

See "Shareholder and Other" and "Incentives" worksheets for contributions to these exclusions.

Sum of "Shareholder and Other" and Incentives sheets

## SCE Records

**A&G "Shareholder or Other Exclusions" workpapers**

**1) Shareholder Exclusions for A&G Accounts 920-935:**

<u>Line</u>	<u>Account</u>	<u>Shareholder Exclusion</u>	<u>Notes:</u>
1a	920	\$1,764,705	See ShareholderExclusions tab for detail
1b	921	\$512,951	See ShareholderExclusions tab for detail
1c	923	\$7,264,435	See ShareholderExclusions tab for detail
1d	926	\$1,990,515	See ShareholderExclusions tab for detail
1e	930.2	<u>\$1,346,326</u>	See ShareholderExclusions tab for detail
Total Shareholder:		\$12,878,931	

**2) Other Exclusions for A&G Accounts 920-935:**

The following additional items have been determined to be not appropriate for inclusion in transmission rates, and therefore have been excluded as "Other Exclusions" in Note 1 to Schedule 20, Column 1.

<u>Line</u>	<u>Account</u>	<u>Other Exclusions</u>	<u>Item</u>
2a	920	\$1,106,566	Project Development Division Memorandum Account (PDDMA)
2b	920	-\$56,754	Solar Photovoltaic Program (SPVP) Memorandum Account
2c	920	\$15,073	Fuel Cell Program Memorandum Account (FCPMA)
2d	920	\$66,692	Hydro, Mohave, and SSID 100% CPUC costs
2e	921	\$388	Hydro 100% CPUC costs
2f	923	\$836,606	Project Development Division Memorandum Account (PDDMA)
2g	923	\$693	Solar Photovoltaic Program (SPVP) Memorandum Account
2h	923	\$238,511	Renewables Portfolio Standard Costs Memorandum Account (RPSCMA)
2i	923	\$15,247	Agricultural Account Aggregation Study Memorandum Account (AAASMA)
2j	925	\$640,640	Nuclear Master Insurance Plan 100% CPUC costs
2k	925	-\$2,224	Four Corners Memorandum Account (FCMA)
2l	926	\$4,853	Mohave Balancing Account
2m	926	-\$84,407	Four Corners Memorandum Account (FCMA)
2n	928	\$5,899,823	Energy Resource Recovery Account (ERRA)
2o	928	\$2,948,706	Energy Settlements Memorandum Account (ESMA)
2p	928	\$1,431,160	Public Purpose Programs Adjustment Mechanism (PPPAM)
2q	928	\$7,640,564	SONGS Outage Memorandum Account (SONGSOMA)
2r	928	-\$3,233	SONGS Technical Assistance Memorandum Account (STAMA or SONGSTAMA)
2s	930.2	-\$436,304	Accounting Suspense
2t	930.2	\$2,275,562	Provision for Doubtful Accounts
2u	930.2	\$846,949	Project Development Division Memorandum Account (PDDMA)
2v	930.2	\$3,853,428	Research, Development and Demonstration Adj. Clause (RDDAC)
2w	930.2	\$4,384,586	Electric Program Investment Charge balancing acct. (EPICBA)
2x	930.2	\$245,234	Four Corners Memorandum Account (FCMA)
2y	931	\$3,343	Nuclear 100% CPUC costs
2z	935	<u>\$797,708</u>	SSID 100% CPUC costs
Total Other:		\$32,669,410	

**3) Order 668 Amount Transferred from O&M Accounts 569.**

This amount of costs is transferred from O&M accounts 569.100, 569.200, and 569.300:

Transfer to A&G account 920: \$25,839,695

4) Total "Shareholder and Other" Input Exclusions for Column 1, Lines 24-37 of Schedule 20  
(In Formula Input Format)

<u>Col 1</u>			
Shareholder or Other			
<u>Line #</u>	<u>Acct.</u>	<u>Exclusions</u>	<u>Calculation</u>
24	920	-\$22,943,413	Line 1a + (2a to 2g) - 3
25	921	\$513,339	Line 1b + 2h
26	922		
27	923	\$8,355,492	Line 1c +(2i to 2m)
28	924		
29	925	\$638,416	Line 2o + 2p
30	926	\$1,910,961	Line 1d + 2q + 2r
31	927		
32	928	\$17,917,020	Line (2s to 2w)
33	929		
34	930.1		Line 1e
35	930.2	\$12,515,780	Line 1f + (2x to 2cc)
36	931	\$3,343	Line 2dd
37	935	\$797,708	Line 2ee
Total All "Shareholder or Other":		\$19,708,646	

**A&G Incentive Compensation Exclusions****A) A&G Non-Officer Incentive Compensation (NOIC) Adjustments**

(NOIC includes Results Sharing, Management Incentive Program, and Non-Officer Executive Incentive Compensation).

**1) Calculation of exclusion of capitalized portion of NOIC costs in Account 920:**

<u>Line</u>	<u>Item</u>	<u>Amount</u>	<u>Source or Calculation</u>	
1	Accrued NOIC	\$163,270,233	Included in Account 920	
2	Capitalization rate	19.8%	CPUC GRC Decision for Test Year	2012
3	Capitalized NOIC	\$32,327,506	L1 * L2	

**2) Calculation of NOIC Payouts:**

<u>Line</u>				
1	Actual NOIC Payout	\$169,908,113	Section 2, L7	
2	Authorized NOIC Payout	\$132,108,141	Authorized Amount (Cap) from GRC for Test Year	2012
3	NOIC Payout To Be Recovered	\$132,108,141	Lesser of Line 1 or Line 2	

<u>Business Unit</u>	<u>Actual Payout</u>	<u>% of Total Payout</u>	<u>NOIC Payout To Be Recovered</u>	<u>Allocated Capitalized NOIC</u>	<u>Non-Capitalized NOIC</u>
	A	B = Col A / L7	C = Section 2, L3 * B	D = Section 1, L3 * B	E = C - D
4 A&G	\$65,663,278	39%	\$51,054,970	\$12,493,399.95	\$38,561,570
5 Other	\$34,174,839	20%	\$26,571,859	\$6,502,263	\$20,069,596
6 Trans. And Dist. Business Unit	\$70,069,996	41%	\$54,481,312	\$13,331,843	\$41,149,470
7 Totals	\$169,908,113	100%	\$132,108,141	\$32,327,506	\$99,780,635

Instruction for Line 2: Authorized NOIC Payout to be calculated in a workpaper (to be provided by SCE) comparable to that provided by SCE to Joint Intervenors on 1/14/13 in Docket No. ER11-3697, with page references to the appropriate GRC decision and all calculations shown for the derivation of any numbers not taken directly from the GRC decision.

Instruction for Lines 4-6, Column A: "Actual Payout" amount is to be the actual amount paid out in the Prior Year.

**Actual non-capitalized NOIC Payouts**

(In Formula Input Format for input to Schedule 20, Note 2)

	<u>Department</u>	<u>Amount</u>	<u>Source</u>
d	A&G	\$38,561,570	Line 4, column E above
e	Other	\$20,069,596	Line 5, column E above
f	Trans. And Dist. Business Unit	\$41,149,470	Line 6, column E above
	Total:	\$99,780,635	

**B) A&G Officer Executive Incentive Compensation (OEIC) Adjustments**

**3) Calculation of exclusion of capitalized portion of OEIC costs in Account 920:**

<u>Line</u>	<u>Item</u>	<u>Amount</u>	<u>Source or Calculation</u>	
1	Accrued OEIC	\$10,118,204	Included in Account 920.	
2	Capitalization rate	19.8%	CPUC GRC Decision for test year:	2012
3	Capitalized OEIC	\$2,003,404	L1 * L2	

**4) Calculation of OEIC Payouts:**

<u>Line</u>	<u>Item</u>	<u>Amount</u>	<u>Source or Calculation</u>	
1	Actual OEIC Payout	\$6,657,080	Section 4, L4	
2	Authorized OEIC Payout	\$3,687,174	Authorized Amount (Cap) from GRC for test year	2012
3	OEIC Payout To Be Recovered	\$3,687,174	Lesser of Line 1 or Line 2	

<u>Business Unit</u>	<u>Actual Payout</u>	<u>% of Total Payout</u>	<u>OEIC Payout To Be Recovered</u>	<u>Allocated Capitalized OEIC</u>	<u>Non-Capitalized OEIC</u>
	A	B	C = Section 4, L3 * B	D = Section 3, L3 * B	E = C - D
4 A&G	\$6,657,080	100%	\$3,687,174	\$2,003,404	\$1,683,770

Instruction for Line 4: "Actual Payout" amount is to be the actual amount paid out in the Prior Year.

**C) A&G Long Term Incentive Compensation (LTI) Adjustments**

**5) Calculation of LTI Payouts:**

<u>Line</u>	<u>Item</u>	<u>Amount</u>	<u>Source or Calculation</u>
1	Accrued LTI Payout	\$20,025,590	Included in Account 920.
2	Authorized LTI Payout	\$0	Exclude 100%.
3	LTI Payout To Be Recovered	\$0	Lesser of Line 1 or Line 2

Note: LTI is not capitalized.

**D) A&G Supplemental Executive Retirement Program (SERP) Adjustments****6) Calculation of exclusion of capitalized portion of SERP costs in Account 926:**

<u>Line</u>	<u>Item</u>	<u>Amount</u>	<u>Source or Calculation</u>	
1	Accrued SERP	\$12,525,726	Included in Account 926	
2	Capitalization rate	37.7%	CPUC GRC Decision for test year	2012
3	Capitalized SERP	\$4,722,199	L1 * L2	

**7) Calculation of SERP Expense:**

<u>Line</u>			<u>Source or Calculation</u>	
1	Actual SERP Expense	\$12,525,726	Section 7, L4	
2	Authorized SERP Expense	\$7,797,996	Authorized Amount (Cap) from GRC for test year	2012
3	SERP Expense To Be Recovered	\$7,797,996	Lesser of Line 1 or Line 2	

<u>Business Unit</u>	<u>Actual Expense</u>	<u>% of Total Expense</u>	<u>SERP Expense To Be Recovered</u>	<u>Allocated Capitalized SERP</u>	<u>Non-Capitalized SERP</u>
	A	B	C = Section 7, L3 * B	D = Section 6, L3 * B	E = C - D
4 A&G	\$12,525,726	100%	\$7,797,996	\$4,722,199	\$3,075,797

Instruction for Line 2: Authorized SERP Expense to be calculated in a workpaper (to be provided by SCE) comparable to that provided by SCE to Joint Intervenors on 1/14/13 in Docket No. ER11-3697, with page references to the appropriate GRC decision and all calculations shown for the derivation of any numbers not taken directly from the GRC decision.

Instruction for Line 4: "Actual Expense" amount is to be the actual amount paid out in the Prior Year.

**E) A&G Summary of Incentive Compensation Exclusions****8) Exclusions to Account 920:**

<u>Line</u>			<u>Source</u>
1	Exclude Accrued OEIC	\$10,118,204	Section 3, L1
2	Add Non-Capitalized OEIC	-\$1,683,770	Section 4, L4, Col E
3	Exclude Accrued LTI	<u>\$20,025,590</u>	Section 5, L1
4	Total	\$28,460,024	

**9) Exclusions to Account 922:**

<u>Line</u>			<u>Source</u>
1	Capitalized NOIC	\$32,327,506	Section 1, L3
2	Capitalized OEIC	\$2,003,404	Section 3, L3
3	Capitalized SERP	<u>\$4,722,199</u>	Section 6, L3
4	Total	\$39,053,109	

**10) Exclusions to Account 926:**

<u>Line</u>			<u>Source</u>
1	Exclude Accrued SERP	\$12,525,726	Section 6, L1
2	Add Non-Capitalized SERP	<u>-\$3,075,797</u>	Section 7, L4 Col E
3	Total	\$9,449,929	

**F) ACE and Spot Bonus Award Exclusions****11) ACE and Spot bonus Awards by A&G account**

<u>Line</u>	<u>Acct.</u>	<u>ACE Awards</u>	<u>Spot Bonus</u>	<u>Total ACE and Spot Bonus Exclusions</u>
1	920		\$397,707	\$397,707
2	921	\$5,938		\$5,938
3	922			\$0
4	923		\$500	\$500
5	924			\$0
6	925			\$0
7	926		\$21,000	\$21,000
8	928			\$0
9	929			\$0
10	930.1			\$0
11	930.2			\$0
12	931			\$0
13	935			\$0
Total ACE and Spot:				\$425,145

**G) Total All A&G Incentive Compensation Exclusions****12) Total Incentive Compensation Input Exclusions for Columns 1 and 3, Lines 24-37 of Schedule 20**

(In Formula Input Format)

<u>Line</u>	<u>Acct.</u>	<u>Col 1</u> <u>Shareholder</u> <u>Exclusions</u> <u>or Other</u> <u>Adjustments</u>	<u>Source</u>	<u>Col 3</u> <u>NOIC</u>	<u>Source</u>
24	920	\$28,857,731	Sec. 8, L4 + Sec. 11, L1	\$0	Not an input in formula
25	921	\$5,938	Sec. 11, L 2	\$0	
26	922	-\$6,725,603	Sec. 9, L2+L3 (enter neg) + Sec 11, L3	-\$32,327,506	Sec. 9, L1 (enter negative)
27	923	\$500	Sec. 11, L 4	\$0	
28	924	\$0	Sec. 11, L 5	\$0	
29	925	\$0	Sec. 11, L6	\$0	
30	926	\$9,470,929	Sec. 10, L3 + Sec. 11, L7	\$0	
31	927		Not an input in formula		Not an input in formula
32	928	\$0	Sec. 11, L 8	\$0	
33	929	\$0	Sec. 11, L 9	\$0	
34	930.1	\$0	Sec. 11, L 10	\$0	
35	930.2	\$0	Sec. 11, L 11	\$0	
36	931	\$0	Sec. 11, L 12	\$0	
37	935	\$0	Sec. 11, L 13	\$0	

**Shareholder Exclusions in June 15, 2015 Draft Annual Update**

Schedule 20, Lines 24-37, Column 1 for the following accounts:

<u>Account</u>	<u>Amount</u>	<u>Title</u>	<u>Description</u>
920	\$1,020,216	LAM Shareholder Licensing Activities	Includes labor and other expenses associated with real estate licensing and leasing activities performed by Real Properties personnel.
920	\$22,055	Land Ops Mgmt Shareholder AG	Includes costs incurred by Real Properties for shareholder funded activities.
920	\$2,452	RER Shareholder AG	Includes salaries and other expenses of Revenue Enhancement personnel for developing a division-wide revenue enhancement plan. Activities include review of revenues derived from secondary land use.
920	\$210,302	Right of Way Southern Region Shareholder	Includes labor and other expenses associated with real estate licensing and leasing activities performed by Real Properties personnel.
920	\$486,330	Affiliate	Removes affiliate charges
920	<u>\$23,350</u>	Advertising	Removes shareholder funded advertising expenses & donations
<b>Total 920:</b>	\$1,764,705		
<u>Account</u>	<u>Amount</u>	<u>Title</u>	<u>Description</u>
921	\$12,917	OS & Finance Shareholder Funded A&G	Includes labor and non-labor related expenses for Operations Support & Finance shareholder related activities.
921	\$836	ASD Shareholder funded Activities	Includes Audit Services Department expenses relating to activities not directly benefiting utility customers.
921	\$117,007	LAM Shareholder Licensing Activities	Includes labor and other expenses associated with real estate licensing and leasing activities performed by Real Properties personnel.
921	\$135,942	Land Ops Mgmt Shareholder AG	Includes costs incurred by Real Properties for shareholder funded activities.
921	\$233,997	RER Shareholder AG	Includes salaries and other expenses of Revenue Enhancement personnel for developing a division-wide revenue enhancement plan. Activities include review of revenues derived from secondary land use.
921	<u>\$12,251</u>	Right of Way Southern Region Shareholder	Includes labor and other expenses associated with real estate licensing and leasing activities performed by Real Properties personnel.
<b>Total 921:</b>	\$512,951		
<u>Account</u>	<u>Amount</u>	<u>Title</u>	<u>Description</u>
923	\$7,201,027	EIX Costs	Removes certain EIX costs not recoverable from ratepayers
923	<u>\$63,408</u>	Outside Services	Removes shareholder outside services costs
<b>Total 923:</b>	\$7,264,435		



<u>Account</u>	<u>Amount</u>	<u>Title</u>	<u>Description</u>
926	\$457,188	Fitness Center Expenses	Includes labor and non-labor costs supporting the Company Fitness Center. Non-labor costs include expenses for supplies; employee development and recognition; mileage, travel/lodging and meal costs associated with training; conferences and all other company business; individual membership fees and dues to trade, technical and professional associations; conferences and committee meetings; labor and miscellaneous expenses for agency/supplemental employees; and printing and mailing services.
926	\$1,026,092	Employee Recognition, Tenure, and Service Awards	Includes company expenses related to anniversary awards, service pins, and other costs incurred in connection with employee welfare activities not otherwise included in a specific final cost center.
926	\$108,707	Diamond Club	Company cost to support quarterly meetings for retiree and employees with 25+ years of service.
926	\$3,160	Humanitarian Award Program	Company cost to provide recognition of employees who provided a life saving action.
926	\$503,905	Executive Benefit	Includes executive retirement benefit costs not recoverable from customers.
926	-\$109,864	Affiliate	Removes affiliate charges
926	<u>\$1,327</u>	Miscellaneous	Includes adjusting entries and miscellaneous corrections.
<b>Total 926:</b>	\$1,990,515		

<u>Account</u>	<u>Amount</u>	<u>Title</u>	<u>Description</u>
930.2	<u>\$1,346,326</u>	General Function - Controllers	Miscellaneous Controllers Department General Function
<b>Total 930.2:</b>	\$1,346,326		

**Total All**      \$12,878,931

If there are multiple items in an account, add sub lines for each excluded item

FERC Form 1 Pg. 335 Line #	Description	FERC Form 1 Amount	Included	Excluded	Formula References
1	Industry Association Dues	\$3,067,052	\$2,220,103	\$846,949	Sch. 20, Line 35
1a	Industry Association Dues Exclusion Detail: PDDMA	---	---	\$846,949	
1b	Industry Association Dues Exclusion Detail: Shareholder	---	---	\$0	
2	Nuclear Power Research Expenses	\$0	\$0	\$0	
3	Other Experimental and General Research Expenses	\$3,853,427	\$0	\$3,853,428	Sch. 20, Line 35
4	Pub & Dist Info to Stkhldrs...expn servicing outstanding Securities	\$594,069	\$594,069	\$0	
5	Other Expn >=\$5,000 show purpose, receipt, amount. Group if < \$5,000				
6	Credit Line Fees / Bank Charges	\$4,249,610	\$2,903,284	\$1,346,326	Sch. 20, Line 35
7	Directors' Fees and Expenses	\$2,910,656	\$2,910,656	\$0	
8	Periodic SEC Reports	\$374,802	\$374,802	\$0	
9	Planning and Development of Communication Systems	\$1,564,675	\$1,564,675	\$0	
10	Provision for Doubtful Accounts - Non-Energy Billings	\$2,275,562	\$0	\$2,275,562	Sch. 20, Line 35
11	Vendor Discounts	-\$9,166,668	-\$9,166,668	\$0	
12	Accounting Suspense	-\$436,304	\$0	-\$436,304	Sch. 20, Line 35
13	Miscellaneous	\$1,441,165	\$1,441,165	\$0	
14					
15	Payment to CEC / CPUC	\$4,384,574	-\$12	\$4,384,586	Sch. 20, Line 35
16	Administrative and General Expense Charged or Paid by others	\$6,802,418	\$6,557,184	\$245,234	Sch. 20, Line 35
46	Total	\$21,915,038	\$9,399,259	\$12,515,780	