

PUBLIC UTILITIES COMMISSION

SAN FRANCISCO, CA 94102-3298



March 12, 2007

Advice Letter 2072-E

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

MAR 26 2007
REVENUE & TARIFFS DEPT.

Subject: Revision to the Base Revenue Requirement Balancing Account Reflecting SCE's Acquisition of the City of Anaheim's Ownership Share of the San Onofre Nuclear Generating Station Units 2 & 3 in Accordance with D. 06-11-025

Dear Mr. Jazayeri:

Advice Letter 2072-E is effective December 29, 2006. A copy of the advice letter is included herewith for your records.

Sincerely,

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

Sean H. Gallagher, Director
Energy Division

December 11, 2006

ADVICE 2072-E
(U 338-E)

PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA
ENERGY DIVISION

SUBJECT: Revision to the Base Revenue Requirement Balancing Account
Reflecting SCE's Acquisition of the City of Anaheim's Ownership
Share of the San Onofre Nuclear Generating Station Units 2 & 3 in
Accordance with Decision 06-11-025

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

The purpose of this advice letter is to revise the Base Revenue Requirement Balancing Account (BRRBA)¹ to reflect a change in the authorized costs associated with SCE's acquisition of the City of Anaheim's (Anaheim) 3.16 percent ownership share² of San Onofre Nuclear Generating Station Units 2 & 3 (SONGS 2 & 3) pursuant to California Public Utilities Commission (Commission) Decision (D.)06-11-025 (Decision). The ownership transfer will be effective December 29, 2006.

BACKGROUND

In D.05-12-040 the Commission approved SCE's Application (A.)04-02-026 to replace the SONGS 2 & 3 original steam generators (the Steam Generators Replacement Project - "SGRP"). Anaheim decided not to participate in the SONGS 2 & 3 SGRP. As a result, Anaheim's ownership share of SONGS 2 & 3 would be reduced to zero subsequent to the completion of the SONGS 2 & 3 SGRP. Following a procedure identified in Section 16 of the SONGS Operating

¹ The BRRBA compares, on a monthly basis, Commission-authorized distribution and generation base revenue requirements (excluding fuel and purchased power expenses) to recorded retail distribution and generation base revenues.

² The current ownership shares of SONGS 2 & 3 are: 75.05% SCE, 20% SDG&E, 3.16% Anaheim, and 1.79% Riverside. SCE's share of SONGS 2 & 3 will be 78.21% effective upon the ownership acquisition date.

Agreement, Anaheim decided not to participate in the SGRP in order to pursue additional renewable resources as mandated by the Anaheim City Council. In December 2005, Anaheim agreed to an early transfer of its share of SONGS 2 & 3 even before completion of the SGRP.

SCE filed A.06-03-020 requesting Commission approval of its proposed ratemaking treatment for costs resulting from an early acquisition of Anaheim's ownership share of SONGS 2 & 3. The key terms of the acquisition agreement between SCE and Anaheim are:

- Anaheim will transfer its 3.16% ownership share to SCE upon receipt of the necessary regulatory approvals.
- SCE will purchase all of Anaheim's SONGS 2 & 3 assets, except for its portion of the Independent Spent Fuel Storage Installation necessary to store its spent fuel.
- Anaheim will retain all liabilities arising before the closing of the acquisition transaction, and liabilities arising after the closing related to nuclear decommissioning and used nuclear fuel.
- The estimated purchase price is \$10.4 million.
- Anaheim will retain its nuclear decommissioning trust fund, and a reduced portion of decommissioning liability based on a pro-rata portion of the remaining life of SONGS Units 2 & 3 (estimated at 1.91% for SONGS Unit 2 and 1.86% for SONGS Unit 3). The balance of the decommissioning liability will be acquired by SCE.
- Anaheim will retain its spent nuclear fuel and all liabilities associated with storage of the fuel.
- Anaheim will pay its share of marine mitigation costs up to a total of \$2.3 million. In exchange for a \$1 million purchase price reduction, SCE will pay Anaheim's share of marine mitigation costs in excess of the \$2.3 million up to \$7.3 million. Anaheim will pay its share of costs in excess of \$7.3 million.

D.06-11-025

In the Decision, the Commission found that the early acquisition of Anaheim's ownership share of SONGS 2 & 3 is cost-effective, and approved SCE's proposed ratemaking treatment for costs resulting from the acquisition to the extent specified in the Decision. The Federal Energy Regulatory Commission (FERC) and the Nuclear Regulatory Commission (NRC) approved the acquisition on April 24, 2006, and September 27, 2006, respectively. In addition, transfer of the SONGS 2 & 3 seawater intake structure easement was approved by the California State Lands Commission (Lands Commission)³ in November 2006. Thus, all regulatory approvals have been received.

³ Among other things, the Lands Commission manages California's tide and submerged lands.

Approved Ratemaking Treatment

1. BRRBA Revisions

SCE recovers its ownership share of authorized SONGS 2 & 3 base Operations and Maintenance (O&M) expenses, Administrative and General (A&G) Expenses, nuclear refueling outage O&M expenses, and plant-related costs (i.e., book depreciation expense, applicable taxes, and return on rate base), forecast in General Rate Case (GRC) proceedings through the operation of the BRRBA⁴.

Ordering Paragraph 2 of the Decision requires that:

1. SCE file an advice letter ten (10) days after the effective date of the Decision to revise its BRRBA to reflect acquisition of Anaheim's ownership share of SONGS 2 & 3⁵; and;
2. The effective date of the compliance advice letter shall be the date of the Decision or the date that ownership is transferred, whichever is later.

The transfer of Anaheim's ownership share of SONGS 2 & 3 to SCE will be effective December 29, 2006. Thus, the BRRBA will be revised effective December 29, 2006, pursuant to Ordering Paragraph 2 of the Decision. The 2006 BRRBA revision will be pro-rated such that only three days (i.e., December 29, 30, and 31) of the 2006 authorized base revenue requirement increase will be recorded in the BRRBA. The Decision also authorizes a 2007 BRRBA revision effective January 1, 2007. The 2006 and 2007 BRRBA revisions authorized in the Decision are reflected in the BRRBA tariff included in Appendix A to this advice filing.

The two tables below summarize 2006 and 2007 BRRBA revisions (on a revenue requirement basis, including Franchise Fees and Uncollectible Accounts Expense) reflecting acquisition of Anaheim's 3.16% ownership share of SONGS 2 & 3(\$000's).

⁴ Commencing with SCE's 2009 Test Year GRC, distribution and generation base revenue requirements associated with Anaheim's ownership share of SONGS 2 & 3 will be forecast and reflected in SCE's GRC proceedings.

⁵ Ordering Paragraph 2 also allows the recovery of Anaheim's share of the additional depreciation expense for removal and disposal of the original steam generators authorized in D.05-12-040.

2006 BRRBA Revision (2 refuelings)

	<u>Without Anaheim</u>	<u>With Anaheim</u>	<u>Difference</u>
Distribution	\$2,611,710	\$2,613,277	\$ 1,567
Generation	<u>\$1,137,582</u>	<u>\$1,153,030</u>	<u>\$ 15,448</u>
Total CPUC	\$3,749,292	\$3,766,307	\$ 17,015

2007 BRRBA Revision (1 refueling)

	<u>Without Anaheim</u>	<u>With Anaheim</u>	<u>Difference</u>
Distribution	\$2,761,411	\$2,763,065	\$ 1,654
Generation	<u>\$1,138,462</u>	<u>\$1,152,135</u>	<u>\$13,673</u>
Total CPUC	\$3,899,873	\$3,915,200	\$15,327

Recorded entries to the BRRBA for base distribution and generation costs resulting from acquiring Anaheim's ownership share of SONGS 2 & 3 will be reviewed by the Commission in SCE's Energy Resource Recovery Account (ERRA) Reasonableness of Operations (ROO) proceedings⁶. In these ERRA ROO proceedings, SCE sets forth the recorded operation of several non-ERRA regulatory accounts (including the BRRBA) for audit and review by the Commission to ensure that recorded entries in those accounts are accurate, and are consistent with Commission decisions.

2. Energy Resource Recovery Account

Ordering Paragraph 3 of the Decision authorizes SCE to file an advice letter 10 days after the effective date of the Decision to record SCE's nuclear fuel-related costs resulting from acquiring Anaheim's ownership share of SONGS 2 & 3 in the ERRA. Ordering Paragraph 3 also requires that the advice letter be effective on the date of the Decision or the date that transfer of ownership from Anaheim to SCE takes place, whichever is later. The transfer of Anaheim's ownership share of SONGS 2 & 3 to SCE will occur on December 29, 2006.

The current Commission-authorized ERRA Preliminary Statement (Section "ZZ") reflects monthly recorded entries for SCE's Utility Retained Generation (URG)⁷ fuel and fuel-related expenses including nuclear fuel expenses, certain nuclear fuel storage expenses, and nuclear fuel carrying costs. Thus, commencing December 29, 2006, SCE will record the additional nuclear fuel-related costs associated with the acquisition of Anaheim's share of SONGS 2 & 3 in the ERRA.

⁶ In accordance with D.02-10-062, D.03-07-029, and D.04-01-048, SCE submits an ERRA ROO application on April 1st of each year for the previous calendar year's Record Period.

⁷ SCE's URG includes all of its generating facilities, including SONGS 2 & 3.

For December 2006, SCE will record SONGS 2 & 3 nuclear fuel-related costs in the ERRA using a 75.05 percent ownership share for 28 days of December (i.e., December 1 through 28), and a 78.21 percent ownership share for 3 days (i.e., December 29 through 31). Furthermore, acquisition of Anaheim's ownership share of SONGS 2 & 3 will reduce SCE's revenue requirement for procurement of electricity for its bundled service customers. SCE records its actual Residual Net Short Requirement costs in the ERRA.

Costs recorded in the ERRA associated with acquiring Anaheim's ownership share of SONGS 2 & 3 will be reviewed by the Commission in SCE's ERRA ROO proceedings. In its ERRA ROO proceedings, SCE sets forth the recorded operation of the ERRA for audit and review by the Commission to ensure that the recorded ERRA entries are accurate, and are consistent with Commission decisions.

3. Nuclear Decommissioning Adjustment Mechanism

Ordering Paragraph 4 of the Decision requires that SCE file a compliance advice letter 10 days after the effective date of the Decision, or the effective date of a final decision in SCE's 2005 Nuclear Decommissioning Cost Triennial Proceeding (NDCTP) Application (A.05-11-008⁸, whichever is later, to revise SCE's Nuclear Decommissioning Adjustment Mechanism (NDAM) to reflect the authorized revenue requirement resulting from acquiring Anaheim's ownership share of SONGS 2 & 3. The NDAM revenue requirement shall be calculated on the same basis as the amount authorized in the final decision in A.05-11-008.

On October 30, 2006, a Proposed Decision of Administrative Law Judge Douglas Long (Proposed Decision) was issued in A.05-11-008. The Proposed Decision adopts an all-party settlement in A.05-11-008, and requires that SCE file a compliance advice letter within 10 days of the effective date of the final decision in A.05-11-008. The Proposed Decision is included on the Agenda for the December 14, 2006 Commission Conference. SCE will file an advice letter revising its NDAM to reflect the impact of acquiring Anaheim's ownership share of SONGS 2 & 3 within 10 days of a final Commission decision in A.05-11-008.

JANUARY 1, 2007 BRRBA REVISION PER ADVICE 2054-E

On November 1, 2006, SCE filed Advice 2054-E in compliance with Decision (D.)06-05-016² with an effective date of January 1, 2007. In D.06-05-016 the Commission, among other things, adopted a Post Test Year Ratemaking (PTYR) mechanism for 2007 and 2008. The adopted PTYR mechanism adjusts SCE's distribution and generation revenue requirements (excluding fuel and purchased power expenses) to provide SCE with additional revenue to cover its costs of doing business.

Included in its 2007 PTYR base revenue requirement in Advice 2054-E are SCE's ownership costs of SONGS 2 & 3 (at SCE's current 75.05% ownership share percentage - i.e., excluding Anaheim's 3.16% ownership share) including O&M expenses, capital-related revenue

⁸ A.05-11-008 was a joint application between SCE and San Diego Gas & Electric Company (SDG&E).

² As of the date of filing this advice letter, the Commission has not yet approved Advice 2054-E.

requirement, and refueling and maintenance outages costs (one SONGS 2 & 3 refueling in 2007).

In Advice 2054-E, SCE revised its BRRBA tariff effective January 1, 2007, reflecting its authorized 2007 PTYR base revenue requirement increase. SCE will file a supplement to Advice 2054-E prior to January 1, 2007 to revise the authorized base distribution and generation revenue requirements in the BRRBA tariff reflecting the 2007 BRRBA revisions in this advice letter.

RATE CONSOLIDATION

Consistent with its proposal in A.06-08-001 (SCE's 2007 ERRRA Forecast Proceeding), SCE will include BRRBA revisions set forth in this advice letter in its consolidated rate change that will take place after receiving a decision in A.06-08-001¹⁰. SCE's rates will not change as a result of implementing this advice filing.

No cost information is required for this advice filing.

EFFECTIVE DATE

In accordance with Ordering Paragraphs 2 and 3 of the Decision, this advice filing will be effective on December 29, 2006, the date of transfer of ownership of Anaheim's share of SONGS 2 & 3 to SCE.

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:

CPUC, Energy Division
Attention: Tariff Unit
505 Van Ness Avenue
San Francisco, California 94102
E-mail: jnj@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:

¹⁰ A decision in A.06-08-011 is anticipated in January 2007.

Akbar Jazayeri
Vice President, Revenue and Tariffs
Southern California Edison Company
2244 Walnut Grove Avenue, Room 388N
Rosemead, California 91770
Facsimile: (626) 302-4829
E-mail: AdviceTariffManager@sce.com

Bruce Foster
Senior Vice President of Regulatory Operations
c/o Karyn Gansecki
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 GO 96-A service list and A.06-03-020. Address change requests to the GO 96-A 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 Phillip Durgin at (626) 302-6344 or by electronic mail Phillip.Durgin@sce.com.

Southern California Edison Company

Akbar Jazayeri

AJ:pd:mm
Enclosures

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.: <u>Southern California Edison Company (U 338-E)</u>	
Utility type: <input checked="" type="checkbox"/> ELC <input type="checkbox"/> GAS <input type="checkbox"/> PLC <input type="checkbox"/> HEAT <input type="checkbox"/> WATER	Contact Person: <u>James Yee</u> Phone #: <u>(626) 302-2509</u> E-mail: <u>James.Yee@sce.com</u>
EXPLANATION OF UTILITY TYPE ELC = Electric GAS = Gas PLC = Pipeline HEAT = Heat WATER = Water	(Date Filed/ Received Stamp by CPUC)
Advice Letter (AL) #: <u>2072-E</u>	
Subject of AL: <u>Revision to the Base Revenue Requirement Balancing Account Reflecting SCE's Acquisition of the City of Anaheim's Ownership Share of the San Onofre Nuclear Generating Station Units 2 & 3 in Accordance with Decision 06-11-025</u>	
Keywords (choose from CPUC listing): <u>Compliance, Balancing Account, Nuclear</u>	
AL filing type: <input type="checkbox"/> Monthly <input type="checkbox"/> Quarterly <input type="checkbox"/> Annual <input checked="" type="checkbox"/> One-Time <input type="checkbox"/> Other _____	
If AL filed in compliance with a Commission order, indicate relevant Decision/Resolution #: <p style="text-align: center;"><u>D.06-11-025</u></p>	
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 AL ¹ : 	
Resolution Required? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	
Requested effective date: <u>12/29/06</u> No. of tariff sheets: <u>4</u>	
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: <u>Preliminary Statement Part YY and Table of Contents</u>	
Service affected and changes proposed ¹ : _____	
Pending advice letters that revise the same tariff sheets: <u>Advice 2020-E and 2054-E</u>	

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
jjr@cpuc.ca.gov and jnj@cpuc.ca.gov

Akbar Jazayeri
Vice President, 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
Senior 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

Cal. P.U.C. Sheet No.	Title of Sheet	Cancelling Cal. P.U.C. Sheet No.
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Revised 41818-E Revised 41819-E	Preliminary Statement Part YY Preliminary Statement Part YY	Revised 40727-E Revised 40728-E*
Revised 41820-E* Revised 41821-E	Table of Contents Table of Contents	Revised 41731-E Revised 41411-E

PRELIMINARY STATEMENT

Sheet 8

(Continued)

N. MEMORANDUM ACCOUNTS (Continued)

8. Results Sharing Memorandum Account

The purpose of the Results Sharing Memorandum Account (RSMA) is to compare the authorized and actual Results Sharing expenses paid out for 2006, 2007 and 2008 and to record the difference pursuant to D.06-05-016 Ordering Paragraph 21.

- a. SCE shall maintain the RSMA by making entries at the end of each month as follows:
1. A debit entry for the actual Results Sharing amount paid out;
 2. A credit entry equal to the result of multiplying the authorized amount for Results Sharing by the applicable (Distribution / Generation) MDP as set forth in Preliminary Statement YY, Base Revenue Requirement Balancing Account (BRRBA).

**Total Company Authorized – Results Sharing
In Thousands**

	2003	2006	1/12/06 (N) 2006 (N)	12/29/06 (N) 2006 (N)	1/01/07 (N) 2007	2008
	Dollars	Dollars	Dollars (N)	Dollars (N)	Dollars	Dollars
Generation	14,053	15,642	16,156 (N)	13,557 (N)	15,664 (I)	-
Transmission & Distribution	29,280	32,592	32,592 (N)	29,280 (N)	33,831	-
Customer Service	13,334	14,842	14,842 (N)	13,334 (N)	15,406	-
Administrative & General	<u>27,956</u>	<u>31,118</u>	<u>31,118 (N)</u>	<u>27,956 (N)</u>	<u>32,301</u>	-
Total	84,622	94,194	94,708 (N)	83,698 (N)	97,202 (I)	-

Interest shall accrue monthly by applying one-twelfth of the Federal Reserve three-month Commercial Paper Rate – Non-Financial, from Federal Reserve Statistical Release H.15 (expressed as an annual rate) to the average monthly balance. If in any month a non-financial rate is not published, SCE shall use the Federal Reserve three-month Commercial Paper Rate – Financial.

Any underexpended CPUC Results Sharing balance, as recorded in the RSMA, shall be transferred to the BRRBA annually and reviewed in the annual April 1st ERRA reasonableness proceeding.

(Continued)

(To be inserted by utility)
 Advice 2072-E
 Decision 06-11-025

Issued by
Akbar Jazayeri
Vice President

(To be inserted by Cal. PUC)
 Date Filed Dec 11, 2006
 Effective Dec 29, 2006
 Resolution _____

PRELIMINARY STATEMENT

Sheet 1

YY. Base Revenue Requirement Balancing Account (BRRBA)

1. Purpose:

The purpose of the Base Revenue Requirement Balancing Account (BRRBA) is to record: 1) the difference between SCE's authorized distribution and generation base revenue requirements and recorded revenues from authorized distribution and generation rates; and 2) record other authorized and recorded costs authorized by the Commission. The BRRBA is established in accordance with D.04-07-022, and as modified by D.06-05-016.

2. Definitions:

a. Authorized Distribution Base Revenue Requirement:

The Authorized Distribution Base Revenue Requirement (ADBRR) is the most current Commission-authorized Distribution-related base revenue requirement. The current ADBRR is listed below:

Table A
Authorized Distribution Base Revenue Requirement
(\$000)

<u>Effective Date</u>	<u>ADBRR</u>	
May 22, 2003	\$ 2,432,380	
January 1, 2004	\$ 2,665,448	
January 1, 2005	\$ 2,770,383	
January 1, 2006	\$ 2,749,569	
January 12, 2006	\$ 2,611,710	
December 29, 2006	\$ 2,613,277	(N)
January 1, 2007	\$ 2,763,065	(N)

b. Authorized Generation Base Revenue Requirement:

The Authorized Generation Base Revenue Requirement (AGBRR) is the most current Commission-authorized Generation-related base revenue requirement. The current AGBRR is listed below:

Table B
Authorized Generation Base Revenue Requirement
(\$000)

<u>Effective Date</u>	<u>AGBRR</u>	
May 22, 2003	\$ 401,149	
January 1, 2004	\$ 675,852	
September 7, 2004	\$ 671,712	
January 1, 2005	\$ 596,049	
January 1, 2006	\$ 683,082	
January 12, 2006	\$ 1,137,582	
December 29, 2006	\$ 1,153,030	(N)
January 1, 2007	\$ 1,152,135	(N)

(Continued)

(To be inserted by utility)

Advice 2072-E
Decision 06-11-025

Issued by

Akbar Jazayeri
Vice President

(To be inserted by Cal. PUC)

Date Filed Dec 11, 2006
Effective Dec 29, 2006
Resolution _____

PRELIMINARY STATEMENT

Sheet 2

(Continued)

YY. Base Revenue Requirement Balancing Account (BRRBA) (Continued)

2. Definitions: (Continued)

b. Authorized Generation Base Revenue Requirement: (Continued)

Table C
SONGS Refueling Amounts Included in AGBRR
(\$000)

<u>Effective Date</u>	<u>AGBRR Without Refueling</u>	<u>Number of Refuelings included in AGBRR</u>	<u>Total Amount of Refuelings included in AGBRR</u>	<u>AGBRR</u>	
May 22, 2003	\$ 401,149	0	\$ 0	\$ 401,149	
January 1, 2004	\$ 588,690	2	\$ 87,162	\$ 675,852	
September 7, 2004	\$ 584,550	2	\$ 87,162	\$ 671,712	
January 1, 2005	\$ 596,049	0	\$ 0	\$ 596,049	
January 1, 2006	\$ 593,185	2	\$ 89,897	\$ 683,082	
January 12, 2006	\$ 1,040,806	2	\$ 96,776	\$ 1,137,582	
December 29, 2006	\$ 1,051,786	2	\$ 101,244	\$ 1,153,030	(N)
January 1, 2007	\$ 1,100,548	1	\$ 51,587	\$ 1,152,135	(N)

c. BRRBA Distribution Revenue:

1. BRRBA Billed Distribution Revenue:

Total recorded billed Distribution revenues, adjusted to remove the CARE discount,

2. Plus: the change (plus or minus) in the amount of BRRBA unbilled Distribution revenue (the reversal of prior month's estimated unbilled revenue, plus the current month's estimate);

3. Less: a provision for FF&U.

d. Franchise Fees (FF) Factor:

The current Commission FF factor adopted in SCE's most recent General Rate Case (GRC) to provide recovery for Franchise Fees.

<u>GRC Decision</u>	<u>Factor</u>
D.04-07-022	0.00847
D.06-05-016	0.00893

e. Uncollectible (U) Accounts Factor:

The current Commission U factor adopted in SCE's most recent General Rate Case (GRC) to provide recovery for Uncollectible expense.

<u>GRC Decision</u>	<u>Factor</u>
D.04-07-022	0.00324
D.06-05-016	0.00225

(Continued)

(To be inserted by utility)

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(To be inserted by utility)
Advice 2072-E
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R. Historical Procurement Charge Balancing Account.....37080-E

S. Procurement Energy Efficiency Balancing Account (PEEBA)35953-E

T. Electric and Magnetic Fields Measurement Program..... 18319-18320-18321-E

U. California Solar Initiative Program Balancing Account (CSIPBA) 40361-40362-E

V. Hazardous Substance Cleanup Cost Recovery Mechanism 37646-22174-E
.....27264-31561-31527-31528-18857-22175-18859-18860-18861-18862-18863-E

W. Departing Load and Customer Generation Departing Load (CGDL)
Cost Responsibility 33558-39862-33560-39863-33562-E
.....33563-33564-33565-33566-33567-33568-33569-33570-33571-33572-33573-33574-33575-E

X. Research, Development and Demonstration Adjustment Clause (RDDAC) 40713-40714-E

Y. Demand Response Program Balancing Account (DRPBA)..... 41395-40715-40392-41349-E
.....40394-40395-E

Z. Family Energy Rate Associates Balancing Account..... 36373-36374-E

AA. California Alternate Rates for Energy (CARE) Balancing Account ... 39362-39363-34445-36298-E

BB. PBR Distribution Revenue Requirement Adjustment Factor (PDRRAD)
.....31330-31331-31332-31333-35496-31335-31336-31337-E

CC. PBR Distribution Performance Mechanism (PDPM) 32057-31339-32058-31341-31342-E
.....31343-32059-32060-32061-32062-32063-32064-32065-32066-32067-32068-32069-32070-E
.....32071-32072-E

DD. Cost Of Capital Trigger Mechanism 31356-35497-31358-32074-31360-E

EE. Electric Deferred Refund Account (EDRA) 21212-26600-E

FF. Public Purpose Programs Adjustment Mechanism 40523-40524-40525-40526-40527-E
.....40928-40529-E
.....36299-33005-E

GG. Energy Efficiency Program Adjustment Mechanism (EEPAM)40530-E

HH. Low Income Energy Efficiency Program Adjustment Mechanism (LIEEPAM) 30278-24259-E

II. Bond Charge Balancing Account (BCBA)..... 32855-32234-32235-E

JJ. Direct Access Cost Responsibility Surcharge Tracking Account 40656-40657-40658-E

KK. NOT IN USE -E

LL. NOT IN USE -E

MM. Community Choice Aggregation Implementation Cost Balancing Account39864-E

NN. Mohave Balancing Account.....40716-40717-40718-E

OO. Pension Costs Balancing Account40719-40720-40721-E

PP. Post Employment Benefits Other Than Pensions (PBOP) Costs Balancing Account40722-40723-40724-E

QQ. NOT IN USE -E

RR. NOT IN USE -E

SS. NOT IN USE -E

TT. NOT IN USE -E

UU. Late Payment Charge Revenue Balancing Account (LPCRBA) 40725-40726-E

VV. NOT IN USE -E

WW. Community Choice Aggregation Cost Responsibility
Surcharge Tracking Account..... 37950-E

XX. NOT IN USE -E

YY. Base Revenue Requirement Balancing Account (BRRBA) 41818-41819-41000-40730-E
.....40731-40732-40733-40734-40735-40736-40737-40738-E (T)

ZZ. Energy Resource Recovery Account 41001-40740-34480-40577-39727-40741-40742-E

AAA. Post Test Year Ratemaking Mechanism (PTYR) 40743-40744-40745-40746-E
.....36622-36623-36624-36625-36626-E

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.....36627-36628-36629-E

(Continued)

(To be inserted by utility)

Advice 2072-E
Decision 06-11-025

Issued by

Akbar Jazayeri
Vice President

(To be inserted by Cal. PUC)

Date Filed Dec 11, 2006
Effective Dec 29, 2006
Resolution _____

December 14, 2006

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

Attn: Honesto Gatchalian
Energy Division

Re: Substitute Sheets for Advice 2072-E

Dear Mr. Gatchalian:

Enclosed are an original and four copies of Attachment A, Substitute Sheet No. 418201-E*,¹ and newly added Sheet No. 41817-E for Advice 2072-E. These substitute sheets are necessary to include modifications to the existing Total Company Authorized – Results Sharing table contained within Preliminary Statement, Part N, Section 8.a.2., Results Sharing Memorandum Account, Sheet No. 41817-E.

Please include the enclosed substitute sheets in your master Advice 2072-E and distribute copies to the appropriate people reviewing Advice 2072-E. If you have any questions, please contact Rosie Yocupicio at (626) 302-4858.

Sincerely,

Enclosures
2072-ESub.doc

¹ Asterisk denotes a substituted sheet.

