

Application of SAN DIEGO GAS & ELECTRIC )  
COMPANY for authority to update its gas and )  
electric revenue requirement and base rates )  
effective January 1, 2028 (U 902-M) )

Application No.: A.26-06-XXX

Exhibit No.: (SDGE-21-WP)

WORKPAPERS TO  
PREPARED DIRECT TESTIMONY  
OF SARA M. STEEN  
ON BEHALF OF SAN DIEGO GAS & ELECTRIC COMPANY

BEFORE THE PUBLIC UTILITIES COMMISSION  
OF THE STATE OF CALIFORNIA

JUNE 2026



2028 General Rate Case - Application

**INDEX OF WORKPAPERS**

**Exhibit SDGE-21-WP - PENSION & PBOP**

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**Overall Summary For Exhibit No. SDGE-21-WP**

<b>Area:</b>	<b>PENSION &amp; PBOP</b>
<b>Witness:</b>	<b>Sara M. Steen</b>

**In 2025 \$ (000) Incurred Costs**

Description	Adjusted-Recorded	Adjusted-Forecast					
	2025	2026	2027	2028	2029	2030	2031
<b>Non-Shared Services</b>	64,546	55,838	36,296	42,581	42,961	43,271	43,571
<b>Shared Services</b>	0	0	0	0	0	0	0
<b>Total</b>	<b>64,546</b>	<b>55,838</b>	<b>36,296</b>	<b>42,581</b>	<b>42,961</b>	<b>43,271</b>	<b>43,571</b>

*Note: Totals may include rounding differences.*

Area: PENSION & PBOP

Witness: Sara M. Steen

**Summary of Non-Shared Services Workpapers:**

In 2025 \$ (000) Incurred Costs

Description	Adjusted-Recorded	Adjusted-Forecast					
	2025	2026	2027	2028	2029	2030	2031
A. Employee Pension-PBOP	64,546	55,838	36,296	42,581	42,961	43,271	43,571
<b>Total</b>	<b>64,546</b>	<b>55,838</b>	<b>36,296</b>	<b>42,581</b>	<b>42,961</b>	<b>43,271</b>	<b>43,571</b>

Note: Totals may include rounding differences.

**Area:** PENSION & PBOP  
**Witness:** Sara M. Steen  
**Category:** A. Employee Pension-PBOP  
**Workpaper:** VARIOUS

**Summary for Category: A. Employee Pension-PBOP**

	In 2025\$ (000) Incurred Costs						
	Adjusted-Recorded	Adjusted-Forecast					
	2025	2026	2027	2028	2029	2030	2031
Labor	0	0	0	0	0	0	0
Non-Labor	64,546	0	0	0	0	0	0
NSE	0	55,838	36,296	42,581	42,961	43,271	43,571
<b>Total</b>	<b>64,546</b>	<b>55,838</b>	<b>36,296</b>	<b>42,581</b>	<b>42,961</b>	<b>43,271</b>	<b>43,571</b>
FTE	0.0	0.0	0.0	0.0	0.0	0.0	0.0

**Workpapers belonging to this Category:**

**1PN000.000 EMPLOYEE PENSION**

Labor	0	0	0	0	0	0	0
Non-Labor	48,409	0	0	0	0	0	0
NSE	0	46,569	34,927	40,873	40,873	40,873	40,873
<b>Total</b>	<b>48,409</b>	<b>46,569</b>	<b>34,927</b>	<b>40,873</b>	<b>40,873</b>	<b>40,873</b>	<b>40,873</b>
FTE	0.0	0.0	0.0	0.0	0.0	0.0	0.0

**Unit Measure: N/A**

Units	0	0	0	0	0	0	0
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**1PN000.001 EMPLOYEE PBOP**

Labor	0	0	0	0	0	0	0
Non-Labor	16,137	0	0	0	0	0	0
NSE	0	9,269	1,369	1,708	2,088	2,398	2,698
<b>Total</b>	<b>16,137</b>	<b>9,269</b>	<b>1,369</b>	<b>1,708</b>	<b>2,088</b>	<b>2,398</b>	<b>2,698</b>
FTE	0.0	0.0	0.0	0.0	0.0	0.0	0.0

**Unit Measure: N/A**

Units	0	0	0	0	0	0	0
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*Note: Totals may include rounding differences.*

**Beginning of Workpaper**  
**1PN000.000 - EMPLOYEE PENSION**

**Area:** PENSION & PBOP  
**Witness:** Sara M. Steen  
**Category:** A. Employee Pension-PBOP  
**Category-Sub:** 1. EMPLOYEE PENSION  
**Workpaper:** 1PN000.000 - EMPLOYEE PENSION  
**Unit Measure:** N/A

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**Activity Description:**

This is SDG&E's qualified retirement benefits plan, also known as the San Diego Gas & Electric Company Cash Balance Plan. Represented and non-represented employees participate in the plan.

**Forecast Explanations:**

**Labor - Zero-Based**

Please see NSE below

**Non-Labor - Zero-Based**

Please see NSE below

**NSE - Zero-Based**

Zero-based method chosen as contributions are determined by the Company's certified actuary WTW and are calculated in accordance with Actuarial Standards of Practice, US Generally Accepted Accounting Principles and ERISA.

n/a

*Note: Totals may include rounding differences.*

**Area:** PENSION & PBOP  
**Witness:** Sara M. Steen  
**Category:** A. Employee Pension-PBOP  
**Category-Sub:** 1. EMPLOYEE PENSION  
**Workpaper:** 1PN000.000 - EMPLOYEE PENSION  
**Unit Measure:** N/A

**Summary of Results:**

Years	In 2025\$ (000) Incurred Costs										
	Adjusted Recorded					Adjusted Forecast					
	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031
Labor	0	0	0	0	0	0	0	0	0	0	0
Non-Labor	62,985	55,520	53,195	35,972	48,409	0	0	0	0	0	0
NSE	0	0	0	0	0	46,569	34,927	40,873	40,873	40,873	40,873
<b>Total</b>	<b>62,985</b>	<b>55,520</b>	<b>53,195</b>	<b>35,972</b>	<b>48,409</b>	<b>46,569</b>	<b>34,927</b>	<b>40,873</b>	<b>40,873</b>	<b>40,873</b>	<b>40,873</b>
FTE	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Units	0	0	0	0	0	0	0	0	0	0	0

*Note: Totals may include rounding differences.*

**Area:** PENSION & PBOP  
**Witness:** Sara M. Steen  
**Category:** A. Employee Pension-PBOP  
**Category-Sub:** 1. EMPLOYEE PENSION  
**Workpaper:** 1PN000.000 - EMPLOYEE PENSION  
**Unit Measure:** N/A

**Summary of Adjustments to Forecast:**

In 2025 \$(000) Incurred Costs																		
Years	Base Forecast						Forecast Adjustments						Adjusted-Forecast					
	2026	2027	2028	2029	2030	2031	2026	2027	2028	2029	2030	2031	2026	2027	2028	2029	2030	2031
Labor	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
NLbr	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
NSE	0	0	0	0	0	0	46,569	34,927	40,873	40,873	40,873	40,873	46,569	34,927	40,873	40,873	40,873	40,873
<b>Total</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>46,569</b>	<b>34,927</b>	<b>40,873</b>	<b>40,873</b>	<b>40,873</b>	<b>40,873</b>	<b>46,569</b>	<b>34,927</b>	<b>40,873</b>	<b>40,873</b>	<b>40,873</b>	<b>40,873</b>
FTE	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Units	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0

**Forecast Adjustment Details:**

Year	Labor (Zero-Based)	NLbr (Zero-Based)	NSE (Zero-Based)	Total	FTE	Units ( )	Adj_Type
2026	0	0	46,569	46,569	0.0	0	1-Sided Adj
<b>Explanation:</b>	Pension Projection 2026						
<b>2026 Total</b>	<b>0</b>	<b>0</b>	<b>46,569</b>	<b>46,569</b>	<b>0.0</b>	<b>0</b>	
2027	0	0	34,927	34,927	0.0	0	1-Sided Adj
<b>Explanation:</b>	Pension Projection 2027						
<b>2027 Total</b>	<b>0</b>	<b>0</b>	<b>34,927</b>	<b>34,927</b>	<b>0.0</b>	<b>0</b>	
2028	0	0	40,873	40,873	0.0	0	1-Sided Adj

*Note: Totals may include rounding differences.*

**Area:** PENSION & PBOP  
**Witness:** Sara M. Steen  
**Category:** A. Employee Pension-PBOP  
**Category-Sub:** 1. EMPLOYEE PENSION  
**Workpaper:** 1PN000.000 - EMPLOYEE PENSION  
**Unit Measure:** N/A

Year	Labor (Zero-Based)	NLbr (Zero-Based)	NSE (Zero-Based)	Total	FTE	Units ()	Adj_Type
<b>Explanation:</b> Pension Projection 2028							
<b>2028 Total</b>	<b>0</b>	<b>0</b>	<b>40,873</b>	<b>40,873</b>	<b>0.0</b>	0	
2029	0	0	40,873	40,873	0.0	0	1-Sided Adj
<b>Explanation:</b> Pension Projection 2029							
<b>2029 Total</b>	<b>0</b>	<b>0</b>	<b>40,873</b>	<b>40,873</b>	<b>0.0</b>	0	
2030	0	0	40,873	40,873	0.0	0	1-Sided Adj
<b>Explanation:</b> Pension Projection 2030							
<b>2030 Total</b>	<b>0</b>	<b>0</b>	<b>40,873</b>	<b>40,873</b>	<b>0.0</b>	0	
2031	0	0	40,873	40,873	0.0	0	1-Sided Adj
<b>Explanation:</b> Pension Projection 2031							
<b>2031 Total</b>	<b>0</b>	<b>0</b>	<b>40,873</b>	<b>40,873</b>	<b>0.0</b>	0	

*Note: Totals may include rounding differences.*

**Area:** PENSION & PBOP  
**Witness:** Sara M. Steen  
**Category:** A. Employee Pension-PBOP  
**Category-Sub:** 1. EMPLOYEE PENSION  
**Workpaper:** 1PN000.000 - EMPLOYEE PENSION  
**Unit Measure:** N/A

**Determination of Adjusted-Recorded (Incurred Costs in thousands):**

	2021	2022	2023	2024	2025
<b>Recorded (Nominal \$)*</b>					
Labor	0	0	0	0	0
Non-Labor	34,723	36,376	31,621	38,728	37,397
NSE	0	0	0	0	0
<b>Total</b>	<b>34,723</b>	<b>36,376</b>	<b>31,621</b>	<b>38,728</b>	<b>37,397</b>
FTE	0.0	0.0	0.0	0.0	0.0
Units	0	0	0	0	0
<b>Adjustments (Nominal \$) **</b>					
Labor	0	0	0	0	0
Non-Labor	15,945	14,292	19,047	-3,800	11,012
NSE	0	0	0	0	0
<b>Total</b>	<b>15,945</b>	<b>14,292</b>	<b>19,047</b>	<b>-3,800</b>	<b>11,012</b>
FTE	0.0	0.0	0.0	0.0	0.0
Units	0	0	0	0	0
<b>Recorded-Adjusted (Nominal \$)</b>					
Labor	0	0	0	0	0
Non-Labor	50,668	50,668	50,668	34,927	48,409
NSE	0	0	0	0	0
<b>Total</b>	<b>50,668</b>	<b>50,668</b>	<b>50,668</b>	<b>34,927</b>	<b>48,409</b>
FTE	0.0	0.0	0.0	0.0	0.0
Units	0	0	0	0	0
<b>Vacation &amp; Sick (Nominal \$)</b>					
Labor	0	0	0	0	0

**Area:** PENSION & PBOP  
**Witness:** Sara M. Steen  
**Category:** A. Employee Pension-PBOP  
**Category-Sub:** 1. EMPLOYEE PENSION  
**Workpaper:** 1PN000.000 - EMPLOYEE PENSION  
**Unit Measure:** N/A

**Determination of Adjusted-Recorded (Incurred Costs in thousands):**

	2021	2022	2023	2024	2025
Non-Labor	0	0	0	0	0
NSE	0	0	0	0	0
<b>Total</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
FTE	0.0	0.0	0.0	0.0	0.0
Units	0	0	0	0	0
<b>Escalation to 2025\$</b>					
Labor	0	0	0	0	0
Non-Labor	12,317	4,852	2,527	1,045	0
NSE	0	0	0	0	0
<b>Total</b>	<b>12,317</b>	<b>4,852</b>	<b>2,527</b>	<b>1,045</b>	<b>0</b>
FTE	0.0	0.0	0.0	0.0	0.0
Units	0	0	0	0	0
<b>Recorded-Adjusted (Constant 2025\$)</b>					
Labor	0	0	0	0	0
Non-Labor	62,985	55,520	53,195	35,972	48,409
NSE	0	0	0	0	0
<b>Total</b>	<b>62,985</b>	<b>55,520</b>	<b>53,195</b>	<b>35,972</b>	<b>48,409</b>
FTE	0.0	0.0	0.0	0.0	0.0
Units	0	0	0	0	0

\* After company-wide exclusions of Non-GRC costs

\*\* Refer to "Detail of Adjustments to Recorded" page for line item adjustments

Note: Totals may include rounding differences.

**Area:** PENSION & PBOP  
**Witness:** Sara M. Steen  
**Category:** A. Employee Pension-PBOP  
**Category-Sub:** 1. EMPLOYEE PENSION  
**Workpaper:** 1PN000.000 - EMPLOYEE PENSION  
**Unit Measure:** N/A

**Summary of Adjustments to Recorded:**

		In Nominal \$ (000) Incurred Costs				
Years	2021	2022	2023	2024	2025	
Labor	0	0	0	0	0	
Non-Labor	15,945	14,292	19,047	-3,800	11,012	
NSE	0	0	0	0	0	
<b>Total</b>	<b>15,945</b>	<b>14,292</b>	<b>19,047</b>	<b>-3,800</b>	<b>11,012</b>	
FTE	0.0	0.0	0.0	0.0	0.0	
Units	0	0	0	0	0	

**Detail of Adjustments to Recorded in Nominal \$:**

Year	Labor	NLbr	NSE	FTE	Units	Adj Type
2021	0	15,945	0	0.0	0	1-Sided Adj
<b>2021 Total</b>	<b>0</b>	<b>15,945</b>	<b>0</b>	<b>0.0</b>	<b>0</b>	
2022	0	14,292	0	0.0	0	1-Sided Adj
<b>2022 Total</b>	<b>0</b>	<b>14,292</b>	<b>0</b>	<b>0.0</b>	<b>0</b>	

*Note: Totals may include rounding differences.*

**Area:** PENSION & PBOP  
**Witness:** Sara M. Steen  
**Category:** A. Employee Pension-PBOP  
**Category-Sub:** 1. EMPLOYEE PENSION  
**Workpaper:** 1PN000.000 - EMPLOYEE PENSION  
**Unit Measure:** N/A

Year	Labor	NLbr	NSE	FTE	Units	Adj Type
2023	0	19,047	0	0.0	0	1-Sided Adj
<b>Explanation:</b> Adjustment to include all employee pension costs related to cost elements 7711011 and 7711012 to the workpaper.						
<b>2023 Total</b>	<b>0</b>	<b>19,047</b>	<b>0</b>	<b>0.0</b>	<b>0</b>	
2024	0	-3,819	0	0.0	0	1-Sided Adj
<b>Explanation:</b> Adjustment to include all employee pension costs related to cost elements 7711011 and 7711012 to the workpaper.						
2024	0	19	0	0.0	0	1-Sided Adj
<b>Explanation:</b> Adjustment to exclude expenses related to miscellaneous account cleanup from GRC costs.						
<b>2024 Total</b>	<b>0</b>	<b>-3,800</b>	<b>0</b>	<b>0.0</b>	<b>0</b>	
2025	0	10,989	0	0.0	0	1-Sided Adj
<b>Explanation:</b> Adjustment to include all non-SB901 employee pension costs related to cost elements 7711011 and 7711012 to the workpaper.						
2025	0	22	0	0.0	0	1-Sided Adj
<b>Explanation:</b> Adjustment to exclude credits related to miscellaneous account cleanup from GRC costs.						
<b>2025 Total</b>	<b>0</b>	<b>11,012</b>	<b>0</b>	<b>0.0</b>	<b>0</b>	

Note: Totals may include rounding differences.

**Supplemental Workpapers for Workpaper 1PN000.000**

San Diego Gas & Electric Company  
 2028 GRC - APPLICATION  
 Non-Shared Service Workpapers

San Diego Gas & Electric  
 Pension Contribution Projection  
 For Years 2026-2031

<b>ASSUMPTIONS</b>
1. Pension contribution amounts based on estimates provided by WTW, a global actuarial services firm. 2. Forecasted costs exclude executive officer costs as defined under Resolution E-4963 pursuant to Public Utilities Code Section 706, as enacted by Senate Bill (SB) 901, which prohibits SDG&E from recovering from ratepayers any annual salary, bonus, benefits, or other consideration of any value (compensation and benefits).

	<b>Projected</b>					
	2026	2027	2028	2029	2030	2031
<b>Pension Contributions</b>	<b>\$ 46,569,000</b>	<b>\$ 34,927,000</b>	<b>\$ 40,873,000</b>	<b>\$ 40,873,000</b>	<b>\$ 40,873,000</b>	<b>\$ 40,873,000</b>

San Diego Gas & Electric Company  
 2028 GRC - APPLICATION  
 Non-Shared Service Workpapers

San Diego Gas & Electric Company  
 Pension Contribution Projection  
 For Years 2026 - 2031



**ASSUMPTIONS**

**1. Pension contribution amounts based on estimates provided by the Utility's certified actuary, WTW.**

<b>Pension Contributions</b>	<b>Projected</b>					
	<b>2026</b>	<b>2027</b>	<b>2028</b>	<b>2029</b>	<b>2030</b>	<b>2031</b>
Policy contribution	\$ 46,668,000	\$ 34,989,000	\$ 40,964,000	\$ 40,964,000	\$ 40,964,000	\$ 40,964,000
Adjustment for executives	<u>(99,000)</u>	<u>(62,000)</u>	<u>(91,000)</u>	<u>(91,000)</u>	<u>(91,000)</u>	<u>(91,000) *</u>
Recoverable contribution	<u>\$ 46,569,000</u>	<u>\$ 34,927,000</u>	<u>\$ 40,873,000</u>	<u>\$ 40,873,000</u>	<u>\$ 40,873,000</u>	<u>\$ 40,873,000</u>

\* Adjustments for executives is for SB901 officers only based on listing provided by Sempra on February 26, 2026 (listing as of January 31, 2026). Includes 4 executives for SDG&E.

San Diego Gas & Electric Company  
2028 GRC - APPLICATION  
Non-Shared Service Workpapers



**San Diego Gas & Electric Company Cash Balance Plan  
General Rate Case Forecast  
10-Year Forecast of Projected ASC Accounting Costs and Contributions Reflecting Projected Headcount  
(\$ in millions)**

Pension	San Diego Gas & Electric Company Cash Balance Plan									
	2026	2027	2028	2029	2030	2031	2032	2033	2034	2035
• ASC 715 Cost	39.98	40.13	41.03	43.67	46.55	48.78	50.20	51.43	52.84	54.43
• Minimum Required Contribution	45.35	18.28	13.61	18.47	27.16	24.24	31.91	21.31	12.03	4.49
• PPA Funded Percentage										
Actuarial Value of Assets (including Receivables)	774.71	786.10	821.12	846.36	872.50	900.11	929.61	982.82	1,035.36	1,088.95
<u>Funding Target</u>	<u>773.37</u>	<u>760.45</u>	<u>789.39</u>	<u>816.58</u>	<u>848.36</u>	<u>871.85</u>	<u>907.00</u>	<u>947.37</u>	<u>988.37</u>	<u>1,032.07</u>
Funded Percentage	100%	103%	104%	104%	103%	103%	102%	104%	105%	106%
• Funding Policy Contribution	46.67	34.99	40.96	40.96	40.96	40.96	63.15	63.15	63.15	63.15
• PBO Funded Percentage										
Fair Value of Assets	806.57	804.20	822.52	847.70	874.49	902.65	931.00	983.38	1,035.86	1,089.47
<u>PBO</u>	<u>810.86</u>	<u>806.05</u>	<u>831.29</u>	<u>858.48</u>	<u>890.11</u>	<u>926.22</u>	<u>964.94</u>	<u>1,007.20</u>	<u>1,051.08</u>	<u>1,097.80</u>
Funded Percentage	99%	100%	99%	99%	98%	97%	96%	98%	99%	99%
• ASC 715 Discount rate	5.75%	5.75%	5.75%	5.75%	5.75%	5.75%	5.75%	5.75%	5.75%	5.75%

**Note:** The information projected for 2026 through 2035 is based on contributions authorized in CPUC Decision (D.) 19-19-051 prior to removal of executive officer costs pursuant to California Public Utilities Code Section 706 (as modified by Senate Bill 901).

San Diego Gas & Electric Company  
2028 GRC - APPLICATION  
Non-Shared Service Workpapers



**General Rate Case Forecast**  
**Forecast of Projected ASC Accounting Costs and Contributions**  
**for San Diego Gas & Electric Company Cash Balance Plan**

**Key Assumptions**

	2026	2027	2028	2029	2030	2031	2032	2033	2034	2035
ASC 715 Discount rate	See forecast exhibit									
PPA Effective Discount Rate - SDG&E qualified plan	5.50%	5.61%	5.53%	5.50%	5.47%	5.59%	5.60%	5.59%	5.59%	5.59%
Expected Return for Determining ASC 715 Benefit Cost for SDG&E qualified plan <sup>(1)</sup>	6.25%	6.25%	6.25%	6.25%	6.25%	6.25%	6.25%	6.25%	6.25%	6.25%
Assumed Return other than from unrealized and realized gains / (losses) for Market Related Value of Assets (MRVA) purposes	2.50%	2.50%	2.50%	2.50%	2.50%	2.50%	2.50%	2.50%	2.50%	2.50%
Salary Scale - Qualified plans	Age Based	Age Based	Age Based	Age Based	Age Based	Age Based	Age Based	Age Based	Age Based	Age Based
Cash Balance Crediting Rate	4.70%	4.70%	4.70%	4.70%	4.70%	4.70%	4.70%	4.70%	4.70%	4.70%
Lump sum conversion interest rate	Segment Rates	Segment Rates	Segment Rates	Segment Rates	Segment Rates	Segment Rates	Segment Rates	Segment Rates	Segment Rates	Segment Rates
Pre-retirement Mortality	Pri-2012 Employee table with MP-2021 generational projection scale									
Post-retirement Mortality	Sempra specific table: Pri-2012 Healthy Retiree and Contingent Survivor tables, no collar or quartile adjustment, projected from 2012 to 2021 using MP-2021, and an adjustment factor of 0.95									
Lump Sum Mortality	2026 IRS 417(e) mortality table, with modified MP-2021 scale to year of commencement, blended 50% males/50% females, with 0.78% cap in the projection scale									
Retirement and Termination Rates	Same as those used for the 2025 year-end disclosures									
Number of projected headcount	<u>12/31/2025</u>	<u>12/31/2026</u>	<u>12/31/2027</u>	<u>12/31/2028</u>	<u>12/31/2029</u>	<u>12/31/2030</u>	<u>12/31/2031</u>	<u>12/31/2032</u>	<u>12/31/2033</u>	<u>12/31/2034</u>
(provided by Sempra on February 25, 2026) <sup>(2)</sup>	4,399	4,223	4,104	4,239	4,375	4,375	4,375	4,375	4,375	4,375

<sup>(1)</sup> The Expected Return on Assets (EROA) assumption under US GAAP captures anticipated changes in the asset allocation due to de-risking under the Glide Path.

<sup>(2)</sup> The counts provided include employees who may not be eligible for pension benefits. Therefore, future plan eligible counts were estimated based on the headcount pattern in combination with January 1, 2025 active valuation count.

**Methodology**

- Unless stated otherwise, data, assumptions, methods, models, plan provisions and other information are consistent with those used in the Utility's accounting disclosures under ASC-715 as of December 31, 2025.

**Pension Funding Rules and Funding Method**

- Based on Pension Protection Act (PPA) updated by the Highway and Transportation Funding Act (HATFA) and Bipartisan Budget Act of 2015, and the American Rescue Plan Act (ARPA), including Infrastructure Investment and Jobs Act (IIJA).
- Based on PPA segment rates, September look-back, asset smoothing.

**Assets**

- Reflects audited trust information through December 31, 2025.
- Assets are projected at the Expected Return for ASC 715 Benefit Cost calculation less 25 basis points to reflect the compounded nature of returns.

**Data and Demographics**

- January 1, 2025 participant census adjusted for VREPs and RIFs in 2025 and reflecting expected headcount changes based on information provided by Sempra on February 25, 2026.
- Reflects VREPs and RIFs known in 2025, as well as a potential VREP of 130 SDG&E represented and non-represented and RIF of 46 SDG&E non-represented.

**Plan Design**

- Includes all plan changes described with December 31, 2025 disclosure.

**Contribution Amounts**

- Contributions for qualified pension plans equal to sum of contributions to trusts.

**Contribution Policy**

- Qualified Plan: Service cost plus a seven-year amortization of the PBO deficit (recalculated at each GRC), limited to keep plan assets from exceeding 110% of the PBO as a result of the contribution, and no less than the minimum required or such amount as required to maintain an 85% AFTAP.

San Diego Gas & Electric Company  
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**San Diego Gas & Electric Company Cash Balance Plan  
Additional Projection Details  
Projected Funding Policy Contributions**

Projected Funding Policy Contribution (\$thousand)										
	2026	2027	2028	2029	2030	2031	2032	2033	2034	2035
<b>A. Policy Base Amount</b>										
1. Projected Benefit Obligation	810,858	806,047	831,292	858,483	890,109	926,217	964,942	1,007,196	1,051,077	1,097,795
2. Fair value of assets	806,568	804,197	822,516	847,699	874,487	902,653	930,998	983,379	1,035,856	1,089,469
3. Shortfall / (Surplus) (1. - 2.)	4,290	1,850	8,776	10,784	15,622	23,564	33,944	23,817	15,221	8,326
4. Discount rate	5.75%	5.75%	5.75%	5.75%	5.75%	5.75%	5.75%	5.75%	5.75%	5.75%
5. 7-year amortization factor			5.9562				5.9562			
6. Present value of remaining payments			(25,462)				16,324			
7. Shortfall amortization amount ( (3. - 6.) / 5.)			5,748				2,957			
8. Shortfall amortization, base 1			(8,966)				5,748			
9. Shortfall amortization, base 2			5,748				2,957			
10. Service Cost at Base Year			41,954				51,014			
11. Shortfall amortization (8. + 9.)			(3,218)				8,705			
12. Base Policy Amount (10. + 11.)			38,736				59,719			
13. EOY Base Policy Amount 12. * 1.0575 (2026 - 2027 reflect 2022 GRC base amount)	34,989	34,989	40,964	40,964	40,964	40,964	63,153	63,153	63,153	63,153
<b>B. Minimum Required Contribution</b>										
1. MRC (Exhibit 6, C.6)	46,668	18,788	13,983	18,971	27,894	24,904	32,788	21,901	12,362	4,616
<b>C. 85% Adjusted Funding Target Attainment Percentage (AFTAP) Minimum</b>										
1. Funding Target Liability at 1/1	773,365	760,445	789,385	816,580	848,358	871,849	907,003	947,370	988,368	1,032,065
2. 85% of 1.	657,360	646,378	670,977	694,093	721,104	741,072	770,953	805,265	840,113	877,255
3. Actuarial Value of Assets	774,711	786,100	821,117	846,364	872,497	900,112	929,612	982,820	1,035,363	1,088,950
4. Minimum Required Contribution reflecting payment timing	-	-	-	-	-	-	-	-	-	-
5. 85% AFTAP Minimum at the end of the year	-	-	-	-	-	-	-	-	-	-
<b>D. 110% of PBO Cap</b>										
1. 110% of PBO at t+1	884,236	914,402	944,312	979,101	1,018,819	1,061,417	1,107,897	1,156,164	1,207,554	1,262,259
2. Fair value of assets at t+1 (prior to contribution at t)	755,951	785,987	804,930	831,720	859,888	888,234	917,436	969,914	1,023,528	1,078,264
3. Maximum contribution (end of year) (1. - 2.) (includes interest on contributions made during year)	122,799	122,923	133,421	141,078	152,135	165,777	182,316	178,285	176,156	176,127
<b>E. Funding Policy Contribution</b>										
1. Funding policy amount (greater of A.13, B.1, and C.5, not no more than D.3)	46,668	34,989	40,964	40,964	40,964	40,964	63,153	63,153	63,153	63,153

**Note:** The information projected for 2026 through 2035 is based on contributions authorized in CPUC Decision (D.) 19-19-051 prior to removal of executive officer costs pursuant to California Public Utilities Code Section 706 (as modified by Senate Bill 901).

San Diego Gas & Electric Company  
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**San Diego Gas & Electric Company Cash Balance Plan  
Additional Projection Details  
Projected Minimum Required Contributions**

Projected Minimum Required Contribution (\$thousand)										
	2026	2027	2028	2029	2030	2031	2032	2033	2034	2035
<b>A. Funding Shortfall</b>										
1. Effective Interest Rate (EIR)	5.50%	5.61%	5.53%	5.50%	5.47%	5.59%	5.60%	5.59%	5.59%	5.59%
2. Funding Target Liability	773,365	760,445	789,385	816,580	848,358	871,849	907,003	947,370	988,368	1,032,065
3. Actuarial value of assets	774,711	786,100	821,117	846,364	872,497	900,112	929,612	982,820	1,035,363	1,088,950
4. Prefunding balance	-	-	-	-	-	-	-	-	-	-
5. Funding shortfall / (surplus) (2. - [3. - 4.])	(1,346)	(25,655)	(31,732)	(29,784)	(24,139)	(28,263)	(22,609)	(35,450)	(46,995)	(56,885)
<b>B. Shortfall Amortization Payments</b>										
1. Starting 1/1/2026	-	-	-	-	-	-	-	-	-	-
2. Starting 1/1/2027	-	-	-	-	-	-	-	-	-	-
3. Starting 1/1/2028	-	-	-	-	-	-	-	-	-	-
4. Starting 1/1/2029	-	-	-	-	-	-	-	-	-	-
5. Starting 1/1/2030	-	-	-	-	-	-	-	-	-	-
6. Starting 1/1/2031	-	-	-	-	-	-	-	-	-	-
7. Starting 1/1/2032	-	-	-	-	-	-	-	-	-	-
8. Starting 1/1/2033	-	-	-	-	-	-	-	-	-	-
9. Starting 1/1/2034	-	-	-	-	-	-	-	-	-	-
10. Starting 1/1/2035	-	-	-	-	-	-	-	-	-	-
11. Total (Sum of 1. through 10.)	-	-	-	-	-	-	-	-	-	-
<b>C. Minimum Required Contribution</b>										
1. Target Normal Cost at 1/1	46,700	43,937	45,344	48,254	51,300	52,499	54,516	56,763	59,025	61,377
2. Adjusted Target Normal Cost (1. + A.5. if surplus)	45,354	18,282	13,612	18,470	27,161	24,236	31,907	21,313	12,030	4,492
3. Shortfall amortization (B.11.)	-	-	-	-	-	-	-	-	-	-
4. Prefunding balance (A.4)	-	-	-	-	-	-	-	-	-	-
5. Minimum Required Contribution (2. + 3. - 4., no less than \$0)	45,354	18,282	13,612	18,470	27,161	24,236	31,907	21,313	12,030	4,492
6. Minimum Required Contribution reflecting payment timing	46,668	18,788	13,983	18,971	27,894	24,904	32,788	21,901	12,362	4,616
<b>Note:</b> The information projected for 2026 through 2035 is based on contributions authorized in CPUC Decision (D.) 19-19-051 prior to removal of executive officer costs pursuant to California Public Utilities Code Section 706 (as modified by Senate Bill 901).										

San Diego Gas & Electric Company  
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**San Diego Gas & Electric Company Cash Balance Plan  
Additional Projection Details  
Projected Assets**



Projected Assets (\$thousand)										
	2026	2027	2028	2029	2030	2031	2032	2033	2034	2035
<b>A. Fair Value of Assets (FVA)</b>										
1. FVA at beginning of year	806,568	804,197	822,516	847,699	874,487	902,653	930,998	983,379	1,035,856	1,089,469
2. Employer contributions (adjusted for timing and interest)	46,668	34,989	40,964	40,964	40,964	40,964	63,153	63,153	63,153	63,153
3. Benefit payments	(94,341)	(62,760)	(63,175)	(63,010)	(63,152)	(64,565)	(65,316)	(68,195)	(70,071)	(72,022)
4. Administrative expenses from trust	(1,840)	(1,819)	(1,866)	(1,940)	(2,023)	(2,076)	(2,147)	(2,226)	(2,306)	(2,390)
5. Investment return	47,142	47,908	49,260	50,775	52,376	54,023	56,690	59,746	62,837	65,993
6. FVA at end of year (sum 1 through 5)	804,197	822,515	847,699	874,488	902,652	930,999	983,378	1,035,857	1,089,469	1,144,203
7. Assumed investment return	6.25%	6.25%	6.25%	6.25%	6.25%	6.25%	6.25%	6.25%	6.25%	6.25%
<b>B. Actuarial Asset Value for Minimum Purposes</b>										
1. Market value of assets (MVA), without receivables	806,568	804,197	822,516	847,699	874,487	902,653	930,998	983,379	1,035,856	1,089,469
2. Present value of receivables	-	-	-	-	-	-	-	-	-	-
3. MVA including receivables (1. + 2.)	806,568	804,197	822,516	847,699	874,487	902,653	930,998	983,379	1,035,856	1,089,469
4. Asset gain or (loss) from prior year	49,421	2,435	881	1,563	2,204	2,710	724	476	502	528
5. Asset gain or (loss) from two years prior	(3,271)	49,421	2,435	881	1,563	2,204	2,710	724	476	502
6. Asset deferral	31,857	18,097	1,399	1,335	1,990	2,541	1,386	559	493	519
7. Actuarial value of assets (AVA) prior to corridor (3. - 6.)	774,711	786,100	821,117	846,364	872,497	900,112	929,612	982,820	1,035,363	1,088,950
8. Lower corridor 90% of MVA	725,911	723,777	740,264	762,929	787,038	812,388	837,898	885,041	932,270	980,522
9. Upper corridor 110% of MVA	887,225	884,617	904,768	932,469	961,936	992,918	1,024,098	1,081,717	1,139,442	1,198,416
10. Final AVA (limited to 90% to 110% of MVA)	774,711	786,100	821,117	846,364	872,497	900,112	929,612	982,820	1,035,363	1,088,950

**Note:** The information projected for 2026 through 2035 is based on contributions authorized in CPUC Decision (D.) 19-19-051 prior to removal of executive officer costs pursuant to California Public Utilities Code Section 706 (as modified by Senate Bill 901).

**Beginning of Workpaper**  
**1PN000.001 - EMPLOYEE PBOP**

**Area:** PENSION & PBOP  
**Witness:** Sara M. Steen  
**Category:** A. Employee Pension-PBOP  
**Category-Sub** 2. EMPLOYEE PBOP  
**Workpaper:** 1PN000.001 - EMPLOYEE PBOP  
**Unit Measure:** N/A

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**Activity Description:**

SDG&E provides post-retirement benefits other than pensions (PBOP) such as health and life insurance benefits, also known as the San Diego Gas & Electric Company Post-retirement Health and Life Plans. Represented and non-represented employees participate in the plan.

**Forecast Explanations:**

**Labor - Zero-Based**

Please see NSE below

**Non-Labor - Zero-Based**

Please see NSE below

**NSE - Zero-Based**

Zero-based method chosen as contributions are determined by the Company's certified actuary WTW and are calculated in accordance with Actuarial Standards of Practice, US Generally Accepted Accounting Principles and ERISA.

n/a

*Note: Totals may include rounding differences.*

**Area:** PENSION & PBOP  
**Witness:** Sara M. Steen  
**Category:** A. Employee Pension-PBOP  
**Category-Sub:** 2. EMPLOYEE PBOP  
**Workpaper:** 1PN000.001 - EMPLOYEE PBOP  
**Unit Measure:** N/A

**Summary of Results:**

Years	In 2025\$ (000) Incurred Costs										
	Adjusted Recorded					Adjusted Forecast					
	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031
Labor	0	0	0	0	0	0	0	0	0	0	0
Non-Labor	0	0	0	227	16,137	0	0	0	0	0	0
NSE	0	0	0	0	0	9,269	1,369	1,708	2,088	2,398	2,698
<b>Total</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>227</b>	<b>16,137</b>	<b>9,269</b>	<b>1,369</b>	<b>1,708</b>	<b>2,088</b>	<b>2,398</b>	<b>2,698</b>
FTE	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Units	0	0	0	0	0	0	0	0	0	0	0

*Note: Totals may include rounding differences.*

**Area:** PENSION & PBOP  
**Witness:** Sara M. Steen  
**Category:** A. Employee Pension-PBOP  
**Category-Sub:** 2. EMPLOYEE PBOP  
**Workpaper:** 1PN000.001 - EMPLOYEE PBOP  
**Unit Measure:** N/A

**Summary of Adjustments to Forecast:**

In 2025 \$(000) Incurred Costs																		
Years	Base Forecast						Forecast Adjustments						Adjusted-Forecast					
	2026	2027	2028	2029	2030	2031	2026	2027	2028	2029	2030	2031	2026	2027	2028	2029	2030	2031
Labor	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
NLbr	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
NSE	0	0	0	0	0	0	9,269	1,369	1,708	2,088	2,398	2,698	9,269	1,369	1,708	2,088	2,398	2,698
<b>Total</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>9,269</b>	<b>1,369</b>	<b>1,708</b>	<b>2,088</b>	<b>2,398</b>	<b>2,698</b>	<b>9,269</b>	<b>1,369</b>	<b>1,708</b>	<b>2,088</b>	<b>2,398</b>	<b>2,698</b>
FTE	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Units	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0

**Forecast Adjustment Details:**

Year	Labor (Zero-Based)	NLbr (Zero-Based)	NSE (Zero-Based)	Total	FTE	Units ( )	Adj_Type
2026	0	0	9,269	9,269	0.0	0	1-Sided Adj
<b>Explanation:</b>	PBOP Projection 2026						
<b>2026 Total</b>	<b>0</b>	<b>0</b>	<b>9,269</b>	<b>9,269</b>	<b>0.0</b>	<b>0</b>	
2027	0	0	1,369	1,369	0.0	0	1-Sided Adj
<b>Explanation:</b>	PBOP Projection 2027						
<b>2027 Total</b>	<b>0</b>	<b>0</b>	<b>1,369</b>	<b>1,369</b>	<b>0.0</b>	<b>0</b>	
2028	0	0	1,708	1,708	0.0	0	1-Sided Adj

*Note: Totals may include rounding differences.*

**Area:** PENSION & PBOP  
**Witness:** Sara M. Steen  
**Category:** A. Employee Pension-PBOP  
**Category-Sub:** 2. EMPLOYEE PBOP  
**Workpaper:** 1PN000.001 - EMPLOYEE PBOP  
**Unit Measure:** N/A

Year	Labor (Zero-Based)	NLbr (Zero-Based)	NSE (Zero-Based)	Total	FTE	Units ()	Adj_Type
<b>Explanation:</b> PBOP Projection 2028							
<b>2028 Total</b>	<b>0</b>	<b>0</b>	<b>1,708</b>	<b>1,708</b>	<b>0.0</b>	0	
2029	0	0	2,088	2,088	0.0	0	1-Sided Adj
<b>Explanation:</b> PBOP Projection 2029							
<b>2029 Total</b>	<b>0</b>	<b>0</b>	<b>2,088</b>	<b>2,088</b>	<b>0.0</b>	0	
2030	0	0	2,398	2,398	0.0	0	1-Sided Adj
<b>Explanation:</b> PBOP Projection 2030							
<b>2030 Total</b>	<b>0</b>	<b>0</b>	<b>2,398</b>	<b>2,398</b>	<b>0.0</b>	0	
2031	0	0	2,698	2,698	0.0	0	1-Sided Adj
<b>Explanation:</b> PBOP Projection 2031							
<b>2031 Total</b>	<b>0</b>	<b>0</b>	<b>2,698</b>	<b>2,698</b>	<b>0.0</b>	0	

*Note: Totals may include rounding differences.*

**Area:** PENSION & PBOP  
**Witness:** Sara M. Steen  
**Category:** A. Employee Pension-PBOP  
**Category-Sub:** 2. EMPLOYEE PBOP  
**Workpaper:** 1PN000.001 - EMPLOYEE PBOP  
**Unit Measure:** N/A

**Determination of Adjusted-Recorded (Incurred Costs in thousands):**

	2021	2022	2023	2024	2025
<b>Recorded (Nominal \$)*</b>					
Labor	0	0	0	0	0
Non-Labor	5,082	5,118	2,796	3,130	2,874
NSE	0	0	0	0	0
<b>Total</b>	<b>5,082</b>	<b>5,118</b>	<b>2,796</b>	<b>3,130</b>	<b>2,874</b>
FTE	0.0	0.0	0.0	0.0	0.0
Units	0	0	0	0	0
<b>Adjustments (Nominal \$) **</b>					
Labor	0	0	0	0	0
Non-Labor	-5,082	-5,118	-2,796	-2,909	13,264
NSE	0	0	0	0	0
<b>Total</b>	<b>-5,082</b>	<b>-5,118</b>	<b>-2,796</b>	<b>-2,909</b>	<b>13,264</b>
FTE	0.0	0.0	0.0	0.0	0.0
Units	0	0	0	0	0
<b>Recorded-Adjusted (Nominal \$)</b>					
Labor	0	0	0	0	0
Non-Labor	0	0	0	220	16,137
NSE	0	0	0	0	0
<b>Total</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>220</b>	<b>16,137</b>
FTE	0.0	0.0	0.0	0.0	0.0
Units	0	0	0	0	0
<b>Vacation &amp; Sick (Nominal \$)</b>					
Labor	0	0	0	0	0

**Area:** PENSION & PBOP  
**Witness:** Sara M. Steen  
**Category:** A. Employee Pension-PBOP  
**Category-Sub:** 2. EMPLOYEE PBOP  
**Workpaper:** 1PN000.001 - EMPLOYEE PBOP  
**Unit Measure:** N/A

**Determination of Adjusted-Recorded (Incurred Costs in thousands):**

	2021	2022	2023	2024	2025
Non-Labor	0	0	0	0	0
NSE	0	0	0	0	0
<b>Total</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
FTE	0.0	0.0	0.0	0.0	0.0
Units	0	0	0	0	0
<b>Escalation to 2025\$</b>					
Labor	0	0	0	0	0
Non-Labor	0	0	0	7	0
NSE	0	0	0	0	0
<b>Total</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>7</b>	<b>0</b>
FTE	0.0	0.0	0.0	0.0	0.0
Units	0	0	0	0	0
<b>Recorded-Adjusted (Constant 2025\$)</b>					
Labor	0	0	0	0	0
Non-Labor	0	0	0	227	16,137
NSE	0	0	0	0	0
<b>Total</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>227</b>	<b>16,137</b>
FTE	0.0	0.0	0.0	0.0	0.0
Units	0	0	0	0	0

\* After company-wide exclusions of Non-GRC costs

\*\* Refer to "Detail of Adjustments to Recorded" page for line item adjustments

Note: Totals may include rounding differences.

**Area:** PENSION & PBOP  
**Witness:** Sara M. Steen  
**Category:** A. Employee Pension-PBOP  
**Category-Sub:** 2. EMPLOYEE PBOP  
**Workpaper:** 1PN000.001 - EMPLOYEE PBOP  
**Unit Measure:** N/A

**Summary of Adjustments to Recorded:**

		In Nominal \$ (000) Incurred Costs				
Years	2021	2022	2023	2024	2025	
Labor	0	0	0	0	0	
Non-Labor	-5,082	-5,118	-2,796	-2,909	13,264	
NSE	0	0	0	0	0	
<b>Total</b>	<b>-5,082</b>	<b>-5,118</b>	<b>-2,796</b>	<b>-2,909</b>	<b>13,264</b>	
FTE	0.0	0.0	0.0	0.0	0.0	
Units	0	0	0	0	0	

**Detail of Adjustments to Recorded in Nominal \$:**

Year	Labor	NLbr	NSE	FTE	Units	Adj Type
2021	0	-5,082	0	0.0	0	1-Sided Adj
<b>Explanation:</b> Adjustment to include all employee PBOP costs related to cost elements 7711015 and 7711016 to the workpaper.						
<b>2021 Total</b>	<b>0</b>	<b>-5,082</b>	<b>0</b>	<b>0.0</b>	<b>0</b>	
2022	0	-5,118	0	0.0	0	1-Sided Adj
<b>Explanation:</b> Adjustment to include all employee PBOP costs related to cost elements 7711015 and 7711016 to the workpaper.						
<b>2022 Total</b>	<b>0</b>	<b>-5,118</b>	<b>0</b>	<b>0.0</b>	<b>0</b>	

*Note: Totals may include rounding differences.*

**Area:** PENSION & PBOP  
**Witness:** Sara M. Steen  
**Category:** A. Employee Pension-PBOP  
**Category-Sub:** 2. EMPLOYEE PBOP  
**Workpaper:** 1PN000.001 - EMPLOYEE PBOP  
**Unit Measure:** N/A

Year	Labor	NLbr	NSE	FTE	Units	Adj Type
2023	0	-2,796	0	0.0	0	1-Sided Adj
<b>Explanation:</b> Adjustment to include all employee PBOP costs related to cost elements 7711015 and 7711016 to the workpaper.						
<b>2023 Total</b>	<b>0</b>	<b>-2,796</b>	<b>0</b>	<b>0.0</b>	<b>0</b>	
2024	0	-2,909	0	0.0	0	1-Sided Adj
<b>Explanation:</b> Adjustment to include all employee PBOP costs related to cost elements 7711015 and 7711016 to the workpaper.						
<b>2024 Total</b>	<b>0</b>	<b>-2,909</b>	<b>0</b>	<b>0.0</b>	<b>0</b>	
2025	0	13,264	0	0.0	0	1-Sided Adj
<b>Explanation:</b> Adjustment to include all employee PBOP costs related to cost elements 7711015 and 7711016 to the workpaper.						
<b>2025 Total</b>	<b>0</b>	<b>13,264</b>	<b>0</b>	<b>0.0</b>	<b>0</b>	

*Note: Totals may include rounding differences.*

**Supplemental Workpapers for Workpaper 1PN000.001**

San Diego Gas & Electric Company  
 2028 GRC - APPLICATION  
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San Diego Gas & Electric  
 PBOP Contribution Projection  
 For Years 2026-2031

<b>ASSUMPTIONS</b>
1. PBOP contribution amounts based on estimates provided by WTW, a global actuarial services firm. 2. Forecasted costs exclude executive officer costs as defined under Resolution E-4963 pursuant to Public Utilities Code Section 706, as enacted by Senate Bill (SB) 901, which prohibits SDG&E from recovering from ratepayers any annual salary, bonus, benefits, or other consideration of any value (compensation and benefits).

	<b>Projected</b>					
	2026	2027	2028	2029	2030	2031
<b>PBOP Contributions</b>	<b>\$ 9,269,000</b>	<b>\$ 1,369,000</b>	<b>\$ 1,708,000</b>	<b>\$ 2,088,000</b>	<b>\$ 2,398,000</b>	<b>\$ 2,698,000</b>

San Diego Gas & Electric Company  
PBOP Contribution Projection  
For Years 2026 - 2031



**ASSUMPTIONS**

**1. PBOP contribution amounts based on estimates provided by the Utility's certified actuary, WTW.**

PBOP Contributions	Projected					
	2026	2027	2028	2029	2030	2031
Policy contribution	\$ 9,270,000	\$ 1,370,000	\$ 1,710,000	\$ 2,090,000	\$ 2,400,000	\$ 2,700,000
Adjustment for executives	<u>(1,000)</u>	<u>(1,000)</u>	<u>(2,000)</u>	<u>(2,000)</u>	<u>(2,000)</u>	<u>(2,000)</u> *
Recoverable contribution	<u>\$ 9,269,000</u>	<u>\$ 1,369,000</u>	<u>\$ 1,708,000</u>	<u>\$ 2,088,000</u>	<u>\$ 2,398,000</u>	<u>\$ 2,698,000</u>

\* Adjustments for executives is for SB901 officers only based on listing provided by Sempra on February 26, 2026 (listing as of January 31, 2026). Includes 4 executives for SDG&E. For PBOPs, non-special accounting costs prorated equally across all active participants. The 2026 special accounting charge is allocated entirely to non-executives.

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**San Diego Gas and Electric Company PBOP  
General Rate Case Forecast  
10-Year Forecast of Projected ASC Accounting Costs and Contributions Reflecting Projected Headcount  
(\$ in millions)**

	SDG&E PBOP <sup>1</sup>									
	2026	2027	2028	2029	2030	2031	2032	2033	2034	2035
• ASC 715 Cost	9.27 <sup>2</sup>	1.37	1.71	2.09	2.40	2.70	2.97	3.21	3.46	3.76
• Contributions										
Contributions to trust	9.26	1.36	1.70	2.08	2.39	2.69	2.96	3.20	3.45	3.75
Pay-as-you-go	0.01	0.01	0.01	0.01	0.01	0.01	0.01	0.01	0.01	0.01
Total contributions	9.27	1.37	1.71	2.09	2.40	2.70	2.97	3.21	3.46	3.76
• APBO funded percentage (alternative)										
Fair value of assets	158.33	162.42	158.65	155.34	152.79	150.62	148.80	147.49	146.40	145.69
APBO	153.13	162.05	160.24	158.79	157.95	157.40	157.08	157.20	157.45	158.00
Funded Percentage	103%	100%	99%	98%	97%	96%	95%	94%	93%	92%
• FAS Discount Rate	5.70%	5.70%	5.70%	5.70%	5.70%	5.70%	5.70%	5.70%	5.70%	5.70%

<sup>1</sup> The Utility recovers ASC 715 Cost (not less than zero or more than the maximum tax deductible amount) and first uses this towards pay-as-you-go benefits, and then contributes any excess to the Trust. For SDGE, forecast total contributions are the greater of the pay-as-you-go benefits or forecast ASC 715 Cost. The Utility may use the prepayment balance from prior contributions in excess of recoverable amount to cover some or all contributions in excess of the pay-as-you-go benefits.

<sup>2</sup> 2026 ASC 715 Cost / (Income) reflects an anticipated special termination benefits charge of \$8.45 million for VREP.

**Note:** The information projected for 2026 through 2035 is based on contributions authorized in CPUC Decision (D.) 19-19-051 prior to removal of executive officer costs pursuant to California Public Utilities Code Section 706 (as modified by Senate Bill 901).

San Diego Gas & Electric Company  
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**San Diego Gas and Electric Company PBOP  
10-Year Forecast of Projected ASC Accounting Costs and Contributions Reflecting Projected Headcount  
Other Key Assumptions and Methodology: PBOP**

**Other Key Assumptions**

	<u>2026</u>	<u>2027</u>	<u>2028</u>	<u>2029</u>	<u>2030</u>	<u>2031</u>	<u>2032</u>	<u>2033</u>	<u>2034</u>	<u>2035</u>	<u>Ultimate</u>
ASC 715 Discount rate	See forecast exhibits										
Expected Return for Determining ASC 715 Benefit Cost for the SDG&E PBOP <sup>(1)</sup>	6.11%	6.11%	6.11%	6.11%	6.11%	6.11%	6.11%	6.11%	6.11%	6.11%	
Healthcare Cost Trend (Pre-age 65)	6.75%	6.50%	6.25%	6.00%	5.75%	5.25%	4.75%	4.75%	4.75%	4.75%	4.75%
Healthcare Cost Trend (Post-age 65)	8.50%	8.00%	7.50%	7.00%	6.50%	5.50%	4.50%	4.50%	4.50%	4.50%	4.50%
Salary Scale	Age Based	Age Based	Age Based	Age Based	Age Based	Age Based	Age Based	Age Based	Age Based	Age Based	
Cash Balance Crediting Rate/Interest Crediting Rate for HRA	4.70%	4.70%	4.70%	4.70%	4.70%	4.70%	4.70%	4.70%	4.70%	4.70%	
Pre-retirement Mortality	Pri-2012 Employee table with MP-2021 generational projection scale										
Post-retirement Mortality	Sempra specific table: Pri-2012 Healthy Retiree and Contingent Survivor tables, no collar or quartile adjustment, projected from 2012 to 2021 using										
Retirement and Termination Rates	Same as those used for the 2025 year-end disclosures										
Number of projected headcount (provided by Sempra on February 25, 2026) <sup>(2)</sup>	<u>12/31/2025</u>	<u>12/31/2026</u>	<u>12/31/2027</u>	<u>12/31/2028</u>	<u>12/31/2029</u>	<u>12/31/2030</u>	<u>12/31/2031</u>	<u>12/31/2032</u>	<u>12/31/2033</u>	<u>12/31/2034</u>	<u>12/31/2035</u>
	4,430	4,249	4,388	4,526	4,525	4,525	4,525	4,525	4,525	4,525	4,525

<sup>(1)</sup> Sempra selected an expected return on plan assets (EROA) of 6.50% for the SoCalGas 401(h) account and 5.75% for the VEBAs, resulting in a weighted average EROA of 6.11%.

<sup>(2)</sup> The counts provided include employees who may not be eligible for PBOP benefits. Therefore, future plan eligible counts were estimated by applying the rate of growth in counts to the January 1, 2025 active valuation count.

**Methodology**

- Unless stated otherwise, data, assumptions, methods, models, plan provisions and other information are consistent with those used in the Utility's accounting disclosures under ASC-715 as of December 31, 2025.

**Assets**

- Reflects audited trust information through December 31, 2025.
- Assets are projected at the Expected Return for ASC 715 Benefit Cost calculation less 50 basis points for PBOPs (net of admin expense).

**Data and Demographics**

- January 1, 2025 participant census adjusted for VREPs and RIFs in 2025 and reflecting expected headcount changes based on information provided by Sempra on February 25, 2026.
- Reflects VREPs and RIFs known in 2025, as well as a potential VREP of 130 SDG&E represented and non-represented and RIF of 46 SDG&E non-represented.

**Plan Design**

- Includes all plan changes described with December 31, 2025 disclosure.
- Includes extension of temporary additional \$50 per month defined dollar benefit (DDB) subsidy through 2026 for retirees electing a Medicare UHC plan.

**Contribution Amounts**

- Contributions for PBOPs equal to sum of contributions to trusts plus expected benefit payments.

**Contribution Policy**

- SoCalGas and SDG&E PBOP: expected Company Paid benefits plus trust contributions, if any. Trust contributions are equal to the postretirement benefit cost less Company Paid benefits, not to exceed the maximum tax-deductible limits.

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**Area:** PENSION & PBOP  
**Witness:** Sara M. Steen

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**Appendix A: List of Non-Shared Cost Centers**

<u>Cost Center</u>	<u>Sub</u>	<u>Description</u>
2100-0375	000	EMPLOYEE PENSION