

## SCE'S COST OF CAPACITY INCREASE UNDER OPERATING IMPAIRMENT VS. PURCHASE OF SDG&E'S 20% OWNERSHIP SHARE

### SCENARIO 1: OPERATING IMPAIRMENT

		Note	0	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18	19
SDG&E Ownership Share	(%)																					
SCE Capacity Increase (SDG&E Capacity Reduction)	(MW)	1	430	409	387	366	344	323	301	280	258	237	215	194	172	151	129	108	86	65	43	22
SCE Cost Increase (SDG&E Avoided Cost of SGR)	(2004\$ millions)	2	136	136	136	136	136	136	136	136	136	136	136	136	136	136	136	136	136	136	136	136
SCE Cost of Increased Capacity	(2004 \$/kW)		316	333	351	372	395	422	452	487	527	575	633	703	791	904	1054	1265	1581	2109	3163	6326

### SCENARIO 2: SCE PURCHASE OF SDG&E SHARE

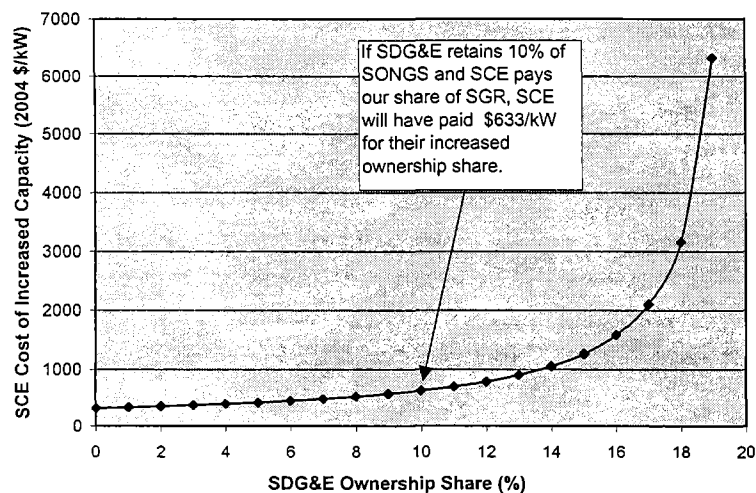
		Note	0	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18	19
SCE Capacity Increase	(MW)		430	430	430	430	430	430	430	430	430	430	430	430	430	430	430	430	430	430	430	430
SCE Cost Increase (SDG&E Avoided Cost of SGR)	(2004\$ millions)	2	136	136	136	136	136	136	136	136	136	136	136	136	136	136	136	136	136	136	136	136
SCE Cost Increase (Purchase Price)	(2004\$ Millions)		0	10	20	30	40	50	60	70	80	90	100	110	120	130	140	150	160	170	180	190
SCE Cost Increase (Total)	(2004\$ Millions)		136	146	156	166	176	186	196	206	216	226	236	246	256	266	276	286	296	306	316	326
SCE Cost of Increased Capacity	(2004 \$/kW)		316	340	363	386	409	433	456	479	502	526	549	572	595	619	642	665	688	712	735	758

#### Notes:

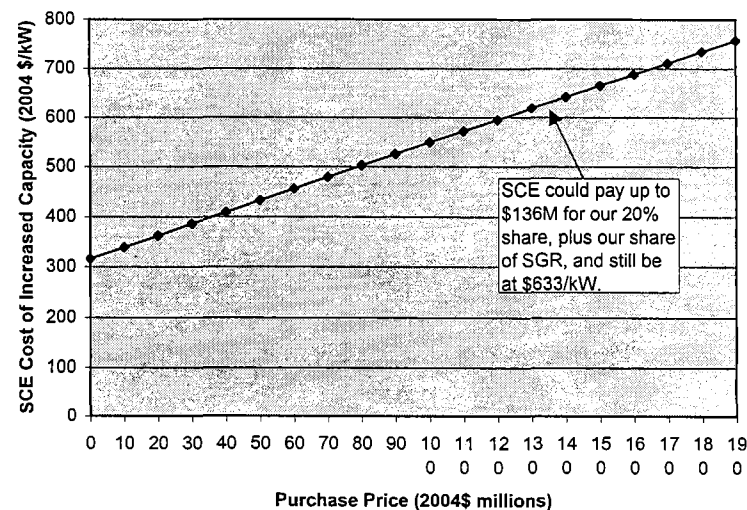
- Based on 2150 MW
- Based on SGRP cost of \$680 (2004\$ millions) taken from SCE-3, Part 2, page 2

*SGR cost = 316\$/kW @ 100% level  
(680M\$/2150 MW)*

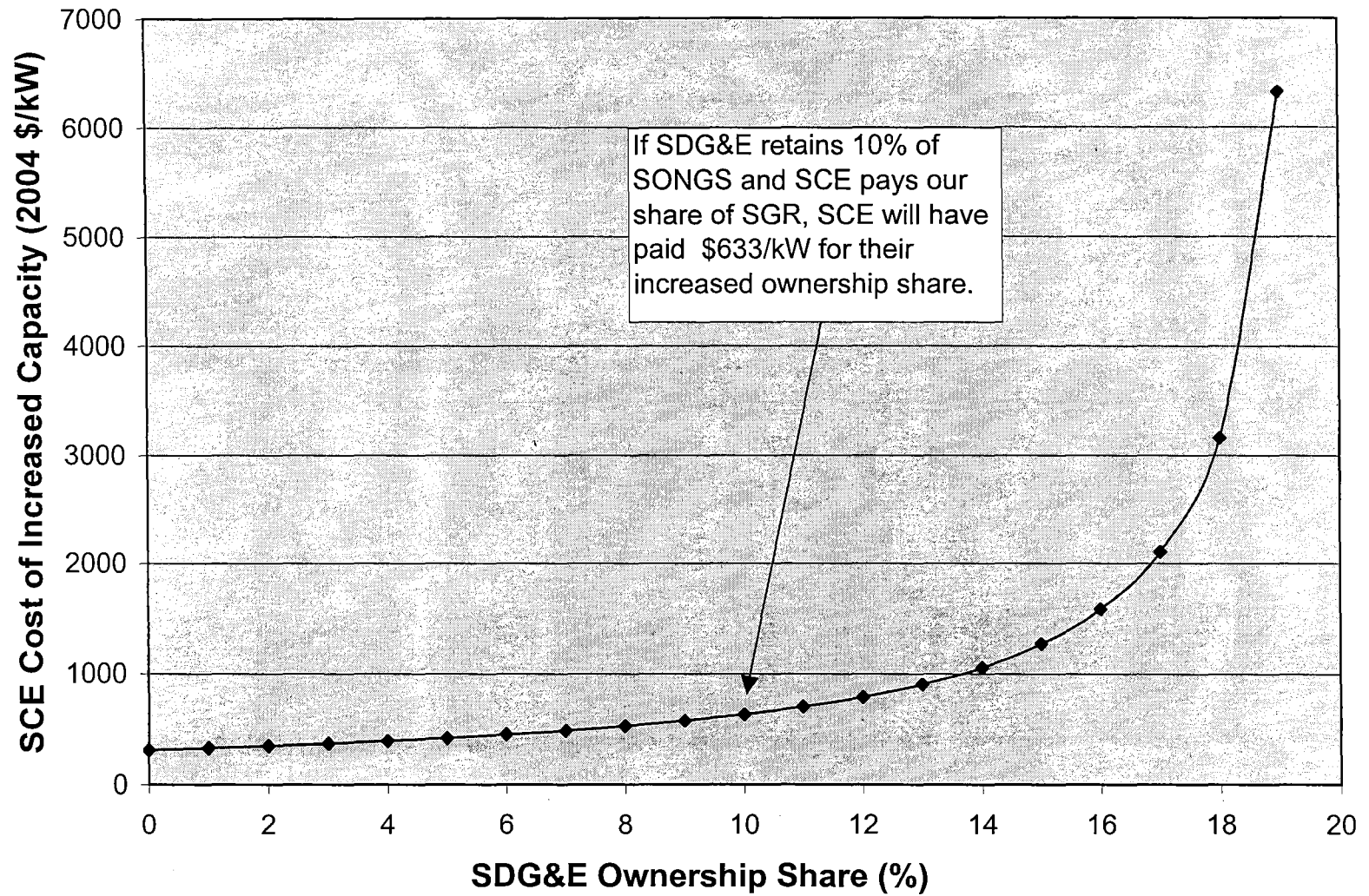
### SCENARIO 1: OPERATING IMPAIRMENT



### SCENARIO 2: SCE PURCHASE OF SDG&E SHARE



## SCENARIO 1: OPERATING IMPAIRMENT



## SCENARIO 2: SCE PURCHASE OF SDG&E SHARE

