

An EDISON INTERNATIONAL® Company

NOTICE OF EVIDENTIARY HEARINGS REGARDING SOUTHERN CALIFORNIA EDISON COMPANY'S PROPOSED RATE CHANGES FOR SUMMER 2014 INTERIM RESIDENTIAL RATE REFORM (R.12-06-013)

DATE: Monday, March 24, 2014 Thru Wednesday, March 26, 2014 – TIME: 9:30 a.m. LOCATION: CPUC Hearing Room, 505 Van Ness Avenue, San Francisco, CA 94102

Los usuarios con acceso al Internet podran leer y descargar esta notificacion en espanol 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 Atencion: Comunicaciones Corporativas

The California Public Utilities Commission (CPUC) has scheduled Evidentiary Hearings (EHs) to consider an interim residential rate design settlement proposal that will be effective by summer of 2014. This interim residential rate design settlement proposal was agreed upon by Southern California Edison Company (SCE), the Office of Ratepayer Advocates, The Utility Reform Network, the Coalition of California Utility Employees, the Sierra Club, and the Natural Resources Defense Council. The settlement proposal addresses multiple proposed revenue adjustments anticipated to be implemented by SCE beginning in summer, to align rates with the actual costs of providing electric service to customers and to simplify rate plans.

Assembly Bill (AB) 327 authorized the CPUC to consider changes to California's rate structure and renewable energy policies. As required by CPUC Rulemaking R.12-06-013, SCE filed a proposed request with the CPUC on November 22, 2013, to change residential rates by the summer of 2014. The request was later modified by SCE and subsequently a Settlement was reached by the Parties listed above. However, the CPUC will review the Settlement to determine if it is in the public's interest and will decide whether to accept, modify, or reject it.

Any changes to the dates, times, and locations of the EHs will be posted to the CPUC's Daily Calendar, which is accessible on the CPUC website at <u>www.cpuc.ca.gov</u>. The location for this hearing is wheelchair accessible. Anyone requiring sign or language interpreters should contact the CPUC's Public Advisor's Office at the following numbers at least five (5) working days in advance of the hearing date:

ILLUSTRATIVE EFFECT ON ELECTRIC RATES AND BILLS

If approved by the CPUC, the proposed Settlement would take effect in summer of 2014. This proposed Settlement will not change the amount of total revenues collected by SCE, which are determined in other proceedings. The proposed Settlement maintains the four tiered residential rate structure. Additionally, it keeps the Basic Charge at the same level. The Settlement will also maintain the current baseline allowances, which are billed at the Tier 1 rate. The Settlement proposes to increase the Tier 1 rate by 12% and Tier 2 rate 17%. The proposal also increases Tier 3 by approximately 2% and Tier 4 by approximately 5%.

The following table shows the difference between the rates currently charged to our customers, and the proposed rates which would result if the Commission approves the Settlement Agreement:

	Current Rates	Proposed Settlement Rates	Percent Change from
Non-CARE	(¢/kWh)	(¢/kWh)	Current Rates
Tier 1 (100% of Baseline)	13.2	14.8	12%
Tier 2 (101-130% of Baseline)	16.5	19.3	17%
Tier 3 (131-200% of Baseline)	27.4	27.9	2%
Tier 4 (>200% of Baseline)	30.4	31.9	5%
	Current Rates	Proposed Settlement Rates	Percent Change from
CARE	(¢/kWh)	(¢/kWh)	Current Rates
Tier 1 (100% of Baseline)	8.8	9.7	10%
Tier 2 (101-130% of Baseline)	11.0	12.5	14%
Tier 3 (>200% of Baseline)	20.0	21.0	5%

If the Settlement proposal is adopted, some residential customers may see bill increases and some may see bill decreases, depending upon their monthly usage levels and their rate plan.

Under SCE's proposed changes, the California Alternate Rates for Energy (CARE) program discount will remain within the 30-35% range required by AB327 and remain at approximately the current levels for average CARE customers.

FOR FURTHER INFORMATION FROM SCE

You may review a copy of SCE's proposal 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. Avalon,	1820 Rimrock Rd. Barstow,	374 Lagoon St. Bishop,
CA 90704	CA 92311	CA 93514
505 W. 14th Ave. Blythe, CA	3001 Chateau Rd. Mammoth	510 S. China Lake Blvd.
92225	Lakes, CA 93546	Ridgecrest, CA 93555
26364 Pine Ave. Rimforest,	41694 Dinkey Creek Rd.	421 W. J St. Tehachapi,
CA 92378	Shaver Lake, CA 93664	CA 93561
120 Woodland Dr. Wofford	6999 Old Woman Springs Rd.	
Heights, CA 93285	Yucca Valley, CA 92284	

Customers with Internet access may view and download electronic copies of the settlement agreement SCE's website, <u>www.sce.com/applications</u>, or on the CPUC's website, <u>http://docs.cpuc.ca.gov</u>.

You may also obtain more information about the settlement agreement by writing to:

Southern California Edison Company P.O. Box 800

2244 Walnut Grove Avenue

Rosemead, CA 91770

Attention: Case Administration

HOW DOES THE CPUC'S DECISION-MAKING PROCESS WORK?

The settlement proposal will be reviewed through the CPUC's formal process. The settlement proposal has been assigned to two CPUC Administrative Law Judge (Judges). The Judges preside over the proceeding, which may include evidentiary hearings to give parties an opportunity to present evidence and cross-examine witnesses. Members of the public may attend, but not participate in, these hearings unless they are parties to the case. The hearings and documents submitted in the proceeding become part of the formal record that the Judges rely upon in writing a proposed decision to present to the five-member Commission for its consideration.

Any CPUC Commissioner may issue an alternate decision. The proposed and any alternate decisions are voted upon by the Commissioners at a CPUC meeting. The CPUC may adopt all or part of the settlement proposal, modify it or deny the proposal in its entirety.

If you would like to follow this proceeding or any other issue before the CPUC, you may use the CPUC's free subscription service. Sign up at: <u>http://subscribecpuc.cpuc.ca.gov/</u>.

If you would like to learn how you can participate in this proceeding, or if you have informal comments or questions about the CPUC's processes, you may access the CPUC's Public Advisor's website at <u>www.cpuc.ca.gov/puc</u> and click on "Public Advisor" from the CPUC Information menu. You may also contact the Public Advisor at:

- Email: <u>public.advisor@cpuc.ca.gov</u>
- Mail: Public Advisor's Office 505 Van Ness Avenue, Room 2103 San Francisco, CA 94102
- Call:
 1-866-849-8390 (toll-free) or 1-415-703-2074

 TTY 1-866-836-7825 (toll-free) or 1-415-703-5282

If you are writing or emailing the Public Advisor's Office, please include the CPUC proceeding number (R.12-06-013, Phase 2). All informal comments will be available to the Commissioners, the assigned Judges and the CPUC staff. All informal comments are also provided to the CPUC's Formal Files Office as a part of the file for this proceeding.