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

**NOTICE OF SOUTHERN CALIFORNIA EDISON COMPANY'S REQUEST FOR
APPROVAL OF ITS CARBON-FREE SURPLUS ENERGY TRANSACTION WITH
BONNEVILLE POWER ADMINISTRATION**

APPLICATION NO. A.19-10-001

On October 1, 2019, Southern California Edison (SCE) filed its application with the California Public Utilities Commission (CPUC) requesting approval for a “proof of concept” carbon-free transaction to test a model of energy conservation transfer through the purchase in California of surplus carbon-free energy around the clock (ATC) hydropower from Bonneville Power Authority (BPA) and sourced from BPA’s energy efficiency achievements. The transaction is proposed for a three-year period through the end of 2021.

The “proof of concept” transaction seeks to explore whether there is a viable market for hydropower from the Pacific Northwest derived from incremental energy efficiency (EE) savings that can be imported without increasing emissions in other parts of the Western grid. The clean energy imported from BPA will be sold on the California Independent System Operator (CAISO) market, and therefore will be available to all market participants. Lessons learned from the transaction are expected to benefit all California load serving entities by providing information about how to potentially scale up and create a larger market for “non-traditional” energy supply. SCE will submit a final report that includes, but will not be limited to, information concerning the total megawatt hours of energy delivered by the transaction, (2) the total amount of incremental emissions reductions attributable to the transaction, and (3) information on BPA’s incremental EE savings based on BPA’s reported EM&V efforts; and (4) lessons learned.

ESTIMATED IMPACT OF THIS REQUEST ON ELECTRIC RATES

This “proof of concept” transaction is expected to cost a total of approximately \$9 million in today’s dollars over a three-year period through the end of 2021. Some of the costs are expected to be offset by revenues SCE earns by bidding the hydropower into the CAISO market. The incremental cost of the transaction is expected to be approximately \$2.989 million. The transaction could lead to a market in California for this type of product, thereby helping

California meet its ambitious carbon-reduction goals without increasing emissions in the Pacific Northwest, as required by California law.¹

If the CPUC approves this application, it will result in an estimated average rate increase of 0.03% over the three-year term of the transaction from 2019 through 2021.

The following table is representative of the estimated rate increase by customer group if this application is approved by the CPUC.

Bundled Average Rates (¢/kWh)				
Customer Group	Current Rates	Proposed Increase	Proposed Rates	% Increase
Residential	18.26	0.01	18.27	0.03%
Lighting - Small and Medium Power	16.74	0.00	16.75	0.03%
Large Power	12.10	0.00	12.11	0.03%
Agricultural and Pumping	13.43	0.00	13.44	0.03%
Street and Area Lighting	18.92	0.00	18.93	0.02%
Standby	10.49	0.00	10.49	0.03%
Total	15.90	0.00	15.91	0.03%

Residential Bill Impact				
Description	Current	Proposed Increase	Proposed	% Increase
Non-CARE Residential Bill	\$110.79	\$0.03	\$110.82	0.03%
CARE Residential Bill	\$74.82	\$0.02	\$74.84	0.03%

FOR FURTHER INFORMATION ABOUT SCE’S APPLICATION

You may review a copy of SCE’s application and related exhibits at SCE’s corporate headquarters: 2244 Walnut Grove Avenue, Rosemead, CA 91770.

Customers with internet access may view and download SCE’s application and related exhibits on SCE’s website at <https://on.sce.com/2LHkFrG> (for A.19-10-001), or by visiting www.sce.com/applications, typing “A.19-10-001” into the search box, and clicking “Go.” If you have technical issues accessing the documents through the website, please e-mail case.admin@sce.com for assistance (be sure to reference proceeding A.19-10-001 in your e-mail).

To request a hard copy of SCE’s application and related exhibits, or to obtain more information about this application from SCE, please write to:

Southern California Edison Company
 Attention: Robert Grimm
 A.19-10-001 – *(Carbon Free Energy Transaction)*
 P.O. Box 800
 Rosemead, CA 91770

¹ See California Senate Bill (SB) 100 (2018) (100 Percent Clean Energy Act of 2018), codified as amendments to Public Utilities Code (PUC) Sections 399.11, 399.15, and 399.30 and the addition of PUC Section 454.5.

In addition, a copy of this application may be reviewed at the CPUC's Central Files Office, located in San Francisco, California, by appointment. For more information, please contact them at aljcentralfilesid@cpuc.ca.gov or (415) 703-2045.

CPUC PROCESS

This application will be assigned to an Administrative Law Judge (Judge) who will determine how to receive evidence and other related documents necessary for the CPUC to establish a record upon which to base its decision. Evidentiary Hearings (EH) may be held where parties of record will present their testimony and may be subject to cross-examination by other parties. These EHs are open to the public, but only those who are parties of record can participate.

After considering all proposals and evidence presented during the formal hearing process, the assigned Judge will issue a proposed decision which may adopt SCE's application as proposed, modify it, or deny it. Any of the five CPUC Commissioners may sponsor an alternate decision. The proposed decision, and any alternate decisions, will be discussed and voted upon at a scheduled CPUC Voting Meeting.

The Public Advocates Office (CalPA) may review this application on behalf of SCE's customers. CalPA is the independent consumer advocate within the CPUC with a legislative mandate to represent investor-owned utility customers to obtain the lowest possible rate for service consistent with reliable and safe service levels. CalPA has a multi-disciplinary staff with expertise in economics, finance, accounting, and engineering. For more information about CalPA, please call (415) 703-1584, e-mail PublicAdvocatesOffice@cpuc.ca.gov or visit CalPA's website at <http://www.publicadvocates.cpuc.ca.gov/>.

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Phone: 1-866-849-8390 (toll-free) or 1-415-703-2074

TTY: 1-866-836-7825 (toll-free) or 1-415-703-5282

Or write to: CPUC
Public Advisor's Office
505 Van Ness Avenue
San Francisco, CA 94102

Email: public.advisor@cpuc.ca.gov

Please reference **SCE's Carbon-Free Energy Transaction Application No. A.19-10-001** in any communications you have with the CPUC regarding this matter. All public comments will become part of the public correspondence file for this proceeding and be made available for review to the assigned Judge(s), the Commissioners, and appropriate CPUC staff.