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

NOTICE OF SOUTHERN CALIFORNIA EDISON (SCE) COMPANY PROPOSED GENERAL RATE CASE APPLICATION FILING

IMPORTANT INFORMATION ABOUT SCE'S PROPOSED RATE INCREASE

Application (A.) 10-11-015

On November 23, 2010, Southern California Edison Company (SCE) filed a proposed General Rate Case (GRC) Application with the California Public Utilities Commission (CPUC) requesting authority to collect base rate (non-fuel) revenues of \$6.285 billion. The proposed application seeks authority to have the rates become effective January 1, 2012. Every three years, SCE is required to file a GRC in which the CPUC sets annual revenue levels. Annual revenue is the total amount of money a utility collects through rates in a given year for specific purposes. Base rate revenues pay for the costs of owning and operating electric distribution and generation facilities (excluding fuel and purchased power).

THE KEY REASONS FOR SCE'S PROPOSED INCREASE

SCE has made this request to continue providing safe and reliable service to its customers. The primary reasons for the requested revenue increase are:

- To connect new customers to the system and respond to customer requests, such as undergrounding projects.
- 2. To reinforce and upgrade the electric system to accommodate load growth.
- 3. To continue SCE's multi-year capital investment program to replace aging distribution infrastructure and business systems.
- 4. To meet increased costs for Information Technology (IT) systems such as protection from cyber security threats to electric system assets.
- 5. To make a substantial contribution to the employee and retiree pension fund to address the losses in financial markets over the past few years.

WHAT THIS PROPOSED GRC APPLICATION MEANS TO YOU

If the CPUC approves the application, SCE's request would result in a \$866 million, or 7.55 percent, increase over currently authorized total revenues (or a 16.19 percent increase in base rate revenues). SCE's application also proposes estimated base rate revenue increases of \$246 million in 2013 and \$527 million in 2014. The actual increases in 2013 and 2014 will be determined by the CPUC prior to the beginning of each year. SCE is making this request now because the CPUC requires utilities to file a GRC Application approximately one year before the effective date of the proposed rate change.

If SCE allocates this proposed increase in 2012 revenues based upon the most recent approved methodology, the impact on each customer group would be as shown in Table 1, below:

TABLE 1Estimated Impact of This Request on Customer Rates

			PRR Total						
	2010	2010	Revenue (\$000)		2012 GRC Gen	2012 GRC Dist	2012 GRC Total	Total 2012	% Increase
	Generation	Distribution	w/2012 Sales	2011 Base Rate	Rev. Change	Rev. Change	Rev Change	Revenues	over Total
Customer / Rate Group	Allocator	Allocator	Forecast	Revenues	(\$000)	(\$000)	(\$000)	(\$000)	Revenues
Domestic	38.0%	49.6%	4,452,554	2,076,631	120,071	273,075	393,146	4,845,700	8.83%
Light-Small & Medium Pwr	36.3%	35.3%	4,276,459	1,994,502	114,461	194,202	308,663	4,585,122	7.22%
Large Power	21.6%	11.6%	2,195,789	1,024,096	68,248	63,693	131,941	2,327,730	6.01%
Agricultural & Pumping	3.5%	3.2%	398,103	185,672	11,054	17,730	28,785	426,887	7.23%
Street and Area Lighting	0.6%	0.3%	141,727	66,100	1,874	1,482	3,356	145,083	2.37%
Total	100.0%	100.0%	11,464,632	5,347,000	315,708	550,182	865,890	12,330,522	7.55%

EFFECTS OF SCE PROPOSALS ON BILLS OF TYPICAL RESIDENTIAL CUSTOMERS

	Average Monthly	Current	Proposed		
Customer Service	Usage	Monthly Bill	Monthly Bill	Change in Bill	Percent Change
Non-CARE	652 kWh	\$ 120.14	\$ 132.64	\$ 12.50	10.4%
CARE	513 kWh	\$ 58.52	\$ 61.20	\$ 2.69	4.6%
Total Residential	612 kWh	\$ 102.35	\$ 112.02	\$ 9.67	9.4%

FOR FURTHER INFORMATION FROM SCE

You may also view a copy of the application at SCE's website: www.sce.com/grc, or by writing to SCE at the Rosemead mailing address below. You may also review a copy of this Application and related exhibits at SCE's corporate headquarters (2244 Walnut Grove Avenue, Rosemead, CA 91770), at the Los Angeles Office of the CPUC at the address shown above, or 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. 14 th Ave.	3001 Chateau Rd.	510 S. China Lake
Blythe, CA 92225	Mammoth Lakes, CA 93546	Blvd., Ridgecrest, CA
-		02555

		75555
26364 Pine Ave.	41694 Dinkey Creek Rd.	421 W. J St.,
Rimforest, CA 92378	Shaver Lake, CA 93664	Tehachapi, CA 9356

120 Woodland Dr.,	6999 Old Woman Springs
Wofford Heights, CA	Rd.
93285	Yucca Valley, CA 92284

For further information from SCE regarding this Application, please write to:

Southern California Edison Company 2244 Walnut Grove Avenue Rosemead, CA 91770 Attention: Russell G. Worden General Rate Case Project Manager

THE CPUC PROCESS

The CPUC's Division of Ratepayer Advocates (DRA) will review this application. The DRA is an independent arm of the CPUC, created by the Legislature to represent the interests of all utility customers throughout the state and obtain the lowest possible rate for service consistent with reliable and safe service levels. The DRA has a multi-disciplinary staff with expertise in economics, finance, accounting and engineering. The DRA's views do not necessarily reflect those of the CPUC. Other parties of record will also participate.

The CPUC may hold evidentiary hearings whereby parties of record present their proposals in 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 parties of record may present evidence or cross-examine witnesses during evidentiary hearings. Members of the public may attend, but not participate in these hearings.

After considering all proposals and evidence presented during the hearing process, the ALJ will issue a draft decision. When the CPUC acts on this application, it may adopt all or part of SCE's request, amend or modify it, or deny the application. The CPUC's final decision may be different from SCE's proposed application.

PUBLIC COMMENTS AND OPINIONS ARE IMPORTANT TO THE CPUC

As part of its decision-making process, the CPUC is interested in your public comments or opinions on any aspect of the company's operations, including proposed rates, service quality or any other issue of concern. If you are writing a letter or sending an email to the Public Advisior's Office regarding this proposed application, please refer to the application number. All comments will be circulated to the Commissioners, the assigned ALJ, and other line Divisions working on this GRC. Please send all e-mails or written correspondence regarding your comments and opinions to the address listed below:

The Public Advisor's Office California Public Utilities Commission 320 West Fourth Street, Suite 500 Los Angeles, CA 90013

E-Mail: <u>Public.Advisor.la@cpuc.ca.gov</u>

All written correspondence and e-mails are provided to the assigned Administrative Law Judge, Commissioners, and other appropriate CPUC staff. All public comments are also provided to the CPUC's Formal Files Office as part of the formal public comment file for this proceeding.