NN. Local Capacity Requirements Products Balancing Account (LCRPBA)

1. Purpose

The purpose of the Local Capacity Requirements Products Balancing Account (LCRPBA) is to record Local Capacity Requirements (LCR) Request for Offers (RFO) resource costs pursuant to Decision 15-11-041 and Decision 16-05-050. The LCR RFO resource costs are to be tracked separately in the (1) New System Generation (NSG); (2) Distribution; and (3) Public Purpose Program (PPP) sub-accounts in the LCRPBA.

2. Operation of the LCRPBA

The LCRPBA shall consist of three sub-accounts: a. NSG sub-account; b. Distribution sub-account; and c. PPP sub-account:

a. NSG Sub-Account

Entries to the NSG sub-account shall be determined as follows:

(1) A debit entry equal to the recorded cost of the Gas-Fired Generation (GFG) and In-Front–Of-the-Meter Energy Storage (IFOM ES) resources, and

(2) A credit entry equal to net market revenues.

(3) The NSG sub-account balance shall be transferred on a monthly basis to the New System Generation Balancing Account (NSGBA).

Interest expense shall not be recorded in the NSG sub-account since the monthly activity is transferred to the NSGBA.

b. Distribution Sub-Account

Entries to the Distribution sub-account shall be determined as follows:

(1) A debit entry equal to the recorded cost of the Demand Response and Behind-the-Meter Energy Storage (BTM ES) resources, and

(2) A credit entry equal to net market revenues.

(3) The Distribution sub-account balance shall be transferred on a monthly basis to the distribution sub-account of the Base Revenue Requirement Balancing Account (BRRBA).

Interest expense shall not be recorded in the Distribution sub-account since the monthly activity is transferred to the distribution sub-account of the BRRBA.

(Continued)
NN. Local Capacity Requirements Products Balancing Account (LCRPBA) (Continued)

2. Operation of the LCRPBA (Continued)

c. PPP Sub-Account

Entries to the PPP Sub-Account shall be determined as follows:

(1) A debit entry equal to the recorded cost of the Energy Efficiency (EE), Renewable Distributed Generation Behind-the-Meter (DG BTM), and Behind–the-Meter Energy Storage Permanent Load Shift (BTM ESPLS) resources.

(2) The PPP sub-account balance shall be transferred on a monthly basis to the Public Purpose Programs Adjustment Mechanism (PPPAM).

Interest expense shall not be recorded in the PPP sub-account since the monthly activity is transferred to the PPPAM.

3. Review Procedures

In the annual ERRA Review proceedings, SCE will include the recorded operation of the LCRPBA for Commission approval of the recorded amounts and to ensure that the entries made in the LCRPBA are stated correctly and are consistent with Commission decision(s).