

December 31, 2020

Subject: Fourth Quarter 2020 AFUDC Rate

The following table provides the 2020 AFUDC rate and the allocation for borrowed and equity funds. The 4th quarter 2020 analysis resulted in a decrease of 4-basis points and a decrease to the annual gross nominal rate from 7.04% to 6.99%.

The update did not result in a 25-basis point change. However, the rate was still implemented. The rate adjustment was due to an update of the recorded CWIP split between the AB1054 and the non-AB1054 population used for the rate calculation.

Effective Month	Gross Nominal Rate	Power Plan System Rate / Monthly System Rate	Allocation of Gross Funds Borrowed (%) / Equity (%)
January 2020	5.084890%	5.031840% 0.419320%	44.87% / 55.13%
March 2020	5.478622%	5.417112% 0.451426%	35.73% / 64.27%
June 2020	6.240589%	6.160968% 0.513414%	31.79% / 68.21%
September 2020	7.045520%	6.944280% 0.578690%	29.49% / 70.51%
December 2020	6.995707%	6.895872% 0.574656%	29.39% / 70.61%

Please let me know if you have any questions.

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