

PUBLIC UTILITIES COMMISSION

SAN FRANCISCO, CA 94102-3298



DEC 24 2003

December 17, 2003

REVENUE & TARIFFS DEPT. Advice Letter: 1738-E-A

Akbar Jazayeri
Director of Revenue and Tariffs
Southern California Edison Company
P O Box 800
Rosemead, CA 91770

Reference: Second Gas Supply Plan for the State of California Department of Water Resources Tolling Agreements

Dear Mr. Jazayeri:

Advice Letter 1738-E-A is effective November 26, 2003 by Resolution E-3846. A copy of the advice letter is included herewith for your records.

Sincerely,

A handwritten signature in cursive script that reads "Paul Clanon".

Paul Clanon, Director
Energy Division

jjr

PUBLIC VERSION – REDEACTED

November 26, 2003

ADVICE 1738-E-A
(U 338-E)

PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA
ENERGY DIVISION

SUBJECT: Submission of Southern California Edison Company's
Supplemental Gas Supply Plan for the State of California
Department of Water Resources Tolling Agreements
Pursuant to Decision 03-10-016 and Resolution E-3846

In compliance with Decision (D.) 03-10-016 and Resolution E-3846, Southern California Edison Company (SCE) hereby submits for filing its Supplemental Gas Supply Plan for the State of California Department of Water Resources (DWR) Tolling Agreements. This supplemental filing consists of two attachments – one public and one confidential attachment.

PURPOSE

This supplemental advice filing is made pursuant to Resolution E-3846 which approved SCE's second Gas Supply Plan for the period October 2003 through March 2004, and directed SCE to update the plan to incorporate the DWR-Williams Gas Contracts volumes allocated to SCE pursuant to D.03-10-016.

BACKGROUND

Resolution E-3846 provides in relevant part: "Edison shall file in 15 days a supplemental advice letter updating its Gas Supply Plan to comply with D.03-10-016, i.e., to include Edison's allocation of the Williams Gas Supply."¹ Resolution E-3846 became effective on November 13, 2003. SCE hereby updates its second Gas Supply Plan to include the information set forth in Appendix S-1 and Appendix S-2.

¹ Resolution E-3846, Ordering Paragraph 5, *mimeo*, p. 14.

The text of Appendix S-1 shall replace Section G in SCE's April 21, 2003 Gas Supply Plan, and the updated confidential Figure V-1 included in Appendix S-2 shall replace the prior Figure V-1 in the confidential version of SCE's second Gas Supply Plan.

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

This supplemental advice filing shall become effective upon filing, subject to review and approval by the Commission's Energy Division.

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 10 days after the date of this advice filing. Protests should be mailed to:

IMC Program Manager
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
Southern California Edison Company
601 Van Ness Avenue, Suite 2040
San Francisco, California 94102
Facsimile: (415) 673-1116
E-mail: fosterbc@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, R.01-10-024, and PRG members. Address change requests to the attached GO 96-A Service List should be directed to AdviceTariffManager@sce.com or (626) 302-3636. For changes to the R.01-10-024 and 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>.

For questions, please contact Paul Cloke at (626) 302-3361 or by electronic mail at Paul.Cloke@sce.com.

Southern California Edison Company

Akbar Jazayeri

AJ:ll:pf

Enclosures

Appendix S-1

The following text shall replace Section G. of SCE's April 21, 2003 Gas Supply Plan (Public Version – p. 27 and Confidential Version – p. 29)

APPENDIX S-1

The following text shall replace Section G of SCE’s April 21, 2003 Gas Supply Plan (public version – p 27. and confidential version – p. 29)

G. Williams Long-Term Physical Gas Contract

On October 2, 2003, CPUC allocated to SCE and SDG&E certain percentages of natural gas volumes derived from the Williams Gas Contract,¹ a natural gas supply contract that had become part of the DWR contract portfolio pursuant to an earlier Commission decision.² That volumetric allocation³ is set forth below:⁴

Quarterly Allocation of Williams Gas Contract (rounded to nearest 5 percent)	2004		2005-2010 Average (after Dynegy contract)	
	SCE	SDG&E	SCE	SDG&E
Jan - Mar	100%	0%	85%	15%
Apr - Jun	95%	5%	85%	15%
Jul - Sep	60%	40%	35%	65%
Oct - Dec	90%	10%	50%	50%

In addition, the CPUC allocated to each of SCE and SDG&E a 50% share of the Kern River scheduling rights associated with the Williams Gas Contract.⁵ To the extent a utility does not schedule 50% of its allocated gas on the Kern River pipeline, that utility’s Kern River scheduling rights would be allocated between the other utilities on a pro rata basis.⁶

The CPUC requested that the utilities incorporate these volumetric and scheduling right allocations into their Gas Supply Plans, beginning with the Gas Supply Plans for the period October 2003 through March 2004. Insofar as the October 2003 – March 2004 Gas Supply Plan was approved November 13, 2003 in Resolution E-3846, the CPUC requested that SCE file a supplemental advice letter within 15 days to update its Gas Supply Plan to comply with D.03-10.016, i.e. to include SCE’s allocation of the Williams Gas Supply.⁷

¹ Decision 03-10-016 (Oct. 2, 2003)(“Williams Gas Decision”).

² Decision 02-09-053 (Sept. 2002).

³ Although Table 1 in the Williams Gas Decision continues to refer to the 2005-2010 allocations as “average”, CPUC makes clear that these annual volumetric percentages represent a “precise allocation and not an average.” D.03-10-016, p. 10.

⁴ D.03-10-016, Ordering paragraph 1, p. 12 and Table 1.

⁵ D.03-10-016, Ordering paragraph 2, p. 12.

⁶ D.03-10-016, Ordering paragraph 2, p. 12.

⁷ Resolution E-3846 (November 13, 2003), Ordering paragraph 5, p. 14.

**CONFIDENTIAL IN ACCORDANCE WITH PUBLIC UTILITIES
CODE SECTION §583**

Appendix S-2

Gas Purchase Limits including Williams Gas Allocation (MMBtu)
Figure V-I (Revised)

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