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Para recibir una copia de esta notificación en español, escriba a: Southern California Edison Company, P.O. Box 800, 2244 Walnut Grove Avenue, Rosemead, CA 91770, Atención: Comunicaciones Corporativas. Para más detalles en Español, llame al 1-800-441-2233 todos los días 8:00-20:00.

SOUTHERN CALIFORNIA EDISON COMPANY

NOTICE OF FILING REQUESTING TO CHANGE ELECTRIC RATES AND TO TRANSITION ELIGIBLE RESIDENTIAL CUSTOMERS TO TIME-OF-USE PRICING, A. 17-04-015

Summary

On April 14, 2017, Southern California Edison Company (SCE) filed an application with the California Public Utilities Commission (CPUC) requesting a change in rates as well as to move eligible residential customers to time-of-use (TOU) pricing starting November 2018. SCE is proposing two possible TOU rates for the CPUC to review. SCE asks that the CPUC tentatively approve both TOU rates in its November 2017 decision and to give final approve of either default TOU rate by June 2018. Currently, residential bills have two rate tiers with the second tier billed at a higher rate as customers' usage increases during the monthly billing cycle. Under the proposed TOU pricing, customer bills will vary depending on both usage of electricity and when customers' usage occurs during different times of weekdays, weekends, and summer and winter seasons. SCE will be providing existing tiered domestic rate customers with a choice to stay with their current rate or move to the new available TOU rates. If no choice is selected, customers will be placed on the new TOU rates. SCE will be providing affected customers with personalized and detailed messaging about these TOU rates in summer 2018, including a dedicated phone line for inquiries and rate change requests.

SCE's proposal is required by CPUC Decision (D.) 15-07-001, which instructed SCE to implement residential TOU rates in order to better align rates with the actual costs of providing electric service. SCE forecasts a cost increase of between \$49.8 million and \$52.1 million or 1.0-1.1%, to be recovered in residential customer rates over the 2017-2020 period. This increase is due to bill protection that SCE will provide to customers for the first 12 months of service on a TOU rate. Bill protection will provide customers who pay more on a TOU rate than the standard tiered domestic rate (Schedule D) a refund for the difference paid on a TOU rate. SCE will only record and collect amounts for bill protection actually paid out to impacted residential customers.

Customers Impacted by SCE's Wave 1 Application:

- Customers residing in cool and moderate climate zones

Customers NOT Impacted by SCE's Wave 1 Application:

- CARE customers
- FERA customers
- Medical Baseline customers
- Customers residing in hot climate zones
- Customers with less than 12 months of service with SCE
- Customers currently on a TOU rate

If you are unsure which climate zone you are in, please contact SCE. Customers not impacted in this application could be considered for TOU rates in 2020 through a separate application.

About the Application

SCE is requesting to begin moving some residential customers to the new TOU rates from November 2018 through February 2019. SCE's proposed initial transition to the new TOU rates is limited to residential customers with one year of service with SCE residing in cool and moderate climate zones in SCE's service area who are not enrolled in SCE's low income programs known as California Alternate Rates for Energy (CARE) or Family Electric Rates Assistance (FERA). CARE and FERA customers, and other eligible residential customers residing in hot climate zones, will be considered for transition to the new TOU rates in 2020 through a separate application. Residential customers receiving a medical baseline allowance, requesting third-party notification, or requiring an in-person visit from a utility representative prior to disconnection are excluded from placement on a TOU rate now or in the future (though they may contact SCE and ask to enroll on a TOU rate at any time). Customers eligible to transfer to TOU rates will be provided with relevant rate education materials prior to any transfers and will have the opportunity to stay on, or return to, their current rate before and after being transferred.¹

SCE is proposing two different default TOU rates (Rates 1 and 2), one of which will ultimately be chosen by the CPUC. However, customers can also choose either one of these rates on their own initiative even if they are not impacted by this application. SCE's application also requests authority to add an additional, optional TOU rate to its current rate portfolio.

Customer Rate Impacts From Changing to a TOU Rate

The following table provides an estimate of the percentage of SCE's customers and the percent their bills may change by moving to either Proposed TOU Rate 1 or Proposed TOU Rate 2:

¹ SCE's proposed automatic transfer to TOU rates permanently excludes Medical Baseline customers from Wave 1 and Wave 2. Unless otherwise ordered by the CPUC, SCE plans to include CARE/FERA customers and seniors in hot climate zones as part of its Wave 2 transition plan. SCE expects to file Wave 2 in the first quarter of 2018.

% Change in Annual Bill	% of Proposed Rate 1 Customers	% of Proposed Rate 2 Customers
a. <-10%	1.8%	1.8%
b. -10% - -5%	4.3%	4.2%
c. -5% - -2%	12.7%	11.0%
d. -2% - 0%	20.1%	18.7%
e. 0% - 2%	24.0%	25.0%
f. 2% - 5%	23.3%	25.6%
g. 5% - 10%	10.6%	10.4%
h. >10%	3.3%	3.3%
Grand Total	100.0%	100.0%

As a TOU rate prices electricity by time, and not just usage, the following table provides information on how customer bills will be impacted depending on the amount of usage used during the on-peak period. For reference, SCE uses the times between 4:00pm and 9:00pm to define the on-peak period for Rate 1 and between 5:00 p.m. and 8:00 p.m. for Rate 2. Customers using less than average during the peak period will generally see decreases in bills, while customers using more than average during the peak period will generally see increases in total bills compared to the tiered rate. For illustrative purposes, below is a chart depicting average bills and usage changes associate with SCE’s proposed Rate 1.

Average Bills and Change by Usage During 4:00pm to 9:00pm On Peak Period					
Customer Peak Use	% Use On-Peak	Tier Bill	TOU Bill	Bill Impact (\$)	Bill Impact (%)
Below Average	7%	\$115	\$111	-\$5	-4%
Average Customer	9%	\$116	\$116	\$0	0%
Above Average	11%	\$117	\$123	\$6	5%

Customer Rate Impacts From SCE’s Revenue Requirement Increase

If the CPUC approves this application, the average monthly bill impact associated with SCE’s requested revenue requirement increase of up to approximately \$52 million for bundled Non-CARE residential customers would be an increase of approximately 1.0% - 1.1%.

The estimated monthly bill impact would be an increase of \$1.14 per month for an average Non-CARE residential customer on Default Rate 1, with usage of approximately 600 kWh per month (with a winter baseline level of 322 kWh and summer baseline level of 420 kWh). The estimated monthly bill impact would be \$1.19 per month for an average Non-CARE residential customer on Default Rate 2.

The following table illustrates the increase in SCE’s average bundled service residential rate associated with Rate 1 and Rate 2.

Increase in SCE’s Average Bundled Service Residential Rate – Proposed TOU Rate 1

Customer Group	System Revenues (\$000)			Bundled (¢/kWh)		
	Current Revenues (\$000)	Proposed Revenue Change (\$000)	% Change over Current	Current Rates (¢/kWh)	Proposed Rates (¢/kWh)	% Change over current
Residential	4,917,589	49,841	1.0%	17.76	17.94	1.0%
Lighting - Small and Medium Power	4,419,380	0	0.0%	16.84	16.84	0.0%
Large Power	1,977,952	0	0.0%	11.91	11.91	0.0%
Agricultural & Pumping	412,602	0	0.0%	12.71	12.71	0.0%
Street and Area Lighting	132,948	0	0.0%	18.05	18.05	0.0%
Standby	275,239	0	0.0%	9.61	9.61	0.0%
Total	12,135,710	49,841	0.4%	15.83	15.89	0.4%

Increase in SCE’s Average Bundled Service Residential Rate – Proposed TOU Rate 2

Customer Group	System Revenues (\$000)			Bundled (¢/kWh)		
	Current Revenues (\$000)	Proposed Revenue Change (\$000)	% Change over Current	Current Rates (¢/kWh)	Proposed Rates (¢/kWh)	% Change over current
Residential	4,917,589	52,091	1.1%	17.76	17.95	1.1%
Lighting - Small and Medium Power	4,419,380	0	0.0%	16.84	16.84	0.0%
Large Power	1,977,952	0	0.0%	11.91	11.91	0.0%
Agricultural & Pumping	412,602	0	0.0%	12.71	12.71	0.0%
Street and Area Lighting	132,948	0	0.0%	18.05	18.05	0.0%
Standby	275,239	0	0.0%	9.61	9.61	0.0%
Total	12,135,710	52,091	0.4%	15.83	15.90	0.5%

Note: These changes in average monthly bills are estimates; actual changes in rates will be determined by the CPUC.

For Further Information About SCE’s Application

You may review a copy of SCE’s application and related exhibits at SCE’s corporate headquarters (2244 Walnut Grove Avenue, Rosemead, CA 91770). You may also call SCE’s customer service line at 1-800-655-4555.

Customers with Internet access may view and download SCE’s application and related exhibits on SCE’s website at <http://on.sce.com/2p1mQBj> , or by visiting www.sce.com/applications, typing “A.17-04-015” into the Search box, and clicking “Go.” If you have technical issues

accessing the documents through the website, please e-mail case.admin@sce.com for assistance (be sure to reference proceeding A.17-04-015 in your e-mail).

To request a hard copy of SCE's application and related exhibits, or to obtain more information about this application from SCE, please write to:

Southern California Edison Company
A.17-04-015 – SCE's Residential Default TOU Application
P.O. Box 800
Rosemead, CA 91770
Attention: Andre Ramirez

In addition, a copy of this application may be reviewed at the CPUC's Central Files Office, located in San Francisco, CA, by appointment. For more information, please contact the CPUC at ajcentralfilesid@cpuc.ca.gov or (415) 703-2045.

CPUC Process

This application will be assigned to one or two Administrative Law Judges (Judges) 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, the Judges will issue a proposed decision which may adopt SCE's application as proposed, 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 at a scheduled CPUC Voting Meeting.

The Office of Ratepayer Advocates (ORA) may review this application on behalf of SCE's ratepayers. 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. For more information about ORA, please call (415) 703-1584, e-mail ora@cpuc.ca.gov or visit ORA's website at www.ora.ca.gov/.

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If you would like to learn how you can participate in this proceeding, provide public comments, or if you have questions about any CPUC processes, you may access the CPUC's Public

Advisor's Office (PAO) webpage at www.cpuc.ca.gov/pao/. You may also contact the PAO as follows:

Phone: 1-866-849-8390 (toll-free) or 1-415-703-2074

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

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

Email: public.advisor@cpuc.ca.gov

Please reference **SCE's Residential TOU application number A.17-04-015** in any communications with the CPUC regarding this matter. All public comments will become part of the public correspondence file for this proceeding and made available for review by the assigned Judges, the Commissioners, and appropriate CPUC staff.