

Total One Time Adjustment for proposed Formula Rate to reflect:

- 1) End of Year 2015 Undercollection from Original Formula Rate
- 2) Original Formula Rate 2016 True Up TRR relative to proposed Formula Rate 2016 TUTRR

One Time Adjustments:

End of Year 2015 Undercollection: \$89,464,304

See EOY 2015 Sheet

True Up TRR Adjustment: -\$39,484,975

See "One Time Adjust for TUTRR" sheet

The Adjustments will appear as follows in the new Formula Rate Schedule 3:

<u>Col 1</u>			<u>Col 4</u>	
			See Note 4	
			One-Time	
			Adjustments and	
			Shortfall/Excess	
			Revenue In	
			Previous	
<u>Line</u>	<u>Month</u>	<u>Year</u>	C1 -C2 not shown	<u>Annual Update</u>
11	December	2015	---	\$89,464,304
12	January	2016	---	
13	February	2016	---	
14	March	2016	---	
15	April	2016	---	
16	May	2016	---	
17	June	2016	---	
18	July	2016	---	
19	August	2016	---	
20	September	2016	---	
21	October	2016	---	
22	November	2016	---	
23	December	2016	---	-\$39,484,975

This worksheet calculates the cumulative over or under collection of revenues at the end of 2015 from the Original Formula Rate, and how to carry forward that undercollection to the new Formula Rate

The cumulative Formula Rate undercollection through December 2015 is reflected in two pieces:

		<u>Notes</u>
TO11:	Schedule 3, Line 22, Column 9: \$76,355,404	1
TO10:	Schedule 3, Line 34, Column 9: <u>\$13,108,900</u>	2
	Sum: \$89,464,304	

Notes

- 1) Undercollection in the 2015 year. Does not include cumulative undercollection through end of 2014. Includes interest through December 2015, since the amount is extracted from the line corresponding to December of 2015.
- 2) Cumulative undercollection through the end of 2014, representing all over and under collections since the inception of the Formula Rate in 2012 (since this amount includes the return of previous over/under collections from the TO9 Annual Update entered on lines 23-34 in the amount of 12 entries of \$5,578,836). Again, includes interest through December of 2015 since the amount is extracted from the line corresponding to December of 2015.

Entering the sum of these two amounts on the proposed Schedule 3, Line 11, Column 4 (December of 2015 Line) will carry forward the cumulative Formula Rate undercollection through December, 2015 to the new proposed Formula Rate.

Workpaper to Calculate One Time Adjustment to adjust for the difference between the True Up TRR in the New Formula Rate as compared to the True Up TRR in the Original Formula Rate

Annual True Up TRRs for Year: 2016
Proposed Formula Rate TUTRR: \$1,062,934,400
Original Formula Rate TUTRR: \$1,024,128,578

Monthly True Up TRRs for the New Formula Rate and the Original Formula Rate:

			(Col 1)	(Col 2)	(Col 3) = (C2 - C3) Under (+) or Over (-) Statement of TUTRR in New Formula Relative to Original Formula	(Col 4) Monthly Interest Rate	(Col 5) = (C3 + LagC7) Cumulative Under (+) or Over (-) Statement of TUTRR wo Interest for Current Month	(Col 6) See Note 5 Interest for Current Month	(Col 7) = (C5 + C6) Cumulative Under (+) or Over (-) Statement of TUTRR with Interest for Current Month
Line	Month	Year	New Formula Rate	Original Formula Rate	Original Formula	Rate	Current Month	Month	Current Month
1	December	2015	---	---	---	0.27%	---	---	---
2	January	2016	\$88,577,867	\$85,344,048	-\$3,233,819	0.27%	-\$3,233,819	-\$4,366	-\$3,238,184
3	February	2016	\$88,577,867	\$85,344,048	-\$3,233,819	0.27%	-\$6,472,003	-\$13,109	-\$6,485,111
4	March	2016	\$88,577,867	\$85,344,048	-\$3,233,819	0.27%	-\$9,718,930	-\$21,875	-\$9,740,805
5	April	2016	\$88,577,867	\$85,344,048	-\$3,233,819	0.29%	-\$12,974,624	-\$32,937	-\$13,007,561
6	May	2016	\$88,577,867	\$85,344,048	-\$3,233,819	0.29%	-\$16,241,380	-\$42,411	-\$16,283,791
7	June	2016	\$88,577,867	\$85,344,048	-\$3,233,819	0.29%	-\$19,517,609	-\$51,912	-\$19,569,521
8	July	2016	\$88,577,867	\$85,344,048	-\$3,233,819	0.29%	-\$22,803,340	-\$61,441	-\$22,864,780
9	August	2016	\$88,577,867	\$85,344,048	-\$3,233,819	0.29%	-\$26,098,599	-\$70,997	-\$26,169,596
10	September	2016	\$88,577,867	\$85,344,048	-\$3,233,819	0.29%	-\$29,403,414	-\$80,581	-\$29,483,995
11	October	2016	\$88,577,867	\$85,344,048	-\$3,233,819	0.29%	-\$32,717,814	-\$90,193	-\$32,808,006
12	November	2016	\$88,577,867	\$85,344,048	-\$3,233,819	0.29%	-\$36,041,825	-\$99,832	-\$36,141,657
13	December	2016	\$88,577,867	\$85,344,048	-\$3,233,819	0.29%	-\$39,375,476	-\$109,500	-\$39,484,975
Total:			\$1,062,934,400	\$1,024,128,578	-\$38,805,822				

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One Time Adjustment

Notes:

- 1) The purpose of this workpaper is to calculate a One Time Adjustment that will ensure that SCE recovers a True Up TRR for the years 2016 and 2017 based on the Original Formula Rate. This is necessary to reflect the termination date of the Original Formula Rate of December 31, 2017 (see Original Formula Rate Protocols, Section 2).
- 2) The One Time Adjustment amount calculated in this workpaper (Line 13, Column 7) is to be inserted in Schedule 3 of the new Formula Rate Annual Updates with True Up TRRs for the years 2016 and 2017. Additionally, if the New Formula Rate is suspended for part of 2018 then this workpaper will be used to calculate a One Time Adjustment for the period of time during 2018 that the Original Formula Rate was in effect.
- 3) Monthly Interest Rates for year are as shown in Schedule 3, Lines 12-23, Column 6.
- 4) The amount on this workpaper Line 13, Column 7, is entered as a One Time Adjustment in the Annual Update Schedule 3 True Up Adjustment line corresponding to the same month (Line 23, Column 4).
- 5) Interest for current month is calculated as: Average of Col 5 and Col 7 for previous month times interest rate in Column 4.