

Calculation of 2020 Updated Uncollectible Factor

<u>Line</u>	<u>Item</u>	<u>Source</u>	<u>Amount</u>
1	Total 2020 Revenue with FF&U	Source: FF1, page 300, Line 10	\$ 11,671,161,445
2	CPUC GRC Uncollectible Factor	Source: CPUC GRC D19-05-020	0.2110%
3	Uncollectible Expense Reflected in Total 2020 Revenue	Line 1 multiplied by Line 2	\$ 24,626,151
4	Total 2020 Revenue without Uncollectible Expense Collected	Line 1 less Line 3	\$ 11,646,535,294
5	CPUC Approved Total Company 2020 Uncollectibles	AL 4377-E-A, Table 6, Line 6	\$ 155,300,000
5a	Adjustment to Line 5	See Note 2	\$ 24,035,335
5b	Adjusted Total Company 2020 Uncollectibles	Line 5 less Line 5a	\$ 131,264,665
6	Total 2020 Revenue with FF and Updated Uncollectible Expense	Line 4 plus Line 5b	\$ 11,777,799,959
7	Updated Uncollectible Factor	Line 5b divided by Line 6	1.1145%

Calculation of Formula Franchise Fee and Uncollectibles Factors

<u>Line</u>			<u>Reference</u>
8	CPUC Franchise Fee Factor (% of Total Revenue Requirement)	0.9144%	CPUC GRC Decision D19-05-020, Appendix C, page C-7, line 6
9	Uncollectibles Factor (% of Total Revenue Requirement)	1.1145%	Line 7
10	Formula Franchise Fee Factor (see Note 1)	0.9248%	<u>Calculation</u> Line 8 / (1 - (Line 8 + Line 2))
11	Formula Uncollectibles Factor (see Note 1)	1.1376%	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 include any state or federal funds that reduce the uncollectables required by FERC customers.