
July 18, 2007

ADVICE 2139-E
(U 338-E)

PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA
ENERGY DIVISION

SUBJECT: Modification of SCE's Preliminary Statement AA., California Alternate Rate for Energy (CARE) Balancing Account (CBA), Preliminary Statement FF., Public Purpose Programs Adjustment Mechanism (PPPAM), and Preliminary Statement HH., Low Income Energy Efficiency Program Adjustment Mechanism (LIEEPAM) in Accordance With Decision (D.) 07-06-004, granting a petition to modify D.06-12-038

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 filing is to set forth SCE's revised 2008 CARE Administrative Program Authorized Revenue and revised 2007 and 2008 Low Income Energy Efficiency (LIEE) authorized revenues in compliance with Ordering Paragraph (OP) No. 1f. and 1h. through 1k, of D.07-06-004. In compliance with OP 1.g., SCE is modifying the PPPAM to allow for the continued funding of the 2007 and 2008 Cool Center programs, reflect the CARE and LIEE authorized revenue modifications and make minor modifications to update tariff language.

BACKGROUND

D.06-12-038 adopted budget, policies and program parameters for the 2007 and 2008 LIEE, CARE, and Cool Center programs. On March 30, 2007, SCE filed a petition for modification of D.06-12-038 seeking to, among other things, adopt SCE's proposal to continue to fund Cool Center costs through the PPPAM balancing account and to correct minor numerical errors in the 2007 and 2008 LIEE and 2008 CARE authorized revenues.

On June 7, 2007, the Commission issued D.07-06-004, allowing SCE to correct these minor numerical errors and continue its current funding methods for the 2007 and 2008 Cool Center programs. In compliance with D.07-06-004, SCE is modifying Preliminary Statement AA., CBA, Preliminary Statement FF., PPPAM, and Preliminary Statement HH., LIEEPAM to correct authorized revenues for minor errors, remove the Cool Center-related authorized revenues from the LIEE, add language to the PPPAM allowing SCE to record 2007 and 2008 Cool Center expenses and make minor modifications to update tariff language.

EFFECTIVE DATE

This advice filing will become effective on August 17, 2007, the 30th calendar day after the date filed.

TIER DESIGNATION

Pursuant to D.07-01-024, Rule 5.1(1) this advice letter is submitted with a Tier 1 designation.

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 4 of General Order No. (GO) 96-B, SCE is serving copies of this advice filing to the interested parties shown on the attached GO 96-B and A.06-06-032 service lists. Address change requests to the GO 96-B 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 Jill Holmes at (626) 302-4962 or by electronic mail at Jill.Holmes@sce.com.

Southern California Edison Company

Akbar Jazayeri

AJ:jh: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.: Southern California Edison Company (U 338-E)

Utility type:

ELC GAS
 PLC HEAT WATER

Contact Person: James Yee

Phone #: (626) 302-2509

E-mail: James.Yee@sce.com

E-mail Disposition Notice to: AdviceTariffManager@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) #: 2139-E Tier Designation: 1

Subject of AL: Compliance, CARE, LIEE

Keywords (choose from CPUC listing): Compliance

AL filing type: Monthly Quarterly Annual One-Time Other

If AL filed in compliance with a Commission order, indicate relevant Decision/Resolution #:

D.07-06-004 and D.06-12-038

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 AL¹:

Confidential treatment requested? Yes No If yes, please see the attached declaration for specific information.

Confidential information will be made available to those who execute a nondisclosure agreement.

Name and contact information to request nondisclosure agreement /access to confidential information:

Resolution Required? Yes No

Requested effective date: 8/17/2007 No. of tariff sheets: 6

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: Preliminary Statements AA, FF, HH, and Table of Contents

Service affected and changes proposed¹: _____

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
inj@cpuc.ca.gov and mas@cpuc.ca.gov

Akbar Jazayeri
Vice President, Revenue and Tariffs
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2244 Walnut Grove Avenue
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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.
Revised 42756-E	Preliminary Statement Part AA	Revised 41904-E
Revised 42757-E	Preliminary Statement Part FF	Revised 41906-E
Revised 42758-E Revised 42759-E	Preliminary Statement Part HH Preliminary Statement Part HH	Revised 30278-E Revised 27701-E
Revised 42760-E Revised 42761-E	Table of Contents Table of Contents	Revised 42727-E Revised 42542-E

PRELIMINARY STATEMENT

Sheet 2

(Continued)

AA. CALIFORNIA ALTERNATE RATES FOR ENERGY (CARE) BALANCING ACCOUNT

2. Definitions (Continued)

c. Annual Authorized CARE Administrative Costs

<u>Program Year</u>	<u>Authorized Amount</u>	<u>Decision</u>
2002	\$2,882,838	D.02-09-021
2003	\$2,882,838	D.02-09-021
2004	\$2,882,838	D.02-09-021
2005	\$4,199,000	D.05-04-052
2006	\$4,199,000	D.05-12-026
2007	\$4,199,000	D.06-12-038
2008	\$4,199,000	D.07-06-004

(N)

d. Interest Rate

The Interest Rate shall be the most recent monthly interest rate on Commercial Paper (prime, three months), published in the Federal Reserve Statistical Release, G.13. Should publication of the interest rate on Commercial Paper (prime, three months) be discontinued, interest shall so accrue at the rate of the most recent annual interest rate on Commercial Paper that most closely approximates the rate that was discontinued, and which is published in the Federal Reserve Statistical Release G.13, or its successor publication.

e. Franchise Fees and Uncollectible

Franchise Fees and Uncollectible Accounts Expense (FF&U) shall be calculated using the factors most recently authorized by the CPUC.

3. Operation of CBA

Entries to the CBA shall be made on a monthly basis, and shall be calculated as follows (all amounts recorded in the CBA shall exclude FF&U expenses):

a. CARE Subsidy (Over)/Under Collection calculated as follows:

- (1) Credit entry equal to the amount of revenue billed associated with the CARE Surcharge rate component;
- (2) Debit entry equal to the amount of the CARE Discount reflected on customer's bills.
- (3) Debit entry equal to the amount of waived reconnection fees during the winter period, November 1, 2005 through April 30, 2006.

(Continued)

(To be inserted by utility)

Advice 2139-E
Decision 07-06-004
2DB 06-12-038

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Vice President

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Date Filed Jul 18, 2007
Effective _____
Resolution _____

PRELIMINARY STATEMENT

Sheet 6

(Continued)

FF. PUBLIC PURPOSE PROGRAMS ADJUSTMENT MECHANISM

3. Operation of the PPPAM (Continued)

B. CPUC Public Purpose Programs Balancing Account

1. Credit equal to other CPUC PPP Revenue;
2. Debit equal to Low Income Energy Efficiency (LIEE) revenue requirement (the annual CPUC-authorized amount, divided by twelve);
3. Debit equal to California Alternate Rates for Energy (CARE) Administrative Costs revenue requirement (the annual CPUC-authorized amount, divided by twelve);
4. Debit equal to recorded monthly incremental administrative and general expenses associated with the CARE Program which are defined as costs, including labor overheads resulting from performing incremental activities which would not have been incurred absent the CARE Program.
5. Debit equal to recorded Intervenor Compensation costs, as authorized by the CPUC;
6. Debit equal to the annual transfers from the following:
 - (1) RD&D Royalties Memorandum Account;
 - (2) Energy Efficiency DSM Memorandum Account
7. Debit equal to the transfers from the following, subsequent to CPUC approval;
 - (1) Energy Efficiency Program Adjustment Mechanism (EEPAM);
 - (2) DSM Adjustment Clause (DSMAC);
 - (3) Low Income Energy Efficiency Program Adjustment Mechanism; and
 - (4) Invest^{SCE} Pilot Program Adjustment Mechanism
8. Debit equal to recorded Cool Centers program costs for Summer 2006 (not to exceed \$461,000).
9. Debit equal to recorded Cool Center program costs for Summer 2007 and 2008 (not to exceed \$556,000 each year). (N)
(N)
10. Debit equal to one-twelfth of the annual authorized incremental procurement-related energy efficiency revenue requirement. (T)
11. An entry to record the annual transfer of the December 31 recorded balance in the California Alternate Rates for Energy (CARE) Balancing Account per Decision 06-12-038. (T)
12. Debit equal to other amounts as authorized by the CPUC; (T)

The sum of the items (1) through (11) equals the activity recorded in the CPUC Public Purpose Programs Balancing Account each month.

Interest shall accrue monthly to the PPPAM by applying the Interest Rate to the average of the beginning and ending monthly PPPAM balances.

(Continued)

(To be inserted by utility)
Advice 2139-E
Decision 07-06-004
6DB 06-12-038

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Date Filed Jul 18, 2007
Effective _____
Resolution _____



PRELIMINARY STATEMENT

Sheet 1

HH. Low Income Energy Efficiency Program Adjustment Mechanism (LIEEPAM)

1. Purpose:

The purpose of the LIEEPAM is to establish the Low Income Energy Efficiency Program Balancing Account to track the Public Purpose Program Charge (PPPC) funds allocable to the low income energy efficiency programs, and the low income energy efficiency programs expenses. (T)

2. Applicability:

The LIEEPAM applies to all rate schedules and special contracts subject to the jurisdiction of the Commission.

3. Low Income Energy Efficiency Programs Balancing Account (LIEEPBA):

a. Purpose

In compliance with Ordering Paragraph No. 13 of Decision No. 97-12-103, the LIEEPBA will track the PPPC funds allocable to the low income energy efficiency programs, and the low income energy efficiency program expenses. (C)

b. Definitions

1. Authorized Annual Funding Levels for LIEE

Year	Amount	Authority
2007	\$32,043,290	D.07-06-004
2008	\$32,043,290	D.07-06-004

2. Effective Date

The Effective Date of the LIEEPBA is January 1, 1998.

3. Interest Rate

The Interest Rate shall be the interest rate on Commercial Paper for the previous month, as reported in the Federal Reserve Statistical Release G.13, or its successor. (C)

(Continued)

(To be inserted by utility)

Advice 2139-E
 Decision 07-06-004
 1D14 06-12-038

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Date Filed Jul 18, 2007
 Effective _____
 Resolution _____



PRELIMINARY STATEMENT

Sheet 2

(Continued)

HH. Low Income Energy Efficiency Program Adjustment Mechanism (LIEEPAM) (Continued) (C)

3. Low Income Energy Efficiency Programs Balancing Account (LIEEPBA): (Continued)

4. Operation of the LIEEPBA

Entries made to the LIEEPBA at the end of the month shall be determined by the following calculation:

- a. The low income energy efficiency program expenses incurred during the month;
- b. Less: one twelfth of the PPC funds allocable to the low income energy efficiency programs

Interest will accrue monthly to the LIEEPBA by applying one twelfth of the Interest Rate to the average of the beginning and ending balance in the LIEEPBA.

If the above calculation produces a positive amount (undercollection), such amount will be debited to the LIEEPBA. If the calculation produces a negative amount (overcollection), such amount will be credited to the LIEEPBA.

5. Disposition of the LIEEPBA

The balance in this account shall be transferred to the Public Purpose Programs Adjustment Mechanism (PPPAM) upon Commission approval.

(C)

(Continued)

(To be inserted by utility)

Advice 2139-E

Decision 07-06-004

2D13 06-12-038

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(To be inserted by Cal. PUC)

Date Filed Jul 18, 2007

Effective _____

Resolution _____



TABLE OF CONTENTS

Sheet 1

Cal. P.U.C.
Sheet No.

TITLE PAGE11431-E

TABLE OF CONTENTS - RATE SCHEDULES 42760-42761-42728-42729-42730-42731-42732-E (T)

TABLE OF CONTENTS - LIST OF CONTRACTS AND DEVIATIONS42732-E (T)

TABLE OF CONTENTS - RULES41807-E

TABLE OF CONTENTS - BASELINE REGIONS41372-E

TABLE OF CONTENTS - SAMPLE FORMS42193-40644-37804-40593-41217-40645-E
.....36854-E

PRELIMINARY STATEMENT:

A. Territory Served22909-E

B. Description of Service22909-E

C. Procedure to Obtain Service22909-E

D. Establishment of Credit and Deposits22909-E

E. General.....22909-27629-38292-37165-37166-37167-E

F. Symbols37168-E

G. Gross Revenue Sharing Mechanism 26584-26585-26586-26587-27195-27196-27197-E
.....27198-27199-27200-27201-E

H. Baseline Service 11457-31455-11880-11881-31679-E

I. Advanced Metering Infrastructure Balancing Account (AMIBA)39444-E

J. Employee-Related Balancing Account.....36295-E

K. Nuclear Decommissioning Adjustment Mechanism 36582-36583-E

M. Income Tax Component of Contributions37202-27632-E

N. Memorandum Accounts.....21344-41773-42054-42035-42036-41775-41730-41654-E
..... 39307-39308-39309-39310-39311-39312-39313-39314-39315-39316-39317-39318-E
..... 40709-39320-41776-39322-39323-41777-41778-41779-39327-39328-39329-39330-E
..... 39331-39332-39333-41780-39335-39336-39337-42179-41781-41782-41783-41784-E
..... 41785-41786-41787-41788-41633-41634-41635-41636-41253-41637-42055-42010-E
..... 41640-41641-42068-42069-42070-42037-42038-42039-41642-E

O. California Alternative Rates for Energy (CARE) Adjustment Clause
..... 34705-41902-36472-38847-40999-E

P. Optional Pricing Adjustment Clause (OPAC)..... 27670-27671-27672-27673-27674-E

(Continued)

(To be inserted by utility)
Advice 2139-E
Decision 07-06-004
105 06-12-038

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(To be inserted by Cal. PUC)
Date Filed Jul 18, 2007
Effective _____
Resolution _____



TABLE OF CONTENTS

Sheet 2

(Continued)

Cal. P.U.C.
Sheet No.

PRELIMINARY STATEMENT: (Cont'd)

Q.	Demand Side Management Adjustment Clause (DSMAC).....	24255-21355-20380-E	
	.....	20381-22167-20383-21356-30264-20386-E	
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)	42037-42038-42039-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)	41655-40714-E	
Y.	Demand Response Program Balancing Account (DRPBA).....	41395-41656-40392-41349-E	
	.....	40394-40395-E	
Z.	Family Energy Rate Associates Balancing Account.....	36373-36374-E	
AA.	California Alternate Rates for Energy (CARE) Balancing Account ...	41903-42756-41905-36298-E	(T)
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	42328-42329-40525-40526-40527-E	
	.....	42757-40529-E	(T)
	.....	36299-33005-E	
GG.	Energy Efficiency Program Adjustment Mechanism (EEPAM)	40530-E	
HH.	Low Income Energy Efficiency Program Adjustment Mechanism (LIEEPAM)	42758-42759-E	(T)
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 Account.....	39864-E	
NN.	Mohave Balancing Account.....	41657-40717-40718-E	
OO.	Pension Costs Balancing Account	40719-40720-40721-E	
PP.	Post Employment Benefits Other Than Pensions (PBOP) Costs Balancing Account.....	41658-40723-40724-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).....	41659-41660-41000-40730-E	
	.....	41661-40732-42540-40734-40735-40736-40737-40738-E	
ZZ.	Energy Resource Recovery Account	42180-40740-34480-41789-42181-40741-40742-E	
AAA.	Post Test Year Ratemaking Mechanism (PTYR)	41889-40744-40745-40746-E	
	.....	36622-36623-36624-36625-36626-E	
BBB.	Employee Safety and Distribution Reliability Performance Incentive Mechanism (SRPIM)	36627-36628-36629-E	

(Continued)

(To be inserted by utility)

Advice 2139-E
Decision 07-06-004
205 06-12-038

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