

May 26, 2016

10 CFR 140.21

ATTN: Document Control Desk  
U. S. Nuclear Regulatory Commission  
Washington, D.C. 20555-0001

**Subject: Annual Report of Guarantee of Payment of Deferred Premium  
San Onofre Nuclear Generating Station Units 2 and 3  
Docket Nos. 50-361, 50-362  
Palo Verde Nuclear Generating Station Units 1, 2, and 3  
Docket Nos. 50-528, 50-529, and 50-530**

Dear Sir or Madam:

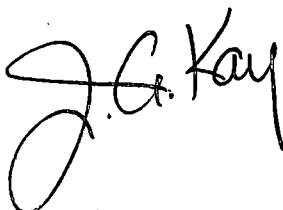
10 CFR 140.21 requires Southern California Edison (SCE), as agent for the owners of the San Onofre Nuclear Generating Station Units 2 and 3 and SCE's 15.8% ownership share of Palo Verde Units 1, 2, and 3, to provide evidence that it maintains a guarantee of payment of deferred premium in an amount of \$18.963 million for each reactor SCE is licensed to operate. In accordance with option (e) of 10 CFR 140.21 and with 10 CFR 50.71(b), SCE has provided its quarterly Form 10-Q report to the Securities and Exchange Commission in lieu of an annual certified financial statement.

SCE is providing the enclosed 2015 Internal Cash Flow Statement which is from the consolidated financial statements included in SCE's 2015 Annual Report.

There are no commitments contained in this letter or its enclosure.

Should you have any questions or require additional information, please contact me at (949) 368-7418.

Sincerely,



Enclosure: 2015 Internal Cash Flow Statement

cc: M. Dapas, Regional Administrator, NRC Region IV  
M. G. Vaaler, NRC Project Manager, SONGS Units 1, 2 and 3  
J. E. Whitten, Region IV, Branch Chief, Fuel Cycle and Decommissioning Branch

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**Enclosure**

**2015 Internal Cash Flow Statement**

# SOUTHERN CALIFORNIA EDISON COMPANY

## 2015 Internal Cash Flow (Dollars in Millions)

	<u>2015 Actual</u>
Net Income After Taxes	\$1,111
Dividends Paid	<u>(\$874)</u>
Retained Earnings	\$237
Adjustments:	
Depreciation & Decommissioning	\$1,996
Net Deferred Taxes & ITC	\$308
Allowance for Funds Used During Construction	<u>(\$118)</u>
Total Adjustments	\$2,186
Internal Cash Flow	\$2,423

### Percentage Ownership in All Nuclear Units:

San Onofre Nuclear Generating Station Units 2 & 3	
Southern California Edison Company	75.7419%
San Diego Gas & Electric Company	20.0000%
City of Anaheim	2.4681%
City of Riverside	1.7900%
Palo Verde Nuclear Generating Station Units 1, 2 & 3	
Southern California Edison Company	15.8000%

### Maximum Total Contingent Liability:

San Onofre Nuclear Generating Station Unit 2	
Southern California Edison Company	\$ 14.363
San Diego Gas & Electric Company	\$ 3.793
City of Anaheim	\$ 0.468
City of Riverside	<u>\$ 0.339</u>
TOTAL	\$ 18.963 <sup>(1)</sup>
San Onofre Nuclear Generating Station Unit 3	
Southern California Edison Company	\$ 14.363
San Diego Gas & Electric Company	\$ 3.793
City of Anaheim	\$ 0.468
City of Riverside	<u>\$ 0.339</u>
TOTAL	\$ 18.963 <sup>(1)</sup>

<b>Palo Verde Nuclear Generating Station Unit 1</b>	
Southern California Edison Company	\$ 2.996 <sup>(2)</sup>
Other Co-Owners	<u>\$ 15.967</u>
TOTAL	\$ 18.963
 <b>Palo Verde Nuclear Generating Station Unit 2</b>	
Southern California Edison Company	\$ 2.996 <sup>(2)</sup>
Other Co-Owners	<u>\$ 15.967</u>
TOTAL	\$ 18.963
 <b>Palo Verde Nuclear Generating Station Unit 3</b>	
Southern California Edison Company	\$ 2.996 <sup>(2)</sup>
Other Co-Owners	<u>\$ 15.967</u>
TOTAL	\$ 18.963
 <b>Total Southern California Edison Company Contingent Liability</b>	 <b>\$ 37.714</b>

<sup>(1)</sup> The value represents 100% of the San Onofre Annual Per Incident Contingent Liability. The Maximum Total Contingent Liability was increased to \$18.963 (Dollars in Millions) per reactor, as announced in the Federal Register, Volume 78, No.134: Friday July 12, 2013, Pages 41835 – 36 and became effective on September 10, 2013.

<sup>(2)</sup> The value represents 15.8% (SCE's Share) of the Palo Verde Annual Per Incident Contingent Liability.