

Total of all A&G Exclusions in Formula Input Format ("Shareholder + Other" and Incentive Compensation)

The following matrix presents the exclusions to be entered into the Schedule 20 exclusions matrix and associated notes.

Presented in same format as Schedule 20.

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

Note 1: Itemization of exclusions		Col 1	Col 2	Col 3	Col 4	
		Shareholder				
		Exclusions				
		or Other	Franchise			
Line	Acct.	Total Amount Excluded (Sum of C1 to C4)	Adjustments	Requirements	NOIC	PBOPs
24	920	\$79,004,366	-\$10,628,956		\$89,633,323	
25	921	\$81,747	\$81,747		\$0	
26	922	-\$32,115,774	-\$8,585,808		-\$23,529,966	
27	923	\$14,967,773	\$14,967,773		\$0	
28	924	\$0	\$0		\$0	
29	925	\$450	\$450		\$0	
30	926	\$118,019	\$22,099,325		\$0	-\$21,981,306
31	927	NA	NA	NA	NA	NA
32	928	\$33,490,096	\$33,490,096		\$0	
33	929	\$0	\$0		\$0	
34	930.1	\$0	\$0		\$0	
35	930.2	\$17,089,275	\$17,089,275		\$0	
36	931	\$0	\$0		\$0	
37	935	\$27,068	\$27,068		\$0	

Source of Yellow-shaded Inputs

Sum of "Shareholder and Other" and Incentives sheets

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Sum of "Shareholder and Other" and Incentives sheets

Not applicable, not yellow shaded

Not applicable, not yellow shaded

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Note 2: Non-Officer Incentive Compensation ("NOIC") Adjustment

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

Adjust NOIC by excluding accrued NOIC Amount and replacing with the

actual non-capitalized A&G NOIC payout.

		<u>Amount</u>	<u>Source</u>
a	Accrued NOIC Amount:	\$117,649,828	SCE Records
b	Actual A&G NOIC payout:	\$28,016,505	Note 2, d
c	Adjustment:	\$89,633,323	

Source of Yellow-shaded Inputs

Incentives Worksheet, Section 1

Actual non-capitalized NOIC Payouts:

	<u>Department</u>	<u>Amount</u>	<u>Source</u>
d	A&G	\$28,016,505	SCE Records and Workpapers
e	Other	\$14,148,857	SCE Records and Workpapers
f	TDBU	\$35,799,237	SCE Records and Workpapers
g	Total:	\$77,964,598	Sum of d to f

Source of Yellow-shaded Inputs

Incentives Worksheet, Section 2

Incentives Worksheet, Section 2

Incentives Worksheet, Section 2

Note 3: PBOPs Exclusion Calculation

		<u>Amount</u>	<u>Note:</u>
a	Authorized PBOPs expense amount:	\$45,759,000	See instruction #4
b	Prior Year FF1 PBOPs expense:	\$23,777,694	SCE Records
c	PBOPs Expense Exclusion:	-\$21,981,306	b - a

Source of Yellow-shaded Inputs

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	\$2,061,522	See ShareholderExclusions tab for detail
1b	921	\$55,502	See ShareholderExclusions tab for detail
1c	923	\$7,529,184	See ShareholderExclusions tab for detail
1d	926	\$1,290,146	See ShareholderExclusions tab for detail
1e	928	\$4,422	See ShareholderExclusions tab for detail
1f	930.2	<u>\$5,765,895</u>	See ShareholderExclusions tab for detail
Total Shareholder:		\$16,706,671	

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	\$1,042,835	Generation, Hydro, Nuclear, Solar, and SSID 100% CPUC costs
2a.1	920	\$2,404	Project Development Division Memorandum Account (PDDMA)
2b	921	\$18,795	Hydro 100% CPUC costs
2c	923	\$107,031	Project Development Division Memorandum Account (PDDMA)
2d	923	\$31,464	Agricultural Account Aggregation Study Memorandum Account (AAASMA)
2d.1	923	\$7,300,093	SONGS related Outside Services
2e	926	\$1,534	Mohave Balancing Account
2f	926	\$47,905	Hydro and Generation 100% CPUC costs
2g	928	\$20,008,541	SONGS related Outside Services
2h	928	\$6,605,762	Energy Resource Recovery Account (ERRA)
2i	928	\$3,302,510	Energy Settlements Memorandum Account (ESMA)
2j	928	\$3,568,861	Public Purpose Programs Adjustment Mechanism (PPPAM)
2k	930.2	\$1,709,050	Accounting Suspense
2l	930.2	-\$2,989,436	Provision for Doubtful Accounts
2m	930.2	\$11,338,390	Electric Program Investment Charge balancing acct. (EPICBA)
2m.1	930.2	\$1,265,376	Smart Grid American Recovery and Reinvestment Act Memorandum Account (SGARRAMA)
2n	935	<u>\$27,068</u>	SSID 100% CPUC costs
Total Other:		\$53,388,183	

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: \$29,188,238

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	-\$26,081,477	Line 1a + (2a to 2a.1) - 3
25	921	\$74,297	Line 1b + 2b
26	922		
27	923	\$14,967,773	Line 1c + (2c to 2d.1)
28	924		
29	925		
30	926	\$1,339,585	Line 1d + (2e to 2f)
31	927		
32	928	\$33,490,096	Line 1e + (2g to 2j)
33	929		
34	930.1		
35	930.2	\$17,089,275	Line 1f + (2k to 2m.1)
36	931		
37	935	\$27,068	Line 2n
Total All "Shareholder or Other":		\$40,906,616	

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	\$117,649,828	Included in Account 920	
2	Capitalization rate	20.0%	CPUC GRC Decision for Test Year	2015
3	Capitalized NOIC	\$23,529,966	L1 * L2	

2) Calculation of NOIC Payouts:

<u>Line</u>				
1	Actual NOIC Payout	\$123,058,951	Section 2, L7	
2	Authorized NOIC Payout	\$101,494,564	Authorized Amount (Cap) from GRC for Test Year	2015
3	NOIC Payout To Be Recovered	\$101,494,564	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	\$44,221,118	36%	\$36,471,976	\$8,455,471.09	\$28,016,505
5 Other	\$22,332,488	18%	\$18,419,027	\$4,270,170	\$14,148,857
6 Trans. And Dist. Business Unit	\$56,505,345	46%	\$46,603,561	\$10,804,325	\$35,799,237
7 Totals	\$123,058,951	100%	\$101,494,564	\$23,529,966	\$77,964,598

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	\$28,016,505	Line 4, column E above
e	Other	\$14,148,857	Line 5, column E above
f	Trans. And Dist. Business Unit	\$35,799,237	Line 6, column E above
	Total:	\$77,964,598	

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	\$2,287,224	Included in Account 920.	
2	Capitalization rate	20.0%	CPUC GRC Decision for test year:	2015
3	Capitalized OEIC	\$457,445	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	\$3,826,172	Section 4, L4	
2	Authorized OEIC Payout	\$3,687,174	Authorized Amount (Cap) from GRC for test year	2015
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	\$3,826,172	100%	\$3,687,174	\$457,445	\$3,229,729

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	\$16,041,759	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	\$20,423,023	Included in Account 926	
2	Capitalization rate	39.8%	CPUC GRC Decision for test year	2015
3	Capitalized SERP	\$8,128,363	L1 * L2	

7) Calculation of SERP Expense:

<u>Line</u>			<u>Source or Calculation</u>	
1	Actual SERP Expense	\$20,423,023	Section 7, L4	
2	Authorized SERP Expense	\$7,797,996	Authorized Amount (Cap) from GRC for test year	2015
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	\$20,423,023	100%	\$7,797,996	\$8,128,363	-\$330,367

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	Section 3, L1
2	Add Non-Capitalized OEIC	Section 4, L4, Col E
3	Exclude Accrued LTI	Section 5, L1
4	Total	

9) Exclusions to Account 922:

<u>Line</u>		<u>Source</u>
1	Capitalized NOIC	Section 1, L3
2	Capitalized OEIC	Section 3, L3
3	Capitalized SERP	Section 6, L3
4	Total	

10) Exclusions to Account 926:

<u>Line</u>		<u>Source</u>
1	Exclude Accrued SERP	Section 6, L1
2	Add Non-Capitalized SERP	Section 7, L4 Col E
3	Total	

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		\$353,268	\$353,268
2	921	\$7,450		\$7,450
3	922			\$0
4	923			\$0
5	924			\$0
6	925		\$450	\$450
7	926		\$6,350	\$6,350
8	928			\$0
9	929			\$0
10	930.1			\$0
11	930.2			\$0
12	931			\$0
13	935			\$0
Total ACE and Spot:				\$367,518

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>Col 1</u>		<u>Col 3</u>	
		Shareholder		NOIC	Source
		Exclusions			
		or Other			
<u>Line</u>	<u>Acct.</u>	<u>Adjustments</u>	<u>Source</u>		
24	920	\$15,452,521	Sec. 8, L4 + Sec. 11, L1	\$0	Not an input in formula
25	921	\$7,450	Sec. 11, L 2	\$0	
26	922	-\$8,585,808	Sec. 9, L2+L3 (enter neg) + Sec 11, L3	-\$23,529,966	Sec. 9, L1 (enter negative)
27	923	\$0	Sec. 11, L 4	\$0	
28	924	\$0	Sec. 11, L 5	\$0	
29	925	\$450	Sec. 11, L6	\$0	
30	926	\$20,759,740	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	\$1,088,536	LAM Shareholder Licensing Activities	Includes labor and other expenses associated with real estate licensing and leasing activities performed by Real Properties personnel.
920	\$45,645	Land Ops Mgmt Shareholder AG	Includes costs incurred by Real Properties for shareholder funded activities.
920	\$0	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	\$162,841	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	<u>\$764,501</u>	Affiliate	Removes affiliate charges
Total 920:	\$2,061,522		
<u>Account</u>	<u>Amount</u>	<u>Title</u>	<u>Description</u>
921	\$7,724	OS & Finance Shareholder Funded A&G	Includes labor and non-labor related expenses for Operations Support & Finance shareholder related activities.
921	\$13,055	ASD Shareholder funded Activities	Includes Audit Services Department expenses relating to activities not directly benefiting utility customers.
921	\$68,278	LAM Shareholder Licensing Activities	Includes labor and other expenses associated with real estate licensing and leasing activities performed by Real Properties personnel.
921	\$139,738	Land Ops Mgmt Shareholder AG	Includes costs incurred by Real Properties for shareholder funded activities.
921	-\$4,207	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	\$645	Right of Way Southern Region Shareholder	Includes labor and other expenses associated with real estate licensing and leasing activities performed by Real Properties personnel.
921	<u>-\$169,731</u>	Real Properties Shareholder	Includes Real Properties expenses relating to activities not directly benefiting utility customers.
Total 921:	\$55,502		
<u>Account</u>	<u>Amount</u>	<u>Title</u>	<u>Description</u>
923	\$4,497,406	EIX Costs	Removes certain EIX costs not recoverable from ratepayers
923	<u>\$3,031,778</u>	Outside Services	Removes shareholder outside services costs
Total 923:	\$7,529,184		

<u>Account</u>	<u>Amount</u>	<u>Title</u>	<u>Description</u>
926	\$488,840	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	\$792,697	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	\$79,069	Diamond Club	Company cost to support quarterly meetings for retiree and employees with 25+ years of service.
926	\$5,283	Humanitarian Award Program	Company cost to provide recognition of employees who provided a life saving action.
926	-\$77,472	Affiliate	Removes affiliate charges
926	<u>\$1,729</u>	Miscellaneous	Includes adjusting entries and miscellaneous corrections.
Total 926:	\$1,290,146		

<u>Account</u>	<u>Amount</u>	<u>Title</u>	<u>Description</u>
928	<u>\$4,422</u>	Shareholder funded Activities	Includes expenses relating to activities not directly benefiting utility customers.
Total 928:	\$4,422		

<u>Account</u>	<u>Amount</u>	<u>Title</u>	<u>Description</u>
930.2	-\$703,011	General Function - Controllers	Miscellaneous Controllers Department General Function
930.2	\$1,572,111	Industry Dues	Removes duplicate entry in A&G for EEI dues.
930.2	<u>\$4,896,795</u>	Balance Sheet Write Offs	Includes shareholder related balance sheet write offs
Total 930.2:	\$5,765,895		
Total All	\$16,706,671		

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	\$3,737,387	\$2,165,276	\$1,572,111	Sch. 20, Line 35
1a	Industry Association Dues Exclusion Detail: Shareholder	---	---	\$1,572,111	
2	Nuclear Power Research Expenses	\$0	\$0	\$0	
3	Other Experimental and General Research Expenses	\$5,248,949	\$3,983,573	\$1,265,376	Sch. 20, Line 35
4	Pub & Dist Info to Stkhldrs...expn servicing outstanding Securities	\$569,652	\$569,652	\$0	
5	Other Expn >=\$5,000 show purpose, receipt, amount. Group if < \$5,000				
6	Credit Line Fees / Bank Charges	\$4,446,324	\$4,446,324	\$0	
7	Directors' Fees and Expenses	\$3,227,225	\$3,227,225	\$0	
8	Periodic SEC Reports	\$371,127	\$371,127	\$0	
9	Planning and Development of Communication Systems	\$1,358,527	\$1,358,527	\$0	
10	Provision for Doubtful Accounts - Non-Energy Billings	-\$2,989,436	\$0	-\$2,989,436	Sch. 20, Line 35
11	Vendor Discounts	-\$11,239,029	-\$11,239,029	\$0	
12	Accounting Suspense	\$1,709,050	\$0	\$1,709,050	Sch. 20, Line 35
13	Miscellaneous	-\$639,399	\$63,612	-\$703,011	
14					
15	Payment to CEC / CPUC	\$11,386,823	\$48,433	\$11,338,390	Sch. 20, Line 35
16	Administrative and General Expense Charged or Paid by others	-\$3,489,868	-\$3,489,868	\$0	Sch. 20, Line 35
17	Balance Sheet Write-Off	\$4,896,795	\$0	\$4,896,795	
46	Total	\$18,594,127	\$1,504,852	\$17,089,275	