Los usuarios con acceso al Internet podrán leer y descargar esta notificación en español en el sitio Web de SCE *www.sce.com/avisos* o escriba a:

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

SOUTHERN CALIFORNIA EDISON COMPANY NOTICE OF APPLICATION FILING TO CHANGE ELECTRIC RATES FOR THE 2020 ENERGY RESOURCE RECOVERY ACCOUNT FORECAST APPLICATION A.19-06-002

SUMMARY

On June 3, 2019, Southern California Edison Company (SCE) filed an application with the California Public Utilities Commission (CPUC) requesting review and approval of its 2020 Energy Resource Recovery Account (ERRA) Revenue Requirement Forecast (ERRA Forecast Application or Application). The ERRA Forecast Application will review SCE's estimate of costs associated with certain aspects of SCE's business operations for the 2020 calendar year. These costs include SCE's purchases and production of power for its customers. SCE's proposed ERRA-related revenue requirement for 2020 is \$4.363 billion and represents and a decrease of \$505.1 million in revenue for 2020 as compared to SCE's 2019 ERRA-related revenue requirement.

ABOUT THE PROPOSAL

The CPUC has established the ERRA Forecast proceeding as the process for review and approval of SCE's estimate of the costs for fuel that will be needed to generate electricity for all of SCE's customers in 2020. SCE's ERRA Forecast Application also reviews the estimated costs of power SCE purchases for its customers.

Although SCE currently estimates a decrease in its ERRA-related revenue requirement for 2020, SCE's estimates of the fuel and purchase power costs in the Application are subject to change when SCE submits an updated forecast to the Commission in November 2019, at which time the ERRA-related revenue requirement for 2020 could result in a revenue increase – or a change in the amount of the estimated revenue decrease – compared to SCE's 2019 ERRA-related revenue requirement. Accordingly, SCE is providing notice of the Application.

In addition to estimating fuel and purchased power costs, SCE's 2020 ERRA Forecast Application includes:

(1) A request to approve other expenses recoverable in ERRA proceedings, such as expenses related to spent nuclear fuel (stored nuclear fuel that has already been used); and

(2) A request to approve SCE's return of \$372.9 million in Greenhouse Gas (GHG) allowance revenues to eligible customers in 2020.

Although SCE's 2020 ERRA Forecast is proposing a revenue requirement decrease of approximately \$505.1 million compared to SCE's 2019 ERRA-related revenue requirement, a median-usage, non-care residential electric customer will see a bill *increase* of \$1.09 per month, from \$114.50 to \$115.59 in most months of 2020 because the semi-annual Climate Credit of \$36.00 will appear only on customers' April and October bills. However, the overall aggregate effect to residential customers, including the semi-annual Climate Credit of \$36.00, is forecasted to be a decrease in electric rates of 0.2% as illustrated in the Customer Bill Impact Table above, and an overall decrease in ERRA-related revenue requirement in 2020 of \$505.1 million.

The following table compares the impact of current 2019 ERRA rates to the forecast 2020 ERRA rates:

	System		
	Current	Proposed	
	Revenues	Revenue	% Change over
Customer Group	(\$000)	Change (\$000)	Current
Residential	4,736,464	(133,555)	-2.8%
Lighting - Small and Medium Power	4,128,735	(181,009)	-4.4%
Large Power	1,981,214	(138,120)	-7.0%
Agricultural and Pumping	431,630	(22,395)	-5.2%
Street and Area Lighting	128,219	(25,755)	-20.1%
Standby	304,932	(4,235)	-1.4%
Total	11,711,194	(505,069)	-4.3%

CUSTOMER BILL IMPACT TABLE

	Bundled		
	Current Rates	Proposed	% Change over
Customer Group	(¢/kWh)	Rates (¢/kWh)	current
Residential	18.9	18.9	-0.2%
Lighting - Small and Medium Power	17.3	17.8	2.9%
Large Power	12.5	12.9	3.4%
Agricultural and Pumping	13.9	14.2	2.5%
Street and Area Lighting	20.3	22.2	9.2%
Standby	10.7	10.5	-2.2%
Total	16.5	16.8	2.3%

If the CPUC approves this application, a typical non-CARE residential customer using 550 kilowatt-hours per month could see a monthly bill increase of \$1.09, from a current monthly bill of \$114.50 to \$115.59.

The residential bill impact shows a increase instead of decrease shown in the RAR because it excludes the semi-annual climate credit, which reflects a increase in the credit from 2019 to 2020.

This Application and the projected rate decrease described herein is a forecast and is likely to change prior to including these costs in SCE's 2020 rates. Consistent with past ERRA

Forecast applications, SCE expects to update this Application in November 2019, so that the latest forecast assumptions can be incorporated into SCE's 2020 rates.

FOR FURTHER INFORMATION ABOUT SCE'S APPLICATION

You may review a copy of this Application and related exhibits at SCE's corporate headquarters (2244 Walnut Grove Avenue, Rosemead, CA 91770).

Customers with Internet access may view and download SCE's Application and related exhibits on SCE's website, <u>www.sce.com/applications</u> (type"A.19-06-002" into the search box and click "Go"). If you have technical issues accessing the documents through the website, please e-mail <u>case.admin@sce.com</u> for assistance (be sure to reference proceeding A.19-06-002 in your e-mail).

Anyone who would like to obtain more information about this Application from SCE, please write to:

Southern California Edison Company A.19-06-002– SCE's 2020 ERRA Forecast Application P.O. Box 800 Rosemead, CA 91770 Attention: Sue DiBernardo, SCE Regulatory Affairs

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 them at **aljcentralfilesid@cpuc.ca.gov** or (415) 703-2045.

CPUC PROCESS

This 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 processes, the assigned Judge(s) 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 decision, will be discussed and voted upon at a scheduled CPUC Voting Meeting.

The Public Advocates Office (CalPA) may review this Application on behalf of SCE's customers. CalPA 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. CalPA has a multi-disciplinary staff with expertise in economics, finance, accounting, and engineering. For more information about

CalPA, please call (415) 703-1584, e-mail <u>ora@cpuc.ca.gov</u> or visit CalPA's website at <u>http://www.publicadvocates.cpuc.ca.gov/</u>.

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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 webpage at <u>www.cpuc.ca.gov/pao/</u>. You may also contact the Public Advisor's Office 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 2020 ERRA Forecast Application Number A.19-06-002** in any communications you have 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 for the assigned Administrative Law Judge, the Commissioners, and appropriate CPUC staff.