



LS Power Grid California (LSPGC)

2025 Projection

Responses to Six Cities Data Request Set 1 received December 27, 2024

January 16, 2025

General Questions:

Six Cities 1-1

Please provide a copy of LSPGC's data responses provided to all other parties' data requests submitted during the review period for, and with respect to, LSPGC's 2025 Projection. In addition, please provide this information on a continuing basis during the review period.

LSPGC Response 1-1

In accordance with Section 4.a.iii of LSPGC's formula rate implementation protocols, as amended in LSPGC's December 10, 2024, filing in FERC Docket No. ER25-685, LSPGC publishes information requests received and responses thereto in the 'Formula Rates' section of the 'Documents' page of its website (<https://www.lspgridcalifornia.com/documents/>) with a link to the website distributed to the Service List. While LSPGC has received no other information request to date, LSPGC will provide the Service List notice of future requests and responses thereto when available at the aforementioned link.

Six Cities 1-2

Please identify the nature and dollar impact of any revisions to the data used in the 2025 Projection that LSPGC has identified since the posting of the formula rate on LSPGC's website. Please update the response to this request if there are any subsequent revisions during the review period.

LSPGC Response 1-2

LSPGC has not identified any revisions to the data used in the 2025 Projection posted on LSPGC's website.

Six Cities 1-3

Please identify all costs that would be recorded for financial purposes in LSPGC’s FERC accounts but are, for ratemaking purposes, treated differently in the determination of transmission rates in the 2025 Projection.

LSPGC Response 1-3

LSPGC has not identified any costs that would be recorded for financial purposes in LSPGC’s FERC accounts but are, for ratemaking purposes, treated differently in the determination of transmission rates in the 2025 Projection.

Six Cities 1-4

Please provide information explaining all changes to LSPGC’s accounting guidelines and procedures from 2022 to 2023 that impacted costs recorded to LSPGC’s FERC accounts related to Transmission, General, or A&G functions during the review period.

LSPGC Response 1-4

There were no changes in LSPGC’s accounting guidelines or procedures from 2022 to 2023 that impacted costs recorded to LSPGC’s FERC accounts related to Transmission, General, or A&G functions during the review period. LSPGC did not have any facilities in service in 2022 or 2023, so no charges were billed under the formula rate.

Six Cities 1-5

Please identify the nature and amount of any one-time expenses that were written off (e.g., abandoned CWIP) to any transmission O&M account or A&G account during 2023. In addition, please identify the FERC account(s) where such write-offs were recorded, as well as the FERC docket number and/or order authorizing the recovery of the canceled project costs in LSPGC’s transmission rates.

LSPGC Response 1-5

LSPGC did not incur any one-time expenses that were written off to any Transmission O&M accounts or A&G accounts during 2023. Consequently, no such FERC accounts were used to record write-offs, and no FERC proceedings exist for LSGPC’s write off recovery in transmission rates. LSPGC did not have any facilities in service in 2023, so no charges were billed under the formula rate.

Six Cities 1-6

To the extent included in the 2025 Projection, please identify all expenditures for lobbying, regulatory affairs, and other civic, political, and related activities recorded in A&G accounts or transmission O&M accounts, by FERC account and amount, and provide the basis for including such expenses in 2025 Projection.

LSPGC Response 1-6

LSPGC interprets the reference to “regulatory affairs” to mean expenses other than those properly recorded in FERC Account 928 (Regulatory Commission Expenses). Applying this interpretation, LSPGC did not include any expenditures for lobbying, regulatory affairs, or other civic, political and related activities in the 2025 Projection.

Six Cities 1-7

To the extent included in the 2025 Projection, please identify all charitable donation expenditures, by FERC account and amount, and provide the basis for including such expenditures in the 2025 Projection.

LSPGC Response 1-7

LSPGC did not include any charitable donation expenditures in its 2025 Projection.

Six Cities 1-8

Please identify the FERC account(s) in which LSPGC records monetary penalties assessed for violations of NERC Reliability Standards, and explain whether these accounts and the costs of any such monetary penalties are included in the 2025 Projection. To the extent such penalties have been included, please provide the following information:

- a. The amount of each penalty included in the 2025 Projection, by FERC account; and
- b. The nature of the alleged violation that gave rise to each penalty.

LSPGC Response 1-8

LSPGC would record monetary penalties assessed for violations of NERC Reliability Standards to FERC Account 426.3 (Penalties). FERC Account 426.3 is not included in LSGPC’s formula rate, so no such penalties have been included in the 2025 Projection. Accordingly, subparts a and b of this request are not applicable.

Six Cities 1-9

Please identify the FERC account(s) in which LSPGC records monetary penalties assessed for violations of the Internal Revenue Code and/or federal Treasury regulations and explain whether these accounts and the costs of any such monetary penalties are included in the 2025 Projection. To the extent such penalties have been included, please provide the following information:

- a. The amount of each penalty included in the 2025 Projection, by FERC account; and
- b. The nature of the alleged violation that gave rise to each penalty.

LSPGC Response 1-9

LSPGC would record monetary penalties assessed for violations of the Internal Revenue Code and/or Federal Treasury Regulations to FERC Account 426.3 (Penalties). FERC Account 426.3 is not included in LSPGC's formula rate, so no such penalties have been included in the 2025 Projection. Accordingly, subparts a and b of this request are not applicable.

Six Cities 1-10

Please indicate whether the 2025 Projection includes any payments and expenses resulting from employment practices that were found to be discriminatory by a judicial or administrative decree, or that were the result of a compromise settlement or consent decree. To the extent the 2025 Projection includes such costs, please identify the FERC account(s) in which LSPGC recorded the payments and expenses, and provide the associated amounts booked to each account.

LSPGC Response 1-10

LSPGC's 2025 Projection does not include any payments or expenses resulting from employment practices that were found to be discriminatory by a judicial or administrative decree or that were the result of a compromise settlement or consent decree.

Six Cities 1-11

Please quantify by FERC account any cancelled capital projects written off by LSPGC during 2023.

LSPGC Response 1-11

LSPGC did not write off any cancelled capital projects during 2023.

Six Cities 1-12

Please specify when LSPGC intends to file a FERC Form No. 1 and the year of data that will be reported.

LSPGC Response 1-12

Pursuant to 18 C.F.R. § 141.1, LSPGC intends to file a FERC Form No. 1 by the April 18 following the year in which LSPGC has sales or transmission service that meet the criteria for submittal. Because LSPGC expects to have its first transmission facilities, the Gates (Orchard Substation) Project, in service during the 2025 rate year, LSPGC anticipates making this submission by April 18, 2026.

The following questions pertain to the spreadsheet file “20241007_LSPGC_2025_Projection.xlsx” (“2025 Projection”) posted on LSPGC’s website:

Six Cities 1-13

Please explain the reasoning for highlighting in blue and purple certain worksheet tabs contained in the Excel spreadsheet.

LSPGC Response 1-13

Worksheet label coloring does not affect the calculation of the revenue requirement and stakeholders should generally not attach meaning to coloring. That said, in the 2025 Projection workbook posted October 7 on LSPGC’s website, worksheets with light purple labels are workpapers while worksheets with blue labels coincide with those including changes pending before the Commission in Docket No. ER25-685 as of the publication date of the 2025 Projection.

Six Cities 1-14

Please refer to Excel worksheet “Att 1a - Project Plant Detail,” Excel cell B56, “Total Project Adjusted Transmission Net Plant.” The word “Adjusted” is not found in LSPGC’s August 1, 2024 and August 16, 2024 tariff filings. Please explain the basis for using the word “Adjusted” in this cell/description.

LSPGC Response 1-14

In its August 1 filing in Docket No. ER25-685, LSPGC proposed Attachment 1a to provide project-level data to increase the transparency of the cost containment mechanisms. As described below, the additional labels and formatting included in Attachment 1a, which had not yet been accepted by the Commission at the time of the publication of the 2025 Projection, were intended to provide clarity for stakeholders.

In the 2025 Projection, LSPGC included a workpaper for Attachment 1a (Attachment 1a Workpaper). The Attachment 1a Workpaper, titled “Unadjusted (for Capital Cost Cap) Project Plant Detail Worksheet”, was based on and structurally identical to Attachment 1a. As explained during the November 18 stakeholder meeting, the Attachment 1a Workpaper showed monthly project-level plant data for the Gates Project

that were unadjusted by the Gates capital cost cap mechanism. Attachment 1a, which flows into Appendix III for calculation of the revenue requirement, includes the same project-level values for the Gates Project as the Attachment 1a Workpaper except that they have been adjusted, where applicable, to meet the capital cost cap. LSPGC has used labelling and formatting (underlined “Adjusted” or “Unadjusted” labelling in Columns 1 and 2 and italicization of adjusted row labels and values in Attachment 1a) to draw a distinction between the function of and values in Attachment 1a versus the Attachment 1a Workpaper.