
February 3, 2005

ADVICE 130-G
(U 338-E)

PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA
ENERGY DIVISION

SUBJECT: Revision to Santa Catalina Island Gas Base Rates in Accordance with
Decision No. 04-12-018

In compliance with Decision (D.) 04-12-018, Southern California Edison Company (SCE) hereby submits for filing the following changes to its filed rate schedules for gas customers on Santa Catalina Island (Catalina).

PURPOSE

In accordance with Conclusion of Law No. 3 and Ordering Paragraph No. 1 of D.04-12-018, this advice filing implements the 2005 Catalina gas base rates effective for service rendered on and after March 1, 2005.

BACKGROUND

SCE serves approximately 1,335 commercial and residential gas customers on Catalina. SCE has provided all of the gas, water, and electric services on Catalina since 1962 in accordance with D.64420. On January 23, 2004, SCE filed Application No. (A.) 04-01-031 requesting a Catalina gas base rate revenue requirement of \$1,157,482 for the 2005 Test Year. SCE proposed an alternate recovery plan (not adopted by the Commission) to phase-in the 2005 Test Year gas base rates revenue requirement increase over a four year period, including a carrying charge applied to the deferred revenue requirement amounts.

LPG VAPORIZATION PLANT UPGRADE

In its Application, SCE proposed to replace its Liquefied Petroleum Gas (LPG) gas vaporization system and upgrade the fuel supply and storage tank facilities for an estimated total cost of \$1,303,000. The increase in the Catalina 2005 Test Year gas base rate revenue requirement is due primarily to the gas vaporization plant upgrade. Conclusion of Law No. 3 in D.04-12-018 requires that:

No rate increase should go into effect until SCE's new gas vaporization system and upgrade have been completed and the new plant is fully operational.

The new gas vaporization system and upgrade became fully operational on January 21, 2005. Therefore, consistent with D.04-12-018, SCE requests that the rate in this filing become effective March 1, 2005.

PHASE-IN OF 2005 TEST YEAR GAS BASE RATES REVENUE REQUIREMENT

The substantial Catalina gas base rates revenue requirement increase must be spread over a very small base of gas customers. In D.04-12-018, the Commission adopted a gas base rates revenue requirement of \$984,500. In order to mitigate the "rate shock" of the adopted gas base rate revenue requirement increase, the Commission authorized SCE to phase-in the adopted Catalina gas base rates revenue requirement over the period 2005, 2006, and 2007 with no carrying charges applied to the deferred revenue requirement.

The adopted phased-in plan amounts to a 39.4 percent increase in 2005, a 28.2 percent increase in 2006, and a 22.0 percent increase in 2007. Ordering Paragraph No. 2 of D.04-12-018 authorizes SCE to file advice letters for the adopted 2006 and 2007 Catalina gas base rates revenue increases no earlier than November 1 of the preceding year. For example, no earlier than November 1, 2005, SCE will file an advice letter to implement the 2006 gas base rate revenue increase effective for service rendered on and after January 1, 2006. Thus, SCE will not fully recover its authorized 2005 Test Year gas base rates revenue requirement of \$984,500 until 2007.

RATE DESIGN ISSUES

In D.87-07-019, the Commission previously adopted gas baseline quantities for gas residential customers at 60 percent of baseline quantities for summer usage, and 70 percent of baseline quantities for winter usage. In D.04-12-018, the Commission authorized the continuation of the existing baseline quantities for 2005, 2006, and 2007.

SCE proposed that the increased gas base rates revenues be spread evenly between the fixed meter charge (customer) portion of the bill and the volumetric portion of the bill. The Office of Ratepayer Advocates (ORA) recommended that the gas base rates revenue increase be allocated 15 percent to the fixed portion of the bill and 85 percent to the volumetric portion of the bill. In Section 12.2 of D.04-12-018, the Commission adopted ORA's recommended allocation percentages.

In this proceeding, both SCE and the ORA supported providing Catalina low-income domestic gas customers with California Alternate Rates for Energy (CARE) discounts. Catalina customers who qualify for the CARE program for electric service are enrolled automatically for the newly adopted CARE rate schedule for gas service, Schedule G-CARE. In accordance with Conclusion of Law No. 9 of D.04-12-018, low-income customers on Catalina will receive a twenty (20) percent discount in gas service rates under the newly established G-CARE rate schedule. .

The rate changes contained in this advice letter include the Gas Cost Adjustment Billing Factor changes contained in Advice 129-G.

No cost information is required for this advice filing.

This advice filing will not increase any rate or charge, cause the withdrawal of service, or conflict with any other schedule or rule.

EFFECTIVE DATE

Ordering Paragraph No. 1 of D.04-12-018, authorizes SCE to file revised tariff schedules for its 2005 gas base rates on not less than five days notice. SCE requests that the rates set forth in this filing become effective March 1, 2005.

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 by the Energy Division and SCE 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, Quad 3D
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 serving copies of this advice filing to the interested parties shown on the attached Service List and A.04-01-031. Address change requests to the attached GO 96-A Service List should be directed to (626) 302-4039 or by electronic mail at AdviceTariffManager@sce.com. For changes to any other Service List, 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/AboutSCE/Regulatory/adviceletters/>

For questions, please contact Phillip Durgin at (626) 302-6344 or Phillip.Durgin@sce.com.

Southern California Edison Company

Akbar Jazayeri

AJ:pd:mm
Enclosures

Cal. P.U.C. Sheet No.	Title of Sheet	Cancelling Cal. P.U.C. Sheet No.
Revised 771-G* Revised 772-G	Schedule G-1 Schedule G-1	Revised 767-G Revised 768-G
Original 773-G	Schedule G-1-CARE	
Revised 774-G	Schedule G-2	Revised 769-G
Revised 775-G	Table of Contents	Revised 770-G



Southern California Edison
Rosemead, California

Revised Cal. PUC Sheet No. 771-G*
Cancelling Revised Cal. PUC Sheet No. 767-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	\$0.180	(I)
For 305 cubic feet per hour meter	\$0.313	
For 400 cubic feet per hour meter	\$0.410	
For 675 cubic feet per hour meter	\$0.692	
For 1,000 cubic feet per hour meter	\$1.026	
For 2,000 cubic feet per hour meter	\$2.045	
For 3,000 cubic feet per hour meter	\$3.068	
For 4,000 cubic feet per hour meter	\$4.090	
For 5,000 cubic feet per hour meter	\$5.113	(I)
 Energy Charge (To be added to Customer Charge):		
Baseline Service, per therm	\$1.84623	(I)
Nonbaseline Service, per therm	\$2.12486	(I)

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

(Continued)

(To be inserted by utility)

Advice 130-G
Decision 04-12-018

Issued by
John R. Fielder
Senior Vice President

(To be inserted by Cal. PUC)

Date Filed Feb 3, 2005
Effective Mar 1, 2005
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Schedule G-1
SANTA CATALINA ISLAND
DOMESTIC SERVICE

Sheet 2

(Continued)

ENERGY CHARGE COMPONENTS

Base Rates:

Baseline Service, per therm	\$0.42066	(I)
Nonbaseline Service, per therm	\$0.74398	(I)

Adjustment Rates:

Gas Cost Adjustment Billing Factor:

Baseline Service, per therm	\$1.42557
Nonbaseline Service, per therm	\$1.38088

PUC Reimbursement Fee, per therm	\$0.00000
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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.

* Base Rates include CARE Surcharge of 0.02322 per therm, for both Baseline and Nonbaseline Service. (N)
(N)

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-1-CARE Sheet 1
SANTA CATALINA ISLAND CALIFORNIA ALTERNATE RATES FOR ENERGY (CARE)
DOMESTIC SERVICE

APPLICABILITY

Applicable to domestic service to CARE households residing in a permanent single-family accommodation where a customer meets all the Special Conditions of this Schedule. Customers who receive gas service under Schedule G-1 are eligible for this Schedule.

TERRITORY

The City of Avalon, Santa Catalina Island.

RATES

The bill as determined under Schedule G-1 which would otherwise be applicable, minus the CARE surcharge, less a 20% discount excluding the PUCRF.

SPECIAL CONDITIONS

1. CARE Customers are exempt from a CARE Surcharge of \$0.02322/Therm for Baseline and Non-Baseline Service. The 20% discount applies to the Customer Charge and GCAC and base rate (excluding the CARE surcharge portion) charges only. The total Schedule G-1-CARE bill is thus equal to the Schedule G-1 bill, minus CARE surcharge, minus the 20% discount.
2. CARE Household: A CARE Household is a household where the total gross income from all sources is less than shown on the table below based on the number of persons in the household. Total gross income shall include income from all sources, both taxable and nontaxable. Persons who are claimed as a dependent on another person's income tax return are not eligible.

<u>No. of Persons In Household</u>	<u>Total Gross Annual Income</u>
1-2	\$23,400
3	27,500
4	33,100
5	38,700
6	44,300

For Households with more than six persons, add \$5,600 annually for each additional person residing in the household.

3. Application and Eligibility Declaration: An application and eligibility declaration on a form authorized by the Commission is required for each request for service under this Schedule unless the Customer has completed an electric service application for CARE. If a customer qualifies for CARE as an electric service customer they are also eligible for Schedule G-1-CARE. Renewal of a customer's eligibility declaration will be required every two years and may be required on an annual basis. Customers are only eligible to receive service under this rate at one residential location at any one time and the rate applies only to a customer's permanent primary residence. This Schedule is not applicable where, in the opinion of SCE, either the accommodation or occupancy is transient.
4. Commencement of Rate: Eligible customer shall be billed on this Schedule commencing no later than one billing period after receipt and approval of the customer's application by SCE.
5. Verification: Information provided by the applicant is subject to verification by SCE. Refusal or failure of a customer to provide documentation of eligibility acceptable to SCE, upon request by SCE, shall result in removal from this Schedule.
6. Notice From Customer: It is the customer's responsibility to notify SCE if there is a change in his eligibility status.
7. Rebilling: Customers may be rebilled for periods of ineligibility under the applicable rate schedule.

(To be inserted by utility)

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John R. Fielder
Senior Vice President

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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	\$0.180	(I)
For 305 cubic feet per hour meter	\$0.313	
For 400 cubic feet per hour meter	\$0.410	
For 675 cubic feet per hour meter	\$0.692	
For 1,000 cubic feet per hour meter	\$1.026	
For 2,000 cubic feet per hour meter	\$2.045	
For 3,000 cubic feet per hour meter	\$3.068	
For 4,000 cubic feet per hour meter	\$4.090	
For 5,000 cubic feet per hour meter	\$5.113	(I)
Energy Charge (To be added to Customer Charge):		
All therms, per therm	\$1.87453	(R)

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

ENERGY CHARGE COMPONENTS

Base Rates:

 All Therms, per therm

	\$0.96362	(I)
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Adjustment Rates:

 Gas Cost Adjustment Billing Factor, per therm

	\$1.70642	
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 PUC Reimbursement Fee, per therm

	\$0.00000	
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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.

* Base Rate includes CARE Surcharge of 0.02322 per Therm. (N)

(Continued)

(To be inserted by utility)

Advice 130-G
Decision 04-12-018

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Senior Vice President

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LIST OF CONTRACTS AND DEVIATIONS

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List of Contracts and Deviations	696-G

(Continued)

(To be inserted by utility)

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Senior Vice President

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SOUTHERN CALIFORNIA
EDISON

An EDISON INTERNATIONAL Company

Lisa Vellanoweth
Manager of Tariffs

February 17, 2005

California Public Utilities Commission
505 Van Ness Avenue, Room 4005
San Francisco, CA 94102

Attn: Jerry Royer
Energy Division

Re: SCE Advice 130-G

Dear Mr. Royer:

Enclosed are an original and six copies of Attachment A, and Substitute Sheet No. 771-G*. The following Substitute sheet is necessary to correct the Energy Charges, per term, for Baseline Service and Nonbaseline Service under the Rates Section of Schedule G-1 of Southern California Edison Company's (SCE) Advice 130-G, filed on February 3, 2005.

These charges incorrectly included outdated Santa Catalina Island Gas Adjustment Clause (GCAC) numbers in the calculation as opposed to current GCAC numbers. In the enclosed Substitute sheet please find the corrected amounts.

Please replace the enclosed sheets in your master Advice 130-G file and distribute the copies to the appropriate people reviewing Advice 130-G. If you have any questions, please contact Ruby Galvan at (626) 302-2010.

Sincerely,

A handwritten signature in cursive script that reads "Lisa Vellanoweth".

Enclosures

130-GSub.doc