



**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 2024-
2031 Energy Efficiency Business Plan and 2024-
2027 Portfolio Plan.

Application 22-03-_____

**APPLICATION OF SOUTHERN CALIFORNIA EDISON COMPANY (U 338-E) FOR
APPROVAL OF ITS 2024-2031 ENERGY EFFICIENCY BUSINESS PLAN AND
2024-2027 PORTFOLIO PLAN**

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Dated: **March 4, 2022**

APPLICATION OF SOUTHERN CALIFORNIA EDISON COMPANY (U 338-E) FOR APPROVAL OF ITS 2024-2031 ENERGY EFFICIENCY BUSINESS PLAN AND 2024-2027 PORTFOLIO PLAN

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I.

INTRODUCTION

Pursuant to Article 2 of the Rules of Practice and Procedure of the California Public Utilities Commission (Commission or CPUC), Public Utilities Code Section 850 et seq., and Decision (D.) 21-05-031, Southern California Edison Company (SCE) respectfully submits this application (Application) requesting that the Commission approve SCE’s 2024-2031 Energy Efficiency (EE) Business Plan and 2024-2027 Portfolio Plan, which are attached to this Application as Exhibits SCE-01 and SCE-02, respectively.¹ As explained in this Application and throughout the Business and Portfolio Plans, the Commission should approve SCE’s Application because it is consistent with the Commission’s guidance and helps achieve California’s EE and broader decarbonization goals in a cost-effective manner while simultaneously providing

¹ Also included are SCE-03, which contains the workpapers supporting SCE’s Application, and SCE-04, which details acronyms and witness qualifications.

equitable coverage to underserved communities and promoting innovation and participation in the EE marketplace.

II.

BACKGROUND

In D. 21-05-031, the Commission adopted a new framework for EE portfolios, replacing the ten-year rolling portfolio process established in in Rulemaking (R.) 13-11-005 with a new, four-year portfolio process designed to help ensure the continued success of EE programs.² In that decision, the Commission adopted the new Total System Benefit (TSB) metric to help combine energy and peak demand savings goals with greenhouse gas (GHG) benefits that will be tracked going forward.³ The decision also further divided EE portfolios into the following three segments: resource acquisition, market support, and equity, to help promote the development of EE programs in parts of the marketplace that were previously under pressure from cost-effectiveness and other requirements.⁴ In addition to adopting a new four-year portfolio process, D. 21-05-031 also required portfolio administrators to file new eight-year business plans covering 2024-2031 to provide higher-level guidance beyond the terms of the portfolio plan. The Commission included a template for the Business and Portfolio Plan filings, which SCE's Business and Portfolio Plans cover, as Attachment A to D. 21-05-031. SCE's Application meets the goals and requirements the Commission has set forth, in D. 21-05-031 and throughout R. 13-11-005 and SCE's prior business plan application, A. 17-01-013.⁵

The Commission's decisions in R. 13-11-005 have occurred against the backdrop of the State of California's larger push for significant GHG emission reduction and other decarbonization efforts. California has called for a 40 percent reduction in GHG emissions from 1990 levels by 2030 and an 80 percent reduction by 2050, and EE programs are a key component

² D. 21-05-031.

³ *Id.* at OP1.

⁴ *Id.* at OP2.

⁵ *Id.*, Attachment A.

that will allow the state to meet these goals. Throughout its 2024-2027 Portfolio Plan cycle, SCE forecasts a TSB of \$3.624 billion, with 6,579 of GWh and 1,334 MW of savings (including Codes and Standards).⁶ These savings, in tandem with SCE's other efforts in areas such as building and transportation electrification, will place California on-track to achieve its GHG reduction goals while benefitting SCE's customers as well as all California residents.

III.

SUMMARY OF SCE'S REQUEST

In this Application and supporting testimony, SCE seeks approval of its Business and Portfolio Plans, with a total portfolio request of \$1.56 billion for 2024-2027, to allow SCE to continue to support the development and expansion of EE programs and the EE marketplace as a whole. Pursuant to D. 21-05-031, SCE's Application seeks approval not just of ongoing and future resource acquisition programs, but also of SCE's plan to address and develop the market support, equity, and codes and standards segments of the EE portfolio. In addition to seeking approval for its EE Business and Portfolio Plans, in this Application SCE also seeks approval of certain new policy recommendations as outlined in Exhibit SCE-01, Chapter IX, including:⁷

1. A phase down of gas appliance incentives, to further reduce future GHG emissions and encourage the adoption of **higher-efficiency electric alternatives;**
2. The adoption of a single stage solicitation process, **which will enable portfolio administrators to more quickly address EE market needs;**
3. Modifying existing statewide program policy, including by eliminating the 25 percent **budget requirement for statewide programs, discontinuing the statewide lighting program, and allowing portfolio administrators to offer local upstream and midstream program offerings where such measures are not included in the**

⁶ Exhibit SCE-02, Chapter III.

⁷ Exhibit SCE-01, Chapter IX.

corresponding statewide program, to allow for EE portfolios to better match the needs of the market;

- 4. Modifying the definition of “hard-to-reach” to include the Public sector as a third qualifying category of hard-to-reach customers, which will encourage program implementers to focus on public sector customers in addition to those in other sectors; and**
- 5. Sunsetting certain EE compliance requirements that are no longer useful, necessary, or whose benefits are not outweighed by the administrative burden imposed by such requirements, benefitting customers and EE portfolio administrators by reducing costs and increasing their ability to focus on more effective requirements.**

IV.

SCE’S APPLICATION IS REASONABLE AND SHOULD BE APPROVED

A. SCE’s Application Supports the Commission and the State of California’s Goals

SCE’s Business and Portfolio Plans are designed to allow SCE to meet the Commission’s TSB goals while driving towards the state’s larger decarbonization and GHG reduction goals. Specifically, in addition to meeting the EE savings goals set out by the Commission, SCE’s Business and Portfolio Plans align with state regulatory directives and goals, including (1) the Commission’s 2021 Potential and Goals Study adopted in D. 21-09-037, which adopt goals to “aggressively pursue all potentially achievable cost-effective energy savings opportunities, particularly from fuel substation measures that have gone untapped;”⁸ and (2) the California Energy Commission (CEC) 2021 Integrated Energy Policy Report, which tracks achievement of Senate Bill (SB) 350’s goal of doubling EE.⁹ SCE’s Business and Portfolio Plans also align with

⁸ See D.21-09-037 p. 16.

⁹ See CEC Final 2021 Integrated Energy Policy Report (Final 2021 IEPR), *available at* <https://www.energy.ca.gov/data-reports/reports/integrated-energy-policy-report/2021-integrated-energy-policy-report>.

SCE's clean energy goals as described in SCE's Pathway 2045 whitepaper, a November 2019 policy paper articulating SCE's vision for achieving carbon neutrality in California by 2045,¹⁰ and SCE's September 2021 Mind the Gap policy paper, which addresses policy changes and additions needed to ensure that California meets its goal of reducing GHG emissions 40% by 2030.¹¹ A brief overview of SCE's Business and Portfolio Plans, and the strategies included to meet the Commission's goals, is presented below.

1. The Commission Should Approve SCE's 2024-2031 EE Business Plan

SCE's 2024-2031 EE Business Plan, included as Exhibit SCE-01, outlines SCE's long-term plan for EE over the coming eight years and its desired outcomes for its entire EE portfolio, including a description of strategies for building decarbonization, market intervention, energy efficiency adoption, innovation, and program management. The Business Plan contains all of the information included in the Commission's Business Plan template and required by D. 21-05-031. SCE's Business Plan builds upon the Commission's own decisions to help ensure that GHG and savings goals will be met into the future while, at the same time, also broadening the overall reach of EE programs.¹²

Seven strategies detailed in the Business Plan will help SCE achieve these goals: (1) accelerating fuel substitution interventions; (2) continuing to solicit for third-party programs to encourage broad market participation and reduce risk to ratepayers; (3) utilizing the new segmentation criteria laid out in D. 21-05-031 to support new areas of the EE market; (4) increasing coordination with other portfolio administrators across SCE's EE portfolio; (5) continuing to leverage traditional delivery approaches by sector; (6) focusing on increasing innovation to help broaden the reach of EE programs and expand the EE market; and (7) aligning

¹⁰ See SCE, Pathway 2045, available at <https://www.edison.com/content/dam/eix/documents/our-perspective/201911-pathway-to-2045-white-paper.pdf> (hereinafter "Pathway 2045").

¹¹ See Edison International, Mind the Gap – Policies for California's countdown to 2030, (Sep. 2021), report available at <https://www.edison.com/home/our-perspective/mind-the-gap.html>, (hereinafter "Mind the Gap").

¹² See Exhibit SCE-01, Chapter III, Section A.

SCE's EE portfolio with the Commission's Environmental and Social Justice Action Plan, including through the equity segment of the EE portfolio. Discussed in more detail in Exhibit SCE-01, Chapter III, these strategies, along with the continued development and performance of the overall EE portfolio, will help ensure that SCE's EE portfolio will meet the Commission's and State's requirements and goals. As part of the Business Plan, SCE also recommends numerous policy changes outlined in Section III, above, to help ensure the Commission's goals are met and to promote the success of SCE's EE portfolio. The Commission should approve SCE's Business Plan as it represents a key step towards achieving environmental and social justice, and other goals both within and outside of the EE context.

2. The Commission Should Approve SCE's 2024-2027 EE Portfolio Plan

SCE's 2024-2027 EE Portfolio Plan, attached as Exhibit SCE-02, contains SCE's near-term plan for its EE portfolio, establishing in detail how SCE will capture the energy savings necessary to achieve the Commission's TSB goals while also supporting the Commission's market support and equity goals. The Portfolio Plan also contains detailed justification for the budget requests for each program, supporting SCE's \$1.56 billion overall budget forecast for 2024-2027.¹³ In its Portfolio Plan, SCE describes the framework for its portfolio: both by sector (Residential, Commercial, Industrial, Agricultural, and Public) and segment (resource acquisition, market support, equity, and codes & standards), in addition to Cross-Cutting programs and other programs not easily categorized.¹⁴ SCE also outlines how it will continue to engage third parties to design, develop, and implement EE programs across sectors and segments, in alignment with D. 16-08-019.¹⁵

To achieve the goals set out by the Commission and California, SCE's Portfolio Plan focuses on five complementary categories of strategies that will help ensure the success of the EE portfolio: (1) portfolio-based strategies, including continued reliance on third-party

¹³ Exhibit SCE-02, Chapter III.

¹⁴ Exhibit SCE-02, Chapter IV, Sections A-B.

¹⁵ Exhibit SCE-02, Chapter IV, Section C.

solicitations supplemented by SCE's institutional knowledge so that the most qualified programs come to market; (2) specific market intervention strategies to target specific upstream, midstream, and downstream approaches that will best support progress towards accomplishing EE goals; (3) strategies designed to spur innovation, including through focusing in the solicitations process on new and innovative programmatic solutions that nonetheless protect ratepayers; (4) strategies focused on achieving clean energy goals, including scaling fuel substitution efforts and demand response integration; and (5) strategies to incorporate low global warming potential refrigerants into the portfolio, to further increase the impact of the EE portfolio on the Commission's environmental goals. These strategies are further detailed in Exhibit SCE-02, Chapter II, Section A. The Commission should approve SCE's Portfolio Plan because it satisfies all of the requirements of the relevant Commission decisions while affirmatively advancing towards savings and other goals set by the Commission and State of California.

B. Revenue Requirement and Cost Recovery

SCE is requesting incremental funding for the 2024-2027 program cycle to support the Portfolio Plan and requests approval to recover \$1.788 billion over the 2024-2027 program cycle.¹⁶ SCE will include the proposed annual EE Program revenue requirement in its Public Purpose Programs revenue requirement and recover the authorized amount via its Public Purpose Programs Charge rate levels, which apply to all customers. The total expected recovery for the full period of the Application from 2024 to 2031 is \$3.716 billion. A detailed discussion of SCE's portfolio funding and cost recovery proposals are included in Exhibit SCE-02, Chapter V.

C. Organization of Business Plan and Portfolio Plan

Concurrent with the filing of this Application, SCE is serving supporting prepared testimony on Commission staff members and interested parties showing why its Business Plan

¹⁶ Exhibit SCE-02, Chapter V.

and Portfolio Plan are reasonable and should be approved. The testimony is preliminarily designated as follows:

- Exhibit SCE-01: 2024-2031 Energy Efficiency Business Plan
 - Chapter I: Executive Summary
 - Chapter II: Description of SCE's Service Territory
 - Chapter III: 2024-2031 Business Plan
 - Chapter IV: Portfolio Management
 - Chapter V: Forecasting and Quantification Methodology
 - Chapter VI: Evaluation, Measurement, and Verification
 - Chapter VII: Alignment with Legislative and CPUC Requirements and Relevant Action Plans
 - Chapter VIII: Portfolio Budgets
 - Chapter IX: Recommendations for New or Modified Energy Efficiency Policy
- Exhibit SCE-02: 2024-2027 Portfolio Plan
 - Chapter I: Executive Summary
 - Chapter II: 2024-2027 Portfolio Plan, including:
 - Section A: Portfolio Summary
 - Section B: Key Metrics and Outcomes
 - Section C: SCE's Portfolio Management
 - Chapter III: SCE's Four-Year Portfolio Plan Budget Forecast, including:
 - Section A: Forecasting Methodology
 - Section B: Third-Party and Statewide Implemented Programs
 - Section C: SCE-Implemented Programs
 - Section D: Overhead Costs
 - Section E: Other Costs
 - Section F: Program Modifications from 2023
 - Chapter IV. Portfolio Strategies, including:

- Section A: Segmentation Strategy
- Section B: Sector Strategy
- Section C: Third-Party Programs
- Section D: Portfolio Coordination
- Section E: Stakeholder Engagement
- Section F: Evaluation, Measurement & Verification
- Chapter V. Portfolio Funding and Cost Recovery, including:
 - Section A: OBF Program Loan Pool
 - Section B: Funding Forecast
 - Section C: Revenue Requirements and Cost Recovery
- Chapter VI: Attachment 1 – Program Cards
- Exhibit SCE-03: CPUC Standard Workpapers, SCE Workpapers and Other Supporting Documentation
- Exhibit SCE-04: Appendices/List of Acronyms and Witness Qualifications

V.

STATUTORY AND PROCEDURAL REQUIREMENTS

A. Rule 2.1 (a) – (c)

SCE files this Application pursuant to Public Utilities Code Sections 451, 454, 728, 729, 740.4, and 795, the Commission’s Rules of Practice and Procedure, D.21-09-037, D.21-05-031, D.18-05-041, D.16-08-019, D.18-01-004, D.19-08-009, and the other orders, and resolutions of the Commission.

1. Rule 2.1 (a) - Legal Name

Rule 2.1(a) of the Commission’s Rules of Practice and Procedure require all applications to state the exact legal name of each applicant and the location of principal place of business, and if an applicant is a corporation, trust, association, or other organized group, the State under the laws of which such applicant was created or organized.

The full legal name of the applicant herein is Southern California Edison Company. SCE is a corporation organized and existing under the laws of the State of California, and is primarily engaged in the business of generating, purchasing, transmitting, distributing and selling electric energy for light, heat and power in portions of central and southern California as a public utility subject to the jurisdiction of the Commission. SCE's properties, which are substantially within the State of California, primarily consist of hydroelectric and thermal electric generating plants, together with transmission and distribution lines and other property necessary in its business.

SCE's principal place of business is 2244 Walnut Grove Avenue, Rosemead, California, and its post office address and telephone number are:

Southern California Edison Company
Post Office Box 800
Rosemead, California 91770
Telephone: (626) 302-1212

2. Rule 2.1 (b) – Correspondence

Rule 2.1(b) of the Commission's Rules of Practice and Procedure require all applications to state the name, title, address, telephone number, facsimile transmission number, and e-mail address of the person to whom correspondence or communications regarding the application are to be addressed.

SCE's attorneys in this matter are Anna Valdborg and David Gomez. Correspondence or communications regarding this application should be addressed to:

David A. Gomez
Attorney
P.O. Box 800
2244 Walnut Grove Avenue
Rosemead, CA 91770
Telephone: (626) 302-7903
e-mail: David.Gomez@sce.com

SCE Case Administration
Southern California Edison Company
8631 Rush Street
Rosemead, CA 91770
Telephone: (626) 302-0449
e-mail: case.admin@sce.com

3. Rule 2.1 (c)

a) Proposed Category of Proceeding

SCE proposes that this Application be categorized as a ratesetting proceeding pursuant to Commission Rule of Practice and Procedure 1.3(g) and 7.1(e)(2).

b) Need for Hearings

The need for hearings in this proceeding, and the issues to be considered in such hearings, will depend in large part on the degree to which other parties contest SCE's requests. The need for hearings will ultimately be determined by the assigned Administrative Law Judge(s). SCE proposes a sample schedule as if hearings are needed.

c) Issues to be Considered, Including Relevant Safety Considerations

The primary issue to be considered in this proceeding is the reasonableness of SCE's EE Business and Portfolio Plan proposals as described in Sections III-IV, above, and in more detail in SCE's supporting testimony served concurrently with this Application.

d) Proposed Schedule

SCE proposes the schedule below, in alignment with the other investor-owned utilities. Aligning the schedules across applications will help conserve the resources of the Commission, the portfolio administrators, and any other interested parties by allowing for common issues to be handled across proceedings. To allow the Commission to issue a timely final decision in this proceeding, SCE requests the Commission to process the present application according to the following schedule:

<u>Date</u>	<u>Event</u>
Application Filed	March 4, 2022
Protests / Responses Due (30 days after Notice of Application appears in the Commission Daily Calendar)	April 4, 2022
Reply to Protests	April 14, 2022

<u>Date</u>	<u>Event</u>
(SCE files replies to protests and responses within 10 days of the last day for filing protests and responses)	
Prehearing Conference, Prehearing Conference Statements, and Scoping Memo	April 18 – May 3, 2022
Workshops (if needed)	Summer 2022
Intervenor Testimony / Deadline to File Motion for Evidentiary Hearings	December 1, 2022
Rebuttal Testimony Due	January 30, 2023
Meet and Confer Pursuant to Rule 13.9	February 9, 2023
Evidentiary Hearings (if needed) & Discovery Cutoff	March 15-24, 2023
Concurrent Opening Briefs	May 9, 2023
Concurrent Reply Briefs (3 weeks after opening briefs)	June 8, 2023
Proposed Decision	August 2023
Comments on Proposed Decision: (20 days from the date of issuance)	September 2023
Replies to Comments: (5 days later)	September 2023
True-Up Advice Letter	September 1, 2023
Final Decision	September 2023

B. Rule 2.2 – Articles of Incorporation

In compliance with Rule 2.2, 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 A.06-03-020, and is incorporated herein by this reference.

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 incorporated herein by this reference pursuant to Rule 2.2 of the Commission's Rules of Practice and Procedure.

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 incorporated herein by this reference.

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 in Authorized Shares of the Series E Preference Stock filed with the California Secretary of State on January 31, 2012, and presently in effect, 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 is incorporated herein by this reference.

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 14, 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 incorporated herein by this reference.

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 incorporated herein by this reference.

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 incorporated herein by this reference.

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 incorporated herein by this reference.

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 incorporated herein by this reference.

A copy of SCE's Certificate of Determination of Preferences of the Series L Preference Stock filed with the California Secretary of State on June 20, 2017, and presently in effect, certified by the California Secretary of State, was filed with the Commission on June 30, 2017, in connection with Application No. 17-06-030, and is incorporated herein by this reference.

Copies of SCE's latest Annual Report to Shareholders and Edison International's latest proxy statement sent to its stockholders has been filed with the Commission with a letter of transmittal dated March 12, 2021, pursuant to General Order Nos. 65-A and 104-A of the Commission.

C. Balance Sheet and Income Statement – Rule 3.2(a)(1)

In compliance with Rule 3.2(a)(1), Appendix A to this Application contains copies of SCE's balance sheet as of December 31, 2021, and income statement for the period ending December 31, 2021, the most recent period available.

D. Rates – Rule 3.2(a)(2) And Rule 3.2(a)(3)

SCE is requesting incremental funding for the 2024-2027 program cycle to support the Portfolio Plan and requests approval to recover the revenue requirements associated with \$1.788 billion for the period from 2024 to 2027. The total expected recovery for the full period of the Application from 2024 to 2031 is \$3.716 billion. Further information about the presently

effective rates, the illustrative changes proposed to be made to those rates, and SCE's cost recovery and revenue requirements are discussed in this Application in Section IV.B and Exhibit SCE-02, Chapter V.

The table below provides the proposed average rate and bill impacts associated with SCE's total requested revenue requirements over the 2024-2027 cycle, based on current rates in effect as of January 1, 2022, if SCE's proposals are approved by the Commission. Because SCE's rates will include \$489 million of authorized EE funding at the end of 2023, the rate and bill impacts shown below reflect the incremental change associated with the decreased annual revenue requirement proposed in this Application over the 2024-2027 cycle period compared to the annual EE-related revenue requirement that will be in rates at the end of 2023. Residential bill impacts assume average usage of 500 kWh/month.

Bundled Average Rates (¢/kWh)				
Customer Group	Current Rates	Proposed Increase	Proposed Rates	% Increase
Residential	25.1	(0.1)	25.0	-0.3%
Lighting - Small and Medium Power	24.0	(0.1)	24.0	-0.3%
Large Power	16.3	(0.0)	16.3	-0.3%
Agricultural and Pumping	19.2	(0.1)	19.2	-0.3%
Street and Area Lighting	25.4	(0.1)	25.3	-0.3%
Standby	13.0	(0.0)	13.0	-0.3%
Total	22.3	(0.1)	22.2	-0.3%

Residential Bill Impact (\$/Month)				
Description	Current	Proposed Increase	Proposed	% Increase
Non-CARE Residential Bill	\$ 139.15	\$ (0.33)	\$ 138.81	-0.2%
CARE Residential Bill	\$ 94.18	\$ (0.23)	\$ 93.95	-0.2%

The proposed rates are illustrative and will be updated consistent with the Commission's decision(s) in this proceeding (including any decision on a Motion for Partial Interim Rate Recovery) to reflect SCE's then-current authorized revenues when such rates are implemented. SCE's current rates and charges for electric service are in its electric tariffs and schedules on file with the Commission. These tariffs and schedules are filed with and made effective by the Commission in its decisions, orders, resolutions, and approvals of advice letter filings pursuant to Commission General Order 96-B.

E. Summary of Earnings – Rule 3.2(a)(5)

In compliance with Rule 3.2(a)(5), Appendix B hereto contains a copy of SCE's summary of earnings, updated on December 31, 2021, the most recent period available.

F. Statement Pursuant to Rule 3.2(a)(10)

Rule 3.2(a)(10) requires that the "application of electrical ... corporations shall separately state whether or not the increase reflects and passes through to customers only increased costs to the corporation for the services or commodities furnished by it." This application does not seek to pass through to SCE's customers any costs in connection with this proposal.

G. Notice – California Public Utilities Code Section 454, Rule 3.2(b), (c), and (d)

As required by California Public Utilities Code Section 454, a notice stating in general terms the proposed change will be provided to customers in their monthly bills. SCE has reviewed a draft of its proposed customer notice with the Commission's Public Advisor.

As required by Rule 3.2(b), a notice stating in general terms the proposed rate change will be mailed to the designated officials of the State of California, and the cities and counties affected by the rate increase proposed in this Application as listed in Appendix C hereto.

Pursuant to Rule 3.2(c), notice will be published in a newspaper of general circulation in each county in SCE's service territory within which the rate changes would be effective. The cities and counties affected by the rate increase proposed in this Application are shown in Appendix C hereto.

Finally, pursuant to Rule 3.2(d), notice will be furnished to customers affected by the potential rate changes proposed in this Application by including such notice with the regular bills mailed to those customers and by electronically linking to such notice for customer that receive their bills electronically.

H. Index of Appendices to Application

SCE's submissions in support of this Application include the following, which are incorporated herein by reference:

Appendices to Application

Appendix A	Balance Sheet and Income Statement
Appendix B	Summary of Earnings
Appendix C	List of Cities and Counties

I. 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 for R.13-11-005 and A.17-01-013.

VI.

CONCLUSION

SCE respectfully requests that the Commission expeditiously approve this Application as filed.

Respectfully submitted,

ANNA VALDBERG
DAVID A. GOMEZ

/s/ David A. Gomez

By: David A. Gomez

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SOUTHERN CALIFORNIA EDISON COMPANY

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Dated: March 4, 2022

VERIFICATION

I, Kathleen M. Sloan, declare and state:

I am Vice President of Customer Programs and Services for Southern California Edison Company. Pursuant to Rule 2.1 and Rule 1.11 of the Rules of Practice and Procedure of the CPUC, I am authorized to make this Verification on its behalf. I am informed and believe that the matters stated in the foregoing pleading are true.

I declare under penalty of perjury under the laws of the State of California that the foregoing is true and correct.

Executed on March 3, 2022 at Rosemead, California.

/s/ Kathleen M. Sloan

Kathleen M. Sloan

Vice President, Customer Programs & Services
Southern California Edison Company

Appendix A

Balance Sheet and Income Statement

SOUTHERN CALIFORNIA EDISON COMPANY

(h) A balance sheet as of the latest available date, together with an income statement covering the period from close of last year for which an annual report has been filed with the Commission to the date of the balance sheet attached to the application.

STATEMENT OF INCOME
TWELVE MONTHS ENDED DECEMBER 31, 2021

(In millions)

OPERATING REVENUE	<u>\$ 14,874</u>
OPERATING EXPENSES:	
Purchase power and fuel	5,540
Operation and maintenance	3,588
Wildfire-related claims, net of insurance recoveries	1,276
Wildfire insurance fund expense	215
Depreciation and amortization	2,216
Property and other taxes	462
Impairment and other expense (income)	69
Other operating income	(2)
Total operating expenses	<u>13,364</u>
OPERATING INCOME	1,510
Interest expense	(791)
Other income	233
INCOME BEFORE TAXES	<u>952</u>
Income tax expense	17
NET INCOME	<u>935</u>
Less: Preferred and preference stock dividend requirements	<u>106</u>
NET INCOME AVAILABLE FOR COMMON STOCK	<u><u>\$ 829</u></u>

SOUTHERN CALIFORNIA EDISON COMPANY

BALANCE SHEET
DECEMBER 31, 2021
ASSETS
(in millions)

TWELVE MONTHS ENDED DECEMBER 31, 2021

Utility plant, at original cost	\$ 57,714
Less- accumulated provision for depreciation and decommissioning	11,407
	<u>46,307</u>
Construction work in progress	4,067
Nuclear fuel - at amortized cost	123
	<u>50,497</u>

OTHER PROPERTY AND INVESTMENTS:

Nonutility property - less accumulated depreciation of \$88	196
Nuclear decommissioning trusts	4,870
Other investments	34
	<u>5,100</u>

CURRENT ASSETS:

Cash and equivalents	279
Receivables, less allowances of \$193 for uncollectible accounts	1,393
Accrued unbilled revenue	794
Inventory	420
Prepaid expenses	257
Regulatory assets	1,778
Wildfire insurance fund contributions	204
Other current assets	222
	<u>5,347</u>

DEFERRED CHARGES:

Receivables, less allowance of \$116 for uncollectible accounts	122
Regulatory assets (Includes \$325 related to VIEs)	7,660
Wildfire insurance fund contributions	2,359
Operating lease right-of-use assets	1,925
Long-term insurance receivable	75
Other long-term assets	1,453
	<u>13,594</u>
	<u>\$ 74,538</u>

SOUTHERN CALIFORNIA EDISON COMPANY

BALANCE SHEET
DECEMBER 31, 2021
CAPITALIZATION AND LIABILITIES
(in millions)

TWELVE MONTHS ENDED DECEMBER 31, 2021

CAPITALIZATION:

Common stock	2,168
Additional paid-in capital	7,033
Accumulated other comprehensive loss	(32)
Retained earnings	8,721
Common shareholder's equity	<u>17,890</u>
Long-term debt (Includes \$314 related to VIEs)	21,733
Preferred stock	1,945
Total capitalization	<u>41,568</u>

CURRENT LIABILITIES:

Short-term debt	2,354
Current portion of long-term debt	377
Accounts payable	1,999
Wildfire-related claims	131
Customer deposits	193
Regulatory liabilities	603
Current portion of operating lease liabilities	582
Other current liabilities	1,631
	<u>7,870</u>

DEFERRED CREDITS:

Deferred income taxes and credits	7,181
Pensions and benefits	111
Asset retirement obligations	2,772
Regulatory liabilities	8,981
Operating lease liabilities	1,343
Wildfire-related claims	1,733
Other deferred credits and other long-term liabilities	2,979
	<u>25,100</u>

\$ 74,538

Appendix B

Summary of Earnings

Southern California Edison
2021 GRC Summary of Earnings
Final Decision (RO Model 6.1)

Thousands of Dollars

Southern California Edison Summary of Earnings 2021 GRC Adopted Revenue Requirement Thousands of Dollars		
Line No.	Item	Total
1.	Base Revenues	6,874,110
2.	Expenses:	
3.	Operation & Maintenance	2,391,587
4.	Depreciation	1,902,940
5.	Taxes	595,277
6.	Revenue Credits	(162,794)
7.	Total Expenses	4,727,010
8.	Net Operating Revenue	2,147,100
9.	Rate Base	27,982,268
10.	Rate of Return	7.67%

Southern California Edison Summary of Earnings 2022 GRC Adopted Revenue Requirement Thousands of Dollars		
Line No.	Item	Total
1.	Base Revenues	7,257,059
2.	Expenses:	
3.	Operation & Maintenance	2,445,365
4.	Depreciation	2,011,977
5.	Taxes	664,156
6.	Revenue Credits	(163,463)
7.	Total Expenses	4,958,036
8.	Net Operating Revenue	2,299,023
9.	Rate Base	29,956,578
10.	Rate of Return	7.67%

Southern California Edison Summary of Earnings 2023 GRC Adopted Revenue Requirement Thousands of Dollars		
Line No.	Item	Total
1.	Base Revenues	7,694,731
2.	Expenses:	
3.	Operation & Maintenance	2,503,319
4.	Depreciation	2,133,629
5.	Taxes	760,267
6.	Revenue Credits	(164,174)
7.	Total Expenses	5,233,040
8.	Net Operating Revenue	2,461,691
9.	Rate Base	32,070,817
10.	Rate of Return	7.68%

Appendix C

List of Cities and Counties

INCORPORATED CITIES AND COUNTIES SERVED BY SCE

COUNTIES

Fresno	Kern	Madera	Riverside	Tuolumne
Imperial	Kings	Mono	San Bernardino	Tulare
Inyo	Los Angeles	Orange	Santa Barbara	Ventura

CITIES

Adelanto	Commerce	Hesperia	Lynwood	Porterville	Tehachapi
Agoura Hills	Compton	Hidden Hills	Malibu	Rancho Cucamonga	Temecula
Alhambra	Corona	Highland	Mammoth Lakes	Rancho Mirage	Temple City
Aliso Viejo	Costa Mesa	Huntington Beach	Manhattan Beach	Rancho Palos Verdes	Thousand Oaks
Apple Valley	Covina	Huntington Park	Maywood	Rancho Santa Margarita	Torrance
Arcadia	Cudahy	Indian Wells	McFarland	Redlands	Tulare
Artesia	Culver City	Industry	Menifee	Redondo Beach	Tustin
Avalon	Cypress	Inglewood	Mission Viejo	Rialto	Twentynine Palms
Baldwin Park	Delano	Irvine	Monrovia	Ridgecrest	Upland
Barstow	Desert Hot Springs	Irwindale	Montclair	Rolling Hills	Ventura
Beaumont	Diamond Bar	Jurupa Valley	Montebello	Rolling Hills Estates	Victorville
Bell	Downey	La Canada Flintridge	Monterey Park	Rosemead	Villa Park
Bell Gardens	Duarte	La Habra	Moorpark	San Bernardino	Visalia
Bellflower	Eastvale	La Habra Heights	Moreno Valley	San Dimas	Walnut
Beverly Hills	El Monte	La Mirada	Murrieta	San Fernando	West Covina
Bishop	El Segundo	La Palma	Newport Beach	San Gabriel	West Hollywood
Blythe	Exeter	La Puente	Norco	San Jacinto	Westlake Village
Bradbury	Farmersville	La Verne	Norwalk	San Marino	Westminster
Brea	Fillmore	Laguna Beach	Ojai	Santa Ana	Whittier
Buena Park	Fontana	Laguna Hills	Ontario	Santa Barbara	Wildomar
Calabasas	Fountain Valley	Laguna Niguel	Orange	Santa Clarita	Woodlake (Three Rivers)
California City	Fullerton	Laguna Woods	Oxnard	Santa Fe Springs	Ventura
Calimesa	Garden Grove	Lake Elsinore	Palm Desert	Santa Monica	Yorba Linda
Camarillo	Gardena	Lake Forest	Palm Springs	Santa Paula	Yucaipa
Canyon Lake	Glendora	Lakewood	Palmdale	Seal Beach	Yucca Valley
Carpinteria	Goleta	Lancaster	Palos Verdes Estates	Sierra Madre	
Carson	Grand Terrace	Lawndale	Paramount	Signal Hill	
Cathedral City	Hanford	Lindsay	Perris	Simi Valley	
Cerritos	Hawaiian Gardens	Loma Linda	Pico Rivera	South El Monte	
Chino	Hawthorne	Lomita	Placentia	South Gate	
Chino Hills	Hemet	Long Beach	Pomona	South Pasadena	
Claremont	Hermosa Beach	Los Alamitos	Port Hueneme	Stanton	