



IMPORTANT INFORMATION ABOUT RATE CHANGES

Phase 2 of SCE's 2006 General Rate Case Notice Of Filing Application 05-05-023

On May 20, 2005, Southern California Edison Company (SCE) filed Application 05-05-023 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 2006 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.

In Phase 1 of SCE's 2006 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 4.31% 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, 2006.

The following table compares SCE's current average rates and those it proposes to take effect in October 2006, if SCE's proposals in Phase 1 and Phase 2 of the 2006 GRC are approved by the Commission.

	Current Average Rate (05/01/2005) (¢/kWh)	Proposed Rate (10/01/2006) (¢/kWh)	Percent Change
Residential	13.045	14.259	9.3%
Lighting, Small and Medium Power	13.791	13.703	-0.6%
Large Power	9.958	10.324	3.7%
Agricultural and Pumping	9.079	9.924	9.3%
Street Lighting	13.696	14.971	9.3%
Total	12.485	13.023	4.3%

The actual changes in rates will be determined by the Commission

Evidentiary Hearings on Application

The Commission may conduct evidentiary hearings on SCE's Application. Evidentiary hearings are conducted before an Administrative Law Judge, who may be joined by one or more of the Commissioners. At the evidentiary hearings, sworn testimony is heard from SCE representatives, interested parties, and the Commission's independent Office of Ratepayer Advocates (ORA). The ORA employees include engineers, accountants, economists, attorneys, and other regulatory professionals. They independently evaluate utility proposals and present their analyses and recommendations to the Commission. In its final decision, the Commission can accept, reject, or modify the recommendations of any of the parties. Therefore, the approved rates may differ from those requested in SCE's Application.

The Commission Welcomes Your Participation and Comments

If you want advice on how to participate in these hearings, or wish to make comments to the Commission, please write to:

The Public Advisor's Office
California Public Utilities Commission
320 West Fourth Street, Suite 500
Los Angeles, CA 90013
E-Mail: Public.Advisor.la@cpuc.ca.gov

Your letter will be sent to the Administrative Law Judge, Commissioners, and other appropriate Commission staff and become part of the formal correspondence file for Application 05-05-023. If you have questions or need additional information, please indicate that you would like a response; otherwise no response will be sent. When writing, please mention Application 05-05-023. If you wish to receive further information from SCE regarding this Application, or to request a copy of the application and attachments, please write to:

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

Attention: Russell Garwacki, Manager
Regulatory Policy & Affairs

For Further Information

In addition to contacting the Commission at the address listed above, if you want more information about Application 05-05-023, please go to SCE's website at www.sce.com or write to: SCE Corporate Communications, P.O. Box 800, Rosemead, CA 91770. You may review a copy of this Application and related exhibits at SCE's corporate headquarters (2244 Walnut Grove Avenue, Rosemead, CA 91770), at the Commission's Los Angeles Office at the address listed above, or at any of SCE's business offices listed below:

30553 Rimrock Rd., Barstow, CA 92311

374 Lagoon St., Bishop, CA 93514

505 W. 14th Ave., Blythe, CA 92225

1 Pebbly Beach Rd., Avalon, CA 90704

3001 Chateau Rd., Mammoth Lakes, CA 93546

510 S. China Lake Blvd., Ridgecrest, CA 93555

26364 Pine Ave., Rimforest, CA 92378

41694 Dinkey Creek Rd., Shaver Lake, CA 93664

421 W. J St., Tehachapi, CA 93561

120 Woodland Dr., Woodford Heights, CA 93285

6999 Old Woman Springs Rd., Yucca Valley, CA 92284

Para solicitar una copia de esta notificación en español por favor escriba a Southern California Edison Company, 2244 Walnut Grove Avenue, Quad 4A, Rosemead, CA 91770, a la atención de Corporate Communications.