

PUBLIC UTILITIES COMMISSION
505 VAN NESS AVENUE
SAN FRANCISCO, CA 94102-3298



**Southern California Edison
IEC (Corp ID 6096)
Status of Advice Letter 44
As of September 21, 2007**

Subject: REQUEST FOR APPROVAL OF TELECOMMUNICATIONS LEASES BETWEEN SOUTHERN CALIFORNIA EDISON COMPANY AND US TELEPACIFIC CORP. PURSUANT TO SECTION 851 PILOT PROGRAM ADOPTED BY RESOLUTION ALJ-186

Division Assigned: Telecommunications

Date Filed: 08-02-2007

Date to Calendar: 08-08-2007

Authorizing Documents: None

Disposition:	Accepted
Effective Date:	09-19-2007

Resolution Required: No

Resolution Number: None

Commission Meeting Date: None

CPUC Contact Information:

415-703-1565

TD_PAL_COORDINATOR@cpuc.ca.gov

AL Certificate Contact Information:

James Yee

626-302-2509

James.Yee@sce.com

PUBLIC UTILITIES COMMISSION

505 VAN NESS AVENUE

SAN FRANCISCO, CA 94102-3298



To: Telecommunications Carrier Filing Advice Letter

From: Telecommunications Division PAL Coordinator

Subject: Your Advice Letter Filing

The Telecommunications Division of the California Public Utilities Commission has processed your recent Advice Letter (AL) filing and is returning an AL status certificate for your records.

The AL status certificate indicates:

Advice Letter Number

Name of Filer

CPUC Corporate ID number of Filer

Subject of Filing

Date Filed

Disposition of Filing (Accepted, Rejected, Withdrawn, etc.)

Effective Date of Filing

Other Miscellaneous Information (e.g., Resolution, if applicable, etc.)

The Telecommunications Division has made no changes to your copy of the Advice Letter Filing; please review your Advice Letter Filing with the information contained in the AL status certificate, and update your Advice Letter and tariff records accordingly.

All inquiries to the California Public Utilities Commission on the status of your Advice Letter Filing will be answered by Telecommunications Division staff based on the information contained in the Telecommunications Division's PAL database from which the AL status certificate is generated. If you have any questions on this matter please contact the:

Telecommunications Division PAL Coordinator at **(415) 703-1565**, or by e-mail to ***td_pal_coordinator@cpuc.ca.gov***

August 30, 2007

ADVICE 44A
(U 6096-C)

PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA
TELECOMMUNICATIONS DIVISION

SUBJECT: Supplement to Advice 44, Request for Approval of
Telecommunications Leases Between Southern California
Edison Company and U.S. TelePacific Corp. Pursuant to the
Section 851 Pilot Program Adopted by Resolution ALJ-186

PURPOSE

Southern California Edison Company (SCE) submits this Supplement to Advice Letter 44, which requested Commission approval to lease certain fiber optic cables to U.S. TelePacific Corp. pursuant to Resolution ALJ-186 (the Section 851 Pilot Program). On August 22, 2007, SCE received the Division of Ratepayer Advocates' (DRA) protest to Advice Letter 44 wherein the DRA stated that it is unclear whether SCE's participation in the leases is "active" or "passive" for the purpose of SCE's Ratepayer Sharing Mechanism for Non-Tariffed Products and Services. A representative of SCE and the DRA discussed the protest in light of Decision (D.) 99-09-070, which classifies dark fiber leases as "active." After this discussion, the DRA agreed to withdraw its protest if SCE supplemented Advice Letter 44 with additional information about the anticipated revenue from the leases and how the revenue will be shared between shareholders and ratepayers. SCE agreed to provide the requested information in this Supplement and in future advice letters involving asset transfers subject to the revenue sharing mechanism. This advice filing supplements Advice 44 in part.

SCE'S RATEPAYER SHARING MECHANISM

D.99-09-070 adopted a settlement between SCE and DRA concerning SCE's application for a mechanism for sharing revenues resulting from non-tariffed products and services between shareholders and ratepayers. (D.99-09-070 at 1).¹ In the settlement, SCE and DRA agreed to classify all existing non-tariffed products and

¹ A copy of the settlement agreement between SCE and DRA is attached as Attachment A to D.99-09-070.

services as either active or passive, and their agreement is memorialized in an attachment to the settlement agreement, which was adopted by the Commission in D.99-09-070.

The leasing of unused (or dark) fiber on SCE's fiber optic system was an existing non-tariffed product or service at the time the settlement agreement with DRA was executed. In the attachment to the settlement agreement at page A-2, SCE and DRA agreed that "Dark fiber on fiber optic system" would be classified as "Active." (D.99-09-070, Settlement Agreement at A-2, "Use of Communications and Computing Systems").

SCE's leases with TelePacific are leases of "dark fiber" on SCE's "fiber optic system." SCE's participation in the leases is therefore classified as "active," and the revenue from these leases will be shared between shareholders and ratepayers using a 90/10 split pursuant to the revenue sharing mechanism adopted in D.99-09-070.

The total amount of revenue to be collected from the leases and shared pursuant to the ratepayer sharing mechanism is \$626,688 per year for 15 years, of which the ratepayers' share will be 10% of the gross revenue per year. The net present value of the revenue from the leases over 15 years is \$4,351,391, using a 12% discount rate derived from SCE's CAPM analysis of its telecommunications customers.

No cost information is required for this advice filing.

This filing will not increase any rate or charge, cause the withdrawal of service, nor conflict with other schedules or rules.

EFFECTIVE DATE

Pursuant to Section 851 (as amended, January 1, 2006), this is a Tier 3 advice letter. This filing triggers a 30-day initial review period. The Commission shall act to approve, modify, or deny this filing within 120 days unless the time to act is extended. This filing shall become effective when approved by the Commission.

NOTICE

Anyone wishing to protest this advice filing may do so by sending a letter no later than 20 days after the date of this advice filing. Protests should be mailed to:

TD PAL Coordinator
Telecommunications Division
California Public Utilities Commission
505 Van Ness Avenue
San Francisco, California 94102
Facsimile: (415) 703-2200

Copies should also be mailed to the attention of the Director, Telecommunications Division (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 SCE and TelePacific as follows:

Akbar Jazayeri
Vice President of Regulatory Operations
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, Regulatory Affairs
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

Erich Everbach
General Counsel
U.S. TelePacific Corp.
515 South Flower Street, 47th Floor
Los Angeles, CA 90071
Facsimile: 213-213-3691
Email: eeverbach@telepacific.com

Nancy E. Lubamersky
Vice President, Strategic Initiatives and Public Policy
U.S. TelePacific Corp.
620 Third Street
San Francisco, CA 94107
Facsimile: (510) 995-5603
Email: nlubamersky@telepacific.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 4, et seq., of General Order No. 96-B, SCE is serving copies of this advice filing to the interested parties shown on the attached GO 96-B service list and, in accordance with Resolutions ALJ-186 and ALJ-202, on Lynn Carew (lrc@cpuc.ca.gov), Peter V. Allen (pva@cpuc.ca.gov), the Division of Ratepayer Advocates, and the Commission CEQA Team (clu@cpuc.ca.gov; jnr@cpuc.ca.gov; jmu@cpuc.ca.gov). Address change requests to the GO 96-B 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/>.

For questions, please contact Robert F. LeMoine at (626) 302-4182 or by electronic mail at Robert.F.LeMoine@sce.com, or Thomas K. Braun at (626) 302-4413 or by electronic mail at Thomas.K.Braun@sce.com.

Southern California Edison Company

Akbar Jazayeri

Enclosures
AJ:rl:mm

**CALIFORNIA PUBLIC UTILITIES
COMMISSION**
**Advice Letter Filing Summary Sheet
(PAL)**

(Date Filed / Received Stamp by CPUC Industry Division)

Date AL served on parties: 8/30/07

Company Name: Southern California Edison Company		CPUC Utility Number: U 6096-C	
Address: 2244 Walnut Grove Avenue		<input type="checkbox"/> LEC	<input type="checkbox"/> IEC <input type="checkbox"/> IER
City, State, ZIP: Rosemead, CA 91770		<input checked="" type="checkbox"/> CLC	<input type="checkbox"/> CLR <input type="checkbox"/> CMRS
Filing AL #: 44-A		Requested Effective Date: upon Commission approval	
		NRF Category (if applicable):	
	Name:	Email Address:	Phone No.:
Filer	James Yee	James.Yee@sce.com	626-302-2509
Certif.	James Yee	James.Yee@sce.com	626-302-2509
			Fax No.:
			626-302-4829
			No. Tariff Sheets: -0-

(Name, email address & Phone and FAX numbers are Required for "Filer")

Annual Revenues: \$

Keyword: Contracts

Tariff Schedules: None

Subject of Filing: Supplement to Request for Approval of Telecommunications Leases Between Southern California Edison Company and U.S. TelePacific Corp. Pursuant to the Section 851 Pilot Program Adopted by Resolution ALJ-186
(Service(s) included)

Authorization for Filing: Resolution ALJ-186, PU Code Section 851
(Resolution #, Decision #, etc.)

Related Service:
(Other service, replacement AL filing)

Rate Element(s) Affected and % Change:
(Non-recurring and / or recurring)

Notes/Comments:
(Other information & reference to advice letter, etc.)

File Protest and/or Correspondence to:
Director, Telecommunications Division
505 Van Ness Ave., San Francisco, CA 94102
and if you have email capability, ALSO email protest to:
TD_PAL@cpuc.ca.gov
Protest also must be served on utility:
(see utility advice letter for more information)

LEC = Local Exchange Carrier
IEC = Interexchange Carrier
CLC = Competitive Local Carrier
IER = Interexchange Carrier Reseller
CLR = Competitive Local Carrier Reseller
CMRS = Commercial Mobile Radio Service

(FOR CPUC USE ONLY)

<input type="checkbox"/> WTS Required	Supv. / Analyst: _____ / _____
<input type="checkbox"/> Resolution Required	Due Date to Supv.: _____
<input type="checkbox"/> Executive Action Resolution Req'd.	Analyst Completion Date: _____
<input type="checkbox"/> TD Suspension on: ___ / ___ / ___	Supervisor Approval Date: _____
<input type="checkbox"/> Comm. Suspension on: ___ / ___ / ___	AL / Tariff Effective Date: _____
Resolution No.: T - _____	Notes: _____