

PUBLIC UTILITIES COMMISSION

SAN FRANCISCO, CA 94102-3298



August 22, 2007

Advice Letter 1749-E

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

Subject: Tariff Revisions Necessary to Clarify Customer Eligibility for Exemption
from Applicability of Schedule S Pursuant to Decision 03-04-060

Dear Mr. Jazayeri:

Advice Letter 1749-E is effective September 30, 2003.

Sincerely,

A handwritten signature in black ink, appearing to read "Sean H. Gallagher".

Sean H. Gallagher, Director
Energy Division

September 30, 2003

ADVICE 1749-E
(U 338-E)

PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA
ENERGY DIVISION

SUBJECT: Tariff Revisions Necessary to Clarify Customer Eligibility
for Exemption from Applicability of Schedule S Pursuant
to Decision 03-04-060

In compliance with Decision (D.) 03-04-060, Southern California Edison Company (SCE) hereby submits for filing the following changes to its tariff schedules. The revised tariff sheets are listed on Attachment A and are attached hereto.

PURPOSE

This advice filing revises SCE's Schedule S, Standby Service, to comply with Public Utilities (PU) Code Sections 353.2(a) and 353.13(a) and D.03-04-060 regarding the applicability of Schedule S to distributed generation classified as combined heat and power applications, renewable resources, and ultra-clean resources all sized 5 megawatts (MW), or smaller. Pursuant to D.03-04-060, combined heat and power applications and renewable resources sized 5 MW or smaller, installed between May 1, 2001 and December 31, 2004, and ultra-clean resources of the same size installed between January 1, 2003, and December 31, 2005, shall be served under the same rates as customers with similar load profiles that do not install distributed generation.

BACKGROUND

D.01-07-027 established standby rate design policies but specified that these policies be implemented concurrent with comprehensive rate design changes. Thus, a temporary step to implement PU Code Section 353.13 is necessary because it appears that revised rates for customers utilizing distributed generation will not be completed for some time. The availability of the tariff

changes made with this advice letter are limited to combined heat and power applications and renewable resources that are 5 MW and under and installed between May 1, 2001, and December 31, 2004. Ultra-clean resources sized 5 MW or smaller that meet the definitions set forth in PU Code Section 353.2(a) can be installed through December 31, 2005 and take advantage of these changes. Both end dates of December 2004 and December 2005 can be automatically extended in six month increments if revised rates are not otherwise authorized by the Commission by the end dates listed here.

SCE is revising Schedule S, Standby Service, to ensure that combined heat and power applications and renewable resources sized 5 MW or smaller installed between May 1, 2001 and December 31, 2004, are served under the same rates as customers with similar load profiles that do not install distributed generation. In addition, SCE's revisions include authorized changes that would allow customers who have ultra-clean resources sized 5 MW or smaller and installed between January 1, 2003, and December 31, 2005, to also have the same rate treatment. Therefore, Schedule S is revised such that eligible customers are exempt from the Standby and Generation Reservation Charges of Schedule S until June 1, 2011.

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

Pursuant to D.03-04-060, Ordering Paragraph 6, this advice filing is effective upon filing, subject to review 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 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 furnishing copies of this advice filing to the interested parties shown on the attached service list and R.99-10-025. Address change requests to the attached GO 96-A Service List should be directed to AdviceTariffManager@sce.com or (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>.

For questions, please contact Pat Aldridge at (626) 302-4617 or by electronic mail at Pat.Aldridge@sce.com.

Southern California Edison Company

Akbar Jazayeri

AJ:pa/mm
Enclosures

Cal. P.U.C. Sheet No.	Title of Sheet	Cancelling Cal. P.U.C. Sheet No.
Revised 35465-E**	Schedule S	Revised 35158-E
Original 35466-E*	Schedule S	Revised 35158-E
Revised 35467-E	Schedule S	Revised 35159-E
Revised 35468-E*	Schedule S	Revised 35160-E
Revised 35469-E	Schedule S	Revised 35161-E
Revised 35470-E	Table of Contents	Revised 35295-E
Revised 35471-E	Table of Contents	Revised 35195-E



Schedule S
STANDBY

Sheet 1

APPLICABILITY

Applicable to customers taking service under a regular service rate schedule and where a part or all of the electrical requirements of the customer can be supplied from a generating facility as defined, interconnected, and operated in accordance with Rule 21. A generating facility may be connected for: (1) parallel operation with the service of SCE; or (2) isolated operation with standby or breakdown service provided by SCE by means of a double throw switch. Any customer served under a time-of-use rate schedule using electric generation technology that meets the criteria as defined in Rule 1 for Distributed Energy Resources Generation is exempt from the otherwise applicable Standby and Generation Reservation Charges for the periods specified in such definition. Solar generating facilities up to 1MW in installed nameplate capacity that do not sell power to the grid are exempt from paying charges under this Schedule.

As set forth in D.03-04-060, effective April 17, 2003, Distributed Energy Resources Generation operated in combined heat and power applications and renewable resources, as defined in D.02-10-062, sized 5 MW or smaller, installed between May 1, 2001 and December 31, 2004, that meet all other criteria in Section 353.1 of the Public Utilities Code are exempt from the otherwise applicable Standby and Generation Reservation Charges of this Schedule until June 1, 2011. The December 31, 2004 installation date to qualify for the exemption will be extended by six months and continue to be extended on a six month basis until the date of the Commission's decision issued on SCE's 2003 General Rate Case (GRC) rate design application. The same exemption from such charges is also applicable to Ultra Clean resources, as defined in Section 353.2 of the Public Utilities Code, sized 5 MW or smaller, installed between January 1, 2003 and December 31, 2005, that meet all other criteria in Section 353.1 of the Public Utilities Code, with automatic extensions of the December 31, 2005 installation deadline in six-month increments until a decision is issued on utility rate design applications.

TERRITORY

Within the entire territory served.

(Continued)

(To be inserted by utility)

Advice 1749-E
Decision 03-04-060

Issued by
John R. Fielder
Senior Vice President

(To be inserted by Cal. PUC)

Date Filed Sep 30, 2003
Effective Sep 30, 2003
Resolution _____



Schedule S
STANDBY

Sheet 2

(Continued)

RATES

(L)

	Delivery Service						Gen ⁸		
	Trans ¹	Distrbtn ²	NDC ³	PPPC ⁴	PUCRF ⁵	DWRBC ⁶	Total ⁷	URG	DWR
Standby Charge - \$/kW of Standby Demand/Meter/Month									
Below 2 kV	0.30	3.96					4.26	2.14	
From 2 kV to 50 kV	0.23	4.10					4.33	2.27	
Above 50 kV	0.17	0.27					0.44	0.21	
Generation Reservation Charge - \$/kW of Standby Demand/Meter/Month									
Below 2 kV	0.00	0.00					0.00	0.37	
From 2 kV to 50 kV	0.00	0.00					0.00	0.36	
Above 50 kV	0.00	0.00					0.00	0.35	

(L)

- ¹ Trans = Transmission and the Transmission Owners Tariff Charge Adjustments (TOTCA) which are FERC approved. The TOTCA represents the Transmission Revenue Balancing Account Adjustment (TRBAA) of negative \$0.00053 per kWh, Reliability Services Balancing Account Adjustment (RSBAA) of \$0.00015 per kWh, and Transmission Access Charge Balancing Account Adjustment (TACBAA) of \$0.00027 per kWh.
- ² Distrbtn = Distribution
- ³ NDC = Nuclear Decommissioning Charge
- ⁴ PPPC = Public Purpose Programs Charge (includes California Alternate Rates for Energy Surcharge where applicable.)
- ⁵ PUCRF = The PUC Reimbursement Fee is described in Schedule RF-E.
- ⁶ DWRBC = Department of Water Resources (DWR) Bond Charge. The DWR Bond Charge is not applicable to exempt Bundled Service and Direct Access Customers, as defined in and pursuant to D.02-10-063, D.02-02-051, and D.02-12-082.
- ⁷ Total = Total Delivery Service rates that are applicable to both Bundled Service and Direct Access (DA) Customers, except DA Customers are not subject to the DWRBC rate component of this Schedule but instead pay the DWRBC as provided by Schedule DA.
- ⁸ Gen = Generation – The Gen rates are applicable only to Bundled Service Customers. When calculating the Energy Charge, the Gen portion is calculated as described in the Billing Calculation Special Condition of this Schedule.

(L)

Applicable Schedule Charges (to be added to Standby Charge and Generation Reservation Charge):

(L)

The Facilities Related Component of the Demand Charges designated in the applicable regular service rate schedule shall be applied to all kW of Facilities Related Billing Demand in the current month less Standby Demand but in no case applied to a difference less than zero. All other charges including any minimum charges and provisions of the applicable regular service rate schedule designated in the generation interconnection agreement or the Contract for Electric Service shall apply.

For customers served under this Schedule whose regular service rate is Schedule TOU-8, the Standby and Generation Reservation Charges are excluded from the Peak Period and Average Rate Limiter calculation provided in Schedule TOU-8.

(L)

(Continued)

(To be inserted by utility)
 Advice 1749-E
 Decision 03-04-060

Issued by
John R. Fielder
 Senior Vice President

(To be inserted by Cal. PUC)
 Date Filed Sep 30, 2003
 Effective Sep 30, 2003
 Resolution _____

Schedule S
STANDBY

Sheet 3 (T)

(Continued)

SPECIAL CONDITIONS

1. Contract: A Contract is required for service under this schedule.
2. Generation Interconnection Agreement: A generation interconnection agreement with the customer shall be required for service under this Schedule where the cogeneration or small power production source is connected for parallel operation with the service of SCE.
3. Standby Demand: The level of standby demand shall be set forth in the generation interconnection agreement or Contract for Electric Service. The level of standby demand shall be determined by SCE and shall be the lower of (a) the nameplate capacity of the customer's generating facility; or (b) SCE's estimate of the customer's peak demand.

SCE reserves the right to install, at the customer's expense, a demand meter to measure the customer's demand. The highest recorded demand shall be used to determine the customer's level of standby demand.

4. Allowance for Maintenance: After a customer has received service under this Schedule for a period of six months, the added demand created by scheduled maintenance outages of the generating facility will be ignored for purposes of determining the Time Related Component of the demand charges under the applicable regular service rate schedule in months acceptable to SCE upon advance notice and subject to prevailing system peak conditions, subject to the conditions stated herein. Such conditions are that customer schedule and perform maintenance in accordance with the advance notice, outage duration, and outage frequency requirements set forth in the generation interconnection agreement, and following the period of scheduled maintenance, customer shows, to the satisfaction of SCE, what part of the recorded maximum demand utilized for billing in any of the months was added demand due to outage for such scheduled maintenance. This condition is applicable for one continuous outage per year of up to 30 consecutive days.

SCE may, at its option, require that the customer defer scheduled maintenance. If scheduled maintenance is deferred, SCE will allow an outage for maintenance at a later date with allowance for maintenance in accordance herewith. Notice of such deferral, if required, shall be provided to the customer not less than 60 days prior to customer's scheduled outage date, except in the event of emergency. The Allowance for Maintenance applies only to customers served on a rate schedule which has a Time Related Component within the demand charge.

5. Excess Energy: For parallel connections, the customer may sell power to SCE under the terms of the generation interconnection agreement.

(Continued)

(To be inserted by utility)

Advice 1749-E
Decision 03-04-060Issued by
John R. Fielder
Senior Vice President

(To be inserted by Cal. PUC)

Date Filed Sep 30, 2003
Effective Sep 30, 2003
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Schedule S
STANDBY

(Continued)

SPECIAL CONDITIONS

6. Billing Calculation: A customer's bill is calculated according to the rates and conditions above.

Except for the Energy Charge, the charges listed in the Rates section are calculated by multiplying the Total Delivery Service rates and the Generation rates, when applicable, by the billing determinants (e.g., per kilowatt [kW], kilowatthour [kWh], kilovar [kVa] etc.),

The Energy Charge, however, is determined by multiplying the total kWhs by the Total Delivery Service per kWh rates to calculate the Delivery Service amount of the Charge. To calculate the Generation amount, SCE determines what portion of the total kWhs is supplied by the Utility Retained Generation (URG) and the Department of Water Resources (DWR). The kWhs supplied by the URG are multiplied by the URG per kWh rates and the kWhs supplied by the DWR are multiplied by the DWR per kWh rate and the two products are summed to arrive at the Generation amount. The Energy Charge is the sum of the Delivery Service amount and the Generation amount.

For each billing period, SCE determines the portion of total kWhs supplied by SCE's URG and by the DWR. This determination is made by averaging the daily percentages of energy supplied to SCE's Bundled Service Customers by SCE's URG and by the DWR.

- a. Bundled Service Customers receive Delivery Service from SCE and receive supply (Gen) service from both SCE's URG and the DWR. The customer's bill is the sum of the charges for Delivery Service and Gen determined, as described in this Special Condition, and subject to applicable discounts or adjustments provided under SCE's tariff schedules.
- b. Direct Access Customers receive Delivery Service from SCE and purchase energy from an Energy Service Provider. The customer's bill is the sum of the charges for Delivery Service determined as described in this Special Condition except that the DWRBC rate component is subtracted from the Total Delivery Service rates before the billing determinants are multiplied by such resulting Total rates; plus the applicable charges as shown in Schedule DA and subject to applicable discounts or adjustments provided under SCE's tariff schedules.

(Continued)

(To be inserted by utility)
Advice 1749-E
Decision 03-04-060

Issued by
John R. Fielder
Senior Vice President

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Date Filed Sep 30, 2003
Effective Sep 30, 2003
Resolution _____



Schedule S
STANDBY

Sheet 5 (T)

(Continued)

SPECIAL CONDITIONS (Continued)

- 7. Separate Service Connections and Meters For Generating Facilities. Under this Special Condition, SCE may at its option, provide generating facilities with an additional service connection and meter for reliability purposes (back-up service) separate from the existing service connection and meter (main service). Back-up service shall be provided to customers served under Schedule TOU-8 at the main service and only when SCE's service, including standby service provided under this Schedule, is not available at the main service. Service under this Special Condition does not act as a guarantee of uninterrupted service. Furthermore, back-up service shall not be used to serve the load that is curtailed/interrupted under another load curtailment program in which a participating customer agrees to curtail/interrupt its load when called upon to do so under the terms of such program, or the curtailed load of a circuit during an Independent System Operator (ISO) Stage III Emergency Rotating Outage. Service under this Special Condition is subject to meter availability.
 - a. Contract. A contract is required for service under this Special Condition. In addition to the back-up service contract, the customer shall have executed an added facilities contract for the back-up service facilities.
 - b. Parallel Connections. No parallel connection of the main service and the back-up service shall be permitted. SCE shall control the transfer of the customer's load from the main service to the back-up service.
 - c. Removal from Special Condition. The customer is ineligible for service under this Special Condition when the customer discontinues or becomes ineligible for service under Schedule TOU-8 at the main service. Effective with the date of such ineligibility, the back-up service contract and service under this Special Condition and the added facilities contract shall terminate. The customer may be subject to the termination provision of the added facilities contract for the back-up service facilities. In addition, if at any time while receiving service under this Special Condition the customer elects to terminate its added facilities contract for the back-up service facilities, service under this Special Condition shall expire concurrent with the effective date of such termination.
 - d. Rate Schedules for Back-Up Service. Back-up service shall be provided under the applicable general service rate schedule for the load receiving such back-up service, except that when the back-up service maximum demand is, in the opinion of SCE, expected to exceed 500 kW, service shall be provided under Schedule TOU-8-BU. For customers with a maximum demand of 500 kW or less served under a demand metered general service rate schedule, for each billing period the Customer Charge shall be \$8.63 per meter per month and the customer shall not be charged the Facilities Related Component of the Demand Charge. When back-up service is provided under a non-demand metered general service rate schedule the Customer Charge shall be \$0.1675 per meter per day.
 - e. Back-Up Service Not A Guarantee Of Uninterrupted Electric Service. Back-up service under this Special Condition does not prevent a generating facility from being subject to rotating outages. In the event the generating facility is designated by the California Public Utilities Commission's decisions or staff as exempted essential use, the back-up service shall not be deemed as essential nor exempt from rotating outages.

(To be inserted by utility)
Advice 1749-E
Decision 03-04-060

Issued by
John R. Fielder
Senior Vice President

(To be inserted by Cal. PUC)
Date Filed Sep 30, 2003
Effective Sep 30, 2003
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(To be inserted by utility)
Advice 1749-E
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Issued by
John R. Fielder
Senior Vice President

(To be inserted by Cal. PUC)
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LIST OF CONTRACTS AND DEVIATIONS	31106-31079-19469-27091-28418-28419-24944-E
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(Continued)

(To be inserted by utility)

Advice 1749-E
 Decision 03-04-060

Issued by

John R. Fielder
Senior Vice President

(To be inserted by Cal. PUC)

Date Filed Sep 30, 2003
 Effective Sep 30, 2003
 Resolution _____

October 31, 2003

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

Attn: Jerry Royer
Energy Division

Re: Substitute Sheets for Advice 1749E

Dear Mr. Royer:

Enclosed is an original and six copies of Attachment A and substitute Sheet No. 35465-E*.¹ This substitute sheet is necessary to modify specific language within the *Applicability* section of Schedule S, Standby, pursuant to Southern California Edison's (SCE) Response to Joint Parties Protest to SCE's Advice 1749-E, dated October 27, 2003. The last full sentence of the second paragraph within the *Applicability* section now reads:

The same exemption from such charges is also applicable to Ultra Clean resources, as defined in Section 353.2 of the Public Utilities Code, sized 5 MW or smaller, installed between January 1, 2003 and December 31, 2005, that meet all other criteria in Section 353.1 of the Public Utilities Code, with automatic extensions of the December 31, 2005 installation deadline in six-month increments until a decision is issued on utility rate design applications. ~~the date of the Commission's decision issued on SCE's GRC 2003 rate design application.~~

Please replace the enclosed sheets in your master Advice 1749-E file and distribute to the appropriate people reviewing this filing. If you have any questions, please contact Dara Morgan at (626) 302-2086.

Sincerely,

Enclosures
1749-ESub.doc

Copy: Downey Brand Attorneys, LLP

¹ Asterisk denotes a substitute sheet.

February 2, 2004

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

Attn: Jerry Royer
Energy Division

Re: Substitute Sheets for Advice 1749-E

Dear Mr. Royer:

Enclosed is an original and six copies of Attachment A and substitute Sheet No. 35465-E**.¹ This substitute sheet is necessary to remove the words "gas fired" from the *Applicability* section of Schedule S, Standby, pursuant to a recent discussion with the California Public Utilities Commission's Energy Division staff regarding SCE's Advice 1749-E and this specific language. The first sentence of the second paragraph within the *Applicability* section is revised as follows:

As set forth in D.03-04-060, effective April 17, 2003, ~~gas-fired~~ Distributed Energy Resources Generation operated in combined heat and power applications and renewable resources, as defined in D.02-10-062, sized 5 MW or smaller, installed between May 1, 2001 and December 31, 2004, that meet all other criteria in Section 353.1 of the Public Utilities Code are exempt from the otherwise applicable Standby and Generation Reservation Charges of this Schedule until June 1, 2011.

Please replace the enclosed sheets in your master Advice 1749-E file and distribute to the appropriate people reviewing this filing. If you have any questions, please contact Ruby Galvan at (626) 302-2010.

Sincerely,

Enclosures
1749-ESub1.doc

Copy: Valerie Beck, Energy Division

¹ Asterisk denotes a substitute sheet.

March 1, 2004

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

Attn: Jerry Royer
Energy Division

Re: Substitute Sheets for Advice 1749-E

Dear Mr. Royer:

Enclosed are an original and six copies of Attachment A, and substitute sheets 35466-E* and 35468-E* for Advice 1749-E. The enclosed substitute sheets are necessary to add clarifying language to the Generation footnote of the Rates section and to the Billing Calculation Special Condition of Schedule S in an effort to more clearly describe how bills are calculated under the California Public Utilities Commission (Commission) adopted bottoms-up billing method.

This change was made in a substitute sheet letter that was filed on November 26, 2003 for Advice 1724-E, however due to 1749-E piggy backing 1724-E, the substitute sheet change was not made until after 1749-E was filed so the changes were not included. These substitute sheets are necessary to ensure that all appropriate and approved changes to tariffs are included.

Since filing Advice 1724-E, Southern California Edison (SCE) has received inquiries and comments from customers and interested parties expressing a general lack of understanding of the Commission-adopted bottoms-up billing calculation method and difficulty in calculating bills under this new method. SCE is attempting to resolve these issues by clarifying the language in the enclosed tariff. This clarifying language will not change the bottoms-up billing method, but will simply add clarity to how the billing calculations are performed.

Please replace the enclosed sheets in your master Advice 1749-E file and distribute copies to the appropriate people reviewing this filing. If you have any questions, please contact Ruby Galvan at (626) 302-2010.

Sincerely,

Lisa Vellanoweth
Manager of Tariffs

Enclosures
1749ESub2.doc