

Summary - Schedule 25 Wholesale Difference

WP- Schedule 25 Wholesale Difference

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

		<u>Source tab</u>
EEI	43,552	Workpaper EEI & EPRI
EPRI	639,120	Workpaper EEI & EPRI
Total	682,672	

2 Additional Expense Difference to Exclusion From Wholesale Rates

Legacy Retail/Wholesale Differences	858,768	Legacy Wholesale&Retail Diff
	858,768	

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

	EEI	EPRI	Total
FERC Acct 560	-	-	-
FERC Acct 921	-	639,120	639,120
FERC Acct 923	-	-	-
FERC Acct 930	43,552	-	43,552
Total (Input to Schedule 25, Lines 27 & 28)	43,552	639,120	682,672

2 EPRI & EEI Dues Recording to FERC Account 560

Total EPRI & EEI in FERC Account 560	A	-
ISO Allocator (Schedule 19)	B	40.0%
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	6.3469%
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	-

Workpaper to determine the Wholesale Adjustment for TO2026 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 2024 Year)

Only include the items that have been removed in ER24-1740 (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	\$1,088,150	Line 32 below
2) Taxes Deferred - Make Up Adjustment	-\$1,737,799	Line 33 below
3) Excess Deferred Taxes	-\$29,924	Line 34 below
4) Taxes Deferred - Acct. 282 ACRS/MACRS	-\$255,600	Line 35 below
5) Wholesale Rate Base Adjustment	<u>\$76,405</u>	Line 15 below
Total (to be included on Line 7 of Schedule 25):	<u>-\$858,768</u>	Sum of Above

Calculations from Schedule 25 from Pre- ER24-1740 Filing, but with 2024 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</u> <u>Source</u>	<u>Col 1</u> 2010 Rate Base Difference (Wholesale less Retail)	<u>Col 2</u> Annual Change (Amortization)
7	1) Accumulated Depreciation	Fixed values	\$31,556,000	-\$2,176,300
8	2) Taxes Deferred - Make Up Adjustment	Fixed values	-\$35,044,000	\$2,503,000
9	3) Excess Deferred Taxes	Fixed values	-\$624,650	\$43,100
10	4) Taxes Deferred - Acct. 282 ACRS/MACRS	Fixed values	<u>-\$7,410,000</u>	<u>\$511,200</u>
11		Totals:	-\$11,522,650	\$881,000

Adjusted Lines 7-11 to recognize full amortizations of 2010 balances in mid 2024

			= Above L7 - L10 * 0.5	= Above L7 - L10 * 0.5
			Adjusted	Adjusted
			<u>Col 1</u>	<u>Col 2</u>
			2010 Rate Base	
			Difference	Annual
			(Wholesale	Change
<u>Line</u>		<u>Data</u> <u>Source</u>	<u>less Retail)</u>	<u>(Amortization)</u>
7a	1) Accumulated Depreciation	Fixed values	\$15,778,000	-\$1,088,150
8a	2) Taxes Deferred - Make Up Adjustment	Fixed values	-\$17,522,000	\$1,251,500
9a	3) Excess Deferred Taxes	Fixed values	-\$312,325	\$21,550
10a	4) Taxes Deferred - Acct. 282 ACRS/MACRS	Fixed values	<u>-\$3,705,000</u>	<u>\$255,600</u>
11a		Totals:	-\$5,761,325	\$440,500

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>Data</u> <u>Source</u>	<u>Value</u>	<u>Notes/Instructions</u>
12	Fixed Charge Rate	2-IFPTRR Line 16	9.417%	1
13	Prior Year		<u>2024</u>	2
14	Wholesale Rate Base Difference for Prior Year		\$811,350	3
15	Wholesale Rate Base Adjustment	Line 14 * Line 12	\$76,405	

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	\$1,251,500
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	-\$1,737,799

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	\$21,550
22 Tax Gross Up Factor	Line 18	1.3886
23 Excess Deferred Taxes Grossed Up for Income Taxes:	- Line 21 * Line 22	-\$29,924

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25 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 (Not relevant to SGA / Tax calc)
28 EEI Dues	SCE Records	\$0	Note 5 (Not relevant to SGA / Tax calc)
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	

d) Total Expense Difference

		<u>Value</u>	<u>Notes/Instructions</u>
32 1) Wholesale Depreciation Difference	- Line 7a, Col. 2	\$1,088,150	
33 2) Taxes Deferred - Make Up Adjustment	Line 20	-\$1,737,799	
34 3) Excess Deferred Taxes	Line 23	-\$29,924	
35 4) Taxes Deferred - Acct. 282 ACRS/MACRS	- Line 10a, Col. 2	-\$255,600	
36 5) EPRI and EEI Dues Exclusion	- Line 31	\$0	
37 6) Additional Expense Difference		\$0	Note 6
38 Total Expense Difference:		-\$935,172	