

**Total of all A&G Exclusions in Formula Input Format ("Shareholder + Other" and Incentive Compensation)**

The following matrix presents the exclusions to be entered into the Schedule 20 exclusions matrix and associated notes.

Presented in same format as Schedule 20.

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

Note 1: Itemization of exclusions			Col 1	Col 2	Col 3	Col 4	
Total			Shareholder	Franchise			
Amount Excluded			Exclusions				
Line	Acct.	(Sum of C1 to C4)	or Other	Adjustments	Requirements	NOIC	PBOPs
24	920	\$71,019,547		-\$11,425,726		\$82,445,273	
25	921	\$5,868,285		\$5,868,285		\$0	
26	922	-\$48,972,720		-\$7,655,813		-\$41,316,907	
27	923	\$7,684,282		\$7,684,282		\$0	
28	924	\$0		\$0		\$0	
29	925	-\$694,137		-\$694,137		\$0	
30	926	-\$15,437,745		\$19,686,961		\$0	-\$35,124,706
31	927	NA		NA	NA	NA	NA
32	928	\$17,351,998		\$17,351,998		\$0	
33	929	\$0		\$0		\$0	
34	930.1	\$0		\$0		\$0	
35	930.2	\$24,004,996		\$24,004,996		\$0	
36	931	\$11,411,119		\$11,411,119		\$0	
37	935	\$697,671		\$697,671		\$0	

### Source of Yellow-shaded Inputs

Sum of "Shareholder and Other" and Incentives sheets

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Sum of "Shareholder and Other" and Incentives sheets

Not applicable, not yellow shaded

Not applicable, not yellow shaded

Sum of "Shareholder and Other" and Incentives sheets

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Sum of "Shareholder and Other" and Incentives sheets

**Note 2: Non-Officer Incentive Compensation ("NOIC") Adjustment**

(NOIC includes Results Sharing, Management Incentive Program, and Non-Officer Executive Incentive Compensation).

Adjust NOIC by excluding accrued NOIC Amount and replacing with the

actual non-capitalized A&G NOIC payout.

		<u>Amount</u>	<u>Source</u>
<b>a</b>	Accrued NOIC Amount:	\$103,811,325	SCE Records
<b>b</b>	Actual A&G NOIC payout:	\$21,366,051	Note 2, d
<b>c</b>	Adjustment:	\$82,445,273	

### Source of Yellow-shaded Inputs

Incentives Worksheet, Section 1

Actual non-capitalized NOIC Payouts:

	<u>Department</u>	<u>Amount</u>	<u>Source</u>
d	A&G	\$21,366,051	SCE Records and Workpapers
e	Other	\$9,660,204	SCE Records and Workpapers
f	TDBU	\$31,976,612	SCE Records and Workpapers
g	Total:	\$63,002,868	Sum of d to f

### Source of Yellow-shaded Inputs

Incentives Worksheet, Section 2

Incentives Worksheet, Section 2

Incentives Worksheet, Section 2

### Note 3: PBOPs Exclusion Calculation

		<u>Amount</u>	<u>Note:</u>
<b>a</b>	Authorized PBOPs expense amount:	\$40,171,333	See instruction #4
<b>b</b>	Prior Year FF1 PBOPs expense:	5,046,627	SCE Records
<b>c</b>	PBOPs Expense Exclusion:	-\$35,124,706	b - a

### Source of Yellow-shaded Inputs

## 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	\$1,424,975	See ShareholderExclusions tab for detail
1b	921	\$5,432,615	See ShareholderExclusions tab for detail
1c	923	\$7,622,007	See ShareholderExclusions tab for detail
1d	926	\$222,914	See ShareholderExclusions tab for detail
1e	928	\$2,612,717	See ShareholderExclusions tab for detail
1f	930.2	<u>\$3,832,478</u>	See ShareholderExclusions tab for detail
Total Shareholder:		\$21,147,706	

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	\$224,699	Generation, Hydro, Nuclear, Solar, and SSID 100% CPUC costs
2b	920	\$425	Miscellaneous charitable contributions
2c	920	\$364,012	Affiliate Charges
2d	920	\$8,358	Solar Photovoltaic Memorandum Account (SPVPMMA)
2e	921	\$177,520	Generation, Hydro, FERC Licensing, Engineering, Power Procurement and Solar 100% CPUC costs
2f	923	\$2	Generation costs
2g	923	\$2,485	Agricultural Account Aggregation Study Memorandum Account (AAASMA)
2h	923	\$59,788	Outside Services
2i	925	\$291,831	Nuclear General Functions
2j	925	-\$218,673	Claim reimbursement for 2011 and 2012 claims from insurer
2k	925	-\$768,792	Base Revenue Requirement Balancing Account (BRRBA)
2l	926	\$1,506	Mojave Balancing Account
2m	926	\$6,549,605	Generation, Nuclear and Hydro 100% CPUC costs
2n	928	\$6,389,389	Energy Resource Recovery Account (ERRA)
2o	928	\$1,824,223	Public Purpose Programs Adjustment Mechanism (PPPAM)
2p	928	\$3,738,178	Energy Settlements Memorandum Account (ESMA)
2q	928	\$2,990	Malibu fire expenses
2r	928	\$2,784,501	Litigation Cost Tracking Account (LCTA)
2s	930.2	\$58,711	Aliso Canyon CEMA
2t	930.2	-\$420,073	Accounting Suspense
2u	930.2	-\$241,090	Provision for Doubtful Accounts
2v	930.2	\$20,983,266	Electric Program Investment Charge balancing acct. (EPICBA)
2w	930.2	-\$208,296	Remap of EEI and EPRI dues from operating accounts
2x	931	\$11,411,119	Nuclear expenses
2y	935	<u>\$697,671</u>	SSID 100% CPUC costs
Total Other:		\$53,713,355	

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:	\$32,917,251	\$7,271,761
		\$18,769,224
		\$6,876,266

4) Total "Shareholder and Other" Input Exclusions for Column 1, Lines 24-37 of Schedule 20  
(In Formula Input Format)

<u>Col 1</u>			
Shareholder or Other			
<u>Line #</u>	<u>Acct.</u>	<u>Exclusions</u>	<u>Calculation</u>
24	920	-\$30,894,782	Line 1a + 2a to 2c - 3
25	921	\$5,610,135	Line 1b+ 2d
26	922		
27	923	\$7,684,282	Line 1c + (2e to 2h)
28	924		
29	925	-\$695,634	Line 2i to 2k
30	926	\$6,774,025	Line 1d + 2l to 2m
31	927		
32	928	\$17,351,998	Line 1e + (2n to 2r)
33	929		
34	930.1		
35	930.2	\$24,004,996	Line 1f + (2s to 2w)
36	931	\$11,411,119	Line 2x
37	935	\$697,671	Line 2y
Total All "Shareholder or Other":		\$41,943,810	

**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	\$103,811,325	Included in Account 920	
2	Capitalization rate	39.8%	CPUC GRC Decision for Test Year	2015
3	Capitalized NOIC	\$41,316,907	L1 * L2	

**2) Calculation of NOIC Payouts:**

<u>Line</u>				
1	Actual NOIC Payout	\$130,099,589	Section 2, L7	
2	Authorized NOIC Payout	\$104,319,775	Authorized Amount (Cap) from GRC for Test Year	2015
3	NOIC Payout To Be Recovered	\$104,319,775	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	\$44,120,445	34%	\$35,377,781	\$14,011,729.88	\$21,366,051
5 Other	\$19,948,117	15%	\$15,995,309	\$6,335,105	\$9,660,204
6 Trans. And Dist. Business Unit	\$66,031,028	51%	\$52,946,685	\$20,970,073	\$31,976,612
7 Totals	\$130,099,589	100%	\$104,319,775	\$41,316,907	\$63,002,868

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	\$21,366,051	Line 4, column E above
e	Other	\$9,660,204	Line 5, column E above
f	Trans. And Dist. Business Unit	\$31,976,612	Line 6, column E above
	Total:	\$63,002,868	

**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	\$3,894,023	Included in Account 920.	
2	Capitalization rate	39.8%	CPUC GRC Decision for test year:	2015
3	Capitalized OEIC	\$1,549,821	L1 * L2	

**4) Calculation of OEIC Payouts:**

<u>Line</u>				
1	Actual OEIC Payout	\$3,389,811	Section 4, L4	
2	Authorized OEIC Payout	\$3,037,482	Authorized Amount (Cap) from GRC for test year	2015
3	OEIC Payout To Be Recovered	\$3,037,482	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	\$3,389,811	100%	\$3,037,482	\$1,549,821	\$1,487,661

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>Source or Calculation</u>
1	Accrued LTI Payout	\$16,767,023 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	\$15,341,690	Included in Account 926	
2	Capitalization rate	39.8%	CPUC GRC Decision for test year	2015
3	Capitalized SERP	\$6,105,992	L1 * L2	

**7) Calculation of SERP Expense:**

<u>Line</u>		<u>Source or Calculation</u>	
1	Actual SERP Expense	\$15,341,690	Section 7, L4
2	Authorized SERP Expense	\$8,541,571	Authorized Amount (Cap) from GRC for test year
3	SERP Expense To Be Recovered	\$8,541,571	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	\$15,341,690	100%	\$8,541,571	\$6,105,992	\$2,435,579

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		\$295,671	\$295,671
2	921	\$258,150		\$258,150
3	922			\$0
4	923			\$0
5	924			\$0
6	925		\$1,497	\$1,497
7	926	\$75	\$6,750	\$6,825
8	928			\$0
9	929			\$0
10	930.1			\$0
11	930.2			\$0
12	931			\$0
13	935			\$0
Total ACE and Spot:				\$562,143

**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		NOIC	Source
		Exclusions			
		or Other			
<u>Line</u>	<u>Acct.</u>	<u>Adjustments</u>	<u>Source</u>		
24	920	\$19,469,056	Sec. 8, L4 + Sec. 11, L1	\$0	Not an input in formula
25	921	\$258,150	Sec. 11, L 2	\$0	
26	922	-\$7,655,813	Sec. 9, L2+L3 (enter neg) + Sec 11, L3	-\$41,316,907	Sec. 9, L1 (enter negative)
27	923	\$0	Sec. 11, L 4	\$0	
28	924	\$0	Sec. 11, L 5	\$0	
29	925	\$1,497	Sec. 11, L6	\$0	
30	926	\$12,912,936	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, 2018 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	\$82,874	LAM Shareholder Licensing Activities-Eastern	Includes labor and other expenses associated with real estate licensing and leasing activities performed by Real Properties personnel.
920	\$973,963	LAM Shareholder Licensing Activities-Metro	Includes labor and other expenses associated with real estate licensing and leasing activities performed by Real Properties personnel.
920	\$292,388	LAM Shareholder Licensing Activities-Northern	Includes labor and other expenses associated with real estate licensing and leasing activities performed by Real Properties personnel.
920	\$41,169	Land Ops Mgmt Shareholder AG	Includes costs incurred by Real Properties for shareholder funded activities.
920	\$34,581	Right of Way Southern Region Shareholder	Includes labor and other expenses associated with real estate licensing and leasing activities performed by Real Properties personnel.
<b>Total 920:</b>	<b>\$1,424,975</b>		

<u>Account</u>	<u>Amount</u>	<u>Title</u>	<u>Description</u>
921	\$1,610	OS & Finance Shareholder Funded A&G	Includes labor and non-labor related expenses for Operations Support & Finance shareholder related activities.
921	\$3,168,781	LAM Shareholder Licensing Activities-Eastern	Includes labor and other expenses associated with real estate licensing and leasing activities performed by Real Properties personnel.
921	\$42,894	LAM Shareholder Licensing Activities-Northern	Includes labor and other expenses associated with real estate licensing and leasing activities performed by Real Properties personnel.
921	\$2,194,818	LAM Shareholder Licensing Activities-Metro	Includes labor and other expenses associated with real estate licensing and leasing activities performed by Real Properties personnel.
921	\$7,306	Land Ops Mgmt Shareholder AG	Includes costs incurred by Real Properties for shareholder funded activities.
921	\$1,596	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	\$157	ASD Shareholder Funded Activities	Includes labor and non-labor related expenses for Audit Services Division shareholder related activities.
921	\$15,452	Right of Way Southern Region Shareholder	Includes labor and other expenses associated with real estate licensing and leasing activities performed by Real Properties personnel.
<b>Total 921:</b>	<b>\$5,432,615</b>		

<u>Account</u>	<u>Amount</u>	<u>Title</u>	<u>Description</u>
923	\$7,621,573	EIX Costs	Removes certain EIX costs not recoverable from ratepayers
923	<u>\$434</u>	Outside Services	Removes shareholder outside services costs
<b>Total 923:</b>	<b>\$7,622,007</b>		



<u>Account</u>	<u>Amount</u>	<u>Title</u>	<u>Description</u>
926	\$343,731	Fitness Center Expenses	Includes labor and non-labor costs supporting the Company Fitness Center, as well as removes a credit associated with dues paid by members.
926	\$634,070	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	\$158,526	Diamond Club	Company cost to support quarterly meetings for retiree and employees with 25+ years of service.
926	\$6,564	Humanitarian Award Program	Company cost to provide recognition of employees who provided a life saving action.
926	\$56	Miscellaneous	Includes adjusting entries and miscellaneous corrections.
926	<u>-\$920,033</u>	Executive Benefits Adjustment	Removes executive benefit credits not related to Executive Retirement Plan
<b>Total 926:</b>	\$222,914		

<u>Account</u>	<u>Amount</u>	<u>Title</u>	<u>Description</u>
928	<u>\$ 2,612,717</u>	SONGS outside services costs	Removes costs associated with outside services related to San Onofre Generating Station
<b>Total 928:</b>	\$2,612,717		

<u>Account</u>	<u>Amount</u>	<u>Title</u>	<u>Description</u>
930.2	\$1,597,798	General Function - Controllers	Miscellaneous Controllers Department General Function
930.2	<u>\$2,234,679</u>	Balance Sheet Write Offs	Includes shareholder related balance sheet write offs
<b>Total 930.2:</b>	\$3,832,478		

**Total All**      \$21,147,706

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	\$2,062,759	\$2,062,759	-\$208,296	Sch. 20, Line 35
2	Nuclear Power Research Expenses			\$0	
3	Other Experimental and General Research Expenses	\$20,983,266	\$0	\$20,983,266	Sch. 20, Line 35
4	Pub & Dist Info to Stkhldrs...expn servicing outstanding Securities	\$622,266	\$622,266	\$0	
5	Other Expn >=\$5,000 show purpose, receipt, amount. Group if < \$5,000				
6	Credit Line Fees / Bank Charges	\$3,769,654	\$3,769,654	\$0	
7	Directors' Fees and Expenses	\$2,894,700	\$2,894,700	\$0	
8	Periodic SEC Reports	\$460,395	\$460,395	\$0	
9	Planning and Development of Communication Systems	\$1,395,355	\$1,395,355	\$0	
10	Provision for Doubtful Accounts - Non-Energy Billings	-\$241,090	\$0	-\$241,090	Sch. 20, Line 35
11	Vendor Discounts	-\$9,766,562	-\$9,766,562	\$0	
12	Accounting Suspense	-\$420,073		-\$420,073	Sch. 20, Line 35
13	Miscellaneous	-\$1,456,115	-\$3,112,624	\$1,656,509	Sch. 20, Line 35
14					
15	Payment to CEC / CPUC	\$0		\$0	Sch. 20, Line 35
16	Administrative and General Expense Charged or Paid to Others	\$11,883,138	\$11,883,138	\$0	Sch. 20, Line 35
17	Balance Sheet Write-Off	\$2,234,679	\$0	\$2,234,679	Sch. 20, Line 35
46	Total	\$34,422,372	\$10,209,081	\$24,004,996	