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**NOTICE OF APPLICATION OF
SOUTHERN CALIFORNIA EDISON COMPANY (U 338-E)
FOR APPROVAL OF ITS FORECAST 2021 ERRA PROCEEDING REVENUE
REQUIREMENT
APPLICATION A.20-07-004**

On July 1, 2020, Southern California Edison Company (SCE) filed an application with the California Public Utilities Commission (CPUC) requesting review and approval of its 2021 Energy Resource Recovery Account (ERRA) Revenue Requirement Forecast Application (ERRA Forecast Application or Application). The ERRA Forecast Application reviews SCE's estimate of costs associated with certain aspects of SCE's business operations for the 2021 calendar year. These costs include SCE's purchases and production of power for its customers.

SCE's proposed ERRA Forecast-related required revenue for 2021 is \$4.115 billion. This is a decrease of \$657 million for 2021 as compared to SCE's 2020 ERRA Forecast-related required revenue.

WHAT THIS PROPOSED APPLICATION MEANS TO YOU

The CPUC has established the ERRA Forecast proceeding as the process for review and approval of SCE's estimate of the costs for fuel that will be needed to generate electricity for SCE's customers in 2021. SCE's ERRA Forecast Application also reviews the estimated costs of power SCE purchases for its customers.

Although SCE currently estimates a decrease in its ERRA Forecast-related required revenue for 2021, SCE's estimates of the fuel and purchase power costs in the Application are subject to change when SCE submits an updated forecast to the Commission in November 2020, which may reduce the amount of the decrease or result in a rate increase.

In addition to estimating fuel and purchased power costs, SCE's 2021 ERRA Forecast Application includes:

- (1) A request to approve other expenses recoverable in ERRA Forecast proceedings, such as expenses related to spent nuclear fuel (stored nuclear fuel that has already been used); and
- (2) A request to approve SCE's return of \$230.7 million in Greenhouse Gas (GHG) allowance revenues to eligible customers in 2021.

Residential electric customers using an average of 550 kWh will see a bill *decrease* of \$1.68 per month, from \$123.25 to \$121.57 in most months of 2021 because the semi-annual Climate Credit of \$19.00 will appear only on customers' April and October bills. The overall aggregate effect to

residential customers, including the semi-annual Climate Credit, is forecasted to be a decrease in electric rates of 1.8 percent.

The following table compares the impact of current rates to the forecast 2021 ERRR rates:

CUSTOMER BILL IMPACT TABLE

Customer Group	System		
	Current Revenues (\$000)	Proposed Revenue Change (\$000)	% Revenue Change Over Current
Residential	\$ 5,003,151	\$ (142,226)	-2.8%
Lighting - Small and Medium Power	\$ 4,311,158	\$ (336,143)	-7.8%
Large Power	\$ 2,024,268	\$ (152,322)	-7.5%
Agricultural and Pumping	\$ 470,603	\$ (21,647)	-4.6%
Street and Area Lighting	\$ 116,943	\$ 237	0.2%
Standby	\$ 331,154	\$ (4,400)	-1.3%
Total	\$ 12,257,276	\$ (656,500)	-5.4%

Customer Group	Bundled		
	Current Rates ¢/kWh	Proposed Rates ¢/kWh	% Rate Change Over Current
Residential	20.11	19.75	-1.8%
Lighting - Small and Medium Power	19.10	18.81	-1.5%
Large Power	13.63	13.09	-3.9%
Agricultural and Pumping	15.48	15.06	-2.7%
Street and Area Lighting	19.16	20.83	8.7%
Standby	11.35	10.85	-4.4%
Total	17.89	17.54	-1.9%

This Application and the projected rate decrease described herein is a forecast and is likely to change prior to including these costs in SCE’s 2021 rates. Consistent with past ERRR Forecast applications, SCE expects to update this Application in November 2020, so that the latest forecast assumptions can be incorporated into SCE’s 2021 rates.

CPUC PROCESS

This application will be assigned to a judge who will consider proposals and evidence presented during the formal hearing process. The judge will issue a proposed decision that may adopt SCE’s Application, modify it, or deny it. Any CPUC Commissioner may sponsor an alternate decision. The proposed decision, and any alternate decisions, will be discussed and voted upon by the CPUC Commissioners.

The Public Advocates Office may review this application on behalf of SCE’s customers. The Public Advocates Office 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. For more information, please call (415) 703-1584, e-mail PublicAdvocatesOffice@cpuc.ca.gov or visit publicadvocates.cpuc.ca.gov/.

WHERE CAN I GET MORE INFORMATION?

Contact SCE

View SCE's application:

Go to www.sce.com/applications. Scroll down or search for "A.20-07-004" and click on the link.

Phone: (800) 655-4555

E-mail: case.admin@sce.com

Or write to: Southern California Edison Company

Attention: Erin Pulgar
A.20-07-004 – SCE's 2021 ERRRA Forecast
P.O. Box 800
Rosemead, CA 91770

Contact the CPUC

You may also get information about this proceeding by contacting the CPUC:

- If you would like to make a comment, please visit cpuc.ca.gov/A2007004Comments to submit a comment on the CPUC Docket Card. You can also review other public comments related to this proceeding.
- If you have questions about the CPUC processes, you may contact the CPUC's Public Advisor's Office.

Phone: 1-866-849-8390 (toll-free)

Email: public.advisor@cpuc.ca.gov

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

Please reference **SCE 2021 ERRRA Forecast Application A.20-07-004** in any communications you have with the CPUC regarding this matter.