

Summary - Schedule 25 Wholesale Difference

WP- Schedule 25 Wholesale Difference

Page 1 of 11

1 EPRI/EEI Expenses Reflected in Formula Rate Subject to Exclusion From Wholesale Rates

		<u>Source tab</u>
EEI	43,758	Workpaper EEI & EPRI
EPRI	944,532	Workpaper EEI & EPRI
Total	988,290	

2 Additional Expense Difference to Exclusion From Wholesale Rates

		<u>Source tab</u>
Prior Period One-Time Adjustment	15,204	WP-2022 TO2024 EPRI Adj wInt
Legacy Retail/Wholesale Differences	1,876,736	Legacy Wholesale&Retail Diff
	1,891,940	

1 EPRI/EEI Expenses Reflected in Formula Rate Subject to Exclusion From Wholesale Rates

	EEI	EPRI	Total
FERC Acct 560	-	-	-
FERC Acct 921	43,758	291,620	335,378
FERC Acct 923	-	-	-
FERC Acct 930	-	652,912	652,912
Total (Input to Schedule 25, Lines 27 & 28)	43,758	944,532	988,290

2 EPRI & EEI Dues Recording to FERC Account 560

Total EPRI & EEI in FERC Account 560	A	-
ISO Allocator (Schedule 19)	B	40.4%
Amount Allocated to ISO Transmission Through Schedule 19	C=A*B	-

3 EPRI & EEI Dues Recording to FERC Account 560 - Exclusion From Wholesale Rates

Total EPRI & EEI in FERC Account 560	D=A	-
Labor Allocator	E	5.8933%
Amount excluded from wholesale rates through Schedule 25, Line 31	F=D*E	-
Remaining amount to be excluded through Schedule 25, Line 37	G=C-F	-
Total amount excluded from wholesale rates	H=C+F+G	-

Wholesale Prior Period True Up Adjustment						
Wholesale Prior Period Adjustment for Revised 2022 True Up TRR						
<u>Month</u>	<u>Year</u>	<u>Monthly Interest Rate</u>	<u>Monthly True Up TRR Adjustment</u>	<u>Cumulative Excess (-) or Shortfall (+) in Revenue wo Interest for Current Month</u>	<u>Interest for Current Month</u>	<u>Cumulative Excess (-) or Shortfall (+) in Revenue with Interest</u>
January	2022	0.27%	-\$1,241	-\$1,241	-\$2	-\$1,243
February	2022	0.27%	-\$1,241	-\$2,484	-\$5	-\$2,489
March	2022	0.27%	-\$1,241	-\$3,731	-\$8	-\$3,739
April	2022	0.27%	-\$1,241	-\$4,981	-\$12	-\$4,992
May	2022	0.27%	-\$1,241	-\$6,234	-\$15	-\$6,249
June	2022	0.27%	-\$1,241	-\$7,490	-\$19	-\$7,509
July	2022	0.30%	-\$1,241	-\$8,750	-\$24	-\$8,775
August	2022	0.30%	-\$1,241	-\$10,016	-\$28	-\$10,044
September	2022	0.30%	-\$1,241	-\$11,286	-\$32	-\$11,318
October	2022	0.41%	-\$1,241	-\$12,559	-\$49	-\$12,608
November	2022	0.41%	-\$1,241	-\$13,849	-\$54	-\$13,904
December	2022	0.41%	-\$1,241	-\$15,145	-\$60	-\$15,204
			-\$14,897	Subtotal One-Time Adj:		-\$15,204
Total One-Time Adj with Interest:						-\$15,204

EPRI and EEI Expense in TO2024 Annual Update

1 EPRI/EEI Expenses Reflected in Formula Rate

	EEI	EPRI	Total
FERC Acct 560	-	-	-
FERC Acct 921	-	246,620	246,620
FERC Acct 923	-	-	-
FERC Acct 930	-	17,137	17,137
Total (Input to Schedule 25, Lines 27 & 28)	-	263,757	263,757

Changed from \$0 to \$246,620 due to additional EPRI related wholesale exclusions

2 Total Amount Excluded From Wholesale Rates in TO2024

EPRI Dues	A	17,137
Labor Allocator	B	5.9843%
Amount Excluded in TO2024 (see Schedule 25, line 31)	C=A*B	1,026

3 Additional EPRI Participation Not Reflected in TO2024- Exclusion from Wholesale Rates

Total EPRI Participation Exclusion	H	246,620
Labor Allocator	I = E	5.9843%
Amount Not Reflected In TO2024	J = H * I	14,758

One Time Adjustment for Revised 2022 Wholesale TRR		
Description	Amount	Source
Revised TO2024 Wholesale TRR in TO2025 Posting	\$1,111,254,818	TO2025 Draft Annual Posting - WP Schedule 25 - EPRI & EEI Prior Period Adj, Page 6, Line 89
TO2024 Wholesale TRR in TO2024 Annual Update	\$1,111,269,715	TO2024 Annual Update Filing, Schedule 1, Line 89
Variance*	-\$14,897	

* Variance Includes Adjustment for:

(1) 2022 Wholesale EPRI sponsorship adjustment

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Cells shaded yellow are input cells

Formula Transmission Rate

Line	Notes	FERC Form 1 Reference or Instruction	2022 Value
RATE BASE			
1	ISO Transmission Plant	6-PlantInService, Line 19	\$10,923,385,779
2	General Plant + Electric Miscellaneous Intangible Plant	6-PlantInService, Line 27	\$364,085,578
3	Transmission Plant Held for Future Use	11-PHFU, Line 8	\$9,132,043
4	Abandoned Plant	12-AbandonedPlant, Line 3	\$0
<u>Working Capital amounts</u>			
5	Materials and Supplies	13-WorkCap, Line 16	\$26,972,332
6	Prepayments	13-WorkCap, Line 36	\$16,985,962
7	Cash Working Capital	(Line 66 + Line 67) / 8	\$31,207,783
8	Working Capital	Line 5 + Line 6 + Line 7	\$75,166,077
<u>Accumulated Depreciation Reserve Balances</u>			
9	Transmission Depreciation Reserve - ISO	8-AccDep, Line 13, Col. 12	-\$2,428,578,405
10	Distribution Depreciation Reserve - ISO	8-AccDep, Line 16, Col. 5	\$0
11	General + Intangible Plant Depreciation Reserve	8-AccDep, Line 26	-\$131,616,564
12	Accumulated Depreciation Reserve	Line 9 + Line 10 + Line 11	-\$2,560,194,969
13	Accum Net ADIT (Liab)/Asset and Net (Excess)/Deficient ADIT Amounts	9-ADIT-1, Line 5, Col. 2	-\$1,435,064,627
14	CWIP Plant	14-IncentivePlant, L 13, Col 1	\$285,206,915
15	Other Regulatory Assets/Liabilities	23-RegAssets, Line 14	\$0
16	Unfunded Reserves	34-UnfundedReserves, Line 6	-\$71,842,009
17	Network Upgrade Credits	22-NUCs, Line 4	-\$37,405,734
18	Rate Base	L1 + L2 + L3 + L4 + L8 + L12 + L13 + L14+ L15+ L16 + L17	\$7,552,469,052
OTHER TAXES			
19	Sub-Total Local Taxes	Note 6	\$434,859,266
20	Transmission Plant Allocation Factor	27-Allocators, Line 22	18.2339%
21	Property Taxes	Line 19 * Line 20	\$79,291,838
22	Payroll Taxes Expense		
23	FICA	Line 24 + Line 25+ Line 26	\$130,256,889
24	Fed Ins Cont Amt -- Current	Note 6	\$129,729,289
25	FICA/OASDI Emp Incntv.	Note 6	\$427,390
26	FICA/HIT Emp Incntv.	Note 6	\$100,210
27	CA SUI Current	Note 6	\$3,370,028
28	Fed Unemp Tax Act- Current	Note 6	\$893,514
29	CADI Vol Plan Assess	Note 6	\$2,668,166
30	SF Pyrl Exp Tx - SCE	Note 6	\$23,591
31	Total Electric Payroll Tax Expense	Line 23 + (Line 27 to Line 30)	\$137,212,188
32	Capitalized Overhead portion of Electric Payroll Tax Expense	26-TaxRates, Line 16	\$68,606,094
33	Remaining Electric Payroll Tax Expense to Allocate	Line 31 - Line 32	\$68,606,094
34	Transmission Wages and Salaries Allocation Factor	27-Allocators, Line 9	5.9843%
35	Payroll Taxes Expense	Line 33 * Line 34	\$4,105,561
36	Other Taxes	Note 1	\$83,397,399
RETURN AND CAPITALIZATION CALCULATIONS			
<u>Debt</u>			
37	Long Term Debt Amount	5-ROR-1, Line 4	\$23,264,170,489
38	Cost of Long Term Debt	5-ROR-1, Line 11	\$899,210,572
39	Long Term Debt Cost Percentage	5-ROR-1, Line 12	3.8652%
<u>Preferred Stock</u>			
40	Preferred Stock Amount	5-ROR-1, Line 16	\$1,898,930,787
41	Cost of Preferred Stock	5-ROR-1, Line 20	\$111,107,687
42	Preferred Stock Cost Percentage	5-ROR-1, Line 21	5.8511%
<u>Equity</u>			
43	Common Stock Equity Amount	5-ROR-1, Line 27	\$18,318,124,697
44	Total Capital	Line 37 + Line 40 + Line 43	\$43,481,225,973
44a	Minimum Common Stock Capital Percentage (Docket No. ER19-1553)		47.50%
<u>Capital Percentages</u>			
45	Long Term Debt Capital Percentage	100% - (Line 46 + Line 47)	48.1328%
46	Preferred Stock Capital Percentage	Line 40 / Line 44	4.3672%
47	Common Stock Capital Percentage	Max Line 44a or (Line 43 / Line 44)	47.5000%
		Line 45 + Line 46+ Line 47	100.0000%
<u>Annual Cost of Capital Components</u>			
48	Long Term Debt Cost Percentage	Line 39	3.8652%
49	Preferred Stock Cost Percentage	Line 42	5.8511%
50	Return on Common Equity	Note 2	SCE Return on Equity 10.30%
<u>Calculation of Cost of Capital Rate</u>			
51	Weighted Cost of Long Term Debt	Line 39 * Line 45	1.8604%
52	Weighted Cost of Preferred Stock	Line 42 * Line 46	0.2555%
53	Weighted Cost of Common Stock	Line 47 * Line 50	4.8925%
54	Cost of Capital Rate	Line 51 + Line 52 + Line 53	7.0085%
55	Equity Rate of Return Including Common and Preferred Stock	Used for Tax calculation	Line 52 + Line 53 5.1480%
56	Return on Capital: Rate Base times Cost of Capital Rate	Line 18 * Line 54	\$529,312,192
INCOME TAXES			
57	Federal Income Tax Rate	26-Tax Rates, Line 1	21.0000%
58	State Income Tax Rate	26-Tax Rates, Line 8	8.8400%
59	Composite Tax Rate	= F + [S * (1 - F)] (L57 + L58) - (L57 * L58)	27.9836%
<u>Calculation of Credits and Other</u>			
60	Amortization of Net (Excess)/Deficient Deferred Tax Liability Asset	Negative of 9-ADIT-2, Line 500, Column 7	-\$11,197,785
61	Investment Tax Credit Flowed Through	Note 3	\$0
62	South Georgia Income Tax Adjustment	Note 3	\$2,606,000
63	Credits and Other	Line 60 + Line 61+ Line 62	-\$8,591,785
64	Income Taxes:	Formula on Line 65	\$139,362,323

Southern California Edison Company

Formula Transmission Rate

Cells shaded yellow are input cells

Line	Notes	FERC Form 1 Reference or Instruction	2022 Value
65	Income Taxes = $\left[\left(\left(\text{RB} * \text{ER}\right) + \text{D}\right) * \left(\text{CTR} / \left(1 - \text{CTR}\right)\right)\right] + \text{CO} / \left(1 - \text{CTR}\right)$		
Where:			
RB = Rate Base		Line 18	
ER = Equity Rate of Return Including Common and Preferred Stock		Line 55	
CTR = Composite Tax Rate		Line 59	
CO = Credits and Other		Line 63	
D = Book Depreciation of AFUDC Equity Book Basis		Worksheet: WP Schedule 1	\$551,490

PRIOR YEAR TRANSMISSION REVENUE REQUIREMENT

<u>Component of Prior Year TRR:</u>			
66	O&M Expense	19-OandM, Line 91, Col. 6	\$100,214,567
67	A&G Expense	20-AandG, Line 23	\$149,447,698
68	Network Upgrade Interest Expense	22-NUCs, Line 8	\$2,083,731
69	Depreciation Expense	17-Depreciation, Line 70	\$315,994,727
70	Abandoned Plant Amortization Expense	12-AbandonedPlant, Line 1	\$0
71	Other Taxes	Line 36	\$83,397,399
72	Revenue Credits	21-Revenue Credits, Line 44	-\$66,134,528
73	Return on Capital	Line 56	\$529,312,192
74	Income Taxes	Line 64	\$139,362,323
75	Gains and Losses on Trans. Plant Held for Future Use -- Land	11-PHFU, Line 10	\$0
76	Amortization and Regulatory Debits/Credits	23-RegAssets, Line 16	\$0
77	Prior Year Incentive Adder	15-IncentiveAdder, Line 14	\$24,013,487
77a	Prior Year Incentive Adder Reversal	Negative of Line 77	-\$24,013,487
78	Total without FF&U	Sum of Lines 66 to 77a	\$1,253,678,108
79	Franchise Fees Expense	L 78 * FF Factor (28-FFU, L 5)	\$11,740,171
80	Uncollectibles Expense	L 78 * U Factor (28-FFU, L 5)	\$10,704,880
81	Prior Year TRR	Line 78 + Line 79+ Line 80	\$1,276,123,159

TOTAL BASE TRANSMISSION REVENUE REQUIREMENT

<u>Calculation of Base Transmission Revenue Requirement</u>			
82	Prior Year TRR	Line 81	\$1,276,123,159
83	Incremental Forecast Period TRR	2-IFPTRR, Line 82	\$65,627,903
84	True Up Adjustment	3-TrueUpAdjust, Line 30	-\$133,413,459
84a	O&M Services Formula Revenue	Negative of 35-Other Formula Revenue, L 80	-\$12,394,780
85	Cost Adjustment	Note 4	-\$71,442,363
86	Base Transmission Revenue Requirement (Retail)	For Retail Purposes L 82 + L 83 + L 84+ L 84a + L 85	\$1,124,500,460
<u>Wholesale Base Transmission Revenue Requirement</u>			
87	Base TRR (Retail)	Line 86	\$1,124,500,460
88	Wholesale Difference to the Base TRR	25-WholesaleDifference, Line 45	-\$13,245,642
89	Wholesale Base Transmission Revenue Requirement	Line 87 + Line 88	\$1,111,254,818

Change in TO2024 Wholesale Base TRR
\$1,111,254,818
<u>\$1,111,269,715</u>
-\$14,897

TO2024 Annual Update,
Schedule 1, Line 89

Notes:

- Any amount of "Sub-Total Local Taxes" or "Payroll Taxes Expense" may be excluded if appropriate with the provision of a worksheet showing the reason for the exclusion and the amount of the exclusion.
- No change in Return on Common Equity will be made absent a Section 205 filing at the Commission.
Does not include any project-specific ROE adders. See Schedule 15 at Lines 31-39.
In the event that the Return on Common Equity is revised from the initial value, enter cite to Commission Order approving the revised ROE on following line.
Order approving revised ROE: **Docket No. ER19-1553**
- No change in the South Georgia Income Tax Adjustment "Credits and Other" term will be made absent a filing at the Commission. Investment Tax Credit Flowed Through amount shall be negative \$520,000 through the Prior Year of 2018, negative \$183,000 for the Prior Year of 2019, and \$0 thereafter.
- Cost Adjustment may be included as provided in the Tariff protocols.
- Prior Year Incentive Adder Reversal backs out the revenue requirement associated with any project-specific Incentive Adders (Line 77). Applicable pursuant to settlement under ER19-1553.
- "Sub Total Local Taxes" on Line 19 and Payroll Taxes on Lines 24-30 include O&M Services Formula Revenues as follows, pursuant to Schedule 35, Note 2.

Additional EPRI
Participation Wholesale
Exclusion
-\$14,897

FERC Form 1 References	O&M Services Revenue	FERC Form 1 Amount	Total	Item	Reference	Reference
Line 19: FF1 263, Rows 39-47, Column I	\$8,000,000	\$426,859,266	\$434,859,266	Sub-Total Local Taxes	Schedule 35, Line 52, C 4	Schedule 35, Line 52, C 4
Line 24: FF1 263, Row 5, Column I	\$44,814	\$129,684,475	\$129,729,289	Fed Ins Cont Amt -- Current	Schedule 35, Line 54, C 4	Schedule 35, Line 54, C 4
Line 25: FF1 263, Row 6, Column I	-\$564	\$427,954	\$427,390	FICA/OASDI Emp Incentv.	Schedule 35, Line 55, C 4	Schedule 35, Line 55, C 4
Line 26: FF1 263, Row 7, Column I	\$124	\$100,086	\$100,210	FICA/HIT Emp Incentv.	Schedule 35, Line 56, C 4	Schedule 35, Line 56, C 4
Line 27: FF1 263, Row 8, Column I	\$2,111	\$3,367,917	\$3,370,028	CA SUI Current	Schedule 35, Line 57, C 4	Schedule 35, Line 57, C 4
Line 28: FF1 263, Row 15, Column I	\$212	\$893,302	\$893,514	Fed Unemp Tax Act- Current	Schedule 35, Line 58, C 4	Schedule 35, Line 58, C 4
Line 29: FF1 263, Row 13, Column I	\$718	\$2,667,448	\$2,668,166	CADI Vol Plan Assess	Schedule 35, Line 59, C 4	Schedule 35, Line 59, C 4
Line 30: FF1 263, Row 12, Column I	\$35	\$23,556	\$23,591	SF Payr Exp Tx - SCE	Schedule 35, Line 60, C 4	Schedule 35, Line 60, C 4

Calculation of Wholesale Difference to the Base TRR

Workpaper: WP Schedule 25 Wholesale Difference

Inputs are shaded yellow

The Wholesale Difference to the Base TRR represents the amount by which the Wholesale Base TRR differs as compared to the Retail Base TRR. This difference is attributable to differences in the following six items, as approved by Commission Order 86 FERC ¶ 63,014 in Docket No. ER97-2355.

These six items may affect the Base TRR by affecting Rate Base, or affecting an annual expense (amortization). If the annual amortization affects Income Taxes, there is an additional annual Income Tax Effect. The table summarizes these impacts for each item:

Line		Rate Base Difference	Expense (Amortization) Difference	Expense Tax Impact
1	a) Depreciation	Yes	Yes	No
2	b) Taxes Deferred -Make Up Adjustment (South Georgia)	Yes	Yes	Yes
3	c) Excess Deferred Taxes	Yes	Yes	Yes
4	d) Taxes Deferred - Acct. 282 ACRS/MACRS	Yes	Yes	No
5	e) Uncollectibles Expense	No	Yes	No
6	f) EPRI and EEI Dues	No	Yes	No

1) Calculation of Wholesale Rate Base Difference and Wholesale Rate Base Adjustment

a) Quantification of the Initial 2010 Wholesale Rate Base Difference and annual change

The difference between Retail and Wholesale Rate Base is attributable to the following four items, with the Initial Prior Year 2010 Rate Base differences and annual changes as follows:

	Data Source	Col 1 2010 Rate Base Difference (Wholesale less Retail)	Col 2 Annual Change (Amortization)
7	1) Accumulated Depreciation	Fixed values	\$31,556,000
8	2) Taxes Deferred - Make Up Adjustment	Fixed values	-\$35,044,000
9	3) Excess Deferred Taxes	Fixed values	-\$624,650
10	4) Taxes Deferred - Acct. 282 ACRS/MACRS	Fixed values	-\$7,410,000
11		Totals:	-\$11,522,650

b) Quantification of the Wholesale Rate Base Adjustment

The Wholesale Rate Base Adjustment represents the impact on the Wholesale Base TRR relative to the Retail Base TRR of the Wholesale Rate Base Difference for the Prior Year.

	Data Source	Value	Notes/Instructions
12	Fixed Charge Rate	2-IFPTRR Line 16	9.01%
13	Prior Year		2022
14	Wholesale Rate Base Difference for Prior Year		-\$950,650
15	Wholesale Rate Base Adjustment	Line 14 * Line 12	-\$85,643

2) Calculation of Wholesale Expense Difference

The annual Wholesale Expense Difference impact is the negative of amounts stated in Lines 7 to 10 above, Column 2. It represents the effect on expenses (Wholesale less Retail) of amortizing the associated balances each year.

If an annual amortization amount affects Income Taxes, the expense difference must be grossed up for income taxes.

a) Calculation of the Wholesale South Georgia Income Tax Adjustment to the TRR

	Source	Value
16	South Georgia Amortization	Line 8
17	Composite Tax Rate ("CTR")	1-BaseTRR L 59
18	Tax Gross Up Factor	(1/(1-CTR))
19	Wholesale South Georgia	
20	Income Tax Adjustment to the TRR:	- Line 16 * Line 18

b) Calculation of "Excess Deferred Taxes" Grossed Up for Income Taxes

	Source	Value
21	Annual Amort. of "Excess Deferred Taxes":	Line 9
22	Tax Gross Up Factor	Line 18
23	Excess Deferred Taxes Grossed Up for Income Taxes:	- Line 21 * Line 22
24		

25 c) Calculation of EPRI and EEI Dues Exclusion

	<u>Source</u>		<u>Notes/Instructions</u>
27	EPRI Dues	SCE Records	\$17,137 Note 5
28	EEI Dues	SCE Records	\$0 Note 5
29	Sum of EPRI and EEI Dues	Line 27 + 28	\$17,137
30	Transmission Wages and Salaries Allocation Factor	27-Allocators, Line 9	5.9843%
31	EPRI and EEI Dues Exclusion	Line 29 * 30	\$1,026

d) Total Expense Difference

			<u>Notes/Instructions</u>
32	1) Wholesale Depreciation Difference	- Line 7, Col. 2	\$2,176,300
33	2) Taxes Deferred - Make Up Adjustment	Line 20	-\$3,475,597
34	3) Excess Deferred Taxes	Line 23	-\$59,847
35	4) Taxes Deferred - Acct. 282 ACRS/MACRS	- Line 10, Col. 2	-\$511,200
36	5) EPRI and EEI Dues Exclusion	- Line 31	-\$1,026
37	6) Additional Expense Difference		-\$14,758
38	Total Expense Difference:		-\$1,886,129

Changed from \$0 to -\$14,758 due to additional EPRI related wholesale exclusions.

3) Calculation of the Wholesale Difference to the Base TRR

	<u>Source</u>	<u>Value</u>	
39	Wholesale Rate Base Adjustment	Line 15	-\$85,643
40	Expense Difference	Line 38	-\$1,886,129
41	Uncollectibles Expense -- Prior Year TRR	- 1-Base TRR, L 80	-\$10,704,880
42	Uncollectibles Expense -- IFPTRR	- 2-IFPTRR, L 80	-\$550,526
43	Subtotal:	Sum Line 39 to Line 42	-\$13,227,177
44	Franchise Fee Exclusion		-\$18,465
45	Wholesale Difference to the Base TRR:	Line 43 + Line 44	-\$13,245,642

Note 4

Notes/Instructions:

- 1) Fixed Charge Rate of capital and income tax costs associated with \$1 of Rate Base is defined elsewhere in this formula as "AFCRCWIP".
- 2) Input Prior Year for this Informational Filing in Line 13.
- 3) Calculation: (Line 11, Col 1) + ((Line 11, Col 2) * (Line 13 - 2010)).
- 4) Franchise Fee Exclusion is equal to the Franchise Fee Factor on the 28-FFU Line 5 times Line 39 + 40.
- 5) Only exclude if not already excluded in Schedule 20.
- 6) If appropriate, additional expenses may be excluded from the Wholesale Base TRR

Workpaper to determine the Wholesale Adjustment for TO2025 relating to the Legacy Retail/Wholesale Differences

See Testimony of Berton J. Hansen in ER24-1740, Page 15-16, describing the purpose of this calculation

Wholesale Difference attributable to previous Schedule 25 amortizations (applied to the 2023 Year)

Only include the items that have been removed in ER24-1470 (Legacy Wholesale / Retail Differences)

Note: do not include items that are still in the Wholesale Difference, such as EEI/EPRI

<u>Item</u>	<u>Amount</u>	<u>Source</u>
1) Wholesale Depreciation Difference	\$2,176,300	Line 32 below
2) Taxes Deferred - Make Up Adjustment	-\$3,475,597	Line 33 below
3) Excess Deferred Taxes	-\$59,847	Line 34 below
4) Taxes Deferred - Acct. 282 ACRS/MACRS	-\$511,200	Line 35 below
5) Wholesale Rate Base Adjustment	<u>-\$6,391</u>	Line 15 below
Total (to be included on Line 7 of Schedule 27):	<u>-\$1,876,736</u>	Sum of Above

Calculations from Schedule 25 from Pre- ER24-1740 Filing, but with 2023 as the Prior Year:**1) Calculation of Wholesale Rate Base Difference and Wholesale Rate Base Adjustment****a) Quantification of the Initial 2010 Wholesale Rate Base Difference and annual change**

The difference between Retail and Wholesale Rate Base is attributable to the following four items, with the Initial Prior Year 2010 Rate Base differences and annual changes as follows:

<u>Line</u>	<u>Data Source</u>	<u>Col 1</u> <u>2010 Rate Base</u> <u>Difference</u> <u>(Wholesale</u> <u>less Retail)</u>	<u>Col 2</u> <u>Annual</u> <u>Change</u> <u>(Amortization)</u>
7	1) Accumulated Depreciation	Fixed values	\$31,556,000
8	2) Taxes Deferred - Make Up Adjustment	Fixed values	-\$35,044,000
9	3) Excess Deferred Taxes	Fixed values	-\$624,650
10	4) Taxes Deferred - Acct. 282 ACRS/MACRS	Fixed values	<u>-\$7,410,000</u>
11		Totals:	<u>\$881,000</u>

b) Quantification of the Wholesale Rate Base Adjustment

The Wholesale Rate Base Adjustment represents the impact on the Wholesale Base TRR relative to the Retail Base TRR of the Wholesale Rate Base Difference for the Prior Year.

<u>Line</u>	<u>Data Source</u>	<u>Value</u>	<u>Notes/Instructions</u>
12	Fixed Charge Rate	2-IFPTRR Line 16	9.1761%
13	Prior Year		1
14	Wholesale Rate Base Difference for Prior Year	<u>2023</u>	2
15	Wholesale Rate Base Adjustment	Line 14 * Line 12	3

TO2025 Draft Annual
Update Sch 2, Line 16

TO2025 Prior Year

2) Calculation of Wholesale Expense Difference

The annual Wholesale Expense Difference impact is the negative of amounts stated in Lines 7 to 10 above, Column 2.

It represents the effect on expenses (Wholesale less Retail) of amortizing the associated balances each year.

If an annual amortization amount affects Income Taxes, the expense difference must be grossed up for income taxes.

a) Calculation of the Wholesale South Georgia Income Tax Adjustment to the TRR

	<u>Source</u>	<u>Value</u>
16	South Georgia Amortization	Line 8
		\$2,503,000
17	Composite Tax Rate ("CTR")	1-BaseTRR L 59
		27.984%
18	Tax Gross Up Factor	(1/(1-CTR))
		1.3886
19	Wholesale South Georgia	
20	Income Tax Adjustment to the TRR:	- Line 16 * Line 18
		-\$3,475,597

b) Calculation of "Excess Deferred Taxes" Grossed Up for Income Taxes

	<u>Source</u>	<u>Value</u>
21	Annual Amort. of "Excess Deferred Taxes":	Line 9
		\$43,100
22	Tax Gross Up Factor	Line 18
		1.3886
23	Excess Deferred Taxes Grossed Up for Income Taxes:	- Line 21 * Line 22
		-\$59,847

c) Calculation of EPRI and EEI Dues Exclusion

	<u>Source</u>	<u>Value</u>	<u>Notes/Instructions</u>
27	EPRI Dues	SCE Records	\$0 Note 5
28	EEI Dues	SCE Records	\$0 Note 5
29	Sum of EPRI and EEI Dues	Line 27 + 28	\$0
30	Transmission Wages and Salaries Allocation Factor	27-Allocators, Line 9	5.8933%
31	EPRI and EEI Dues Exclusion	Line 29 * 30	\$0

Inputs set to \$0, not relevant to this calculation

d) Total Expense Difference

		<u>Value</u>	<u>Notes/Instructions</u>
32	1) Wholesale Depreciation Difference	- Line 7, Col. 2	\$2,176,300
33	2) Taxes Deferred - Make Up Adjustment	Line 20	-\$3,475,597
34	3) Excess Deferred Taxes	Line 23	-\$59,847
35	4) Taxes Deferred - Acct. 282 ACRS/MACRS	- Line 10, Col. 2	-\$511,200
36	5) EPRI and EEI Dues Exclusion	- Line 31	\$0
37	6) Additional Expense Difference		\$0 Note 6
38	Total Expense Difference:		-\$1,870,345