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June 9, 2010

**ADVICE 78-W**  
**(U 338-W)**

PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA  
WATER DIVISION

**SUBJECT:** Suspension of Service Charges for Dedicated Water Service  
for Private Fire Protection Systems

**PURPOSE**

This informational advice letter provides notice of Southern California Edison Company's (SCE) suspension of monthly service charges for dedicated water service for private fire protection systems effective June 9, 2010. The suspension is in anticipation of the settlement of pending litigation and the charges are subject to possible reinstatement if the conditions to the settlement are not satisfied. In addition, SCE intends to seek California Public Utilities Commission (Commission) approval to reinstate fire protection charges in connection with a future water rate case filing or pursuant to another advice filing.

**BACKGROUND**

All water provided by SCE on Santa Catalina Island (Catalina) is fresh water. SCE provides water service for customers' private fire protection systems ("dedicated fire protection service") on Catalina through certain piping and other infrastructure in a manner that does not affect the integrity of Catalina's drinking water system. SCE's Rule 17.A.1.c provides that "[a]ll water sold by the Utility will be upon the basis of metered volume sales except that the Utility may at its option provide flat rate or estimated service for . . . Public and private fire protection." Rule 17 has contained the same or similar language since November 21, 1962. SCE's Rule 21.A., effective November 9, 2008, provides that "[f]ire protection service will be furnished by SCE only at the rates and under the conditions set forth in an appropriate rate schedule for the service filed as a part of these tariff schedules, except as such service may be supplemented or amplified by more detailed contractual arrangements after

authorization therefore has first been obtained from the California Public Utilities Commission."

SCE charges customers a monthly service charge for dedicated fire protection service. Dedicated fire protection service connections may or may not have meters on the service connection. Any meters placed on dedicated fire protection service connections are not intended to be used to measure the quantity of water delivered and do not necessarily correspond in size to the pipeline size. The meters are used to detect water flow so that SCE can verify that water is used only for fire suppression purposes. The service charge SCE has historically applied for dedicated fire protection service on Catalina is the "Service Charge" identified in Schedule W-1 for the meter corresponding to the service connection size. For example, the Service Charge for a four-inch diameter pipeline used for fire protection service would be the Service Charge identified in Schedule W-1 for a four-inch meter.

### **SUSPENSION**

SCE has been applying the Schedule W-1 Service Charge to dedicated fire protection service for over 32 years. However, recently customers have questioned whether Schedule W-1 rates should be applied to dedicated fire protection service, and a class action lawsuit is pending concerning the sufficiency of SCE's tariffs to authorize such charges (*Martin Curtin, et al. v. Southern California Edison Company, et al.*, Los Angeles Superior Court Case No. BC417712. As part of the anticipated settlement of this case, SCE is hereby informing the Commission that it is suspending imposition of monthly service charges for dedicated fire protection service until SCE obtains Commission approval of a tariff schedule that expressly sets forth rates for fire protection service. SCE proposes to submit such a rate schedule by advice letter or as part of a future rate case filing.

This advice filing will not increase any rate or charge, cause the withdrawal of service, or conflict with any other schedule or rule.

### **TIER DESIGNATION**

Pursuant to General Order (GO) 96-B, Water Industry Rule 7.3.1, this advice letter is submitted with a Tier 1 designation.

### **EFFECTIVE DATE**

This advice filing will become effective upon filing.

### **NOTICE**

Pursuant to Section 6.2 of GO 96-B, this filing is information-only and does not seek relief; therefore, it is not subject to protests.

Correspondence regarding this advice letter should be sent by letter and transmitted via facsimile or electronically to the attention of:

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](mailto: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) 929-5540  
E-mail: [Karyn.Gansecki@sce.com](mailto:Karyn.Gansecki@sce.com)

In accordance with Section 6.1 of GO 96-B, information-only filings need not be served, except as otherwise required by statute or Commission order. However, SCE is serving copies of this advice filing to the interested parties shown on the attached GO 96-B service list. Address change requests to the GO 96-B service list should be directed by electronic mail to [AdviceTariffManager@sce.com](mailto: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](mailto: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 Lisa Vellanoweth at (626) 302-2021 or by electronic mail at [Lisa.Vellanoweth@sce.com](mailto:Lisa.Vellanoweth@sce.com).

**Southern California Edison Company**

Akbar Jazayeri

<b>CALIFORNIA PUBLIC UTILITIES COMMISSION DIVISION OF WATER AND AUDITS Advice Letter Cover Sheet</b>	(Date Filed / Received Stamp by CPUC)
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<b>AL #</b> 78-W	<b>Date Mailed to Service List:</b> 6/9/10	<b>Requested Effective Date:</b> 6/9/10	<b>Requested Tier:</b> <input checked="" type="checkbox"/> Tier 1 <input type="checkbox"/> Tier 2 <input type="checkbox"/> Tier 3
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<b>Replacing AL#:</b>	<b>Authorization for Filing:</b> GO 96-B, General Rule 6.1	<b>Compliance Filing?</b> <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	<b>Rate Impact</b>	\$	
				%	

<b>Send Correspondence to:</b>	Director Division of Water and Audits 505 Van Ness Ave. San Francisco, CA 94102
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<b>and if you have email capability, also email to:</b>	<a href="mailto:water_division@cpuc.ca.gov">water_division@cpuc.ca.gov</a>
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<b>Your correspondence also must be served on the Utility</b>	(see attached advice letter for more information)
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<b>Company Name:</b> Southern California Edison Company	<b>CPUC Utility Number:</b>
<b>Address:</b> 2244 Walnut Grove Avenue	<b>WTA</b> _____
	<b>WTB</b> _____
<b>City, State, Zip:</b> Rosemead, CA 91770	<b>WTC</b> <u>U 338-W</u>
	<b>WTD</b> _____
	<b>SWR</b> _____

	Contact Name:	Phone No.	Fax No.	Email Address:
Filer	James Yee	626-302-2509	626-302-4829	advicetariffmanager@sce.com
Alternate	Susan Quon	626-302-2930	626-302-4829	susan.quon@sce.com

**Description:**  
In this space or on the back of this form:

1. Explain justification for requested Tier: Information only filing and Water Industry Rule 7.3.1
2. Describe service affected and how it is affected: Suspends monthly service charges for dedicated water service for private fire protection systems
3. Describe differences from related Advice Letters (Similar service, replacement filing): N/A

(FOR CPUC USE ONLY)

<b>WTS Budget/Activity/Type</b> _____/_____/_____	Process as: <input type="checkbox"/> Tier 1 <input type="checkbox"/> Tier 2 <input type="checkbox"/> Tier 3
<b>Project Manager:</b> _____ <b>Analyst:</b> _____ <b>Due Date:</b> _____ <b>Completion Date:</b> _____	20th Day <input type="text"/> 30th Day <input type="text"/>
	Suspended on: _____
	Extended on: _____
	Resolution No.: _____
	AL/Tariff Effective Date: _____