

PUBLIC UTILITIES COMMISSION

SAN FRANCISCO, CA 94102-3298



February 23, 2007

Advice Letter 2095-E

MAR 01 2007

REVENUE & TARIFFS DEPT.

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

Subject: Disposition of the December 31, 2006 Balance Recorded in the Family Electric Rate
Assistance Balancing Account

Dear Mr. Jazayeri:

Advice Letter 2095-E is effective March 1, 2007. 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

January 30, 2007

ADVICE 2095-E
(U 338-E)

PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA
ENERGY DIVISION

SUBJECT: Disposition of the December 31, 2006 Balance Recorded in the
Family Electric Rate Assistance Balancing Account

PURPOSE

Pursuant to Decision (D.)04-02-057 and as set forth in SCE's Preliminary Statement, Part Z, Family Electric Rate Assistance Balancing Account (FERABA), this filing: 1) sets forth the monthly entries recorded in the FERABA during calendar year 2006 for review; and 2) requests the California Public Utilities Commission's (Commission) authorization to recover the amounts recorded in the FERABA through generation rate levels.

BACKGROUND

In compliance with D.04-02-057, SCE established the FERABA to record FERA-related program costs and related revenue shortfalls that result from charging FERA-eligible customers Tier 2 electricity rates for their Tier 3 usage.¹ Revenue shortfalls were recorded in the FERABA only until implementation of SCE's 2003 GRC Phase 2 rate levels, effective April 14, 2005, when rates were designed such that these revenue shortfalls were recovered from non-FERA eligible customers. FERA-related Operation and Maintenance (O&M) costs were to be recorded in the FERABA until such amounts were recovered through SCE's authorized 2006 GRC revenue requirement. On May 11, 2006, the Commission issued a final 2006 GRC Phase 1 decision. In review of this decision, SCE verified that no amounts associated with the FERA-related O&M costs were included in SCE's authorized revenue requirement. Therefore, SCE will continue to record the incremental FERA-related O&M costs associated with the FERA

¹ SCE filed Advice 1792-E on April 26, 2004 establishing the FERABA in compliance with D.04-02-057. SCE filed Advice 1857-E on January 28, 2005 related to 2004 costs.

program in the FERABA and has modified the Preliminary Statement, Part Z, accordingly.

RECORDED 2006 OPERATION OF THE FERABA

Attachment A contains the operation of the FERABA for the period January 1, 2006 through December 31, 2006, with a recorded balance of \$69,000. Pursuant to Preliminary Statement, Part Z, FERABA, this amount was transferred to the Energy Resource Recovery Account on January 1, 2007, and as such, will be recovered through future generation rate levels.

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 advice filing is effective upon filing, subject to the review and approval of the 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 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 and R.02-01-011. 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 Debbie Nunes at (626) 302-1717 or by electronic mail at Debra.Nunes@sce.com.

Southern California Edison Company

Akbar Jazayeri

AJ:dn:mm
Enclosures

ATTACHMENT A
Family Electric Rate Assistance Balancing Account (FERABA)
2006
(\$000)

	January	February	March	April	May	June	July	August	September	October	November	December	Total
1. Beginning Balance	-	2	8	13	18	0	35	38	45	42	51	56	-
2. Prior Period Adjustments	-	-	(3)	-	(18)	26	-	-	-	-	-	-	5
3. Associated Interest	-	-	(0)	-	(0)	0	-	-	-	-	-	-	(0)
4. Adjusted Beginning Balance	-	2	5	13	0	26	35	38	45	42	51	56	5
5. <i>Revenue:</i>													
6. Discount Provided 2/	-	-	-	-	-	-	-	-	-	-	-	-	-
7. Less: FF&U	-	-	-	-	-	-	-	-	-	-	-	-	-
8. Discount w/o FF&U	-	-	-	-	-	-	-	-	-	-	-	-	-
9. <i>Program Costs:</i>													
10. Expenses	2	6	8	5	-	9	3	7	(4)	9	5	12	62
11. (Over)/Under Collection	2	6	8	5	-	9	3	7	(4)	9	5	12	62
12. Interest	0	0	0	0	0	0	0	0	0	0	0	0	1
13. Ending Balance	2	8	13	18	0	35	38	45	42	51	56	69	69 1/
14. Interest Rates	4.23%	4.48%	4.55%	4.76%	4.87%	5.01%	5.29%	5.37%	5.21%	5.21%	5.19%	5.17%	

1/ Transferred balance to ERRRA.

2/ Effective April 14, 2005 (See Advice 1886-E). Due to implementation of 2003 GRC Phase 2 rates, discounts were no longer recorded in account.

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>2095-E</u>	
Subject of AL: <u>Disposition of the December 31, 2006 Balance Recorded in the Family Electric Rate Assistance Balancing Account</u>	
Keywords (choose from CPUC listing): <u>Compliance, Balancing Account</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 #: <u>D.04-02-057</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>1/30/07</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
jjr@cpuc.ca.gov and jnj@cpuc.ca.gov

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