
April 2, 2001

ADVICE 1528-E
(U 338-E)

PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA
ENERGY DIVISION

SUBJECT: **Establishment of the Procurement Energy Surcharge
Balancing Account**

In compliance with Decision 01-03-082 (D.01-03-082), 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

This advice filing establishes the Procurement Energy Surcharge Balancing Account (PESBA) pursuant to D.01-03-082, Ordering Paragraph 2.

Establishment of Procurement Energy Surcharge Balancing Account

On March 27, 2001, the California Public Utilities Commission issued D.01-03-082, which authorized an increase in rates by adding to SCE's current rates a three-cent per kilowatt-hour surcharge. This three-cent increase will be added to SCE's currently frozen rates in addition to the Emergency Procurement Surcharge approved on January 4, 2001, which was made permanent by D.01-03-082. Further, D.01-03-082 ordered SCE and Pacific Gas & Electric Company to record the revenues from the rate increase into balancing accounts, subject to refund if, at a later date, the Commission determines that SCE failed to use the funds to pay for future power purchases.

The PESBA will record Procurement Energy Surcharge revenues incurred on and after March 27, 2001 pursuant to D.01-03-082.

No cost information is required for this advice filing.

EFFECTIVE DATE

Pursuant to D.01-03-082, Ordering Paragraph 2, this advice filing is effective March 27, 2001, the effective date of D.01-03-082, after appropriate review by the Energy Division for compliance with this order.

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 by the Energy Division and SCE no later than 20 days after the date of this advice filing. Protests should be mailed to:

IMC Program Manager
Energy Division
California Public Utilities Commission
505 Van Ness Avenue, Room 4002
San Francisco, California 94102
Facsimile: (415) 703-2200
E-mail: jjr@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:

Donald A. Fellows
Manager of Revenue and Tariffs
Southern California Edison Company
2244 Walnut Grove Avenue, Rm. 303
Rosemead, California 91770
Facsimile: (626) 302-4829
E-mail: lawlerem@SCE.com

Bruce Foster
Vice President of Regulatory Operations
Southern California Edison Company
601 Van Ness Avenue, Suite 2040
San Francisco, California 94102
Facsimile: (415) 673-1116
E-mail: fosterbc@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 mailing copies of this advice filing to the interested parties shown on the attached service list and A.00-11-038. Address change requests to the attached GO 96-A Service List should be directed to Emelyn Lawler at (626) 302-3985 (E-mail: Emelyn.Lawler@sce.com).

Further, in accordance with Public Utilities Code Section 491, notice to the public is hereby given by filing and keeping the advice filing open for public inspection at SCE's corporate headquarters.

For questions, please contact James W. Yee at (626) 302-2509 (James.Yee@SCE.com).

Southern California Edison Company

Donald A. Fellows, Jr.

DAF:eml
Enclosures

Cal. P.U.C.
Sheet No.

Title of Sheet

Cancelling Cal.
P.U.C. Sheet No.

Revised 28461-E
Original 28462-E

Preliminary Statement Part N
Preliminary Statement Part N

Revised 28435-E

Revised 28463-E

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PRELIMINARY STATEMENT

Sheet 3

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N. MEMORANDUM ACCOUNTS (Continued)
2. Definitions. (Continued)

d. Specified Project (Continued)

Section No.	Specified Project	Interest Bearing Memorandum Account*	
(34)	SONGS 2&3 Permanent Closure Memorandum Account	Yes	
(35)	SONGS 2&3 Property Tax Memorandum Account	Yes	
(36)	Palo Verde Permanent Closure Memorandum Account	Yes	
(37)	California Public Utilities (PU) CODE "SECTION 376" - CTC Displacement Tracking Memorandum Account	Yes	
(38)	California Public Utilities (PU) CODE "SECTION 381 (d)" - Renewable Program Tracking Memorandum count	No	
(39)	Rate Group Tracking Memorandum Account	No	
(40)	Independent System Operator Revenue Memorandum Account	Yes**	
(41)	Power Exchange Revenue Memorandum Account	Yes**	
(42)	Unavoidable Fuel Contract Costs Memorandum	Yes	
(43)	Hydro Generation Memorandum Account	Yes**	
(44)	Increased Return on Equity on Divestiture Memorandum Account	Yes	
(45)	Deemed Fossil Inventory Memorandum Account	Yes	
(46)	Jurisdictional Allocation Memorandum Account	Yes	
(47)	Non-nuclear Generation Capital Additions (NGCA) Memorandum Account	Yes	
(48)	Transmission Revenue Requirement Reclassification Memorandum Account (TRRRMA)	Yes	
(49)	Santa Catalina Island Diesel Fuel (SCIDF) Memorandum Account	Yes	
(50)	Streamlining Residual Memorandum Account (SRA)	Yes	
(51)	ISO/PX Implementation Delay Memorandum Account	Yes	
(52)	Direct Access Discretionary Services Costs (DADSC) Memorandum Account (DADSC Memorandum Account)	Yes	
(53)	Affiliate Transfer Fee Memorandum Account	Yes	
(54)	Fuel Oil Inventory Memorandum Account (FOIMA)	Yes	
(55)	Energy Efficiency DSM (EEDSM) Memorandum Account	Yes	
(56)	Block-Forward Market Memorandum Account (BFMMA)	Yes	
(57)	Power Exchange Credit Audit Memorandum Account (PXCA Memorandum Account)	Yes	
(58)	Interim Power Exchange Market Clearing Price (IPXMCP) Memorandum Account	Yes	
(59)	Hourly Pricing Implementation Cost (HPIC) Memorandum Account	Yes	
(60)	Voluntary Power Reduction Credit Memorandum Account (VPRCMA)	Yes	
(61)	Applicant Installed Trench Inspection Memorandum Account (AITIMA)	No	
(62)	Air Conditioner Cycling Memorandum Account (ACMA)	Yes	
(63)	Short-Term Generation Capacity Memorandum Account (STGCMA)	Yes**	
(64)	Near-Term Bilateral Contracts (NTBC) Memorandum Account	Yes	
(65)	Nuclear Claims Memorandum Account (NCMA)	Yes	
(66)	Medium-Term Bilateral Contracts (MTBC) Memorandum Account	Yes	
(67)	Interruptible Programs Excess Energy Charges (IPEECMA) Memorandum Account	Yes	
(68)	Rate of Return Memorandum Account (RORMA)	Yes	
(69)	Interruptible Load Programs (ILP) Memorandum Account	Yes	
(70)	Procurement Energy Surcharge Balancing Account (PESBA)	Yes	(N)

* Interest shall accrue monthly to interest-bearing Memorandum Accounts by applying the Interest Rate to the average of the beginning and ending balance.

** Interest shall accrue monthly to credit balances only. See specific memorandum accounts for more information.

(Continued)

(To be inserted by utility)

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Decision 01-03-082

Issued by

John R. Fielder
Senior Vice President

(To be inserted by Cal. PUC)

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PRELIMINARY STATEMENT

Sheet 100

(Continued)

N. MEMORANDUM ACCOUNTS (Continued)

70. Procurement Energy Surcharge Balancing Account (PESBA)

1. Purpose

The purpose of the Procurement Energy Surcharge Balancing Account (PESBA) is to record Procurement Energy Surcharge (PES) revenues accrued on and after March 27, 2001 pursuant to Decision No. (D.) 01-03-082. PES revenues recorded in the PESBA are subject to refund and adjustments.

2. Applicability

The PESBA shall apply in accordance to the Commission's decision in the rate design proceeding established to determine the method of recovery of PES from various customer classes.

3. Revision Date

The PESBA shall be effective on March 27, 2001. Disposition of amounts recorded in the PESBA shall be determined in a proceeding authorized by the Commission.

4. Operation of the PESBA

Entries to the PESBA shall be made on a monthly basis as follows:

- a. A credit entry equal to the total amount of PES revenues shall be recorded in the PESBA on and after March 27, 2001.
- b. A debit or credit entry equal to any refund or adjustment amount ordered by the California Public Utilities Commission (Commission).

Interest shall accrue to the PESBA on a monthly basis by applying the three month commercial paper rate (prime, as published in the Federal Reserve Statistical Release, G.13, or its successor publication) to the average of the beginning and ending PESBA balances (if any).

(Continued)

(To be inserted by utility)

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