

PRELIMINARY STATEMENT

Sheet 2

(Continued)

FF. PUBLIC PURPOSE PROGRAMS ADJUSTMENT MECHANISM (Continued)

2. Definitions (Continued)

a. Authorized PGC-Related Expenses (prior to 2012): (Continued)

	01/01/2008 <u>(\$millions)</u>	01/01/2009 <u>(\$millions)</u>
Energy Efficiency (SCE Administered)	99.293	100.415
RD&D (CEC Administered)	28.244	28.563
Renewables (CEC Administered)	<u>29.590</u>	<u>29.924</u>
Total	157.127	158.902
	01/01/2010 <u>(\$millions)</u>	01/01/2011 <u>(\$millions)</u>
Energy Efficiency (SCE Administered)	100.415	100.415
RD&D (CEC Administered)	28.563	28.563
Renewables (CEC Administered)	<u>29.924</u>	<u>29.924</u>
Total	158.902	158.902

b. Authorized Electric Program Investment Change Balancing Account (EPIC)  
Annual Funding Levels: (2012-2020) per D.12-05-037

Pursuant to D.12-05-037, the CPUC has set forth the methodology for allocating the total statewide annual EPIC funding between the three Investor-Owned Utilities from 2012 to 2020. Funding levels for 2012 were set forth in D.11-12-035 and per D.12-05-037 will remain the same as 2011 levels and will be allocated using the same methodology set forth in D.12-05-037. Per Ordering Paragraph 7 of D.12-05-037, EPIC funding levels will be adjusted on January 1, 2015 and January 1, 2018 by the average change in the Consumer Price Index for the previous three years. SCE-allocated funding levels are set forth as follows: (N)

	2012 <u>(\$millions)</u>	2013-2014 <u>(\$millions)</u>	
EPIC SCE	12.058	13.727	
EPIC CEC	46.140	52.526	
EPIC CPUC	<u>0.289</u>	<u>0.329</u>	
Total	58.487	66.582	(N)

c. Authorized Procurement Energy Efficiency Annual Funding Levels: (T)

(D)

(Continued)

(To be inserted by utility)

Advice 2747-E  
Decision 11-12-035; 12-05-037

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PRELIMINARY STATEMENT

Sheet 2

(Continued)

FF. PUBLIC PURPOSE PROGRAMS ADJUSTMENT MECHANISM (Continued)

2. Definitions (Continued)

a. Authorized PGC-Related Expenses (prior to 2012): (Continued) (T)

	<u>01/01/2008</u> <u>(\$millions)</u>	<u>01/01/2009</u> <u>(\$millions)</u>
Energy Efficiency (SCE Administered)	99.293	100.415
RD&D (CEC Administered)	28.244	28.563
Renewables (CEC Administered)	<u>29.590</u>	<u>29.924</u>
Total	157.127	158.902

	<u>01/01/2010</u> <u>(\$millions)</u>	<u>01/01/2011</u> <u>(\$millions)</u>
Energy Efficiency (SCE Administered)	100.415	100.415
RD&D (CEC Administered)	28.563	28.563
Renewables (CEC Administered)	<u>29.924</u>	<u>29.924</u>
Total	158.902	158.902

b. Authorized Procurement Energy Efficiency Annual Funding Levels: (D)

(Continued)

(To be inserted by utility)  
 Advice 2679-E  
 Decision 11-12-038; 11-12-035

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PRELIMINARY STATEMENT

Sheet 3

(Continued)

FF. PUBLIC PURPOSE PROGRAMS ADJUSTMENT MECHANISM

2. Definitions (Continued)

D.05-09-043	<u>2006</u>	<u>2007</u>	<u>2008</u>	<u>TOTAL</u>
Authorized EE Budget	\$ 216,574,075	\$ 225,111,946	\$ 233,145,977	\$ 674,831,998
Authorized EM&V Budget	<u>\$ 14,082,529</u>	<u>\$ 17,412,344</u>	<u>\$ 22,305,368</u>	<u>\$ 53,800,240</u>
Total Authorized EE Budget	\$ 230,656,604	\$ 242,524,289	\$ 255,451,345	\$ 728,632,238

LESS:

PGC Non-procurement

EE as determined

By Section 4.

\$ 96,446,000	\$ 99,204,000	\$ 99,293,000
---------------	---------------	---------------

Total Authorized

Procurement EE

\$ 134,210,604	\$ 143,320,289	\$ 156,158,345
----------------	----------------	----------------

**D.08-10-027**

2009 Bridge Period Funding

Energy Efficiency

\$100,415,000

Procurement Energy Efficiency

\$176,672,428

Total

\$277,087,428

1/ No change from 2008

**D.09-09-047**

2010-2012

2010

2011

2012(w/o  
PGC)

Authorized EE Budget	\$ 1,193,000,000	\$ 397,666,667	\$ 397,666,667	\$ 397,666,666
----------------------	------------------	----------------	----------------	----------------

LESS: On-Bill

Financing

LESS:PGC Non-

procurement

EE As Determined By

Section 4

TBD	\$ 100,415,000	\$ 100,415,000	0
-----	----------------	----------------	---

Total Authorized

Procurement EE

TBD	\$ 291,918,334	\$ 291,918,334	\$392,333,334
-----	----------------	----------------	---------------

**D.11-12-038 (N)**

**2012 (N)**

Authorized EE Budget \$ 397,666,666(N)

LESS: On-Bill

Financing

Procurement EE

\$ 5,333,333(N)

\$ 392,333,333(N)

(L)

(Continued)

(To be inserted by utility)

Advice 2679-E

Decision 11-12-038; 11-12-035

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PRELIMINARY STATEMENT

Sheet 3

(Continued)

FF. PUBLIC PURPOSE PROGRAMS ADJUSTMENT MECHANISM

2. Definitions (Continued)

D.05-09-043	<u>2006</u>	<u>2007</u>	<u>2008</u>	<u>TOTAL</u>
Authorized EE Budget	\$ 216,574,075	\$ 225,111,946	\$ 233,145,977	\$ 674,831,998
Authorized EM&V Budget	<u>\$ 14,082,529</u>	<u>\$ 17,412,344</u>	<u>\$ 22,305,368</u>	<u>\$ 53,800,240</u>
Total Authorized EE Budget	\$ 230,656,604	\$ 242,524,289	\$ 255,451,345	\$ 728,632,238

LESS:

PGC Non-procurement

EE as determined

By Section 4.

\$ 96,446,000	\$ 99,204,000	\$ 99,293,000
---------------	---------------	---------------

Total Authorized

Procurement EE

\$ 134,210,604	\$ 143,320,289	\$ 156,158,345
----------------	----------------	----------------

**D.08-10-027**

2009 Bridge Period Funding

Energy Efficiency

\$100,415,000

Procurement Energy Efficiency

\$176,672,428

Total

\$277,087,428

1/ No change from 2008

**D.09-09-047**

2010-2012

2010

2011

2012(w/o PGC)

Authorized EE

Budget

\$1,193,000,000	\$ 397,666,667	\$ 397,666,667
-----------------	----------------	----------------

\$ 397,666,666

LESS: On-Bill

Financing

\$ 16,000,000	\$ 5,333,333	\$ 5,333,333
---------------	--------------	--------------

\$ 5,333,333

LESS: PGC Non-

procurement

EE As Determined

By

Section 4

TBD	\$ 100,415,000	\$ 100,415,000
-----	----------------	----------------

0 (N)

Total Authorized

Procurement EE

TBD	\$ 291,918,334	\$ 291,918,334
-----	----------------	----------------

\$392,333,334 (N)

c. Franchise Fees and Uncollectibles Accounts Expense:

Franchise Fees and Uncollectibles Accounts Expense (FF&U) shall be the CPUC-authorized rate derived from SCE's most recent General Rate Case (GRC) decision to provide for Franchise Fees and Uncollectible accounts expense.

(Continued)

(To be inserted by utility)

Advice 2648-E-A

Decision \_\_\_\_\_

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PRELIMINARY STATEMENT

Sheet 4

(Continued)

FF. PUBLIC PURPOSE PROGRAMS ADJUSTMENT MECHANISM

2. Definitions (Continued)

- c. Franchise Fees and Uncollectibles Accounts Expense: (L)  
 Franchise Fees and Uncollectibles Accounts Expense (FF&U) shall be the CPUC-authorized rate derived from SCE's most recent General Rate Case (GRC) decision to provide for Franchise Fees and Uncollectible accounts expense. (L)
- d. Authorized PPP Revenue Requirement: (T)  
 The Total Authorized PPP Revenue Requirement shall reflect the revenue requirement in rate levels authorized by the Commission for all Public Purpose Programs. (D)

(Continued)

(To be inserted by utility)  
 Advice 2679-E  
 Decision 11-12-038; 11-12-035

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PRELIMINARY STATEMENT

Sheet 5

(Continued)

FF. PUBLIC PURPOSE PROGRAMS ADJUSTMENT MECHANISM

2. Definitions (Continued)

e. PPP Billed Revenues: (T)  
(D)

Total recorded billed Public Purpose Programs revenues, adjusted to remove the CARE surcharge.

f. PPP Unbilled Revenues: (T)

Unbilled Revenues are accrued ("earned" as revenue for financial statement purposes) Other PPP revenues associated with electric customer kWh usage that has not yet been billed by SCE. (PPP Unbilled Revenues will be allocated using the same percentage as used to determine the PPP Billed Revenue.) (T)  
(T)

g. PPP Revenue: (T)

- (1) PPP Billed Revenue; (T)
- (2) Plus: the change (plus or minus) in the amount of PPP Unbilled Revenues (i.e., the reversal of prior month's estimate, plus the current month's estimate); (T)
- (3) Less: a provision for FF&U.

h. Interest Rate: (T)

The Interest Rate shall be the most recent monthly interest rate on Commercial Paper (prime, three months), published in the Federal Reserve Statistical Release, H.15. 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 monthly interest rate on Commercial Paper that most closely approximates the rate that was discontinued, and which is published in the Federal Reserve Statistical Release H.15, or its successor publication.

3. Operation of the PPPAM (L)

SCE shall maintain the PPPAM commencing on the date authorized by the CPUC. Entries to the PPPAM shall be made on a monthly basis. (T)(L)  
(D)

(Continued)

(To be inserted by utility)  
 Advice 2679-E  
 Decision 11-12-038; 11-12-035

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PRELIMINARY STATEMENT

Sheet 6

(Continued)

FF. PUBLIC PURPOSE PROGRAMS ADJUSTMENT MECHANISM

3. Operation of the PPPAM (Continued)

Public Purpose Programs Balancing Account

1. Credit equal to PPP Revenue;
2. Debit equal to Energy Savings Assistance Program (ESAP) revenue requirement (T)  
(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 Electric Program Investment Change (EPIC) Renewables revenue  
requirement (the annual CPUC-authorized amount, divided by twelve):
5. Debit equal to Electric Program Investment Change (EPIC) RD&D revenue  
requirement (the annual CPUC-authorized amount, divided by twelve).
6. 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.
7. Debit equal to recorded Intervenor Compensation costs, as authorized by the  
CPUC;
8. Debit equal to the annual transfers from the following:
  - (1) RD&D Royalties Memorandum Account;
  - (2) Energy Efficiency DSM Memorandum Account
9. 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) Energy Savings Assistance Program Adjustment Mechanism; and (T)

(Continued)

(To be inserted by utility)

Advice 2821-E  
Decision 12-08-044

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PRELIMINARY STATEMENT

Sheet 6 (T)

(Continued)

FF. PUBLIC PURPOSE PROGRAMS ADJUSTMENT MECHANISM

3. Operation of the PPPAM (Continued)

Public Purpose Programs Balancing Account (T)

1. Credit equal to PPP Revenue; (T)
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 Electric Program Investment Change (EPIC) Renewables revenue requirement (the annual CPUC-authorized amount, divided by twelve); (N)
5. Debit equal to Electric Program Investment Change (EPIC) RD&D revenue requirement (the annual CPUC-authorized amount, divided by twelve. (N)
6. 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. (T)
7. Debit equal to recorded Intervenor Compensation costs, as authorized by the CPUC; (T)
8. Debit equal to the annual transfers from the following: (T)
  - (1) RD&D Royalties Memorandum Account;
  - (2) Energy Efficiency DSM Memorandum Account
9. Debit equal to the transfers from the following, subsequent to CPUC approval; (T)
  - (1) Energy Efficiency Program Adjustment Mechanism (EEPAM);
  - (2) DSM Adjustment Clause (DSMAC);
  - (3) Low Income Energy Efficiency Program Adjustment Mechanism; and

(L)

(Continued)

(To be inserted by utility)

Advice 2679-E  
Decision 11-12-038; 11-12-035

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PRELIMINARY STATEMENT

Sheet 7

(Continued)

FF. PUBLIC PURPOSE PROGRAMS ADJUSTMENT MECHANISM

3. Operation of the PPPAM (Continued)

10. Debit equal to recorded Cool Center Program costs as follows:

<u>Summer of</u>	<u>Not to Exceed</u>	<u>Authority</u>	
2006	\$461,000	Advice 2011-E, effective June 19, 2006	
2007	\$556,000	D.06-12-038, D.0706-004	
2008	\$556,000	D.06-12-038, D.07-06-004	
2009	\$777,000	D.08-11-031	
2010	\$742,000	D.08-11-031	
2011	\$792,000	D.08-11-031	
2012	\$792,000	D.11-11-010, D.12-06-030	Bridge Funding*
2012	\$792,000	D.12-08-044	(N)
2013	\$105,083	D.12-08-044	
2014	\$105,083	D.12-08-044	(N)

\* Per D.12-06-030, starting July 1, 2012 until the Commission adopts a decision, a month-to-month extension of bridge funding is authorized for SCE (\$792,000/12).

11. Debit equal to one-twelfth of the annual authorized incremental procurement-related energy efficiency revenue requirement.

12. 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.

13. A debit or credit entry to record the Conservation Incentive Adjustment revenue, adjusted to remove the authorized Franchise Fees and Uncollectibles (FF&U) amount.

14. Debit equal to other amounts as authorized by the CPUC;

The sum of the items (1) through (14) 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 2821-E  
Decision 12-08-044

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Vice President

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PRELIMINARY STATEMENT

Sheet 7

(Continued)

FF. PUBLIC PURPOSE PROGRAMS ADJUSTMENT MECHANISM

3. Operation of the PPPAM (Continued)

10. Debit equal to recorded Cool Center Program costs as follows:

<u>Summer of</u>	<u>Not to Exceed</u>	<u>Authority</u>		
2006	\$461,000	Advice 2011-E, effective June 19, 2006		
2007	\$556,000	D.06-12-038, D.0706-004		
2008	\$556,000	D.06-12-038, D.07-06-004		
2009	\$777,000	D.08-11-031		
2010	\$742,000	D.08-11-031		
2011	\$792,000	D.08-11-031		
2012	\$792,000	D.11-11-010, D.12-06-030	Bridge Funding*	(T)

\* Per D.12-06-030, starting July 1, 2012 until the Commission adopts a decision, a month-to-month extension of bridge funding is authorized for SCE (\$792,000/12). (N)  
(N)

11. Debit equal to one-twelfth of the annual authorized incremental procurement-related energy efficiency revenue requirement.

12. 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.

13. A debit or credit entry to record the Conservation Incentive Adjustment revenue, adjusted to remove the authorized Franchise Fees and Uncollectibles (FF&U) amount.

14. Debit equal to other amounts as authorized by the CPUC;

The sum of the items (1) through (14) 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 2754-E  
Decision 12-06-030

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PRELIMINARY STATEMENT

Sheet 7 (T)

(Continued)

FF. PUBLIC PURPOSE PROGRAMS ADJUSTMENT MECHANISM

3. Operation of the PPPAM (Continued) (L)

10. Debit equal to recorded Cool Center Program costs as follows: (L)(T)

<u>Summer of</u>	<u>Not to Exceed</u>	<u>Authority</u>	
2006	\$461,000	Advice 2011-E, effective June 19, 2006	
2007	\$556,000	D.06-12-038, D.0706-004	
2008	\$556,000	D.06-12-038, D.07-06-004	
2009	\$777,000	D.08-11-031	
2010	\$742,000	D.08-11-031	
2011	\$792,000	D.08-11-031	
2012	\$792,000	D.11-11-010 Bridge Funding	(L)

11. Debit equal to one-twelfth of the annual authorized incremental procurement-related energy efficiency revenue requirement. (D)

12. 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)

13. A debit or credit entry to record the Conservation Incentive Adjustment revenue, adjusted to remove the authorized Franchise Fees and Uncollectibles (FF&U) amount. (T)

14. Debit equal to other amounts as authorized by the CPUC; (T)

The sum of the items (1) through (14) equals the activity recorded in the CPUC Public Purpose Programs Balancing Account each month. (T)

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

(Continued)

(To be inserted by utility)  
 Advice 2679-E  
 Decision 11-12-038; 11-12-035

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Vice President

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PRELIMINARY STATEMENT

Sheet 8 (T)

(Continued)

FF. PUBLIC PURPOSE PROGRAMS ADJUSTMENT MECHANISM

4. Public Purpose Programs Charge Rate Level Changes:

(D)  
(T)

Pursuant to D.04-01-048 and D.04-03-023, SCE shall update its Public Purpose Programs Charge rate levels to reflect the most current Commission-adopted revenue requirements in its year-end revenue requirement and rate consolidation Advice letter. The balance forecast to be recorded in the PPPAM (either overcollected or undercollected on December 31<sup>st</sup> of the current year, plus an amount for FF&U, shall be included in the Public Purpose Programs Charge revenue requirement to either be returned to, or recovered from, SCE's retail electric customers in Public Purpose Programs Charge rate levels. Prior to implementing consolidated commission-authorized revenue requirements and unfunded rate levels to recover those revenue requirements, the PPPAM balance will be updated to reflect the latest recorded balance available.

(T)

5. Review Procedures

(T)

Pursuant to D.04-01-048 and D.04-03-023, the recorded operation of the PPPAM for the Record Period (or previous calendar year 12-month period) shall be reviewed by the Commission in SCE's annual April ERRRA application to ensure that the entries made in the PPPAM are stated correctly and are consistent with Commission decisions.

SCE shall provide a monthly report showing the activity in the PPPAM to Energy Division within 30 days of the end of each month.

(Continued)

(To be inserted by utility)

Advice 2679-E  
Decision 11-12-038; 11-12-035

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