

PUBLIC UTILITIES COMMISSION

SAN FRANCISCO, CA 94102-3298



January 5, 2007

Advice Letter 2075-E-A

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

Subject: Supplement to the Annual Trust Transfer Amount (TTA) True-up Mechanism Advice
Filing

Dear Mr. Jazayeri:

Advice Letter 2075-E-A is effective January 1, 2007. A copy of the advice letter is included herewith for your records.

Sincerely,

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

Sean H. Gallagher, Director
Energy Division

December 22, 2006

ADVICE 2075-E-A
(U 338-E)

PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA
ENERGY DIVISION

SUBJECT: Supplement to the Annual Trust Transfer Amount (TTA)
True-Up Mechanism Advice Filing

Pursuant to California Public Utilities Commission (Commission) Decision (D.) 97-09-056, Ordering Paragraph 14, Southern California Edison Company (SCE), as servicer of the Rate Reduction Bonds (RRBs) and on behalf of SCE Funding LLC, is required to apply for adjustment to Trust Transfer Amount (TTA)¹ charges at least 15 days before the end of each calendar year.

PURPOSE

This supplemental advice letter filing is made to reflect corrections to the Reserve Subaccount balance used in the development of the revised TTA and replaces SCE's Advice 2075-E, filed December 15, 2006, in its entirety.

This advice filing decreases the TTA charges for Residential and Small Commercial customers by 9.1 percent. The 9.1 percent reduction in the TTA charges will result in system average reductions for the Residential and Small Commercial rate groups of approximately 0.43 percent and 0.40 percent, respectively.

BACKGROUND

In D.97-09-056, the Commission authorized SCE to file routine True-Up Mechanism advice letters on an annual basis, at least 15 days before the end of the calendar year to revise existing TTA charges.

Using the methodology approved by the Commission in D.97-09-056, this advice filing updates the variables used in calculating the TTA charges and provides the revised TTA charges. Table I shows the revised assumptions for each of the variables used in

¹ This term is also referred to as the Trust Transfer Amount consistent with D.98-06-026, dated June 4, 1998; however, the term Fixed Transition Amount Charge (FTAC) is referenced on SCE's applicable tariffs. The FTAC is also listed on customers' bills as the Trust Transfer Amount.

calculating the new TTA charges for Residential and Small Commercial customers. Appendix 1 of this Advice Letter reflects the revised payment schedule (see Page 1).

The assumptions underlying the calculation of the current TTA charges were filed in Advice 1941-E on December 15, 2005.

TABLE I
Input Values for TTA Charges

	Residential Customers	Small Commercial Customers
Monthly kWh sales:		
December 2006	2,220,251,912	371,405,114
January 2007	2,591,489,965	386,353,988
February 2007	2,160,385,037	349,140,311
March 2007	2,279,576,991	388,552,818
April 2007	2,051,401,281	364,059,814
May 2007	2,031,337,389	371,392,270
June 2007	2,352,035,999	397,372,808
July 2007	2,835,122,425	437,458,251
August 2007	3,097,060,224	461,548,591
September 2007	3,074,657,137	463,633,292
October 2007	2,564,144,868	441,148,793
November 2007	2,190,722,275	383,826,305
Percent of residential customers' and small commercial customers' billed amounts expected to be uncollected	0.5%	0.4%
Percent of billed amounts collected in current month	45.0%	42.3%
Percent of billed amounts collected in second month after billing	43.9%	49.1%
Percent of billed amounts collected in third month after billing	7.8%	5.2%
Percent of billed amounts collected in fourth month after billing	1.9%	2.0%
Percent of billed amounts collected in fifth month after billing	0.9%	1.0%
	For This Series	
Quarterly deposit to Overcollateralization Subaccount	\$ 307,875	
Quarterly Servicing Fee as percent of RRB outstanding balance	0.0625%	
Quarterly trustee and ongoing transaction expenses	\$ 41,500	
Expected RRB outstanding balance as of 12/31/07	\$ 0	
Undercollection of principal to be reflected in the new TTA charges	\$0	
Reserve Subaccount balance to be reflected in the new TTA charges	\$ 11,006,477.14	
Difference between Overcollateralization Subaccount balance and required overcollateralization level to be reflected in the new TTA charges	\$0	
Difference between Capital Subaccount balance and required capital level to be reflected in the new TTA charges	\$0	

Table II shows the revised TTA charges calculated for Residential and Small Commercial customers to become effective on January 1, 2007. The projected TTA collections are shown in Appendix 1 (see Pages 2 and 3).

**TABLE II
REVISED TTA CHARGES**

Residential Customer TTA Charge	0.713¢/kWh
Small Commercial Customer TTA Charge	0.754¢/kWh

JANUARY 1, 2007 RATE CHANGES

In addition to implementing the revised 2007 TTA charges on January 1, 2007, SCE has also proposed to implement the 2007 Transmission Revenue Balancing Account Adjustment Rate and Reliability Services Balancing Account Adjustment Rates provided in Advice 2061-E and revised DWR Bond and Power Charges. Revised rate schedules incorporating all three rate changes will be included with the 2007 DWR Bond and Power Charge advice letter to be filed later this month, with all rate changes effective January 1, 2007.

EFFECTIVE DATE

In accordance with D.97-09-056, adjusted TTA charges are effective at the beginning of the next calendar year. Thus, the revised TTA charges included will become effective January 1, 2007.

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, 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

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. Address change requests to the GO 96-A service list should be directed by electronic mail to AdviceTariffManager@sce.com or at (626) 302-2930. 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>.

If you have any questions, please contact Jennifer Do at (626) 302-4448 or Jennifer.Do@sce.com.

Southern California Edison Company

Akbar Jazayeri

AJ:jd:sq
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.: Southern California Edison Company (U 338-E)	
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: James Yee Phone #: (626) 302-2509 E-mail: James.Yee@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) #: <u>2075-E-A</u>	
Subject of AL: <u>Supplement to the Annual Trust Transfer Amount (TTA) True-Up Mechanism Advice Filing</u>	
Keywords (choose from CPUC listing): <u>Compliance</u>	
AL filing type: <input type="checkbox"/> Monthly <input type="checkbox"/> Quarterly <input checked="" type="checkbox"/> Annual <input type="checkbox"/> One-Time <input type="checkbox"/> Other _____	
If AL filed in compliance with a Commission order, indicate relevant Decision/Resolution #: <u>D.97-09-056, Ordering Paragraph 14</u>	
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>1/1/07</u> No. of tariff sheets: <u>-0-</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>None</u>	
Service affected and changes proposed ¹ : _____	
Pending advice letters that revise the same tariff sheets: _____	

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
jjn@cpuc.ca.gov and mas@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

Advice 2075-E-A

Appendix 1

Southern California Edison
Appendix 1

	E	AF	AG	AH	AI	AJ	AK	AL	AM	AN	AO	AP	AQ
1	Distributions - Revised Payment Schedule <i>Aggregate Debt Service</i>												
2													
3													
4													
5													
6	RRB Debt Service												
7	Collection Account (C/A)												
8	Scheduled Ending Balances												
	Month	Quarterly Collections	Beginning RRB Principal Bal.	Trustee + Other Fees	Servicing Fee	Interest Payment	Principal Payment	C/A Deposit (Withdrawal)	Ending RRB Principal Bal.	Beginning Balance	Ending Balance	Rate Reduction Bond Principal	Capital & O/C Account
121	Dec-06	0	246,300,000	0	0	0	0	0	246,300,000	34,304,977	34,304,977	246,300,000	23,298,500
122	Jan-07	0	246,300,000	0	0	0	0	0	246,300,000	34,304,977	34,304,977	246,300,000	23,298,500
123	Feb-07	60,444,313	246,300,000	43,500	153,938	3,953,115	62,105,255	-5,811,494	184,194,745	34,304,977	28,493,483	184,194,745	23,606,375
124	Mar-07	0	184,194,745	0	0	0	0	0	184,194,745	28,493,483	28,493,483	184,194,745	23,606,375
125	Apr-07	0	184,194,745	0	0	0	0	0	184,194,745	28,493,483	28,493,483	184,194,745	23,606,375
126	May-07	54,424,329	184,194,745	43,500	115,122	2,956,326	54,512,548	-3,203,166	129,682,197	28,493,483	25,290,317	129,682,197	23,914,250
127	Jun-07	0	129,682,197	0	0	0	0	0	129,682,197	25,290,317	25,290,317	129,682,197	23,914,250
128	Jul-07	0	129,682,197	0	0	0	0	0	129,682,197	25,290,317	25,290,317	129,682,197	23,914,250
129	Aug-07	63,296,423	129,682,197	43,500	81,051	2,081,399	61,401,374	-310,902	68,280,823	25,290,317	24,979,415	68,280,823	24,222,125
130	Sep-07	0	68,280,823	0	0	0	0	0	68,280,823	24,979,415	24,979,415	68,280,823	24,222,125
131	Oct-07	0	68,280,823	0	0	0	0	0	68,280,823	24,979,415	24,979,415	68,280,823	24,222,125
132	Nov-07	69,013,490	68,280,823	43,500	42,676	1,095,907	68,280,823	-449,415	0	24,979,415	24,530,000	0	24,530,000
133	Dec-07	0	0	0	0	0	0	0	0	24,530,000	24,530,000	0	24,530,000

Southern California Edison
Appendix 1

	E	H	I	J	K	L	M	N	O	P	Q	R
1	Projected Collections <i>Residential Customers</i>											
2												
3												
4												
5												
6												
7												
8	Month	Monthly Sales (kWh)	FTA Charge (\$ / kWh)		Monthly Billings	% Collected Month 1	% Collected Month 2	% Collected Month 3	% Collected Month 4	% Collected Month 5	Charge- Offs	Monthly Collections
121	Dec-06	2,220,251,912	0.007835		\$17,394,730	45.00%	43.90%	7.80%	1.90%	0.90%	0.50%	\$16,871,120
122	Jan-07	2,591,489,965	0.007126		\$18,468,042	45.00%	43.90%	7.80%	1.90%	0.90%	0.50%	\$17,726,304
123	Feb-07	2,160,385,037	0.007126		\$15,395,808	45.00%	43.90%	7.80%	1.90%	0.90%	0.50%	\$16,854,641
124	Mar-07	2,279,576,991	0.007126		\$16,245,219	45.00%	43.90%	7.80%	1.90%	0.90%	0.50%	\$15,983,174
125	Apr-07	2,051,401,281	0.007126		\$14,619,144	45.00%	43.90%	7.80%	1.90%	0.90%	0.50%	\$15,418,584
126	May-07	2,031,337,389	0.007126		\$14,476,160	45.00%	43.90%	7.80%	1.90%	0.90%	0.50%	\$14,657,936
127	Jun-07	2,352,035,999	0.007126		\$16,761,592	45.00%	43.90%	7.80%	1.90%	0.90%	0.50%	\$15,485,266
128	Jul-07	2,835,122,425	0.007126		\$20,204,268	45.00%	43.90%	7.80%	1.90%	0.90%	0.50%	\$18,003,371
129	Aug-07	3,097,060,224	0.007126		\$22,070,947	45.00%	43.90%	7.80%	1.90%	0.90%	0.50%	\$20,515,623
130	Sep-07	3,074,657,137	0.007126		\$21,911,293	45.00%	43.90%	7.80%	1.90%	0.90%	0.50%	\$21,573,916
131	Oct-07	2,564,144,868	0.007126		\$18,273,169	45.00%	43.90%	7.80%	1.90%	0.90%	0.50%	\$20,098,253
132	Nov-07	2,190,722,275	0.007126		\$15,612,003	45.00%	43.90%	7.80%	1.90%	0.90%	0.50%	\$17,357,590
133	Dec-07	2,444,512,522	0.007126		\$17,420,619	45.00%	43.90%	7.80%	1.90%	0.90%	0.50%	\$16,733,208

Southern California Edison
Appendix 1

	E	T	U	W	X	Y	Z	AA	AB	AC	AD
1	Projected Collections <i>Small Commercial Customers</i>										
2											
3											
4											
5											
6											
7		Monthly Sales (kWh)	FTA Charge (\$ / kWh)	Monthly Billings	% Collected Month 1	% Collected Month 2	% Collected Month 3	% Collected Month 4	% Collected Month 5	Charge-Offs	Monthly Collections
8	Month										
121	Dec-06	371,405,114	0.008285	\$3,077,058	42.30%	49.10%	5.20%	2.00%	1.00%	0.40%	\$3,175,545
122	Jan-07	386,353,988	0.007536	\$2,911,582	42.30%	49.10%	5.20%	2.00%	1.00%	0.40%	\$3,015,383
123	Feb-07	349,140,311	0.007536	\$2,631,138	42.30%	49.10%	5.20%	2.00%	1.00%	0.40%	\$2,801,319
124	Mar-07	388,552,818	0.007536	\$2,928,152	42.30%	49.10%	5.20%	2.00%	1.00%	0.40%	\$2,775,559
125	Apr-07	364,059,814	0.007536	\$2,743,572	42.30%	49.10%	5.20%	2.00%	1.00%	0.40%	\$2,824,075
126	May-07	371,392,270	0.007536	\$2,798,830	42.30%	49.10%	5.20%	2.00%	1.00%	0.40%	\$2,765,001
127	Jun-07	397,372,808	0.007536	\$2,994,620	42.30%	49.10%	5.20%	2.00%	1.00%	0.40%	\$2,868,490
128	Jul-07	437,458,251	0.007536	\$3,296,706	42.30%	49.10%	5.20%	2.00%	1.00%	0.40%	\$3,094,557
129	Aug-07	461,548,591	0.007536	\$3,478,252	42.30%	49.10%	5.20%	2.00%	1.00%	0.40%	\$3,329,116
130	Sep-07	463,633,292	0.007536	\$3,493,962	42.30%	49.10%	5.20%	2.00%	1.00%	0.40%	\$3,445,077
131	Oct-07	441,148,793	0.007536	\$3,324,518	42.30%	49.10%	5.20%	2.00%	1.00%	0.40%	\$3,398,556
132	Nov-07	383,826,305	0.007536	\$2,892,533	42.30%	49.10%	5.20%	2.00%	1.00%	0.40%	\$3,140,098
133	Dec-07	398,265,381	0.007536	\$3,001,347	42.30%	49.10%	5.20%	2.00%	1.00%	0.40%	\$2,967,340