Para obtener información sobre como este cambio afectará su factura y/o una copia de esta notificación en español visite <u>www.sce.com/avisos</u> o llame al 1-800-798-5723.

NOTICE OF APPLICATION

APPLICATION OF SOUTHERN CALIFORNIA EDISON COMPANY (U 338-E) FOR APPROVAL OF DEMAND RESPONSE PROGRAMS AND BUDGETS FOR 2023-2027

Application A.22-05-004

Why am I receiving this notice?

On May 2, 2022, Southern California Edison (SCE) filed an application with the California Public Utilities Commission (CPUC) requesting approval of SCE's proposed Demand Response (DR) programs and budgets for 2023-2027. DR programs provide incentives to participants for reducing their electricity use when the demand for electricity is high, which helps to prevent outages and other system emergencies. SCE offers a variety of DR programs for business and residential customers.

Why is SCE requesting this rate increase?

SCE seeks CPUC approval to spend \$941 million to fund its DR programs for 2023-2027. Of this total, SCE requests approval to recover through its general rates \$252 million in administrative costs. The remaining \$689 million of the total proposed budget (which pays for incentives) will not impact average rates.

How could this affect my monthly electric rates?

If the CPUC approves SCE's application, an average non-CARE¹ residential customer that uses 500 kWh per month and has a monthly bill of \$149.80 could see an increase to that bill of \$0.48 (48 cents), based on the average annual budget impact of the proposed DR programs in the years 2023-2027. This assumes SCE recovers in rates an average annual administrative cost of \$50 million in those years.

The following table compares customer rates as of May 1, 2022 to proposed average rates if the CPUC approves SCE's application. The actual rate impacts of this application may vary from what is projected below, depending on other possible changes in rates and funding levels.

¹ California Alternate Rates for Energy (CARE) is an assistance program that reduces energy bills for eligible customers by about 30%.

Proposed Electric Rate Increase 2

Customer Group	Cu	rrent Rates	Proposed Increase	Proposed Rates	% Increase
Residential		25.6	0.1	25.7	0.4%
Lighting - Small and Medium Power		25.9	0.1	26.0	0.3%
Large Power		17.8	0.0	17.9	0.2%
Agricultural and Pumping		21.2	0.1	21.3	0.3%
Street and Area Lighting		27.2	0.0	27.2	0.2%
Standby		14.4	0.0	14.4	0.2%
Total		23.3	0.1	23.4	0.3%
Residential Bill Impact (\$/Month)					
Description		Current	Proposed Increase	Proposed	% Increase
Non-CARE Residential Bill	\$	149.80 \$	0.48	\$ 150.28	\$
CARE Residential Bill	\$	101.37 \$	0.33	\$ 101.69	\$

How does the rest of this process work?

SCE's 2023-2027 DR application will be assigned to one or more CPUC Administrative Law Judges, who will consider proposals and evidence presented during a formal hearing process. The Administrative Law Judge(s) will issue a proposed decision that may adopt, modify, or deny SCE's application. Any CPUC Commissioner may sponsor an alternate decision with a different outcome. The proposed decision, and any alternate decisions, will be discussed and voted upon by the CPUC Commissioners at a public CPUC Voting Meeting.

Parties to the proceeding as well as members of the public may review SCE's application. Among the parties is the Public Advocates Office, an independent consumer advocate within the CPUC that represents customers to obtain the lowest possible rates consistent with reliable and safe service levels. For more information about the Public Advocates Office, you may call (415) 703-1584, email PublicAdvocatesOffice@cpuc.ca.gov, or visit PublicAdvocates.cpuc.ca.gov.

Where can I get more information?

Contact SCE:

You may access a copy of SCE's Application, A.22-05-004, through the link available at <u>www.sce.com/applications</u>. You may also obtain a copy at SCE's corporate headquarters (2244 Walnut Grove Avenue, Rosemead, CA 91770), by calling SCE's customer service line at (800) 655-4555, or by mail at:

Southern California Edison Company P.O. Box 800 Rosemead, CA 91770 Attention: Request for copy of 2023-2027 Demand Response Application

² The table shows the impact of the total program on an average (of four years) annualized basis compared to current rates with current funding levels.

Contact CPUC:

You may visit **apps.cpuc.ca.gov/c/A2205004** to submit a comment about this proceeding on the CPUC Docket Card, and to view documents and public comments related to this proceeding. Your input on SCE's request can help the CPUC make an informed decision.

If you have questions about CPUC processes, you may contact the CPUC's Public Advisor's Office at: Phone: 1-866-849-8390 (toll-free) or 1-415-703-2074 Email: Public.Advisor@cpuc.ca.gov Mail: CPUC Public Advisor's Office 505 Van Ness Avenue San Francisco, CA 94102

Please reference **Application A.22-05-004** in any communications you have with the CPUC regarding this matter.