



**BEFORE THE PUBLIC UTILITIES COMMISSION OF THE  
STATE OF CALIFORNIA**

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Application of Southern California Edison  
Company (U 338-E) for Approval of Its Clean  
Energy Optimization Pilot

Application 18-05-\_\_\_\_\_  
(Filed May15, 2018)

**APPLICATION OF SOUTHERN CALIFORNIA EDISON COMPANY (U 338-E) FOR  
APPROVAL OF ITS CLEAN ENERGY OPTIMIZATION PILOT**

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Dated: **May 15, 2018**

**APPLICATION OF SOUTHERN CALIFORNIA EDISON COMPANY (U 338-E) FOR  
APPROVAL OF ITS CLEAN ENERGY OPTIMIZATION PILOT**

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**I.**

**INTRODUCTION**

Pursuant to Rules 1 and 2 of the California Public Utilities Commission’s (“Commission” or “CPUC”) Rules of Practice and Procedure, Southern California Edison Company (“SCE”) with support from the University of California (UC) and California State University (CSU) (together, the “Pilot Participants”), hereby files this Application seeking authority for SCE to proceed with its proposed Clean Energy Optimization Pilot (“CEOP” or “Pilot”).

SCE requests the Commission approve SCE’s proposed CEOP Application as soon as possible and without modification and authorize the use of \$21.4 million from the Cap-and-Trade allowance revenues to fund the CEOP as a clean energy project. Upon approval of the CEOP, SCE requests Commission authorization to file a Tier 1 Advice Letter that would establish the CEOP Balancing Account (CEOPBA) to record the: (1) annual transfer of GHG revenue funds from the GHG Revenue Balancing Account (GHGRBA) to the CEOPBA; (2) actual annual CEOP performance payments; and (3) incremental CEOP program administrative expenses.

## II.

### **ORGANIZATION OF SUPPORTING TESTIMONY**

This Application is supported by Testimony from SCE and the Pilot Participants. The submissions supporting the CEOP Application comprise five volumes. Volume 1 is SCE Testimony that is organized into five sections: Section I is the Policy Overview and provides an overview of SCE’s proposed CEOP and its connection to the State’s clean energy and environmental goals; Sections II-IV provide a detailed description of the CEOP including the Pilot’s scope, schedule, performance payment structure, costs, and program controls; and Section V describes SCE’s evaluation plan for GHG emission reductions, stakeholder engagement, reporting to the Commission, and the benefits expected to be realized as part of the CEOP. Volume 2 includes SCE’s Witness Qualifications and Volume 3 includes the Appendices referenced in SCE’s Testimony. Volumes 4 and 5 are UC’s and CSU’s respective Testimony that provides their perspective on how their participation in the Pilot can help them accelerate the reduction of GHG emissions through on-site measures at participating facilities.

## III.

### **SUMMARY OF THE APPLICATION**

SCE requests authority to proceed with its proposed Pilot that is designed to evaluate the effectiveness of a program designed to incent Pilot Participants, who are SCE customers, to reduce greenhouse gas emissions through on-site measures. As explained in SCE’s whitepaper, *The Clean Power and Electrification Pathway (Pathway)*,<sup>1</sup> the State of California is on a road to significantly reduce air pollution across the State. The *Pathway* details how the State can develop “new flexible policy tools and significant funding to spur customer choice for clean electrification” that will result in cost-effective and much-needed measures to reduce GHG emissions. The CEOP is an important step on this road and aims, through testing, stakeholder

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<sup>1</sup> The *Pathway* is available at <https://www.edison.com/content/dam/eix/documents/our-perspective/g17-pathway-to-2030-white-paper.pdf>

input, and unique project features to begin the development and implementation of the “flexible tools” needed to reduce GHG pollutants.

SCE has identified three key objectives for the CEOP: (1) align customer-facing programs with State energy and environmental policy goals to accelerate the reduction of GHG emissions through on-site measures; (2) improve Pilot Participant experience with utility programs by providing a new, and simplified performance-based incentive framework that will use carbon currency as an incentive; and (3) create a framework that, through communications with the CPUC and stakeholders regarding the impacts of the CEOP, feedback from the CPUC and the stakeholders, and lessons learned from the Pilot, will inform and improve future programs aimed to align with the State clean energy and environmental goals.

Under the CEOP, GHG reductions will be calculated based on meter data, and performance payments earned by the Pilot Participants will be distributed on a pay-for-performance basis, including a requirement for sustained and continued reduction in GHG emissions, over the span of the Pilot, as a precondition to earning performance payments. The CEOP will include an extensive reporting and stakeholder engagement plan that will share information about the impacts of the Pilot while it is in progress, and use a “lessons-learned” approach to enhance future GHG reduction programs.

At the conclusion of the Pilot, SCE will prepare a final CEOP evaluation report that will inform whether a pay-for-performance incentive framework was effective in accelerating GHG emission reductions through on-site (behind-the-meter) measures, whether the streamlined and simplified pay-for-performance structure resulted in increased customer satisfaction with the program, and whether the method of using meter-based data to measure GHG emissions reductions warrants the Commission considering a customer-funded program that can be scaled up to include other customers and industry categories.

#### IV.

#### **REASONS AND BASIS FOR REQUESTED RELIEF**

In order to fund the Pilot proposed in this Application, SCE seeks approval to use \$21.4 million from its Cap-and-Trade allowance revenues, which is a portion of the 15 percent set aside for “clean energy and energy efficiency projects,” to fund the performance payments and administrative costs needed to implement the CEOP. SCE will track the CEOP costs in a balancing account, which it is requesting to set up as part of this Application, and will return any unspent funds to the GHG Revenue Balancing Account. SCE is not requesting any incremental customer funds for the CEOP and requests that the Commission approve this Application as soon as possible and without modification.

1. **The Commission Has Authority to Authorize the Use of Cap-and-Trade Allowance Revenues for Clean Energy Projects**

The Commission has the authority to authorize SCE’s proposal to use GHG allowance revenue funding for a clean energy project, namely SCE’s proposed CEOP. Specifically, with the enactment of Senate Bill 1018 in June 2012, Section 748.5 was added to the California Public Utilities Code (PUC) and sets forth specific parameters on the use of GHG allowance revenue. PUC Section 748.5(c) states:

*The commission may allocate up to 15 percent of the revenues, including any accrued interest, received by an electrical corporation as a result of the direct allocation of greenhouse gas allowances to electrical distribution utilities pursuant to subdivision (b) of Section 95890 of Title 17 of the California Code of Regulations, for clean energy and energy efficiency projects established pursuant to statute that are administered by the electrical corporation, or a qualified third-party administrator as approved by the commission, and that are not otherwise funded by another funding source.*

Furthermore, the Commission in Decision (D.)14-10-033 specified “when seeking approval to use GHG allowance revenue for clean energy and EE projects, the utilities should use the following procedure:”<sup>2</sup>

1. As part of the FR&R<sup>3</sup> application, a utility should forecast the amount of allowance revenue that other proceedings can appropriate for clean energy and EE projects (the Forecast Clean Energy Amount). The existence of the Forecast Clean Energy Amount will demonstrate that funds are available for qualified projects (Clean Energy Projects) to be approved in other proceedings.
2. When seeking approval of a project, the utility should include the following in its request: (a) explain why the project qualifies under Section 748.5(c), (b) explain why the project is best funded using GHG allowance revenues instead of ordinary recovery through rates, and (c) reference the Forecast Clean Energy Amount.
3. If a project is subsequently approved and the utility has authority to track recorded expenses in an appropriate balancing account, these expenses should be reflected and reconciled in the utility’s next GHG FR&R application.
4. Funds used for Clean Energy Projects are still subject to any reasonableness reviews required as part of the project approval and the Forecast Clean Energy Amount must still be reconciled against the recorded allowance revenues, but the Clean Energy Project funds are otherwise unencumbered.<sup>4</sup>

Consistent with the guidance in D.14-10-033, SCE addresses each of these items below.

### **1. Current Cap and Trade Allowance Revenues Can Sufficiently Fund CEOP**

In its 2018 ERRAs filing, adopted in D.17-12-018, SCE forecasted \$401.8 million in GHG allowance revenue.<sup>5</sup> Fifteen percent of this amount, or approximately \$62 million, is available

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<sup>2</sup> D.14-10-033, *Phase 2 Decision Adopting Standard Procedures for Electric Utilities to File Greenhouse Gas Forecast Revenue and Reconciliation Requests*, issued October 22, 2014 in A.13-08-002 et al.

<sup>3</sup> More commonly referred to as SCE’s annual ERRAs Forecast Application filed each spring and updated in the fall.

<sup>4</sup> D.14-10-033, p. 27. In Ordering Paragraph (OP) 10, the Commission directed the IOUs to file their GHG forecast revenue and reconciliation requests in their annual ERRAs Forecast applications commencing in 2015.

<sup>5</sup> In its annual ERRAs Forecast proceeding filed each spring and then updated in the fall, SCE submits testimony supporting its forecast of GHG related costs and GHG allowances revenues that are provided to eligible customers for the following year.

for clean energy and energy efficiency projects.<sup>6</sup> The Solar on Multi-Family Affordable Homes (SOMAH) program is projected to utilize \$46 million of the available funding,<sup>7</sup> leaving approximately \$16 million available for other Section 748.5(c) qualified programs in 2018. SCE proposes to set aside approximately \$21.4 million in GHG allowance revenues over a four-year period starting in 2019 to fund the CEOP. The Table below shows SCE’s current four-year forecast of available GHG revenue, including the proposed allocation for the SOMAH Program, and the amounts available that could be partially utilized to fund the CEOP. As shown below, the funds available for clean energy projects would sufficiently cover SCE’s funding needs for CEOP.<sup>8</sup>

	2019	2020	2021	2022
<b>Estimated GHG Allowance Sales Revenue (100%)</b>	<b>\$414,338</b>	<b>\$467,054</b>	<b>\$543,462</b>	<b>\$615,785</b>
15% Max Set Aside	\$62,151	\$70,058	\$81,519	\$92,368
Assumed SOMAH Program Set Aside	\$46,000	\$46,000	\$46,000	\$46,000
Available for Other Qualifying Programs/Clean Energy Projects	\$16,151	\$24,058	\$35,519	\$46,368

\*Assumes Revised 2017 IEPR Carbon Price Projections Mid Price

## 2. CEOP Qualifies Under Section 748.5(c) and Should Be Funded Using GHG Allowance Revenues

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- <sup>6</sup> PUC §748.5(c) reserves up to 15 percent of GHG allowance revenue for use in clean energy and EE projects.
- <sup>7</sup> AB 693, as amended by SB 92 (codified in CPUC Section 2870(c)), [2] directs the Commission to allocate “one hundred million dollars (\$100,000,000) or 66.67 percent of available funds, whichever is less, from the revenues described in subdivision (c) of Section 748.5 for the Multifamily Affordable Housing Solar Roofs Program.” *See also* D.17-12-022, *Decision Adopting Implementation Framework for Assembly Bill 693 and Creating the Solar on Multifamily Affordable Housing Program* (issued 12/18/2017), pp. 35-36. The Decision authorizes SCE to reserve up to 10% or SCE’s portion of \$100M of its annual GHG allowance auction proceeds to fund the SOMAH program each year. SCE’s allocated funding percentage from that proceeding is 46% or \$46M per year.
- <sup>8</sup> GHG revenue estimates are based on the California Air Resources Board Annual Allocation to Electrical Distribution Utilities (EDU) under the Cap-and-Trade Regulation Rev. 9/8/2017 which authorizes the number of allowances allotted to SCE multiplied by the CEC’s Revised 2017 IEPR Carbon Price Projection.



**a. CEOP qualifies under Section 748.5(c)**

The California Global Warming Solutions Act of 2006 codified the Legislature’s intent to have the State’s Air Resources Board (CARB) coordinate with state agencies and stakeholders (e.g., utilities) to assist California in reducing emissions of greenhouse gases (Section 38501, (a)-(f)) and to have CARB “consult with the Public Utilities Commission in the development of emissions reduction measures” (Section 38501, (g)). The Commission requires that GHG emissions reduction be a stated and measurable goal of any proposed project for which an electrical corporation seeks to use GHG allowance revenues for funding of the project. Consistent with California statute, SCE seeks to assist the efforts of CARB and the Commission by proposing the CEOP which will focus on incenting accelerated GHG emission reductions through on-site (behind-the-meter) measures.

**b. CEOP is best funded using GHG allowance revenues instead of ordinary recovery through rates**

There is currently no SCE program that comprehensively incentivizes the acceleration of GHG-emission reducing activities through on-site measures. As such, it is appropriate to use GHG allowances for the implementation of this Pilot, thus making sure that the Pilot will not increase rates to customers. As explained above, the GHG Balancing Account contains sufficient funding to support the four-year Pilot. Should the Pilot prove the CEOP pay-for-performance incentive framework is successful in achieving the shared goals of the State, utilities and customers to reduce GHG emissions, then SCE would seek to propose a permanent Clean Energy Optimization *program* with recovery through rates.

**c. The Forecast Clean Energy Amount**

As shown in the Table above, for years 2019 through 2022, the available Forecast Clean Energy funds are estimated to be \$285.2 million and SCE seeks to use \$21.4 million to fund the four-year Pilot.

### **3. SCE Will Track Recorded Expenses in an Appropriate Balancing Account**

Upon approval of the CEOP, SCE requests Commission authorization to establish the CEOP Balancing Account (CEOPBA) to record the: (1) annual transfer of GHG revenue funds from the GHG Revenue Balancing Account (GHGRBA) to the CEOPBA; (2) actual annual CEOP performance payments; and (3) incremental CEOP program administrative expenses. SCE will separately track the transfer of GHG revenue funds to the CEOPBA as well as the performance payments and administrative expenses. Any under-collection or over-collection recorded in any month should be carried over from month-to month over the duration of the CEOP Program with the total program spend not to exceed \$21.4 million.

### **4. CEOP Funds Would Be Subject to Reasonableness Reviews**

SCE proposes to fund the CEOP with GHG allowance revenue set aside in its annual ERRA Forecast filing, and will track both the GHG allowance revenue funding, as well as the program performance payments and incremental administrative costs through a new one-way balancing account. Any performance payment funds disbursed for the CEOP would be subject to a reasonableness review in SCE's next annual ERRA Review filing. In addition, at the conclusion of the Pilot, SCE will seek review of the entries made to the CEOPBA through its April 1 ERRA Review filing and will request to return any unspent GHG revenue amounts remaining in the CEOPBA back to the GHGRBA. The review would include the recorded operation of the CEOPBA to ensure that the entries made in the CEOPBA are stated correctly and are consistent with Commission decisions. The review may also include a demonstration that administrative expenses did not exceed authorized funding.

SCE's CEOP conforms to the requirements in PUC Section 748.5(c) and the procedures laid out in D.14-10-033 to request funding for a clean energy project, and therefore, utilizing Cap-and-Trade allowance revenues to fund the Pilot is reasonable and should be adopted.

2. **The Commission Has Authority to Approve a Balancing Account Without a Hearing**

The Commission has previously authorized the creation of balancing accounts without requiring any evidentiary hearings. Most recently, SCE proposed to establish a Transportation Electrification Portfolio Balancing Account (TEPBA) to record the actual operation and maintenance (O&M) expenses and other expenses associated with the Transportation Electrification (TE) Portfolio of pilot projects.<sup>9</sup> In addition, the Commission approved SCE's proposal to establish a one-way Demand Response Purchase Agreement Balancing Account (DRPABA) to record the difference between the authorized administrative costs associated with certain demand response contracts and the actual administrative costs.<sup>10</sup> The Commission did not require any evidentiary hearings in either of these proceedings that proposed to establish balancing accounts.<sup>11</sup>

The Commission also has authorized the creation of a memorandum account without the need for evidentiary hearing where the utilities sought to record expenses related to implementation of Assembly Bill (AB) 32, the legislation which provided that the California Air Resources Board may adopt a fee on greenhouse gas emissions to recover its administrative costs associated with implementation. In A.10-08-002, four California utilities filed a joint application requesting, among other things, that the Commission authorize the establishment of memorandum accounts to record the expenses incurred to pay the AB 32 fee. The Commission noted it was not certain those fees would materialize but still authorized the memorandum

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<sup>9</sup> In addition to seeking to record O&M expenses, SCE proposed to track payroll taxes and capital revenue requirement (i.e., depreciation, return on rate base, property taxes, and income taxes) expenses associated with the TE pilot projects using a Tier 2 Advice Letter. *See Decision on the Transportation Electrification Priority Review Projects*, D.18-01-024 at pp. 92-93 (issued 1/17/2018).

<sup>10</sup> *See Order Approving Four Southern California Edison Company Demand Response Contracts*, D.08-03-017, at p. 33 (issued 3/19/2008).

<sup>11</sup> *See* D.18-01-024 at p. 99; D.08-03-017 at p. 34.

account stating, “[s]imply because there is some uncertainty concerning whether and when the fees will be assessed should not prevent a utility from establishing a memorandum account to record such costs in the event they are incurred.”<sup>12</sup> While SCE is optimistic that its Pilot will incent the acceleration of GHG emissions reductions by the Pilot Participants, there is no certainty that the Pilot Participants will earn performance payments; the Pilot Participants must perform by incrementally reducing GHG emissions each year of the Pilot, and it makes sense to authorize SCE to establish a balancing account to record and track any such performance payments and the operational costs associated with implementation of the Pilot.

## V.

### **PROCEDURAL REQUIREMENTS**

#### **A. Statutory and Other Authority (Rule 2.1)**

This Application is made pursuant to Section 701 of the California Public Utilities Code and Rule 2.1 of the Commission’s Rules of Practice and Procedure. In addition, this request complies with the Rules 1.5 through 1.11 and 1.13, which specify the procedure for, among other things, filing documents.

Rule 2.1 requires that all applications: (1) state clearly and concisely the authorization or relief sought; (2) cite the statutory or other authority under which that relief is sought; and (3) be verified by the applicant. Rule 2.1(a), 2.1(b) and 2.1(c) set forth further requirements that are addressed separately below.

The relief being sought is summarized in Section IV (Reasons and Basis for Requested Relief) and is further described in the supporting Testimony (SCE-01) accompanying this Application. The authority under which relief is being sought is summarized in Section IV and is further described in the supporting testimony (SCE-01).

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<sup>12</sup> See *Interim Decision on Joint Application of Pacific Gas and Electric Company, San Diego Gas & Electric Company, Southern California Edison Company, and Southern California Gas Company to Establish Memorandum Accounts to Record California Air Resources Board Assembly Bill 32 Cost of Implementation Fee*, D.10-12-026 at p.6 (issued 12/17/2010).

**B. Verification (Rules 2.1 and 1.11)**

As required by Rules 2.1 and 1.11 of the Commission’s Rules of Practice and Procedures, this Application has been verified by an officer, Jill Anderson, SCE’s Vice President of Customer Programs and Services.

**C. Legal Name and Principal Place of Business (Rule 2.1(a))**

The legal name of the Applicant is Southern California Edison Company (SCE). SCE is a corporation organized under the laws of the State of California. SCE’s principal place of business is 2244 Walnut Grove Avenue, Rosemead, California 91770.

**D. Correspondence and Communications (Rule 2.1(b))**

All correspondence, communications and service of papers regarding this Application should be directed to:

Robin Z. Meidhof  
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To request a copy of this Application, please contact Case Administration listed above.

**E. Categorization, Hearings, and Issues to be Considered (Rule 2.1(c))**

Rule 2.1(c) requires that Applications shall state “[t]he proposed category for the proceeding, the need for hearing, the issues to be considered, and a proposed schedule.” These requirements are discussed below.

**1. Proposed Categorization**

SCE proposes to categorize this proceeding as “quasi-legislative” as defined in the Commission’s Rules of Practice and Procedure, Rule 1.3(e) and Public Utilities Code §

1701.1d(3).<sup>13</sup> SCE's Application is not seeking authority to increase rates, or to implement changes that would result in increased rates, or to seek to pass through to SCE's customers any costs in connection with the Pilot, and therefore, Rule 3.2 and its attendant requirements are not applicable.

## **2. Issues to be Considered**

The issues to be considered in this Application concern the approval of SCE's proposed Clean Energy Optimization Pilot (CEOP) and permission to establish the CEOP Balancing Account (CEOPBA).

## **3. Need for Hearings and Proposed Schedule**

SCE believes that hearings are not required. The Commission has previously authorized the establishment of balancing and memorandum accounts without conducting any evidentiary hearings, particularly in the context of an application which does not seek cost recovery. Here, because the proposed Pilot is structured to require transparency and consistent stakeholder engagement for the term of the Pilot, is only slated to last four years, does not involve any additional customer charges and is subject to a reasonableness review, SCE respectfully submits that a hearing is not required. In addition, at the conclusion of the Pilot, the funds used for CEOP would be subject to a reasonableness review in the annual ERRR Review proceeding and SCE will request to return any unspent GHG revenue amounts remaining in the CEOPBA back to the GHG Revenue Balancing Account.

SCE's application seeking authorization to establish a balancing account to fund a four-year Pilot does not seek cost recovery and therefore, SCE proposes the following schedule, including the potential for shortened or waived comment period for Proposed Decisions as appropriate.

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<sup>13</sup> "Quasi-legislative cases, for purposes of this article, are cases that establish policy, including, but not limited to, rulemakings and investigations that may establish rules affecting an entire industry."

Application filed	May 15, 2018
Protests or Responses to Application	June 14, 2018
Replies to Protests/Responses	June 25, 2018
Proposed Decision on Application (waive or shorten time for comments if appropriate)	July 30, 2018
Comments on Proposed Decision	August 9, 2018
Replies to Comments on Proposed Decision	August 14, 2018
Final Decision on Application	September 2018

**F. Organization and Qualification to Transact Business (Rule 2.2)**

Rule 2.2 requires the applicant to submit a copy of its organizing documents and evidence of its qualification to transact business in California, or to refer to that documentation if previously filed with the Commission. In compliance with Rule 2.2 of the Commission’s Rules of Practice and Procedure, a copy of SCE’s Certificate of Restated Articles of Incorporation, effective on March 2, 2006, and presently in effect, certified by the California Secretary of State, was filed with the Commission on March 14, 2006, in connection with Application No. 06-03-020, and is by reference made a part hereof.

A copy of SCE’s Certificate of Determination of Preferences of the Series D Preference Stock, filed with the California Secretary of State on March 7, 2011, and presently in effect, certified by the California Secretary of State, was filed with the Commission on April 1, 2011, in connection with Application No. 11-04-001, and is by reference made a part hereof.

A copy of SCE’s Certificate of Determination of Preferences of the Series E Preference Stock, filed with the California Secretary of State on January 12, 2012, and a copy of SCE’s Certificate of Increase of Authorized Shares of the Series E Preference Stock, filed with the California Secretary of State on January 31, 2012, both presently in effect and certified by the California Secretary of State, were filed with the Commission on March 5, 2012, in connection with Application No. 12-03-004, and are by reference made a part hereof.

A copy of SCE’s Certificate of Determination of Preferences of the Series F Preference Stock, filed with the California Secretary of State on May 5, 2012, and presently in effect, certified by the California Secretary of State, was filed with the Commission on June 29, 2012, in connection with Application No. 12-06-017, and is by reference made a part hereof.

A copy of SCE's Certificate of Determination of Preferences of the Series G Preference Stock, filed with the California Secretary of State on January 24, 2013, and presently in effect, certified by the California Secretary of State, was filed with the Commission on January 31, 2013, in connection with Application No. 13-01-016, and is by reference made a part hereof.

A copy of SCE's Certificate of Determination of Preferences of the Series H Preference Stock, filed with the California Secretary of State on February 28, 2014, and presently in effect, certified by the California Secretary of State, was filed with the Commission on March 24, 2014, in connection with Application No. 14-03-013, and is by reference made a part hereof.

A copy of SCE's Certificate of Determination of Preferences of the Series J Preference Stock, filed with the California Secretary of State on August 19, 2015, and presently in effect, certified by the California Secretary of State, was filed with the Commission on October 2, 2015, in connection with Application No. 15-10-001, and is by reference made a part hereof.

A copy of SCE's Certificate of Determination of Preferences of the Series K Preference Stock, filed with the California Secretary of State on March 2, 2016, and presently in effect, certified by the California Secretary of State, was filed with the Commission on April 1, 2016, in connection with Application No. 16-04-001, and is by reference made a part hereof.

Certain classes and series of SCE's capital stock are listed on a "national securities exchange" as defined in the Securities Exchange Act of 1934, and copies of SCE's latest Annual Report to Shareholders and its latest proxy statement sent to its stockholders has been filed with the Commission with a letter of transmittal dated March 18, 2016, pursuant to Commission General Order Nos. 65-A and 104-A.

**G. Safety (Rule 2.1(c))**

In D.16-01-017, the Commission adopted an amendment to Rule 2.1(c) requiring applications to clearly state "relevant safety considerations." SCE does not view this Application as presenting any safety consideration, as it requests only the creation of a balancing account to track costs.



## H. Service

The official service list has not yet been established in this proceeding. SCE is serving this Application and supporting Testimony on the Commission's Office of Ratepayer Advocates, as well as the service lists established by the Commission in the following proceedings:

- R.16-02-007, the rulemaking to *Develop an Electricity Integrated Resources Planning Framework and to Coordinate and Refine Long-Term Procurement Planning Requirements*
- R.15-03-010, the rulemaking to *Identify Disadvantaged Communities in the San Joaquin Valley and Analyze Economically Feasible Options to Increase Access to Affordable Energy in those Disadvantaged Communities*
- R.14-10-003, the rulemaking to *Create a Consistent Regulatory Framework for the Guidance, Planning and Evaluation of Integrated Distributed Energy Resources*
- R.13-09-011, the rulemaking to *Enhance the Role of Demand Response in Meeting the State's Resource Planning Needs and Operational Requirements*
- R.13-11-005, the rulemaking concerning *Energy Efficiency Rolling Portfolios, Policies, Programs, Evaluation and Related Issues*

VI.

CONCLUSION

SCE respectfully requests that the Commission approved its proposed Clean Energy Optimization Pilot Application.

Respectfully submitted,

ANNA VALDBERG  
ROBIN Z. MEIDHOF

*/s/ Robin Z. Meidhof*

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May 15, 2018

**VERIFICATION**

I, Jill Anderson, declare and state:

I am an officer of Southern California Edison Company, a corporation, and am authorized pursuant to Rule 2.1 and Rule 1.11 of the Rules of Practice and Procedure of the California Public Utilities Commission to make this Verification for and on behalf of said corporation, and make this Verification for that reason. I have read the foregoing Application and I am informed and believe that the matters therein concerning Southern California Edison Company are true. I declare under penalty of perjury that the foregoing is true and correct.

Executed this **15<sup>th</sup> day of May, 2018**, at Rosemead, California.

*/s/ Jill Anderson*

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By: Jill Anderson  
Vice President of Customer Programs & Services  
Southern California Edison Company