BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

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Application of Southern California Edison Company (U 338-E) for Authorization to Deploy Advanced Metering Infrastructure 2.0 and for Associated Cost Recovery.	A.26-03-XXX

APPLICATION OF SOUTHERN CALIFORNIA EDISON COMPANY FOR AUTHORIZATION TO DEPLOY ADVANCED METERING INFRASTRUCTURE 2.0 AND FOR ASSOCIATED COST RECOVERY

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APPLICATION OF SOUTHERN CALIFORNIA EDISON COMPANY (U 338-E) FOR AUTHORIZATION TO DEPLOY ADVANCED METERING INFRASTRUCTURE 2.0 AND FOR ASSOCIATED COST RECOVERY

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I.
INTRODUCTION

Pursuant to Articles 1-3 of the Rules of Practice and Procedure (Rules) of the Public Utilities Commission of the State of California (Commission or CPUC), Southern California Edison Company (SCE) submits this application seeking the Commission's authorization to deploy the Advanced Metering Infrastructure (AMI) 2.0 described herein, along with approval of associated cost recovery.

As detailed in the supporting testimony, the current generation of "AMI 1.0" meters is nearing the end of its intended 20-year lifespan. Failure rates for AMI 1.0 meters have been rising, the technology those meters use is outdated, and the industry standard for utility metering has advanced substantially. Moreover, the only vendor that can provide replacement AMI 1.0 meters is not contractually committed to provide such replacements beyond 2029, and vendor support and maintenance of AMI 1.0 vendors is expected to cease in 2035. Nor does the current proprietary wireless communication network for AMI 1.0 allow SCE to selectively replace failed meters with newer models. As such, a hybrid approach in which AMI 1.0 and 2.0 meters operate

on the same network is not possible; once vendor support for the 1.0 networks concludes in 2035, SCE must have completed its transition to the 2.0 network.

SCE has been guided by five objectives in selecting the technology for AMI 2.0:

1. Preserving core functionality and benefits of AMI 1.0.
2. Promoting affordability, both to help reduce bills or cost outlays for individual participating customers, and to reduce capital expenditures through demand flexibility as the grid grows to meet increasing demand and support California's clean energy transition.
3. Reducing obsolescence risk that might require costly upgrades during the useful life of the new AMI system, given rapid changes in customer needs and the technology landscape.
4. Enhancing the distributed intelligence across the grid edge to reduce safety risks and improve reliability and resiliency.
5. Aligning with industry standards to avoid vendor-specific risk.

Based on its rigorous evaluation process, SCE has determined that the optimal approach is to install next generation metering with communications hardware and software that can meet customer needs over the lifecycle of the meters and provide new affordability, reliability, and safety benefits. SCE's proposed AMI 2.0 system will preserve all existing capabilities while offering affordability and demand management benefits to customers, improved reliability through enhanced sensing and analytical functions, more granular insights and response, and advanced local computing features to support safety and efficiency.

As discussed in the supporting testimony, SCE is seeking $1,865 million in cost recovery to deploy approximately 5.7 million AMI 2.0 meters (approximately 5.4 million AMI 1.0 meter replacements and 300,000 new meters) and associated software and communications systems across its service area from 2029 through 2033.

This application should be approved because (1) the proposed AMI 2.0 infrastructure will provide affordability benefits and lasting value for SCE's customers, reflects a reasonable

business case, technology choices, and deployment plan, and aligns with State policy objectives; and (2) this application meets all other applicable requirements under the Commission's rules.

II.

SUMMARY OF SUPPORTING TESTIMONY

The concurrently served testimony from SCE witnesses includes the following exhibits:

- SCE-01 (Overview of Request) – In this exhibit, the SCE witness provides an overview of the facts supporting this application, including the approaching obsolescence of the current generation of meters; replacement options; the optimal option based on benefits and costs; technology and deployment matters; and associated revenue requirements and ratemaking proposals.
- SCE-02, Volume 1 (Need for Replacement of the AMI 1.0 System) – In this exhibit volume, the SCE witness explains why the current generation of AMI 1.0 meters requires programmatic replacement in the coming years.
- SCE-02, Volume 2 (Recommended AMI 2.0 System and Analysis of Alternatives) – In this exhibit volume, SCE witnesses describe replacement alternatives and SCE's recommended AMI 2.0 option, which would entail a new generation of meters with advanced hardware and software features that enable improved data insights, processing, and safety and cybersecurity features.
- SCE-03 (Technology and System Costs) – In this exhibit, SCE witnesses describe the technology costs of SCE's proposed AMI 2.0 generation of meters and supporting systems.
- SCE-04 (Deployment Costs) – In this exhibit, SCE witnesses describe the activities required for SCE's proposed AMI 2.0 deployment approach, including vendor support and associated costs.
- SCE-05 (Benefits) – In this exhibit, the SCE witness describes and quantifies the benefits that will result from SCE's proposed AMI 2.0 generation of meters.

- SCE-06 (Benefit-Cost Ratios, Revenue Requirement, and Ratemaking Proposals) – In this exhibit, SCE witnesses describe the benefit-cost ratio, and SCE's proposed ratemaking for the investment needed to deploy, operate, and maintain SCE's proposed AMI 2.0 generation of meters.
- SCE-07 (Witness Qualifications) – The qualifications of all of the witnesses who provide testimony in the preceding exhibits are set forth in SCE-07.

Workpapers supporting the testimony will be made available separately to the Commission and all parties receiving service of this application. To the extent confidential information is redacted from publicly available versions of this testimony and workpapers, unredacted versions of those materials will be sent to the Commission along with a supporting declaration of confidentiality. SCE will supplement its testimony and/or workpapers, and submit other additional evidence, as warranted in the course of this proceeding.

III.

FACTS SUPPORTING APPLICATION

A. The AMI 1.0 Generation Of Meters Must Be Replaced By 2035

As discussed in Exhibit SCE-02, Volume 1, over 20 years ago, SCE began to engage with the Commission and stakeholders to lay the groundwork for SCE's first generation of AMI "smart" meters, referred to as Edison SmartConnect (SmartConnect or AMI 1.0). Implementation of AMI 1.0 required a comprehensive effort to deploy the meters and the wireless communications network necessary to enable their capabilities, and to update back-office systems, customer programs and services, and customer service operations. The Commission approved SCE's SmartConnect meter proposal in three phases starting in 2005, with full deployment authorized in 2008.[1] SCE was authorized $12 million for Phase 1, $45.2 million for Phase 2, and $1.63 billion for Phase 3.

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1 *See* Decision (D.) 05-12-001; D.07-07-042; D.08-09-039.

AMI 1.0 meters brought extensive benefits to SCE's customers and the grid, contributing to efficiency and State policy goals by replacing manual meter reading with wireless digital metering, and by providing hourly usage data that enabled time-of-use (TOU) rates and new customer programs. AMI 1.0 meters also have supported remote connect and disconnect capabilities, improved billing accuracy, reduced operational costs, and delivered outage-related information. The SmartConnect program was one of the first large-scale two-way AMI deployments in North America and received national recognition.

AMI 1.0 meters are now reaching the end of their intended lifespan and need to be replaced. Failure rates are increasing as the meters approach 20 years of age. SCE's current agreement with the only vendor that can provide replacement AMI 1.0 meters will end in 2029, with vendor support and maintenance of AMI 1.0 expected to cease in 2035. Each year that deployment is delayed beyond 2029 would increase the cost of maintaining the AMI 1.0 system by approximately $140 million (nominal), only for AMI 1.0 meters deployed during that time to require replacement again by 2035. Moreover, the end of system support will significantly increase operational and maintenance risks in 2035.

B. SCE Has Determined The Best Approach For Replacing AMI 1.0 Based On A Robust Review Of Implementation Approaches

As discussed in Exhibit SCE-02, Volume 2, SCE considered four different implementation approaches for replacing the AMI 1.0 generation of meters, including (i) a baseline replacement of AMI 1.0 with AMI 2.0 hardware, an interoperable mesh[2] communications network, and supporting back-office systems that would maintain only basic AMI functionality (Baseline Replacement); (ii) a limited upgrade adding increased wireless network capacity and software to use meters as intelligent devices that improve safety, reliability, and customer programs (Limited Upgrade); (iii) a value upgrade adding dynamic load

[2] Prior to initiating deployment of the mesh, SCE will continue to evaluate pricing and deployment options for cellular as the primary communication network. SCE may adjust its strategy if new cost information comes to light and, if warranted, seek to provide updated information accordingly.

management software to deliver substantial affordability and demand flexibility (SCE's Proposed AMI 2.0 System); and (iv) an advanced approach that would add further wireless network enhancements and software to enable advanced capabilities such as targeted load shedding, and microgrid controller interfaces (Advanced AMI).

Of these options, SCE has determined that SCE's Proposed AMI 2.0 System – the value upgrade – is the optimal choice. While it requires a greater upfront investment than Baseline Replacement and Limited Upgrade, it provides the highest level of affordability benefits over the 20-year service life of the system.

As explained in Exhibit SCE-02, Volume 2, SCE's Proposed AMI 2.0 System provides the best balance of benefits and capabilities relative to costs in a number of areas, including (i) Affordability, by limiting individual customer load and thereby avoiding costly panel, service, and line upgrades that customers pay for, by delivering personalized and actionable insights that will allow customers to lower or shift consumption and thereby reduce their energy costs and system costs borne by all customers, and by expanded, dynamic load management to shift or shave peaks, which will defer capacity upgrades and reduce costs for all SCE customers; (ii) Reliability, through incipient fault detection, precise fault location, and early outage confirmation that will reduce customer minutes of interruption; and (iii) Safety, also through incipient fault detection, which will reduce the risk of wildfire ignitions and will be especially impactful on SCE's secondary system (from the primary transformer to customer premises) as there are no other sensing devices on this part of the grid. SCE's proposed approach to AMI 2.0 provides a favorable Benefit-Cost Ratio (BCR) of 7.56 when compared to the incremental cost of simply replacing AMI 1.0, which is achieved through a combination of societal benefits (reduced outage time and wildfire risk reduction) and customer bill benefits (deferred or avoided distribution costs, avoided energy procurement costs, operational cost reductions).

C. Proposed Implementation Plan

As discussed in Exhibit SCE-04, SCE proposes a multi-year deployment to replace the AMI 1.0 generation of meters with AMI 2.0 meters and implement the corresponding communications, network, and support systems needed to operationalize this new system of meters. Deployment readiness would begin with a small-scale deployment in late 2028 to validate meter performance, network readiness, and field installation processes. Mass deployment would follow from 2029 through 2033, with the installation of approximately 5.7 million meters across SCE's service area.

SCE will use a competitive procurement process to select third-party vendors to install standard residential and commercial meters. SCE crews will install meters with higher than standard voltage as well as more complex metering arrangements for large-load customers.

Existing AMI 1.0 meters will be removed and replaced as part of this effort, and SCE will operate the AMI 1.0 and AMI 2.0 networks concurrently during the transition. Following deployment, AMI 2.0 will transition to steady state operations, with ongoing operations and maintenance recovered through subsequent (General Rate Cases) GRCs.

D. Revenue Requirement And Cost Recovery

As discussed in Exhibit SCE-06, in order to achieve effective and timely implementation of its proposed AMI 2.0 plan, SCE proposes cost recovery of $1,865 million of revenue requirement over the 2026-2033 deployment period. SCE proposes to establish an AMI 2.0 Memorandum Account effective as of the filing date of this application and then transfer those amounts to a two-way AMI 2.0 Balancing Account when the Commission issues a final decision resolving this application. As discussed in Exhibit SCE-06, SCE requests the Commission establish a "reasonableness threshold" of 110 percent of the total AMI 2.0 capitalized software forecast of $444.6 million over the 2026-2033 period. The 110 percent reasonableness threshold in 2025 constant dollars equates to $489 million in capital expenditures ($444.6 million multiplied by 110 percent). Under SCE's proposal, SCE's capitalized software costs that exceed

the Commission-authorized amounts would be subject to future recovery via Tier 2 advice letters if below the 110 percent threshold, or a future application if above the 110 percent threshold. The balancing account would record incremental Operation and Maintenance (O&M) costs and capital-related revenue requirements, including depreciation, return, and taxes. Beginning in 2028, SCE proposes to recover a forecast AMI 2.0 revenue requirement in rates, subject to true-up based on recorded costs. This framework ensures timely cost recovery while limiting the revenues recovered through rates to reasonable and recorded AMI 2.0 costs.

IV.

SCE'S APPLICATION SHOULD BE APPROVED

This application should be approved, and the Commission should authorize SCE to implement its proposed AMI 2.0 plan, for two overarching reasons. First, the proposed AMI 2.0 infrastructure would provide important customer and affordability benefits, reflects a reasonable business case, deployment plan, and technology choices, and is aligned with State policy goals.[3] Second, this application meets all other applicable requirements under the Commission's rules.

A. SCE's AMI 2.0 Proposal Is Designed To Provide Affordability And Other Benefits While Updating Meter Technology In Accordance With State Policy Objectives

SCE's AMI 2.0 proposal meets the need for cost-effective replacement of the AMI 1.0 system, which relies on legacy technology and is nearing the end of its intended lifespan, and responds to customer affordability challenges and the need to support system growth driven by increasing load. Advances in metering technology since SCE deployed AMI 1.0 have enabled new capabilities that provide meaningful customer benefits, and SCE seeks to leverage these capabilities in deploying 5.7 million new meters across its service area by 2033. SCE's proposed AMI 2.0 plan would address these issues by deploying a system that will reduce grid buildout,

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[3] *Cf.* D.08-09-039, Finding of Fact 2 (finding, in relation to AMI 1.0 application, that proposed metering infrastructure should satisfy State policy objectives, reflect reasonable business case and deployment plan, be cost-effective and provide lasting value for customers, and include reasonable technology selection); D.97-12-048, 1997 WL 809073 (CPUC) (11/3/97) at *34 (meters that are "accurate, reliable, and safe" are key component of electricity service for California residents).

provide customers with advanced means to manage their usage, improve reliability, and reduce wildfire risk through advanced sensing and analytics – with benefits significantly exceeding the costs. As discussed in Exhibit SCE-06, on an incremental basis, the proposed AMI 2.0 approach has a Benefit-Cost Ratio (BCR) greater than 1.0 relative to the baseline replacement and other evaluated alternatives, indicating that incremental benefits exceed incremental costs over the 20-year lifetime of the AMI 2.0 meters. As discussed in Exhibit SCE-05, benefits include reduced outage time; wildfire risk reduction; operational cost reduction; avoided/deferred distribution costs; and avoided energy procurement. The results presented in Exhibit SCE-02, Volume 2 demonstrate that the proposed AMI 2.0 deployment should provide net benefits to customers over the life of the investment.

SCE's AMI 2.0 proposal also is aligned with State policy goals,[4] preserving core metering functions (including digital usage measurement, outage notification, remote service operations, and billing support) while expanding the frequency and availability of usage data. AMI 2.0 meters would have integrated communications and computing capability, and the system would support grid operations functions such as situational awareness, fault detection, and faster outage detection and restoration to reduce safety and reliability risks. The proposed system is also designed to support distributed energy resources, electric vehicle charging management, and more robust demand flexibility to help meet customer demand in a more timely manner, increase utilization of the electric infrastructure, and reduce bills.

AMI 2.0 would be based on open, non-proprietary standards and interoperable system architecture to maintain technology flexibility. AMI 2.0 will enable more personalized and actionable insights through customer-facing applications to enhance active management of

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[4] *See* Public Utilities Code § 8360 (it is "the policy of the state to modernize the state's electrical transmission and distribution system" with a "smart grid" that "can meet future growth in demand"); *id*. § 8366 (stating that "[s]mart grid technology may be deployed in a manner to maximize the benefit and minimize the cost to ratepayers and to achieve the benefits of smart grid technology," and that Commission, California Energy Commission, Independent System Operator, and electrical corporations "shall evaluate the impact of deployment on major initiatives and policies," including (among others) "[i]mplementation of new advanced metering initiatives").

consumption, with incremental benefits that would exceed incremental costs over the life of the system. These characteristics support State policy objectives of modernizing and supporting grid infrastructure and operations (including interoperable smart grid systems), deploying cost-effective digital technologies, and enabling customer access to information.

SCE's AMI 2.0 business case and deployment plan are reasonable because replacement of the current generation of meters is required to avoid the operational and customer impacts associated with rising AMI 1.0 failure rates, including increased manual billing workloads, more frequent field visits, and a growing risk of replacement backlogs. As discussed, SCE evaluated multiple alternatives to replace its AMI 1.0 infrastructure, including "like for like" replacement and higher cost alternatives. SCE's proposed AMI 2.0 approach provides the lowest net cost among the alternatives evaluated. Moreover, SCE's business case and deployment plan are reasonable because they reflect established deployment practices, SCE's experience with prior AMI implementation, and due diligence through industry benchmarking and market analysis. SCE proposes a multi-year deployment that begins with a limited initial deployment, followed by a full-scale rollout across its service area. During the transition period, SCE will operate the AMI 1.0 and AMI 2.0 networks concurrently to maintain system functionality. Meter installation services will be procured through a competitive process, with third-party vendors installing standard meter forms and SCE crews installing more complex configurations. The deployment plan is structured to support testing, logistics coordination, and large-scale installation activities.

Finally, SCE's technology choices reasonably reflect currently available technologies and standards. The proposed AMI 2.0 system consists of metering hardware, a communications network, and supporting software for data management and analytics. These technologies would replace or upgrade existing proprietary systems that do not support interoperability, scalability, or the increased data volumes required for AMI 2.0. The currently proposed communications network is Internet Protocol based and would use a combination of mesh, cellular, and satellite

technologies to support different operating environments.[5] SCE selected technologies that support interoperability through nonproprietary standards, and can be integrated with existing and new enterprise and grid systems. Technology cost forecasts were informed by vendor Requests for Information (RFIs) and Requests for Proposals (RFPs), historical data, internal subject matter expertise, and benchmarking, and reflect capabilities and pricing currently available in the market.

B. 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. Rule 2.1

Commission Rule 2.1 requires that all applications state the authorization or relief sought; cite the statutory provision or other authority under which that relief is sought; and be verified by the applicant. Rules 2.1(a), 2.1(b), and 2.1(c) are addressed separately below.

The relief being sought through this application is:

1. That the Commission approve SCE's request for authorization to deploy AMI 2.0 meters as described in this application, in the concurrently served supporting testimony and workpapers, and in any supplemental testimony or evidence SCE may submit.
2. That the Commission approve SCE's request for cost recovery in rates of $1,865 million in revenue requirement over the 2026-2033 deployment period.
3. That the Commission approve SCE's request to establish (i) an AMI 2.0 Memorandum Account, and (ii) a two-way AMI 2.0 Balancing Account, with authorization to record incremental AMI 2.0 costs incurred from the date of filing of

[5] As noted, SCE will continue to evaluate pricing and deployment options for cellular as the primary communication network, and may adjust its proposed strategy as warranted by updated cost information.

this application in the Memorandum Account, and authorization to transfer amounts recorded in the Memorandum Account to the Balancing Account upon issuance of a final Commission decision.

4. That the Commission provide guidance and direction with respect to SCE's deployment of AMI 2.0 meters, including as appropriate through any necessary Advice Letter submissions.
5. That the Commission grant any other relief it deems necessary.

The statutory and other authority under which SCE seeks this relief includes California Public Utilities Code Sections 451, 454, 701, 701.1, 761, 770, 8360, and 8366; the Commission's Rules of Practice and Procedure; and any other authority the Commission may deem applicable. This Application has been verified by an SCE Officer (see below), consistent with Rule 1.11 of the Rules of Practice and Procedure.

2. 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 primarily is 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 to the Commission's jurisdiction.

SCE's principal place of business is 2244 Walnut Grove Avenue, Rosemead, CA 91770. SCE's mailing address is Post Office Box 800, Rosemead, CA 91770, and its telephone number is (626) 302-1212. SCE's attorneys in this matter are Anna Valdberg, Mabel Tsui, and James Whooley. SCE consents to e-mail service in regard to this application. Correspondence or communications regarding this application should be addressed to:

SCE Case Administration Southern California Edison Company 8631 Rush Street Rosemead, CA 91770 Tel: (626) 302-0449 E-mail: case.admin@sce.com	Mabel Tsui, Senior Attorney Southern California Edison Company 2244 Walnut Grove Ave. Rosemead, CA 91770 Tel: (626) 302-5673 Facsimile: (626) 302-6693 Email: mabel.tsui@sce.com	James Whooley, Senior Attorney Southern California Edison Company 2244 Walnut Grove Ave. Rosemead, CA 91770 Tel: (562) 491-2641 Facsimile: (626) 302-6693 E-mail: james.whooley@sce.com

3. 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 Rules 1.3 and 7.1, as SCE requests in this application that the Commission "establish[] a mechanism that . . . sets the rates" needed to recover the revenue requirement arising from its proposed AMI 2.0 deployment plan.[6]

b) Need For Hearings

SCE does not believe that evidentiary hearings will be required in this proceeding as all of the necessary testimony, documentary evidence, and argument of parties may be submitted in prepared form. However, SCE's proposed procedural schedule includes time for hearings should the Commission deem them necessary.

c) Issues To Be Considered

The issues[7] to be considered are:

- Whether the Commission should authorize SCE to implement a multi-year program to replace the current "AMI 1.0" meters with a new generation of "AMI 2.0" meters.
- Whether SCE's AMI 2.0 proposal (1) is cost-effective and will provide lasting value to customers; (2) is based on a reasonable business case and deployment plan; (3)

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6 *See* CPUC Rule 1.3(g).

7 CPUC Rule 2.1(c) states in relevant part that an application shall state "the issues to be considered including relevant safety considerations."

reflects a reasonable technology choice based on AMI technologies available on the market; and (4) is aligned with State energy policy objectives.

- Whether the costs to be recovered in rates from customers to fund the deployment of AMI 2.0 are just and reasonable in compliance with Public Utilities Code Section 451.
- If the Commission grants the application, what follow-up measures should the Commission order, such as advice letters and customer outreach.
- Relevant safety considerations: SCE does not anticipate that replacement of AMI 1.0 meters with AMI 2.0 meters and related infrastructure and operational changes will result in any adverse safety impacts on facilities or operations. SCE's deployment plan is intended to facilitate all necessary safety measures and precautions in relation to meter replacement and associated upgrades.

d) Proposed Schedule

SCE proposes the following schedule for Commission resolution of this application, consistent with Rule 2.1(c)'s direction that the proposed schedule for a ratesetting proceeding allow for resolution within 18 months or less.[8] SCE notes the importance of having a schedule that results in the Commission issuing a final decision before the end of 2027, to allow sufficient time for all of the necessary steps around procurement, planning, and deployment of AMI 2.0, given that replacement and repair of AMI 1.0 meters will be phasing out in the years to come.

Event	Approximate Date
Application filed	March 2026
Protests/Responses to Application	May 2026
Reply to Protests/Responses	May 2026

[8] *See* Rule 2.1(c) ("The proposed schedule shall be consistent with the proposed category, including a deadline for resolving the proceeding within 12 months or less (adjudicatory proceeding) or 18 months or less (ratesetting or quasi-legislative proceeding) or deadline for issuance of a proposed decision within 12 months or less (catastrophic wildfire proceeding).").

Meet and Confer / Joint Prehearing Conference Statement	June 2026
Prehearing Conference	June 2026
Scoping Memo	August 2026
Intervenor Testimony	October 2026
Rebuttal Testimony	November 2026
Rule 13.9 Meet and Confer	December 2026
Case Management Statement Parties inform ALJ whether hearings are necessary, identify specific disputed issues of material fact, and (if needed) provide witness lists and cross-examination estimates.	January 2027
Evidentiary Hearing, If Needed	March 2027
Concurrent Opening Briefs	If no hearing – February 2027
	If hearing – April 2027
Concurrent Reply Briefs	If no hearing – March 2027
	If hearing – May 2027
Proposed Decision	August 2027 No later than 90 days after submission of briefing
Final Decision	September 2027 No sooner than 30 days after Proposed Decision

4. Rule 2.2 – Organization and Qualification to Transact Business

In compliance with Rule 2.2,[9] the following documents are incorporated by reference:

- 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

[9] 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.

Secretary of State, which was filed with the Commission on December 15, 2023, in connection with A.23-12-011.

- 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, which also was filed with the Commission on December 15, 2023 in connection with A.23-12-011.
- 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, which was filed with the Commission on May 15, 2024 in connection with A.24-05-007.

Copies of SCE's latest Annual Report to Shareholders and Edison International's latest proxy statement sent to stockholders have been sent to the Commission with an Energy Division Central Files Document Coversheet dated March 13, 2026, pursuant to General Orders 65-A and 104-A.

5. Rule 3.2 – Authority to Increase Rates

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 result in increased rates. Accordingly, SCE is providing the information required by applicable subsections of Rule 3.2.

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

Consistent with Rule 3.2(a)(1), APPENDIX A to this Application contains copies of SCE's Balance Sheet and Income Statement for the period ending December 31, 2025, the most recent period available.

b) Rule 3.2(a)(2)-(a)(3) – Presently Effective and Proposed Rates

SCE's current rates and charges for electric service are in its electric tariffs and schedules on file with the Commission, which can be viewed electronically at https://www.sce.com/regulatory/regulatory-information/tariff-books. The presently effective rates proposed to be changed, and the changes proposed to be made thereto are addressed in Exhibit SCE-06. The following tables provide a summary of the revenue requirement and customer rate increase SCE proposes to fund the investments needed for its proposed AMI 2.0 deployment.

AMIBA Summary of Earnings (CPUC)

Line		2026	2027	2028	2029	2030	2031	2032	2033
1	O&M	4,683	6,471	18,448	33,930	58,691	84,676	96,815	103,174
2	FF&U	61	130	483	1,688	3,128	4,727	5,983	6,667
3	Depreciation	998	5,753	24,769	69,886	117,114	163,086	202,152	218,592
4	Taxes	(1,072)	(3,885)	(13,943)	(9,843)	(2,061)	17,785	35,817	51,987
5	Return	340	2,131	9,644	41,985	78,208	115,150	147,093	163,194
6	**AMI 2.0 RREQ**	**5,009**	**10,600**	**39,402**	**137,646**	**255,080**	**385,424**	**487,860**	**543,612**
7	Rate Base	4,481	28,094	127,140	553,502	1,031,028	1,518,045	1,939,164	2,151,418

Bundled Average Rates (¢/kWh)

Customer Group	Current Rates (1/1/26)	Proposed Increase	Proposed Rates	% Change
Residential	34.5	0.9	35.4	2.7%
Lighting - Small and Medium Power	30.5	0.8	31.2	2.5%
Large Power	20.3	0.4	20.8	2.1%
Agricultural and Pumping	24.3	0.6	24.8	2.3%
Street and Area Lighting	36.4	0.4	36.8	1.1%
Standby	15.1	0.2	15.4	1.4%
Total	**28.9**	**0.7**	**29.6**	**2.5%**

Residential Bill Impact ($/Month)

Description	Current (1/1/26)	Proposed Increase	Proposed	% Change
Non-CARE residential bill	$187.56	$4.87	$192.43	2.6%
CARE residential bill	$112.40	$3.17	$115.57	2.8%

Based on an incremental estimated average annual revenue requirement increase of $543.6 million; assumes average usage of 500 kWh per month in baseline region 9, and excludes climate dividend (i.e., GHG credits).

The proposed rates are illustrative and will be updated consistent with the Commission's final decision in this proceeding to reflect SCE's then-current authorized revenues when such rates are implemented.

c) Rule 3.2(a)(4) –Property and Equipment

Because this Application is not a GRC application, this requirement is not applicable.

d) Rule 3.2(a)(5) - Summary of Earnings

In compliance with Rule 3.2(a)(5), Appendix B hereto contains a copy of SCE's summary of earnings (updated on December 31, 2025) for the periods upon which SCE bases its justification for an increase in rates..

e) Rule 3.2(a)(7)-(8) – Depreciation / Capital Stock and Proxy Statement

Because this Application is not a GRC application, these requirements are not applicable.

f) Rule 3.2(a)(10) – Costs Passed Through to Customers

Rule 3.2(a)(10) requires SCE to state whether the rate increase sought in this application "reflects and passes through to customers only increased costs to the corporation for the services or commodities furnished by it." This application requests authorization to recover certain O&M expenses and to add certain capital expenditures to the rate base. With respect to the capital expenditures, the requested rate base additions would earn a return on, as well as a return of, capital. In that sense, SCE's request in this proceeding is not limited to passing through to customers only increased costs to SCE for the services or commodities it provides.

g) Rule 3.2(b)-(e) – Service of Notice

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 area within which the rate changes would be effective. A listing of the cities and counties affected by the rate increase proposed in this Application is shown in

APPENDIX C hereto. 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 who receive paper bills and by electronically linking to such notice for customers receiving electronic bills. SCE will file proof of compliance with the notice requirements of Rule 3.2(b), (c), and (d) within 20 days after compliance with the last of these subsections that is applicable, including a sworn verification listing the newspapers and publication dates, and a sample of each different notice, indicating proof of compliance with subsection (c).

V.

INDEX OF EXHIBITS AND APPENDICES; INITIAL SERVICE LIST

A. Index of Exhibits and Appendices

SCE incorporates by reference the following submissions in support of this Application, which SCE may supplement or revise in the course of this proceeding:

Prepared Direct Testimony

- Exhibit SCE-01 – Overview of Request
- Exhibit SCE-02, Volume 01 – Need for Replacement of the AMI 1.0 System
- Exhibit SCE-02, Volume 02 – Recommended AMI 2.0 System and Analysis of Alternatives
- Exhibit SCE-03 – Technology and System Costs
- Exhibit SCE-04 – Deployment Costs
- Exhibit SCE-05 – Benefits
- Exhibit SCE-06 – Benefit Cost Ratios, Revenue Requirement, and Ratemaking Proposals
- Exhibit SCE-07 – Witness Qualifications

Appendices to Application

- APPENDIX A: Balance Sheet and Income Statement
- APPENDIX B: Summary of Earnings
- APPENDIX C: List of Incorporated Cities and Counties served by SCE

B. Initial Service List

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 list for SCE's 2025 Test Year GRC, A.23-05-010. An informational copy of this application will be provided to the California Energy Commission.

VI.

CONCLUSION AND RELIEF REQUESTED

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

1. Approve SCE's request for authorization to deploy AMI 2.0 meters as described in this application and in the concurrently-served supporting testimony.
2. Approve SCE's request for cost recovery in rates of $1,865 million over the 2026-2033 deployment period.
3. Approve SCE's request to establish (i) an AMI 2.0 Memorandum Account (effective on date of application filing) to record incremental costs incurred upon filing of this application, and (ii) a two-way AMI 2.0 Balancing Account upon issuance of a final Commission decision.
4. Provide any additional guidance and direction with respect to SCE's deployment of AMI 2.0 meters that the Commission deems appropriate.

5. Grant any additional relief that the Commission considers necessary.

Respectfully submitted,

ANNA VALDBERG
MABEL TSUI
JAMES WHOOLEY

/s/ James Whooley
By: James Whooley

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March 26, 2026

VERIFICATION

I, Shinjini Menon, declare and state:

I am an Officer and Senior Vice President, System Planning & Engineering for Southern California Edison Company (SCE). I am authorized to make this verification 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. 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 26, 2026, at Rosemead, California.

/s/ Shinjini Menon
Shinjini Menon
Senior Vice President, System Planning & Engineering
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
TWELEVE MONTHS ENDED DECEMBER 31, 2025

(In millions)

OPERATING REVENUE	$ 19,276
OPERATING EXPENSES:	
Purchase power and fuel	4,933
Operation and maintenance	4,999
Wildfire-related claims, net of (recoveries)	(2,009)
Wildfire fund expense	144
Depreciation and amortization	3,233
Property and other taxes	662
Asset impairment	106
Total operating expenses	12,068
OPERATING INCOME	7,208
Interest expense	(1,207)
Other income, net	447
INCOME BEFORE TAXES	6,448
Income tax expense	1,415
NET INCOME	5,033
Less: Preference stock dividend requirements	144
NET INCOME AVAILABLE FOR COMMON STOCK	$ 4,889

SOUTHERN CALIFORNIA EDISON COMPANY

BALANCE SHEET
DECEMBER 31, 2025
ASSETS
(in millions)

UTILITY PLANT:		
Utility plant, at original cost	$	71,341
Less- accumulated provision for depreciation and amortization		15,060
		56,281
Construction work in progress		6,720
Nuclear fuel - at amortized cost		130
		63,131
OTHER PROPERTY AND INVESTMENTS:		
Nonutility property - less accumulated depreciation of $113		188
Nuclear decommissioning trusts		4,535
Other investments		40
		4,763
CURRENT ASSETS:		
Cash and equivalents		98
Receivables, less allowances of $353 for uncollectible accounts		1,455
Accrued unbilled revenue		1,236
Inventory		535
Prepaid expenses		118
Regulatory assets		3,290
Wildfire fund contributions		138
Other current assets		743
		7,613
DEFERRED CHARGES:		
Receivables, less allowance of $49 for uncollectible accounts		38
Regulatory assets (Includes $3,092 related to VIEs)		12,960
Wildfire fund contributions		1,740
Operating lease right-of-use assets		1,155
Long-term insurance receivables		145
Long-term insurance receivables due from affiliate		226
Other long-term assets		2,074
		18,338
	$	93,845

SOUTHERN CALIFORNIA EDISON COMPANY

BALANCE SHEET
DECEMBER 31, 2025
CAPITALIZATION AND LIABILITIES
(in millions)

CAPITALIZATION:	
Common stock	2,168
Additional paid-in capital	8,970
Accumulated other comprehensive loss	(12)
Retained earnings	11,090
Common shareholder's equity	22,216
Long-term debt (Includes $3,022 related to VIEs)	31,255
Preferred stock	1,714
Total capitalization	55,185
CURRENT LIABILITIES:	
Short-term debt	1,036
Current portion of long-term debt	1,928
Accounts payable	2,353
Wildfire-related claims	585
Accrued interest	432
Regulatory liabilities	1,158
Current portion of operating lease liabilities	118
Other current liabilities	1,599
	9,209
DEFERRED CREDITS:	
Deferred income taxes and credits	10,712
Pensions and benefits	87
Asset retirement obligations	2,583
Regulatory liabilities	10,627
Operating lease liabilities	1,037
Wildfire-related claims	721
Other deferred credits and other long-term liabilities	3,684
	29,451
	$ 93,845

Appendix B

Summary of Earnings

Southern California Edison
2025 GRC Summary of Earnings
AL 5642-E
Thousands of Dollars

Southern California Edison
2025 GRC Summary of Earnings
AL 5760-E
Thousands of Dollars

Southern California Edison
Summary of Earnings
2025 GRC Adopted Revenue Requirement
Thousands of Dollars

Line No.	Item	Total
1.	**Base Revenues**	9,659,974
2.	**Expenses:**	
3.	Operation & Maintenance	3,012,408
4.	Depreciation	2,729,030
5.	Taxes	1,104,264
6.	Revenue Credits	(155,885)
7.	Total Expenses	6,689,817
8.	**Net Operating Revenue**	2,970,157
9.	**Rate Base**	38,840,289
10.	**Rate of Return**	7.65%

Southern California Edison
Summary of Earnings
2026 GRC Adopted Revenue Requirement
Thousands of Dollars

Line No.	Item	Total
1.	**Base Revenues**	10,516,572
2.	**Expenses:**	
3.	Operation & Maintenance	3,453,097
4.	Depreciation	2,888,791
5.	Taxes	1,183,821
6.	Revenue Credits	(160,808)
7.	Total Expenses	7,364,900
8.	**Net Operating Revenue**	3,151,672
9.	**Rate Base**	41,607,994
10.	**Rate of Return**	7.57%

Appendix C

Notice to Cities and Counties

SOUTHERN CALIFORNIA EDISON®
Energy for What's Ahead®

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	Yorba Linda
Calimesa	Garden Grove	Lake Elsinore	Palm Desert	Santa Monica	Yucaipa
Camarillo	Gardena	Lake Forest	Palm Springs	Santa Paula	Yucca Valley
Canyon Lake	Glendora	Lakewood	Palmdale	Seal Beach	
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	

Updated: 3/17/2025