

PRELIMINARY STATEMENT

Sheet 1

PP. Post Employment Benefits Other Than Pensions (PBOP) Costs Balancing Account

1. Purpose:

The purpose of the Post Employment Benefits Other than Pensions (PBOP) Costs Balancing Account (PBOP BA) is to record the difference between: 1) PBOP Costs authorized by the Commission, and 2) recorded PBOP expenses. The PBOP BA is established in accordance with D.06-05-016.

2. Definitions:

a. Authorized PBOP Costs:

The authorized PBOP costs are the annual amount of CPUC Authorized PBOP expenses adopted in D.12-11-051. Such amount shall exclude Franchise Fees and Uncollectible Expense (FF&U). The 2013 and 2014 amount shall be determined in the annual Post Test Year Ratemaking advice letter to be submitted to the Commission by November 1st.

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<u>Effective Date</u>	<u>(\$000)</u> <u>Distribution</u> <u>Authorized Level</u>	<u>(\$000)</u> <u>Generation</u> <u>Authorized Level</u>	<u>(\$000)</u> <u>Total</u> <u>Authorized Level</u>		
January 1, 2012	\$30,797	\$20,289	\$51,086	before capitalization	(C)
January 1, 2012	\$19,187	\$12,640	\$31,827	after capitalization	
January 1, 2013	\$33,107	\$21,810	\$54,917	before capitalization	
January 1, 2013	\$20,625	\$13,588	\$34,213	after capitalization	(C)

b. Effective Date:

The Effective Date of the PBOP BA is January 12, 2006

c. Interest Rate:

The Interest Rate shall be one-twelfth of the Federal Reserve three-month Commercial Paper Rate – Non-Financial, from Federal Reserve Statistical Release H.15 (expressed as an annual rate). If in any month a non-financial rate is not published, SCE shall use the Federal Reserve three-month Commercial Paper Rate – Financial.

d. Monthly Distribution Percentages:

The Monthly Distribution Percentages (MDPs) applicable to the distribution and generation related authorized PBOP costs shall be the MDPs included in Preliminary Statement YY – Base Revenue Requirement Balancing Account (BRRBA)

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(To be inserted by utility)

Advice 2826-E
Decision 12-11-051

Issued by

Akbar Jazayeri
Vice President

(To be inserted by Cal. PUC)

Date Filed Dec 19, 2012
Effective Dec 19, 2012
Resolution _____



PRELIMINARY STATEMENT

Sheet 2

(Continued)

PP. Post Employment Benefits Other Than Pensions (PBOP) Costs Balancing Account
 (Continued)

2. Definitions: (Continued)

e. Capitalization Rate:

The Pensions and Benefits Capitalization Rate is 37.7% as adopted in (T)
 D.12-11-051. (T)

3. Operation of PBOP BA:

The PBOP BA consists of the Distribution Sub-Account and the Generation Sub-Account. Entries shall be made on a monthly basis as described below in each sub-account and each sub-accounts ending balance shall be summed together to determine the PBOP BA balance.

a. Distribution Sub-Account:

- i. Recorded CPUC-jurisdictional distribution-related PBOP expenses (before capitalization);
- ii. Less: an entry equal to the result of multiplying the distribution authorized PBOP costs (before capitalization) by the applicable distribution MDPs;
- iii. Equals: Distribution PBOP Costs (over)/undercollection before capitalization;
- iv. Less: the amount capitalized determined by multiplying (iii) above by the Capitalization Rate;
- v. Equals: Distribution PBOP Costs (over)/undercollection after capitalization.

Interest shall accrue monthly to the distribution sub-account of the PBOP BA by applying the Interest Rate to the average of the beginning-of-month and end-of-month balances in the distribution sub-account of the PBOP BA.

(Continued)

(To be inserted by utility)

Advice 2826-E
 Decision 12-11-051

Issued by
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(To be inserted by Cal. PUC)

Date Filed Dec 19, 2012
 Effective Dec 19, 2012
 Resolution _____