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

			Present	Proposed
	Revenue Change		Rates	Rates
Customer Group	(\$Millions)	% Change	¢/kWh	¢/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

Or by 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

Or by 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., 6999 Old Woman Springs Rd. Wofford Heights, CA 93285 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

Para solicitar una copia de esta notificación 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