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BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

Application of Southern California
Edison Company (U 338-E) for
Approval of its 2027 ERRA Forecast
Proceeding Revenue Requirement.

Application 26-05-006

ASSIGNED COMMISSIONER'S SCOPING MEMO AND RULING

This scoping memo and ruling sets forth the issues, need for hearing, schedule, category, and other matters necessary to scope this proceeding pursuant to Public Utilities Code Section 1701.1 and Article 7 of the Commission's Rules of Practice and Procedure (Rules).

1. Procedural Background

On May 15, 2026, Southern California Edison Company (Applicant or SCE) filed Application (A.) 26-05-006 seeking approval of its 2027 Energy Resource Recovery Account (ERRA) forecast. On June 17, 2026, California Community Choice Association (CalCCA) and the Public Advocates Office at the California Public Utilities Commission (Cal Advocates) timely filed and served protests to the Application, and the Direct Access Customer Coalition (DACC) filed and served a timely response. On June 29, 2025, SCE timely filed and served a reply to the protests and response.

Pursuant to the assigned Administrative Law Judge's (ALJ) June 26, 2026, Ruling Setting Remote Prehearing Conference (PHC), the Applicant, CalCCA, Cal Advocates, and DACC filed a joint PHC statement on July 6, 2025.

The PHC was held on July 13, 2026, to address the issues of law and fact, determine the need for hearing, set the schedule for resolving the matter, and address other matters as necessary. After considering the application, protests, response, reply, joint PHC statement, and discussion at the PHC, I have determined the issues and initial schedule of the proceeding to be set forth in this scoping memo. I have also determined that no environmental and social justice issues have been raised at this time.

2. Issues

The issues to be determined or otherwise considered are:

1. Whether SCE's requested 2027 ERRA forecast revenue requirement is reasonable, including but not limited to consideration of the following:
 - a. SCE's forecast of electric sales and electric load;
 - b. SCE's forecast of costs for fuel and purchased power expenses (F&PP);
 - c. SCE's forecast of greenhouse gas (GHG) costs; and
 - d. SCE's true-ups for certain memorandum accounts (MAs) and balancing accounts (BAs), including but not limited to consideration of the following:
 - i. 2026 ERRA Balancing Account (ERRA BA) year-end balance;
 - ii. 2026 Portfolio Allocation Balancing Account (PABA) year-end balance;
 - iii. 2026 New System Generation Balancing Account (NSGBA) year-end balance;
 - iv. 2026 Modified Cost Allocation Mechanism Balancing Account (MCAMBA) year-end balance;
 - v. 2026 Tree Mortality Non-Bypassable Charge Balancing Account (TMNBCBA) year-end balance;

- vi. 2026 Bioenergy Market Adjusting Tariff (BioMAT) Non-Bypassable Charge Balancing Account (BMNBCBA) year-end balance;
 - vii. 2026 Energy Settlements Memorandum Account (ESMA) year-end balance; and
 - viii. 2026 Litigation Costs Tracking Account (LCTA) year-end balance.
2. Whether SCE's forecast of GHG allowance revenue return allocations for energy-intensive trade-exposed customers, small business customers, and the residential customer California Climate Credit is reasonable;
 3. Whether SCE's forecast of GHG revenues and expenses set aside for (a) clean energy and energy efficiency programs and GHG program administration and (b) customer education and outreach plan costs are reasonable;
 4. Whether the Cost Allocation Mechanism rates are reasonable;
 5. Whether SCE's forecast of Central Procurement Entity (CPE) related costs is reasonable;
 6. Whether SCE's calculations of the Power Charge Indifference Adjustment (PCIA) and Competition Transition Charge (CTC) are reasonable, including discussion of the following:
 - a. Treatment of resource adequacy (RA) resources and associated costs in the PCIA;
 - b. Treatment of Renewable Portfolio Standard (RPS) resources, including usage order, with excess RPS value and allocation of RPS sales across vintages;
 - c. Calculation of the indifference amount;
 - d. Impact of PABA; and
 - e. Allocation of indifference charges across vintages and customer classes;
 7. Whether SCE's requests and methods used to determine the issues described above comply with all applicable

rules, regulations, and decisions for all customer categories; and

8. Other related matters.

3. Need for Evidentiary Hearing

Parties indicated that there may be contested material issues of fact related to the issues scoped into this proceeding. As such, I have included an evidentiary hearing in the schedule. Accordingly, if an evidentiary hearing is held, it is determined that one is necessary.

4. Schedule

The following schedule is adopted here and may be modified by the Administrative Law Judge (ALJ) as required to promote the efficient and fair resolution of the application:

Event	Date
Cal Advocates/Intervenor Testimony	August 14, 2026
SCE Rebuttal	September 8, 2026
Rule 13.9 Joint Case Management Statement Due	September 15, 2026
Evidentiary Hearings (if needed)	September 22 and 28, 2026
SCE October Update	October 15, 2026
Comments on October Update & Concurrent Opening Briefs	October 29, 2026
Concurrent Reply Briefs	November 5, 2026
Proposed Decision	No later than November 24, 2026
Comments on Proposed Decision ¹	<i>+10 days following mailing date of PD</i>

¹ At the PHC, Cal Advocates, Cal CCA, DACC, and SCE stipulated to a 10-day comment period.

Replies to Comments on Proposed Decision	<i>+5 days following date Opening Comments are due</i>
Final Commission Decision	December 17, 2026

To ensure efficient use of Commission and parties' time, parties must prepare a Joint Case Management Statement, summarizing the results of the Rule 13.9 duty to meet and confer. The purpose of the September 15, 2026, Joint Case Management Statement is to ascertain whether, pursuant to Rule 13.8(c), the parties stipulate to the receipt of prepared testimony into evidence without direct or cross examination or other need to convene an evidentiary hearing or, in the alternative, the parties' resources, readiness and needs for the effective remote conduct of the evidentiary hearing, including estimates of time requested for cross-examination and identification of anticipated exhibits. SCE shall prepare, file, and serve the Joint Case Management Statement.

The Joint Case Management Statement shall include the following items:

- a. Identification of and, if possible, summary of any informal resolution of any pending or anticipated motions that parties can achieve;
- b. Identification of the specific facts and issues in the case that are uncontested and may be the subject of stipulation;
- c. Identification of the specific facts and issues in the case that are in dispute, separated by issues of fact and issues of law;
- d. A statement regarding party positions on the need for hearings;
- e. If parties determine hearings are not needed, the Joint Case Management Statement should include stipulations to that effect and stipulations to the admittance of proffered evidence from all parties; and
- f. If parties believe that hearings are needed, the Joint Case Management Statement must also include a matrix of the witnesses each party intends to cross examine and an

estimate of the amount of time each party would like to cross examine each witness. Parties shall also provide a statement of which issues each party intends to cross examine each witness about, as well as witnesses availability on September 22 and/or 28, 2026. Additionally, parties shall provide a list of witnesses and party representatives names and email addresses to facilitate the remote evidentiary hearing.

An evidentiary hearing is scheduled for September 22 and 28, 2026. The hearing shall be conducted via WebEx and shall begin at 9:00 a.m on both days, if needed. Details on how to access the remote hearing as well as further instructions shall be provided in a separate ruling.

For the October Update, SCE shall provide brief reasons for significant changes to applicable ERRA component revenue requirement forecasts as compared to the revenue requirement forecasts in the May application.

For the Comments on the October Update, Opening Briefs and Reply Briefs, parties shall state whether arguments on contested issues raised earlier in the proceeding are no longer applicable and the issue no longer contested, whether due to the October Update or for other reason(s).

The proceeding will stand submitted upon the filing of reply briefs, unless the ALJ requires further evidence or argument. Based on this schedule, the proceeding will be resolved by December 17, 2026, allowing SCE to make rate changes on January 1, 2027.²

5. Alternative Dispute Resolution (ADR) Program and Settlements

The Commission's Alternative Dispute Resolution (ADR) program offers mediation, early neutral evaluation, and facilitation services, and uses ALJs who

² Application at 10-11.

have been trained as neutrals. At the parties' request, the assigned ALJ can refer this proceeding to the Commission's ADR Coordinator. Additional ADR information is available on the Commission's website.³

Any settlement between parties, whether regarding all or some of the issues, shall comply with Article 12 of the Rules and shall be served in writing. Such settlements shall include a complete explanation of the settlement and a complete explanation of why it is reasonable in light of the whole record, consistent with the law and in the public interest. The proposing parties bear the burden of proof as to whether the settlement should be adopted by the Commission.

6. Category of Proceeding and Ex Parte Restrictions

This ruling confirms the Commission's preliminary determination⁴ that this is a ratesetting proceeding. Accordingly, ex parte communications are restricted and must be reported pursuant to Article 8 of the Rules.

7. Public Outreach

Pursuant to Public Utilities Code Section 1711(a), where feasible and appropriate, before determining the scope of the proceeding, the Commission sought the participation of those likely to be affected, including those likely to derive benefit from, and those potentially subject to, a decision in this proceeding. This matter was noticed on the Commission's daily calendar. Where feasible and appropriate, this matter was incorporated into engagements conducted by the Commission's External Affairs Division with local governments and other interested parties.

³ <https://www.cpuc.ca.gov/PUC/adr/>

⁴ Resolution ALJ-176-3582.

8. Intervenor Compensation

Pursuant to Public Utilities Code Section 1804(a)(1), a customer who intends to seek an award of compensation must file and serve a notice of intent to claim compensation by August 12, 2026, 30 days after the prehearing conference.

9. Response to Public Comments

Parties may, but are not required to, respond to written comments received from the public. Parties may do so by posting such response using the “Add Public Comment” button on the “Public Comment” tab of the online docket card for the proceeding.

10. Public Advisor

Any person interested in participating in this proceeding who is unfamiliar with the Commission’s procedures or has questions about the electronic filing procedures is encouraged to obtain more information at <http://cpuc.ca.gov/pao> or contact the Commission’s Public Advisor at 866-849-8390 or send an e-mail to public.advisor@cpuc.ca.gov.

11. Filing, Service, and Service List

The official service list has been created and is on the Commission’s website. Parties should confirm that their information on the service list is correct and serve notice of any errors on the Commission’s Process office, the service list, and the ALJ. Persons may become a party pursuant to Rule 1.4.⁵

When serving any document, each party must ensure that it is using the current official service list on the Commission’s website.

⁵ The form to request additions and changes to the Service list may be found at <https://www.cpuc.ca.gov/-/media/cpuc-website/divisions/administrative-law-judge-division/documents/additiontoservicelisttranscriptordercompliant.pdf>

This proceeding will follow the electronic service protocol set forth in Rule 1.10, with one exception, such that all parties are excused from the Rule 1.10 requirement to serve on the ALJs both an electronic and a paper copy of filed or serviced documents. Therefore, when serving documents on Commissioners, their personal advisors, and the ALJ, parties must only provide electronic service, unless otherwise instructed by the ALJ. All parties to this proceeding shall serve documents and pleadings using electronic mail, whenever possible, transmitted no later than 5:00 p.m., on the date scheduled for service to occur.

Persons who are not parties but wish to receive electronic service of documents filed in the proceeding may contact the Process Office at process_office@cpuc.ca.gov to request addition to the “Information Only” category of the official service list pursuant to Rule 1.9(f).

The Commission encourages those who seek information-only status on the service list to consider the Commission’s subscription service as an alternative. The subscription service sends individual notifications to each subscriber of formal e-filings accepted by the Commission. Notices sent through subscription service are less likely to be flagged by spam or other filters. Notifications can be for a specific proceeding, a range of documents and daily or weekly digests.

12. Receiving Electronic Service from the Commission

Parties and other persons on the service list are advised that it is the responsibility of each person or entity on the service list for Commission proceedings to ensure their ability to receive emails from the Commission. Please add “@cpuc.ca.gov” to your email safe sender list and update your email screening practices, settings and filters to ensure receipt of emails from the Commission.

13. Assignment of Proceeding

Matthew Baker is the assigned commissioner and Brandon Gerstle is the assigned ALJ and presiding officer for the proceeding.

IT IS RULED that:

1. The scope of this proceeding is described above and is adopted.
2. The schedule of this proceeding is set forth above and is adopted.
3. Southern California Edison Company shall prepare, file and serve a Joint Case Management Statement by September 15, 2026. Parties shall follow all other document instructions provided in Section 4 of this scoping memo and ruling.
4. If an evidentiary hearing is held, it is determined that one is necessary.
5. The presiding officer is Administrative Law Judge Brandon Gerstle.
6. The category of the proceeding is ratesetting.
7. The assigned Commissioner or assigned Administrative Law Judge may modify the schedule, as required to promote the efficient and fair resolution of the proceeding.

Dated July 22, 2026, at San Francisco, California.

/s/ MATTHEW BAKER

Matthew Baker
Assigned Commissioner