
June 14, 2007

ADVICE 56-W
(U 338-W)

PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA
WATER DIVISION

SUBJECT: Revision to Schedule UF-W, Surcharge to Fund Public Utilities
Commission Reimbursement Fee

In compliance with Resolution M-4819 (Resolution), dated June 7, 2007 Southern California Edison Company (SCE) hereby submits for filing the following changes to its tariff schedules for water service on Santa Catalina Island. The revised tariff sheets and filed forms are listed on Attachment A and are attached hereto.

PURPOSE

This filing is made in compliance with the Resolution, which authorizes an increase in the Public Utilities Commission Reimbursement Fee (PUCRF) for the fiscal year 2007-08. This filing modifies SCE's Schedule UF-W, Surcharge to Fund Public Utilities Commission Reimbursement Fee, to reflect an increase in the surcharge (from 1.4% to 1.5%) applicable to all water customers' bills.

BACKGROUND

The PUCRF was established by the California legislature in 1983 to fund the regulation of public utilities by the Public Utilities Commission (PUC or Commission).¹ The Commission determines the level of fees necessary to fund its annual budget and to maintain a reserve.

Section 431 of the Public Utilities Code provides:

"The commission shall annually determine a fee to be paid by every electrical, gas, telephone, telegraph, water, sewer system, and heat corporation and every other public utility providing service directly to customers and subscribers and subject to the jurisdiction

¹ Classes of public utilities regulated by the PUC include: electrical corporations, gas corporations, heat corporations, sewer system corporations, water corporations and telephone and telegraph corporations.

of the commission other than a railroad, except as provided in Article 2 (commencing with Section 421). The annual fee shall be established to produce a total amount equal to that amount established in the authorized commission budget for the same year, including adjustments for increases in employee compensation, other increases appropriated by the Legislature, and an appropriate reserve to regulate public utilities...”

After determining the total budget requirement to be recovered through the PUCRF, the Commission allocates fees to the classes of public utilities based on the resources required to regulate each class.

Section 432 of the Public Utilities Code provides:

“The fee allocation among classes of public utilities shall reflect expenditures by the commission on regulatory and other authorized activities affecting each respective class, and shall bear the same ratio that the commission’s workload for each class of public utility subject to the fee bears to the commission’s total workload for all public utilities subject to the fee.”

PROPOSED RATE CHANGE

On June 7, 2007, the Commission issued Resolution M-4819, in which it set forth the levels of PUCRF for fiscal year 2007-08. The currently effective PUCRF surcharge of 1.4% is increased to 1.5% of revenue, effective July 1, 2007. This advice filing is made in compliance with Resolution M-4819.

Due to constraints in SCE’s billing system, SCE is not able to implement the required PUCRF rate change in customers’ bills until July 4, 2007. In order to make the Commission indifferent to the delay in implementing the revised PUCRF rate change, SCE will determine the amount of the PUCRF revenue that would have been realized, based on recorded sales, during the period July 1, 2007 through July 3, 2007 if the rate had been implemented on July 1, 2007. This amount will be transferred from SCE’s recorded distribution revenues to recorded PUCRF revenues and remitted to the Commission with all other recorded PUCRF revenues.

This advice filing will increase rates for all retail customers, but will not cause the withdrawal of service, or conflict with any other schedule or rule.

No cost information is required for this advice filing.

EFFECTIVE DATE

In accordance with Resolution M-4819, the changes submitted in this advice filing will become effective on July 1, 2007, but will be implemented effective on July 4, 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:

Director, Water Division
505 Van Ness Avenue
San Francisco, California 94102
Facsimile: (415) 703-2200
E-mail: water_division@cpuc.ca.gov

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 lists. 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 Darrah Morgan at (626) 302-2086 or by electronic mail at Darrah.Morgan@sce.com.

Southern California Edison Company

Akbar Jazayeri

AJ:dm:mm
Enclosures

Cal. P.U.C. Sheet No.	Title of Sheet	Cancelling Cal. P.U.C. Sheet No.
Revised 402-W	Schedule UF-W	Revised 349-W
Revised 403-W	Table of Contents	Revised 376-W



Schedule No. UF-W
SURCHARGE TO FUND
PUBLIC UTILITIES COMMISSION REIMBURSEMENT FEE

Sheet 1

APPLICABILITY

This surcharge applies to all water bills rendered under all tariff rate schedules authorized by the Commission, with the exception of resale rate schedules where the customer is a public utility.

TERRITORY

This schedule is applicable within the entire territory served by the Company.

RATES*

A 1.5% surcharge shall be added to all customer bills. (I)

* In 1983 the Legislature established the Public Utilities Commission Reimbursement Fee to be paid by Utilities to fund their regulation by the Commission (Public Utilities (PU) Code Section 401-443). The surcharge to recover the cost of that fee is ordered by the Commission under authority granted by PU Code Section 433.

(To be inserted by utility)
Advice 56-W
Decision _____

Issued by
Akbar Jazayeri
Vice President

(To be inserted by Cal. PUC)
Date Filed Jun 14, 2007
Effective Jul 1, 2007
Resolution M-4819



TABLE OF CONTENTS

Sheet 1

Cal. P.U.C.
 Sheet No.

TITLE PAGE	92-W	
TABLE OF CONTENTS - RATE SCHEDULES	403-W	(T)
TABLE OF CONTENTS - LIST OF CONTRACTS AND DEVIATIONS	403-W	(T)
TABLE OF CONTENTS - RULES	377-W	
TABLE OF CONTENTS - SAMPLE FORMS	377-W	
PRELIMINARY STATEMENT:		
A. Territory Served by the Utility	283-W	
B. Types and Classes of Service	283-W	
C. Description of Service	283-W	
D. Procedure to Obtain Service	283-W	
E. Symbols	284-W	
F. Income Tax Component of Contributions Provision	309-310-W	
G. Tax and Depreciation Change (TDC) Memorandum Account . . .	330-331-W	
H. Water Related Costs and Fees (WRCF) Memorandum Account . .	337-338-W	
I. Water Contamination Litigation Expense Memorandum Account .	351-W	
J. Water Quality Memorandum Account	353-354-W	
K. Office of Drinking Water User Fees Memorandum Account	355-356-W	
SERVICE AREA MAP	3-W	

RATE SCHEDULES

<u>Schedule No.</u>	<u>Title of Sheet</u>	<u>Cal. P.U.C. Sheet No.</u>
DE	Residential Service to Utility Employees	90-W
FWY	Fresh Water Yield	287-W
TRA-W	Tax Reform Act of 1986, Surcharge Credit	255-W
UF-W	Surcharge to Fund Public Utilities Commission Reimbursement Fee	402-W
W-1	General Metered Fresh Water Service	233-W
W-SE	Service Establishment Charge	189-W

LIST OF CONTRACTS AND DEVIATIONS

.....	<u>Cal. P.U.C. Sheet No.</u>
List of Contracts and Deviations	6-W

(Continued)

(To be inserted by utility)
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Issued by
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Vice President

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