

Attachment 3

Revisions to Formula Rate Inputs as Compared to the Draft Annual Update

This attachment lists the changes reflected in this TO2021 Annual Update filing relative to the TO2021 Draft Annual Update Formula Rate Spreadsheet that SCE posted on its website on July 8, 2020.

The revisions from the Draft Annual Update are as follows:

- (1) Schedule 20: On page 8 of the ShareholderExDetail tab of the Schedule 20 Workpaper, Excel line 24, SCE inadvertently input the wrong number of \$5,415,436 and is replacing it with the correct amount of \$5,468,741.52 for Account 923 EIX Costs to remove certain EIX costs not recoverable from ratepayers. Additionally, on Attachment 5 Schedule 20 Workpaper, Section E8, Line 5 (Excel Line 120) on page 6 or the Incentive tab contained a summation error and only summed Lines 1 through 3 instead of Lines 1 through 4. This correction changes the total from \$25,816,629 to \$26,643,402 and increases the exclusion to Account 920 by \$826,773. When this error is corrected, the impact to the TO2021 Base TRR relative to the Draft Annual Update is approximately \$61 thousand (decrease).
- (2) Schedule 5 ROR-2: SCE inadvertently entered the wrong input values and, in some instances, incorrect signage. SCE is correcting Line 8, Col 2 from \$2,604,108 to \$2,604,107 and Columns 2 to 14 by changing the signage from negative to positive. Similarly, on Line 9, Columns 2 to 14 SCE is changing the signage from negative to positive and on Line 9, Col 14 will change the value from \$38,230,205 to 38,811,870. Further, on the same schedule, SCE inadvertently input the incorrect Issuance Cost amounts in Note 5 and input the incorrect Amortization Amounts for Series B, C, D, F bond issuances in Note 6.

SCE is changing the Issuance Costs in Note 5 as follows:

Series E from \$1,241,102 to \$5,957,289
Series G from \$9,981,454 to \$12,972,287
Series H from \$2,655,752 to \$6,272,358
Series J from \$3,637,761 to \$6,419,578
Series K from \$4,349,881 to \$6,959,810
Series L from \$11,580,261 to \$12,800,620

SCE is changing the Amortization Amounts in Note 6 as follows:

Series B from \$1,997,238 to \$7,184
Series C from \$2,229,302 to \$8,019
Series D from \$1,342,377 to \$17,898
Series F from \$11,722,166 to \$35,414

The changes to Notes 5 and 6 do not impact the Transmission Revenue Requirement (TRR). When this error is corrected, the impact to the TO2021 Base TRR relative to the Draft Annual Update is approximately \$603 thousand (increase).

- (3) Schedule 10 CWIP: SCE has identified incorrect CWIP balances related to the Alberhill and ELM projects in the years 2018 and 2019, as well as Mesa for the years 2017, 2018 and 2019. The minor corrections to the recorded monthly CWIP balances are summarized in the tables below.

<u>Line</u>	<u>Month</u>	<u>Year</u>	<u>Mesa</u>	<u>Revised Mesa</u>	<u>Variance</u>
15	December	2016	\$0	\$0	\$0
16	January	2017	\$0	\$0	\$0
17	February	2017	\$0	\$0	\$0
18	March	2017	\$0	\$0	\$0
19	April	2017	\$0	\$0	\$0
20	May	2017	\$0	\$0	\$0
21	June	2017	\$0	\$0	\$0
22	July	2017	\$0	\$0	\$0
23	August	2017	\$0	\$0	\$0
24	September	2017	\$0	\$0	\$0
25	October	2017	\$0	\$0	\$0
26	November	2017	\$38,103,246	\$38,301,035	\$197,789
27	December	2017	\$46,589,551	\$46,923,675	\$334,124
28		13 Month Averages:	\$6,514,831	\$6,555,747	\$40,916

<u>Line</u>	<u>Month</u>	<u>Year</u>	<u>Mesa</u>	<u>Revised Mesa</u>	<u>Variance</u>	<u>Revised Alberhill</u>	<u>Alberhill</u>	<u>Variance</u>
15	December	2017	\$46,589,551	\$46,923,675	\$334,124	\$0	\$0	\$0
16	January	2018	\$52,872,088	\$53,082,889	\$210,802	\$19,158,216	\$19,130,665	-\$27,550
17	February	2018	\$60,403,301	\$60,706,832	\$303,531	\$19,209,869	\$19,228,633	\$18,763
18	March	2018	\$67,699,424	\$68,324,885	\$625,461	\$19,263,257	\$19,427,202	\$163,945
19	April	2018	\$74,865,328	\$75,211,108	\$345,781	\$19,494,339	\$19,474,016	-\$20,324
20	May	2018	\$81,351,559	\$81,827,122	\$475,562	\$19,590,062	\$19,823,934	\$233,872
21	June	2018	\$84,101,356	\$84,541,920	\$440,564	\$19,640,938	\$19,874,810	\$233,872
22	July	2018	\$87,696,225	\$88,136,789	\$440,564	\$19,733,199	\$19,974,367	\$241,168
23	August	2018	\$96,053,875	\$96,501,126	\$447,252	\$19,787,598	\$20,028,766	\$241,168
24	September	2018	\$95,968,190	\$96,424,303	\$456,113	\$19,827,433	\$20,069,350	\$241,917
25	October	2018	\$108,480,754	\$108,937,124	\$456,371	\$19,881,323	\$20,119,849	\$238,526
26	November	2018	\$113,377,826	\$113,834,197	\$456,371	\$19,925,080	\$20,163,606	\$238,526
27	December	2018	\$123,208,374	\$123,664,745	\$456,371	\$20,101,220	\$20,339,747	\$238,526
28		13 Month Averages:	\$84,051,373	\$84,470,517	\$419,144	\$18,124,041	\$18,281,150	\$157,108

<u>Line</u>	<u>Month</u>	<u>Year</u>	<u>ELM</u>		<u>Variance</u>
			<u>Series Caps</u>	<u>Revised ELM Series Caps</u>	
15	December	2017	\$0	\$0	\$0
16	January	2018	\$37,337,194	\$37,104,777	-\$232,417
17	February	2018	\$37,662,041	\$37,429,624	-\$232,417
18	March	2018	\$47,972,163	\$47,739,746	-\$232,417
19	April	2018	\$48,828,868	\$48,596,451	-\$232,417
20	May	2018	\$50,069,337	\$50,093,267	\$23,930
21	June	2018	\$50,519,065	\$50,542,995	\$23,930
22	July	2018	\$50,936,029	\$50,959,960	\$23,930
23	August	2018	\$51,581,083	\$51,605,585	\$24,501
24	September	2018	\$51,960,707	\$51,994,339	\$33,632
25	October	2018	\$52,396,221	\$52,429,852	\$33,632
26	November	2018	\$55,474,492	\$55,508,124	\$33,632
27	December	2018	\$65,187,847	\$65,221,478	\$33,632
28		13 Month Averages:	\$46,148,081	\$46,094,323	-\$53,758

<u>Line</u>	<u>Month</u>	<u>Year</u>	<u>Mesa</u>	<u>Revised Mesa</u>	<u>Variance</u>	<u>Alberhill</u>	<u>Revised Alberhill</u>	<u>Variance</u>
15	December	2018	\$123,208,374	\$123,664,745	\$456,371	\$20,101,220	\$20,339,747	\$238,526
16	January	2019	\$128,092,183	\$128,548,553	\$456,371	\$20,216,361	\$20,454,887	\$238,526
17	February	2019	\$129,020,038	\$129,476,409	\$456,371	\$20,299,976	\$20,538,502	\$238,526
18	March	2019	\$129,270,523	\$129,726,893	\$456,371	\$20,340,469	\$20,578,995	\$238,526
19	April	2019	\$140,178,321	\$140,634,692	\$456,371	\$20,568,514	\$20,899,436	\$330,923
20	May	2019	\$148,755,310	\$149,211,681	\$456,371	\$20,672,615	\$20,911,142	\$238,526
21	June	2019	\$158,253,220	\$158,709,590	\$456,371	\$20,786,418	\$21,024,944	\$238,526
22	July	2019	\$160,897,149	\$161,353,520	\$456,371	\$20,870,506	\$21,109,032	\$238,526
23	August	2019	\$163,331,531	\$163,796,363	\$464,832	\$21,042,057	\$21,280,583	\$238,526
24	September	2019	\$172,963,346	\$173,428,178	\$464,832	\$21,184,791	\$21,423,317	\$238,526
25	October	2019	\$180,404,574	\$180,869,406	\$464,832	\$21,434,293	\$21,672,819	\$238,526
26	November	2019	\$184,436,998	\$184,901,830	\$464,832	\$21,570,700	\$21,809,226	\$238,526
27	December	2019	\$49,845,413	\$49,854,943	\$9,530	\$21,762,814	\$22,001,340	\$238,526
28		13 Month Averages:	\$143,742,845	\$144,167,446	\$424,602	\$20,834,672	\$21,080,305	\$245,633

<u>Line</u>	<u>Month</u>	<u>Year</u>	<u>ELM</u>		<u>Variance</u>
			<u>Series Caps</u>	<u>Revised ELM Series Caps</u>	
15	December	2018	\$65,187,847	\$65,221,478	\$33,632
16	January	2019	\$64,859,596	\$64,893,228	\$33,632
17	February	2019	\$65,581,867	\$65,615,499	\$33,632
18	March	2019	\$67,231,842	\$67,265,473	\$33,632
19	April	2019	\$68,263,415	\$68,297,047	\$33,632
20	May	2019	\$69,855,849	\$69,889,512	\$33,663
21	June	2019	\$72,405,171	\$72,438,803	\$33,632
22	July	2019	\$73,994,269	\$74,027,900	\$33,632
23	August	2019	\$76,121,219	\$76,154,850	\$33,632
24	September	2019	\$84,007,919	\$84,041,551	\$33,632
25	October	2019	\$85,024,777	\$85,058,408	\$33,632
26	November	2019	\$88,450,777	\$88,484,408	\$33,632
27	December	2019	\$101,708,199	\$101,741,830	\$33,632
28		13 Month Averages:	\$75,591,750	\$75,625,384	\$33,634

SCE is treating the 2017 and 2018 corrections as prior period adjustments reflected on Schedule 3 True Up Adjustment, as well as WP Schedule 3 One Time Adj-Prior Period. When this error is corrected, including the prior period adjustment, the impact to the TO2021 Base TRR relative to the Draft Annual Update is approximately \$171 thousand (increase).

- (4) As a result of revisions 1, 2, and 3 above, the input to Schedule 3 - True Up Adjustment on line 23, Col 4, has been revised from \$5,317,330 to \$5,882,847. The associated WP Schedule 3 One Time Adjust Transition has also been revised accordingly.
- (5) As a result of the prior period adjustments related to revision 3 above, the input to Schedule 3 - True Up Adjustment on line 12, Col 4, has been revised from -\$2,306 to \$56,661. The associated WP Schedule 3 One Time Adj-Prior Period has also been revised accordingly.
- (6) Inclusion of RTRP References: On September 17, 2020 the Commission issued an order in Docket No. EL20-51 regarding SCE's petition for declaratory order for transmission rate incentives for the Riverside Transmission Reliability Project ("RTRP"). In this order, the commission granted CWIP in rate base and 100% abandoned plant recovery incentives for RTRP. Accordingly, SCE has updated Schedule 10 – CWIP, Schedule 14 – Incentive Plant, and Schedule 24 – CWIPTRR to make reference to RTRP. However, SCE is not updating the CWIP expenditure forecast previously included in the Draft Annual Update, and as a result, there is no TRR change relative to the draft Annual Update associated with these new references to RTRP.
- (7) Schedule 29: SCE has incorporated into lines 2, 3, and 4 a change to the Wholesale Transmission Revenue Balancing Account Adjustment ("TRBAA") inputs to be consistent with SCE's TRBAA Update filed on October 30, 2020 in FERC Docket ER21-261.