

## Cost of Capital Comparison by Utility

PG&E									
	DRA Recommended			IOU Proposed 2013			Currently Authorized		
	Capital Structure	Cost	Weighted Cost	Capital Structure	Cost	Weighted Cost	Capital Structure	Cost	Weighted Cost
Long Term Debt	47.00%	5.69%	2.67%	47.00%	5.69%	2.67%	47.00%	6.05%	2.84%
Preferred Stock	1.00%	5.60%	0.06%	1.00%	5.60%	0.06%	1.00%	5.68%	0.06%
Common Equity	52.00%	8.75%	4.55%	52.00%	11.00%	5.72%	52.00%	11.35%	5.90%
Return on Rate Base			7.28%			8.45%			8.79%

SCE									
	DRA Recommended			IOU Proposed 2013			Currently Authorized		
	Capital Structure	Cost	Weighted Cost	Capital Structure	Cost	Weighted Cost	Capital Structure	Cost	Weighted Cost
Long Term Debt	43.00%	5.53%	2.38%	43.00%	5.53%	2.38%	43.00%	6.22%	2.67%
Preferred Stock	9.00%	5.86%	0.53%	9.00%	5.86%	0.53%	9.00%	6.01%	0.54%
Common Equity	48.00%	8.75%	4.20%	48.00%	11.10%	5.33%	48.00%	11.50%	5.52%
Return on Rate Base			7.11%			8.24%			8.74%

SDG&E									
	DRA Recommended			IOU Proposed 2013			Currently Authorized		
	Capital Structure	Cost	Weighted Cost	Capital Structure	Cost	Weighted Cost	Capital Structure	Cost	Weighted Cost
Long Term Debt	45.25%	5.09%	2.30%	45.25%	5.09%	2.30%	45.25%	5.62%	2.54%
Preferred Stock	2.75%	6.35%	0.17%	2.75%	6.35%	0.18%	5.75%	7.25%	0.42%
Common Equity	52.00%	8.50%	4.42%	52.00%	11.00%	5.72%	49.00%	11.10%	5.44%
Return on Rate Base			6.90%			8.20%			8.40%

SoCalGas									
	DRA Recommended			IOU Proposed 2013			Currently Authorized		
	Capital Structure	Cost	Weighted Cost	Capital Structure	Cost	Weighted Cost	Capital Structure	Cost	Weighted Cost
Long Term Debt	45.60%	5.72%	2.61%	45.60%	5.72%	2.61%	45.61%	6.96%	3.17%
Preferred Stock	2.40%	6.00%	0.14%	2.40%	6.00%	0.14%	6.39%	4.83%	0.31%
Common Equity	52.00%	8.50%	4.42%	52.00%	10.90%	5.67%	48.00%	10.82%	5.19%
Return on Rate Base			7.17%			8.42%			8.68%

Assigned ALJ: Michael J. Galvin (Assigned May 11, 2012)

Assigned Commissioner: Mark J. Ferron (Assigned May 11, 2012)