NOTICE OF FILING OF APPLICATION FOR INCREASE IN ELECTRIC RATES AND INCREASE IN BASIC CUSTOMER CHARGE
Phase 2 of SCE’s 2009 General Rate Case
Application 08-03-002

On March 4, 2008, Southern California Edison Company (SCE) filed Application 08-03-002 with the California Public Utilities Commission (Commission) seeking Commission approval to revise retail rates for all of its customers. This application is part of the Commission’s process to establish costs, allocate revenues, and design rates for all customer classes and is referred to as Phase 2 of SCE’s 2009 General Rate Case (GRC). This application will not increase or decrease overall revenues collected from SCE’s customers, however a number of proceedings will conclude and result in changes to SCE’s electric revenue requirement before the Commission finishes its review of the Phase 2 application. The rate design the Commission adopts in the Phase 2 proceeding will incorporate those revenue requirement changes. As part of its rate design, SCE is proposing an increase in the basic customer charge.

In Phase 1 of SCE’s 2009 GRC, which is currently pending, the Commission is reviewing SCE’s requests for additional revenues needed to operate and maintain its electric generation and delivery systems. SCE estimates that its Phase 1 request and other revenue requirement changes will result in a 12.1% system average rate increase. If SCE’s proposals in Phase 2 are approved by the Commission, this request would change rates for customers beginning October 1, 2009.

The following table compares SCE’s average rates (as of 4/15/08) and those it proposes to take effect in October 2009, if SCE’s proposals in Phase 2 of the 2009 GRC are approved by the Commission:

<table>
<thead>
<tr>
<th>Customer Group</th>
<th>Average Rate (04/15/2008) (¢/kWh)</th>
<th>Proposed Rate (10/01/2009) (¢/kWh)</th>
<th>Percent Change</th>
</tr>
</thead>
<tbody>
<tr>
<td>Residential</td>
<td>14.9</td>
<td>17.5</td>
<td>17.5%</td>
</tr>
<tr>
<td>Lighting, Small &amp; Medium Power</td>
<td>14.5</td>
<td>15.5</td>
<td>7.4%</td>
</tr>
<tr>
<td>Large Power</td>
<td>10.7</td>
<td>11.4</td>
<td>6.9%</td>
</tr>
<tr>
<td>Agricultural &amp; Pumping</td>
<td>10.9</td>
<td>13.9</td>
<td>27.9%</td>
</tr>
<tr>
<td>Street Lighting</td>
<td>19.1</td>
<td>23.0</td>
<td>20.5%</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>13.7</strong></td>
<td><strong>15.3</strong></td>
<td><strong>12.1%</strong></td>
</tr>
</tbody>
</table>

The actual changes in rates will be determined by the Commission.
**ACTION THE CPUC MAY TAKE ON SCE’S APPLICATION**

Before acting on SCE’s application, the CPUC may hold evidentiary hearings. Evidentiary hearings are conducted before a Commission Administrative Law Judge, who may be joined by one or more of the Commissioners. At the hearings, sworn testimony is presented by SCE representatives, other parties, and the Commission’s independent Division of Ratepayer Advocates (DRA). Evidentiary hearings are open to the public, but only those who are parties of record can present evidence or cross-examine witnesses during evidentiary hearings.

After considering all evidence presented, the CPUC will issue a decision on the application. In its final decision, the Commission can accept, reject, or modify the recommendations of any party. The actual plan adopted by the CPUC may differ from what is requested by SCE in its application.

If you would like to send comments or concerns about the application to the CPUC, or if you would like to participate in the hearings, if any hearings are held, please contact the CPUC’s Public Advisor at the address shown below. The Public Advisor will circulate your comments to the Commissioners and other CPUC staff working on this matter.

The Public Advisor  
California Public Utilities Commission  
320 West Fourth Street, Suite 500  
Los Angeles, CA 90013  
Email: public.advisor.la@cpuc.ca.gov

When writing, please refer to Application 08-03-002. Please state if you would like a response. Otherwise no response will be sent.

**FOR FURTHER INFORMATION**

Customers with Internet access may view and download SCE’s application and supporting papers on SCE’s website, www.sce.com. Those without Internet access, or anyone wishing to obtain more information about the application or hard copies of some or all of the materials, should send a written request referring to Application 08-03-002 to:

Southern California Edison Company  
P.O. Box 800  
2244 Walnut Grove Avenue  
Rosemead, CA  91770  
Attention: Case Administration

Para solicitar una copia en español de esta notificación por favor escriba a:

Southern California Edison Company  
2244 Walnut Grove Avenue  
Quad 4A  
Rosemead, CA  91770

a la atención de Comunicaciones Corporativas  
o por medio de correo electrónico a gabby.garcia@sce.com.