

**CTC Tax Workshop**  
**Southern California Edison**  
**clear Generation Regulatory Receivable for Taxes - Summary**

*\$ IN THOUSANDS*

**Regulatory Tax Receivable - Non-nuclear Generation**

Property Related	<b>\$9,003</b>
Ad Valorem Lien Date	<b>3,738</b>
Investment Tax Credit	<b>(14,775)</b>
<i>Total</i>	<u><b>(2,034)</b></u>

**Deferred Investment Tax Credit** **(25,096)**

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**Non-Nuclear Generation Regulatory Receivable for Taxes - Property Related**

Net Book Value at January 1, 1998 #####

*Net Book Value Tax Gross up:*

Net Book Value	#####	
Remaining State Tax Basis	#####	
Net	182,918,000	
Apportioned State Tax Rate	8.53980%	
Net to Gross Multiplier for Taxes	1.68211	
Total		26,275,957

Net Book Value	#####	
Remaining Federal Tax Basis	#####	
State Tax Differences before Gross Up	(15,620,831)	
Net	341,264,169	
Apportioned State Tax Rate	35%	
Net to Gross Multiplier for Taxes	1.68211	
Total		200,915,355

*Normalized Deferred Tax Reserve:*

ACRS/MACRS Deferred Tax **	134,592,000	
Unicap Deferred Tax	(4,881,000)	
Normalized Taxes	129,711,000	
Net to Gross Multiplier for Taxes	1.68211	
Total		(218,188,170)

CTC Revenue Requirement before Valuation	#####	
Less Valuation ***	0	
Net CTC Revenue Requirement	#####	
Net Book Value	#####	
Net CTC Revenue Requirement for Taxes	9,003,142	

*This schedule does not include amounts related to Hydro.*

\* Amount is computed as \$182,918,000 \* 8.5398%

\*\* Amount includes ARAM. If the plant was sold or valued at an amount other than zero, a portion of this would not be available to ratepayers in compliance with the Internal Revenue Code normalization rules.

\*\*\* For purposes of this computation, pending actual valuation or sale, the valuation has been assumed to be zero.

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**on-Nuclear Generation Regulatory Receivable for Taxes - Ad Valorem Lien Da**

*Timing Difference - Ad Valorem Taxes*

Lien Date Adjustment - Non-nuclear	5,480,000	
Apportioned Tax Rate	40.55087%	
Net to Gross Multiplier for Taxes	<u>1.68211</u>	
Total		3,737,964

*Normalized Deferred Tax Reserve:*

Normalized Taxes	0	
Net to Gross Multiplier for Taxes	<u>1.68211</u>	
Total		0

CTC Revenue Requirement	<u><u>3,737,964</u></u>
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*This schedule does not include amounts related to Hydro.*

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**CTC Tax Workshop**  
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**on-Nuclear Generation Regulatory Receivable for Taxes - Investment Tax Credit**

*Investment Tax Credit*

Deferred ITC - Non-Nuclear at 1/1/98	(25,096,000)	
Federal Tax Rate	35.00000%	
Net to Gross Multiplier for Taxes	<u>1.68211</u>	
Total		(14,774,981)

*Normalized Deferred Tax Reserve:*

Normalized Taxes	0	
Net to Gross Multiplier for Taxes	<u>1.68211</u>	
Total		0

CTC Revenue Requirement *	<u><u>(14,774,981)</u></u>
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*This schedule does not include amounts related to Hydro.*

\* Only the gross-up related to ITC is included with the Regulatory Assets for Taxes; the Deferred ITC itself is separately listed. If the plant is sold or is valued at an amount other than zero, a portion of this would not be available to ratepayers in compliance with the Internal Revenue Code normalization rules.

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