



**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 Marginal
Cost-Based Dynamic Pricing Rates In
Compliance With Decision 22-10-022 And Load
Management Standards.

A.24-12-XXX

APPLICATION OF SOUTHERN CALIFORNIA EDISON COMPANY (U 338-E)
FOR APPROVAL OF MARGINAL COST-BASED DYNAMIC PRICING RATES IN
COMPLIANCE WITH DECISION 22-10-022 AND LOAD MANAGEMENT
STANDARDS

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December 20, 2024

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APPROVAL OF MARGINAL COST-BASED DYNAMIC PRICING RATES IN
COMPLIANCE WITH DECISION 22-10-022 AND LOAD MANAGEMENT
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I.

INTRODUCTION

Pursuant to Articles 1-2 of the Rules of Practice and Procedure (Rules) of the California Public Utilities Commission (Commission or CPUC), Southern California Edison Company (SCE) submits this application seeking the Commission’s authorization to implement the Marginal Cost-Based Dynamic Pricing Rates (Proposed Rates) described herein and in the concurrently served supporting testimony.

SCE submits this application in compliance with two requirements. First, Title 20 of California Code of Regulations (CCR), Section 1623(a)(2), part of the Load Management Standards (LMS) adopted by the California Energy Commission (CEC), requires that “[w]ithin twenty-one (21) months of April 1, 2023, [SCE] shall apply to its rate-approving body for approval of at least one marginal cost-based rate, in accordance with [Section] 1623(a)(1), for

each customer class.”¹ Second, Commission Decision (D.) 22-10-022 provided in relevant part that “SCE should be prepared to propose a fully developed and viable [California Independent System Operator] CAISO-based [Real Time Pricing] RTP offering in its next Phase 2 GRC.”²

As explained below, the Proposed Rates would fulfill these requirements because they would be both marginal cost-based rates and RTP rates tied to the actual market price of electricity in real time. Moreover, by incentivizing usage when electricity prices are lowest, the Proposed Rates would support overarching goals relating to grid efficiency, decarbonization, load management, reliability, and affordability.

Concurrently with the filing of this application, SCE is serving supporting testimony and witness qualifications in three exhibits identified as SCE-01, SCE-02, and SCE-03. SCE submits that this testimony, along with facts established in other Commission and CEC proceedings of which the Commission may take official notice, provides ample support for the Commission to grant approval of SCE’s proposal as a fulfillment of SCE’s obligations under the LMS and under D.22-10-022, and as a means of advancing grid management, efficiency, decarbonization, and climate goals.

¹ 20 CCR 1623(a)(2).

² D.22-10-022 at 11. SCE subsequently sought and was granted by letter of Executive Director Rachel Peterson an extension of the deadline to propose its RTP offering from March 29, 2024 to January 1, 2025.

II.

BACKGROUND

A. Evolution Of Rate Design Toward Real Time Pricing Models

Electric rate design has evolved in recent years toward models that seek to enhance grid efficiency by tying the customer's cost of electricity to the cost in real time of the electricity being supplied by a utility. As the Commission noted in a 2021 Decision:

[T]he Commission has encouraged regulated utilities to develop rate design options that more directly align with hourly grid conditions. For example, time-of-use (TOU) rates have been the default for commercial customers in California since 2012 and recent Commission decisions have adopted specific rates designed for customers that are operating or owning infrastructure to charge electric vehicles (EV).³

In addition to implementing TOU rates for commercial customers, SCE implemented default TOU rates for residential customers in 2020-2021.⁴ “Real time” or “dynamic” pricing represents a step beyond TOU rates in terms of aligning customer rates with supply costs. As the Commission stated in D.22-10-022:

Real Time Pricing as a concept allows customers to see the actual market cost of energy at the time of consumption. Access to this information could allow customers to individually vary their consumption within their own operating limitations. In practical terms customers could possibly avoid curtailments, or incurring extremely high costs, when demand is at its highest levels and incremental energy costs to the system are at their highest levels. Before the introduction of any form of time-differentiated rates customers paid rates based on the average costs incurred by the utility.

[TOU] rates, which are widely offered by SCE, are based on the incremental cost of energy incurred based on either peak (highest) demand or off-peak (lowest) demand. As demand increases the utility will dispatch incrementally more expensive sources of energy. Although TOU rate structures do not reflect the “real” costs at any given moment, TOU rates are intended to give customers incentives to either reduce their total energy consumption or shift consumption to cheaper off-peak periods.⁵

³ D.21-11-017 at 3.

⁴ See D.18-12-004.

⁵ D.22-10-022 at 5-6.

B. SCE's RTP Pilot

In D.21-12-015 (issued in Rulemaking 20-11-003), the Commission authorized SCE to implement a three-year (2022-2024) dynamic pricing pilot using a rate calculation platform developed by TeMix.⁶ This pilot builds on a previous pilot and uses a TeMix platform that follows the “UNIDE” roadmap proposed by Commission staff, which enables calculation of dynamic rates for flexible distributed energy resources such as electric vehicles and energy storage.⁷ The goal of the Pilot is to assist in assessing the costs and benefits of real-time market transactional rates, including required infrastructure, manufacturer interest, and customer impacts.

In approving the pilot, the Commission noted that under certain circumstances, “[d]ynamic rates based on real time pricing may . . . [r]educ[e] grid infrastructure costs and greenhouse gas emissions[,] [i]mprove reliability and integration of renewables[, and] [f]acilitate greater integration and fair compensation of distributed energy resources.”⁸

SCE is required to submit a final report on the pilot no later than March 1, 2025. The final report must include the following lessons learned:

- An evaluation of load responsiveness, including the efficacy of the pilot tariff in shifting loads enrolled in the program from peak to off-peak periods;
- The monthly bill impacts of the pilot dynamic rate in comparison to a customer’s otherwise applicable tariff; and
- A cost recover evaluation that assesses the impact of any under-collection of revenues associated with the pilot.⁹

⁶ D.21-12-015 at 96-97.

⁷ *Id.* at 97.

⁸ D.21-12-015 at 85-86.

⁹ *See id.* at 180.

C. Demand Flexibility Rulemaking (R.22-07-005)

The Commission’s Demand Flexibility Rulemaking, R.22-07-005 (DFOIR), is intended to establish demand flexibility policies that will enhance system reliability, promote affordability and equity, enable success in meeting future system load while achieving clean energy goals, encourage building and transportation electrification, reduce costs through more efficient pricing, and allow for customer participation in demand flexibility measures. On November 2, 2022, President Alice Reynolds issued a Scoping Memo and Ruling that required the Commission’s Energy Division to form and facilitate a working group to address, among other things, potential Commission guidance on demand flexibility rate designs in Track B of the rulemaking.

On October 11, 2023, the Track B working group submitted a report to the Commission presenting various recommendations on these topics by IOUs, the Energy Division, and other stakeholders. In the working group report, the Joint IOUs proposed a ‘stepping-stones’ approach to the long-term deployment of dynamic rates that comply with the CEC’s LMS and are informed by the principles, parameters, and structure vetted in Track B of the DFOIR. Comments on the working group proposals were submitted on November 13, 2023, and reply comments were submitted on December 22, 2023. A proposed decision is still pending and is anticipated soon, though the exact timing is not known yet.

D. CPUC And CEC Directives Underlying This Application

As noted above, SCE is submitting this application in compliance with requirements set by the CEC and the CPUC.

1. CEC Requirements

California Public Resources Code (PRC) § 25403.5 provides that the CEC “shall . . . adopt standards by regulation for a program of electrical load management for each utility

service area.”¹⁰ The regulations at 20 CCR §§ 1621-1623 were promulgated pursuant to the mandate of PRC § 25403.5 and set forth the LMS. Section 1621 articulates the LMS goal to “establish cost-effective programs and rate structures which will encourage the use of electrical energy at off-peak hours and encourage the control of daily and seasonal peak loads to improve electric system equity, efficiency, and reliability, lessen or delay the need for new electrical capacity, and reduce fossil fuel consumption and greenhouse gas emissions, thereby lowering the long-term economic and environmental costs of meeting the State's electricity needs.”¹¹ Among other provisions, Section 1621 articulates the goal that the LMS will “establish cost-effective programs and rate structures which will encourage the use of electrical energy at off-peak hours,” and among other provisions, provides that each IOU must submit for the CEC’s review and approval an LMS compliance plan by October 1, 2023. In its compliance plan, SCE describes marginal cost-based rates consisting of hourly dynamic prices for the generation, distribution, and transmission functions. Section 1623 mandates several technical compliance actions in development of marginal cost-based rates that meet the requirements of this section. Of particular relevance to this application, Section 1623 requires that “[w]ithin twenty-one (21) months of April 1, 2023, each Large IOU shall apply to its rate approving body for approval of at least one marginal cost-based rate, in accordance with 1623(a)(1), for each customer class.”¹²

2. CPUC Requirements

In D.22-10-022, the Commission resolved issues pertaining to SCE’s 2021 GRC Phase 2 proceeding, including in regard to RTP rate design proposals. This decision adopted SCE’s proposal to leave its existing RTP rate offerings in place while a second pilot program was underway testing a new RTP offer using CAISO real-time prices and new customer technology. However, as noted, the decision also directed that “SCE should be prepared to propose a fully

¹⁰ PRC § 25403.5.

¹¹ 20 CCR § 1621(a).

¹² 20 CCR § 1623(a)(2).

developed and viable CAISO-based RTP offering in its next Phase 2 GRC.”¹³ On January 8, 2024, SCE filed a letter to the Commission requesting an extension of the deadline to submit a CAISO-based RTP Proposal, from March 29, 2024 (SCE’s filing date for its current GRC Phase 2 application) to January 1, 2025 (the filing date for RTP rate designs informed by the DFOIR). SCE requested this extension in order to allow sufficient time to incorporate lessons learned from SCE’s dynamic rate pilot and Commission guidance from the DFOIR in its proposed CAISO-based RTP offering. On February 2, 2024, the Commission approved SCE’s request for an extension to file a CAISO-based RTP proposal by January 1, 2025 in a standalone application.

III.

SCE’S APPLICATION SHOULD BE APPROVED

This application should be approved because: (A) the Proposed Rates meet the requirements set by (i) the CEC in Section 1623 of the LMS (requiring SCE to apply to the CPUC for approval of marginal cost-based rates) and (ii) the CPUC in D.22-10-022; (B) SCE’s Proposal would support Commission and CEC rate innovation efforts, and contribute to public policy goals for rate design, decarbonization, efficiency, dynamic pricing, technological advancement, reliability, and affordability; and (C) SCE’s application meets all applicable statutory and regulatory requirements.

A. The Proposed Rates Meet The Requirements Set By The LMS And D.22-10-022

The Proposed Rates meet the LMS requirements by developing marginal cost-based rates for each customer class by using the underlying generation, and distribution capacity marginal costs from its 2021 GRC Phase 2 proceeding as the basis for its rate design. As explained in the concurrently-served testimony, for transmission costs, SCE proposes a novel approach of functionalizing such costs as time-coincident and non-time-coincident by applying the 12-CP

¹³ D.22-10-022 at 11.

approach approved by the Federal Energy Regulatory Commission (FERC) and used in the allocation of transmission costs in FERC rate proceedings. For generation energy marginal costs, the Proposed Rates contain the CAISO SCE-DLAP day-ahead that includes the associated GHG emissions costs embedded in those DLAP prices. The Proposed Rates meet the 2021 GRC Phase 2 decision requirements by utilizing CAISO pricing.

B. The Proposed Rates Are Consistent With State, Commission, And CEC Goals For Innovative, Dynamic Rates

The Proposed Rates would support the achievement of goals set by the 2021 GRC Phase 2 Decisions, R.22-07-005, and the LMS, by initiating a rate with a dynamic component designed to incentivize customers to calibrate usage decisions based on real-time supply pricing and grid conditions. The Proposed Rates support overarching State goals relating to grid efficiency, decarbonization, load management, reliability, and affordability by better aligning demand and usage with available supply.

The Proposed Rates also would incentivize adoption of technologies that automate and maximize efficient usage. The Proposed Rates' billing attributes would be reflective of a given customer, in a manner intended to accurately reflect grid conditions and SCE's cost of providing service to the customer, particularly insofar as the dynamic component of the rate is aligned with the costs of electricity service that are dynamic and variable based on hourly time of use.

In addition, the Proposed Rates would be consistent with the Electric Rate Design Principles that rates should be "based on marginal cost," "based on cost causation," "should encourage economically efficient (i) use of energy, (ii) reduction of greenhouse gas emissions, and (iii) electrification," "should encourage customer behaviors that improve electric system reliability in an economically efficient manner," and "should encourage customer behaviors that optimize the use of existing grid infrastructure to reduce long-term electric system costs."¹⁴

¹⁴ See D.23-04-040 at 36 (Electric Rate Design Principles (b) – (h)).

The Proposed Rates also would be consistent with the Demand Flexibility Design Principles that “[d]ynamic prices should, to the extent feasible, accurately incorporate the marginal costs of energy, generation capacity, distribution capacity, and transmission capacity based on grid conditions,” and “[c]ustomers . . . should have access to tools and mechanisms that enable them to plan and schedule their energy use while managing the monthly variability of their bills.”¹⁵

C. SCE’s Application Meets Applicable Statutory And Regulatory Requirements

SCE submits this application in compliance with all applicable provisions of the Commission’s Rules. Information required by particular rules is provided below.

1. Rules 2.1(a)-(b) – Applicant’s Legal Name, Place Of Business, Organizational Details, And Contact Information

SCE’s legal name is Southern California Edison Company. SCE is a corporation organized and operating in and under the laws of the State of California. SCE 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 California law and regulation, and 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, CA 91770. SCE’s post office address is Post Office Box 800, Rosemead, CA 91770, and its telephone number is (626) 302-1212. SCE’s attorneys in this matter are James Whooley and Anna

¹⁵ See *id.* (Demand Flexibility Design Principles (b), (e)).

Valdberg. SCE consents to e-mail service in regard to this application. Correspondence or communications regarding this application should be addressed to:

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2. Rule 2.1(c) – Proposed Category For Proceeding, Need For Hearing, Issues To Be Considered, And Proposed Schedule

a) Categorization

SCE proposes that the proceeding addressing this application be categorized as “Ratesetting,” pursuant to Commission Rule 1.3(c) and (g), and (if the Commission deems applicable) Rule 7.1(e)(2).

b) Need For Hearings

SCE does not anticipate hearings being necessary to resolve this application, as the issues presented raise no disputed facts that would require evidentiary hearings, and the factual and legal issues in question can be resolved through the presentation of written testimony and other documentary evidence, as well as briefing from SCE and any other party.

c) Issues To Be Considered

The issues¹⁶ to be considered are:

¹⁶ Rule 2.1(c) states in relevant part that an application shall state “the issues to be considered including relevant safety considerations.” SCE is not aware of any particular safety considerations that arise in relation to the Proposed Rate.

- Whether the Proposed Rates are just and reasonable and otherwise compliant with Public Utilities Code Section 451.
- Whether the Proposed Rates are consistent with the goals and milestones of (i) the CEC’s Load Management Standards (Public Resources Code Section 25403.5, CCR 20 §§ 1621-1623, and CEC proceeding 23-LMS-01); (ii) Commission Rulemaking 22-07-005; and (iii) Commission proceeding A.20-10-012 (specifically, D.22-10-022 in that proceeding).
- Whether the Proposed Rates satisfy the requirement of 20 CCR § 1623(a)(2), part of the CEC’s Load Management Standards, which requires that “[w]ithin twenty-one (21) months of April 1, 2023, [SCE] shall apply to its rate-approving body for approval of at least one marginal cost-based rate, in accordance with [Section] 1623(a)(1), for each customer class.”¹⁷
- Whether the Proposed Rates satisfy the requirement of D.22-10-022 that “SCE should be prepared to propose a fully developed and viable [California Independent System Operator] CAISO-based [Real Time Pricing] RTP offering in its next Phase 2 GRC.”¹⁸
- Whether the Commission should approve this application as a means of promoting the use of dynamic rates in rate design to encourage efficiency, affordability, and optimal use of grid supply.

¹⁷ 20 CCR § 1623(a)(2).

¹⁸ D.22-10-022 at 11.

- If the Commission grants the application, what follow-up measures should the Commission order, such as advice letters, evaluation measures, and marketing, education, and outreach.

d) Proposed Schedule

SCE proposes the following schedule for Commission resolution of this application.

<u>Date</u>	<u>Event</u>
Application filed	December 20, 2024
Protests/Responses	February 3, 2025
Reply to Protests/Responses	February 13, 2025
Prehearing/Status Conference	March 14, 2025
Scoping Memo	May 2, 2025
Intervenor Testimony	July 31, 2025
Rebuttal Testimony	August 29, 2025
Meet and Confer deadline (Rule 13.9) Parties inform the ALJ whether hearings are necessary and identify the specific disputed issues of material fact, witness lists and cross- examination estimates.	September 19, 2025
Case Management Statement	October 10, 2025
Evidentiary Hearing, If Needed	November 21, 2025
Concurrent Opening Briefs	If no hearing - January 2026
	If hearing – February 2026
Concurrent Reply Briefs	If no hearing - February 2026
	If hearing – March 2026

Proposed Decision	No later than 90 days after submission of briefing
Final Decision	No sooner than 30 days after Proposed Decision

3. Rule 2.2 – Articles Of Incorporation

A copy of SCE’s Certificate of Amended and Restated Articles of Incorporation, effective on August 28, 2023, and presently in effect, certified by the California Secretary of State, was filed with the Commission on December 15, 2023, in connection with A.23-12-011, 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 M Preference Stock filed with the California Secretary of State on November 17, 2023, and presently in effect, certified by the California Secretary of State, was filed with the Commission on December 15, 2023, in connection with A.23-12-011, and is incorporated herein by this reference.

A copy of SCE’s Certificate of Determination of Preferences of the Series N Preference Stock filed with the California Secretary of State on May 8, 2024, and presently in effect, certified by the California Secretary of State, was filed with the Commission on May 15, 2024, in connection with A.24-05-007, 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 and have been sent to the Commission with an Energy Division Central Files Document Coversheet dated March 18, 2024, pursuant to General Orders 65-A and 104-A.

4. Authority To Increase Rates -Rule 3.2

Rule 3.2 requires that applicants submit certain data in applications for authority to increase rates or to implement changes that would result in increased rates. This Application

seeks changes that would not result in increased rates. Accordingly, the requirements of Rule 3.2 are not applicable. However, SCE is providing certain material covered by Rule 3.2 for informational purposes.

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

Consistent with Rule 3.2(a)(1), Attachment A to this Application contains copies of SCE's balance sheet as of September 30, 2024, and income statement for the period ended September 30, 2024, the most recent period available.

b) Present and Proposed Rates – Rule 3.2(a)(2) And Rule 3.2(a)(3)

Because SCE is not requesting to increase rates, SCE is not providing a rate impact table as part of this Application. 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.

c) Summary of Earnings – Rule 3.2(a)(5)

Consistent with Rule 3.2(a)(5), Attachment B contains a copy of SCE's summary of earnings, updated on September 30, 2024, the most recent period available.

d) 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 any costs to SCE's customers.

5. Notice – California Public Utilities Code Section 454

Notice pursuant to California Public Utilities Code Section 454 was not provided because the Commission in Rule 3.2(d) implemented this requirement only for applications that increase rates.

6. 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 Public Advocates Office and on the service lists for CPUC proceedings R.22-07-005 and A.20-10-012. An informational copy of this application will be provided to the CEC.

IV.

SUMMARY OF REQUESTS AND CONCLUSION

SCE respectfully requests that the Commission approve this application and grant the following relief:

1. Approve SCE's request for authorization of SCE's proposed Marginal Cost-Based Dynamic Pricing Rates (the Proposed Rates) as described in this application brief and in the concurrently-served supporting testimony.
2. Provide guidance and direction with respect to SCE's implementation of the Proposed Rates, including as appropriate any necessary Advice Letter submissions, proposed tariffs, direction regarding timing and customer education, and related implementation matters.
3. Grant any additional relief that the Commission considers necessary.

Respectfully submitted,

ANNA VALDBERG
JAMES WHOOLEY

/s/ James Whooley

By: James Whooley

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December 20, 2024

VERIFICATION

I, Michael Backstrom, declare and state:

I am Vice President of Regulatory Affairs for Southern California Edison Company (SCE). I am authorized to verify this application on SCE's behalf, pursuant to Rules 1.11 and 2.1 of the Rules of Practice and Procedure of the California Public Utilities Commission. On information and belief, I affirm that the contents of this application 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 December 20, 2024, at Rosemead, California.

/s/ Michael Backstrom

Michael Backstrom
Vice President, Regulatory Affairs
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
NINE MONTHS ENDED SEPTEMBER 30, 2024

(In millions)

OPERATING REVENUE	<u>\$ 13,576</u>
OPERATING EXPENSES:	
Purchase power and fuel	4,140
Operation and maintenance	3,913
Wildfire-related claims, net of insurance recoveries	614
Wildfire insurance fund expense	109
Depreciation and amortization	2,136
Property and other taxes	<u>474</u>
Total operating expenses	<u>11,386</u>
OPERATING INCOME	2,190
Interest expense	(1,185)
Other income, net	<u>408</u>
INCOME BEFORE TAXES	<u>1,413</u>
	<u>94</u>
NET INCOME	<u>1,319</u>
Less: Preference stock dividend requirements	<u>129</u>
NET INCOME AVAILABLE FOR COMMON STOCK	<u><u>\$ 1,190</u></u>

SOUTHERN CALIFORNIA EDISON COMPANY

BALANCE SHEET
SEPTEMBER 30, 2024
ASSETS
(in millions)

UTILITY PLANT:

Utility plant, at original cost	\$ 66,279
Less- accumulated provision for depreciation and amortization	13,833
	<u>52,446</u>
Construction work in progress	5,521
Nuclear fuel - at amortized cost	125
	<u>58,092</u>

OTHER PROPERTY AND INVESTMENTS:

Nonutility property - less accumulated depreciation of \$107	199
Nuclear decommissioning trusts	4,424
Other investments	32
	<u>4,655</u>

CURRENT ASSETS:

Cash and equivalents	91
Receivables, less allowances of \$340 for uncollectible accounts	2,772
Accrued unbilled revenue	1,200
Inventory	533
Prepaid expenses	103
Regulatory assets	2,168
Wildfire insurance fund contributions	138
Other current assets	314
	<u>7,319</u>

DEFERRED CHARGES:

Regulatory assets (Includes \$1,524 related to VIEs)	8,660
Wildfire insurance fund contributions	1,913
Operating lease right-of-use assets	1,173
Long-term insurance receivables	118
Long-term insurance receivables due from affiliate	281
Other long-term assets	2,312
	<u>14,457</u>

\$ 84,523

SOUTHERN CALIFORNIA EDISON COMPANY

BALANCE SHEET
SEPTEMBER 30, 2024
CAPITALIZATION AND LIABILITIES
(in millions)

CAPITALIZATION:

Common stock	2,168
Additional paid-in capital	8,436
Accumulated other comprehensive loss	(10)
Retained earnings	8,385
Common shareholder's equity	<u>18,979</u>
Long-term debt (Includes \$1,492 related to VIEs)	28,582
Preferred stock	<u>2,495</u>
Total capitalization	<u>50,056</u>

CURRENT LIABILITIES:

Short-term debt	548
Current portion of long-term debt	1,248
Accounts payable	2,191
Wildfire-related claims	39
Accrued interest	367
Regulatory liabilities	874
Current portion of operating lease liabilities	123
Other current liabilities	<u>2,104</u>
	<u>7,494</u>

DEFERRED CREDITS:

Deferred income taxes and credits	8,470
Pensions and benefits	105
Asset retirement obligations	2,531
Regulatory liabilities	10,310
Operating lease liabilities	1,050
Wildfire-related claims	1,055
Other deferred credits and other long-term liabilities	<u>3,452</u>
	<u>26,973</u>

\$ 84,523

Appendix B Summary of Earnings
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Southern California Edison
2021 GRC Summary of Earnings
PTYR 2022 (RO Model 6.2)
Thousands of Dollars

Southern California Edison Summary of Earnings 2022 GRC Adopted Revenue Requirement Thousands of Dollars		
Line		
No.	Item	Total
1.	Base Revenues	7,259,220
2.	Expenses:	
3.	Operation & Maintenance	2,448,763
4.	Depreciation	2,011,669
5.	Taxes	663,739
6.	Revenue Credits	(163,462)
7.	Total Expenses	4,960,710
8.	Net Operating Revenue	2,298,511
9.	Rate Base	29,949,906
10.	Rate of Return	7.67%

Southern California Edison
2021 GRC Summary of Earnings
PTYR 2023 (RO Model 6.3)
Thousands of Dollars

Southern California Edison Summary of Earnings 2023 GRC Adopted Revenue Requirement Thousands of Dollars		
Line		
No.	Item	Total
1.	Base Revenues	7,792,631
2.	Expenses:	
3.	Operation & Maintenance	2,603,404
4.	Depreciation	2,132,791
5.	Taxes	760,326
6.	Revenue Credits	(164,176)
7.	Total Expenses	5,332,345
8.	Net Operating Revenue	2,460,286
9.	Rate Base	32,052,516
10.	Rate of Return	7.68%

Southern California Edison
2021 GRC Summary of Earnings
2024 PTYR Application (RO Model 7.0)
Thousands of Dollars

Southern California Edison Summary of Earnings 2024 GRC Application Revenue Requirement Thousands of Dollars		
Line		
No.	Item	Total
1.	Base Revenues	8,638,835
2.	Expenses:	
3.	Operation & Maintenance	3,007,132
4.	Depreciation	2,304,660
5.	Taxes	848,780
6.	Revenue Credits	(165,996)
7.	Total Expenses	5,994,575
8.	Net Operating Revenue	2,644,260
9.	Rate Base	34,444,200
10.	Rate of Return	7.68%