

Calculation of 2021 Updated Uncollectible Factor

<u>Line</u>	<u>Item</u>	<u>Source</u>	<u>Amount</u>
1	Total 2021 Revenue with FF&U	Source: FF1, page 300, Line 10	\$13,480,168,033
2	CPUC GRC Uncollectible Factor	Source: CPUC GRC D21-08-036	0.1800%
3	Uncollectible Expense Reflected in Total 2021 Revenue	Line 1 multiplied by Line 2	\$24,264,302
4	Total 2021 Revenue without Uncollectible Expense Collected	Line 1 less Line 3	\$13,455,903,731
5	Total Company 2021 Uncollectible Expense	A.22-04-001 ERRA 2021 Workpaper Page 132 Line 28 Plus Line 28a	\$201,835,577
5a	Adjustment to Line 5	Calculated Value	\$68,939,469
5b	Adjusted Total Company 2021 Uncollectibles	Line 5 less Line 5a	\$132,896,108
6	Total 2021 Revenue with FF and Updated Uncollectible Expense	Line 4 plus Line 5b	\$13,588,799,839
7	Updated Uncollectible Percentage (See Note 1)	Line 5b divided by Line 6	0.9780%

Calculation of Formula Franchise Fee and Uncollectibles Factors

<u>Line</u>			<u>Reference</u>
8	CPUC Franchise Fee Factor (% of Total Revenue Requirement)	0.9261%	CPUC GRC Decision D21-08-036 page B-6, line 6
9	Uncollectibles Factor (% of Total Revenue Requirement)	0.9780%	Line 7
10	Formula Franchise Fee Factor (see Note 1)	0.9365%	<u>Calculation</u> Line 8 / (1 - (Line 8 + Line 2))
11	Formula Uncollectibles Factor (see Note 1)	0.9970%	Line 9 / (1 - (Line 8 + Line 9))

Notes:

- The formula Franchise Fee and Uncollectibles Factors are applied to the Base TRR not including FF&U expenses. The CPUC adopted FF&U Factors are percentages of total revenue requirements including FF&U expenses. The calculation on Lines 10 and 11 converts the CPUC adopted FF&U factors to FF&U factors appropriate for application to total revenue requirement not including FF&U expenses, as used in the formula transmission rate.
- Line 5a is used to reduce Line 5 if appropriate. Entry examples may include any reduction as a result of state or federal funds that reduce the uncollectables required by FERC customers.