

PUBLIC UTILITIES COMMISSION

SAN FRANCISCO, CA 94102-3298



November 3, 2008

Advice Letter 151-G

Akbar Jazayeri
Vice President, Regulatory Operations
Southern California Edison Company
P O Box 800
Rosemead, CA 91770

Subject: **Revision to Santa Catalina Island Gas Base Rates to Update
the California Alternate Rates for Energy (CARE) Surcharge**

Dear Mr. Jazayeri:

Advice Letter 151-G is effective September 28, 2008.

Sincerely,

A handwritten signature in black ink, appearing to read "Ken Lewis".

Kenneth Lewis, Acting Director
Energy Division

August 29, 2008

**ADVICE 151-G
(U 338-E)**

PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA
ENERGY DIVISION

SUBJECT: Revision to Santa Catalina Island Gas Base Rates to Update
the California Alternate Rates for Energy (CARE) Surcharge

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

PURPOSE

The purpose of this advice filing is to update the CARE surcharge component of base rates for non-CARE gas customers on Catalina to reflect increases in total gas rates since the last CARE surcharge revision in 2007. The CARE surcharge is designed to recover the 20 percent discount provided to eligible customers taking service on the gas CARE program.

BACKGROUND

In Decision (D.) 04-12-018, the California Public Utilities Commission (Commission) approved a discounted rate program for Catalina residential gas customers based on the CARE program for electric service. Catalina customers who qualify for service on the electric CARE program are enrolled automatically in the CARE rate schedule for gas service, Schedule G-1-CARE. In accordance with Conclusion of Law No. 9 of D.04-12-018, eligible customers receive a 20 percent discount on gas service rates under the G-1-CARE rate schedule. The cost of the CARE discount is recovered from all non-CARE customers through a surcharge which is added to the base rate.

While D.04-12-018 authorizes a CARE program for residential gas customers and recovery of the cost of the discount from other ratepayers, it is silent as to the

development of the surcharge and schedule for revision.¹ In addition, while both the electric and water CARE programs have associated balancing account treatment to ensure recovery of the cost of CARE discounts, similar treatment was not adopted with the gas CARE program.

The 20 percent CARE discount is applied to the total gas bill, which consists of charges for both the gas base rate and the Gas Cost Adjustment Charge (GCAC) component. The GCAC component recovers the cost of the gas commodity and is revised semi-annually. SCE last revised the CARE surcharge with the final base rate adjustment authorized in D.04-12-018, effective January 1, 2007. Since that time, SCE has filed four GCAC increases, resulting in an increase in the gas commodity portion of the bill by approximately 35 percent.

RATE DESIGN

SCE proposes to increase the CARE surcharge to be included in base rates applicable to non-CARE customers to account for higher gas commodity prices reflected in current rates.

The Catalina Gas CARE surcharge is calculated by multiplying the forecasted G-1-CARE sales volume by the Schedule G-1 rate, adjusted to exclude the current CARE surcharge. The result is then multiplied by 20 percent to arrive at a forecasted CARE revenue deficiency. The forecasted CARE revenue deficiency is then divided by forecasted non-CARE gas sales to determine the surcharge on a \$/therm basis. The updated gas CARE surcharge is \$0.05554 per therm, reflecting an increase of \$0.02202 per therm. As such, Schedule G-1 and G-2 are modified and included herein as Attachment A. Please see Appendix A for calculation of the surcharge.

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

TIER DESIGNATION

Pursuant to D.07-01-024, Energy Industry Rule 5.2(7), this advice letter is submitted with a Tier 2 designation.

EFFECTIVE DATE

This advice filing will become effective on September 28, 2008, the 30th calendar day after the date filed. SCE will implement the proposed CARE surcharge increase in gas rates following formal approval by the Energy Division and subject to billing system limitations. SCE expects that the earliest date on which the revised rates proposed herein could be reflected in customer bills would be November 1, 2008.

¹ D.04-12-018, Page 24.

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:

CPUC, Energy Division
Attention: Tariff Unit
505 Van Ness Avenue
San Francisco, California 94102
E-mail: inj@cpuc.ca.gov and mas@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
Vice President of Regulatory Operations
Southern California Edison Company
2244 Walnut Grove Avenue
Rosemead, California 91770
Facsimile: (626) 302-4829
E-mail: AdviceTariffManager@sce.com

Bruce Foster
Senior Vice President, Regulatory Affairs
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 4 of General Order No. (GO) 96-B, SCE is serving copies of this advice filing to the interested parties shown on the attached GO 96-B and A.04-01-031 service lists. Address change requests to the GO 96-B service list should be directed by electronic mail 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 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 Robert Thomas at (626) 302-3946 or by electronic mail at Robert.Thomas@sce.com.

Southern California Edison Company

Akbar Jazayeri

AJ:rt/pd:jm
Enclosures

Appendix A

**Southern California Edison
Catalina CARE Rate Design
CARE Surcharge Based on 2009 Forecast & September 2008 Proposed Rates**

Authorized Residential Base Rates	Totals	Fixed Charges	Baseline	Non-Baseline
Base Rates (\$/therm)			0.66	1.03
GCAC Rates (\$/therm)			2.52	2.64
Customer Usage (therms)				
Residential Non-Exempt	227,002			
Commercial Non-Exempt	367,654			
Total Non-Exempt Usage	594,656			
DCARE Deficiency Calculations				
CARE Number of Meters	152	152		
CARE Total Sales (therms)	44,857		29,665	15,192
Base CARE Fixed & Usage Revenue	\$50,300	\$14,957	\$19,722	\$15,621
Total CARE Rev.	\$50,300			
CARE Deficiency (20%)	\$10,060			
CARE Deficiency Rate	0.01692			
GCAC CARE Usage Revenue	\$114,826		\$74,786	\$40,039
GCAC CARE Deficiency (20%)	\$22,965			
GCAC CARE Deficiency Rate	0.03862			
Total Proposed Deficiency Adder (\$/therm)	0.05554			
Current Deficiency Adder (\$/therm)	0.03352			
Diffence (\$/therm)	0.02202			

CALIFORNIA PUBLIC UTILITIES COMMISSION

ADVICE LETTER FILING SUMMARY ENERGY UTILITY

MUST BE COMPLETED BY UTILITY (Attach additional pages as needed)

Company name/CPUC Utility No.: Southern California Edison Company (U 338-E)

Utility type:

ELC GAS
 PLC HEAT WATER

Contact Person: James Yee

Phone #: (626) 302-2509

E-mail: James.Yee@sce.com

E-mail Disposition Notice to: AdviceTariffManager@sce.com

EXPLANATION OF UTILITY TYPE

ELC = Electric GAS = Gas
 PLC = Pipeline HEAT = Heat WATER = Water

(Date Filed/ Received Stamp by CPUC)

Advice Letter (AL) #: 151-G Tier Designation: 2

Subject of AL: Revision to Santa Catalina Island Gas Base Rates to Update the California Alternate Rates for Energy (CARE) Surcharge

Keywords (choose from CPUC listing): Compliance, Surcharges

AL filing type: Monthly Quarterly Annual One-Time Other _____

If AL filed in compliance with a Commission order, indicate relevant Decision/Resolution #:

D.04-12-018

Does AL replace a withdrawn or rejected AL? If so, identify the prior AL: _____

Summarize differences between the AL and the prior withdrawn or rejected AL¹: _____

Confidential treatment requested? Yes No

If yes, specification of confidential information:

Confidential information will be made available to appropriate parties who execute a nondisclosure agreement.

Name and contact information to request nondisclosure agreement/access to confidential information:

Resolution Required? Yes No

Requested effective date: 9/28/08 No. of tariff sheets: 4

Estimated system annual revenue effect: (%): _____

Estimated system average rate effect (%): _____

When rates are affected by AL, include attachment in AL showing average rate effects on customer classes (residential, small commercial, large C/I, agricultural, lighting).

Tariff schedules affected: Schedules G-1 and G-2 and Table of Contents

Service affected and changes proposed¹: _____

Pending advice letters that revise the same tariff sheets: 148-G

¹ Discuss in AL if more space is needed.

Protests and all other correspondence regarding this AL are due no later than 20 days after the date of this filing, unless otherwise authorized by the Commission, and shall be sent to:

CPUC, Energy Division
Attention: Tariff Unit
505 Van Ness Ave.,
San Francisco, CA 94102
inj@cpuc.ca.gov and mas@cpuc.ca.gov

Akbar Jazayeri
Vice President of Regulatory Operations
Southern California Edison Company
2244 Walnut Grove Avenue
Rosemead, California 91770
Facsimile: (626) 302-4829
E-mail: AdviceTariffManager@sce.com

Bruce Foster
Senior Vice President, Regulatory Affairs
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

Cal. P.U.C. Sheet No.	Title of Sheet	Cancelling Cal. P.U.C. Sheet No.
Revised 1050-G Revised 1051-G*	Schedule G-1 Schedule G-1	Revised 1012-G* Revised 1013-G
Revised 1052-G	Schedule G-2	Revised 1014-G*
Revised 1053-G	Table of Contents	Revised 1039-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	\$0.270	
For 305 cubic feet per hour meter	\$0.470	
For 400 cubic feet per hour meter	\$0.616	
For 675 cubic feet per hour meter	\$1.040	
For 1,000 cubic feet per hour meter	\$1.540	
For 2,000 cubic feet per hour meter	\$3.071	
For 3,000 cubic feet per hour meter	\$4.606	
For 4,000 cubic feet per hour meter	\$6.141	
For 5,000 cubic feet per hour meter	\$7.677	
Energy Charge (To be added to Customer Charge):		
Baseline Service, per therm	\$3.24207	(I)
Nonbaseline Service, per therm	\$3.72006	(I)

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

(Continued)

(To be inserted by utility)
 Advice 151-G
 Decision 04-12-018

Issued by
Akbar Jazayeri
Vice President

(To be inserted by Cal. PUC)
 Date Filed Aug 29, 2008
 Effective Nov 1, 2008
 Resolution _____



Schedule G-1
SANTA CATALINA ISLAND
DOMESTIC SERVICE

Sheet 2

(Continued)

ENERGY CHARGE COMPONENTS

Base Rates*: (T)

Baseline Service, per therm	\$0.72036	(I)
Nonbaseline Service, per therm	\$1.08380	(I)

* Base Rates include CARE Surcharge of 0.05554 per therm, for both Baseline and Nonbaseline Service. (I)

Adjustment Rates:

Gas Cost Adjustment Billing Factor:

Baseline Service, per therm	\$2.52103
Nonbaseline Service, per therm	\$2.63559

PUC Reimbursement Fee, per therm \$0.00068

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)
 Advice 151-G
 Decision 04-12-018

Issued by
Akbar Jazayeri
Vice President

(To be inserted by Cal. PUC)
 Date Filed Aug 29, 2008
 Effective Nov 1, 2008
 Resolution _____



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	\$0.270	
For 305 cubic feet per hour meter	\$0.470	
For 400 cubic feet per hour meter	\$0.616	
For 675 cubic feet per hour meter	\$1.040	
For 1,000 cubic feet per hour meter	\$1.540	
For 2,000 cubic feet per hour meter	\$3.071	
For 3,000 cubic feet per hour meter	\$4.606	
For 4,000 cubic feet per hour meter	\$6.141	
For 5,000 cubic feet per hour meter	\$7.677	

Energy Charge (To be added to Customer Charge):

All therms, per therm	\$4.61614	(I)
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The rates above include Base Rates and the applicable Adjustment Rates as shown below:

ENERGY CHARGE COMPONENTS

Base Rates*:

All Therms, per therm	\$1.50060	(T) (I)
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* Base Rate includes CARE Surcharge of 0.05554 per Therm. (I)

Adjustment Rates:

Gas Cost Adjustment Billing Factor, per therm	\$3.11486	
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PUC Reimbursement Fee, per therm	\$0.00068	
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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 151-G
 Decision 04-12-018

Issued by
Akbar Jazayeri
 Vice President

(To be inserted by Cal. PUC)

Date Filed Aug 29, 2008
 Effective Nov 1, 2008
 Resolution _____



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DE	Domestic Service to Utility Employees	123-G	
G-1	Domestic Service	1050-1051-G	(T)
G-1-CARE	Domestic Service	999-G	
G-2	General Service	1052-429-G	(T)
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LIST OF CONTRACTS AND DEVIATIONS

	<u>Cal. P.U.C. Sheet No.</u>
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(Continued)

(To be inserted by utility)
 Advice 151-G
 Decision 04-12-018

Issued by
Akbar Jazayeri
Vice President

(To be inserted by Cal. PUC)
 Date Filed Aug 29, 2008
 Effective Nov 1, 2008
 Resolution _____



An EDISON INTERNATIONAL Company

Lisa Vellanoweth
Manager of Tariffs

November 12, 2008

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

Attn: Honesto Gatchalian
Energy Division

Re: Substitute Sheet for Advice 151-G

Dear Mr. Gatchalian:

Enclosed are an original and four copies of Attachment A and Substitute Sheet No. 1051-G* for Advice 151-G. This substitute sheet is necessary to correct an inadvertent typographical error made to the Gas Cost Adjustment Billing Factor, Nonbaseline Service rate component. The rate component was updated to mirror 150-G's corresponding and correct rate. This substitute sheet ensures that all appropriate and approved information is contained in the affected tariff sheet.

Please include the enclosed sheets in your master Advice 151-G. If you have any questions, please contact Lisa Foulds at (626) 302-2010.

Sincerely,

Lisa Vellanoweth

Enclosures
151-GSub.doc