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Southern California Edison Company
P.O. Box 800
2244 Walnut Grove Avenue Rosemead, CA 91770
Atención: Comunicaciones Corporativas

**NOTICE OF SOUTHERN CALIFORNIA EDISON
COMPANY'S FILING OF TWO SEPARATE
APPLICATIONS THAT ALTER ELECTRIC RATES,

APPLICATION A.15-04-001

AND

APPLICATION A.15-04-002**

SUMMARY

On April 1, 2015, Southern California Edison Company (SCE) filed **two** different applications with the California Public Utilities Commission (CPUC) for approval to decrease rates.

1. 2014 ERRA REVIEW APPLICATION (A.15-04-002)

SCE has filed an application for a review of its 2014 operations. This review will not cover all aspects of SCE's business operations. This review will cover a portion of SCE's ability to obtain electricity on behalf of its customers and its ability to produce energy for its customers from utility owned resources. This application requests CPUC approval of a decrease in revenue related to expenses for five of SCE's CPUC-approved accounts listed below. This application is referred to as SCE's Energy Resource Recovery Account (ERRA) review application.

In its ERRA Review application, SCE provides information to demonstrate that during 2014:

- (1) The delivery of SCE's electricity, both SCE owned and contracted, was compliant with CPUC regulations.
- (2) SCE accurately recorded purchases of power and fuel in its ERRA Balancing Account; and
- (3) SCE managed its contracts with electricity producers in compliance with CPUC regulations and reasonably operated its own generation resources.

In 2014, four authorized SCE accounts did not have sufficient funds to cover costs (under-collected):

- (1) The Project Development Division Memorandum Account (which tracks costs related to potential SCE-owned generation projects);
- (2) The Purchase Agreement Administrative Costs Balancing Account (which tracks costs related to the differences between portions of SCE's actual and authorized administrative expenses);

- (3) The Litigation Costs Tracking Account (which tracks costs related to SCE's legal efforts to recover refunds for customers from overcharges by other energy producers, related to the 2000-01 Energy Crisis); and
- (4) The Market Redesign and Technology Upgrade Memorandum Account (which tracks costs related to the re-designed delivery of electricity to California customers).

SCE proposes to return to customers the unspent and over-collected funds from its 2012-2014 Demand Response (DR) funding period. Because this over-collection was greater than the amount under-collected in the four accounts discussed above, SCE requests a net revenue decrease of \$100.636 million. This decrease will result in a reduction to customer rates of approximately 0.13 cents per kilowatt-hour.

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Compared to revenues as of March 1, 2015, SCE's ERRA Review application (A.15-04-002) requests a revenue decrease of \$100.636 million, or a 0.8% system average rate decrease, beginning in 2016.

2. APPLICATION FOR SALE OF STREETLIGHTS (A.15-04-001)

SCE has filed an application with the CPUC for approval of SCE's agreement to sell its streetlight system located in the City of Lancaster to that city. This application must be approved by the CPUC before the sale of the streetlight system to the City of Lancaster can be finalized. SCE proposes to sell certain electric streetlight facilities located within the city because SCE has received a fair offer from the city. The City of Lancaster is purchasing the streetlight facilities to operate and maintain the streetlight facilities itself rather than continuing to pay SCE for the cost of owning, operating, and maintaining the streetlight facilities. If approved, this sale would reduce SCE's revenue requirement by \$1.76 million, resulting in a reduction to customer rates of approximately 0.0022 cents per kilowatt-hour.

Compared to revenues as of March 1, 2015, SCE's application for the sale of streetlights to the City of Lancaster (A.15-04-001) would result in a revenue decrease of \$1.76 million, or a 0.01% system average rate decrease relative to current rates.

Because these two applications were filed on the same day, SCE is providing notice of both applications together, as provided in California Public Utilities Code §454.

RATE IMPACTS FOR THE APPLICATIONS COMBINED

If the Commission should approve total rates as requested in both applications described above, an average residential electric customer using 600 kilowatt-hours per month would expect to see a decrease of \$0.96 per month, from \$102.99 to \$102.03. The following table shows current rates compared to an estimate of proposed revenue and rate changes by customer group.

[USE EXCEL TABLE]

FOR FURTHER INFORMATION FROM SCE

You may review a copy of these applications 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, CA 90704

1820 Rimrock Rd.
Barstow, CA 92311

374 Lagoon St.,
Bishop, CA 93514

505 W. 14th Ave.
Blythe, CA 92225

3001 Chateau Rd.
Mammoth Lakes, CA 93546

510 S. China Lake Blvd.,
Ridgecrest, CA 93555

26364 Pine Ave.
Rimforest, CA 92378

41694 Dinkey Creek Rd. Shaver
Lake, CA 93664

421 W. J St.,
Tehachapi, CA 93561

120 Woodland Dr., Wofford
Heights, CA 93285

6999 Old Woman Springs Rd.
Yucca Valley, CA 92284

Customers with Internet access may view and download SCE's applications and the papers supporting them on SCE's website, www.sce.com/applications (type "A.15-04-001" or "A.15-04-002" into the Search box and click "Go"). Anyone who would like to obtain more information about either of these applications, please write to:

Southern California Edison Company
2015 ERRR Review / 851 Application for Sale of Streetlights to the City of Lancaster
P.O. Box 800
Rosemead, CA 91770
Attention: Russell Archer

CPUC PROCESS

Each application described above will be reviewed in a separate CPUC proceeding. Each application will be assigned to an Administrative Law Judge (Judge) who will determine how to receive evidence and other related documents, necessary for the CPUC to establish a record upon which to base its decision. Evidentiary Hearings (EHs) may be held where parties of record will present their testimony and may be subject to cross-examination by other parties. These EHs are open to the public, but only those who are parties of record can participate.

After considering all proposals and evidence presented during the formal hearing process, each assigned Judge will issue a proposed decision, which may adopt SCE's proposals, modify them, or deny them. Any CPUC Commissioner may also sponsor an alternate decision for each proceeding. The proposed decisions, and any alternate decisions, will be discussed and voted upon at a scheduled CPUC Voting Meeting.

As a party of record, the Office of Ratepayer Advocates (ORA) will review these applications separately. ORA 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. ORA has a multi-disciplinary staff with expertise in economics, finance, accounting and engineering. Other parties of record may also participate in the CPUC's proceeding to consider this application. For more information about ORA, please call (415) 703-1584, e-mail ora@cpuc.ca.gov or visit ORA's website at <http://ora.ca.gov/default.aspx>.

The CPUC's Energy Division will also review SCE's Application for Sale of Streetlights, A.15-04-001. The CPUC's Energy Division develops and administers energy policy and programs to serve the public interest, advises the Commission, and ensures compliance with Commission decisions and statutory mandates. The Energy Division provides objective and expert analyses that promote reliable, safe and environmentally sound energy services at the lowest reasonable rates for the people of California. For

more information about the Energy Division, you may visit the Energy Division's website at <http://www.cpuc.ca.gov/PUC/energy/>.

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If you would like to learn how you can participate in either of these proceedings, or if you have informal comments or questions about the CPUC processes, you may access the CPUC's Public Advisor's Office webpage at www.cpuc.ca.gov/puc and click on "Public Advisor" from the CPUC Information Menu. You may also contact the PAO as follows:

Write: CPUC Public Advisor's Office, Room 2103
505 Van Ness Avenue
San Francisco, CA 94102

Email: public.advisor@cpuc.ca.gov

Phone: 1-866-849-8390 (toll-free) or 1-415-703-2074
TTY 1-866-836-7825 (toll-free) or 1-415-703-5282