



SOUTHERN CALIFORNIA
EDISON[®]

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NOTICE OF FILING OF APPLICATION FOR INCREASE IN ELECTRIC RATES

A.04-12-003

On December 2, 2004, SCE filed an application with the California Public Utilities Commission (CPUC) asking for changes in SCE's electric rates due to the firestorms that ravaged Southern California in October and November of 2003. The CPUC designated the application as A.04-12-003. The application requests an increase in SCE's revenue requirement of \$15.9 million, or 0.2 percent, most likely effective in 2006.

In October and November of 2003, a series of devastating wildfires struck wide areas of SCE's service territory in Los Angeles, San Bernardino, Ventura and Riverside counties. Governor Gray Davis issued State of Emergency Proclamations in all four counties and President George W. Bush declared a major disaster existed in the State of California. These firestorms, which affected hundreds of thousands of SCE customers, were some of the most destructive fires in United States history. SCE is requesting compensation through its Catastrophic Event Memorandum Account (CEMA) of costs related to the firestorms that are not part of SCE's normal business and therefore not funded through existing rates.

The CPUC adopted a mechanism called the Catastrophic Event Memorandum Account (CEMA) to compensate SCE for costs it incurs associated with a catastrophic event, such as earthquake or fire. SCE has recorded its incremental costs of restoring service to customers and repairing damage to its facilities associated with the 2003 firestorms in its CEMA. In this proceeding, the Commission will determine the reasonableness of these costs which total \$37.2 million. Assuming that SCE's CEMA costs are found to be reasonable by the CPUC, the estimated 2006 revenue requirement increase related to the firestorms will be approximately \$15.9 million.

The following table shows an estimate of proposed 2006 revenue and rate changes by customer group. The percentage increase in SCE's total revenue is less than one percent. Any revenue change resulting from this application will be consolidated with revenue changes from other SCE applications.

CUSTOMER GROUP REVENUE IMPACT

Customer Group	Revenue Change (\$ millions)	% Change
Domestic (Residential) Lighting	4.9	0.15%
Small and Medium Power	6.7	0.20%
Large Power	3.7	0.23%
Agricultural and Pumping	0.5	0.20%
Street and Area Lighting	0.1	0.10%
TOTAL	15.9	0.17%

THE CPUC WELCOMES YOUR PARTICIPATION AND COMMENTS

The CPUC may hold evidentiary hearings before issuing its decision. At evidentiary hearings, SCE representatives, interested parties, and the CPUC's Office of Ratepayer Advocates present testimony. The Office of Ratepayer Advocates staff of engineers, accountants, economists, attorneys and other professionals independently evaluate utility rate increase proposals and present their analyses and recommendations to the CPUC. The rates approved may differ from those SCE requests.

If you need advice on how to participate or wish to make comments to the CPUC, please write to:

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

Please state in your letter if you would like a response; otherwise, no reply will be sent. The Public Advisor will give your letter to the Commissioners and it will become part of the formal file. Please mention Application No. 04-12-003.

FOR MORE INFORMATION REGARDING THIS APPLICATION

Customers with Internet access may view and download SCE's application and supporting testimony on SCE's web site, www.sce.com. Anyone wishing to obtain more information about the application or a printed copy of the application, please write to:

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

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

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