

EXHIBIT 1

Affidavit of Robert A. Thomas

**UNITED STATES OF AMERICA
BEFORE THE
FEDERAL ENERGY REGULATORY COMMISSION**

Southern California Edison Company) Docket No. ER16-____-000

**AFFIDAVIT OF ROBERT A. THOMAS
FOR SOUTHERN CALIFORNIA EDISON COMPANY**

I, Robert A. Thomas, being duly sworn, depose and state as follows:

I. INTRODUCTION

1. My name is Robert A. Thomas. I am the Manager of Rate Design in the Regulatory Operations Department at Southern California Edison Company (“SCE”). My business address is 8631 Rush Street, Rosemead, California 91770.

2. I am submitting this Affidavit on behalf of SCE. The statements made herein are true and correct to the best of my knowledge and belief, and I adopt them as my sworn testimony in this proceeding.

3. I have worked for SCE for 26 years. In my current position as Manager of Rate Design I am responsible for the development of SCE’s retail level rate designs. I have held this position since November 20, 2006. Prior to my present position, my responsibilities have included Manager of the Analysis and Program Support Group within SCE’s Business Customer Division, where I was responsible for providing customer specific rate and financial analyses involving self-generation, load growth, contract rates, and hourly pricing options. Prior to this position, I was SCE’s Program Manager for the Self Generation Incentive Program (“SGIP”). In this position I was responsible for all aspects of the program including processing of applications, promotion of the program, and dispute resolution.

4. I received a Bachelor of Science and Engineering degree from the University of Arizona, a Professional Engineer License in Mechanical Engineering, and a Masters in Business Administration from California State Polytechnic University, Pomona.

5. I have submitted testimony to this Commission in SCE's 2008 through 2016 Reliability Services filings (Docket Nos. ER08-82, ER09-95, ER10-105, ER11-1974, ER12-201, ER13-227, ER14-222, ER15-216, and ER16-174), and in SCE's TO4, TO5, and TO6 transmission rate case proceedings (Docket Nos. ER08-1343, ER09-1534, and ER11-3697).

6. The purpose of my Affidavit is to describe SCE's proposed revisions to the retail rate module of the SCE's formula transmission rate ("Formula Rate") necessary to implement the California Public Utilities Commission ("CPUC") decision on SCE's retail rate design, Decision 16-03-030 (the "CPUC Phase 2 Order"), issued on March 18, 2016. The CPUC Phase 2 Order is included as Attachment 1 to my Affidavit.

7. My Affidavit is organized as follows:

- In Section II, I provide background on the calculation of retail transmission rates under the Formula Rate.
- In Section III, I describe the changes to retail rate design resulting from the CPUC Phase 2 Order.
- In Section IV, I describe the revisions to the retail rate module of the Formula Rate necessary to conform the calculation of retail transmission rates to the CPUC Phase 2 Order on retail rate design.

II. BACKGROUND ON RETAIL TRANSMISSION RATE CALCULATION IN SCE'S FORMULA TRANSMISSION RATE

8. SCE's Formula Rate, originally filed in Docket No. ER11-3697 on June 3, 2011, has been in effect since January 1, 2012. The Formula Rate determines SCE's Base Transmission Revenue Requirement ("Base TRR") and associated retail transmission rates on an annual basis effective each January 1 pursuant to an Annual Update filing made by each December 1 setting rates for the following calendar year. Included in the Formula Rate is a module (Schedule 33) that determines SCE's retail transmission rates based on the retail Base TRR determined according to the Formula Rate in each Annual Update, and SCE's forecast sales and billing determinants. Schedule 33 is designed to determine retail transmission rates consistent with the current CPUC retail rate design.

9. Pursuant to Section 8d of the Protocols of the Formula Rate, when the CPUC issues a Final CPUC Order affecting retail rate design, SCE must then make a "single-issue" Section 205 filing to the Commission proposing to revise its retail rates in conformance with the CPUC Final Order:

"SCE will make a single-issue Section 205 filing to revise Schedule 33 of the Formula Rate determination of retail transmission rates to reflect any change in Rate Groups, Rate Schedules, or the design of retail rates applicable to each Rate Schedule subsequent to any final CPUC order that affects these aspects of retail transmission rates. SCE will make such a filing only if and when the change in Rate Groups, Rate Schedules, or the design of retail rates cannot otherwise be reflected through the normal operation of the Formula Rate. In the single-issue Section 205 filing to the Commission, SCE will propose revisions to Schedule 33 of the Formula Rate that conform to the CPUC order. SCE will make a filing under this Section 8(d) by the later of either the filing date for the next Annual Update following the CPUC ruling or sixty days after the CPUC ruling."

10. As described in detail below, the changes to retail transmission rate design required by the CPUC Phase 2 Order cannot be accommodated utilizing the current Schedule 33 tariff. Specifically, the CPUC Phase 2 Order calculation of some Standby rates causes the underlying cost allocation and rate calculation specified in the current Formula Rate Schedule 33 to not yield Standby rates consistent with the CPUC Phase 2 Order. Accordingly, SCE is submitting this filing to propose a revised Schedule 33 tariff that will calculate retail transmission rates that conform with the rate design adopted in the CPUC Phase 2 Order.

11. The Formula Rate retail transmission rate calculation method specified in the Schedule 33 module of the tariff includes a determination of demand charges for what is called “Supplemental Load” as well as “Backup Load”. All standby generators have on-site generation facilities for which standby service must be provided by SCE, to ensure that in the event the on-site generator is not available SCE is able to provide service for the load normally served by the generator. This portion of service for Standby customers is called “Backup Load”. Additionally, many Standby customers may also on a regular basis rely on SCE to provide service above the level that their onsite generation units can generate, if, for example, the generation units do not have sufficient capacity to serve the total load of the customer. SCE refers to this type of service as “Supplemental Load”. Currently revenue allocation for the standby Rate Groups is based on the total load of the Rate Groups, regardless of whether the load is Backup or Supplemental. Rates for the Backup and Supplemental services are then determined using the backup, supplemental, and total billing attributes. As described in Section II below, the CPUC Phase 2 Order revises this methodology.

III. THE CPUC PHASE 2 ORDER

12. The CPUC Phase 2 Order adopts five settlement agreements¹ addressing various aspects of marginal costs, revenue allocation, and rate design. One of the settlement agreements, the “Medium and Large Power Rate Group Rate Design Settlement” (the “Settlement”, which is included as Attachment 2 to my Affidavit) adopts a revised revenue allocation and rate design for the Large Power Rate Groups with kW demand greater than 500 kW that primarily affects the demand charge for “Supplemental Load” for three standby Rate Groups, but also secondarily affects the demand charge for Supplemental Load for three associated Large Power Rate Groups.²

13. The Settling Parties, among other things, agreed to adopt the separation of billing attributes in the Standby Rate Groups prior to revenue allocation and rate design.³ As described above, the Supplemental Load portion is regularly served by SCE and therefore this portion of the load is no different than the load of non-standby Rate Groups; thus this Supplemental Load is moved to be included with the load of the TOU-8 non-standby Rate Groups for revenue allocation and rate design. The remaining load in the Standby Rate Groups is Backup Load, which is then used for revenue allocation and rate setting for the Backup services. The rates for Supplemental Load service within the three Standby Rate Groups is set equal to the rates for the three associated Large Power (TOU-8) Rate Groups.

IV. REVISIONS TO THE FORMULA RATE TO CONFORM TO THE CPUC PHASE

2 ORDER

14. Schedule 33 is designed with the flexibility to handle changes to certain aspects of CPUC-authorized retail rate design without needing to make a revision to the Formula Rate Tariff. For example, if the CPUC creates new Rate Groups or Rate Schedules, the Formula Rate Tariff can accept the new or revised Rate Groups or Schedules without revising the Formula Rate Tariff itself, because the names of the Rate Groups and Schedules are designated as inputs to the Formula Rate. However, it is possible that not all aspects of prospective retail rate design are anticipated and incorporated in the existing formula format. Accordingly, if the CPUC revises the retail rate design such that changes to the Formula Rate Tariff itself are necessitated in order to remain consistent with the CPUC authorized rate design, then SCE must revise the Formula Rate Tariff.

15. The CPUC Phase 2 Order summarized above affects some aspects of retail rate design that will require revisions to inputs in the Formula Rate, but not to the Formula Rate itself. These include:

¹ Settlement agreements were reached in the following areas: Marginal Cost and Revenue Allocation; Residential and Small Commercial Rate Design; Medium and Large Power Commercial Customer Rate Design, Agriculture and Pumping Rate Group Rate Design and; Streetlight and Traffic Control Rate Group.

² The three Large Power Standby Rate Groups affected by the Settlement Standby rate design are: TOU-8-Standby-Sec, TOU-8-Standby-Pri, and TOU-8-Standby-Sub. Additionally, the rate design recalculation affects rates for the three associated Large Power Rate Groups: TOU-8-Sec, TOU-8-Pri, and TOU-8-Sub.

³ Appendix A of Medium and Large Power Settlement Agreement.

- a) Additional billing determinants for the backup and supplemental kW and kWh within the Standby Rate Groups;
- b) Combining the Standby supplemental billing determinants into the current Large Power non-standby Rate Groups; and
- c) Creation of the Standby Supplemental demand rates to receive the same Supplemental demand rates as the TOU-8 non-standby.

16. Additionally, SCE has revised Schedule 33 for the tariff revisions necessary to reflect the CPUC Phase 2 Order. These changes include:

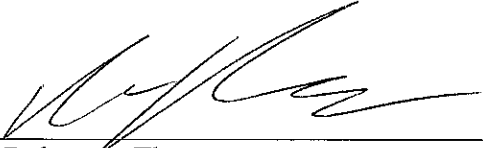
- a) The addition of a new column 4 in Lines 1a, 1b, etc. that allows the amount of “Backup Load” to be input, and the amount of “Supplemental Load” to be separately identified for the purpose of retail transmission rate calculation, included in Column 3.
- b) The revision of the Demand Rate calculation on Lines 9a, 9b, etc. to calculate retail Standby transmission rates in accordance with the CPUC Phase 2 Order.
- c) The separation of Backup and Supplemental Load in the Rate Group cost allocation module, set forth on Lines 35a, 35b, etc., by the insertion of new Columns 7 and 8.
- d) The deletion of Lines 39-44, since the purpose of these lines is now performed elsewhere in Schedule 33, specifically on Lines 35a, 35b, etc.
- e) The addition of Notes 3, 11, 12, and 17 and the revision of Note 2 to explain the new rate determination details.

Attachment 3 to my Affidavit is the proposed revised Schedule 33 Excel file with all links intact.

V. CONCLUSION

17. My Affidavit demonstrates that the revisions SCE is proposing to Schedule 33 of the Formula Rate are necessary to properly reflect the CPUC Phase 2 Order. If approved by the Commission, SCE will use the proposed revised Schedule 33 to determine retail transmission rates for 2017, in the TO11 Annual Update to be filed by December 1, 2016.

I declare under penalty of perjury that the foregoing statements are true to the best of my knowledge, information, and belief. Executed this 12 day of April, 2016, at Rosemead, California.



Robert A. Thomas

State of California)
County of Los Angeles)

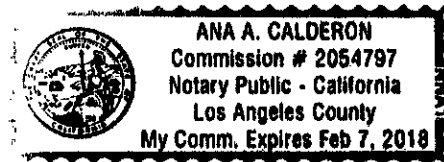
On April 12, 2016, before me, ANA A. CALDERON, NOTARY PUBLIC, personally appeared Robert A. Thomas, who proved to me on the basis of satisfactory evidence to be the person whose name is subscribed to the within instrument, and acknowledged to me that he executed the same in his authorized capacity, and that by his signature on the instrument the person, or the entity upon behalf of which the person acted, executed the instrument.

I certify under PENALTY OF PERJURY under the laws of the State of California that the foregoing paragraph is true and correct.

WITNESS my hand and official seal.



Signature of Notary Public



Dated: April 12, 2016