) & LV Transmission Facility (BTRR<sub>CAISO-LV</sub>) Revenue Requirements**

**For the Rate Effective Period September 1, 2013 - August 31, 2014  
(\$1,000)**

Line No.		Total	Reference		Line No.
<b>A. Derivation of Revenues Related With Total Transmission Facilities:</b>					
1	Wholesale BTRR Before Forecast Prior Year Revenue Requirements (PYRR <sub>CAISO</sub> )	\$ 291,982	Statement BK-2; Page 1; Line 20		1
2					2
3	Forecast Period Capital Addition Revenue Requirements	240,934	Statement BK-2; Page 1; Line 22		3
4					4
5	Forecast Period Incentive Capital Additions Revenue Requirements (FC <sub>EU-IR-ROE</sub> )	-	Statement BK-2; Page 1; Line 24		5
6					6
7	Incentive Transmission Forecast CWIP Projects Revenue Requirements	-	Statement BK-2; Page 1; Line 26		7
8					8
9	Total Wholesale BTRR Excluding Franchise Fees	\$ 532,916	Sum Lines 1 thru 7		9
10					10
11	<b>B. Derivation of Split Between HV and LV:<sup>1</sup></b>				
12	<b>1. Percent Split Between HV &amp; LV for Recorded Non-Incentive &amp; Incentive Gross Transmission Plant Facilities and Incentive CWIP:</b>	(a) Total	(b) High Voltage	(c) Low Voltage	Reference
13					
14	Gross Transmission Plant Facilities <sup>2</sup>	\$ 1,844,046	\$ 797,012	\$ 1,047,034	HV-LV Study, Line 3 below <sup>6</sup>
15	HV-LV Plant Allocation Ratios <sup>3</sup>	100.00%	43.22%	56.78%	Ratios Based on Line 14
16	Total HV-LV Transmission Plant Facilities Revenues	\$ 291,982	\$ 126,197	\$ 165,785	Line 15 x Line 16; Col A
17					
18	<b>2. Percent Split Between HV and LV of Forecast Plant Adds Applicable to Forecast Period:</b>				Summary of HV-LV Splits for Forecast Plant Adds; Page 1; Line 19
19	HV-LV Plant Allocation Ratios Based on Forecast Plant Additions	\$ 1,868,244	\$ 1,648,961	\$ 219,283	
20		100.00%	88.26%	11.74%	Ratios Based on Line 19
21	Total HV-LV Transmission Forecast Plant Additions Revenues	\$ 240,934	\$ 212,655	\$ 28,279	Line 20 x Line 21; Col A
22					
23	<b>C. Summary of CAISO Transmission Facilities by High Voltage and Low Voltage Classification:</b>				
24	Recorded Transmission Facilities (BTRR <sub>CAISO</sub> ) Excluding Franchise Fees	\$ 291,982	\$ 126,197	\$ 165,785	Line 16 From Above
25	Franchise Fee (FF) @ 1.031% <sup>4</sup>	3,010	1,301	1,709	Line 25 x 1.031%
26	Total Recorded Transmission Facilities BTRR <sub>CAISO</sub> With Franchise Fees	\$ 294,992	\$ 127,498	\$ 167,494	Sum Lines 25 thru 26
27					
28	Forecast Transmission Facilities (BTRR <sub>CAISO</sub> ) Excluding Franchise Fees	\$ 240,934	\$ 212,655	\$ 28,279	Line 21 From Above
29	Franchise Fee (FF) @ 1.031% <sup>4</sup>	2,484	2,192	292	Line 29 x 1.031%
30	Total Recorded Transmission Facilities BTRR <sub>CAISO</sub> With Franchise Fees	\$ 243,418	\$ 214,847	\$ 28,571	Sum Lines 29 thru 30
31					
32					
33	<b>D. Total (BTRR<sub>CAISO</sub>) With Franchise Fees<sup>5</sup></b>	\$ 538,410	\$ 342,345	\$ 196,065	Line 27 + Line 31

<sup>1</sup> Pursuant to the CAISO'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 CAISO'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 CAISO's HV and LV guidelines in effect 1/1/2005 pursuant to CAISO Tariff Appendix F, Sch.3, Section 8.1.

<sup>2</sup> Use gross plant facilities as of December 31 for the applicable base period.

<sup>3</sup> HV-LV plant ratios based upon footnote 2.

<sup>4</sup> Base franchise fees are applicable to all SDG&E customers.

<sup>5</sup> The following HV-LV Wholesale Base Transmission Revenue Requirements will be used by the CAISO to develop the TAC rates for the rate effective applicable period.

<sup>6</sup> Transmission Plant HV/LV Study Classification Summary (\$1,000):

Ln	Total	HV	LV
1	\$ 643,474	\$ 328,924	\$ 314,549
2	1,200,572	468,088	732,484
3	\$ 1,844,046	\$ 797,012	\$ 1,047,034

See HV-LV Study WP

**SAN DIEGO GAS AND ELECTRIC COMPANY**

**Statement AD**

**Cost of Plant**

**Base Period 12 - Months Ending May 31, 2012**

**(\$1,000)**

Line No	Amounts	Reference	Line No
1 Total Electric Miscellaneous Intangible Plant <sup>1</sup>	\$ 52,075	Stmnt AD WP; Page AD1; Line 1	1
2			2
3 Total Steam Production Plant	438,704	Stmnt AD WP; Page AD1; Line 3	3
4			4
5 Total Nuclear Production Plant	1,462,452	Stmnt AD WP; Page AD1; Line 5	5
6			6
7 Total Hydraulic Production Plant	-	Stmnt AD WP; Page AD1; Line 7	7
8			8
9 Total Other Production Plant	398,374	Stmnt AD WP; Page AD1; Line 9	9
10			10
11 Total Production Plant and Intangible Plant	\$ 2,351,605	Sum Lines 1 thru 9	11
12			12
13 Total Distribution Plant	\$ 4,752,127	Stmnt AD WP; Page AD1; Line 13	13
14			14
15 Transmission Plant <sup>2</sup>	\$ 1,785,183	Stmnt AD WP; Page AD1; Line 15	15
16			16
17 Incentive Transmission Plant <sup>3</sup>	-	Stmnt AD WP; Page AD1; Line 17	17
18			18
19 Total Transmission Plant & Incentive Transmission Plant	\$ 1,785,183	Sum Lines 15 thru 17	19
20			20
21 Total General Plant <sup>1</sup>	\$ 202,109	Stmnt AD WP; Page AD1; Line 21	21
22			22
23 Total Common Plant <sup>1</sup>	\$ 470,816	Stmnt AD WP; Page AD1; Line 23	23
24			24
25 Total Plant in Service	\$ 9,561,840	Sum Lines 11; 13; 19; 21; 23	25
26			26
27 Transmission Wages and Salaries Allocation Factor	14.44%	Statement AI; Line 19	27
28			28
29 Total Transmission Plant & Incentive Transmission Plant	\$ 1,785,183	See Line 19 Above	29
30			30
31 Transmission Related Electric Miscellaneous Intangible Plant	7,520	Line 1 x Line 27	31
32			32
33 Transmission Related General Plant	29,185	Line 21 x Line 27	33
34			34
35 Transmission Related Common Plant	67,986	Line 23 x Line 27	35
36			36
37 Transmission Related Total Plant in Service	\$ 1,889,874	Sum Lines 29; 31; 33; 35	37
38			38
39 Transmission Plant Allocation Factor <sup>4</sup>	19.76%	Line 37 / Line 25	39

<sup>1</sup> Electric Miscellaneous Intangible Plant, General Plant, and Common Plant are not affected by the "Seven-Element Adjustment Factor" because there's no transfer of transmission or distribution plant among these categories.

<sup>2</sup> The amounts stated above are ratemaking utility plant in service and as a result of implementing the "Seven-Element Adjustment Factor" which reflects transfers between generation and distribution functions.

<sup>3</sup> The purpose of this footnote is to indicate for incentive projects the cost of the project.

<sup>4</sup> Used to allocate all elements of working capital, other than working cash.

**SAN DIEGO GAS AND ELECTRIC COMPANY**  
**Statement AE**  
**Accumulated Depreciation and Amortization**  
**Base Period 12 - Months Ending May 31, 2012**  
**(\$1,000)**

Line No	Amounts	Reference	Line No
1 Transmission Plant Depreciation Reserve <sup>1</sup>	\$ 528,951	Stmnt AE WP; Page AE1; Line 1	1
2			2
3 Electric Miscellaneous Intangible Plant Amortization Reserve <sup>2</sup>	\$ 15,597	Stmnt AE WP; Page AE1; Line 3	3
4			4
5 General Plant Depreciation Reserve <sup>2</sup>	87,260	Stmnt AE WP; Page AE1; Line 5	5
6			6
7 Common Plant Depreciation Reserve <sup>2</sup>	242,587	Stmnt AE WP; Page AE1; Line 7	7
8			8
9 Transmission Wages and Salaries Allocation Factor	14.44%	Stmnt AE WP; Page AE1; Line 9	9
10			10
11 Transmission Related Electric Misc. Intangible Plant Amortization Reserve	\$ 2,252	Line 3 x Line 9	11
12			12
13 Transmission Related General Plant Depreciation Reserve	12,600	Line 5 x Line 9	13
14			14
15 Transmission Related Common Plant Depreciation Reserve	35,030	Line 7 x Line 9	15
16			16
17 Total Transmission Related Depreciation Reserve	\$ 578,833	Sum Lines 1; 11; 13; 15	17
18			18
19 Incentive Transmission Plant Depreciation Reserve	\$ -	Stmnt AE WP; Page AE1; Line 19	19

<sup>1</sup> The amounts stated above are ratemaking utility plant in service as a result of implementing the "Seven-Element Adjustment Factor" which reflects transfers between generation and distribution functions.

<sup>2</sup> Electric Miscellaneous Intangible Plant, General Plant, and Common Plant are not affected by the "Seven-Element Adjustment Factor" because there's no transfer of transmission or distribution plant among these categories.

**SAN DIEGO GAS AND ELECTRIC COMPANY**  
**Statement AF**  
**Deferred Credits**

**Base Period 12 - Months Ending May 31, 2012**

(\$1,000)

Line No	Amounts	Reference	Line No
1 Transmission Related ADIT- Excluding Bonus Depreciation	\$ (151,843)	Stmnt AF WP; Page AF1; Line 1	1
2			2
3 Transmission Related ADIT from Bonus Depreciation	(32,324)	Stmnt AF WP; Page AF1; Line 3	3
4			4
5 Total Transmission Related ADIT	<u>\$ (184,167)</u>	Sum Lines 1 thru 3	5
6			6
7 Incentive Transmission Plant ADIT	<u>\$ -</u>	Stmnt AF WP; Page AF1; Line 8	7
8			8
9 Transmission Plant Abandoned ADIT	<u>\$ -</u>	Stmnt AF WP; Page AF1; Line 10	9
10			10
11 Incentive Transmission Plant Abandoned Project Cost ADIT	<u>\$ -</u>	Stmnt AF WP; Page AF1; Line 12	11

**SAN DIEGO GAS AND ELECTRIC COMPANY**  
**Statement AG**  
**Specified Plant Account (Other than Plant in Service) and Deferred Debits**  
**Base Period 12 - Months Ending May 31, 2012**  
**(\$1,000)**

Line No	Amounts	Reference	Line No
1 Transmission Plant Held for Future Use <sup>1</sup>	<u>\$ 66,410</u>	Stmnt AG WP; Page AG1; Line 1	1

<sup>1</sup> The balances for Transmission Plant Held for Future Use are derived based on a 13-month average balance.

**SAN DIEGO GAS AND ELECTRIC COMPANY**

**Statement AH**

**Operation and Maintenance Expenses**

**Base Period 12 - Months Ending May 31, 2012**

**(\$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
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

<sup>1</sup> The CPUC Intervenor Expense for Transmission shall be treated as an exclusion in A&G but added back to the Retail BTRR on BK-1, page 1, line 6. This expense will be excluded in Wholesale BTRR on BK-2, page 1, line 4.

**SAN DIEGO GAS AND ELECTRIC COMPANY**  
**Statement AI**  
**Wages and Salaries**

**Base Period 12 - Months Ending May 31, 2012**

(\$1,000)

Line No.		Amounts	Reference	Line No.
1	Production Wages & Salaries	\$ 10,458	Stmnt AI WP; Page AII; Line 1	1
2				2
3	Transmission Wages & Salaries	17,779	Stmnt AI WP; Page AII; Line 3	3
4				4
5	Distribution Wages & Salaries	53,833	Stmnt AI WP; Page AII; Line 5	5
6				6
7	Customer Accounts Wages & Salaries	24,230	Stmnt AI WP; Page AII; Line 7	7
8				8
9	Customer Services and Informational Wages & Salaries	16,780	Stmnt AI WP; Page AII; Line 9	9
10				10
11	Sales Wages & Salaries	-	Stmnt AI WP; Page AII; Line 11	11
12				12
13	Sub-Total	\$ 123,080	Sum Lines 1 thru 11	13
14				14
15	Administrative and General Wages & Salaries	\$ 18,669	Stmnt AI WP; Page AII; Line 15	15
16				16
17	Total Operating & Maintenance Wages & Salaries	<u>\$ 141,750</u>	Sum Lines 13; 15	17
18				18
19	Transmission Wages and Salaries Allocation Factor	<u>14.44%</u>	Line 3 / Line 13	19

**SAN DIEGO GAS AND ELECTRIC COMPANY**

**Statement AJ**

**Depreciation and Amortization Expense**

**Base Period 12 - Months Ending May 31, 2012**

**(\$1,000)**

Line No.		Amounts	Reference	Line No.
1	Transmission Plant Depreciation Expense (net of incentive depreciation expense on line 21)	\$ 46,762	Stmnt AJ WP; Page AJ1; Line 1	1
2				2
3	Electric Miscellaneous Intangible Plant Amortization Expense	\$ 1,800	Stmnt AJ WP; Page AJ1; Line 3	3
4				4
5	General Plant Depreciation Expense	9,082	Stmnt AJ WP; Page AJ1; Line 5	5
6				6
7	Common Plant Depreciation Expense	44,477	Stmnt AJ WP; Page AJ1; Line 7	7
8				8
9	Transmission Wages and Salaries Allocation Factor	14.44%	Stmnt AJ WP; Page AJ1; Line 9	9
10				10
11	Transmission Related Electric Misc. Intangible Plant Amortization Expense	\$ 260	Line 3 x Line 9	11
12				12
13	Transmission Related General Plant Depreciation Expense	1,311	Line 5 x Line 9	13
14				14
15	Transmission Related Common Plant Depreciation Expense	6,422	Line 7 x Line 9	15
16				16
17	Total Transmission, General, Common Plant Depn. Exp., and Electric Misc. Intangible Plant Amort. Exp.	\$ 54,755	Sum Lines 1; 11; 13; 15	17
18				18
19	Valley Rainbow Project Cost Amortization Expense <sup>1</sup>	\$ 1,893	Stmnt AJ WP; Page AJ1; Line 19	19
20				20
21	Incentive Transmission Plant Depreciation Expense	\$ -	Stmnt AJ WP; Page AJ1; Line 21	21
22				22
23	Transmission Plant Abandoned Project Cost Amortization Expense	\$ -	Stmnt AJ WP; Page AJ1; Line 23	23
24				24
25	Incentive Transmission Plant Abandoned Project Cost Amortization Expense	\$ -	Stmnt AJ WP; Page AJ1; Line 25	25

<sup>1</sup> Amortization approval per ER03-601-000 issued May 2, 2003 for a 10-year period beginning October 2003 and ending September 2013.

**SAN DIEGO GAS AND ELECTRIC COMPANY**  
**Statement AK**

**Taxes Other Than Income Taxes**

**Base Period 12 - Months Ending May 31, 2012**

(\$1,000)

Line No.		Amounts	Reference	Line No.
1	Total Property Taxes	\$ 51,794	Stmnt AK WP; Page AK1; Line 5	1
2				2
3	Less: SONGS Property Taxes	(4,098)	Stmnt AK WP; Page AK1; Line 7	3
4				4
5	Property Taxes Less SONGS	<u>\$ 47,696</u>	Line 1 Minus Line 3	5
6				6
7				7
8	<u>Derivation of Transmission Related Property Tax Allocation Factor:</u>			8
9	Total Transmission Plant & Incentive Transmission Plant	\$ 1,785,183	Stmnt AD WP; Page AD1; Line 29	9
10	Transmission Related Electric Miscellaneous Intangible Plant	0	Shall be Zero	10
11	Transmission Related General Plant	29,185	Stmnt AD WP; Page AD1; Line 33	11
12	Transmission Related Common Plant	67,986	Stmnt AD WP; Page AD1; Line 35	12
13	Total	<u>\$ 1,882,354</u>	Sum Lines 9 thru 12	13
14				14
15	Total Transmission Plant & Incentive Transmission Plant	1,785,183	Stmnt AD WP; Page AD1; Line 29	15
16	Total Electric Miscellaneous Intangible Plant	0	Shall be Zero	16
17	Total Steam Plant	438,704	Stmnt AD WP; Page AD1; Line 3	17
18	Total Nuclear Plant	0	Shall be Zero	18
19	Total Other Production Plant	398,374	Stmnt AD WP; Page AD1; Line 9	19
20	Total Distribution Plant	4,752,127	Stmnt AD WP; Page AD1; Line 13	20
21	Total General Plant	202,109	Stmnt AD WP; Page AD1; Line 21	21
22	Total Common Plant	470,816	Stmnt AD WP; Page AD1; Line 23	22
23	Total Investment in Plant Excluding SONGS	<u>\$ 8,047,313</u>	Sum Lines 15 thru 22	23
24				24
25	Transmission Related Property Tax Allocation Factor	<u>23.39%</u>	Line 13 / Line 23	25
26				26
27	Transmission Related Property Taxes Expense	<u>\$ 11,156</u>	Line 5 x Line 25	27
28				28
29	Payroll Taxes	\$ 14,060	Stmnt AK WP; Page AK1; Line 16	29
30				30
31	Transmission Wages and Salaries Allocation Factor	<u>14.44%</u>	Statement AI; Line 19	31
32				32
33	Transmission Related Payroll Taxes Expense	<u>\$ 2,030</u>	Line 29 x Line 31	33

**SAN DIEGO GAS AND ELECTRIC COMPANY**  
**Statement AL**  
**Working Capital**

**Base Period 12 - Months Ending May 31, 2012**

(\$1,000)

Line No.	Amounts	Reference	Line No.
1 A. Plant Materials and Operating Supplies <sup>a</sup>	\$ 56,677	Stmnt AL WP; Page AL1; Line 1	1
2			2
3 Transmission Plant Allocation Factor	19.76%	Stmnt AD WP; Page AD1; Line 39	3
4			4
5 Transmission Related Materials and Supplies	\$ 11,199	Line 1 x Line 3	5
6			6
7 B. Prepayments <sup>a</sup>	\$ 30,634	Stmnt AL WP; Page AL1; Line 7	7
8			8
9 Transmission Related Prepayments	\$ 6,053	Line 3 x Line 7	9
10			10
11 <u>C. Derivation of Transmission Related Cash Working Capital:</u>			11
12 Transmission Operation & Maintenance Expense	\$ 51,765	Stmnt AL WP; Page AL1; Line 12	12
13 Transmission Related Administrative & General Expense	41,496	Stmnt AL WP; Page AL1; Line 13	13
14 CPUC Intervenor Funding Expense - Transmission	-	Stmnt AL WP; Page AL1; Line 14	14
15 Total	\$ 93,261	Sum Lines 12 thru 14	15
16			16
17 One Eighth O&M Method	12.50%	FERC Method = 1/8 of O&M	17
18			18
19 Transmission Related Cash Working Capital - Retail Customers	\$ 11,658	Line 15 x Line 17	19
20			20
21 <u>D. Adj. to Back Out CPUC Intervenor Funding Exp. Embedded in Retail Working Cash:</u>			21
22 CPUC Intervenor Funding Expense - Transmission	\$ -	Stmnt AL WP; Page AL1; Line 22	22
23			23
24 One Eighth O&M Rule	12.50%	FERC Method = 1/8 of O&M	24
25			25
26 Adj. to Transmission Related Cash Working Capital - Wholesale Customers	\$ -	Line 22 x Line 24	26
27			27
28 Cost of Capital Rate (COCR)	10.7842%	Stmnt AL WP; Page AL1; Line 28	28
29			29
30 CPUC Intervenor Funding Exp. Revenue Adj. <sup>b</sup>	\$ -	Line 26 x Line 28	30

<sup>a</sup> The balances for Materials & Supplies and Prepayments are derived based on a 13-month average balance.

<sup>b</sup> This adjustment is being made to BK-2, page 1, line 6 to show that wholesale customers should not pay for this working cash item.

**SAN DIEGO GAS AND ELECTRIC COMPANY**  
**Statement AM**  
**Construction Work In Progress**  
**Base Period 12 - Months Ending May 31, 2012**  
**(\$1,000)**

Line No.	Amounts	Reference	Line No.
1 Incentive Transmission Construction Work In Progress <sup>a</sup>	\$ -	Stmnt AM WP; Page AM1; Line 1	1

<sup>a</sup> The balance for Incentive Transmission Construction Work In Progress is derived based on a 13-month average balance. A line will be shown for each applicable project.

**SAN DIEGO GAS AND ELECTRIC COMPANY**  
**Statement AQ**  
**Federal Income Tax Deductions, Other Than Interest**  
**Base Period 12 - Months Ending May 31, 2012**  
**(\$1,000)**

Line No.	Amounts	Reference	Line No.
1 South Georgia Income Tax Adjustment	\$ 2,333	Stmnt AQ WP; Page AQ1; Line 1	1

**SAN DIEGO GAS AND ELECTRIC COMPANY**

**Statement AR**

**Federal Tax Adjustments**

**Base Period 12 - Months Ending May 31, 2012**

**(\$1,000)**

Line No.		Amounts	Reference	Line No.
1	Transmission Related Amortization of Investment Tax Credits	\$ (265)	Stmnt AR WP; Page AR1; Line 1	1
2				2
3	Transmission Related Amortization of Excess Deferred Tax Liabilities	-	Stmnt AR WP; Page AR1; Line 3	3
4				4
5	Total	<u>\$ (265)</u>	Sum Lines 1 thru 3	5

**SAN DIEGO GAS AND ELECTRIC COMPANY**  
**Statement AU**  
**Revenue Credits**

**Base Period 12 - Months Ending May 31, 2012**

(\$1,000)

Line No.	Amounts	Reference	Line No.
1 (451) Miscellaneous Service Revenues	\$ -	Stmnt AU WP; Page AU1; Line 1	1
2			2
3 (453) Sales of Water and Water Power	-	Stmnt AU WP; Page AU1; Line 3	3
4			4
5 (454) Rent from Electric Property	588	Stmnt AU WP; Page AU1; Line 5	5
6			6
7 (455) Interdepartmental Rents	-	Stmnt AU WP; Page AU1; Line 7	7
8			8
9 (456) Other Electric Revenues	2,064	Stmnt AU WP; Page AU1; Line 9	9
10			10
11 Transmission Related Revenue Credits	\$ 2,652	Sum Lines 1 thru 9	11
12			12
13 (411.6 & 411.7) Gain or Loss From Sale of Plant Held for Future Use	\$ -	Stmnt AU WP; Page AU1; Line 13	13

**SAN DIEGO GAS AND ELECTRIC COMPANY  
Statement AV**

**Cost of Capital and Fair Rate of Return**

**Base Period 12 - Months Ending May 31, 2012**

**(\$1,000)**

Line No.		Amounts	Reference	Line No.		
1	<u>Long-Term Debt Component - Denominator:</u>			1		
2	(Plus): Account 221 - Bonds	\$ 3,536,905	Stmnt AV WP; Page AV1; Line 2	2		
3	(Less): Account 222 - Reacquired Bonds	-	Stmnt AV WP; Page AV1; Line 3	3		
4	(Plus): Account 224 - Other Long-Term Debt (Acct. 224)	253,720	Stmnt AV WP; Page AV1; Line 4	4		
5	(Plus): Account 225 - Unamortized Premium on Long-Term Debt	-	Stmnt AV WP; Page AV1; Line 5	5		
6	(Less): Account 226 - Unamortized Discount on Long-Term Debt-Debit	12,055	Stmnt AV WP; Page AV1; Line 6	6		
7	Total Long Term Debt (LTD)	\$ 3,778,570	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): Account 427 - Interest on Long-Term Debt	\$ 163,736	Stmnt AV WP; Page AV1; Line 10	10		
11	(Plus): Account 428 - Amort. of Debt Disc. and Expense	2,607	Stmnt AV WP; Page AV1; Line 11	11		
12	(Plus): Account 428.1 - Amortization of Loss on Reacquired Debt	3,388	Stmnt AV WP; Page AV1; Line 12	12		
13	(Less): Account 429 - Amort. of Premium on Debt-Credit	-	Stmnt AV WP; Page AV1; Line 13	13		
14	(Less): Account 429.1 - Amortization of Gain on Reacquired Debt-Credit	-	Stmnt AV WP; Page AV1; Line 14	14		
15	Total LTD Interest = (i)	\$ 169,731	Sum Lines 10; 11; 12 Minus Lines 13 & 14	15		
16				16		
17	<u>Cost of Long-Term Debt:</u>	4.49%	Line 15 / Line 7	17		
18				18		
19	<u>Preferred Equity Component:</u>			19		
20	PF = Preferred Stock - Account 204	\$ 78,475	Stmnt AV WP; Page AV1; Line 20	20		
21	d(pf) = Total Dividends Declared-Preferred Stocks - Account 437	\$ 4,820	Stmnt AV WP; Page AV1; Line 21	21		
22	Cost of Preferred Equity	6.14%	Line 21 / Line 20	22		
23				23		
24	<u>Common Equity Component:</u>			24		
25	Proprietary Capital	\$ 3,990,776	Stmnt AV WP; Page AV1; Line 25	25		
26	(Less): Account 204 - Preferred Stock	78,475	Stmnt AV WP; Page AV1; Line 26	26		
27	(Less): Account 216.1 - Unappropriated Undistributed Subsidiary Earnings	-	Stmnt AV WP; Page AV1; Line 27	27		
28	(Less): Account 219 - Accumulated Other Comprehensive Income	-	Stmnt AV WP; Page AV1; Line 28	28		
29	CS = Common Stock	\$ 3,912,301	Line 25 Minus Lines 26, 27 & 28	29		
30				30		
31	<u>Return on Common Equity</u>	10.05%	Stmnt AV WP; Page AV1; Line 31	31		
32	(a)	(b)	(c)	(d) = (b) x (c)		
33	Amount <sup>1</sup>	Cap. Struct. Ratio	Cost of Capital	Weighted Cost of Capital		
34	<u>Weighted Cost of Capital:</u>					
35						
36	Long-Term Debt	\$ 3,778,570	48.63%	4.49%	2.18%	Col. C = Line 17 Above
37	Preferred Equity	78,475	1.01%	6.14%	0.06%	Col. C = Line 22 Above
38	Common Equity	3,912,301	50.36%	10.05%	5.06%	Col. C = Line 31 Above
39	Total Capital	\$ 7,769,346	100.00%		7.30%	Sum Lines 36 thru 38
40						
41	<u>Cost of Equity Component (Preferred &amp; Common):</u>			5.12%		Sum Lines 37; 38; Col. (d)
42						
43						
44	<u>Incentive Return on Common Equity:</u> <sup>2</sup>			0.00%		Stmnt AV WP; Page AV1; Line 44
45	(a)	(b)	(c)	(d) = (b) x (c)		
46	Amount <sup>1</sup>	Cap. Struct. Ratio	Cost of Capital	Weighted Cost of Capital		
47	<u>Weighted Cost of Capital:</u>					
48						
49	Long-Term Debt	\$ 3,778,570	48.63%	4.49%	2.18%	Col. C = Line 17 Above
50	Preferred Equity	78,475	1.01%	6.14%	0.06%	Col. C = Line 22 Above
51	Common Equity	3,912,301	50.36%	0.00%	0.00%	Col. C = Line 44 Above
52	Total Capital	\$ 7,769,346	100.00%		2.24%	Sum Lines 49 thru 51
53						
54	<u>Incentive Cost of Equity Component (Preferred &amp; Common):</u>			0.06%		Sum Lines 50; 51; Col. (d)

<sup>1</sup> Amount is based upon December 31 balances.

<sup>2</sup> 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 12 - Months Ending May 31, 2012**

**(\$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

1	<u>Cost of Capital Rate (COCR) Calculation:</u>		
2			
3	a) <u>Federal Income Tax Component:</u>		
4			
5	<u>Where:</u>		
6	A = Sum of Preferred Stock and Return on Equity Component	5.12%	Statement AV; Page 14; Line 41
7	B = Trans. Related Amort. of ITC and Excess Deferred Tax Liab.	\$ 265	Statement AR; Page 12; Line 5
8	C = Equity AFUDC Component of Transmission Depreciation Expense	\$ -	Stmnt AV WP; Page AV2; Line 8
9	D = Transmission Rate Base	\$ 1,222,194	Statement BK1; Page 2; Line 26
10	FT = Federal Income Tax Rate @ 35%	35%	Stmnt AV WP; Page AV2; Line 10
11			
12	Federal Income Tax = $\frac{(((A) + (C / D)) * FT) - (B / D)}{(1 - FT)}$	2.7236%	Federal Income Tax Expense
13			
14			
15	b) <u>State Income Tax Component:</u>		
16			
17	<u>Where:</u>		
18	A = Sum of Preferred Stock and Return on Equity Component	5.12%	Statement AV; Page 14; Line 41
19	B = Equity AFUDC Component of Transmission Depreciation Expense	\$ -	Line 8 Above
20	C = Transmission Rate Base	\$ 1,222,194	Statement BK1; Page 2; Line 26
21	FT = Federal Income Tax Expense	2.7236%	Line 12 Above
22	ST = State Income Tax Rate @ 8.84%	8.84%	Stmnt AV WP; Page AV2; Line 22
23			
24	State Income Tax = $\frac{((A) + (B / C) + \text{Federal Income Tax}) * (ST)}{(1 - ST)}$	0.7606%	State Income Tax Expense
25			
26			
27	c) <u>Total Federal &amp; State Income Tax Expense:</u>	3.4842%	Sum Lines 12; 24
28			
29	d) <u>Total Weighted Cost of Capital:</u>	7.3000%	Statement AV; Page 14; Line 39
30			
31	e) <u>Cost of Capital Rate (COCR):</u>	10.7842%	Sum Lines 27; 29

**SAN DIEGO GAS AND ELECTRIC COMPANY**  
**Statement AV**

**Cost of Capital and Fair Rate of Return**

**Base Period 12 - Months Ending May 31, 2012**

(\$1,000)

Line No.	Amounts	Reference	Line No.
1			1
2			2
3			3
4			4
5			5
6	0.06%	Statement AV; Page 14; Line 54	6
7	\$ -	Stmnt AV WP; Page AV3; Line 7	7
8	\$ -	Stmnt AV WP; Page AV3; Line 8	8
9	\$ -	Statement BK1; Page 2; Line 31	9
10	35%	Stmnt AV WP; Page AV3; Line 10	10
11			11
12			12
13	#DIV/0!	Federal Income Tax Expense	13
14			14
15			15
16			16
17			17
18	0.06%	Statement AV; Page 14; 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 AV3; Line 22	22
23			23
24			24
25	#DIV/0!	State Income Tax Expense	25
26			26
27			27
28			28
29	2.2400%	Statement AV; Page 14; Line 52	29
30			30
31	#DIV/0! <sup>1</sup>	Sum Lines 27; 29	31

<sup>1</sup> 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 AND ELECTRIC COMPANY**

**Miscellaneous Statement**

**Base Period 12 - Months Ending May 31, 2012**

(\$1,000)

Line No.	Amounts	Reference	Line No.
1		Note 1	1
2			2
3			3
4		Note 1	4
5			5
6			6
7		Note 1	7
8			8
9			9
10		Note 1	10

<sup>1</sup> None of the above items apply to SDG&E's TO4 Cycle 1 filing. However, as one or more of these items apply, subject to FERC approval, the applicable data field will be filled.

**SAN DIEGO GAS AND ELECTRIC COMPANY**  
**Statement AD - Workpapers**  
**Cost of Plant**

**Base Period 12 - Months Ending May 31, 2012**  
(\$1,000)

Line No	(a) 31-May-11	(b) 31-May-12	(c) = [(a)+(b)]/2 Average Balance	Reference	Line No
1	\$ 28,083	\$ 76,068	\$ 52,075	Stmt AD WP; Page AD-1; Line 3	1
2					2
3			438,704	Stmt AD WP; Page AD-2; Line 15	3
4					4
5			1,462,452	Stmt AD WP; Page AD-3; Line 15	5
6					6
7			-	Stmt AD WP; Page AD-4; Line 15	7
8					8
9			398,374	Stmt AD WP; Page AD-5; Line 15	9
10					10
11			\$ 2,351,605	Sum Lines 1 thru 9	11
12					12
13	4,636,952	4,867,301	4,752,127	Stmt AD WP; Page AD-6; Line 3	13
14					14
15			1,785,183	Stmt AD WP; Page AD-7; Line 15	15
16					16
17			-	Stmt AD WP; Page AD-8; Line 15	17
18					18
19			1,785,183	Sum Lines 15 thru 17	19
20					20
21	193,559	210,660	202,109	Stmt AD WP; Page AD-9; Line 3	21
22					22
23	482,470	459,162	470,816	Stmt AD WP; Page AD-10; Line 3	23
24					24
25			\$ 9,561,840	Sum Lines 11; 13; 19; 21; 23	25
26					26
27			14.44%	Statement AI; Line 19	27
28					28
29			\$ 1,785,183	See Line 19 Above	29
30					30
31			7,520	Line 1 x Line 27	31
32					32
33			29,185	Line 21 x Line 27	33
34					34
35			67,986	Line 23 x Line 27	35
36					36
37			\$ 1,889,874	Sum Lines 29; 31; 33; 35	37
38					38
39			19.76%	Line 37 / Line 25	39

<sup>a</sup> The balances for Electric Miscellaneous Intangible, Distribution, General and Common plant are derived based on a simple average balance using beginning and ending year balances.

<sup>b</sup> The balances for Steam, Nuclear, Hydraulic, Other Production, and Transmission plant are derived based on a 13-month average balance.

<sup>1</sup> Electric Miscellaneous Intangible Plant, General Plant, and Common Plant are not affected by the "Seven-Element Adjustment Factor" because there's no transfer of transmission or distribution plant among these categories.

<sup>2</sup> The amounts stated above are ratemaking utility plant in service and a result of implementing the "Seven-Element Adjustment Factor" which reflects transfers between generation and distribution functions.

<sup>3</sup> The purpose of this footnote is to indicate for incentive projects the cost of the project.

<sup>4</sup> Used to allocate all elements of working capital, other than working cash.

**SAN DIEGO GAS AND ELECTRIC COMPANY**

**Statement AE - Workpapers**

**Accumulated Depreciation and Amortization**

**Base Period 12 - Months Ending May 31, 2012**

(\$1,000)

Line No	(a) 31-May-11	(b) 31-May-12	(c) = [(a)+(b)]/2 Average Balance	Reference	Line No
1			\$ 528,951	Stmt AE WP; Page AE-1; Line 15	1
2					2
3	26,682	4,511	15,597	Stmt AE WP; Page AE-2; Line 3	3
4					4
5	83,477	91,042	87,260	Stmt AE WP; Page AE-3; Line 3	5
6					6
7	274,537	210,638	242,587	Stmt AE WP; Page AE-4; Line 3	7
8					8
9			14.44%	Statement AI; Line 19	9
10					10
11			\$ 2,252	Line 3 x Line 9	11
12					12
13			\$ 12,600	Line 5 x Line 9	13
14					14
15			35,030	Line 7 x Line 9	15
16					16
17			\$ 578,833	Sum Lines 1; 11; 13; 15	17
18					18
19			\$ -	Stmt AE WP; Page AE-5; Line 15	19

<sup>a</sup> The depreciation reserve for transmission plant is derived based on a 13-month average balance.

<sup>b</sup> The depreciation reserve for Electric Miscellaneous Intangible, General and Common plant is derived based on a simple average of beginning and end of year balances.

<sup>1</sup> The amounts stated above are ratemaking utility plant in service and a result of implementing the "Seven-Element Adjustment Factor" which reflects transfers between generation and distribution functions.

<sup>2</sup> Electric Miscellaneous Intangible Plant, General Plant, and Common Plant are not affected by the "Seven-Element Adjustment Factor" because there's no transfer of transmission or distribution plant among these categories.

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

**Base Period 12 - Months Ending May 31, 2012**

(\$1,000)

Line No	(a) 31-May-11	(b) 31-May-12	(c) = [(a)+(b)]/2 Average Balance	Reference	Line No
1	\$ (146,250)	\$ (157,435)	\$ (151,843)	Stmt AF WP; Page AF-1; Line 1	1
2					2
3	(26,338)	(38,310)	(32,324)	Stmt AF WP; Page AF-1; Line 3	3
4					4
5	<u>\$ (172,588)</u>	<u>\$ (195,745)</u>	<u>\$ (184,167)</u>	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	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	Stmt AF WP; Page AF-2; Line 1	8
9					9
10	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	Stmt AF WP; Page AF-2; Line 4	10
11					11
12	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	Stmt AF WP; Page AF-2; Line 7	12

**SAN DIEGO GAS AND ELECTRIC COMPANY**  
**Statement AG - Workpapers**  
**Specified Plant Account (Other than Plant in Service) and Deferred Debits**

**Base Period 12 - Months Ending May 31, 2012**

(\$1,000)

Line No	(a) 31-May-11	(b) 31-May-12	(c) = [(a)+(b)]/2 Average Balance	Reference	Line No
1	Transmission Plant Held for Future Use <sup>1</sup>		\$ 66,410	Stmt AG WP; Page AG-1; Line 15	1

<sup>1</sup> The balances for Transmission Plant Held for Future Use are derived based on a 13-month average balance.

**SAN DIEGO GAS AND ELECTRIC COMPANY**  
**Statement AH - Workpapers**  
**Operation and Maintenance Expenses**  
**Base Period 12 - Months Ending May 31, 2012**  
**(\$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
33			33
34			34
35			35
36			36
37			37
38			38
39			39
40			40
42			42
41			41
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

<sup>1</sup> The CPUC Intervenor Expense for Transmission shall be treated as an exclusion in A&G but added back to the Retail BTRR on BK-1, page 1, line 6. This expense will be excluded in Wholesale BTRR on BK-2, page 1, line 4.

**SAN DIEGO GAS AND ELECTRIC COMPANY**

**Statement AI - Workpapers**

**Wages and Salaries**

**Base Period 12 - Months Ending May 31, 2012**

**(\$1,000)**

Line No.		Amounts	Reference	Line No.
1	Production Wages & Salaries (Includes Steam & Other Power Supply)	\$ 10,458	Form 1; Page 354; Line 20; Col. b	1
2				2
3	Transmission Wages & Salaries	17,779	Form 1; Page 354; Line 21; Col. b	3
4				4
5	Distribution Wages & Salaries	53,833	Form 1; Page 354; Line 23; Col. b	5
6				6
7	Customer Accounts Wages & Salaries	24,230	Form 1; Page 354; Line 24; Col. b	7
8				8
9	Customer Services and Informational Wages & Salaries	16,780	Form 1; Page 354; Line 25; Col. b	9
10				10
11	Sales Wages & Salaries	-	Form 1; Page 354; Line 26; Col. b	11
12				12
13	Sub-Total	\$ 123,080	Sum Lines 1 thru 11	13
14				14
15	Administrative and General Wages & Salaries	18,669	Form 1; Page 354; Line 27; Col. b	15
16				16
17	Total Operating & Maintenance Wages & Salaries	<u>\$ 141,750</u>	Sum Lines 13; 15	17
18				18
19	Transmission Wages and Salaries Allocation Factor	<u>14.44%</u>	Line 3 / Line 13	19

**SAN DIEGO GAS AND ELECTRIC COMPANY**  
**Statement AJ - Workpapers**  
**Depreciation and Amortization Expense**  
**Base Period 12 - Months Ending May 31, 2012**  
**(\$1,000)**

Line No.		Amounts	Reference	Line No.
1	Transmission Plant Depreciation Expense (net of incentive depreciation expense on line 21)	\$ 46,762	Stmnt AJ WP; Page AJ-1; Line 11; Col. (2)	1
2				2
3	Electric Miscellaneous Intangible Plant Amortization Expense	1,800	Stmnt AJ WP; Page AJ-2; Line 1	3
4				4
5	General Plant Depreciation Expense	9,082	Stmnt AJ WP; Page AJ-3; Line 1	5
6				6
7	Common Plant Depreciation Expense	44,477	Stmnt AJ WP; Page AJ-4; Line 1	7
8				8
9	Transmission Wages and Salaries Allocation Factor	14.44%	Statement AI; Line 19	9
10				10
11	Transmission Related Electric Misc. Intangible Plant Amortization Expense	\$ 260	Line 3 x Line 9	11
12				12
13	Transmission Related General Plant Depreciation Expense	\$ 1,311	Line 5 x Line 9	13
14				14
15	Transmission Related Common Plant Depreciation Expense	\$ 6,422	Line 7 x Line 9	15
16				16
17	Total Transmission, General, Common Plant Depn. Exp., and Electric Misc. Intangible Plant Amort. Exp.	\$ 54,755	Sum Lines 1; 11; 13; 15	17
18				18
19	Valley Rainbow Project Cost Amortization Expense <sup>1</sup>	\$ 1,893	Stmnt AJ WP; Page AJ-1; Line 12; Col. (2)	19
20				20
21	Incentive Transmission Plant Depreciation Expense	\$ -	Stmnt AJ WP; Page AJ-5; Line 11; Col. (2)	21
22				22
23	Transmission Plant Abandoned Project Cost Amortization Expense	\$ -	Stmnt AJ WP; Page AJ-6; Line 1	23
24				24
25	Incentive Transmission Plant Abandoned Project Cost Amortization Expense	\$ -	Stmnt AJ WP; Page AJ-7; Line 1	25

<sup>1</sup> Amortization approval per ER03-601-000 issued May 2, 2003 for a 10-year period beginning October 2003 and ending September 2013.

**SAN DIEGO GAS AND ELECTRIC COMPANY**  
**Statement AJ - Workpapers**  
**TO4 - Annual Transmission Plant Depreciation Rates <sup>1</sup>**  
**Cycle 1, For 12 - Months Ending May 31, 2012**

Line No	FERC Account	Description	(a) Life Rate	(b) Removal Rate	(c) = a + b Total Rate	Line No
1	E352.10	Other	1.36%	0.82%	2.18%	1
2	E352.20	SWPL	1.01%	0.61%	1.62%	2
3	E352.60	SRPL	1.39%	0.00%	1.39%	3
4	<b>E352 - Total</b>	<b>Struct &amp; Improv</b>	<b>1.36%</b>	<b>0.32%</b>	<b>1.68%</b>	4
5	E353.10	Other	2.20%	1.32%	3.52%	5
6	E353.20	SWPL	2.51%	1.51%	4.02%	6
7	E353.40	CTC	2.03%	1.22%	3.25%	7
8	E353.60	SRPL	2.01%	0.00%	2.01%	8
9	<b>E353</b>	<b>Station Equip</b>	<b>2.20%</b>	<b>1.00%</b>	<b>3.20%</b>	9
10	E354.10	Other	1.57%	1.56%	3.13%	10
11	E354.20	SWPL	1.33%	1.32%	2.65%	11
12	E354.60	SRPL	1.47%	0.00%	1.47%	12
13	<b>E354</b>	<b>Towers &amp; Fixtrs</b>	<b>1.46%</b>	<b>0.24%</b>	<b>1.70%</b>	13
14	E355.10	Other	2.33%	2.32%	4.65%	14
15	E355.20	SWPL	2.54%	2.54%	5.08%	15
16	E355.60	SRPL	2.26%	0.00%	2.26%	16
17	<b>E355</b>	<b>Poles &amp; Fixtrs</b>	<b>2.33%</b>	<b>2.26%</b>	<b>4.59%</b>	17
18	E356.10	Other	1.60%	1.60%	3.20%	18
19	E356.20	SWPL	0.89%	0.88%	1.77%	19
20	E356.60	SRPL	1.75%	0.00%	1.75%	20
21	<b>E356</b>	<b>OVH Cnd &amp; Dev</b>	<b>1.57%</b>	<b>1.10%</b>	<b>2.67%</b>	21
22	E357.00	Other & SWPL	1.68%	0.75%	2.43%	22
23	E357.60	Other & SRPL	1.69%	0.00%	1.69%	23
24	<b>E357</b>	<b>Trans UG Cnduit</b>	<b>1.69%</b>	<b>0.36%</b>	<b>2.05%</b>	24
25	E358.00	Other & SWPL	1.89%	0.19%	2.08%	25
26	E358.60	Other & SRPL	2.02%	0.00%	2.02%	26
27	<b>E358</b>	<b>Trans UG Cndctr</b>	<b>1.98%</b>	<b>0.07%</b>	<b>2.05%</b>	27
28	E359.10	Other	1.65%	0.00%	1.65%	28
29	E359.20	SWPL	1.44%	0.00%	1.44%	29
30	E359.60	SRPL	1.68%	0.00%	1.68%	30
31	<b>E359</b>	<b>Roads &amp; Trails</b>	<b>1.67%</b>	<b>0.00%</b>	<b>1.67%</b>	31
32						32
33	<b>Composite Depreciation Rate</b>		<b>1.82%</b>	<b>0.70%</b>	<b>2.52%</b>	33

<sup>1</sup> The rates in these subaccounts will not change during the term of the TO4 Formula. Workpapers will be included in each Annual Information Filing that will calculate the annual composite rates shown on Line 33 pursuant to Term 53 in Appendix VIII.

**SAN DIEGO GAS AND ELECTRIC COMPANY**  
**Statement AJ - Workpapers**  
**TO4 - Annual Intangible Plant Authorized Amortization Period**  
**Cycle 1, For 12 - Months Ending May 31, 2012**

<b>Line No</b>	<b>FERC Acct No</b>	<b>DESCRIPTION</b>	<b>Amortization Period (Yrs)<sup>1</sup></b>	<b>Line No</b>
1				1
2		ELECTRIC DISTRIBUTION		2
3	E303	Electric Distribution Software	5, 7, or 10 years	3
4	E360	Electric Distribution Easements (land rights)	45 years	4
5				5
6		ELECTRIC TRANSMISSION		6
7	E350	Electric Transmission Easements (land rights)	100 years	7
8				8

<sup>1</sup> These periods may not be changed absent a section 205 or 206 filing. The annual Information Filing will reference the docket number of the FERC proceeding that establishes new General Plant and Common Plant depreciation rates and Intangible Plant amortization periods.

**SAN DIEGO GAS AND ELECTRIC COMPANY**  
**Statement AJ - Workpapers**  
**TO4 - Annual General Plant Depreciation Rates**  
**Cycle 1, For 12 - Months Ending May 31, 2012**  
**For Use During the 7-Months Period from June 1, 2011 to Dec 31, 2011**

**2011 General Rates** <sup>1,2</sup>

Rates based on 12/31/2010 Plant Balances						
Line No	FERC Account	Description	(a) Life Rate	(b) Removal Rate	(c) = a + b Total Rate	Line No
1						1
2	E0139000	Struct. and Improv.	4.43%	0.66%	5.09%	2
3	E0139220	Transprtn Eq-Trailer	4.46%	0.00%	4.46%	3
4	E0139310	Stores Equip.-Other	4.84%	0.00%	4.84%	4
5	E0139411	Portable Tools-Other	3.80%	0.00%	3.80%	5
6	E0139420	Shop Equipment	5.10%	0.25%	5.35%	6
7	E0139510	Laboratory Eq.-Other	7.35%	0.00%	7.35%	7
8	E0139710	Commun. Equip.-Other	4.32%	0.43%	4.75%	8
9	E0139720	Commun. Equip.-SWPL	3.86%	0.38%	4.24%	9
10	E0139760	Commun. Equip.-SRPL	N/A	N/A	N/A	10
11	E0139810	Misc. Equip. - Other	8.75%	0.00%	8.75%	11
12						12

<sup>1</sup> The above Electric General Plant depreciation rates are applicable to SDG&E's 2011 calendar year recorded depreciation. As such, they are applicable to the first seven months of SDG&E's TO4 Formula Cycle 1 Prior Year Period, 12 months ended May 2012.

<sup>2</sup> These rates may not be changed absent a section 205 or 206 filing. The annual Information Filing will reference the docket number of the FERC proceeding that establishes new General Plant and Common Plant depreciation rates and Intangible Plant amortization periods.

**SAN DIEGO GAS AND ELECTRIC COMPANY**  
**Statement AJ - Workpapers**  
**TO4 - Annual General Plant Depreciation Rates**  
**Cycle 1, For 12 - Months Ending May 31, 2012**  
**For Use During the 5-Months Period from Jan 1, 2012 to May 31, 2012**

**2012 General Rates** <sup>1, 2</sup>

Rates based on 12/31/2011 Plant Balances						
Line No	FERC Account	Description	(a) Life Rate	(b) Removal Rate	(c) = a + b Total Rate	Line No
1						1
2	E0139000	Struct. and Improv.	4.67%	1.16%	5.83%	2
3	E0139220	Transprtn Eq-Trailer	4.46%	0.00%	4.46%	3
4	E0139310	Stores Equip.-Other	3.92%	0.00%	3.92%	4
5	E0139411	Portable Tools-Other	3.79%	0.00%	3.79%	5
6	E0139420	Shop Equipment	4.78%	0.00%	4.78%	6
7	E0139510	Laboratory Eq.-Other	7.35%	0.00%	7.35%	7
8	E0139710	Commun. Equip.-Other	3.06%	0.46%	3.52%	8
9	E0139720	Commun. Equip.-SWPL	2.27%	0.34%	2.61%	9
10	E0139760	Commun. Equip.-SRPL	3.56%	0.54%	4.10%	10
11	E0139810	Misc. Equip. - Other	8.78%	0.00%	8.78%	11
12						12

<sup>1</sup> The above Electric General Plant depreciation rates are applicable to SDG&E's 2012 calendar year recorded depreciation. As such, they are applicable to the last five months of SDG&E's TO4 Formula Cycle 1 Prior Year Period, 12 months ended May 2012.

<sup>2</sup> These rates may not be changed absent a section 205 or 206 filing. The annual Information Filing will reference the docket number of the FERC proceeding that establishes new General Plant and Common Plant depreciation rates and Intangible Plant amortization periods.

**SAN DIEGO GAS AND ELECTRIC COMPANY**  
**Statement AJ - Workpapers**  
**TO4 - Annual Common Plant Depreciation Rates**

**Cycle 1, For 12 - Months Ending May 31, 2012**  
**For Use During the 7-Months Period from June 1, 2011 to Dec 31, 2011**

**2011 Common Rates**<sup>1, 2</sup>

Rates based on 12/31/2010 Plant Balances						
Line No	FERC Account	Description	(a) Life Rate	(b) Removal Rate	(c) = a + b Total Rate	Line No
1						1
2	C1839010	Struct & Imprv-Other	5.44%	0.82%	6.26%	2
3	C1839110	Offc Furn & Eq-Other	5.81%	0.00%	5.81%	3
4	C1839120	Offc Furn & Eq-Cmptr	19.31%	0.00%	19.31%	4
5	C1839220	Transprtn Eq-Trailer	57.34%	0.00%	57.34%	5
6	C1839310	Stores Equip.-Other	36.30%	0.00%	36.30%	6
7	C1839411	Portable Tools-Other	4.55%	0.00%	4.55%	7
8	C1839421	Shop Equip. - Other	4.87%	0.00%	4.87%	8
9	C1839431	Garage Equip.-Other	10.47%	1.05%	11.52%	9
10	C1839510	Laboratory Eq.-Other	4.23%	0.00%	4.23%	10
11	C1839710	Commun. Equip.-Other	6.88%	0.34%	7.22%	11
12	C1839810	Misc. Equip. - Other	8.96%	0.00%	8.96%	12
13						13

<sup>1</sup> The above Common Plant depreciation rates are applicable to SDG&E's 2011 calendar year recorded depreciation. As such, they are applicable to the first seven months of SDG&E's TO4 Formula Cycle 1 Prior Year Period, 12 months ended May 2012.

<sup>2</sup> These rates may not be changed absent a section 205 or 206 filing. The annual Information Filing will reference the docket number of the FERC proceeding that establishes new General Plant and Common Plant depreciation rates and Intangible Plant amortization periods.

**SAN DIEGO GAS AND ELECTRIC COMPANY**  
**Statement AJ - Workpapers**  
**TO4 - Annual Common Plant Depreciation Rates**

**Cycle 1, For 12 - Months Ending May 31, 2012**  
**For Use During the 5-Months Period from Jan 1, 2012 to May 31, 2012**

**2012 Common Rates**<sup>1, 2</sup>

Rates based on 12/31/2011 Plant Balances						
Line No	FERC Account	Description	(a) Life Rate	(b) Removal Rate	(c) = a + b Total Rate	Line No
1						1
2	C1839010	Struct & Imprv-Other	4.35%	0.43%	4.78%	2
3	C1839110	Offc Furn & Eq-Other	5.81%	0.00%	5.81%	3
4	C1839120	Offc Furn & Eq-Cmptr	19.31%	0.00%	19.31%	4
5	C1839220	Transprtn Eq-Trailer	55.04%	0.00%	55.04%	5
6	C1839310	Stores Equip.-Other	21.37%	0.00%	21.37%	6
7	C1839411	Portable Tools-Other	4.52%	0.00%	4.52%	7
8	C1839421	Shop Equip. - Other	4.86%	0.00%	4.86%	8
9	C1839431	Garage Equip.-Other	9.84%	0.00%	9.84%	9
10	C1839510	Laboratory Eq.-Other	4.22%	0.00%	4.22%	10
11	C1839710	Commun. Equip.-Other	6.83%	0.00%	6.83%	11
12	C1839810	Misc. Equip. - Other	10.89%	0.00%	10.89%	12
13						13

<sup>1</sup> The above Common Plant depreciation rates are applicable to SDG&E's 2012 calendar year recorded depreciation. As such, they are applicable to the last five months of SDG&E's TO4 Formula Cycle 1 Prior Year Period, 12 months ended May 2012.

<sup>2</sup> These rates may not be changed absent a section 205 or 206 filing. The annual Information Filing will reference the docket number of the FERC proceeding that establishes new General Plant and Common Plant depreciation rates and Intangible Plant amortization periods.

**SAN DIEGO GAS AND ELECTRIC COMPANY**

**Statement AK - Workpapers**

**Taxes Other Than Income Taxes**

**Base Period 12 - Months Ending May 31, 2012**

(\$1,000)

Line No.	Amounts	Reference	Line No.
1 Total Property Taxes	\$ 51,811	Form 1; Page 263; Line 2; Col. i	1
2			2
3 Less: Other Taxes (Business license taxes)	(17)	Stmt AK WP; Page AK-1; Line 3	3
4			4
5 Net Property Taxes	\$ 51,794	Line 1 Minus Lines 3	5
6			6
7 Less: SONGS Property Taxes	(4,098)	Form 1; Page 450.1; Sch. Pg. 262; Line 2	7
8			8
9 Total Property Taxes Expense	\$ 47,696	Line 5 Minus Line 7	9
10			10
11 Transmission Related Property Tax Allocation Factor	23.39%	Cost Statement AK; Pg 8 of 17; Line 25	11
12			12
13 Transmission Related Property Taxes Expense	\$ 11,156	Line 9 x Line 11	13
14			14
15			15
16 Total Payroll Taxes Expense	\$ 14,060	Form 1; Pg. 263; Lns 10;18;19;20; Col. i	16
17			17
18 Transmission Wages and Salaries Allocation Factor	14.44%	Statement AI; Line 19	18
19			19
20 Transmission Related Payroll Taxes Expense	\$ 2,030	Line 16 x Line 18	20

**SAN DIEGO GAS AND ELECTRIC COMPANY**  
**Statement AL - Workpapers**  
**Working Capital**

**Base Period 12 - Months Ending May 31, 2012**

(\$1,000)

Line No.	Working Cash	13 Months Average Balance	Reference	Line No.
1	A. Plant Materials and Operating Supplies <sup>a</sup>	\$ 56,677	Stmnt AL WP; Page AL-1; Line 15	1
2				2
3	Transmission Plant Allocation Factor	19.76%	Stmnt AD WP; Page AD1; Line 39	3
4				4
5	Transmission Related Materials and Supplies	\$ 11,199	Line 1 x Line 3	5
6				6
7	B. Prepayments <sup>a</sup>	\$ 30,634	Stmnt AL WP; Page AL-2; Line 15	7
8				8
9	Transmission Related Prepayments	\$ 6,053	Line 3 x Line 7	9
10				10
11	C. Derivation of Transmission Related Cash Working Capital - Retail:			11
12	Transmission O&M Expense - Excl. Intervenor Funding Expense	\$ 51,765	Stmnt AH WP; Page AH1; Line 9	12
13	Transmission Related Administrative & General Expense	41,496	Stmnt AH WP; Page AH1; Line 56	13
14	CPUC Intervenor Funding Expense - Transmission	-	Stmnt AH WP; Page AH1; Line 17	14
15	Total	\$ 93,261	Sum Lines 12 thru 14	15
16				16
17	One Eighth O&M Rule	12.50%	FERC Method = 1/8 of O&M Expense	17
18				18
19	Transmission Related Cash Working Capital - Retail Customers	\$ 11,658	Line 15 x Line 17	19
20				20
21	D. Adj. to Back Out CPUC Intervenor Funding Exp. Embedded in Retail Working Cash:			21
22	CPUC Intervenor Funding Expense - Transmission	\$ -	See Line 14 Above	22
23				23
24	One Eighth O&M Rule	12.50%	FERC Method = 1/8 of O&M Expense	24
25				25
26	Adj. to Transmission Related Cash Working Capital - Wholesale Customers	\$ -	Line 22 x Line 24	26
27				27
28	Cost of Capital Rate <sub>(COCR)</sub>	10.7842%	Stmnt AV WP; Page AV2; Line 31	28
29				29
30	CPUC Intervenor Funding Exp. Revenue Adj. <sup>b</sup>	\$ -	Line 26 x Line 28	30

<sup>a</sup> The balances for Materials & Supplies and Prepayments are derived based on a 13-month average balance.

<sup>b</sup> This adjustment is being made to BK-2, page 1, line 6 to show that wholesale customers should not pay for this working cash item.

**SAN DIEGO GAS AND ELECTRIC COMPANY**  
**Statement AM - Workpapers**  
**Construction Work In Progress (CWIP)**  
**Base Period 12 - Months Ending May 31, 2012**  
 (\$1,000)

<u>Line No</u>	<u>13 Months Average Balance</u>	<u>Reference</u>	<u>Line No</u>
1 Incentive Transmission Construction Work In Progress <sup>a</sup>	\$ -	Stmt AM WP; Page AM-1; Line 15	1

<sup>a</sup> The balance for Incentive Transmission Construction Work In Progress is derived based on a 13-month average balance. A line will be shown for each applicable project.

**SAN DIEGO GAS AND ELECTRIC COMPANY**  
**Statement AQ - Workpapers**  
**Federal Income Tax Deductions, Other Than Interest**  
**Base Period 12 - Months Ending May 31, 2012**  
**(\$1,000)**

<u>Line No.</u>	<u>Amounts</u>	<u>Reference</u>	<u>Line No.</u>
1 South Georgia Income Tax Adjustment	<u>\$ 2,333</u>	Stmt AQ WP; Page AQ-1; Line 1	1

**SAN DIEGO GAS AND ELECTRIC COMPANY**  
**Statement AR - Workpapers**  
**Federal Tax Adjustments**

**Base Period 12 - Months Ending May 31, 2012**  
**(\$1,000)**

<u>Line No.</u>		<u>Amounts</u>	<u>Reference</u>	<u>Line No.</u>
1	Transmission Related Amortization of Investment Tax Credits	\$ (265)	Stmt AR WP; Page AR-1; Line 1	1
2				2
3	Transmission Related Amortization of Excess Deferred Tax Liabilities	-	Form 1; Page 450.1; Sch. Pg 234; Line 2	3
4				4
5	Total	<u>\$ (265)</u>	Sum Lines 1; 3	5

**SAN DIEGO GAS AND ELECTRIC COMPANY**

**Statement AU - Workpapers**

**Revenue Credits**

**Base Period 12 - Months Ending May 31, 2012**

(\$1,000)

Line No.	Amounts	Reference	Line No.
1 (451) Miscellaneous Service Revenues	\$ -	Stmt AU WP; Page AU-1; Line 1	1
2			2
3 (453) Sales of Water and Water Power	-	Stmt AU WP; Page AU-1; Line 4	3
4			4
5 (454) Rent from Electric Property	588	Stmt AU WP; Page AU-2; Line 4; Col. (m)	5
6			6
7 (455) Interdepartmental Rents	-	Stmt AU WP; Page AU-1; Line 7	7
8			8
9 (456) Other Electric Revenues	2,064	Stmt AU WP; Page AU-2; Line 18; Col. (m)	9
10			10
11 Transmission Related Revenue Credits	\$ 2,652	Sum Lines 1 thru 9	11
12			12
13 (411.6 & 411.7) Gain or Loss From Sale of Plant Held for Future Use	\$ -	FERC Accounts 411.6 and 411.7	13

**SAN DIEGO GAS AND ELECTRIC COMPANY**

**Statement AV - Workpapers**

**Cost of Capital and Fair Rate of Return**

**Base Period 12 - Months Ending May 31, 2012**

(\$1,000)

Line No.	Amounts	Reference	Line No.				
1	<u>Long-Term Debt Component - Denominator:</u>		1				
2	(Plus) Bonds (Acct. 221) (p112.Line18c)	\$ 3,536,905	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)	253,720	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)	12,055	Form 1; Page 112; Line 23c	6			
7	LTD = Long Term Debt (p112, sum of Line17d thru Line22d, details on p256-257)	\$ 3,778,570	Line 2 Minus Line 3 Plus Lines 4 & 5	7			
8			Minus Line 6	8			
9	<u>Long-Term Debt Component - Numerator:</u>		9				
10	(Plus) Interest on Long-Term Debt (427) (p117.Line62c)	\$ 163,736	Form 1; Page 117; Line 62c	10			
11	(Plus) Amort. of Debt Disc. and Expense (428) (p117.Line63c)	2,607	Form 1; Page 117; Line 63c	11			
12	(Plus) Amortization of Loss on Reacquired Debt (428.1) (p117.Line64c)	3,388	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)	\$ 169,731	Sum Lines 10; 11; 12 Minus Lines 13 & 14	15			
16				16			
17	<u>Cost of Long-Term Debt:</u>	4.49%	Line 15 / Line 7	17			
18				18			
19	<u>Preferred Equity Component:</u>		19				
20	PF = Preferred Stock - Acct 204 (p112.3c)	\$ 78,475	Form 1; Page 112; Line 3c	20			
21	d(pf) = Total Dividends Declared-Preferred Stocks (Acct. 437) (p118.29c)	\$ 4,820	Form 1; Page 118; Line 29c	21			
22	Cost of Preferred Equity	6.14%	Line 21 / Line 20	22			
23				23			
24	<u>Common Equity Component:</u>		24				
25	Proprietary Capital (p112.16c)	\$ 3,990,776	Form 1; Page 112; Line 16c	25			
26	(Less) Preferred Stock - Acct 204 (p112.3c)	78,475	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)	-	Form 1; Page 112; Line 15c	28			
29	CS = Common Stock	\$ 3,912,301	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 <sup>1</sup>	Ratio	Capital	Cost of Capital	34	
35						35	
36	Long-Term Debt	\$ 3,778,570	48.63%	4.49%	2.18%	Col. C = Line 17 Above	36
37	Preferred Equity	78,475	1.01%	6.14%	0.06%	Col. C = Line 22 Above	37
38	Common Equity	3,912,301	50.36%	10.05%	5.06%	Col. C = Line 31 Above	38
39	Total Capital	\$ 7,769,346	100.00%		7.30%	Sum Lines 36 thru 38	39
40							40
41	<u>Cost of Equity Component (Preferred &amp; Common):</u>				5.12%	Sum Lines 37; 38; Col. (d)	41
42							42
43							43
44	<u>Incentive Return on Common Equity:</u> <sup>2</sup>				0.00%	Stmnt AV WP; Page AV-1; Line 1	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 <sup>1</sup>	Ratio	Capital	Cost of Capital		47
48							48
49	Long-Term Debt	\$ 3,778,570	48.63%	4.49%	2.18%	Col. C = Line 17 Above	49
50	Preferred Equity	78,475	1.01%	6.14%	0.06%	Col. C = Line 22 Above	50
51	Common Equity	3,912,301	50.36%	0.00%	0.00%	Col. C = Line 44 Above	51
52	Total Capital	\$ 7,769,346	100.00%		2.24%	Sum Lines 49 thru 51	52
53							53
54	<u>Incentive Cost of Equity Component (Preferred &amp; Common):</u>				0.06%	Sum Lines 50; 51; Col. (d)	54

<sup>1</sup> Amount is based upon December 31 balances.

<sup>2</sup> 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 12 - Months Ending May 31, 2012**  
**(\$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

**SAN DIEGO GAS AND ELECTRIC COMPANY**  
**Statement AV**

**Cost of Capital and Fair Rate of Return**

**Base Period 12 - Months Ending May 31, 2012**

(\$1,000)

Line No.	Amounts	Reference	Line No.
1			1
2			2
3			3
4			4
5			5
6	0.06%	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	#DIV/0!	Federal Income Tax Expense	12
13			13
14			14
15			15
16			16
17			17
18	0.06%	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	#DIV/0!	State Income Tax Expense	24
25			25
26			26
27	#DIV/0!	Sum Lines 12; 24	27
28			28
29	2.2400%	Stmnt AV WP; Page AV1; Line 52	29
30			30
31	#DIV/0! <sup>1</sup>	Sum Lines 27; 29	31

<sup>1</sup> 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**  
**Summary of HV-LV Splits for Forecast Plant Additions**  
**Forecast Period from June 2012 - August 2014**  
**(\$1,000)**

Line No.		(a)	(b)	(c)	(d)	(e)	(f)	Reference	Line No.
		Gross HV	Gross LV	Unweighted Total	Net Wtd-HV	Net Wtd-LV	Weighted Total		
<b><u>Non-Incentive Projects:</u></b>									
1	Forecast Period - Transmission Plant Additions	\$ 1,688,663	\$ 257,125	\$ 1,945,788	\$ 1,634,487	\$ 211,363	\$ 1,845,850	See Note 1 Below	1
2									2
3	Forecast Period - Transmission Related General; Common; and Electric Misc. Intangible Plant	16,459	9,007	25,467	14,474	7,920	22,394	See Note 2 Below	3
4									4
5	Sub-Total Non-Incentive Projects Forecast Plant Additions	1,705,122	266,132	1,971,255	1,648,961	219,283	1,868,244	Sum Lines 1 thru 3	5
6									6
<b><u>Incentive Projects:</u></b>									
8	Forecast Period - Incentive Transmission Plant Additions	-	-	-	-	-	-	See Note 3 Below	8
9									9
10	Forecast Period - Incentive Transmission CWIP for the period after the base period and before the effective period	-	-	-	-	-	-	See Note 4 Below	10
11									11
12	Forecast Period - Incentive Transmission CWIP for the period during the rate effective period	-	-	-	-	-	-	See Note 5 Below	12
13									13
14	Sub-Total Incentive Projects Forecast Plant Additions	-	-	-	-	-	-	Sum Lines 8 thru 12	14
15									15
16	Total	\$ 1,705,122	\$ 266,132	\$ 1,971,255	\$ 1,648,961	\$ 219,283	\$ 1,868,244	Sum Lines 5; 14	16
17									17
18								HV = Line 16; Col (d) / Line 16; Col (f)	18
19	HV-LV Ratio (Weighted Transmission Forecast Plant Additions)				88.26%	11.74%	100.00%	LV = Line 16; Col (e) / Line 16; Col (f)	19

- 1 See Summary of Weighted Transmission Plant Additions Workpapers
- 2 See Summary of Weighted Transmission Related General; Common; & Electric Misc. Intangible Plant Additions Workpapers
- 3 See Summary of Weighted Incentive Transmission Plant Additions Workpapers
- 4 See Summary of Weighted Incentive CWIP for the period after the base period and before the effective period Workpapers
- 5 See Summary of Weighted Incentive CWIP for the period during the rate effective period Workpapers

**San Diego Gas & Electric Co.**  
**TO4 - Cycle 1 RETAIL True-Up Adjustment Calculation**

Line No.	TO4-Formula Cycle in Effect Description	Current Cycle							
		Jan	Feb	Mar	Apr	May	Jun	Jul	Aug
1	<b>Beginning Balance (Overcollection)/Undercollection:</b>	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2									
3	<b>Total Recorded Retail Revenues @ Meter Level <sup>1</sup></b>	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
4									
5	<b>Amortization of True-Up Adjustment and Interest True-Up Adjustment:</b>								
6	<b>a) Amortization of Prior Cycle True-Up Adjustment and Prior Interest True-Up Adjustment:</b>								
7	i. Amortization of Prior Cycle True-Up Adjustment. <sup>2</sup>	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
8	ii. Amortization of Prior Interest True-Up Adjustment. <sup>2</sup>	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
9									
10									
11									
12									
13									
14	Total Amortization of True-Up Adjustments & Interest True-Up Adjustment	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
15									
16	<b>Adjusted Total Recorded Retail Revenues @ Meter Level <sup>3</sup></b>	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
17									
18	<b>Total True-Up Revenues (TU Cost of Service)</b>	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
19									
20	<b>Net Monthly (Overcollection)/Undercollection:</b>	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
21									
22	<b>Interest Expense Calculations:</b>								
23	Beginning Balance for Interest Calculation	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
24	Monthly Activity Included in Interest Calculation Basis	0	0	0	0	0	0	0	0
25	Basis for Interest Expense Calculation	0	0	0	0	0	0	0	0
26	Monthly Interest Rate	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
27	<b>Interest Expense</b>	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
28									
29	<b>Ending Balance (Overcollection)/Undercollection:</b>	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
30									
31		Jan	Feb	Mar	Apr	May	Jun	Jul	Aug
32	FERC INTEREST RATE <sup>4</sup>	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
33	Days in Year	365	365	365	365	365	365	365	365
34	Days in Month <sup>5</sup>	31	28	31	30	31	30	31	31
35	Monthly Interest Rate - Calculated	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
36	FERC Interest Rates - Website <sup>4</sup>	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
37	Difference	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%

**NOTES:**

- A The above format of the True-Up Adjustment Calculation will be used for each cycle, with the exception of the cycle 2 4-month true-up adjustment. For the cycle 2 True-Up Adjustment, the above format will be used for the months of Sep 2013 - Dec 2013.
- <sup>1</sup> For the Retail True-Up Adjustment Calculation, the Recorded Retail Revenues are measured at the Meter Level.
- <sup>2</sup> The amortization of prior cycle True-Up Adjustment and prior Interest True-Up Adjustment will be repeated as needed in deriving the True-Up Adjustment.
- <sup>3</sup> For the Retail True-Up Adjustment Calculation, the Adjusted Total Recorded Retail Revenues are measured at the Meter Level.
- <sup>4</sup> The FERC interest rate information comes from the FERC website.
- <sup>5</sup> These are fixed days for each month except February for leap vs. non-leap years.

**San Diego Gas & Electric Co.**  
**TO4 - Cycle 1 RETAIL True-Up Adjustment Calculation**

Line No.	TO4-Formula Cycle in Effect Description	Current Cycle	Current Cycle	Current Cycle	Current Cycle	Total	Reference	Line No.
		Sep	Oct	Nov	Dec			
1	<b>Beginning Balance (Overcollection)/Undercollection:</b>	\$ -	\$ -	\$ -	\$ -		Previous Month's Balance	1
2								2
3	<b>Total Recorded Retail Revenues @ Meter Level<sup>1</sup></b>	\$ -	\$ -	\$ -	\$ -	\$ -	See Related Work Papers; Pages; Lines.	3
4								4
5	<b>Amortization of True-Up Adjustment and Interest True-Up Adjustment:</b>							5
6	<b>a) Amortization of Prior Cycle True-Up Adjustment and Prior Interest True-Up Adjustment:</b>							6
7	i. Amortization of Prior Cycle True-Up Adjustment. <sup>2</sup>	\$ -	\$ -	\$ -	\$ -	\$ -	See Related Work Papers; Pages; Lines.	7
8	ii. Amortization of Prior Interest True-Up Adjustment. <sup>2</sup>	\$ -	\$ -	\$ -	\$ -	\$ -	See Related Work Papers; Pages; Lines.	8
9								9
10								10
11								11
12								12
13								13
14	Total Amortization of True-Up Adjustments & Interest True-Up Adjustment	\$ -	\$ -	\$ -	\$ -	\$ -	Sum Lines 7 through 12	14
15								15
16	<b>Adjusted Total Recorded Retail Revenues @ Meter Level<sup>3</sup></b>	\$ -	\$ -	\$ -	\$ -	\$ -	Sum Lines 3 & 14	16
17								17
18	<b>Total True-Up Revenues (TU Cost of Service)</b>	\$ -	\$ -	\$ -	\$ -	\$ -	See Related Work Papers; Pages; Lines.	18
19								19
20	<b>Net Monthly (Overcollection)/Undercollection:</b>	\$ -	\$ -	\$ -	\$ -	\$ -	Line 18 Minus Line 16	20
21								21
22	Interest Expense Calculations:							22
23	Beginning Balance for Interest Calculation	\$ -	\$ -	\$ -	\$ -		Beginning Quarterly Balances	23
24	Monthly Activity Included in Interest Calculation Basis	0	0	0	0		Interest Calculation Basis	24
25	Basis for Interest Expense Calculation	0	0	0	0		Sum Lines 23 & 24	25
26	Monthly Interest Rate	0.00%	0.00%	0.00%	0.00%		FERC Monthly Rates	26
27	Interest Expense	\$ -	\$ -	\$ -	\$ -	\$ -	Line 25 x Line 26	27
28								28
29	<b>Ending Balance (Overcollection)/Undercollection:</b>	\$ -	\$ -	\$ -	\$ -	\$ -	Sum Lines 1; 20; & 27	29
30								30
31		Sep	Oct	Nov	Dec			31
32	FERC INTEREST RATE <sup>4</sup>	0.00%	0.00%	0.00%	0.00%		Annual Interest Rate - FERC Website	32
33	Days in Year	365	365	365	365	365	Line 34 Below Total Col.	33
34	Days in Month <sup>5</sup>	30	31	30	31	365	Number of Days Per Month	34
35	Monthly Interest Rate - Calculated	0.00%	0.00%	0.00%	0.00%	0.00%	(Line 32)/(Line 33)x(Line 34)	35
36	FERC Interest Rates - Website <sup>4</sup>	0.00%	0.00%	0.00%	0.00%	0.00%	Monthly Interest Rate - FERC Website	36
37	Difference	0.00%	0.00%	0.00%	0.00%	0.00%	Line 35 - Line 36	37

**NOTES:**

- A The above format of the True-Up Adjustment Calculation will be used for each cycle, with the exception of the cycle 2 4-month true-up adjustment. For the cycle 2 True-Up Adjustment, the above format will be used for the months of Sep 2013 - Dec 2013.
- <sup>1</sup> For the Retail True-Up Adjustment Calculation, the Recorded Retail Revenues are measured at the Meter Level.
- <sup>2</sup> The amortization of prior cycle True-Up Adjustment and prior Interest True-Up Adjustment will be repeated as needed in deriving the True-Up Adjustment.
- <sup>3</sup> For the Retail True-Up Adjustment Calculation, the Adjusted Total Recorded Retail Revenues are measured at the Meter Level.
- <sup>4</sup> The FERC interest rate information comes from the FERC website.
- <sup>5</sup> These are fixed days for each month except February for leap vs. non-leap years.

**San Diego Gas & Electric Co.**  
**TO4 - Cycle 1 Annual Transmission Formula Filing**  
**Derivation of RETAIL Interest True-Up Adjustment**

Line No.	(Base Period Following the end of the True-Up Period)	(a) <sup>b</sup>	(b) <sup>b</sup>	(c) <sup>b</sup>	(d) <sup>b</sup>	(e) <sup>b</sup>	(f) <sup>b</sup>	(g) <sup>b</sup>	(h) <sup>b</sup>
		Jan	Feb	Mar	Apr	May	Jun	Jul	Aug
1	<b>Beginning True-Up Adjustment (Overcollection)/Undercollection<sup>a</sup></b>	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2									
5	<b>Part A1: Amortization of True-Up Adjustment Balance:</b>								
6	Total Recorded Sales in KWHs	-	-	-	-	-	-	-	-
7									
8	Amortization Rate Per KWH <sup>f</sup>	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
9									
10	Amortization of True-Up Adjustment Balance + Accrued Interest	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
11									
12	Net Monthly Collection/(Refunds)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
13									
14	<b>Part A2: Calculation of Interest on Remaining TU Balance:</b>								
15	Interest Expense Calculations:								
16	Beginning Balance for Interest Calculation <sup>c</sup>	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
17	Monthly Activity Included in Interest Calculation Basis <sup>d</sup>	0	0	0	0	0	0	0	0
18	Basis for Interest Expense Calculation	0	0	0	0	0	0	0	0
19	Monthly Interest Rate	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
20	Interest Expense	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
21									
22	Ending Balance (Overcollection)/Undercollection	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
23		Jan	Feb	Mar	Apr	May	Jun	Jul	Aug
24	FERC INTEREST RATE <sup>e</sup>	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
25	Days in Year	365	365	365	365	365	365	365	365
26	Days in Month <sup>g</sup>	31	28	31	30	31	30	31	31
27	Monthly Interest Rate - Calculated	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
28	FERC Interest Rates - Website <sup>e</sup>	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
29	Difference	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%

**NOTES:**

- a** The (overcollection)/undercollection balance in column (a), line 1, comes from the prior year's True-Up Adjustment calculation. The Interest True-Up Adjustment accrues interest on the unamortized balance of the True-Up Adjustment from the end of the True-Up Period through the end of the prior cycle's Rate Effective Period. SDG&E follows a convention of fully amortizing the True-Up Adjustment plus accrued interest at the end of the Rate Effective Period. The total Interest True-Up Adjustment amount, as shown on line 20, column "z" is a component of BTRR.
- b** The months indicated in columns (a) through (l) pertains to the 12-month Base Period following the end of the True-Up Period, while columns (n) through (y) pertain to the prior cycle's Rate Effective Period.
- c** Beginning Balance for Interest Calculation Remains Constant for each 3 Month Quarter as Interest is Compounded Quarterly on these amounts pursuant to FERC Interest Methodology - per 18 CFR Section 35.19 (2) (iii) (B).
- d** **Monthly Activity Calculated as Follows:**
- a) 1st Month of Quarter = Column A, Line 12 Divided by 2  
b) 2nd Month of Quarter = Column A, Line 12 + (Column B, Line 12 Divided by 2)  
c) 3rd Month of Quarter = Column A, Line 12 + Column B, Line 12 + (Column C, Line 12 Divided by 2). Column D, E, F, etc. repeats the process outlined in (a), (b), and (c) above.
- e** The FERC interest rate information comes from the FERC website.
- f** The Amortization Rate per KWH in column (n), line 8, represents the amount of the prior year's True-Up Adjustment + Accrued Interest, amortized over the 12-month prior cycle's rate effective period.
- g** These are fixed days for each month except February for leap vs. non-leap years.

**San Diego Gas & Electric Co.**  
**TO4 - Cycle 1 Annual Transmission Formula Filing**  
**Derivation of RETAIL Interest True-Up Adjustment**

Line No.	(Base Period Following the end of the True-Up Period)	(i) <sup>b</sup> Sep	(j) <sup>b</sup> Oct	(k) <sup>b</sup> Nov	(l) <sup>b</sup> Dec	(m) Total	Reference	Line No.
1	Beginning True-Up Adjustment (Overcollection)/Undercollection <sup>a</sup>	\$ -	\$ -	\$ -	\$ -		Previous Month's Ending Balance from Line 22	1
2								2
5	<b>Part A1: Amortization of True-Up Adjustment Balance:</b>							5
6	Total Recorded Sales in KWHs	-	-	-	-	-	See Related Work Papers; Pages; Lines	6
7								7
8	Amortization Rate Per KWH <sup>f</sup>	\$ -	\$ -	\$ -	\$ -		See Related Work Papers; Pages; Lines	8
9								9
10	Amortization of True-Up Adjustment Balance + Accrued Interest	\$ -	\$ -	\$ -	\$ -	\$ -	Line 6 x Line 8	10
11								11
12	Net Monthly Collection/(Refunds)	\$ -	\$ -	\$ -	\$ -	\$ -	Minus Line 10 from Columns (a) through (l)	12
13								13
14	<b>Part A2: Calculation of Interest on Remaining TU Balance:</b>							14
15	Interest Expense Calculations:							15
16	Beginning Balance for Interest Calculation <sup>c</sup>	\$ -	\$ -	\$ -	\$ -		Balance at Beginning of Quarter (See Footnote C)	16
17	Monthly Activity Included in Interest Calculation Basis <sup>d</sup>	0	0	0	0		See Footnote D	17
18	Basis for Interest Expense Calculation	0	0	0	0		Line 16 + Line 17	18
19	Monthly Interest Rate	0.00%	0.00%	0.00%	0.00%		FERC Monthly Rates From Line 28 Below	19
20	Interest Expense	\$ -	\$ -	\$ -	\$ -	\$ -	Line 18 x Line 19 - Columns (a) through (l)	20
21								21
22	Ending Balance (Overcollection)/Undercollection	\$ -	\$ -	\$ -	\$ -	\$ -	Line 1 + Line 12 + Line 20	22
23		Sep	Oct	Nov	Dec			23
24	FERC INTEREST RATE <sup>e</sup>	0.00%	0.00%	0.00%	0.00%		Annual Interest Rate from FERC Website	24
25	Days in Year	365	365	365	365	365	Line 26 Below, Col (m)	25
26	Days in Month <sup>g</sup>	30	31	30	31	365	Number of Days Per Month	26
27	Monthly Interest Rate - Calculated	0.00%	0.00%	0.00%	0.00%	0.00%	(Line 24)/(Line 25)x(Line 26)	27
28	FERC Interest Rates - Website <sup>e</sup>	0.00%	0.00%	0.00%	0.00%	0.00%	Monthly Interest Rate from FERC Website	28
29	Difference	0.00%	0.00%	0.00%	0.00%	0.00%	Line 27 Minus Line 28	29

**NOTES:**

- a** The (overcollection)/undercollection balance in column (a), line 1, comes from the prior year's True-Up Adjustment calculation. The Interest True-Up Adjustment accrues interest on the unamortized balance of the True-Up Adjustment from the end of the True-Up Period through the end of the prior cycle's Rate Effective Period. SDG&E follows a convention of fully amortizing the True-Up Adjustment plus accrued interest at the end of the Rate Effective Period. The total Interest True-Up Adjustment amount, as shown on line 20, column "z" is a component of BTRR.
- b** The months indicated in columns (a) through (l) pertains to the 12-month Base Period following the end of the True-Up Period, while columns (n) through (y) pertain to the prior cycle's Rate Effective Period.
- c** Beginning Balance for Interest Calculation Remains Constant for each 3 Month Quarter as Interest is Compounded Quarterly on these amounts pursuant to FERC Interest Methodology - per 18 CFR Section 35.19 (2) (iii) (B).
- d** Monthly Activity Calculated as Follows:
- a) 1st Month of Quarter = Column A, Line 12 Divided by 2  
b) 2nd Month of Quarter = Column A, Line 12 + (Column B, Line 12 Divided by 2)  
c) 3rd Month of Quarter = Column A, Line 12 + Column B, Line 12 + (Column C, Line 12 Divided by 2). Column D, E, F, etc. repeats the process outlined in (a), (b), and (c) above.
- e** The FERC interest rate information comes from the FERC website.
- f** The Amortization Rate per KWH in column (n), line 8, represents the amount of the prior year's True-Up Adjustment + Accrued Interest, amortized over the 12-month prior cycle's rate effective period.
- g** These are fixed days for each month except February for leap vs. non-leap years.

San Diego Gas & Electric Co.  
**TO4 - Cycle 1 Annual Transmission Formula Filing**  
**Derivation of RETAIL Interest True-Up Adjustment**

Line No.	Rate Effective Period from Prior Cycle Filing	(n) <sup>b</sup>	(o) <sup>b</sup>	(p) <sup>b</sup>	(q) <sup>b</sup>	(r) <sup>b</sup>	(s) <sup>b</sup>	(t) <sup>b</sup>	(u) <sup>b</sup>
		Jan	Feb	Mar	Apr	May	Jun	Jul	Aug
1	<b>Beginning True-Up Adjustment (Overcollection)/Undercollection<sup>a</sup></b>	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2									
5	<b><u>Part A1: Amortization of True-Up Adjustment Balance:</u></b>								
6	Total Recorded Sales in KWHs	-	-	-	-	-	-	-	-
7									
8	Amortization Rate Per KWH <sup>f</sup>	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
9									
10	Amortization of True-Up Adjustment Balance + Accrued Interest	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
11									
12	Net Monthly Collection/(Refunds)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
13									
14	<b><u>Part A2: Calculation of Interest on Remaining TU Balance:</u></b>								
15	Interest Expense Calculations:								
16	Beginning Balance for Interest Calculation <sup>c</sup>	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
17	Monthly Activity Included in Interest Calculation Basis <sup>d</sup>	0	0	0	0	0	0	0	0
18	Basis for Interest Expense Calculation	0	0	0	0	0	0	0	0
19	Monthly Interest Rate	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
20	Interest Expense	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
21									
22	Ending Balance (Overcollection)/Undercollection	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
23		Jan	Feb	Mar	Apr	May	Jun	Jul	Aug
24	FERC INTEREST RATE <sup>e</sup>	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
25	Days in Year	365	365	365	365	365	365	365	365
26	Days in Month <sup>g</sup>	31	28	31	30	31	30	31	31
27	Monthly Interest Rate - Calculated	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
28	FERC Interest Rates - Website <sup>e</sup>	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
29	Difference	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%

**NOTES:**

- a** The (overcollection)/undercollection balance in column (a), line 1, comes from the prior year's True-Up Adjustment calculation. The Interest True-Up Adjustment accrues interest on the unamortized balance of the True-Up Adjustment from the end of the True-Up Period through the end of the prior cycle's Rate Effective Period. SDG&E follows a convention of fully amortizing the True-Up Adjustment plus accrued interest at the end of the Rate Effective Period. The total Interest True-Up Adjustment amount, as shown on line 20, column "z" is a component of BTRR.
- b** The months indicated in columns (a) through (l) pertains to the 12-month Base Period following the end of the True-Up Period, while columns (n) through (y) pertain to the prior cycle's Rate Effective Period.  
For December, Col (y), line 10 is the amount necessary to fully amortize the balance to zero. See applicable workpaper.
- c** Beginning Balance for Interest Calculation Remains Constant for each 3 Month Quarter as Interest is Compounded Quarterly on these amounts pursuant to FERC Interest Methodology - per 18 CFR Section 35.19 (2) (iii) (B).
- d** **Monthly Activity Calculated as Follows:**
  - a) 1st Month of Quarter = Column A, Line 12 Divided by 2
  - b) 2nd Month of Quarter = Column A, Line 12 + (Column B, Line 12 Divided by 2)
  - c) 3rd Month of Quarter = Column A, Line 12 + Column B, Line 12 + (Column C, Line 12 Divided by 2). Column D, E, F, etc. repeats the process outlined in (a), (b), and (c) above.
- e** The FERC interest rate information comes from the FERC website.
- f** The Amortization Rate per KWH in column (n), line 8, represents the amount of the prior year's True-Up Adjustment + Accrued Interest, amortized over the 12-month prior cycle's rate effective period.
- g** These are fixed days for each month except February for leap vs. non-leap years.

San Diego Gas & Electric Co.  
**TO4 - Cycle 1 Annual Transmission Formula Filing**  
**Derivation of RETAIL Interest True-Up Adjustment**

Line No.	Rate Effective Period from Prior Cycle Filing	(v) <sup>b</sup> Sep	(w) <sup>b</sup> Oct	(x) <sup>b</sup> Nov	(y) <sup>b</sup> Dec	(z) Total	Reference	Line No.
1	<b>Beginning True-Up Adjustment (Overcollection)/Undercollection<sup>a</sup></b>	\$ -	\$ -	\$ -	\$ -		Previous Month's Ending Balance from Line 22	1
2								2
5	<b>Part A1: Amortization of True-Up Adjustment Balance:</b>							5
6	Total Recorded Sales in KWHs	-	-	-		-	See Related Work Papers; Pages; Lines	6
7								7
8	Amortization Rate Per KWH <sup>f</sup>	\$ -	\$ -	\$ -			See Related Work Papers; Pages; Lines	8
9								9
10	Amortization of True-Up Adjustment Balance + Accrued Interest	\$ -	\$ -	\$ -	\$ -	\$ -	Line 6 x Line 8	10
11								11
12	Net Monthly Collection/(Refunds)	\$ -	\$ -	\$ -	\$ -	\$ -	Minus Line 10 from Columns (a) through (l)	12
13								13
14	<b>Part A2: Calculation of Interest on Remaining TU Balance:</b>							14
15	Interest Expense Calculations:							15
16	Beginning Balance for Interest Calculation <sup>c</sup>	\$ -	\$ -	\$ -	\$ -		Balance at Beginning of Quarter (See Footnote C)	16
17	Monthly Activity Included in Interest Calculation Basis <sup>d</sup>	0	0	0	0		See Footnote D	17
18	Basis for Interest Expense Calculation	0	0	0	0		Line 16 + Line 17	18
19	Monthly Interest Rate	0.00%	0.00%	0.00%	0.00%		FERC Monthly Rates From Line 28 Below	19
20	Interest Expense	\$ -	\$ -	\$ -	\$ -	\$ -	Line 18 x Line 19 - Columns (n) through (y)	20
21								21
22	Ending Balance (Overcollection)/Undercollection	\$ -	\$ -	\$ -	\$ -	\$ -	Line 1 + Line 12 + Line 20	22
23		Sep	Oct	Nov	Dec			23
24	FERC INTEREST RATE <sup>e</sup>	0.00%	0.00%	0.00%	0.00%		Annual Interest Rate from FERC Website	24
25	Days in Year	365	365	365	365	365	Line 26 Below, Col (z)	25
26	Days in Month <sup>g</sup>	30	31	30	31	365	Number of Days Per Month	26
27	Monthly Interest Rate - Calculated	0.00%	0.00%	0.00%	0.00%	0.00%	(Line 24)/(Line 25)x(Line 26)	27
28	FERC Interest Rates - Website <sup>e</sup>	0.00%	0.00%	0.00%	0.00%	0.00%	Monthly Interest Rate from FERC Website	28
29	Difference	0.00%	0.00%	0.00%	0.00%	0.00%	Line 27 Minus Line 28	29

**NOTES:**

- a** The (overcollection)/undercollection balance in column (a), line 1, comes from the prior year's True-Up Adjustment calculation. The Interest True-Up Adjustment accrues interest on the unamortized balance of the True-Up Adjustment from the end of the True-Up Period through the end of the prior cycle's Rate Effective Period. SDG&E follows a convention of fully amortizing the True-Up Adjustment plus accrued interest at the end of the Rate Effective Period. The total Interest True-Up Adjustment amount, as shown on line 20, column "z" is a component of BTRR.
- b** The months indicated in columns (a) through (l) pertains to the 12-month Base Period following the end of the True-Up Period, while columns (n) through (y) pertain to the prior cycle's Rate Effective Period.  
For December, Col (y), line 10 is the amount necessary to fully amortize the balance to zero. See applicable workpaper.
- c** Beginning Balance for Interest Calculation Remains Constant for each 3 Month Quarter as Interest is Compounded Quarterly on these amounts pursuant to FERC Interest Methodology - per 18 CFR Section 35.19 (2) (iii) (B).
- d** **Monthly Activity Calculated as Follows:**
  - a) 1st Month of Quarter = Column A, Line 12 Divided by 2
  - b) 2nd Month of Quarter = Column A, Line 12 + (Column B, Line 12 Divided by 2)
  - c) 3rd Month of Quarter = Column A, Line 12 + Column B, Line 12 + (Column C, Line 12 Divided by 2). Column D, E, F, etc. repeats the process outlined in (a), (b), and (c) above.
- e** The FERC interest rate information comes from the FERC website.
- f** The Amortization Rate per KWH in column (n), line 8, represents the amount of the prior year's True-Up Adjustment + Accrued Interest, amortized over the 12-month prior cycle's rate effective period.
- g** These are fixed days for each month except February for leap vs. non-leap years.

**San Diego Gas & Electric Co.**  
**TO4 - Cycle 1 WHOLESALE True-Up Adjustment Calculation**

Line No.	TO4-Formula Cycle in Effect Description	Current Cycle							
		Jan	Feb	Mar	Apr	May	Jun	Jul	Aug
1	<b>Beginning Balance (Overcollection)/Undercollection:</b>	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
2									
3	<b>Total Recorded Retail Revenues @ Transmission Level<sup>1</sup></b>	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
4									
5	<b>Amortization of True-Up Adjustment and Interest True-Up Adjustment:</b>								
6	<b>a) Amortization of Prior Cycle True-Up Adjustment and Prior Interest True-Up Adjustment:</b>								
7	i. Amortization of Prior Cycle True-Up Adjustment. <sup>2</sup>	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
8	ii. Amortization of Prior Interest True-Up Adjustment. <sup>2</sup>	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
9									
10									
11									
12									
13									
14	Total Amortization of True-Up Adjustments & Interest True-Up Adjustment	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
15									
16	<b>Adjusted Total Recorded Retail Revenues @ Transmission Level<sup>3</sup></b>	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
17									
18	<b>Total True-Up Revenues (TU Cost of Service)</b>	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
19									
20	<b>Net Monthly (Overcollection)/Undercollection:</b>	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
21									
22	Interest Expense Calculations:								
23	Beginning Balance for Interest Calculation	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
24	Monthly Activity Included in Interest Calculation Basis	0	0	0	0	0	0	0	
25	Basis for Interest Expense Calculation	0	0	0	0	0	0	0	
26	Monthly Interest Rate	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	
27	<b>Interest Expense</b>	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
28									
29	<b>Ending Balance (Overcollection)/Undercollection:</b>	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
30									
31		Jan	Feb	Mar	Apr	May	Jun	Jul	Aug
32	FERC INTEREST RATE <sup>4</sup>	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
33	Days in Year	365	365	365	365	365	365	365	365
34	Days in Month <sup>5</sup>	31	28	31	30	31	30	31	31
35	Monthly Interest Rate - Calculated	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
36	FERC Interest Rates - Website <sup>4</sup>	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
37	Difference	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%

**NOTES:**

- A The above format of the True-Up Adjustment Calculation will be used for each cycle, with the exception of the cycle 2 4-month true-up adjustment. For the cycle 2 True-Up Adjustment, the above format will be used for the months of Sep 2013 - Dec 2013.
- <sup>1</sup> For the Retail True-Up Adjustment Calculation, the Recorded Retail Revenues are measured at the Transmission Level.
- <sup>2</sup> The amortization of prior cycle True-Up Adjustment and prior Interest True-Up Adjustment will be repeated as needed in deriving the True-Up Adjustment.
- <sup>3</sup> For the Retail True-Up Adjustment Calculation, the Adjusted Total Recorded Retail Revenues are measured at the Transmission Level.
- <sup>4</sup> The FERC interest rate information comes from the FERC website.
- <sup>5</sup> These are fixed days for each month except February for leap vs. non-leap years.

**San Diego Gas & Electric Co.**  
**TO4 - Cycle 1 WHOLESALE True-Up Adjustment Calculation**

Line No.	TO4-Formula Cycle in Effect Description	Current Cycle	Current Cycle	Current Cycle	Current Cycle	Total	Reference	Line No.
		Sep	Oct	Nov	Dec			
1	<b>Beginning Balance (Overcollection)/Undercollection:</b>	\$ -	\$ -	\$ -	\$ -		Previous Month's Balance	1
2								2
3	<b>Total Recorded Retail Revenues @ Transmission Level <sup>1</sup></b>	\$ -	\$ -	\$ -	\$ -	\$ -	See Related Work Papers; Pages; Lines.	3
4								4
5	<b>Amortization of True-Up Adjustment and Interest True-Up Adjustment:</b>							5
6	<b>a) Amortization of Prior Cycle True-Up Adjustment and Prior Interest True-Up Adjustment:</b>							6
7	i. Amortization of Prior Cycle True-Up Adjustment. <sup>2</sup>	\$ -	\$ -	\$ -	\$ -	\$ -	See Related Work Papers; Pages; Lines.	7
8	ii. Amortization of Prior Interest True-Up Adjustment. <sup>2</sup>	\$ -	\$ -	\$ -	\$ -	\$ -	See Related Work Papers; Pages; Lines.	8
9								9
10								10
11								11
12								12
13								13
14	Total Amortization of True-Up Adjustments & Interest True-Up Adjustment	\$ -	\$ -	\$ -	\$ -	\$ -	Sum Lines 7 through 12	14
15								15
16	<b>Adjusted Total Recorded Retail Revenues @ Transmission Level <sup>3</sup></b>	\$ -	\$ -	\$ -	\$ -	\$ -	Sum Lines 3 & 14	16
17								17
18	<b>Total True-Up Revenues (TU Cost of Service)</b>	\$ -	\$ -	\$ -	\$ -	\$ -	See Related Work Papers; Pages; Lines.	18
19								19
20	<b>Net Monthly (Overcollection)/Undercollection:</b>	\$ -	\$ -	\$ -	\$ -	\$ -	Line 18 Minus Line 16	20
21								21
22	Interest Expense Calculations:							22
23	Beginning Balance for Interest Calculation	\$ -	\$ -	\$ -	\$ -		Beginning Quarterly Balances	23
24	Monthly Activity Included in Interest Calculation Basis	0	0	0	0		Interest Calculation Basis	24
25	Basis for Interest Expense Calculation	0	0	0	0		Sum Lines 23 & 24	25
26	Monthly Interest Rate	0.00%	0.00%	0.00%	0.00%		FERC Monthly Rates	26
27	<b>Interest Expense</b>	\$ -	\$ -	\$ -	\$ -	\$ -	Line 25 x Line 26	27
28								28
29	<b>Ending Balance (Overcollection)/Undercollection:</b>	\$ -	\$ -	\$ -	\$ -	\$ -	Sum Lines 1; 20; & 27	29
30								30
31		Sep	Oct	Nov	Dec			31
32	FERC INTEREST RATE <sup>4</sup>	0.00%	0.00%	0.00%	0.00%		Annual Interest Rate - FERC Website	32
33	Days in Year	365	365	365	365	365	Line 34 Below Total Col.	33
34	Days in Month <sup>5</sup>	30	31	30	31	365	Number of Days Per Month	34
35	Monthly Interest Rate - Calculated	0.00%	0.00%	0.00%	0.00%	0.00%	(Line 32)/(Line 33)x(Line 34)	35
36	FERC Interest Rates - Website <sup>4</sup>	0.00%	0.00%	0.00%	0.00%	0.00%	Monthly Interest Rate - FERC Website	36
37	Difference	0.00%	0.00%	0.00%	0.00%	0.00%	Line 35 - Line 36	37

**NOTES:**

- A The above format of the True-Up Adjustment Calculation will be used for each cycle, with the exception of the cycle 2 4-month true-up adjustment. For the cycle 2 True-Up Adjustment, the above format will be used for the months of Sep 2013 - Dec 2013.
- <sup>1</sup> For the Retail True-Up Adjustment Calculation, the Recorded Retail Revenues are measured at the Transmission Level.
- <sup>2</sup> The amortization of prior cycle True-Up Adjustment and prior Interest True-Up Adjustment will be repeated as needed in deriving the True-Up Adjustment.
- <sup>3</sup> For the Retail True-Up Adjustment Calculation, the Adjusted Total Recorded Retail Revenues are measured at the Transmission Level.
- <sup>4</sup> The FERC interest rate information comes from the FERC website.
- <sup>5</sup> These are fixed days for each month except February for leap vs. non-leap years.

San Diego Gas & Electric Co.  
**TO4 - Cycle 1 Annual Transmission Formula Filing**  
**Derivation of WHOLESAL Interest True-Up Adjustment**

Line No.	(Base Period Following the end of the True-Up Period)	(a) <sup>b</sup> Jan	(b) <sup>b</sup> Feb	(c) <sup>b</sup> Mar	(d) <sup>b</sup> Apr	(e) <sup>b</sup> May	(f) <sup>b</sup> Jun	(g) <sup>b</sup> Jul	(h) <sup>b</sup> Aug
1	<b>Beginning True-Up Adjustment (Overcollection)/Undercollection<sup>a</sup></b>	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2									
5	<b><u>Part A1: Amortization of True-Up Adjustment Balance:</u></b>								
6	Total Recorded Sales in KWHs	-	-	-	-	-	-	-	-
7									
8	Amortization Rate Per KWH <sup>f</sup>	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
9									
10	Amortization of True-Up Adjustment Balance + Accrued Interest	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
11									
12	Net Monthly Collection/(Refunds)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
13									
14	<b><u>Part A2: Calculation of Interest on Remaining TU Balance:</u></b>								
15	Interest Expense Calculations:								
16	Beginning Balance for Interest Calculation <sup>c</sup>	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
17	Monthly Activity Included in Interest Calculation Basis <sup>d</sup>	0	0	0	0	0	0	0	0
18	Basis for Interest Expense Calculation	0	0	0	0	0	0	0	0
19	Monthly Interest Rate	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
20	Interest Expense	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
21									
22	Ending Balance (Overcollection)/Undercollection	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
23		Jan	Feb	Mar	Apr	May	Jun	Jul	Aug
24	FERC INTEREST RATE <sup>e</sup>	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
25	Days in Year	365	365	365	365	365	365	365	365
26	Days in Month <sup>g</sup>	31	28	31	30	31	30	31	31
27	Monthly Interest Rate - Calculated	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
28	FERC Interest Rates - Website <sup>e</sup>	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
29	Difference	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%

**NOTES:**

- a The (overcollection)/undercollection balance in column (a), line 1, comes from the prior year's True-Up Adjustment calculation. The Interest True-Up Adjustment accrues interest on the unamortized balance of the True-Up Adjustment from the end of the True-Up Period through the end of the prior cycle's Rate Effective Period. SDG&E follows a convention of fully amortizing the True-Up Adjustment plus accrued interest at the end of the Rate Effective Period. The total Interest True-Up Adjustment amount, as shown on line 20, column "z" is a component of BTRR.
- b The months indicated in columns (a) through (l) pertains to the 12-month Base Period following the end of the True-Up Period, while columns (n) through (y) pertain to the prior cycle's Rate Effective Period.
- c Beginning Balance for Interest Calculation Remains Constant for each 3 Month Quarter as Interest is Compounded Quarterly on these amounts pursuant to FERC Interest Methodology - per 18 CFR Section 35.19 (2) (iii) (B).
- d **Monthly Activity Calculated as Follows:**
  - a) 1st Month of Quarter = Column A, Line 12 Divided by 2
  - b) 2nd Month of Quarter = Column A, Line 12 + (Column B, Line 12 Divided by 2)
  - c) 3rd Month of Quarter = Column A, Line 12 + Column B, Line 12 + (Column C, Line 12 Divided by 2). Column D, E, F, etc. repeats the process outlined in (a), (b), and (c) above.
- e The FERC interest rate information comes from the FERC website.
- f The Amortization Rate per KWH in column (n), line 8, represents the amount of the prior year's True-Up Adjustment + Accrued Interest, amortized over the 12-month prior cycle's rate effective period.
- g These are fixed days for each month except February for leap vs. non-leap years.

San Diego Gas & Electric Co.  
**TO4 - Cycle 1 Annual Transmission Formula Filing**  
**Derivation of WHOLESale Interest True-Up Adjustment**

Line No.	(Base Period Following the end of the True-Up Period)	(i) <sup>b</sup> Sep	(j) <sup>b</sup> Oct	(k) <sup>b</sup> Nov	(l) <sup>b</sup> Dec	(m) Total	Reference	Line No.
1	<b>Beginning True-Up Adjustment (Overcollection)/Undercollection<sup>a</sup></b>	\$ -	\$ -	\$ -	\$ -		Previous Month's Ending Balance from Line 22	1
2								2
5	<b><u>Part A1: Amortization of True-Up Adjustment Balance:</u></b>							5
6	Total Recorded Sales in KWHs	-	-	-	-	-	See Related Work Papers; Pages; Lines	6
7								7
8	Amortization Rate Per KWH <sup>f</sup>	\$ -	\$ -	\$ -	\$ -		See Related Work Papers; Pages; Lines	8
9								9
10	Amortization of True-Up Adjustment Balance + Accrued Interest	\$ -	\$ -	\$ -	\$ -	\$ -	Line 6 x Line 8	10
11								11
12	Net Monthly Collection/(Refunds)	\$ -	\$ -	\$ -	\$ -	\$ -	Minus Line 10 from Columns (a) through (l)	12
13								13
14	<b><u>Part A2: Calculation of Interest on Remaining TU Balance:</u></b>							14
15	Interest Expense Calculations:							15
16	Beginning Balance for Interest Calculation <sup>c</sup>	\$ -	\$ -	\$ -	\$ -		Balance at Beginning of Quarter (See Footnote C)	16
17	Monthly Activity Included in Interest Calculation Basis <sup>d</sup>	0	0	0	0		See Footnote D	17
18	Basis for Interest Expense Calculation	0	0	0	0		Line 16 + Line 17	18
19	Monthly Interest Rate	0.00%	0.00%	0.00%	0.00%		FERC Monthly Rates From Line 28 Below	19
20	Interest Expense	\$ -	\$ -	\$ -	\$ -	\$ -	Line 18 x Line 19 - Columns (a) through (l)	20
21								21
22	Ending Balance (Overcollection)/Undercollection	\$ -	\$ -	\$ -	\$ -	\$ -	Line 1 + Line 12 + Line 20	22
23		Sep	Oct	Nov	Dec			23
24	FERC INTEREST RATE <sup>e</sup>	0.00%	0.00%	0.00%	0.00%		Annual Interest Rate from FERC Website	24
25	Days in Year	365	365	365	365	365	Line 26 Below, Col (m)	25
26	Days in Month <sup>g</sup>	30	31	30	31	365	Number of Days Per Month	26
27	Monthly Interest Rate - Calculated	0.00%	0.00%	0.00%	0.00%	0.00%	(Line 24)/(Line 25)x(Line 26)	27
28	FERC Interest Rates - Website <sup>e</sup>	0.00%	0.00%	0.00%	0.00%	0.00%	Monthly Interest Rate from FERC Website	28
29	Difference	0.00%	0.00%	0.00%	0.00%	0.00%	Line 27 Minus Line 28	29

**NOTES:**

- a** The (overcollection)/undercollection balance in column (a), line 1, comes from the prior year's True-Up Adjustment calculation. The Interest True-Up Adjustment accrues interest on the unamortized balance of the True-Up Adjustment from the end of the True-Up Period through the end of the prior cycle's Rate Effective Period. SDG&E follows a convention of fully amortizing the True-Up Adjustment plus accrued interest at the end of the Rate Effective Period. The total Interest True-Up Adjustment amount, as shown on line 20, column "z" is a component of BTRR.
- b** The months indicated in columns (a) through (l) pertains to the 12-month Base Period following the end of the True-Up Period, while columns (n) through (y) pertain to the prior cycle's Rate Effective Period.
- c** Beginning Balance for Interest Calculation Remains Constant for each 3 Month Quarter as Interest is Compounded Quarterly on these amounts pursuant to FERC Interest Methodology - per 18 CFR Section 35.19 (2) (iii) (B).
- d** **Monthly Activity Calculated as Follows:**
  - a) 1st Month of Quarter = Column A, Line 12 Divided by 2
  - b) 2nd Month of Quarter = Column A, Line 12 + (Column B, Line 12 Divided by 2)
  - c) 3rd Month of Quarter = Column A, Line 12 + Column B, Line 12 + (Column C, Line 12 Divided by 2). Column D, E, F, etc. repeats the process outlined in (a), (b), and (c) above.
- e** The FERC interest rate information comes from the FERC website.
- f** The Amortization Rate per KWH in column (n), line 8, represents the amount of the prior year's True-Up Adjustment + Accrued Interest, amortized over the 12-month prior cycle's rate effective period.
- g** These are fixed days for each month except February for leap vs. non-leap years.

San Diego Gas & Electric Co.  
**TO4 - Cycle 1 Annual Transmission Formula Filing**  
**Derivation of WHOLESale Interest True-Up Adjustment**

Line No.	Rate Effective Period from Prior Cycle Filing	(n) <sup>b</sup>	(o) <sup>b</sup>	(p) <sup>b</sup>	(q) <sup>b</sup>	(r) <sup>b</sup>	(s) <sup>b</sup>	(t) <sup>b</sup>	(u) <sup>b</sup>
		Jan	Feb	Mar	Apr	May	Jun	Jul	Aug
1	<b>Beginning True-Up Adjustment (Overcollection)/Undercollection<sup>a</sup></b>	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2									
5	<b><u>Part A1: Amortization of True-Up Adjustment Balance:</u></b>								
6	Total Recorded Sales in KWHs	-	-	-	-	-	-	-	-
7									
8	Amortization Rate Per KWH <sup>f</sup>	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
9									
10	Amortization of True-Up Adjustment Balance + Accrued Interest	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
11									
12	Net Monthly Collection/(Refunds)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
13									
14	<b><u>Part A2: Calculation of Interest on Remaining TU Balance:</u></b>								
15	Interest Expense Calculations:								
16	Beginning Balance for Interest Calculation <sup>c</sup>	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
17	Monthly Activity Included in Interest Calculation Basis <sup>d</sup>	0	0	0	0	0	0	0	0
18	Basis for Interest Expense Calculation	0	0	0	0	0	0	0	0
19	Monthly Interest Rate	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
20	Interest Expense	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
21									
22	Ending Balance (Overcollection)/Undercollection	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
23		Jan	Feb	Mar	Apr	May	Jun	Jul	Aug
24	FERC INTEREST RATE <sup>e</sup>	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
25	Days in Year	365	365	365	365	365	365	365	365
26	Days in Month <sup>g</sup>	31	28	31	30	31	30	31	31
27	Monthly Interest Rate - Calculated	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
28	FERC Interest Rates - Website <sup>e</sup>	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
29	Difference	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%

**NOTES:**

- a The (overcollection)/undercollection balance in column (a), line 1, comes from the prior year's True-Up Adjustment calculation. The Interest True-Up Adjustment accrues interest on the unamortized balance of the True-Up Adjustment from the end of the True-Up Period through the end of the prior cycle's Rate Effective Period. SDG&E follows a convention of fully amortizing the True-Up Adjustment plus accrued interest at the end of the Rate Effective Period. The total Interest True-Up Adjustment amount, as shown on line 20, column "z" is a component of BTRR.
- b The months indicated in columns (a) through (l) pertains to the 12-month Base Period following the end of the True-Up Period, while columns (n) through (y) pertain to the prior cycle's Rate Effective Period.  
For December, Col (y), line 10 is the amount necessary to fully amortize the balance to zero. See applicable workpaper.
- c Beginning Balance for Interest Calculation Remains Constant for each 3 Month Quarter as Interest is Compounded Quarterly on these amounts pursuant to FERC Interest Methodology - per 18 CFR Section 35.19 (2) (iii) (B).
- d **Monthly Activity Calculated as Follows:**
  - a) 1st Month of Quarter = Column A, Line 12 Divided by 2
  - b) 2nd Month of Quarter = Column A, Line 12 + (Column B, Line 12 Divided by 2)
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San Diego Gas & Electric Co.  
**TO4 - Cycle 1 Annual Transmission Formula Filing**  
**Derivation of WHOLESale Interest True-Up Adjustment**

Line No.	Rate Effective Period from Prior Cycle Filing	(v) <sup>b</sup> Sep	(w) <sup>b</sup> Oct	(x) <sup>b</sup> Nov	(y) <sup>b</sup> Dec	(z) Total	Reference	Line No.
1	<b>Beginning True-Up Adjustment (Overcollection)/Undercollection<sup>a</sup></b>	\$ -	\$ -	\$ -	\$ -		Previous Month's Ending Balance from Line 22	1
2								2
5	<b>Part A1: Amortization of True-Up Adjustment Balance:</b>							5
6	Total Recorded Sales in KWHs	-	-	-		-	See Related Work Papers; Pages; Lines	6
7								7
8	Amortization Rate Per KWH <sup>f</sup>	\$ -	\$ -	\$ -			See Related Work Papers; Pages; Lines	8
9								9
10	Amortization of True-Up Adjustment Balance + Accrued Interest	\$ -	\$ -	\$ -	\$ -	\$ -	Line 6 x Line 8	10
11								11
12	Net Monthly Collection/(Refunds)	\$ -	\$ -	\$ -	\$ -	\$ -	Minus Line 10 from Columns (a) through (l)	12
13								13
14	<b>Part A2: Calculation of Interest on Remaining TU Balance:</b>							14
15	Interest Expense Calculations:							15
16	Beginning Balance for Interest Calculation <sup>c</sup>	\$ -	\$ -	\$ -	\$ -		Balance at Beginning of Quarter (See Footnote 1)	16
17	Monthly Activity Included in Interest Calculation Basis <sup>d</sup>	0	0	0	0		See Footnote 2	17
18	Basis for Interest Expense Calculation	0	0	0	0		Line 16 + Line 17	18
19	Monthly Interest Rate	0.00%	0.00%	0.00%	0.00%		FERC Monthly Rates From Line 28 Below	19
20	Interest Expense	\$ -	\$ -	\$ -	\$ -	\$ -	Line 18 x Line 19 - Columns (n) through (y)	20
21								21
22	Ending Balance (Overcollection)/Undercollection	\$ -	\$ -	\$ -	\$ -	\$ -	Line 1 + Line 12 + Line 20	22
23		Sep	Oct	Nov	Dec			23
24	FERC INTEREST RATE <sup>e</sup>	0.00%	0.00%	0.00%	0.00%		Annual Interest Rate from FERC Website	24
25	Days in Year	365	365	365	365	365	Line 26 Below, Col (z)	25
26	Days in Month <sup>g</sup>	30	31	30	31	365	Number of Days Per Month	26
27	Monthly Interest Rate - Calculated	0.00%	0.00%	0.00%	0.00%	0.00%	(Line 24)/(Line 25)x(Line 26)	27
28	FERC Interest Rates - Website <sup>e</sup>	0.00%	0.00%	0.00%	0.00%	0.00%	Monthly Interest Rate from FERC Website	28
29	Difference	0.00%	0.00%	0.00%	0.00%	0.00%	Line 27 Minus Line 28	29

**NOTES:**

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For December, Col (y), line 10 is the amount necessary to fully amortize the balance to zero. See applicable workpaper.
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  - a) 1st Month of Quarter = Column A, Line 12 Divided by 2
  - b) 2nd Month of Quarter = Column A, Line 12 + (Column B, Line 12 Divided by 2)
  - c) 3rd Month of Quarter = Column A, Line 12 + Column B, Line 12 + (Column C, Line 12 Divided by 2). Column D, E, F, etc. repeats the process outlined in (a), (b), and (c) above.
- e** The FERC interest rate information comes from the FERC website.
- f** The Amortization Rate per KWH in column (n), line 8, represents the amount of the prior year's True-Up Adjustment + Accrued Interest, amortized over the 12-month prior cycle's rate effective period.
- g** These are fixed days for each month except February for leap vs. non-leap years.