

## **Attachment 2 to Appendix XIV**

### **WOD Formula Rate Spreadsheet**

Calculation of Morongo WOD Rate Year Cost

Cells shaded yellow are input cells

	<u>Col 1</u>	<u>Col 2</u>	<u>Col 3</u>	<u>Col 4</u>	<u>Col 5</u>
<u>Line</u>	<u>Expense Component</u>	<u>Amount</u>	<u>Calculation/ Source</u>	<u>Notes</u>	<u>Comments</u>
1	Direct O&M	\$1,569,886	3-Direct OandM, Line 18		
2	Allocated O&M	\$1,322,070	4-Allocated OandM, Line 32		
3	Administrative and General	\$972,615	5-AandG, Line 15		
4	G + I	\$935,776	6-General and Intangible, Line 13		
5	Payroll Taxes	\$54,368	7-Payroll Taxes, Line 3		
6	Property Taxes	\$6,849,052	8-Property Taxes, Line 6		
7	Cash Working Capital	\$45,493	(Line 1 + Line 2 + Line 3)/(1/8)*(9-Allocators, Line 59)		
8	<b>Subtotal:</b>	\$11,749,259	Sum of Lines 1- 7		
9	Franchise Fees:	\$95,326	(Line 8 - 3-DirectOandM, Line 4, Col 2)* Franchise Fee Rate	See Note 1	
10	<b>Prior Year Cost:</b>	\$11,844,585	Line 8 + Line 9		
11	True Up Adjustment:	\$212,961	2-True Up Adjustment, Line 27	See Note 2	
12	Cost Adjustment:	\$0	See WP - Cost Adjustment	See Note 3	
13	<b>Morongo West of Devers Rate Year Cost:</b>	\$12,057,545	Sum of Lines 10 to 12		
14					
15	<b>Monthly Morongo West of Devers Rate Year Cost:</b>	\$1,004,795	Line 13 Divided by 12		

**Notes:**

- 1) Franchise Fee Rate 0.93646% Source SCE Transmission Formula Rate, Schedule 28, Line 1  
Franchise Fee Rate is applied to the Morongo West of Devers Expense without True Up less Morongo Right of Way Fees (Schedule 3, Line 4, Col 2)
- 2) The True Up Adjustment component is \$0 for any year prior to the in-service date of the Project.  
Is Prior Year previous to the in-service date of the Project?: No If PY before in service date, enter "Yes", else "No"
- 3) Cost Adjustment is an adjustment to rates which reflects the estimated difference in Property Tax and Right of Way expenses between the Rate Year and the Prior Year Cost.  
Cost Adjustment may also be used to exclude any additional Expense Component (Lines 1-7) that may no longer be applicable.  
Cost Adjustment may also be used to reflect any known over/undercollection of cumulative Prior Year Costs.

Calculation of True Up Component of Morongo Rate

1) Comparison of Prior Year Revenues Received to Total Morongo West of Devers Expense without True Up Including previous Annual Update Cumulative Excess or Shortfall in Revenue.

Line		Amount	Source						
1		Prior Year Cost:	\$11,844,585	1-Morongo WOD Cost, Line 10					
2									
3									
4		Col 1	Col 2	Col 3	Col 4	Col 5	Col 6	Col 7	Col 8
5	Calculations:	See Note 1, Instruction 1	See Note 2, Instruction 1	See Note 3	= C2 - C3 + C4	See Note 4	See Note 5	See Note 6	= C7 + C8
6				One-Time					
7				Adjustments and					
8				Revenue in	Monthly				
9				Previous	Excess (-) or	Monthly			
10				Annual Update	Shortfall (+)	Interest			
11	Month	Year	Monthly Costs	Monthly Morongo Revenues	in Revenue	Rate	in Revenue wo Interest for Current Month	Interest for Current Month	Cumulative Excess (-) or Shortfall (+) in Revenue with Interest
12	December	2023	---	---	-\$3,788,830	---	-\$3,788,830	---	-\$3,788,830
13	January	2024	\$987,049	\$632,533	\$0	0.71%	-\$3,434,314	-\$25,642	-\$3,459,956
14	February	2024	\$987,049	\$632,533	\$0	0.71%	-\$3,105,441	-\$23,307	-\$3,128,748
15	March	2024	\$987,049	\$632,533	\$0	0.71%	-\$2,774,232	-\$20,956	-\$2,795,187
16	April	2024	\$987,049	\$632,533	\$0	0.71%	-\$2,440,672	-\$18,587	-\$2,459,259
17	May	2024	\$987,049	\$632,533	\$0	0.71%	-\$2,104,743	-\$16,202	-\$2,120,945
18	June	2024	\$987,049	\$632,533	\$0	0.71%	-\$1,766,429	-\$13,800	-\$1,780,230
19	July	2024	\$987,049	\$632,533	\$0	0.71%	-\$1,425,714	-\$11,381	-\$1,437,095
20	August	2024	\$987,049	\$632,533	\$0	0.71%	-\$1,082,579	-\$8,945	-\$1,091,524
21	September	2024	\$987,049	\$632,533	\$0	0.71%	-\$737,008	-\$6,491	-\$743,499
22	October	2024	\$987,049	\$632,533	\$0	0.71%	-\$388,983	-\$4,020	-\$393,004
23	November	2024	\$987,049	\$632,533	\$0	0.71%	-\$38,488	-\$1,532	-\$40,020
24	December	2024	\$987,049	\$632,533	\$0	0.71%	\$314,496	\$974	\$315,471

2) True Up Calculation

	Col 1	Col 2	Col 3	Col 4	Col 5	Col 6	Col 7	Col 8	Col 9
				Amount		Calculation/Source			
25	Shortfall or Excess Revenue in Prior Year:			\$315,471		Line 24, C9			
26	Previous Annual Update True Up Adjustment:			\$102,510		Previous Annual Update Line 27			
27	True Up Adjustment			\$212,961		Line 25 - Line 26			

Notes:

- 1) Prior Year Cost divided by 12, entered in each Line 12 to 23, subject to Instruction 1.
- 2) Revenue for each service month of the Prior Year.
- 3) Enter any One Time Adjustments on Column 4, Line 12. If SCE is owed enter as positive, if SCE is to return to customers enter as negative. One Time Adjustments include revisions to previously-filed Total Morongo West of Devers Expenses resulting from corrections to previous filing Prior Year costs as noted in Attachment 1 to this Appendix. Also include amount from Line 24, Col. 9 of previous Annual Update ("Previous Annual Update Cumulative Excess or Shortfall in Revenue") with same +/- sign.
- 4) Enter monthly interest rates in accordance with interest rate specified in the regulations of FERC at 18 C.F.R. §35.19a on lines 12 to 24, Column 6.
- 5) "Cumulative Excess (-) or Shortfall (+) in Revenue wo Interest for Current Month" is, beginning for the January month, the amount in Column 9 for previous month plus the current month amount in Column 5. For the first December, it is the amount in Column 5.
- 6) Interest for Current Month is calculated on average of beginning and ending balances (Column 9 previous month and Column 7 current month). No interest is applied for the first December.

Instructions:

- 1) Only include costs and revenues for months that the Lease Agreement was in effect. For any month that the Lease Agreement was only in place for a portion of the month, prorate the costs by number of days divided by total days in the month.

Direct Operations and Maintenance Expenses

Prior Year: 2024

Workpaper: WP Direct O&M

	<u>Col 1</u>	<u>Col 2</u>	<u>Col 3</u>	<u>Col 4</u>
<b>Derivation of Direct Operations and Maintenance Costs</b>				
<u>Line</u>	<u>Item Description (Right of Way)</u>	<u>Amount</u>	<u>Calculation/ Source</u>	<u>Comment</u>
1	Morongo Right of Way Costs	\$2,500,000	See WP-Direct OandM	
2				
3	Morongo West of Devers Lease Allocation Factor	62.80%	9-Allocators, Line 39	
4	<b>Direct Right of Way Expense:</b>	\$1,569,886	Line 1 * Line 3	
5				
6				
7	<u>Item Description (Direct O&amp;M)</u>	<u>Amount</u>	<u>Calculation/ Source</u>	<u>Comment</u>
8			See WP-Direct OandM	
9				
10				
11				
12				
13		\$0	Sum of above	
14				
15	Morongo West of Devers Lease Allocation Factor	62.80%	9-Allocators, Line 39	
16	<b>Direct O&amp;M Expense:</b>	\$0	Line 13 * Line 15	
17				
18	<b>Total Direct O&amp;M Expense:</b>	\$1,569,886	Line 4 + Line 16	

**Notes:**

1) Add additional lines if needed for additional Direct O&M Expense items

Allocated Operations and Maintenance Expenses

		Prior Year 2024																			
		(C1) Note 1	(C1a) Note 1	(C1b) Note 1	(C2)	(C2a)	(C3)	(C3a)	(C3b)	(C4) Note 2	(C4a) Note 2	(C5)	(C5a)	(C5b)	(C6)	(C7)					
					= C1 * C2			= C1a * C2		= C1b * C2		= C3 + C4 + C4a		= C3a + C4		= C3b + C4a		= 9-Allocators, Line 69		= C5 x C6	
		Total SCE ISO O&M			ISO Overhead Line		ISO Overhead Line O&M			Additional Morongo Adjustments		Total O&M Applicable		Total O&M Applicable		Total O&M Applicable		Morongo		Morongo	
Line	Transmission Accounts	Total	Labor	Non-Labor	Allocation	Reference	Total	Labor	Non-Labor	Labor	Non-Labor	Total	Labor	Non-Labor	Allocator	O&M					
1	560 - Operations Supervision and Engineering - Allocated	\$1,832,056	\$594,176	\$1,237,880	44.77%	9-Allocators, Line 21	\$820,281	\$266,035	\$554,246			820,281	266,035	554,246	2.00%	16,423.39					
2	560 - Sylmar/Palo Verde	\$396,905	\$0	\$396,905	0%	Related to Other Projects	\$0	\$0	\$0			-	-	-	2.00%	-					
3	561 Load Dispatch - Allocated	\$4,341,030	\$3,737,920	\$603,110	44.77%	9-Allocators, Line 21	\$1,943,643	\$1,673,608	\$270,035			1,943,643	1,673,608	270,035	2.00%	38,914.98					
4	561,400 Scheduling, System Control and Dispatch Services	\$0	\$0	\$0	44.77%	9-Allocators, Line 21	\$0	\$0	\$0			-	-	-	2.00%	-					
5	561,500 Reliability Planning and Standards Development	\$6,478,851	\$5,540,329	\$938,522	44.77%	9-Allocators, Line 21	\$2,900,826	\$2,480,614	\$420,212			2,900,826	2,480,614	420,212	2.00%	58,079.39					
6	562 - Station Expenses - Allocated	\$8,567,684	\$7,133,174	\$1,434,510	0%	Station Related	\$0	\$0	\$0			-	-	-	2.00%	-					
7	562 - MOGS Station Expense	\$0	\$0	\$0	0%	Related to Other Projects	\$0	\$0	\$0			-	-	-	2.00%	-					
8	562 - Sylmar/Palo Verde	\$1,104,150	\$0	\$1,104,150	0%	Related to Other Projects	\$0	\$0	\$0			-	-	-	2.00%	-					
9	563 - Overhead Line Expenses - Allocated	\$17,181,461	\$6,400,800	\$10,780,661	100%	100% OH Line Related	\$17,181,461	\$6,400,800	\$10,780,661			17,181,461	6,400,800	10,780,661	2.00%	344,001.57					
10	564 - Underground Line Expenses - Allocated	\$58,422	\$51,027	\$7,395	0%	Underground Line Related	\$0	\$0	\$0			-	-	-	2.00%	-					
11	565 - Transmission of Electricity by Others	\$0	\$0	\$0	0%	Not Applicable	\$0	\$0	\$0			-	-	-	2.00%	-					
12	565 - Wheeling Costs	\$0	\$0	\$0	0%	Not Applicable	\$0	\$0	\$0			-	-	-	2.00%	-					
13	565 - WAPA Transmission for Remote Service	\$0	\$0	\$0	0%	Not Applicable	\$0	\$0	\$0			-	-	-	2.00%	-					
14	566 - Miscellaneous Transmission Expenses - Allocated	\$19,522,166	\$10,558,787	\$8,963,379	44.77%	9-Allocators, Line 21	\$8,740,811	\$4,727,568	\$4,013,243			8,740,811	4,727,568	4,013,243	2.00%	175,005.64					
15	566 - ISOR/SBA/TSP Balancing Accounts	\$0	\$0	\$0	0%	Not Applicable	\$0	\$0	\$0			-	-	-	2.00%	-					
16	566 - Sylmar/Palo Verde/Other General Functions	\$4,484,160	\$93,943	\$4,390,218	0%	Related to Other Projects	\$0	\$0	\$0			-	-	-	2.00%	-					
17	567 - Line Rents - Allocated	\$8,580,536	\$44,410	\$8,536,127	94.86%	9-Allocators, Line 30	\$8,139,910	\$42,129	\$8,097,781	(42,129)	(8,097,781)	-	-	-	2.00%	-					
18	567 - Eldorado	\$42,081	\$0	\$42,081	0%	Related to Other Projects	\$0	\$0	\$0			-	-	-	2.00%	-					
19	567 - Sylmar/Palo Verde	\$357,202	\$0	\$357,202	0%	Related to Other Projects	\$0	\$0	\$0			-	-	-	2.00%	-					
20	568 - Maintenance Supervision and Engineering - Allocated	\$599,378	\$526,678	\$72,699	44.77%	9-Allocators, Line 21	\$268,364	\$235,814	\$32,550			268,364	235,814	32,550	2.00%	5,373.10					
21	568 - Sylmar/Palo Verde	\$288,573	\$0	\$288,573	0%	Related to Other Projects	\$0	\$0	\$0			-	-	-	2.00%	-					
22	569 - Maintenance of Structures - Allocated	\$1,187,154	\$7,071	\$1,180,083	0%	Station Related	\$0	\$0	\$0			-	-	-	2.00%	-					
23	569 - Sylmar/Palo Verde	\$480,667	\$0	\$480,667	0%	Related to Other Projects	\$0	\$0	\$0			-	-	-	2.00%	-					
24	570 - Maintenance of Station Equipment - Allocated	\$3,902,758	\$2,631,430	\$1,271,328	0%	Station Related	\$0	\$0	\$0			-	-	-	2.00%	-					
25	570 - Sylmar/Palo Verde	\$2,486,729	\$0	\$2,486,729	0%	Related to Other Projects	\$0	\$0	\$0			-	-	-	2.00%	-					
26	571 - Maintenance of Overhead Lines - Allocated	\$33,871,732	\$6,568,418	\$27,303,314	100%	100% OH Line Related	\$33,871,732	\$6,568,418	\$27,303,314			33,871,732	6,568,418	27,303,314	2.00%	678,168.71					
27	571 - Sylmar/Palo Verde	\$664,997	\$0	\$664,997	0%	Related to Other Projects	\$0	\$0	\$0			-	-	-	2.00%	-					
28	572 - Maintenance of Underground Lines - Allocated	\$25,827	\$8,323	\$17,503	0%	Underground Line Related	\$0	\$0	\$0			-	-	-	2.00%	-					
29	572 - Sylmar/Palo Verde	\$0	\$0	\$0	0%	Related to Other Projects	\$0	\$0	\$0			-	-	-	2.00%	-					
30	573 - Maintenance of Miscellaneous Trans. Plant - Allocated	\$1,517,882	\$437,182	\$1,080,699	44.77%	9-Allocators, Line 21	\$679,613	\$195,743	\$483,870			679,613	195,743	483,870	2.00%	13,606.99					
31	Transmission NOIC	-\$837,036	-\$837,036	\$0	44.77%	9-Allocators, Line 21	-\$374,773	-\$374,773	\$0			(374,773)	(374,773)	-	2.00%	(7,503.58)					
32	<b>Totals:</b>	\$117,135,364	\$43,496,632	\$73,638,732			\$74,171,867	\$22,215,966	\$51,955,911	-\$42,129	-\$8,097,781	\$66,031,957	\$22,173,827	\$43,858,131		\$1,322,070					

Notes:

1) "Total ISO O&M Expenses": From Most Recent SCE Transmission Formula Rate Annual Update, Schedule 19, Lines 48-79, Columns 6-8.

Includes all exclusions or adjustments to FERC Form 1 costs as filed in Annual Update. See Workpaper.

Docket No.: ER26-XXX (TO2026)

Filing Date:

2) Additional Morongo Adjustments include:

a) Exclusion of all costs under a specific transmission account (Lines 1-30) if any costs under such account have been directly assigned under Schedule 3.

Administrative and General Expense

Prior Year 2024

1) Total SCE A&G Expenses with Morongo Adjustments

			(C1) Note 1	(C2) See Instruction 1	(C3) = C1 + C2	(C4) = 9-Allocators, Line 49 See Note 2	(C5) = C3 x C4 See Note 2		
Line	A&G Account	Description	Total SCE A&G	Morongo Adjustments	Total A&G Applicable	Allocator	Morongo A&G	Notes	Comments
1	920	A&G Salaries	\$345,652,025		\$345,652,025	0.0648%	\$223,917		
2	921	Office Supplies and Expenses	\$297,131,721		\$297,131,721	0.0648%	\$192,485		
3	922	A&G Expenses Transferred	(\$169,978,275)		(\$169,978,275)	0.0648%	-\$110,114		
4	923	Outside Services Employed	\$46,092,598		\$46,092,598	0.0648%	\$29,859		
5	924	Property Insurance	\$7,423,707	(\$7,423,707)	\$0	0.5795%	\$0	See Note 2	
6	925	Injuries and Damages	\$831,779,226		\$831,779,226	0.0648%	\$538,836		
7	926	Employee Pensions and Benefits	\$79,235,039		\$79,235,039	0.0648%	\$51,329		
8	927	Franchise Requirements	\$0		\$0	0.0648%	\$0		
9	928	Regulatory Commission Expenses	\$4,212,814		\$4,212,814	0.0648%	\$2,729		
10	929	Duplicate Charges	\$0		\$0	0.0648%	\$0		
11	930.1	General Advertising Expense	\$13,419,258		\$13,419,258	0.0648%	\$8,693		
12	930.2	Miscellaneous General Expense	\$16,616,621		\$16,616,621	0.0648%	\$10,764		
13	931	Rents	\$8,355,147		\$8,355,147	0.0648%	\$5,413		
14	935	Maintenance of General Plant	\$28,870,235		\$28,870,235	0.0648%	\$18,702		
15	<b>Totals:</b>		\$1,508,810,117	(\$7,423,707)	\$1,501,386,410		\$972,615		

Notes:

- 1) "Total ISO A&G Expenses". Represents total A&G Expenses allocated to CAISO Transmission, as filed in the most recent SCE Transmission Formula Rate Annual Update, Schedule 20, Lines 1-14, Column 4.
- 2) "Property Insurance" is allocated using the WOD Plant Allocation Factor (see 9-Allocators, Line 9)

Instructions:

- 1) "Morongo Adjustments" include:
  - a) Any A&G expenses not applicable to the West of Devers line. Enter excluded expenses as negative value.
  - b) Exclude Account 924 - Property Insurance, if self-insured.

General and Intangible ("G + I") Expense

Prior Year 2024

<u>Line</u>	<u>Item</u>	<u>Amount</u>	<u>Calculation/ Source</u>	<u>Comments</u>
1	Total General Plant (SCE)	\$4,115,723,593	FF1 207.99g	
2	Total Intangible Plant (SCE)	\$2,935,189,297	FF1 205.5g	
3	Total G + I Plant (SCE)	\$7,050,912,890	Line 1 + Line 2	
4				
5	Total General Plant Depreciation Reserve (SCE)	\$1,509,546,216	FF1 219.28c	
6	Total Intangible Plant Depreciation Reserve (SCE)	\$1,253,026,496	FF1 200.21c	
7	Total G + I Plant Depreciation Reserve (SCE)	\$2,762,572,712	Line 5 + Line 6	
8				
9	Total G + I Net Plant (SCE)	\$4,288,340,178	Line 3 - Line 7	
10	Morongo WOD Labor AF	0.0648%	9-Allocators, Line 49	
11	Morongo WOD General and Intangible Net Plant	\$4,567,659	Line 3 * Line 10	
12	Capital Carrying Charge	9.417%	9-Allocators, Line 59	
13	Morongo G + I Plant Revenue Requirement	\$430,156	Line 11 * Line 12	
14				
15				
16	Total General Plant Depreciation Expense (SCE)	\$341,619,643	FF1 336.10f	
17	Total Intangible Plant Depreciation Expense (SCE)	\$438,885,944	FF1 336.1f	
18	Total G + I Depreciation Expense (SCE)	780,505,587	Line 16 + Line 17	
19	Morongo WOD Labor AF	0.0648%	9-Allocators, Line 49	
20	Morongo WOD G + I Depreciation Expense	\$505,620	Line 18 * Line 19	
21				
22	Total Morongo G + I Expense	\$935,776	Line 13 + Line 20	

**Payroll Tax Expense**

Prior Year 2024

<u>Line</u>	<u>Item</u>	<u>Amount</u>	<u>Calculation/ Source</u>	<u>Comments</u>
1	SCE Payroll Tax Expense	\$83,925,093	SCE Transmission Formula Rate	Schedule 1, Line 33
2	Morongo WOD Labor AF	0.0648%	9-Allocators, Line 49	
3	Morongo Payroll Tax Expense	\$54,368	Line 1 * Line 2	

Property Tax Expense

		Prior Year	2024		
<u>Line</u>	<u>Item Description</u>		<u>Amount</u>	<u>Calculation/ Source</u>	<u>Comment</u>
1	Riverside (April payment)		\$2,889,585	See WP- Property Taxes	The April 1, 2024 payment was the 2nd installment for 12/31/2022 property assessments.
2	Riverside (Dec payment)		\$2,942,537	See WP- Property Taxes	The December 1, 2024 payment was the 1st installment for 12/31/2023 property assessments.
3	San Bernardino (April payment)		\$512,728	See WP- Property Taxes	The April 1, 2024 payment was the 2nd installment for 12/31/2022 property assessments.
4	San Bernardino (Dec Payment)		\$504,202	See WP- Property Taxes	The December 1, 2024 payment was the 1st installment for 12/31/2023 property assessments.
5					
6		Total:	\$6,849,052	Sum of above	

Allocation Factors and Carrying Charge

<u>Line</u>		<u>FERC Form 1 Reference or Instruction</u>	<u>Prior Year Value</u>	<u>Notes</u>
1	<b>1) Morongo West of Devers Allocation Factor - Total Plant: "Morongo WOD Total Plant AF" (See Note 1)</b>			
2				
3				
4	<u>Item</u>			
5	Total SCE Plant	SCE Transmission Formula Rate, Schedule 27, Line 20	\$68,620,458,123	
6	Morongo Lease Investment	See WP-Allocators	\$400,000,000	All ISO Plant
7	Total SCE + Morongo ISO Plant	Line 5 + Line 6	\$69,020,458,123	
8	Total Morongo Lease Investment	Line 6	\$400,000,000	
9	WOD Plant Allocation Factor	Line 8 / Line 7	0.5795%	For Property Insurance in AandG
10				
11				
12	<b>2) Morongo West of Devers Allocation Factor - ISO Line Plant: "Morongo WOD ISO Line Plant AF" (See Note 2)</b>			
13				
14				
15	<u>Item</u>	<u>FERC Form 1 Reference or Instruction</u>	<u>Prior Year Value</u>	<u>Notes</u>
16	Total SCE ISO Transmission Plant	SCE Transmission Formula Rate, Schedule 7, Line 21, Col 2	\$11,307,631,336	
17	Total SCE ISO Transmission Plant - Lines	SCE Transmission Formula Rate, Schedule 7, Line 19, Col 2	\$5,336,913,907	
18	ISO Underground Conduit Plant - FERC Acct 357	SCE Transmission Formula Rate, Schedule 7, Line 16, Col 3	\$215,307,572	
19	ISO Underground Conductors and Devices - FERC Acct 358	SCE Transmission Formula Rate, Schedule 7, Line 17, Col 4	\$58,752,899	
20	Total SCE ISO Overhead Line Related Transmission	Line 17 - Line 18 - Line 19	\$5,062,853,437	
21	Morongo WOD ISO OH Line Plant AF	Line 20 / Line 16	44.774%	For certain OandM Expenses
22				
23				
24	<b>3) Morongo West of Devers Allocation Factor - ISO OH Line Plant: "Morongo WOD ISO OH Line Plant AF" (See Note 3)</b>			
25				
26				
27	<u>Item</u>	<u>FERC Form 1 Reference or Instruction</u>	<u>Prior Year Value</u>	<u>Notes</u>
28	Total SCE ISO Transmission Plant - Lines	Line 17	\$5,336,913,907	
29	Total SCE ISO Overhead Line Related Transmission	Line 20	\$5,062,853,437	
30	WOD Plant Allocation Factor	Line 29 / Line 28	94.8648%	For certain OandM Expenses
31				
32				
33	<b>4) Morongo West of Devers Lease Allocation Factor: "Morongo WOD Lease Percent AF" (See Note 4)</b>			
34				
35				
36	<u>Item</u>	<u>FERC Form 1 Reference or Instruction</u>	<u>Prior Year Value</u>	<u>Notes</u>
37	Total West of Devers Upgrade Subject Facilities Cost	See WP-Allocators	\$636,989,020	
38	Morongo Lease Investment	Line 6	\$400,000,000	
39	Morongo WOD Lease Percent AF	Line 38 / Line 37	62.795%	For Direct OandM Expenses
40				

41 **5) Calculation of West Of Devers Labor Allocation Factor - Total Labor: "Morongo "WOD Labor AF" (See Note 5)**

42		FERC Form 1 Reference	Prior Year	
43		or Instruction	Value	Notes
44	<u>Item</u>			
45	ISO Line Related Labor	4-Allocated OandM, Line 32 Col 5a	\$22,173,827	
46	Morongo ISO Line Miles AF	Line 69	2.00%	
47	Morongo Line Related Labor	Line 45 * Line 46	\$443,957	
48	Total non-AandG W&S with NOIC	SCE Transmission Formula Rate, Schedule 27, Line 8	\$685,318,779	
49	Morongo WOD Labor AF	Line 47 / Line 48	0.06478%	For Payroll Taxes, G+I, AandG

51

52 **6) Capital Carrying Charge (See Note 6)**

53		FERC Form 1 Reference	Prior Year	
54		or Instruction	Value	Notes
55	<u>Item</u>			
56	SCE Weighted Cost of Debt	SCE Transmission Formula Rate, Sch 1, Line 51	2.1785%	
57	SCE Weighted Cost of Common and Preferred Stock	SCE Transmission Formula Rate, Sch 1, Line 55	5.2132%	
58	SCE Composite Tax Rate	SCE Transmission Formula Rate, Sch 1, Line 59	27.9836%	
59	Capital Carrying Charge	Line 56 + (Line 57 * (1/(1 - Line 58)))	9.417%	For G+I, Cash Working Capital

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62 **7) Calculation of Morongo Line Miles Allocation Factor - ISO: "Morongo ISO Line Miles AF" (See Note 7)**

63		FERC Form 1 Reference	Prior Year	
64		or Instruction	Value	Notes
65	<u>Item</u>			
66	ISO OH Line Miles	SCE Transmission Formula Rate, Sch 27, Line 27	5,752	
67	WOD ISO Line Miles	See WP-Allocators	183.4	
68	Morongo WOD ISO Line Miles Equivalent	Line 67 * Line 39	115.167	
69	Morongo ISO Line Miles AF	Line 68 / Line 66	2.0022%	For Allocated OandM

**Notes:**

- 1) Percent of Total SCE Plant that is represented by the Morongo Lease
- 2) Represents the percent of SCE ISO Plant that is related to ISO Overhead Lines
- 3) Represents the percent of SCE ISO lines that is overhead
- 4) Represents the percent of the total West of Devers Upgrade Cost that is represented by the Morongo Lease
- 5) Represents the percent of SCE Wages & Salaries that is represented by the Morongo Lease
- 6) Represents the return and income tax cost components of Rate Base items
- 7) Represents the percent of ISO Line Miles that is represented by the Morongo Lease Investment