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NOTICE OF APPLICATION Southern California Edison Company's Request to Increase Electric Rates APPLICATION A.24-10-002

Why am I receiving this notice?

On October 8, 2024, Southern California Edison Company (SCE) filed its application with the California Public Utilities Commission (CPUC) requesting authority to recover costs recorded in its Wildfire Expense Memorandum Account (WEMA) and Catastrophic Memorandum Account (CEMA) related to the 2018 Woolsey Fire.

The costs SCE seeks to recover in the application are not funded through existing rates. The costs were incurred to resolve third-party claims and to restore service promptly. SCE's Application requests CPUC approval to recover approximately \$5.4 billion in expenses as of August 2024 (WEMA costs) and approximately \$84 million in restoration-related costs (CEMA costs). If the CPUC approves this Application, SCE anticipates recovering the WEMA costs in electric distribution rates over a 30-year period beginning in 2027 and the CEMA costs over a 12-month period beginning in 2026.

Why is SCE requesting this rate increase?

California saw unprecedented wildfires across the state in 2018, which was the most destructive wildfire year on record and included the Woolsey Fire in SCE's service area. SCE incurred costs to resolve lawsuits resulting from the Woolsey Fire. In California, courts require utilities to pay for property damage and other costs resulting from fire caused by their facilities even if they operated their system prudently. The CPUC reviews the costs to determine if it would be just and reasonable for the utility to pass those costs on to customers.

SCE also incurred costs to restore service to customers and to repair, replace, or restore damaged utility facilities. The CPUC authorized SCE to record these costs in its CEMA and seek recovery at a later date.

SCE has taken on significant debt to pay costs associated with the Woolsey Fire. SCE is seeking to recover those costs to reduce this debt, which will reduce borrowing costs for ongoing operations.

How could this affect my monthly electric rates?

If the CPUC approves SCE's request to recover claims payments and associated costs recorded in the WEMA, SCE will file a new application to finance those costs through the issuance of recovery bonds. This would reduce the customer rate increase compared to traditional utility ratemaking. SCE estimates that it would recover costs in electric rates over a 30-year period beginning in 2027. While the final rate impact would depend on the terms of the recovery bonds, SCE estimates the average residential monthly bill using 500 kWh per month would increase by approximately \$3.44 or 1.9% per month for those costs. There will be no rate increase for CARE and FERA customers assuming SCE's future financing application is approved. SCE provides an illustrative rate and bill impact table for the WEMA costs below. At a later juncture in the proceeding, SCE intends to update its costs to reflect additional claims and associated costs paid as of that date.

Bill Impact Table

Bundled Average Rates (#/kWh)				
Customer Group	Current Rates	Proposed Increase	Proposed Rates	% Change
Residential	33.23	0.47	33.71	1.4%
Lighting - Small and Medium Power	29.52	0.55	30.07	1.9%
Large Power & Standby*	19.44	0.34	19.78	1.7%
Agricultural and Pumping	23.59	0.47	24.06	2.0%
Street and Area Lighting	36.35	0.47	36.82	1.3%
Total	27.98	0.47	28.44	1.7%

Residential Bill Impact (\$/Month)				
Description	Current	Proposed Increase	Proposed	% Change
Non-CARE residential bill	\$177.50	\$3.44	\$180.94	1.9%
CARE residential bill	\$120.16	\$0.00	\$120.16	0.0%

*Large Power includes the Standby class

In addition to the above, SCE proposes to recover the revenue requirement associated with the CEMA costs in rates over a 12-month period following the issuance of a final Commission decision in this proceeding. The projected rate impact by customer group for the CEMA costs, including CARE and FERA customers, would be as shown below. If SCE's rate request is approved by the CPUC, the average non-CARE residential monthly bill using 500 kWh per month would increase by approximately \$0.45 or 0.3% per month in 2026. The average CARE residential monthly bill with the same monthly usage would increase by approximately \$0.30 or 0.3% per month in 2026.

Bill Impact Table

Bundled Average Rates (#/kWh)				
Customer Group	Current Rates	Proposed Increase	Proposed Rates	% Change
Residential	33.23	0.08	33.32	0.3%
Lighting - Small and Medium Power	29.52	0.07	29.59	0.2%
Large Power	20.10	0.05	20.15	0.2%
Agricultural and Pumping	23.59	0.06	23.65	0.3%
Street and Area Lighting	36.35	0.07	36.42	0.2%
Standby	16.55	0.01	16.56	0.1%
Total	27.98	0.07	28.05	0.2%

Residential Bill Impact (\$/Month)				
Description	Current	Proposed Increase	Proposed	% Change
Non-CARE residential bill	\$177.50	\$0.45	\$177.95	0.3%
CARE residential bill	\$120.16	\$0.30	\$120.46	0.3%

How does the rest of this process work?

This Application will be assigned to a CPUC Administrative Law Judge (ALJ) who will consider proposals and evidence presented during the formal hearing process. The ALJ will issue a proposed decision that may adopt SCE's Application, modify it, or deny it. Any CPUC Commissioner may sponsor an alternate decision with a different outcome. The proposed decision, and any alternate decisions, will be discussed and voted upon by the CPUC Commissioners at a public CPUC Voting Meeting.

Parties to the proceeding may review SCE's Application, including the Public Advocates Office. The Public Advocates Office is an independent consumer advocate within the CPUC that represents customers to obtain the lowest possible rate for service consistent with reliable and safe service levels. For more information about the Public Advocates Office, please call 1-415-703-1584, email PublicAdvocatesOffice@cpuc.ca.gov or visit www.publicadvocates.cpuc.ca.gov.

Where can I get more information?

Contact SCE: If you have any questions about SCE's application you may contact them at:

Phone: **1-800-655-4555**
 Email: case.admin@sce.com
 Mail: Case Administration
 Southern California Edison Company
 A.24-10-002 - Woolsey Application
 P.O. Box 800
 Rosemead, CA 91770

The Application and any related documents may also be reviewed at www.sce.com/applications.

Contact CPUC

Please visit apps.cpuc.ca.gov/c/A2410002 to submit a comment about this proceeding on the CPUC Docket Card. Here you can also view documents and other public comments related to this proceeding.

Your participation by providing your thoughts on SCE's request can help the CPUC make an informed decision.

If you have questions about CPUC processes, you may contact the CPUC's Public Advisor's Office at:

Email: public.advisor@cpuc.ca.gov
 Phone: **1-866-849-8390** (toll-free) or **1-415-703-2074**
 Mail: CPUC Public Advisor's Office
 505 Van Ness Avenue
 San Francisco, CA 94102

Please reference **SCE's Woolsey Application A.24-10-002** in any communications you have with the CPUC regarding this matter.