

2) The Future PBOPs Recovery Difference is the difference between:

- a) The sum of SCE's Forecast PBOPs Expense for the current year and next year ("Projected Expense"); and
- b) The sum of SCE's PBOPs Expense amount to be recovered under its Formula Rate for the current year and the next year at the current Authorized PBOPs Expense Amount ("Projected Recovery").

Calculation of Future PBOPs Recovery Difference:

	<u>Amount</u>	<u>Calculation</u>
a	Projected Expense: \$68,109,000	Sum of first two years of Forecast PBOPs Expenses
b	Projected Recovery: <u>\$91,518,000</u>	Sum from Note 1 for current and next year.
c	Future PBOPs Recovery Difference: -\$23,409,000	Projected Expense less Projected Recovery

Five Year Forecast PBOPs Expenses:

	Forecast PBOPs	
	<u>Year</u>	<u>Expenses</u>
d	2016	\$32,884,000
e	2017	\$35,225,000
f	2018	\$38,261,000
g	2019	\$40,134,000
h	2020	\$42,119,000

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Schedule 35 workpapers

		<u>Calculation</u>
i	Rate Year and Immediately succeeding Rate Year: \$13,621,800	(d+e) * 0.2

3) The PBOPs True Up TRR Adjustment determines the amount by which the True Up TRR for the Prior Year should be adjusted in order to correctly reflect the Authorized PBOPs Expense Amount that was in effect for the Prior Year (rather than the stated amount that is in effect for the current year as shown on Schedule 20, Note 3, Line a).

Instructions:

1) "Current Authorized PBOPs Expense Amounts" in Note 1 are the amounts in effect beginning the first year these amounts were authorized.

This schedule is to be filled out (if required by the protocols) utilizing the amounts in effect at that time. If a filing to revise the Authorized PBOPs Expense Amounts is required, SCE shall make such filing after the Draft Annual Update is posted.

SCE shall request that the Commission make the revised Authorized PBOPs Expense Amounts (as determined on Lines 5-9) effective beginning on January 1 of the filing year.

If the Commission approves SCE's filing, the Authorized PBOPs Expense Amount on Schedule 20, Note 3, Line a for the subsequent Annual Update shall then correspond to the first "Filing PBOPs Expense" in Column 3, Line 5 above. Absent another filing, subsequent Authorized PBOPs Expense Amounts in subsequent Annual Updates will correspond to the amounts in lines 6-9.

2) Fill out table through the year immediately preceeding the current calendar year in which the Annual Update is filed.

Enter in C1 "PBOPs Expenses" for each year equal to SCE's actual PBOPs expenses.

Enter in C2 PBOPs Recovery based on Commission-approved amounts from most recent PBOPs filing for each year in Prior PBOPs Recovery Period.

Enter in C3 "Previous Over (-) or Under (+) Recovery" from previous filing to revise PBOPs amounts (Lines 5 and 6, C2), if any. Enter with same sign, and corresponding to the years over which it was amortized.

C4 "Adjusted PBOPs Recovery" represents PBOPs Recovery with the previous period over or undercollection removed.