Date Filed: November 10, 2026

Witness: Brendan J. O'Brien, Garrett J. Murray and Danielle Munson
Request from: Public Utilities Regulatory Authority

Question:

(EXECUTIVE RETIREMENT IN LOADERS) Interrog. Resp. RRU-015, Att. 1 and Interrog. Resp. RRU-023, Att. 1. Regarding executive retirement costs included in the benefit loadings applied to labor:

a. State for each of calendar years 2021 through 2025 and the Rate Year the amount capitalized through the Payroll Benefits Loader and the General Service Company Overhead and the amount charged to operating expense for (1) the Supplemental Executive Retirement Plan (SERP) expense of $427,871, (2) the Non-SERP expense of $397,975 recorded to CA AWO RET NUSCO EXEC, and (3) the Non-Qualified Pension expense of $1,565,428 included for line of business 11100 in the Test Year on the PIVOT of Benefits sheet of Attachment 1 of the response to Interrogatory RRU-015.

b. Provide the work papers supporting the derivation of the net capitalization credits of $31,382,539 for the Payroll Benefits Loader and $26,598,674 for the General Service Company Overhead that are entered as fixed amounts in Attachment 1 of the response to Interrogatory RRU-015, and reconcile each to the Test Year credits in Attachment 1 of the response to Interrogatory RRU-023.

Response:

a. Please refer to RRU-185, Attachment 1, for the SERP amounts, RRU-185, Attachment 2, for the Non-SERP amounts; and RRU-185, Attachment 3, for the Non-Qualified Pension amounts for calendar years 2021 through 2024. Please refer to Schedule C-3.12 Employee Benefits for the corresponding Rate Year amounts. The capitalization of these costs follows the allocation of the underlying labor through the Payroll Benefits Loader and General Service Company Overhead, with the remaining amounts charged to operating expense.

b. Please refer to RRU-185, Attachment 4, for the detail calculation of the Test Year capitalization dollars. In addition, the total capitalized amounts, add columns (G) and (H), by FERC account (col. (A)) in RRU-185, Attachment 4, agree with the amounts in ZGS/ZPB Adjustments by FERC account in RRU-023, Attachment 1.