

Customer Connection

Please visit us at www.sce.com

Page 1 of 4

Dial 2-1-1 for Free Information

Did you know that you can get free information on finding help and referrals for job training, health care or housing – just by dialing 2-1-1? While services that are offered through 2-1-1 vary from community to community, 2-1-1 provides callers with information and referrals to community programs and services for every day needs and in times of crisis, such as the following:

- Employment services job placement, vocational skills training and more
- Financial and public assistance programs
- Housing assistance and emergency shelter programs
- Health care services and medical insurance programs
- Information on food banks and hot meal centers
- Senior services case management, meals delivered to your home, senior centers and more
- Transportation services
- Services and support for individuals with disabilities

This information is provided for information purposes only. The 2-1-1 service is available in most counties in California. SCE does not endorse and is not a participating agent in these programs.

We're Here to Help

In these challenging economic times, many customers are looking for ways to save money. SCE can help.



Find out if you qualify for these helpful programs offered by SCE:

California Alternate Rates for Energy (CARE) – You can receive a discount of 20 percent or more on your monthly electric bill if you meet this program's income qualifications. (800) 447-6620

Family Electric Rate Assistance (FERA) – If you have three or more individuals in your household, and you exceed your baseline electricity usage by more than 30 percent, you can receive a discount on your energy bill by meeting the program's income requirements. (800) 447-6620

Level Pay Plan – Let SCE help you plan and budget your funds more efficiently by dividing the total energy charges over a 12-month period on your SCE bill into equal monthly payments. **(800) 434-2365**

Medical Baseline – If you use electrically-powered medical equipment, or if you have specific medical conditions that require electricity, your household may qualify for an additional baseline energy allowance to help manage your energy costs. **(800) 684-8123**

For details on eligibility and income requirements for these helpful SCE programs, please visit **www.sce.com/billhelper**, or contact us toll-free at the phone numbers provided. These programs are funded by California utility ratepayers and administered by SCE under the auspices of the California Public Utilities Commission.

Para solicitar una copia de esta notificación en español por favor escriba a la atención de Corporate Communications

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:

- 1. 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.

(Continued from previous page)

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 I: Estimated Impact of This Request on Customer Rates											
Customer/Rate Group	2010 Generation Allocator	2010 Distribution Allocator	PRR Total Revenue (\$000) w/2012 Sales Forecast	2011 Base Rate Revenues	2012 GRC Gen Rev. Change (\$000)	2012 GRC Dist Rev. Change (\$000)	2012 GRC Total Rev. Change (\$000)	Total 2012 Revenues (\$000)	% Increase over Total Revenues		
Domestic Light-Small & Medium Pwr Large Power Agricultural & Pumping Street and Area Lighting	38.0% 36.3% 21.6% 3.5% 0.6%	35.3%	4,452,554 4,276,459 2,195,789 398,103 141,727	1,994,502 1,024,096 185,672	68,248 11,054	· · · ·	308,663 131,941 28,785	4,585,122 2,327,730 426,887	8.83% 7.22% 6.01% 7.23% 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										
Customer Service	Customer Service Average Monthly Usage		Proposed Monthly Bill	Change in Bill	Percent Change					
Non-CARE	652 kWh	\$ 120.14	\$ 132.64	\$ 12.50	10.04%					
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. 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	

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 e-mail 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: *Public.Advisor.la@cpuc.ca.gov*

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.



Customer Connection

Please visit us at www.sce.com

Page 3 of 4

Los usuarios con acceso al Internet podrán leer y descargar esta notificacion en español en el sitio Web de SCE <u>www.sce.com/avisos</u> o escriba a:

> Southern California Edison Company P.O. Box 800 2244 Walnut Grove Avenue Rosemead, CA 91770 Atención: Comunicaciones Corporativas

SOUTHERN CALIFORNIA EDISON'S (SCE) NOTIFICATION OF TEST YEAR 2011 GENERAL RATE CASE (GRC) APPLICATION FILING REGARDING PROPOSED INCREASE IN WATER RATES APPLICATION NO. A.10-11-009

In compliance with the California Public Utilities (CPUC or Commission) and Commission guidance, Southern California Edison Company (SCE) has filed a general rate case (GRC) application for a test year 2011 for an increase to rates for water service for Santa Catalina Island. The Application filing requests the Commission to authorize a water rate base revenue requirement of \$7.222 million, or 82.9 percent over the current total base rates. This represents an increase of \$3.274 million over current total rate base which, if approved by the CPUC, will be effective in rates January 1, 2011, or the date the Commission issues a resolution. Base rate revenues pay for the costs of owning and operating water distribution facilities on Santa Catalina Island. This application will also include a request for rate recovery for undercollected balances in the Purchased Power Expense and Catalina Water Alternate Rates for Energy (CARE) Memorandum Accounts totaling \$194,000 through September 30, 2010.

This Application is necessary to set authorized base revenues for services rendered beginning January 1, 2011. The substantive reasons supporting revenue levels SCE requests in its test year 2011 GRC Application are detailed in the prepared testimony and workpapers supporting this request. SCE has made this request to continue to provide safe and reliable service to its customers. Some of the key reasons for the requested revenue increase include:

1. SCE made substantial capital investments to replace aging and/or damaged water pumping, transmission, and distribution infrastructure.

2. SCE is facing increased operations and maintenance expenses related to maintaining the infrastructure of the Catalina water system, which is a complex system serving approximately 2,000 customers spread out all over the island.

3. SCE's request includes an allocation of a small percentage of SCE Administrative and General overhead to Catalina Water rates.

The proposed increased revenue requirement increase over currently authorized base revenues is \$3.274 million. The following table below (Table I) shows an itemization of the major components of SCE's request.

Line No.	Item	Retail At Present Rates	Retail At Proposed Rates	Change
01.	TOTAL OPERATING REVENUES	3,948	7,222	3,274
02.	OPERATING EXPENSES:		,	
03.	Production			
04.	Other	2,428	2,428	-
05.	Subtotal Production	2,428	2,428	-
06.	Uncollectibles 1/	9	17	7
07.	Administrative & General 2/	674	674	-
08.	Franchise Requirements 1/	39	72	33
09.	Revenue Credits	(154)	(154)	-
10.	Subtotal	2,996	3,036	40
11.	Escalation	157	157	-
12.	Depreciation	774	774	-
13.	Taxes Other Than On Income	282	282	-
14.	Taxes Based On Income	(462)	889	1,351
15.	Total Taxes	(180)	1,171	1,351
16.	TOTAL OPERATING EXPENSES	3,747	5,139	1,391
17.	NET OPERATING REVENUE	201	2,083	1,883
18.	RATE BASE	23,808	23,808	-
19.	RATE OF RETURN	0.84%	8.75%	

1/ SCE is requesting the Commission to adopt the currently authorized rate of 1% for

Franchised Fees paid to the City of Avalon, and 0.229% for uncollectible expenses.

2/ Includes an allocation of administrative and general expenses from total SCE A&G expenses.

			Table II: P	roposed Ra	ate Revenue	es				
	Proposed Rate Revenues (\$)									
Meter / Pipe Size >>>	5/8 in.	3/4 in.	1 in.	1.5 in.	2 in.	3 in.	4 in.	6 in.	8 in.	Total
Residential	2,223,443	30,327	174,725	70,526	144,452	0	0	0	0	2,643,474
Residential-Dual	3,619	0	178,527	56,197	132,389	0	0	0	0	370,732
Residential-CARE	283,448	0	0	0	0	0	0	0	0	283,448
Residential-CARE-Dual	902	0	1,803	0	0	0	0	0	0	2,705
Residential-DE	59,408	0	3,077	0	0	0	0	0	0	62,485
Residential-DE-Dual	0	0	2,119	0	0	0	0	0	0	2,119
Residential-Multifamily	7,809	0	154,367	113,968	140,620	0	0	0	0	416,765
Commercial	512,361	0	555,689	468,895	1,419,604	64,257	0	8,112	17,343	3,046,260
Commercial-CARE	444	0	0	0	0	0	0	0	0	444
Irrigation	145,525	0	24,904	41,366	115,868	3,588	0	0	0	331,251
Private Fire Protection*	0	157	608	1,893	9,738	3,016	38,975	5,110	2,533	62,029
Total	3,236,960	30,485	1,095,819	752,845	1,962,670	70,860	38,975	13,221	19,876	7,221,712

.

* Private Fire Protection is based on pipe size.

(Continued from previous page)

If the Commission were to allocate the increase in annual revenues shown in Table I on a System Average Percentage Change (SAPC) basis, the impact on each customer group would be as shown in Table III below.

Table III. Average Din Impact Analysis											
	Current Rates Average Monthly Bill – \$										
Meter / Pipe Size >>>	5/8 in.	3/4 in.	1 in.	1.5 in.	2 in.	3 in.	4 in.	6 in.	8 in.	Total	
Residential	68	134	167	625	563					77	
Residential-Dual	65		132	290	800					207	
Residential-CARE	62									62	
Residential-CARE-Dual	34		72							53	
Residential-DE	71		57							70	
Residential-DE-Dual			82							82	
Residential-MM	122		701	274	1,000					489	
Commercial	149		530	1,510	1,723	1,042		401	865	594	
Commercial-CARE	22									22	
Irrigation	214		179	854	1,967	177				372	
Private Fire Protection*			12	16	22	46	62	103		45	
Average	81	120	297	735	1,077	478	62	171	488	170	

	Proposed Rates Average Monthly Bill – \$										
Meter / Pipe Size >>>	5/8 in.	3/4 in.	1 in.	1.5 in.	2 in.	3 in.	4 in.	6 in.	8 in.	Total	Percent Change
Residential	157	311	387	1,444	1,315					178	131%
Residential-Dual	148		281	658	1,808					453	119%
Residential-CARE	142									142	131%
Residential-CARE-Dual	74		148							111	109%
Residential-DE	168		126							165	135%
Residential-DE-Dual			174							174	112%
Residential-MM	320		1,807	718	2,880					1,313	168%
Commercial	268		817	2,102	2,387	1,512		764	1,633	877	48%
Commercial-CARE	42									42	94%
Irrigation	343		335	1,298	2,727	338				567	53%
Private Fire Protection*			17	23	30	63	85	142		62	37%
Average	176	278	546	1,191	1,645	701	85	284	879	312	83%

* Private Fire Protection is based on pipe size.

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.

CPUC PROCESS 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.10-11-009. 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
California Public Utilities Commission	505 Van Ness Avenue
320 West Fourth Street, Suite 500 Los Angeles, CA 90013	San Francisco, CA 94102
Or by e-mail: Public.Advisor.la@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.	505 W. 14th Ave.
Avalon, CA 90704	Barstow, CA 92311	Bishop, CA 93514	Blythe, CA 92225
3001 Chateau Rd. Mammoth	510 S. China Lake Blvd.	26364 Pine Ave.	41694 Dinkey Creek Rd.
Lakes, CA 93546	Ridgecrest, CA 93555	Rimforest, CA 92378	Shaver Lake, CA 93664
421 W. J St. 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, <u>www.sce.com/applications</u>. 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

Los usuarios con acceso al Internet podrán leer y descargar esta notificacion en español en el sitio Web de SCE www.sce.com/avisos o escriba a:

Southern California Edison Company P.O. Box 800 2244 Walnut Grove Avenue Rosemead, CA 91770 Atención: Comunicaciones Corporativas