

Customer Connection

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SOUTHERN CALIFORNIA EDISON NOTIFICATION OF ENERGY RESOURCE RECOVERY ACCOUNT (ERRA) APPLICATION FILING REGARDING PROPOSED INCREASE IN ELECTRIC RATES APPLICATION NO. A.09-04-002

In compliance with California Public Utilities Commission (CPUC) decisions, Southern California Edison Company (SCE) has filed an Energy Resource Recovery Account (ERRA) application, which sets forth SCE's procurement-related operations for the Record Period January 1, 2008 through December 31, 2008. In this application, SCE demonstrates that during the Record Period: (1) its recorded fuel expenses and energy expenses were reasonable, (2) its contract administration, dispatch of generation resources, and related spot market transactions complied with Standard of Conduct Four in SCE's CPUC-approved procurement plan, and (3) its other operations subject to CPUC review were reasonable.

In addition to presenting SCE's recorded 2008 costs for review, this application requests approval to recover \$35.796 million (including franchise fees and uncollectibles) associated with under-collections in four memorandum accounts authorized by the CPUC: (1) the Department of Energy Litigation Memorandum Account (DOELMA), (2) the Market Redesign and Technology Upgrade Memorandum Account (MRTUMA), (3) the New System Generation Memorandum Account (NSGMA), and (4) the Project Development Division Memorandum Account (PDDMA).

Compared to revenue at present rates as of March 1, 2009, this application requests a revenue increase of \$35.796 million, or 0.323% beginning in 2010. If the CPUC approves SCE's request, an average residential customer using 600 kilowatt-hours per month would see an increase of \$0.15 per month, from \$81.93 to \$82.08. The following table shows an estimate of proposed revenues and rate changes by customer group:

CUSTOMER GROUP REVENUE IMPACT				
Customer Group	Revenue Change (\$Millions)	% Change	Present Rates ¢/kWh	Proposed Rates ¢/kWh
Residential	13,588	0.316%	14.724	14.771
Lighting - Small and Medium Power	13,306	0.329%	14.363	14.409
Large Power	7,888	0.347%	10.379	10.412
Agricultural and Pumping	892	0.266%	10.451	10.479
Street and Area Lighting	122	0.098%	17.532	17.549
TOTAL	35,796	0.323%	13.409	13.451

THE CPUC WELCOMES YOUR PARTICIPATION AND COMMENTS

The CPUC may hold evidentiary hearings whereby formal parties of record provide testimony and are subject to cross-examination before a CPUC Administrative Law Judge (ALJ). These hearings are open to the public, but only those who are formal parties of record may participate. The CPUC has its own court reporters who will record the comments of those formal parties of record participating in the evidentiary hearings. After considering all proposals and evidence presented during the formal hearing process, the assigned ALJ will issue a proposed decision. When the CPUC issues a final decision on the application, it may adopt, amend, or modify all or part of the ALJ's proposed decision as written. The CPUC's decision may be different than SCE's request.

The Division of Ratepayer Advocates (DRA) is an independent arm of the CPUC, created by the Legislature to represent the interests of all utility customers throughout the state to obtain the lowest possible rates for service consistent with reliable and safe service levels.

DRA has a multi-disciplinary staff with expertise in economics, finance, accounting, and engineering.

You may submit written comments to the CPUC's Public Advisor's Office at the address or e-mail shown below. Please state that you are writing concerning SCE's application A.09-04-002. Your comments will become a part of the formal correspondence file for public comment in this proceeding. The Public Advisor's Office will circulate your comments to the five Commissioners, the ALJ, DRA, and to CPUC staff assigned to this proceeding. You may also write to the CPUC if you need advice on how to participate in this proceeding, or would like

to receive further notices regarding the date, time, and place of any hearing on SCE's application. You may also review a copy of this Application and related exhibits at SCE's corporate headquarters (2244 Walnut Grove Avenue, Rosemead, CA 91770). Finally, you may also review a copy of this Application and related exhibits at the CPUC's main office in San Francisco, listed below.

The Public Advisor
California Public Utilities Commission
320 West Fourth Street, Suite 500
Los Angeles, CA 90013
E-mail: Public.Advisor.la@cpuc.ca.gov

The Public Advisor California Public Utilities Commission 505 Van Ness Avenue, Room 2103 San Francisco, CA 94102 E-mail: Public.Advisor@cpuc.ca.gov

FOR FURTHER INFORMATION FROM SCE

As noted above, you may review a copy of this Application and related exhibits at SCE's corporate headquarters (2244 Walnut Grove Avenue, Rosemead, CA 91770). You may also view these materials at the following SCE business offices:

1 Pebbly Beach Rd.	30553 Rimrock Rd.	374 Lagoon St.
Avalon, CA 90704	Barstow, CA 92311	Bishop, CA 93514
505 W. 14th Ave.	3001 Chateau Rd.	510 S. China Lake Blvd.
Blythe, CA 92225	Mammoth Lakes, CA 93546	Ridgecrest, CA 93555
26364 Pine Ave.	41694 Dinkey Creek Rd.	421 W. J St.
Rimforest, CA 92378	Shaver Lake, CA 93664	Tehachapi, CA 93561
120 Woodland Dr. Wofford Heights, CA 93285	6999 Old Woman Springs Rd. Yucca Valley, CA 92284	

Customers with Internet access may view and download SCE's application and the papers supporting it on SCE's Web site, www.sce.com/applications. Anyone who would like to obtain more information about the application, please write to:

Southern California Edison Company P.O. Box 800 2244 Walnut Grove Avenue Rosemead, CA 91770 Attention: Case Administration

Para solicitar una copia de esta notificacion en espanol por favor escriba a:

Southern California Edison Company 2244 Walnut Grove Avenue, Quad 4A Rosemead, CA 91770

a la atención de Comunicaciones Corporativas o por medio de correo electronico a gabby.garcia@sce.com.

April 2009

Stay On Budget With SCE's Level Pay Plan

One easy way that SCE can help you simplify your monthly budget is with our **Level Pay Plan.** This plan allows you to spread higher summer and lower winter bills into equal monthly payments over an entire year.

We calculate your average power usage over the prior 12 months. Based on current rates, that dollar amount becomes your new monthly billed usage. Your account is periodically reviewed and your payment may be adjusted during the year, depending on your power usage pattern.

If your average electricity usage increased over the period, your year-end statement will show a balance due. If you used less power, the savings will be credited to your next bill.

Level payment will help you map out your electricity costs ahead of time, and if your usage remains steady, the plan will give you a better handle on your energy budget for the upcoming year.

To enroll, or for complete details and restrictions, please call **1-800-434-2365**, or visit **www.sce.com/levelpay**.

NOTIFICATION OF APPLICATION FILING BY SOUTHERN CALIFORNIA EDISON COMPANY (SCE): FUEL CELL PROJECT PROPOSED INCREASE IN ELECTRIC RATES **APPLICATION NO. A.09-04-018**

On April 27, 2009, SCE filed an application with the CPUC requesting authorization to incur and recover the costs necessary to pursue the development of three fuel cell installations at various state-owned universities in SCE's service territory (Fuel Cell Program). The sites selected by SCE to participate in its program are the California State University at San Bernardino (CSUSB), the California State University at Long Beach (CSULB), and the University of California at Santa Barbara (UCSB). Both CSUSB and CSULB will each host a fuel cell installation with associated cogeneration facilities and an electrical output rating greater than one megawatt (MW), and UCSB will host a highly efficient electric power output only fuel cell installation rated at 200 kilowatts (kW). Locating the power plants "on-site" at institutions of higher learning will provide benefits of locally generated electrical and thermal energy, and will also provide an educational platform for the universities to help develop an educated workforce, and increase the public's familiarity with this advanced, environmentally friendly technology.

SCE expects to incur approximately \$21.6 million in direct capital expenditures and \$8.9 million in non-fuel related operation and maintenance (O&M) expenses over the 10-year life of the fuel cells. These costs represent the expenses required to acquire, install, and maintain the fuel cells at the three host sites. However, SCE is proposing to fund 50% of the of the Fuel Cell Program's estimated capital cost by using approximately \$10.8 million of unspent and uncommitted funds that are currently recorded in the existing Self Generation Program Incremental Cost Memorandum Account (SGPICMA). SCE's proposal to recover the remaining \$10.8 million of capital costs and O&M expenses associated with the Fuel Cell Program is detailed in its supporting testimony.

If the CUPC approves SCE's request, it would result in an increase that is less than 1% of SCE's total revenue (the total amount of money customers pay in a year for the electric services they receive). An average residential customer using 600 kilowatt-hours per month would see an increase of \$0.02 per month, from \$77.72 to \$77.74, or 0.026%. The recovery of these costs is expected to begin 2010. The following table shows an estimate of proposed rate changes by customer group:

CUSTOMER GROUP RATE IMPACT					
Customer Group	Present Rates ¢/kWh	Proposed Rates ¢/kWh			
Residential	15.529	15.546			
Lighting - Small and Medium Power	14.999	15.017			
Large Power	10.749	10.762			
Agricultural and Pumping	10.869	10.881			
Street and Area Lighting	19.213	19.225			
TOTAL	14.044	14.060			

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The Division of Ratepayer Advocates (DRA) is an independent arm of the CPUC, created by the Legislature to represent the interests of all utility customers throughout the state to obtain the lowest possible rates for service consistent with reliable and safe service levels. DRA has a multi-disciplinary staff with expertise in economics, finance, accounting, and engineering.

You may submit written comments to the CPUC's Public Advisor's Office at the address or e-mail shown below. Please state that you are writing concerning SCE's application A.09-04-002. Your comments will become a part of the formal correspondence file for public comment in this proceeding. The Public Advisor's Office will circulate your comments to the five Commissioners, the ALJ, DRA, and to CPUC staff assigned to this proceeding. You may also write to the CPUC if you need advice on how to participate in this proceeding, or would like to receive further notices regarding the date, time, and place of any hearing on SCE's application. You may also review a copy of this Application and related exhibits at SCE's corporate headquarters (2244 Walnut Grove Avenue, Rosemead, CA 91770). Finally, you may also review a copy of this Application and related exhibits at the CPUC's main office in San Francisco, listed below.

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