

August 4, 2006

Ms. Magalie Roman Salas, Secretary
Federal Energy Regulatory Commission
888 First Street, N.E.
Washington, DC 20426

Dear Ms. Salas:

Pursuant to Section 35.13 of the Federal Energy Regulatory Commission's ("Commission") regulations under the Federal Power Act (18 C.F.R. § 35.13), Southern California Edison Company ("SCE") tenders for filing revised rate sheets ("Revised Sheets") to the Interconnection Facilities Agreement ("Agreement") between the City of Moreno Valley ("Moreno Valley") and SCE, Service Agreement No. 100, under SCE's Wholesale Distribution Access Tariff ("WDAT"), FERC Electric Tariff, First Revised Volume No. 5.

The documents submitted with this filing consist of this letter of transmittal and all attachments hereto; and the Revised Sheets in both clean and redline format.

Background

SCE filed in Docket ER04-384-000 the Agreement that specified the terms and conditions for SCE to engineer, design, construct, install, own, operate and maintain the Interconnection Facilities.¹ The Commission accepted the Agreement for filing in an order issued on March 5, 2004.

Pursuant to Section 13.1.2 of the Agreement, Moreno Valley paid to SCE the estimated costs for the Interconnection Facilities, including the related ITCC and One-Time Costs. Pursuant to Section 13.1.8 of the Agreement, following completion of the facilities, SCE determined the actual recorded costs for the Interconnection

¹ All capitalized terms used herein, and not otherwise defined, have the meanings ascribed to such terms in the Agreement.

Facilities, including the associated ITCC and One-Time Cost, and provided Moreno Valley with a final invoice for the difference between the estimated and actual costs.

Revised Sheets

The Revised Sheets reflect the actual cost to engineer, design, construct, and install the Interconnection Facilities. Pursuant to Section 13.1.8.2, SCE refunded to Moreno Valley \$13,121.42, which is the difference between the estimated cost for the Interconnection Facilities and the actual recorded costs for the Interconnection Facilities. The table below shows the adjustment due to the difference between the estimated and actual recorded cost.

Interconnection Facilities Payment

	Interconnection Facilities Cost	ITCC	One-Time Cost	Payment
Estimated Cost for New Facilities:	\$42,665.00	\$9,386.30	\$0.00	\$52,051.30
Actual Cost for New Facilities:	\$31,909.74	\$7,020.14	\$0.00	\$38,929.88
Difference Refunded To City of Moreno Valley:				\$13,121.42

The Interconnection Facilities Charge is based on the cost of the Interconnection Facilities and the rate most recently adopted by the California Public Utilities Commission ("CPUC") for application to SCE's retail electric customers for added facilities. Pursuant to CPUC Decision No. 06-05-016 dated May 11, 2006 in Application No. 04-12-014, the monthly rates for added facilities applicable to retail customers were modified effective for service rendered on and after June 1, 2006. The Interconnection Facilities Charge reflecting both the change in the Interconnection Facilities Cost from estimated to actual cost and the revised CPUC rates applicable to the Facilities Agreement are set forth in the following table:

Interconnection Facilities Charge

Effective Date	Customer-Financed Monthly Rate	Estimated Interconnection Facilities Cost	Interconnection Facilities Charge Based on Estimated Cost	Actual Interconnection Facilities Cost	Interconnection Facilities Charge Based on Actual Cost
2/6/04 * thru 7/17/04	0.36%	\$42,665.00	\$153.59	\$0.00	\$0.00
7/18/04 thru 5/31/06	0.34%	\$42,665.00	\$145.06	\$31,909.74	\$108.49
6/1/06 and after	0.33%	\$42,665.00	\$140.79	\$31,909.74	\$105.31

* Actual In-Service date of the Interconnection Facilities was 2/6/04

The revisions to the Table of Contents and Sections 4.9, 4.13, 4.15, 4.16, 4.19, and Exhibits B and C of the Agreement merely incorporate the actual costs of the facilities and the revised CPUC rate applicable to the Agreement. SCE requests that these Revised Sheets be made effective on June 1, 2006, the date the revised CPUC added facilities rate became effective.

SCE respectfully requests, pursuant to Section 35.11 (18 C.F.R. § 35.11) of the Commission's Regulations, waiver of the 60-day prior notice requirement specified in Section 35.3. Such waiver would be consistent with the Commission's policy set forth in Central Hudson Gas & Electric Corp., et al., 60 FERC ¶ 61,106, reh'g denied, 61 FERC ¶ 61,089 (1992), that waiver of the 60-day prior notice requirement generally will be appropriate for filings that (a) increase rates when the rate change and its effective date are prescribed by an agreement on file with the Commission, such as rate revisions required by the agreement to become effective on a date specified in the agreement, or (b) reduce rates. The granting of this waiver will not have any impact on SCE's other rate schedules.

Other Filing Requirements

No expenses or costs included in the rates tendered herein have been alleged or judged in any administrative or judicial proceeding to be illegal, duplicative or unnecessary costs that are demonstrably the product of discriminatory employment practices.

SCE believes that the data contained in this letter provide sufficient information upon which to accept this filing; however, to the extent necessary, SCE requests that the Commission waive its filing requirements contained in Sections 35.5 and 35.13 of the Commission's regulations.

Ms. Magalie Roman Salas
Federal Energy Regulatory Commission
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SCE believes this filing conforms to any rule of general applicability and to any Commission order specifically applicable to SCE, and has made copies of this letter and all enclosures available for public inspection in SCE's principal office located in Rosemead, California. SCE has mailed copies to those persons whose names appear on the mailing list enclosed.

SCE requests that all correspondence, pleadings and other communications concerning this filing be served upon:

Ellen Berman
Attorney
Southern California Edison Company
P.O. Box 800
2244 Walnut Grove Avenue
Rosemead, CA 91770

SCE also requests that an additional copy of any correspondence, pleadings and orders be sent to the undersigned.

Very truly yours,

A handwritten signature in black ink, appearing to read "J. A. Cuillier", with a stylized flourish at the end.

JAMES A. CUILLIER

Enclosures

MAILING LIST

Public Utilities Commission
State of California
Legal Division
State Building
505 Van Ness Avenue
San Francisco, California 94102

City of Moreno Valley
Attn: City Manager
City Manager's Office
14177 Frederick Street
Moreno Valley, CA 92552-0805

CLEAN

**CACTUS AVENUE WHOLESALE DISTRIBUTION LOAD
INTERCONNECTION FACILITIES AGREEMENT BETWEEN
CITY OF MORENO VALLEY
AND
SOUTHERN CALIFORNIA EDISON COMPANY**

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- 2.8. SCE and Moreno Valley intend to execute a WDAT Service Agreement in connection with this Agreement to implement wholesale Distribution Service under SCE's WDAT.

3. Agreement:

In consideration of the premises and the mutual covenants and agreements contained herein, the Parties agree as follows:

4. Definitions:

All terms with initial capitalization not otherwise defined herein shall have the meanings assigned to them in SCE's WDAT as that Tariff may be amended from time to time. The following terms, when used herein with initial capitalization, whether in the singular or the plural, shall have the meanings specified:

- 4.1. Accounting Practice: Generally accepted accounting principles and practices applicable to electric utility operations.
- 4.2. Agreement: This Cactus Avenue Wholesale Distribution Load Interconnection Facilities Agreement between the City of Moreno Valley and Southern California Edison Company.
- 4.3. Capital Additions: Any Units of Property which are added to the Interconnection Facilities; the enlargement, modification or betterment of any Units of Property constituting a part of the Interconnection Facilities; or the replacement of any Units of Property constituting a part of the Interconnection Facilities, irrespective of whether such replacement constitutes an enlargement, modification or betterment of that which it replaces; the costs of which additions, enlargements, modifications, betterments or replacements in accordance with Accounting Practice would be capitalized and have not previously been included in the Interconnection Facilities Cost.
- 4.4. Capital Additions Cost: All costs, excluding ITCC and One-Time Cost, determined by SCE to be associated with the design, engineering, procurement, construction and installation of Capital Additions.
- 4.5. Capital Additions Payment: The sum of the Capital Additions Cost, associated ITCC, and associated One-Time Cost.
- 4.6. CPUC: The California Public Utilities Commission, or its regulatory successor.
- 4.7. Credit Provider: Provider of any Credit Support.
- 4.8. Credit Support: Parent guarantee, letter of credit, surety bond, or other security meeting the requirements of Section 7.2.
- 4.9. Customer-Financed Monthly Rate: The rate most recently adopted by the CPUC for application to SCE's retail electric customers for customer-financed added facilities, which does not compensate SCE for replacement of added facilities. The Customer-Financed Monthly Rate is stated in Exhibit B.
- 4.10. FERC: Federal Energy Regulatory Commission, or its regulatory successor.
- 4.11. Interconnection Facilities: Facilities, as specified in Exhibit A, owned by SCE to

interconnect Moreno Valley's distribution system serving the Moreno Valley Cactus Avenue development to the Distribution System, as such facilities may be modified during the term of this Agreement.

- 4.12. Interconnection Facilities Charge: The monthly charge to Moreno Valley to recover the revenue requirements for the Interconnection Facilities, calculated as the product of the Customer-Financed Monthly Rate and the Interconnection Facilities Cost.
- 4.13. Interconnection Facilities Cost: All costs, excluding ITCC and One-Time Cost, determined by SCE to be associated with the design, engineering, procurement, construction and installation of the Interconnection Facilities. The Interconnection Facilities Cost is provided in Exhibit B.
- 4.14. Interconnection Facilities In-Service Date: The date upon which the construction of the Interconnection Facilities is complete and such facilities are successfully tested and ready for service.
- 4.15. Interconnection Facilities Payment: The sum of the Interconnection Facilities Cost, associated ITCC and associated One-Time Cost. The Interconnection Facilities Payment is provided in Exhibit B.
- 4.16. ITCC: The Income Tax Component of Contribution specified in the Preliminary Statement, Part M of SCE's tariff on file with the CPUC, applicable to the Interconnection Facilities Cost and the Capital Additions Cost. The ITCC applicable to the Interconnection Facilities Cost is provided in Exhibit B.
- 4.17. Letter Agreement: The letter agreement referenced in Section 2.7.
- 4.18. Moreno Valley Cactus Avenue: All equipment and facilities comprising Moreno Valley's distribution system serving the end-use customers' loads at the Moreno Valley Cactus Avenue development, as described by Moreno Valley in its WDAT application and as installed by Moreno Valley located on Cactus Avenue, near Moreno Beach Drive in the City of Moreno Valley.
- 4.19. One-Time Cost: All costs determined by SCE to be associated with the installation of Interconnection Facilities or Capital Additions which are not capitalized. The Interconnection Facilities One-Time Cost is provided in Exhibit B.
- 4.20. Removal Cost: The actual cost SCE incurs for the removal of the Interconnection Facilities which is calculated as the amount, if positive, of the costs of removal minus the salvage value of the Interconnection Facilities.
- 4.21. Service Agreement: The Service Agreement For Wholesale Distribution Service between the Parties executed concurrently herewith.
- 4.22. Units of Property: As described in FERC's "List of Units of Property for Use in Connection with Uniform System of Accounts Prescribed for Public Utilities and Licensees" in effect as of the date of this Agreement, and as such list may be amended from time to time.
- 4.23. WDAT: SCE's Wholesale Distribution Access Tariff.

5. Effective Date And Term:

- 5.1. This Agreement shall become effective upon the effective date ordered by FERC.

Exhibit B

Interconnection Facilities Cost

Estimated

Element	Interconnection Facilities Cost	ITCC	One-Time Cost	Total Cost
Interconnection Facilities	\$42,665.00	\$9,386.30	\$0	\$52,051.30

Actual

Element	Interconnection Facilities Cost	ITCC	One-Time Cost	Total Cost
Interconnection Facilities	\$31,909.74	\$7,020.14	\$0	\$38,929.88

Monthly Charges:

Interconnection Facilities Charges:

Effective Date	Customer Financed Monthly Rate	Estimated		Actual	
		Estimated Interconnection Facilities Cost	Interconnection Facilities Charge Based on Estimated Cost	Actual Interconnection Facilities Cost	Interconnection Facilities Charge Based on Actual Cost
02/06/04* – 07/17/04	0.36%	\$42,665.00	\$153.59	\$0.00	\$0.00
07/18/04 – 05/31/06	0.34%	\$42,665.00	\$145.06	\$31,909.74	\$108.49
06/01/06 and after	0.33%	\$42,665.00	\$140.79	\$31,909.74	\$105.31

*Actual In-Service date was 2/6/04

Exhibit C

**Interconnection Facilities
Payment Schedule**

Due Date	Payment
	\$52,051.30 (1)
Ten Business days after the date executed Agreement is filed with FERC.	\$ 0.00
Refunded pursuant to Section 13.1.8	(\$13,121.42)
Total	\$38,929.88

- (1) Payment made by Moreno Valley under the terms of the Letter Agreement.

REDLINE

CACTUS AVENUE WHOLESALE DISTRIBUTION LOAD
INTERCONNECTION FACILITIES AGREEMENT BETWEEN
CITY OF MORENO VALLEY
AND
SOUTHERN CALIFORNIA EDISON COMPANY

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3. Agreement:

In consideration of the premises and the mutual covenants and agreements contained herein, the Parties agree as follows:

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All terms with initial capitalization not otherwise defined herein shall have the meanings assigned to them in SCE's WDAT as that Tariff may be amended from time to time. The following terms, when used herein with initial capitalization, whether in the singular or the plural, shall have the meanings specified:

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- 4.4. Capital Additions Cost: All costs, excluding ITCC and One-Time Cost, determined by SCE to be associated with the design, engineering, procurement, construction and installation of Capital Additions.
- 4.5. Capital Additions Payment: The sum of the Capital Additions Cost, associated ITCC, and associated One-Time Cost.
- 4.6. CPUC: The California Public Utilities Commission, or its regulatory successor.
- 4.7. Credit Provider: Provider of any Credit Support.
- 4.8. Credit Support: Parent guarantee, letter of credit, surety bond, or other security meeting the requirements of Section 7.2.
- 4.9. Customer-Financed Monthly Rate: The rate most recently adopted by the CPUC for application to SCE's retail electric customers for customer-financed added facilities, which does not compensate SCE for replacement of added facilities. The Customer-Financed Monthly Rate is stated in Exhibit B. ~~Currently, this rate is 0.34%.~~
- 4.10. FERC: Federal Energy Regulatory Commission, or its regulatory successor.
- 4.11. Interconnection Facilities: Facilities, as specified in Exhibit A, owned by SCE to

interconnect Moreno Valley's distribution system serving the Moreno Valley Cactus Avenue development to the Distribution System, as such facilities may be modified during the term of this Agreement.

- 4.12. Interconnection Facilities Charge: The monthly charge to Moreno Valley to recover the revenue requirements for the Interconnection Facilities, calculated as the product of the Customer-Financed Monthly Rate and the Interconnection Facilities Cost.
- 4.13. Interconnection Facilities Cost: All costs, excluding ITCC and One-Time Cost, determined by SCE to be associated with the design, engineering, procurement, construction and installation of the Interconnection Facilities. ~~An estimate of~~ The Interconnection Facilities Cost is provided in Exhibit B.
- 4.14. Interconnection Facilities In-Service Date: The date upon which the construction of the Interconnection Facilities is complete and such facilities are successfully tested and ready for service.
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- 4.20. Removal Cost: The actual cost SCE incurs for the removal of the Interconnection Facilities which is calculated as the amount, if positive, of the costs of removal minus the salvage value of the Interconnection Facilities.
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- 4.22. Units of Property: As described in FERC's "List of Units of Property for Use in Connection with Uniform System of Accounts Prescribed for Public Utilities and Licensees" in effect as of the date of this Agreement, and as such list may be amended from time to time.
- 4.23. WDAT: SCE's Wholesale Distribution Access Tariff.

5. Effective Date And Term:

- 5.1. This Agreement shall become effective upon the effective date ordered by FERC.

Exhibit B**Interconnection Facilities Cost Estimate****Estimated**

Element	Interconnection Facilities Cost	ITCC	One-Time Cost	Total Cost
Interconnection Facilities	\$42,665.00	\$9,386.30	\$0	\$52,051.30

Interconnection Facilities Payment = (Interconnection Facilities Costs + ITCC + One-Time Cost) = \$52,051.30

Actual

Element	Interconnection Facilities Cost	ITCC	One-Time Cost	Total Cost
Interconnection Facilities	\$31,909.74	\$7,020.14	\$0	\$38,929.88

Interconnection Facilities Charge = \$145.06

((Customer Financed Monthly Rate) x (Interconnection Facilities Cost)) = [.0034 x \$42,665.00]

Monthly Charges:**Interconnection Facilities Charges:**

		Estimated		Actual	
Effective Date	Customer Financed Monthly Rate	Estimated Interconnection Facilities Cost	Interconnection Facilities Charge Based on Estimated Cost	Actual Interconnection Facilities Cost	Interconnection Facilities Charge Based on Actual Cost
02/06/04* – 07/17/04	0.36%	\$42,665.00	\$153.59	\$0.00	\$0.00
07/18/04 – 05/31/06	0.34%	\$42,665.00	\$145.06	\$31,909.74	\$108.49
06/01/06 and after	0.33%	\$42,665.00	\$140.79	\$31,909.74	\$105.31

* Actual In-Service date was 2/6/04

Exhibit C

**Interconnection Facilities
Payment Schedule**

Due Date	Payment
	\$52,051.30 (1)
Ten Business days after the date executed Agreement is filed with FERC.	\$ 0.00
<u>Refunded pursuant to Section 13.1.8.</u>	<u>(\$13,121.42)</u>
Total Due	\$38,929.88 0.00

- (1) Payment made by Moreno Valley under the terms of the Letter Agreement.