

Allocation of 2008 Revenue Requirement Among Utilities
California Department of Water Resources
(Dollars in millions)

<u>Line</u>	<u>Description</u>	<u>PG&E</u>	<u>SCE</u>	<u>SDG&E</u>	<u>Total</u>	<u>Reference</u>
1	Allocation Percentages	42.20%	47.50%	10.30%	100.00%	Decision 05-06-060
2						
3	2004-2006 Expenses	6,150	6,744	2,237	15,131	Actuals
4	2004-2006 Revenues	5,844	6,799	2,414	15,057	Actuals
5	Amount to be collected from /(returned to) the IOU USBA	\$ 306	\$ (55)	\$ (176)	\$ 74	Line 3 - Line 4
6						
7	2007 Expenses	1,942	2,146	564	4,651	actuals through Sep-07 then projected
8	2007 Revenues	2,072	2,230	510	4,812	actuals through Sep-07 then projected
9	Amount to be collected from /(returned to) the IOU USBA	\$ (131)	\$ (85)	\$ 54	\$ (161)	Line 7 - Line 8
10						
11	Balancing Calculation					
12	December 31, 2008 Projected PCA Balance: Desired Allocation	633	712	154	1,499	
13	January 1, 2004 Starting PCA Balance: Desired Allocation	701	789	171	1,660	
14	Amount to be collected from /(returned to) the IOU USBA	\$ (68)	\$ (76)	\$ (17)	\$ (161)	Line 12 - Line 13
15						
16	Prior True-ups (2001/02 and 2003)	(252)	166	86	-	
17	2004-2007 True-up	175	(140)	(122)	(87)	Line 5 + Line 9
18	Starting and Ending balance True-up	(68)	(76)	(17)	(161)	Line 14
19	Cumulative True-up to be collected from/(returned to) IOU USBA	\$ (144)	\$ (50)	\$ (53)	\$ (248)	Subtotal
20						
21	2008 Revenue Requirement Determination					
22	Avoidable Costs	43	249	196	488	2008RptRR
23	Net Non-Avoidable Costs	1,535	1,728	375	3,638	2008RptRR
24	Gas Collateral Cost	14	15	3	32	2008RptRR
25	Administrative and General	12	13	3	28	2008RptRR
26	Other Non-Allocated Costs	-	-	-	-	2008RptRR
27	Surplus Revenue	(3)	(47)	(10)	(60)	2008RptRR
28	Interest Earnings on Fund Balance	(36)	(40)	(9)	(85)	2008RptRR
29	Balancing Transfer between IOUs	(144)	(50)	(53)	(248)	Line 19
		\$ 1,420	\$ 1,867	\$ 505	\$ 3,792	

Rate Calculation Table

1	Revenue Requirement Allocated to IOU's Customers	\$ 1,420	\$ 1,867	\$ 505	\$ 3,792
2	Less: Estimated Direct Acces CRS Revenues	-	-	-	-
3	Bundled Revenue Requirement	\$ 1,420	\$ 1,867	\$ 505	\$ 3,792
4	DWR Delivered Energy (GWh)	20,484	20,893	4,951	46,329
5	Calendar Year Remittance Rates	0.0693	0.0894	0.1020	0.0818

California Department of Water Resources
2008 Revenue Requirement Filing
(Dollars in millions)

Line	Description	2008 RR Filing (actuals through Sep-07)			
		PG&E	SCE	SDG&E	Total
1	Beginning Balance in Power Charge Accounts				1,747
2					
3	Power Charge Revenues				
4	Power Charge Accounts Operating Revenues	1,664	1,730	397	3,792
5	Power Charge Revenues from Direct Access Customers	-	-	-	-
6	Total Power Charge Revenues	1,664	1,730	397	3,792
7	IOU Specific Revenue				
8	Surplus (Off-System Sales) Revenue	3	47	10	60
9	Extraordinary Receipts	-	-	-	-
10	Avoidable Revenues	-	-	-	-
11	ISO Reimbursement	-	-	-	-
12	Non-IOU Specific Revenue				
13	(Non-IOU Specific Revenue % Allocator)	42.20%	47.50%	10.30%	100.00%
14	Williams (RMR, and ISO Market)	-	-	-	-
15	Extraordinary Receipts (see breakout below)	-	-	-	-
16	Non-Avoidable Revenue	-	-	-	-
17	Total Non-IOU Specific Revenue	-	-	-	-
18	Subtotal	3	47	10	60
19	Interest Earnings on Fund Balances	36	40	9	85
20	Total Power Charge Accounts Operating Revenues	1,703	1,817	417	3,937
21					
22	Power Costs				
23	<i>Non-Avoidable % Allocator</i>	<i>42.20%</i>	<i>47.50%</i>	<i>10.30%</i>	<i>100.00%</i>
24	Non Avoidable Costs				3,697
25	Williams Gas Adjustment - projected for remainder of year				(59)
26	Net Non Avoidable Costs	1,535	1,728	375	3,638
27	Avoidable Costs	43	249	196	488
28	Total Contract Costs	1,578	1,976	571	4,125
29	Other Non-Allocated Costs	-	-	-	-
30	Total Power Costs	1,578	1,976	571	4,125
31					
32	Gas Collateral Costs	14	15	3	32
33	Administrative and General Expenses	12	13	3	28
34	Total Power Charge Accounts Operating Expenses	1,603	2,005	577	4,185
35					
36	Net Operating Revenues	100	(187)	(160)	(248)
37					
38	Ending Aggregate Balance in Power Charge Accounts				\$ 1,499

California Department of Water Resources
Comparison of 2007 Revenue Requirement Filing with 2007 Actual Results (through September 2007)
(Dollars in millions)

Line	Description	2007 RR Filing				2007 RR Filing (actuals through Sep-07)			
		PG&E	SCE	SDG&E	Total	PG&E	SCE	SDG&E	Total
1	Beginning Balance in Power Charge Accounts				1,653				1,586
2									
3	Power Charge Revenues								
4	Power Charge Accounts Operating Revenues	1,691	1,931	564	4,186	1,859	2,025	432	4,316
5	Power Charge Revenues from Direct Access Customers	-	6	-	6	0	0	0	1
6	Total Power Charge Revenues	1,691	1,936	564	4,191	1,860	2,025	432	4,316
7	IOU Specific Revenue								
8	Surplus (Off-System Sales) Revenue	44	87	59	190	46	140	42	228
9	Extraordinary Receipts	-	-	-	-	-	-	-	-
10	Avoidable Revenues	-	-	-	-	113	(2)	22	133
11	ISO Reimbursement	-	-	-	-	-	0	-	0
12	Non-IOU Specific Revenue								
13	(Non-IOU Specific Revenue % Allocator)	42.20%	47.50%	10.30%	100.00%	42.20%	47.50%	10.30%	100.00%
14	Williams (RMR, and ISO Market)	-	-	-	-	0	7	2	9
15	Extraordinary Receipts (see breakout below)	-	-	-	-	16	18	4	38
16	Non-Avoidable Revenue	-	-	-	-	1	2	0	3
17	Total Non-IOU Specific Revenue	-	-	-	-	18	26	6	50
18	Subtotal	44	87	59	190	177	164	69	410
19	Interest Earnings on Fund Balances	34	38	8	80	36	41	9	86
20	Total Power Charge Accounts Operating Revenues	1,769	2,062	631	4,461	2,072	2,230	510	4,812
21									
22	Power Costs								
23	<i>Non-Avoidable % Allocator</i>	<i>42.20%</i>	<i>47.50%</i>	<i>10.30%</i>	<i>100.00%</i>	<i>42.20%</i>	<i>47.50%</i>	<i>10.30%</i>	<i>100.00%</i>
24	Non Avoidable Costs				3,936				3,872
25	Williams Gas Adjustment - projected for remainder of year				(63)				(8)
26	Net Non Avoidable Costs	1,634	1,840	399	3,873	1,630	1,835	398	3,863
27	Avoidable Costs	41	371	195	607	263	256	154	674
28	Total Contract Costs	1,676	2,210	594	4,480	1,893	2,092	552	4,537
29	Other Non-Allocated Costs	-	-	-	-	(0)	(0)	(0)	(0)
30	Total Power Costs	1,676	2,210	594	4,480	1,893	2,091	552	4,537
31									
32	Gas Collateral Costs	25	29	6	60	42	47	10	100
33	Administrative and General Expenses	11	12	3	26	6	7	2	15
34	Total Power Charge Accounts Operating Expenses	1,712	2,251	602	4,566	1,942	2,146	564	4,651
35									
36	Net Operating Revenues	57	(190)	28	(105)	131	85	(54)	161
37									
38	Ending Aggregate Balance in Power Charge Accounts				\$ 1,549				\$ 1,747

California Department of Water Resources
Comparison of 2006 Revenue Requirement Filing with 2006 Actual Results
(Dollars in millions)

Line	Description	2006 RR Filing				2006 RR Actuals			
		PG&E	SCE	SDG&E	Total	PG&E	SCE	SDG&E	Total
1	Beginning Balance in Power Charge Accounts				1,483				1,420
2									
3	Power Charge Revenues								
4	Power Charge Accounts Operating Revenues	1,848	1,934	730	4,512	1,612	1,971	639	4,221
5	Power Charge Revenues from Direct Access Customers	12	17	4	34	84	43	1	127
6	Total Power Charge Revenues	1,860	1,951	735	4,546	1,695	2,014	639	4,348
7	IOU Specific Revenue								
8	Surplus (Off-System Sales) Revenue	96	108	31	235	77	135	29	241
9	Extraordinary Receipts	-	-	-	-	-	-	-	-
10	Avoidable Revenues	-	-	-	-	173	(2)	9	181
11	ISO Reimbursement	-	-	-	-	-	0	-	0
12	Non-IOU Specific Revenue								
13	(Non-IOU Specific Revenue % Allocator)	42.20%	47.50%	10.30%	100.00%	42.20%	47.50%	10.30%	100.00%
14	Williams (RMR, and ISO Market)	-	-	-	-	(0)	(1)	70	69
15	Extraordinary Receipts (see breakout below)	-	-	-	-	87	98	21	206
16	Non-Avoidable Revenue	-	-	-	-	2	2	0	5
17	Total Non-IOU Specific Revenue	-	-	-	-	88	100	91	280
18	Subtotal	96	108	31	235	339	232	130	701
19	Interest Earnings on Fund Balances	19	21	5	44	27	30	7	64
20	Total Power Charge Accounts Operating Revenues	1,975	2,080	770	4,825	2,061	2,277	776	5,113
21									
22	Power Costs								
23	<i>Non-Avoidable % Allocator</i>	<i>42.20%</i>	<i>47.50%</i>	<i>10.30%</i>	<i>100.00%</i>	<i>42.20%</i>	<i>47.50%</i>	<i>10.30%</i>	<i>100.00%</i>
24	Non Avoidable Costs				4,221				3,864
25	Williams Gas Adjustment - projected for remainder of year				(99)				-
26	Net Non Avoidable Costs	1,739	1,958	425	4,122	1,630	1,835	398	3,864
27	Avoidable Costs	106	340	321	766	264	142	272	679
28	Total Contract Costs	1,845	2,297	745	4,888	1,895	1,977	670	4,542
29	Other Non-Allocated Costs	-	-	-	-	17	19	4	40
30	Total Power Costs	1,845	2,297	745	4,888	1,912	1,996	674	4,582
31									
32	Gas Collateral Costs	-	-	-	-	126	143	76	344
33	Administrative and General Expenses	15	17	4	36	9	10	2	22
34	Total Power Charge Accounts Operating Expenses	1,861	2,315	749	4,924	2,047	2,149	753	4,948
35									
36	Net Operating Revenues	114	(235)	21	(100)	14	128	23	165
37									
38	Ending Aggregate Balance in Power Charge Accounts				\$ 1,384				\$ 1,586