

Investigation No.: I.12-10-013  
Exhibit No.: SDGE-16  
Witness: Erik M. Daley

**PREPARED DIRECT TESTIMONY OF  
ERIK M. DALEY  
ON BEHALF OF  
SAN DIEGO GAS & ELECTRIC COMPANY**

**BEFORE THE PUBLIC UTILITIES COMMISSION  
OF THE STATE OF CALIFORNIA**

**July 24, 2013**

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**PREPARED TESTIMONY OF  
ERIK M. DALEY**

**I. INTRODUCTION**

In accordance with the Commission’s Order Instituting Investigation (“OII”) I.12-10-013 (issued November 1, 2012) and the timing requirements of Administrative Law Judge (“ALJ”) Darlings’ July 1, 2013, Ruling on the Miscellaneous Scheduling and Procedural Issues and Notice of Phase 2 Prehearing Conference (“Ruling”), as modified by ALJs Darling and Dudney during a discussion with San Diego Gas & Electric Company’s (“SDG&E’s”) counsel to allow a two day extension, my testimony provides an accounting of the assets and amounts currently in rate base for the entire San Onofre Nuclear Generating Station (“SONGS”) facility associated with SDG&E 20% ownership interest in SONGS.

The tables in Appendix A and Appendix B of this testimony list SDG&E’s SONGS related assets subdivided by Unit 2, Unit 3, and Common assets, and clearly identify the dollar value of each asset in rate base. Chapter III explains why SDG&E is not able to directly provide information as required pursuant to Attachment 1 of the ALJ Ruling, and discusses the Federal Energy Regulatory Commission (“FERC”) accounting utilized by SDG&E.

**II. FERC ACCOUNTING FOR SONGS ASSETS**

This chapter explains why SDG&E cannot accommodate the ALJ Ruling and explains the FERC accounting that SDG&E utilizes for SONGS fixed assets. SDG&E is unable to directly assign the net-investment dollars recorded on SDG&E’s ledgers to the categories listed in Attachment 1 of the ALJ Ruling because SDG&E maintains its plant and depreciation ledger consistent with the FERC Uniform System of Accounts (“USoA”),<sup>1</sup> which requires that SDG&E maintain its fixed asset records by FERC plant account. This method of accounting groups assets by type, not by system, which may be comprised of many different types of assets.

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<sup>1</sup> 18 CFR §101

1 Table III-I lists the Nuclear Power Production Plant FERC accounts and titles  
2 from USoA that are utilized by SDG&E to record SONGS plant assets. Unlike Southern  
3 California Edison (“SCE”) and due to SDG&E’s minority ownership in SONGS,  
4 SDG&E records all SONGS capital expenditures only to these FERC accounts, and does  
5 not utilize the general plant FERC accounts employed by SCE.<sup>2</sup>

6 *Table II-1*

7 *Nuclear Power Product Plant FERC Accounts*

Account	Title
320	Land and land rights
321	Structures and improvements
322	Reactor plant equipment
323	Turbogenerator units
324	Accessory electric equipment
325	Miscellaneous power plant equipment

8  
9 In response to the ALJ Ruling, SCE explained that its plant balances are  
10 additionally maintained by retirement unit, which is a lower level of detail than the FERC  
11 account (SCE-36). Due to limitations in information received by SDG&E over the life of  
12 SONGS, SDG&E has not maintained the more detailed retirement unit information  
13 available to SCE. Additionally, these limitations also result in a disparity between SCE  
14 and SDG&E amounts at the FERC account level, as SDG&E must allocate all costs for a  
15 project to a single FERC account based on information received from SCE. SCE has the  
16 level of detailed accounting that allows it to allocate individual project costs across  
17 multiple FERC accounts and retirement units.

18 The tables in Appendix A of this testimony list SDG&E’s recorded SONGS-  
19 related assets subdivided by Unit 2, Unit 3, and Common assets, and clearly identify the  
20 dollar value of each asset in period-ending rate base<sup>3</sup> as of October 31, 2012, and June  
21 30, 2013. Information is provided consistent with Attachment 2 of the ALJ Ruling,

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<sup>2</sup> Examples include FERC 391 – Office furniture and equipment, 397 – Communication equipment, and 398 – Miscellaneous equipment.

<sup>3</sup> Period-ending rate base in this context is interchangeable with “net book value” (“NBV”) or net investment, which represent the sum of such dollars as gross plant, accumulated depreciation, and removal.

1 excluding “Est. Future Net Salvage”, “Avg Serv Life”, “Est. Future COR”, “COR Depr  
2 Reserve”, “COR Depr Balance”, and “Annual COST Accrual”, as SDG&E has not  
3 tracked these amounts separately and, therefore, does not have this information available.

4 The tables in Appendix A also include estimated values for Construction Work in  
5 Progress (“CWIP”) belonging in rate base in order to compensate for capital additions  
6 that SCE has previously closed to rate base but for which SDG&E has not received  
7 sufficient project-completion information. The determination of “CWIP belonging in  
8 rate base” versus actual CWIP for each period is based upon summary information  
9 provided by SCE as of May 31, 2013, for the specific purpose of developing this  
10 testimony. Based upon this information, the methodology employed to estimate “CWIP  
11 belonging in rate base” appears to SDG&E to be reasonable. However, SDG&E will  
12 continue to work with SCE to obtain additional information necessary to more directly  
13 calculate, rather than estimate, this figure and will issue supplemental filings subsequent  
14 to this testimony should it be determined that the estimates provided require adjustment.

15 **III. CERTAIN CAPITAL ASSETS WILL CONTINUE TO BE IN USE FOR A**  
16 **PERIOD OF YEARS**

17 In SCE-36 Chapter III, SCE details its estimate of the capital assets associated  
18 with activities SONGS must continue to pursue at this time despite the permanent  
19 retirement of the plant. SDG&E does not have the nuclear system expertise or facility  
20 access required to perform or validate the analysis completed by SCE. Additionally, due  
21 to insufficient project detail received over the life of SONGS, SDG&E is unable to  
22 provide information similar to that shown in SCE-36 Appendices A through C.  
23 Therefore, SDG&E refers to SCE-36 and utilizes as a proxy the SCE allocation of net  
24 investment to plant that shall be required during permanent shut down. This information  
25 is outline in Table IV-2, showing the current SDG&E net investment and the “Net  
26 Investment Needed” after applying the SCE allocation factors.

1 **TABLE IV-2**

2 **Net Investment Summary (SDG&E Share)**

Figures shown as 1,000,000 USD.

As Of Date	Plant	Accumulated Depreciation	Net Investment	SCE-36 Table IV-5 Allocation	Net Investment Needed
October 31, 2012	1,587.2	1,235.8	351.4	100%	351.4
May 31, 2013	1,576.7	1,235.1	341.6	23%	78.6
June 30, 2013 †	1,577.3	1,235.1	342.2	23%	78.7

3 † SCE-36 May 31, 2013, allocation factor used as proxy for June 30, 2013.

4 Not included in the balances previously shown are the net investment for  
5 remaining CWIP,<sup>4</sup> Materials and Supplies (“M&S”), and Nuclear Fuel Inventory  
6 (“nuclear fuel”).

7 **IV. SONGS NET INVESTMENT**

8 The SDG&E net investment for SONGS, excluding remaining CWIP, nuclear  
9 fuel, and M&S, was \$341.6 million as of May 31, 2013. This total represents a  
10 summation of accounting information for plant-in-service (“plant”), and is the cumulative  
11 balance of the original cost of construction and installation offset by accumulated  
12 depreciation.

13 Table IV-3 below shows the SDG&E remaining CWIP balance by Unit 2, Unit 3,  
14 and Common, as of October 31, 2012; May 31, 2013; and June 30, 2013. Based upon  
15 Chapter IV of SCE-36, approximately 41%<sup>5</sup> of the May 31, 2013 remaining CWIP  
16 balance shown in SCE’s testimony will continue to be required for permanent retirement.  
17 Table IV-3 utilizes this figure as a proxy for SDG&E remaining CWIP as of October 31,  
18 2012; May 31, 2013; and June 30, 2013, in order to identify the value of remaining CWIP  
19 that continues to be needed after shut down and that which is no longer needed.<sup>6</sup> The

<sup>4</sup> Remaining CWIP excludes those CWIP amounts noted in Chapter III that are estimated to correctly belong in plant.

<sup>5</sup> SCE testified that “[t]he balance of CWIP as of May 31, 2013, totaled \$269 million, of which SCE has determined that \$110 million continues to be needed for retirement.” \$269 million ÷ \$110 million = 41%.

<sup>6</sup> SDG&E will revise these figures should additional accounting efforts with SCE yield material adjustments to remaining CWIP estimates.

1 ratemaking associated with these values will be submitted in SDG&E's August 12, 2013,  
2 testimony discussed during the July 12, 2013 prehearing conference in this proceeding.

3 **Table IV-3**

4 **Remaining CWIP Balance Detail**

*Figures shown as 1,000,000 USD.*

	<b>10/31/2012</b>	<b>05/31/2013</b>	<b>06/30/2013</b>
	<b>Balance</b>	<b>Balance</b>	<b>Balance</b>
Unit 2 Remaining CWIP	13.8	16.6	17.0
Unit 3 Remaining CWIP	6.4	12.0	12.0
Common Remaining CWIP	21.2	25.1	25.4
Total Remaining CWIP	<u>41.4</u>	<u>53.7</u>	<u>54.4</u>
Remaining CWIP Needed (41%)	<u>17.0</u>	<u>22.0</u>	<u>22.3</u>
Remaining CWIP Not Needed (59%)	<u>24.4</u>	<u>31.7</u>	<u>32.1</u>

5  
6 Materials and supplies includes such things as replacement repair parts and  
7 equipment used in the plant that are not currently included in capital assets. SDG&E had  
8 a balance of costs in M&S of \$9.6 million as of October 31, 2012, \$10.1 million as of  
9 May 31, 2013, and \$10.1 million as of June 30, 2013.

10 Nuclear fuel includes in-core and pre-core inventories. SDG&E had a balance of  
11 costs in nuclear fuel of \$115.0 million as of October 31, 2012, \$115.7 million as of  
12 May 31, 2013, and \$115.7 million as of June 30, 2013.

13 The totals of net investment, remaining CWIP, nuclear fuel, and M&S, are  
14 summarized in Table IV-4 below and are shown detail in Appendix B as of May 31,  
15 2013, in the format required by Attachment 2 of the ALJ Ruling, excluding "Est. Future  
16 Net Salvage", "Avg Serv Life", "Est. Future COR", "COR Depr Reserve", "COR Depr  
17 Balance", and "Annual COST Accrual", as SDG&E has not tracked these amounts  
18 separately and, therefore, does not have this information available. Similar information,  
19 which is additionally summarized in Table IV-4, is provided in Appendix A as of  
20 October 31, 2012, and June 30, 2013, as required by the ALJ Ruling. Appendix A,  
21 Appendix B, and Table IV-3, are illustrative of fixed assets and are not intended to be  
22 provided for the purpose of identifying the dates the Commission should use for  
23 removing certain amounts from rate base. The prepared direct testimony of SDG&E  
24 witness Kenneth Deremer served contemporaneously herewith instead identifies and  
25 describes whether any reductions in rate base and 2012 revenue requirement are

1 warranted or required due to the extended SONGS outage. The ratemaking associated  
2 with these cost categories will be submitted in SDG&E's August 12, 2013 testimony.

3  
4 **Table IV-4**

5 **Total Net Investment by Category**

*Figures shown as 1,000,000 USD.*

	<b>10/31/2012</b>	<b>05/31/2013</b>	<b>06/30/2013</b>
	<b>Balance</b>	<b>Balance</b>	<b>Balance</b>
Fixed Asset Net Investment *	351.4	341.6	342.2
Total Remaining CWIP	41.4	53.7	54.4
Nuclear Fuel	115.0	115.7	115.7
Materials & Supplies	9.6	10.1	10.1
<b>Total Net Investment</b>	<b>517.4</b>	<b>521.1</b>	<b>522.4</b>

6 \* Includes CWIP belonging in rate base.

7  
8 This concludes my prepared direct testimony.

1 **WITNESS QUALIFICATIONS**

2 My name is Erik Daley, and my business address is 8330 Century Park Court, San  
3 Diego, CA 92123. I am currently employed by SDG&E as the Director of Accounting  
4 Operations. My current responsibilities include the Cost Accounting, Accounts Payable,  
5 and Sundry Services functions for SDG&E. I assumed my current role in December  
6 2010. I have worked in the utility industry for 16 years and I have held various  
7 management positions in Accounting, Finance, and Income Tax. Prior to joining  
8 SDG&E, I worked for Considine & Considine, a CPA firm. I obtained my California  
9 CPA license in 1996, and that license is currently in active status. I received a Bachelor  
10 of Science degree in Business Administration with an emphasis in Accounting from San  
11 Diego State University.

12 I am sponsoring this SDGE-16 testimony related to SDG&E's valuation of  
13 SONGS assets in rate base, as requested in the July 1, 2013, ALJ Ruling.

14 I have not previously testified before the California Public Utilities Commission.



## APPENDIX A

**TABLE A-1: FIXED ASSET BOOK VALUE AS OF OCTOBER 31, 2012**

San Diego Gas & Electric							
I.12-10-013 - Phase 2 - Required Utility Testimony							
For the period ended October 31, 2012							
		GROSS PLANT	DEPRECIATION	DEPRECIABLE		REM.	ANNUAL
		Oct 31, 2012	RESERVE	BALANCE	CURVE	LIFE	ACCRUAL
		Oct 31, 2012	Oct 31, 2012	Oct 31, 2012			
<b>SONGS UNIT 2</b>							
<u>Plant in Rate Base</u>							
320	Land & Land Rights	-	-	-	License	9.7	-
321	Structures & Improvements	229,773	676	229,097	License	9.7	23,618
322	Reactor Plant Equipment	78,919,999	16,001,760	62,918,239	License	9.7	6,486,416
323	Turbogenerator Units	5,027,097	1,435,547	3,591,550	License	9.7	370,263
324	Accessory Electric Equipment	4,278,706	749,684	3,529,022	License	9.7	363,817
325	Misc. Power Plant Equipment	30,018,610	12,924,848	17,093,762	License	9.7	1,762,244
	Unit 2 Plant in Rate Base	<u>118,474,185</u>	<u>31,112,515</u>	<u>87,361,670</u>		<u>9.7</u>	<u>9,006,358</u>
<u>CWIP Belonging in Plant (see testimony)</u>							
320	Land & Land Rights	-	-	-	License	0.0	-
321	Structures & Improvements	-	-	-	License	0.0	-
322	Reactor Plant Equipment	47,084,028	-	47,084,028	License	9.7	4,854,024
323	Turbogenerator Units	9,098,413	-	9,098,413	License	9.7	937,981
324	Accessory Electric Equipment	785,533	-	785,533	License	9.7	80,983
325	Misc. Power Plant Equipment	615,095	-	615,095	License	9.7	63,412
	Unit 2 CWIP Belonging in Plant	<u>57,583,069</u>	<u>-</u>	<u>57,583,069</u>		<u>9.7</u>	<u>5,936,400</u>
<u>Total Unit 2 Plant</u>							
320	Land & Land Rights	-	-	-	License	0.0	-
321	Structures & Improvements	229,773	676	229,097	License	9.7	23,618
322	Reactor Plant Equipment	126,004,027	16,001,760	110,002,267	License	9.7	11,340,440
323	Turbogenerator Units	14,125,510	1,435,547	12,689,963	License	9.7	1,308,244
324	Accessory Electric Equipment	5,064,239	749,684	4,314,555	License	9.7	444,799
325	Misc. Power Plant Equipment	30,633,705	12,924,848	17,708,857	License	9.7	1,825,655
	Total Unit 2 Plant	<u>176,057,254</u>	<u>31,112,515</u>	<u>144,944,739</u>		<u>9.7</u>	<u>14,942,756</u>
<b>SONGS PLANT IN RATE BASE - UNIT 3</b>							
<u>Plant in Rate Base</u>							
320	Land & Land Rights	-	-	-	License	9.7	-
321	Structures & Improvements	211,914	49,519	162,395	License	9.7	16,742
322	Reactor Plant Equipment	84,181,643	12,057,964	72,123,679	License	9.7	7,435,431
323	Turbogenerator Units	1,322,824	338,588	984,236	License	9.7	101,468
324	Accessory Electric Equipment	1,966,597	307,589	1,659,008	License	9.7	171,032
325	Misc. Power Plant Equipment	16,302,491	4,671,138	11,631,353	License	9.7	1,199,109
	Unit 3 Plant in Rate Base	<u>103,985,469</u>	<u>17,424,798</u>	<u>86,560,671</u>		<u>9.7</u>	<u>8,923,782</u>
<u>CWIP Belonging in Plant (see testimony)</u>							
320	Land & Land Rights	-	-	-	License	0.0	-
321	Structures & Improvements	-	-	-	License	0.0	-
322	Reactor Plant Equipment	27,162,011	-	27,162,011	License	9.7	2,800,207
323	Turbogenerator Units	2,594,685	-	2,594,685	License	9.7	267,493
324	Accessory Electric Equipment	390,364	-	390,364	License	9.7	40,244
325	Misc. Power Plant Equipment	1,486,054	-	1,486,054	License	9.7	153,201
	Unit 3 CWIP Belonging in Plant	<u>31,633,114</u>	<u>-</u>	<u>31,633,114</u>		<u>9.7</u>	<u>3,261,145</u>
<u>Total Unit 3 Plant</u>							
320	Land & Land Rights	-	-	-	License	0.0	-
321	Structures & Improvements	211,914	49,519	162,395	License	9.7	16,742
322	Reactor Plant Equipment	111,343,654	12,057,964	99,285,690	License	9.7	10,235,638
323	Turbogenerator Units	3,917,509	338,588	3,578,921	License	9.7	368,961
324	Accessory Electric Equipment	2,356,961	307,589	2,049,372	License	9.7	211,275
325	Misc. Power Plant Equipment	17,788,545	4,671,138	13,117,407	License	9.7	1,352,310
	Total Unit 3 Plant	<u>135,618,583</u>	<u>17,424,798</u>	<u>118,193,785</u>		<u>9.7</u>	<u>12,184,926</u>

		GROSS PLANT	DEPRECIATION RESERVE	DEPRECIABLE BALANCE		REM.	ANNUAL
		Oct 31, 2012	Oct 31, 2012	Oct 31, 2012	CURVE	LIFE	ACCRUAL
<b>SONGS PLANT IN RATE BASE - COMMON</b>							
<u>Plant in Rate Base</u>							
320	Land & Land Rights	-	-	-	License	9.7	-
321	Structures & Improvements	8,115,593	2,232,903	5,882,690	License	9.7	606,463
322	Reactor Plant Equipment	1,004,734	24,702	980,032	License	9.7	101,034
323	Turbogenerator Units	768,582	172,726	595,856	License	9.7	61,428
324	Accessory Electric Equipment	488,408	62,269	426,139	License	9.7	43,932
325	Misc. Power Plant Equipment	74,509,556	26,607,187	47,902,369	License	9.7	4,938,389
	Common Plant in Rate Base	84,886,873	29,099,787	55,787,086		9.7	5,751,246
<u>CWIP Belonging in Plant (see testimony)</u>							
320	Land & Land Rights	-	-	-	License	0.0	-
321	Structures & Improvements	-	-	-	License	0.0	-
322	Reactor Plant Equipment	-	-	-	License	0.0	-
323	Turbogenerator Units	146,705	-	146,705	License	9.7	15,124
324	Accessory Electric Equipment	1,211,819	-	1,211,819	License	9.7	124,930
325	Misc. Power Plant Equipment	31,091,967	-	31,091,967	License	9.7	3,205,357
	Common CWIP Belonging in Rate Base	32,450,491	-	32,450,491		9.7	3,345,411
<u>Fully-Recovered Plant (Pre-January 2004)</u>							
320	Land & Land Rights	283,677	283,677	-	License	0.0	-
321	Structures & Improvements	268,376,853	268,376,853	-	License	0.0	-
322	Reactor Plant Equipment	392,828,548	392,828,548	-	License	0.0	-
323	Turbogenerator Units	135,262,751	135,262,751	-	License	0.0	-
324	Accessory Electric Equipment	166,623,981	166,623,981	-	License	0.0	-
325	Misc. Power Plant Equipment	194,811,674	194,811,674	-	License	0.0	-
	Common CWIP Belonging in Rate Base	1,158,187,484	1,158,187,484	-		0.0	-
<u>Total Common Plant</u>							
320	Land & Land Rights	283,677	283,677	-	License	0.0	-
321	Structures & Improvements	276,492,446	270,609,756	5,882,690	License	9.7	606,463
322	Reactor Plant Equipment	393,833,282	392,853,250	980,032	License	9.7	101,034
323	Turbogenerator Units	136,178,038	135,435,477	742,561	License	9.7	76,553
324	Accessory Electric Equipment	168,324,208	166,686,250	1,637,958	License	9.7	168,862
325	Misc. Power Plant Equipment	300,413,197	221,418,861	78,994,336	License	9.7	8,143,746
	Total Common Plant	1,275,524,848	1,187,287,271	88,237,577		9.7	9,096,658
<b>SONGS TOTAL</b>							
320	Land & Land Rights	283,677	283,677	-	N/A	0.0	-
321	Structures & Improvements	276,934,133	270,659,951	6,274,182	License	9.7	646,823
322	Reactor Plant Equipment	631,180,963	420,912,974	210,267,989	License	9.7	21,677,112
323	Turbogenerator Units	154,221,057	137,209,612	17,011,445	License	9.7	1,753,757
324	Accessory Electric Equipment	175,745,408	167,743,523	8,001,885	License	9.7	824,937
325	Misc. Power Plant Equipment	348,835,447	239,014,847	109,820,600	License	9.7	11,321,711
	Total SONGS Plant - Nuclear Production	1,587,200,685	1,235,824,584	351,376,101		9.7	36,224,340
<u>CWIP (Excluding Amounts Belonging in Plant)</u>							
107	Unit 2 CWIP	13,778,938	-	13,778,938	License	9.7	1,420,509
107	Unit 3 CWIP	6,438,585	-	6,438,585	License	9.7	663,772
107	Common CWIP	21,200,433	-	21,200,433	License	9.7	2,185,612
	Total CWIP	41,417,956	-	41,417,956		9.7	4,269,893
120	Nuclear Fuel Net of Amortization	115,033,878	-	115,033,878			
154	Materials & Supplies	9,583,720	-	9,583,720			
	<b>Total SONGS Investment</b>	<b>1,743,652,519</b>	<b>1,235,824,584</b>	<b>507,827,935</b>			

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**TABLE A-2: FIXED ASSET BOOK VALUE AS OF JUNE 30, 2013**

San Diego Gas & Electric							
I.12-10-013 - Phase 2 - Required Utility Testimony							
For the period ended June 30, 2013							
		GROSS PLANT	DEPRECIATION	DEPRECIABLE		REM.	ANNUAL
		Jun 30, 2013	RESERVE	BALANCE	CURVE	LIFE	ACCRUAL
		Jun 30, 2013	Jun 30, 2013	Jun 30, 2013			
<b>SONGS UNIT 2</b>							
<b>Plant in Rate Base</b>							
320	Land & Land Rights	-	-	-	License	9.0	-
321	Structures & Improvements	231,977	10,753	221,224	License	9.0	24,580
322	Reactor Plant Equipment	100,357,305	21,449,020	78,908,285	License	9.0	8,767,587
323	Turbogenerator Units	5,027,146	1,666,250	3,360,896	License	9.0	373,433
324	Accessory Electric Equipment	4,306,332	965,079	3,341,253	License	9.0	371,250
325	Misc. Power Plant Equipment	12,376,643	3,333,566	9,043,077	License	9.0	1,004,786
	Unit 2 Plant in Rate Base	122,299,403	27,424,668	94,874,735		9.0	10,541,636
<b>CWIP Belonging in Plant (see testimony)</b>							
320	Land & Land Rights	-	-	-	License	0.0	-
321	Structures & Improvements	-	-	-	License	0.0	-
322	Reactor Plant Equipment	19,634,972	-	19,634,972	License	9.0	2,181,664
323	Turbogenerator Units	9,596,770	-	9,596,770	License	9.0	1,066,308
324	Accessory Electric Equipment	828,507	-	828,507	License	9.0	92,056
325	Misc. Power Plant Equipment	792,821	-	792,821	License	9.0	88,091
	Unit 2 CWIP Belonging in Plant	30,853,070	-	30,853,070		9.0	3,428,119
<b>Total Unit 2 Plant</b>							
320	Land & Land Rights	-	-	-	License	0.0	-
321	Structures & Improvements	231,977	10,753	221,224	License	9.0	24,580
322	Reactor Plant Equipment	119,992,277	21,449,020	98,543,257	License	9.0	10,949,251
323	Turbogenerator Units	14,623,916	1,666,250	12,957,666	License	9.0	1,439,741
324	Accessory Electric Equipment	5,134,839	965,079	4,169,760	License	9.0	463,307
325	Misc. Power Plant Equipment	13,169,464	3,333,566	9,835,898	License	9.0	1,092,878
	Total Unit 2 Plant	153,152,473	27,424,668	125,727,805		9.0	13,969,757
<b>SONGS PLANT IN RATE BASE - UNIT 3</b>							
<b>Plant in Rate Base</b>							
320	Land & Land Rights	-	-	-	License	9.0	-
321	Structures & Improvements	211,914	58,732	153,182	License	9.0	17,020
322	Reactor Plant Equipment	97,259,959	17,304,203	79,955,756	License	9.0	8,883,973
323	Turbogenerator Units	3,971,544	496,645	3,474,899	License	9.0	386,100
324	Accessory Electric Equipment	1,964,680	406,354	1,558,326	License	9.0	173,147
325	Misc. Power Plant Equipment	10,222,560	2,187,304	8,035,256	License	9.0	892,806
	Unit 3 Plant in Rate Base	113,630,657	20,453,238	93,177,419		9.0	10,353,046
<b>CWIP Belonging in Plant (see testimony)</b>							
320	Land & Land Rights	-	-	-	License	0.0	-
321	Structures & Improvements	-	-	-	License	0.0	-
322	Reactor Plant Equipment	5,450,114	-	5,450,114	License	9.0	605,568
323	Turbogenerator Units	3,239	-	3,239	License	9.0	360
324	Accessory Electric Equipment	420,377	-	420,377	License	9.0	46,709
325	Misc. Power Plant Equipment	397,051	-	397,051	License	9.0	44,117
	Unit 3 CWIP Belonging in Plant	6,270,781	-	6,270,781		9.0	696,754
<b>Total Unit 3 Plant</b>							
320	Land & Land Rights	-	-	-	License	0.0	-
321	Structures & Improvements	211,914	58,732	153,182	License	9.0	17,020
322	Reactor Plant Equipment	102,710,073	17,304,203	85,405,870	License	9.0	9,489,541
323	Turbogenerator Units	3,974,783	496,645	3,478,138	License	9.0	386,460
324	Accessory Electric Equipment	2,385,057	406,354	1,978,703	License	9.0	219,856
325	Misc. Power Plant Equipment	10,619,611	2,187,304	8,432,307	License	9.0	936,923
	Total Unit 3 Plant	119,901,438	20,453,238	99,448,200		9.0	11,049,800

		GROSS PLANT	DEPRECIATION RESERVE	DEPRECIABLE BALANCE		REM.	ANNUAL
		Jun 30, 2013	Jun 30, 2013	Jun 30, 2013	CURVE	LIFE	ACCRUAL
<b>SONGS PLANT IN RATE BASE - COMMON</b>							
<u>Plant in Rate Base</u>							
320	Land & Land Rights	-	-	-	License	9.0	-
321	Structures & Improvements	8,229,278	2,588,678	5,640,600	License	9.0	626,733
322	Reactor Plant Equipment	1,005,855	(17,091,908)	18,097,763	License	9.0	2,010,863
323	Turbogenerator Units	768,582	207,998	560,584	License	9.0	62,287
324	Accessory Electric Equipment	488,408	86,800	401,608	License	9.0	44,623
325	Misc. Power Plant Equipment	98,679,026	43,287,121	55,391,905	License	9.0	6,154,656
	Common Plant in Rate Base	109,171,149	29,078,689	80,092,460		9.0	8,899,162
<u>CWIP Belonging in Plant (see testimony)</u>							
320	Land & Land Rights	-	-	-	License	0.0	-
321	Structures & Improvements	-	-	-	License	0.0	-
322	Reactor Plant Equipment	27,138	-	27,138	License	9.0	3,015
323	Turbogenerator Units	153,541	-	153,541	License	9.0	17,060
324	Accessory Electric Equipment	1,412,713	-	1,412,713	License	9.0	156,968
325	Misc. Power Plant Equipment	35,310,503	-	35,310,503	License	9.0	3,923,389
	Common CWIP Belonging in Rate Base	36,903,895	-	36,903,895		9.0	4,100,432
<u>Fully-Recovered Plant (Pre-January 2004)</u>							
320	Land & Land Rights	283,677	283,677	-	License	0.0	-
321	Structures & Improvements	268,376,853	268,376,853	-	License	0.0	-
322	Reactor Plant Equipment	392,828,548	392,828,548	-	License	0.0	-
323	Turbogenerator Units	135,262,751	135,262,751	-	License	0.0	-
324	Accessory Electric Equipment	166,623,981	166,623,981	-	License	0.0	-
325	Misc. Power Plant Equipment	194,811,674	194,811,674	-	License	0.0	-
	Common CWIP Belonging in Rate Base	1,158,187,484	1,158,187,484	-		0.0	-
<u>Total Common Plant</u>							
320	Land & Land Rights	283,677	283,677	-	License	0.0	-
321	Structures & Improvements	276,606,131	270,965,531	5,640,600	License	9.0	626,733
322	Reactor Plant Equipment	393,861,541	375,736,640	18,124,901	License	9.0	2,013,878
323	Turbogenerator Units	136,184,874	135,470,749	714,125	License	9.0	79,347
324	Accessory Electric Equipment	168,525,102	166,710,781	1,814,321	License	9.0	201,591
325	Misc. Power Plant Equipment	328,801,203	238,098,795	90,702,408	License	9.0	10,078,045
	Total Common Plant	1,304,262,528	1,187,266,173	116,996,355		9.0	12,999,594
<b>SONGS TOTAL</b>							
320	Land & Land Rights	283,677	283,677	-	N/A	0.0	-
321	Structures & Improvements	277,050,022	271,035,016	6,015,006	License	9.0	668,334
322	Reactor Plant Equipment	616,563,891	414,489,863	202,074,028	License	9.0	22,452,670
323	Turbogenerator Units	154,783,573	137,633,644	17,149,929	License	9.0	1,905,548
324	Accessory Electric Equipment	176,044,998	168,082,214	7,962,784	License	9.0	884,754
325	Misc. Power Plant Equipment	352,590,278	243,619,665	108,970,613	License	9.0	12,107,846
	Total SONGS Plant - Nuclear Production	1,577,316,439	1,235,144,079	342,172,360		9.0	38,019,152
<u>CWIP (Excluding Amounts Belonging in Plant)</u>							
107	Unit 2 CWIP	16,957,170	-	16,957,170	License	9.0	1,884,130
107	Unit 3 CWIP	12,037,598	-	12,037,598	License	9.0	1,337,511
107	Common CWIP	25,447,206	-	25,447,206	License	9.0	2,827,467
	Total CWIP	54,441,974	-	54,441,974		9.0	6,049,108
120	Nuclear Fuel Net of Amortization	115,737,559	-	115,737,559			
154	Materials & Supplies	10,099,436	-	10,099,436			
	<b>Total SONGS Investment</b>	<b>1,747,495,972</b>	<b>1,235,144,079</b>	<b>512,351,893</b>			

1

1

## APPENDIX B

2

### FIXED ASSET BOOK VALUE AS OF MAY 31, 2012

San Diego Gas & Electric							
I.12-10-013 - Phase 2 - Required Utility Testimony							
For the period ended May 31, 2013							
		GROSS PLANT	DEPRECIATION	DEPRECIABLE		REM.	ANNUAL
		May 31, 2013	RESERVE	BALANCE	CURVE	LIFE	ACCRUAL
		May 31, 2013	May 31, 2013	May 31, 2013			
<b>SONGS UNIT 2</b>							
<u>Plant in Rate Base</u>							
320	Land & Land Rights	-	-	-	License	9.1	-
321	Structures & Improvements	231,977	10,753	221,224	License	9.1	24,310
322	Reactor Plant Equipment	100,357,305	21,449,020	78,908,285	License	9.1	8,671,240
323	Turbogenerator Units	5,027,146	1,666,250	3,360,896	License	9.1	369,329
324	Accessory Electric Equipment	4,306,332	965,079	3,341,253	License	9.1	367,171
325	Misc. Power Plant Equipment	12,376,643	3,333,566	9,043,077	License	9.1	993,745
	Unit 2 Plant in Rate Base	<u>122,299,403</u>	<u>27,424,668</u>	<u>94,874,735</u>		<u>9.1</u>	<u>10,425,795</u>
<u>CWIP Belonging in Plant (see testimony)</u>							
320	Land & Land Rights	-	-	-	License	0.0	-
321	Structures & Improvements	-	-	-	License	0.0	-
322	Reactor Plant Equipment	19,611,572	-	19,611,572	License	9.1	2,155,118
323	Turbogenerator Units	9,595,443	-	9,595,443	License	9.1	1,054,444
324	Accessory Electric Equipment	833,298	-	833,298	License	9.1	91,571
325	Misc. Power Plant Equipment	792,821	-	792,821	License	9.1	87,123
	Unit 2 CWIP Belonging in Plant	<u>30,833,134</u>	<u>-</u>	<u>30,833,134</u>		<u>9.1</u>	<u>3,388,256</u>
<u>Total Unit 2 Plant</u>							
320	Land & Land Rights	-	-	-	License	0.0	-
321	Structures & Improvements	231,977	10,753	221,224	License	9.1	24,310
322	Reactor Plant Equipment	119,968,877	21,449,020	98,519,857	License	9.1	10,826,358
323	Turbogenerator Units	14,622,589	1,666,250	12,956,339	License	9.1	1,423,774
324	Accessory Electric Equipment	5,139,630	965,079	4,174,551	License	9.1	458,742
325	Misc. Power Plant Equipment	13,169,464	3,333,566	9,835,898	License	9.1	1,080,868
	Total Unit 2 Plant	<u>153,132,537</u>	<u>27,424,668</u>	<u>125,707,869</u>		<u>9.1</u>	<u>13,814,052</u>
<b>SONGS PLANT IN RATE BASE - UNIT 3</b>							
<u>Plant in Rate Base</u>							
320	Land & Land Rights	-	-	-	License	9.1	-
321	Structures & Improvements	211,914	58,732	153,182	License	9.1	16,833
322	Reactor Plant Equipment	97,259,959	17,304,203	79,955,756	License	9.1	8,786,347
323	Turbogenerator Units	3,971,544	496,645	3,474,899	License	9.1	381,857
324	Accessory Electric Equipment	1,964,680	406,354	1,558,326	License	9.1	171,245
325	Misc. Power Plant Equipment	10,222,560	2,187,304	8,035,256	License	9.1	882,995
	Unit 3 Plant in Rate Base	<u>113,630,657</u>	<u>20,453,238</u>	<u>93,177,419</u>		<u>9.1</u>	<u>10,239,277</u>
<u>CWIP Belonging in Plant (see testimony)</u>							
320	Land & Land Rights	-	-	-	License	0.0	-
321	Structures & Improvements	-	-	-	License	0.0	-
322	Reactor Plant Equipment	5,392,251	-	5,392,251	License	9.1	592,555
323	Turbogenerator Units	1,229	-	1,229	License	9.1	135
324	Accessory Electric Equipment	420,377	-	420,377	License	9.1	46,195
325	Misc. Power Plant Equipment	412,441	-	412,441	License	9.1	45,323
	Unit 3 CWIP Belonging in Plant	<u>6,226,298</u>	<u>-</u>	<u>6,226,298</u>		<u>9.1</u>	<u>684,208</u>
<u>Total Unit 3 Plant</u>							
320	Land & Land Rights	-	-	-	License	0.0	-
321	Structures & Improvements	211,914	58,732	153,182	License	9.1	16,833
322	Reactor Plant Equipment	102,652,210	17,304,203	85,348,007	License	9.1	9,378,902
323	Turbogenerator Units	3,972,773	496,645	3,476,128	License	9.1	381,992
324	Accessory Electric Equipment	2,385,057	406,354	1,978,703	License	9.1	217,440
325	Misc. Power Plant Equipment	10,635,001	2,187,304	8,447,697	License	9.1	928,318
	Total Unit 3 Plant	<u>119,856,955</u>	<u>20,453,238</u>	<u>99,403,717</u>		<u>9.1</u>	<u>10,923,485</u>

3

		GROSS PLANT	DEPRECIATION RESERVE	DEPRECIABLE BALANCE		REM.	ANNUAL
		May 31, 2013	May 31, 2013	May 31, 2013	CURVE	LIFE	ACCRUAL
<b>SONGS PLANT IN RATE BASE - COMMON</b>							
<u>Plant in Rate Base</u>							
320	Land & Land Rights	-	-	-	License	9.1	-
321	Structures & Improvements	8,229,278	2,588,678	5,640,600	License	9.1	619,846
322	Reactor Plant Equipment	1,005,855	(17,091,908)	18,097,763	License	9.1	1,988,765
323	Turbogenerator Units	768,582	207,998	560,584	License	9.1	61,603
324	Accessory Electric Equipment	488,408	86,800	401,608	License	9.1	44,133
325	Misc. Power Plant Equipment	98,679,026	43,287,121	55,391,905	License	9.1	6,087,023
	Common Plant in Rate Base	109,171,149	29,078,689	80,092,460		9.1	8,801,370
<u>CWIP Belonging in Plant (see testimony)</u>							
320	Land & Land Rights	-	-	-	License	0.0	-
321	Structures & Improvements	-	-	-	License	0.0	-
322	Reactor Plant Equipment	(2,453)	-	(2,453)	License	9.1	(270)
323	Turbogenerator Units	153,541	-	153,541	License	9.1	16,873
324	Accessory Electric Equipment	1,412,237	-	1,412,237	License	9.1	155,191
325	Misc. Power Plant Equipment	34,820,935	-	34,820,935	License	9.1	3,826,476
	Common CWIP Belonging in Rate Base	36,384,260	-	36,384,260		9.1	3,998,270
<u>Fully-Recovered Plant (Pre-January 2004)</u>							
320	Land & Land Rights	283,677	283,677	-	License	0.0	-
321	Structures & Improvements	268,376,853	268,376,853	-	License	0.0	-
322	Reactor Plant Equipment	392,828,548	392,828,548	-	License	0.0	-
323	Turbogenerator Units	135,262,751	135,262,751	-	License	0.0	-
324	Accessory Electric Equipment	166,623,981	166,623,981	-	License	0.0	-
325	Misc. Power Plant Equipment	194,811,674	194,811,674	-	License	0.0	-
	Common CWIP Belonging in Rate Base	1,158,187,484	1,158,187,484	-		0.0	-
<u>Total Common Plant</u>							
320	Land & Land Rights	283,677	283,677	-	License	0.0	-
321	Structures & Improvements	276,606,131	270,965,531	5,640,600	License	9.1	619,846
322	Reactor Plant Equipment	393,831,950	375,736,640	18,095,310	License	9.1	1,988,496
323	Turbogenerator Units	136,184,874	135,470,749	714,125	License	9.1	78,475
324	Accessory Electric Equipment	168,524,626	166,710,781	1,813,845	License	9.1	199,324
325	Misc. Power Plant Equipment	328,311,635	238,098,795	90,212,840	License	9.1	9,913,499
	Total Common Plant	1,303,742,893	1,187,266,173	116,476,720		9.1	12,799,640
<b>SONGS TOTAL</b>							
320	Land & Land Rights	283,677	283,677	-	N/A	0.0	-
321	Structures & Improvements	277,050,022	271,035,016	6,015,006	License	9.1	660,990
322	Reactor Plant Equipment	616,453,037	414,489,863	201,963,174	License	9.1	22,193,755
323	Turbogenerator Units	154,780,236	137,633,644	17,146,592	License	9.1	1,884,241
324	Accessory Electric Equipment	176,049,313	168,082,214	7,967,099	License	9.1	875,505
325	Misc. Power Plant Equipment	352,116,100	243,619,665	108,496,435	License	9.1	11,922,685
	Total SONGS Plant - Nuclear Production	1,576,732,385	1,235,144,079	341,588,306		9.1	37,537,176
<u>CWIP (Excluding Amounts Belonging in Plant)</u>							
107	Unit 2 CWIP	16,617,990	-	16,617,990	License	9.1	1,826,153
107	Unit 3 CWIP	12,018,357	-	12,018,357	License	9.1	1,320,699
107	Common CWIP	25,085,267	-	25,085,267	License	9.1	2,756,623
	Total CWIP	53,721,614	-	53,721,614		9.1	5,903,475
120	Nuclear Fuel Net of Amortization	115,731,159	-	115,731,159			
154	Materials & Supplies	10,134,427	-	10,134,427			
	<b>Total SONGS Investment</b>	<b>1,746,185,158</b>	<b>1,235,144,079</b>	<b>511,041,079</b>			

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2