

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

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Incentives Worksheet, Section 1

Incentives Worksheet, Section 2
Incentives Worksheet, Section 2
Incentives Worksheet, Section 2

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	\$14,829,277	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:		\$24,006,764	

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
2b	921	\$18,795	Hydro 100% CPUC costs
2c	923	\$106,962	Project Development Division Memorandum Account (PDDMA)
2d	923	\$31,464	Agricultural Account Aggregation Study Memorandum Account (AAASMA)
2e	926	\$1,534	Mohave Balancing Account
2f	926	\$47,905	Hydro and Generation 100% CPUC costs
2g	928	\$19,869,704	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)
2n	935	<u>\$27,068</u>	SSID 100% CPUC costs
Total Other:		\$44,681,404	

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)

Col 1			
Shareholder or Other			
<u>Line #</u>	<u>Acct.</u>	<u>Exclusions</u>	<u>Calculation</u>
24	920	-\$26,083,882	Line 1a + 2a - 3
25	921	\$74,297	Line 1b + 2h
26	922		
27	923	\$14,967,704	Line 1c + (2c to 2d)
28	924		
29	925		
30	926	\$1,339,585	Line 1d + (2e to 2f)
31	927		
32	928	\$33,351,259	Line 1e + (2t to 2y)
33	929		
34	930.1		
35	930.2	\$15,823,899	Line 1f + (2k to 2m)
36	931		
37	935	\$27,068	Line 2n
Total All "Shareholder or Other":		\$39,499,930	

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			<u>\$0</u>
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 Exclusions or Other		NOIC	Source
<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>\$10,331,871</u>	Outside Services	Removes shareholder outside services costs
Total 923:	\$14,829,277		

<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	\$24,006,764		

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	\$5,248,949	\$0	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	\$2,770,228	\$15,823,899	