
July 23, 2004

ADVICE 125-G
(U 338-E)

PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA
ENERGY DIVISION

SUBJECT: Decrease In Santa Catalina Island Gas Costs Adjustment
Billing Factors

Southern California Edison Company (SCE) hereby transmits for filing the following changes to its gas tariff schedules applicable to Santa Catalina Island. The revised tariff sheets are listed on Attachment A and are attached hereto.

PURPOSE

This advice filing revises SCE's gas tariffs to reflect a decrease in the Santa Catalina Island Gas Cost Adjustment Billing Factors (GCABFs) due to a decrease in recorded and forecast cost of gas. The revised GCABFs are calculated in accordance with the procedures set forth in the Preliminary Statement, Part F, Santa Catalina Island Gas Cost Adjustment Clause (GCAC), of SCE's gas tariffs as authorized in California Public Utilities Commission (Commission) Decision (D.) 82-04-010.

INFORMATION

In D.82-04-010, Ordering Paragraph 2, the Commission authorized SCE to submit GCAC filings by advice letter every six-month period with March 1 and September 1 as the regularly scheduled revision dates. SCE's GCABFs were last revised effective March 1, 2004, as filed in Advice 123-G, dated January 20, 2004.

The GCABFs established herein are based on the total GCAC revenue requirement which reflects: 1) gas expense for the Forecast Period of September 1, 2004 through August 30, 2005; and 2) amortization of the estimated September 1, 2004 balance in the GCAC balancing account over the Forecast Period. Table 1

(attached) sets forth the calculation of the GCAC balancing account revenue requirement and the fuel revenue requirement.

SCE's current and revised GCABFs for Santa Catalina Island are listed below:

	<u>Current</u> \$/Therm	<u>Revised</u> \$/Therm
Domestic Baseline Service	.98009	.79584
Domestic Nonbaseline Service	.86868	.65680
Other Than Domestic Service	1.14189	.91091

This advice filing allocates the revenue decrease to Domestic and General Service customers on a System Average Percentage Change (SAPC) basis. This is consistent with the allocation adopted by the Commission in SCE's previous GCAC filings.

The decrease in annualized revenues resulting from these changes in rates, based on the therms estimated to be sold during the Forecast Period, is as follows:

Revised Revenue Change From Present Rates			
<u>Rate Schedule</u>	<u>Therms</u>	<u>\$ Thousands</u>	<u>%</u>
Domestic	306,000	(59.2)	(12.7)
General Service	384,000	(88.7)	(12.7)
TOTAL	690,000	(147.9)	(12.7)

Ordering Paragraph 5 of D.82-04-010 requires SCE to show the method used to calculate the transportation charges for delivery of the Liquefied Petroleum Gas (LPG) to Santa Catalina Island. SCE does not calculate this charge. All LPG is purchased from the supplier freight on board (FOB) Santa Catalina Island, and as such, the transportation charge is included in the total cost of the LPG. Table II (attached) sets forth the historical quantity and cost of LPG to SCE for the 12-months ended June 2004, which includes transportation charges. The average price of LPG is also shown by month, and for the 12-month period.

Section 8 of Part F in the Preliminary Statement of SCE's tariffs is also revised to reflect the GCABFs set forth on the applicable rate schedules in this advice filing.

This advice filing results in a price decrease, but does not result in a withdrawal of service, or more restrictive conditions.

EFFECTIVE DATE

This rate change is requested to be effective for service rendered on and after September 1, 2004, pursuant to D.82-04-010.

NOTICE

Anyone wishing to protest this advice filing may do so by letter via U.S. Mail, facsimile, or electronically, any of which must be received no later than 20 days after the date of this advice filing. Protests should be mailed to:

IMC Program Manager
c/o Jerry Royer
Energy Division
California Public Utilities Commission
505 Van Ness Avenue, Room 4002
San Francisco, California 94102
Facsimile: (415) 703-2200
E-mail: jjr@cpuc.ca.gov

Copies should also be mailed to the attention of the Director, Energy Division, Room 4004 (same address above).

In addition, protests and all other correspondence regarding this advice letter should also be sent by letter and transmitted via facsimile or electronically to the attention of:

Akbar Jazayeri
Director of Revenue and Tariffs
Southern California Edison Company
2244 Walnut Grove Avenue
Rosemead, California 91770
Facsimile: (626) 302-4829
E-mail: AdviceTariffManager@sce.com

Bruce Foster
Vice President of Regulatory Operations
c/o Karyn Gansecki
Southern California Edison Company
601 Van Ness Avenue, Suite 2040
San Francisco, California 94102
Facsimile: (415) 673-1116
E-mail: Karyn.Gansecki@sce.com

There are no restrictions on who may file a protest, but the protest shall set forth specifically the grounds upon which it is based and shall be submitted expeditiously.

In accordance with Section III, Paragraph G, of General Order No. 96-A, SCE is mailing copies of this advice filing to the interested parties shown on the attached service list. Address change requests should be directed to AdviceTariffManager@sce.com or at (626) 302-4039. For changes to all other service lists, please contact the Commission's Process Office at (415) 703-2021 or by electronic mail at Process_Office@cpuc.ca.gov.

Further, in accordance with Public Utilities Code Section 491, notice to the public is hereby given by filing and keeping the advice filing open for public inspection at SCE's corporate headquarters. To view other SCE advice letters filed with the Commission, log on to SCE's web site at <http://www.sce.com/adviceletters>.

Notice of this advice filing is being posted in SCE's Santa Catalina Island office and other conspicuous places in SCE's service territory on Santa Catalina Island. In addition, a notification will be published in the next issue of the Santa Catalina Island weekly newspaper.

For questions, please contact Jill Holmes at (626) 302-4962 or Jill.Holmes@sce.com.

Southern California Edison Company

Akbar Jazayeri

AJ;jh:mm
Enclosures

TABLE I
SOUTHERN CALIFORNIA EDISON COMPANY
CALCULATION OF THE SANTA CATALINA ISLAND GCAC REVENUE REQUIREMENT
FOR A SEPTEMBER 1, 2004 REVISION DATE 1/

Line No.	Component	Amount (\$)
1.	<u>GAS COST FORECAST</u>	
2.	Forecast Cost 2/	563,326
3.	Plus: 1.256% for Franchise Fees and Uncollectibles	<u>7,165</u>
4.	Expense Allowance	
5.	Forecast Gas Revenue Requirement	570,491
6.	<u>BALANCING ACCOUNT ESTIMATE</u>	
7.	Forecast Balance in the GCAC Balancing Account as of	
8.	September 1, 2004	8,401
9.	Plus: 1.256% for Franchise Fees and Uncollectibles	<u>107</u>
10.	Expense Allowance	
11.	GCAC Balancing Account Revenue Requirement	<u>8,508</u>
12.	GCAC Revenue Requirement	578,999
13.	(line 5 + line 11)	
<p>1/ Based on the 12-month Forecast Period beginning September 1, 2004 and a 12-month amortization of the estimated GCAC Balancing Account Balance on September 1, 2004.</p> <p>2/ Based on an estimated usage of: 660,799 gallons</p>		

TABLE II
SOUTHERN CALIFORNIA EDISON COMPANY
SANTA CATALINA ISLAND GCAC
RECORDED MONTHLY PURCHASES OF LPG FUEL AND TRANSPORTATION COSTS

Line No.	Month	Monthly Purchases of LPG (Gallons)	LPG Delivered Price, FOB Avalon, Catalina (\$/gallon) 1/	Total Cost (\$)
		(1)	(2)	(3)
	2003			
1.	JULY	71,527	0.723	51,685
2.	AUGUST	62,217	0.732	45,531
3.	SEPTEMBER	70,359	0.745	52,409
4.	OCTOBER	53,473	0.814	43,528
5.	NOVEMBER	52,007	0.833	43,321
6.	DECEMBER	104,373	0.953	99,452
	2004			
8.	JANUARY	87,647	1.019	89,270
9.	FEBRUARY	53,089	0.976	51,835
10.	MARCH	88,087	0.889	78,296
11.	APRIL	62,047	0.769	47,744
12.	MAY	34,696	0.837	29,048
	JUNE	50,142	0.840	42,105
13.	TOTAL - 12 Months			
14.	Ending June 30, 2004	789,664	0.854	674,222

1/ Price includes transportation charges. Sales not subject to California Sales Tax.

2/ Source: Monthly Fuel Commitment Statement.

Cal. P.U.C. Sheet No.	Title of Sheet	Cancelling Cal. P.U.C. Sheet No.
Revised 708-G	Preliminary Statement Part F	Revised 681-G
Revised 709-G Revised 710-G	Schedule G-1 Schedule G-1	Revised 682-G Revised 683-G
Revised 711-G	Schedule G-2	Revised 684-G
Revised 712-G	Table of Contents	Revised 697-G

PRELIMINARY STATEMENT

Sheet 6

(Continued)

F. SANTA CATALINA ISLAND GAS COST ADJUSTMENT CLAUSE (GCAC) (Continued)

8. Gas Cost Adjustment Billing Factors (GCABF). The Average Cost Adjustment Rate shall be adjusted so that increases or decreases in the rate are applied in an equitable manner to each type of service. The application of the GCABF to sales shall be as set forth on the applicable rate schedule. The GCABF listed below have been, or are, in effect for the period indicated:

Gas Cost Adjustment Billing Factors \$/Therm

Applicable to Domestic and General Service

<u>Effective Date</u>	<u>Applicable to Baseline Service</u>	<u>Applicable to Nonbaseline Service</u>	<u>Applicable to General Service</u>
July 15, 1987	\$0.4874	\$0.6834	\$0.6834
September 1, 1987	\$0.4522	\$0.6331	\$0.6331
March 1, 1988	\$0.3478	\$0.4870	\$0.4870
September 1, 1988	\$0.4016	\$0.5598	\$0.5598
November 1, 1988	\$0.41415	\$0.53548	\$0.55980
March 1, 1989	\$0.41122	\$0.52908	\$0.55293
September 1, 1989	\$0.41122	\$0.43782	\$0.51398
March 1, 1990	\$0.43947	\$0.43782	\$0.53712
September 1, 1990	\$0.48063	\$0.44806	\$0.57525
March 1, 1991	\$0.54643	\$0.53688	\$0.66704
September 1, 1991	\$0.57293	\$0.50696	\$0.67608
March 1, 1992	\$0.58654	\$0.52430	\$0.69446
September 1, 1992	\$0.57377	\$0.41906	\$0.64018
March 1, 1993	\$0.44863	\$0.27259	\$0.47927
September 1, 1993	\$0.50413	\$0.33755	\$0.55012
March 1, 1994	\$0.55771	\$0.40026	\$0.61740
September 1, 1994	\$0.49525	\$0.31111	\$0.53251
March 1, 1995	\$0.47931	\$0.29279	\$0.51242
March 13, 1996	\$0.53620	\$0.35820	\$0.58408
September 1, 1996	\$0.59558	\$0.42649	\$0.65878
March 1, 1997	\$0.65353	\$0.49314	\$0.73173
September 1, 1997	\$0.70752	\$0.55522	\$0.79968
March 1, 1998	\$0.69115	\$0.53639	\$0.77903
September 1, 1998	\$0.54827	\$0.37209	\$0.59871
March 1, 1999	\$0.50562	\$0.32304	\$0.54503
September 1, 1999	\$0.49673	\$0.31281	\$0.53383
March 1, 2000	\$0.64184	\$0.47969	\$0.71840
September 1, 2000	\$0.80571	\$0.66814	\$0.92532
March 1, 2001	\$1.05189	\$0.95125	\$1.23626
September 1, 2001	\$1.22332	\$1.14840	\$1.45212
March 1, 2002	\$0.94005	\$0.82264	\$1.09441
September 1, 2002	\$0.47609	\$0.28907	\$0.50697
March 1, 2003	\$0.80520	\$0.66774	\$0.92206
September 1, 2003	\$0.84538	\$0.71395	\$0.97266
March 1, 2004	\$0.98009	\$0.86868	\$1.14189
September 1, 2004	\$0.79584	\$0.65680	\$0.91091 (N)

(Continued)

(To be inserted by utility)

Advice 125-G
Decision 82-04-010

Issued by

John R. Fielder
Senior Vice President

(To be inserted by Cal. PUC)

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Southern California Edison
Rosemead, California

Revised Cal. PUC Sheet No. 709-G
Cancelling Revised Cal. PUC Sheet No. 682-G

Schedule G-1
SANTA CATALINA ISLAND
DOMESTIC SERVICE

Sheet 1

APPLICABILITY

Applicable to domestic service of liquefied petroleum gas-air to a single-family accommodation or dwelling.

TERRITORY

The City of Avalon, and vicinity, Santa Catalina Island.

RATES

	<u>Per Meter</u>	
	<u>Per Day</u>	
Customer Charge:		
For 175 cubic feet per hour meter	\$0.132	
For 305 cubic feet per hour meter	\$0.229	
For 400 cubic feet per hour meter	\$0.301	
For 675 cubic feet per hour meter	\$0.508	
For 1,000 cubic feet per hour meter	\$0.752	
For 2,000 cubic feet per hour meter	\$1.504	
For 3,000 cubic feet per hour meter	\$2.256	
For 4,000 cubic feet per hour meter	\$3.008	
For 5,000 cubic feet per hour meter	\$3.760	
Energy Charge (To be added to Customer Charge):		
Baseline Service, per therm	\$1.08448	(R)
Nonbaseline Service, per therm	\$1.24716	(R)

The rates above include Base Rates and the applicable Adjustment Rates as shown below:

(Continued)

(To be inserted by utility)

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Schedule G-1
SANTA CATALINA ISLAND
DOMESTIC SERVICE

Sheet 2

(Continued)

ENERGY CHARGE COMPONENTS

Base Rates:

Baseline Service, per therm	\$0.28788
Nonbaseline Service, per therm	\$0.58960

Adjustment Rates:

Gas Cost Adjustment Billing Factor:

Baseline Service, per therm	\$0.79584	(R)
Nonbaseline Service, per therm	\$0.65680	(R)

PUC Reimbursement Fee, per therm	\$0.00076
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The Gas Cost Adjustment Rate is described in Part F of the Preliminary Statement.
The PUC Reimbursement Fee is described in Schedule No. RF-G.

SPECIAL CONDITIONS

1. Minimum Customer Charge: Service to customers shall be on an annual basis only with an annual Minimum Customer Charge of 365 times the applicable daily Customer Charge rate payable monthly, or as billed by the Company.
2. Seasonal Service: For summer cottage customers and others who normally require service for only part of the year, this schedule is applicable only on an annual contract.
3. Baseline Service: The rates above are subject to Baseline Service provisions which are described in Part E of the Preliminary Statement. The applicable baseline quantity of gas to be billed under rates designated as Applicable to Baseline Service shall be the total of any Medical Baseline Allocation permitted under Part E, Paragraph 4 of the Preliminary Statement, plus the applicable daily baseline allocation shown below by Season and Time Period.

<u>Season</u>	<u>Time Period</u>	<u>Therms Per Meter</u> <u>Day</u>
Winter	November 1 through April 30	1.348
Summer	May 1 through October 31	0.526

(Continued)

(To be inserted by utility)

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Schedule G-2
SANTA CATALINA ISLAND
GENERAL SERVICE

Sheet 1

APPLICABILITY

Applicable to general service of liquefied petroleum gas-air.

TERRITORY

The City of Avalon, and vicinity, Santa Catalina Island.

RATES

	<u>Per Meter</u>	
	<u>Per Day</u>	
Customer Charge:		
For 175 cubic feet per hour meter	\$0.132	
For 305 cubic feet per hour meter	\$0.229	
For 400 cubic feet per hour meter	\$0.301	
For 675 cubic feet per hour meter	\$0.508	
For 1,000 cubic feet per hour meter	\$0.752	
For 2,000 cubic feet per hour meter	\$1.504	
For 3,000 cubic feet per hour meter	\$2.256	
For 4,000 cubic feet per hour meter	\$3.008	
For 5,000 cubic feet per hour meter	\$3.760	
Energy Charge (To be added to Customer Charge):		
All therms, per therm	\$1.54991	(R)

The rates above include Base Rates and the applicable Adjustment Rates as shown below:

ENERGY CHARGE COMPONENTS

Base Rates:

 All Therms, per therm

	\$0.63824	
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Adjustment Rates:

 Gas Cost Adjustment Billing Factor, per therm

	\$0.91091	(I)
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 PUC Reimbursement Fee, per therm

	\$0.00076	
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The Gas Cost Adjustment Rate is described in Part F of the Preliminary Statement. The PUC Reimbursement Fee is described in Schedule No. RF-G.

(Continued)

(To be inserted by utility)

Advice 125-G
Decision 82-04-010

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Effective Sep 1, 2004
Resolution _____



TABLE OF CONTENTS

Sheet 1

	<u>Cal. P.U.C. Sheet No.</u>	
TITLE PAGE	131-G	
TABLE OF CONTENTS - RATE SCHEDULES	712-G	(T)
TABLE OF CONTENTS - LIST OF CONTRACTS AND DEVIATIONS	598-G	
TABLE OF CONTENTS - RULES	599-G	
TABLE OF CONTENTS - SAMPLE FORMS	599-G	
 PRELIMINARY STATEMENT:		
A. Territory Served by the Utility	162-G	
B. Types and Classes of Service	162-G	
C. Procedure to Obtain Service	162-G	
D. Symbols	162-G	
E. Baseline Service	371-372-G	
F. Santa Catalina Island Gas Cost Adjustment Clause (GCAC)	355-399-708-G	(T)
G. Income Tax Component of Contributions Provision	639-460-G	
 SERVICE AREA MAP	 3-G	

RATE SCHEDULES

<u>Schedule No.</u>	<u>Title of Sheet</u>	<u>Cal. P.U.C. No.</u>	
DE	Domestic Service to Utility Employees	123-G	
G-1	Domestic Service	709-710-G	(T)
G-2	General Service	711-429-G	(T)
GM	Domestic Service, Multifamily Accommodation	376-G	
G-SE	Service Establishment Charge	278-G	
RF-G	Surcharge to Fund Public Utilities Commission Reimbursement Fee	669-G	

LIST OF CONTRACTS AND DEVIATIONS

	<u>Cal. P.U.C. Sheet No.</u>
List of Contracts and Deviations	696-G

(Continued)

(To be inserted by utility)

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