

Attachment 1

SCE PBOPs Funding Memo

**Southern California Edison
Postretirement Health & Life Benefits
2019 PBOP Funding**

	Estimated <u>Represented</u>	Estimated <u>Management</u>	<u>Total</u>
1. 2019 ASC 715-60 Expense (before other charges)	(\$29,719,000)	\$ 6,209,000	(\$23,510,000)
2. 2019 Termination Benefit Charges	<u>0</u>	<u>120,000</u>	<u>120,000</u>
3. Total 2019 ASC 715-60 Expense=(1)+(2)	(\$29,719,000)	\$ 6,329,000	(\$23,390,000)
4. 2019 Rate Recovery	\$ 0	\$ 6,329,000	\$ 6,329,000

1. Estimated Pay-Go Group 2019 Claims		\$10,249,000
2. Pay-Go Group 2018 True-Up		
Actual claims	\$11,920,020	
Estimated claims	(<u>12,309,000</u>)	
True-up		(388,980)
3. Future Recovery from 2018		127,840
4. Life VEBA		0
5. 1992 VEBA		0
6. 1999 VEBA		0
7. 401(h) Account		<u>0</u>
8. Total 2019 Funding = sum (1) through (7)		\$ 9,987,860
9. Future Recovery		(3,658,860)
10. Net 2019 Funding		\$ 6,329,000

Note: 2019 PBOP funding exhibit reflects Edison's "split group" rate recovery methodology:

1. 2019 ASC715-60 expense is estimated separately for management and represented participants;
2. Negative accounting expense (i.e., accounting revenue) estimated separately for represented participants and is assumed to be zero for rate recovery purposes.
3. PBOP contributions above the minimum CPUC requirements are assumed to be carried over to future years.
4. ASC 715-60 Expense allocation between Represented and Management Groups (result shown on line 1 at top).

	<u>Represented</u>	<u>Management</u>	<u>Total</u>
a. Postretirement Health Benefit Expense*	(\$29,498,000)	\$ 6,644,000	(\$22,854,000)
b. Postretirement Life Benefit Expense**	(\$ 221,000)	(\$ 435,000)	(\$ 656,000)
c. Total	(\$29,719,000)	\$ 6,209,000	(\$23,510,000)

*See page 13, line E of 2019 Actuarial Report, first two columns.

**See page 13, line E, third column. Allocated on the basis of January 1. 2019 APBO.