STATE OF CALIFORNIA GAVIN NEWSOM, *Governor*

PUBLIC UTILITIES COMMISSION

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Ratesetting

TO PARTIES OF RECORD IN APPLICATIONS (A) 26-05-006 et al.:

This is the proposed decision of Administrative Law Judge Brandon Gerstle. Until and unless the Commission hears the item and votes to approve it, the proposed decision has no legal effect. This item may be heard, at the earliest, at the Commission's December 17, 2026, Business Meeting. To confirm when the item will be heard, please *see* the Business Meeting agenda, which is posted on the Commission's website 10 days before each Business Meeting.

Parties of record may file comments on the proposed decision as provided in Rule 14.3 of the Commission's Rules of Practice and Procedure. The timeline for comments has been reduced Pursuant to Rule 14.6(b), and comments on the proposed decision must be filed within 10 days of its mailing and reply comments must be filed within 5 business days from the last day of filing comments.

The Commission may hold a Ratesetting Deliberative Meeting to consider this item in closed session in advance of the Business Meeting at which the item will be heard. In such event, notice of the Ratesetting Deliberative Meeting will appear in the Daily Calendar, which is posted on the Commission's website. If a Ratesetting Deliberative Meeting is scheduled, *ex parte* communications are prohibited pursuant to Rule 8.2(c)(4).

/s/ MICHELLE COOKE

Michelle Cooke

Chief Administrative Law Judge

MLC:hma

Attachment

Decision **PROPOSED DECISION OF ALJ GERSTLE (Mailed 11/20/2026)**

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
And Related Matter.	Application 26-09-019

DECISION APPROVING SOUTHERN CALIFORNIA EDISON COMPANY'S 2027 ENERGY RESOURCE RECOVERY ACCOUNT-RELATED REVENUE REQUIREMENT FORECAST

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Summary

This decision approves Southern California Edison Company's (SCE) 2027 Electric Procurement Revenue Requirement Forecasts, 2027 Electric Sales Forecast, Power Charge Indifference Adjustment charges, and Greenhouse Gas (GHG) related forecasts for inclusion in its retail rates effective January 1, 2027.

The decision adopts SCE's updated 2027 Energy Resource Recovery Account (ERRA) revenue requirement forecast of $4,510.3 million, which is $200.8 million less than its currently effective revenue requirement of $4,711.1 million.[1]

SCE's 2027 ERRA forecast includes the revenue requirements for ERRA, the Portfolio Allocation Balancing Account, energy settlements refunds and litigation costs year-end balance, New System Generation, Modified Cost Allocation Mechanism, spent nuclear fuel revenue, Base Revenue Requirement Balancing Account, Public Purpose Programs Charge, Tree Mortality Non-Bypassable Charge, Bioenergy Market Adjusting Tariff Non-Bypassable Charge, and GHG allowance revenues.

The ERRA process allows SCE to recover its procurement costs, including expenses for fuel and purchased power, utility-owned generation, California Independent System Operator related costs, and the costs of the residual net short procurement requirements necessary to serve bundled customers.

This proceeding is closed.

1. Background

1.1. Procedural Background

SCE filed Application (A.) 26-05-006 (Application) on May 15, 2026, requesting the Commission's adoption of a 2027 Energy Resource Recovery

[1] SCE-05 at 7, 10; Decision 25-12-028 at Ordering Paragraph (OP) 1; SCE AL 5717-E at 3.

Account (ERRA) forecast revenue requirement totaling $4,350.4 million, representing a decrease of $360.7 million from the revenue requirement in rates at that time.[2]

On June 17, 2026, the Direct Access Customer Coalition (DACC) filed a timely response to the Application and the California Community Choice Association (CalCCA) and the Public Advocates Office at the California Public Utilities Commission (Cal Advocates) filed timely protests to the Application. On June 29, 2026, SCE filed a timely reply to the parties' protests and response.

On July 13, 2025, the assigned Administrative Law Judge (ALJ) held a prehearing conference (PHC) to discuss the issues of law and fact and determine the need for hearing and a schedule for resolving the Application. At the PHC, the parties stipulated to a reduced comment period for the proposed decision in this proceeding.[3]

On July 15, 2025, SCE filed and served its Proof of Compliance with Rules 3.2 (B), (C), and (D) of the Commission's Rules of Practice and Procedure (Rules); these Rules require SCE to provide the public with notice of its Application.

The assigned Commissioner issued a scoping memo on July 22, 2026.

On August 14, 2026, CalCCA served direct testimony. On September 8, 2026, SCE served rebuttal testimony.

On September 15, 2026, SCE filed and served a joint case management statement (JCMS) on behalf of itself, Cal Advocates, CalCCA, and DACC (the parties). In the JCMS, the parties agreed that there was no need for evidentiary

[2] SCE-01 at 6.

[3] PHC Transcript at 25-26 (July 13, 2026).

hearings. Later on September 15, 2026, an ALJ ruling removed evidentiary hearings from the schedule of the proceeding.

On September 30, 2026, SCE filed A.26-09-019, its ERRA Trigger application.

On October 1, 2026, the Commission's Energy Division published its forecast Market Price Benchmarks (MPB) for 2027.

On October 5, 2026, an ALJ e-mail ruling in A.26-05-006 took notice of SCE's ERRA trigger application, A.26-09-019. Given the concurrent timing and the overlapping issues in the two proceedings, the ruling directed SCE to incorporate all analysis related to the ERRA Trigger application in its October update in A.26-05-006.

On October 12, 2026, CalCCA filed and served a response to A.26-09-019, and Cal Advocates filed and served a motion for party status.

On October 13, 2026, SCE filed and served a reply to CalCCA's response in A.26-09-019. Also on October 13, 2026, Cal Advocates' motion for party status was granted in A.26-09-019.

On October 15, 2026, SCE served its October update and related workpapers.

On October 16, 2026, a joint prehearing conference statement for A.26-09-019 was filed and served by SCE, CalCCA, and Cal Advocates.

On October 19, 2026, the PHC for A.26-09-019 was held.

On October 27, 2026, an amended scoping memo was issued in A.26-05-006, *et al.* consolidating A.26-05-006 and A.26-09-019.

On October 28, 2026, SCE and CalCCA filed and served joint motions to admit evidence and seal a portion of the evidentiary record.

On October 29, 2026, SCE and CalCCA filed and served concurrent opening briefs and comments. Also, CalCCA filed a motion for leave to file under seal the confidential version of its concurrent opening brief and comment.

On November 5, 2026, SCE and CalCCA filed reply briefs. Also, CalCCA filed a motion for leave to file under seal the confidential version of its reply brief.

1.2. SCE's ERRA Application

SCE's ERRA was first authorized in Decision (D.) 02-10-062 pursuant to Public Utilities (Pub. Util.) Code Section 454.5. The ERRA regulatory process consists of:

a. An annual forecast proceeding to adopt a forecast of the utility's electric procurement cost revenue requirement and electricity sales for the upcoming year; and
b. An annual compliance proceeding to review the utility's compliance in the preceding year regarding energy resource contract administration, least cost dispatch, fuel procurement, and the ERRA balancing account.

There is also an update process for new information which is discussed in Section 1.4 below.

The ERRA process allows SCE to recover its procurement costs, including expenses for fuel and purchased power, utility retained generation, California Independent System Operator (CAISO) related costs, and the costs of the residual net short procurement requirements necessary to serve bundled customers.

This proceeding concerns SCE's current annual ERRA forecast proceeding which allows the utility to adopt a forecast of the utility's electric procurement

cost revenue requirement and electric sales for 2027. SC&E's 2027 ERRA forecast includes the following components:[4]

1. ERRA revenue requirement and projected 2026 ERRA year-end balance;
2. Portfolio Allocation Balancing Account (PABA) revenue requirement and projected 2026 PABA year-end balance;
3. Projected 2026 energy settlements refunds and litigation costs year-end balance
4. New System Generation (NSG) revenue requirement tracked in the NSG Balancing Account (NSGBA) and projected 2026 year-end balance recorded in the NSGBA;
5. Modified Cost Allocation Mechanism (MCAM) revenue requirement tracked in the MCAM Balancing Account (MCAMBA) and projected 2027 year-end balance recorded in the MCAMBA;
6. Spent nuclear fuel revenue requirement.
7. Distribution sub-account of the Base Revenue Requirement Balancing Account (BRRBA-D) revenue requirement;
8. Public Purpose Programs Charge (PPPC) revenue requirement;
9. Projected 2026 Tree Mortality Non-Bypassable Charge Balancing Account (TMNBCBA) year-end balance;
10. Projected 2026 Bioenergy Market Adjusting Tariff (BioMAT) Non-Bypassable Charge Balancing Account (BMNBCBA) year-end balance; and
11. Greenhouse Gas (GHG) allowance revenues.

This proceeding also includes SCE's proposed Central Procurement Entity (CPE) costs, sales forecast, GHG allowance return allocations, Power Charge Indifference Adjustment (PCIA), and implementation authority.

[4] The structure of this decision is based on this, which is informed by tables in SCE-05 at 12, 112, as well as the SCE's requests and proposed findings from its application at pages 7 and 14.

A summary of terminology used in this decision and SCE's application is provided in Attachment 1.

1.3. 2026 Trigger Balance

On August 31, 2026, SCE had an ERRA trigger balance equaling negative 5.17 percent and did not expect the deviation to self-correct within 120 days. Therefore, SCE filed its trigger application on September 30, 2026.

1.4. October 2026 Update

The ERRA process allows SCE to update its application later during the year, so SCE filed an October update to the application. The October update has traditionally served to update testimony on the PCIA Charges, based on the Market Price Benchmark (MPB) calculations for the coming year published by the Commission's Energy Division on October 1st.

SCE's updated total 2027 ERRA forecast revenue requirement is $4,510.3 million compared to $4,350.4 million in its initial application, which is an increase of $159.9 million.[5] However, SCE's updated total 2027 ERRA forecast revenue requirement of $4,510.3 million is $200.8 million less than its current 2026 revenue requirement in rates of $4,711.1 million.[6] More detailed revenue requirement values are shown in Attachment 2.

2. Issues Before the Commission

As set forth in the assigned Commissioner's amended scoping memo, the issues in this proceeding are as follows:

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;

[5] SCE-05 at 8, Table II-1.

[6] SCE-05 at 10, Table II-2.

b. SCE's forecast of costs for fuel and purchased power expenses (F&PP);

c. SCE's forecast of 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 BA year-end balance;

ii. 2026 PABA year-end balance;

iii. 2026 NSGBA year-end balance;

iv. 2026 MCAMBA year-end balance;

v. 2026 TMNBCBA year-end balance;

vi. 2026 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[7] 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 CPE related costs is reasonable;

6. Whether SCE's calculations of the PCIA and Competition Transition Charge (CTC) are reasonable, including discussion of the following:

[7] D.26-04-036 at OP 7 renamed this category of expenses.

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;
8. Whether SCE's trigger request was reasonable and complied with Commission orders, including D.02-10- 062, D.04-12-048, D.06-06-051, D.19-12-001, and D.22-01-023; and
9. Other related matters.

3. Comments from Intervenors

3.1. CalCCA

CalCCA's direct testimony stated SCE should follow the minimum retained RPS requirement established in D.20-02-047.[8]

CalCCA made four points in its concurrent opening brief and comment on the October update. First, CalCCA noted that at the present time, SCE's loading order for renewable energy credits (REC) usage is reasonable; however, the issue should be addressed in the PCIA proceeding for policy reasons.[9] Second, CalCCA requested that SCE should be required to track any Pre-2019 banked renewable energy credits (RECs) used for bundled customer RPS compliance in

[8] CalCCA-01 at 10.

[9] CalCCA Concurrent Opening Brief and Comments on October Update at 14, 17.

2026 and 2027.[10] Third, SCE's October update corrected errors related to REC accounting.[11] Fourth, SCE's October update properly modified its accounting for the Mohave SO_2 Allowance Revolving Fund Memorandum Account (MSARFMA).[12]

CalCCA made three points in its reply brief to support its modified position that any dispute regarding the minimum retained RPS requirement should occur in the PCIA proceeding, not in this proceeding.[13] First, that D.19-10-001, which applied to all IOUs, informed D.20-02-047.[14] Second, it provides a confidential analysis of SCE's 2026 actual retained RPS position and 2027 forecast retained RPS position.[15] Third, "if SCE's contention is that it has no annual minimum RPS compliance quantity it must retain at all, it should make that proposal in a statewide proceeding such as the PCIA proceeding."[16]

4. Discussion

4.1. Uncontested issues

After reviewing SCE's application, supporting workpapers, and conducting discovery/settlement negotiations, parties generally agreed with or did not contest the following SCE requests:

1. SCE's proposed sales forecast for 2026 and 2027 is 78,132 GWh and 79,944 GWh, respectively.[17]

[10] CalCCA Concurrent Opening Brief and Comments on October Update at 14-15, 17.

[11] CalCCA Concurrent Opening Brief and Comments on October Update at 15-17.

[12] CalCCA Concurrent Opening Brief and Comments on October Update at 16-17.

[13] CalCCA's reply brief raised new legal arguments and assertions that SCE could not respond to, as the reply briefs were the final filing in this expedited proceeding.

[14] CalCCA Reply Brief at 2-3.

[15] CalCCA Reply Brief at 3-4.

[16] CalCCA Reply Brief at 4-5, emphasis omitted.

[17] SCE-05 at 16.

2. SCE's proposed 2027 Forecast Revenue Requirement for its Central Procurement Entity, consisting of:
   a. $0 of procurement costs for solicited resources;[18]
   b. A confidential amount of non-energy related CAISO costs and credits;[19] and
   c. $250,000 of administrative costs.[20]
3. SCE's proposed 2027 GHG allocated allowance proceeds are:
   a. GHG administrative and outreach expense of $0.3 million;
   b. The net GHG revenue return of $551.5 million; and
   c. The semiannual residential California climate credit of $47.00.[21]
4. SCE's transfer of any remaining MSARFMA balance to the one-time refunds/costs of the PABA.[22]
5. SCE's incorporation of its trigger balance into its October update.[23]
6. 2027 PCIA revenue requirement and charges, as shown in Attachments 3 and 4.[24]
7. SCE's proposed 2027 ERRA forecast revenue requirement of $4,510.3 million, consisting of the sub-amounts specified in Attachment 2 of this decision.[25]

[18] SCE-06 at 5, Table II-1.

[19] SCE-06 at 5-6 and Table II-2.

[20] SCE-06 at 8.

[21] SCE-05 at 109, Table VII-32.

[22] SCE-05 at 121.

[23] SCE-05 at 3.

[24] *See* SCE-05 at 137-174, Appendix B.

[25] SCE-05 at 7-8, 12.

8. SCE's proposed rates to recover the 2027 ERRA forecast revenue requirement in Attachment 5 of this decision.[26]
9. SCE proposed recovery of the 2027 ERRA Forecast revenue requirement in rates beginning on the first day of 2027, implemented via Tier 1 advice letter.[27]

4.1.1. SCE's Electric Sales Forecast

SCE forecasts total retail net electricity sales of 78,132 gigawatt hours (GWh) in 2026 and 79,944 GWh in 2027; recorded sales totaled 78,458 GWh in 2025.[28] SCE's forecasts represent a slight decrease in total retail sales of roughly half a percent in 2026 and an increase of 2.4 percent in 2027. SCE states that the anticipated increase in 2027 is mainly due to a projected increase in electricity use from increased space cooling load and transportation electrification loads.[29]

SCE bundled service customer sales forecast of total retail sales was developed in January 2026, using econometric models.[30] SCE retail sales forecast considers historical data; economic and industry trends; as well as other variables including weather projections, electricity rates, number of billing days, employment, personal income indices, and building stock.[31]

SCE states that the retail sales forecast represents the sum of forecast sales in seven customer classes, measured at the customer meter. The sales forecast for each class is the product of two separate forecasts: a forecast of electricity consumption per customer or per building square foot, and a forecast of the total

[26] SEC-05 at 177-180.

[27] Application at 7, 14.

[28] SCE-05 at 16.

[29] SCE-05 at 16.

[30] SCE-05 at 16-17.

[31] SCE -05 at 18-24.

number of customers or total building square feet. [32]

No intervenors addressed SCE's forecast of electric sales. We reviewed SCE's forecast as well as its forecast methodology. Based on the record of the proceeding, we find SCE's forecasted total retail net electricity sales of 78,132 GWh in 2026 and 79,944 GWh in 2027 are reasonable.

4.1.2. CPE

SCE's 2027 CPE cost forecast consisted of:

1. $0 of procurement costs for solicited resources;[33]
2. A confidential amount of non-energy related CAISO costs and credits;[34] and
3. $250,000 of administrative costs.[35]

No party disputed SCE's forecast of its 2027 CPE costs and SCE's request is consistent with D.22-03-034. Based on the record of the proceeding, we find SCE's 2027 CPE costs are reasonable.

4.1.3. GHG Allocated Allowance Proceeds

SCE's forecasted 2027 GHG allocated allowance proceeds are:

a. GHG administrative and outreach expense of $0.3 million;
b. The net GHG revenue return of $551.5 million; and
c. The semiannual residential California climate credit of $47.00.[36]

For comparison, SCE's estimated 2026 allocated allowance proceeds were:

a. GHG administrative and outreach expense of $0.4 million;
b. Net GHG revenue return of $407.0 million; and

[32] SCE-01 at 17-18.

[33] SCE-06 at 5, Table II-1.

[34] SCE-06 at 5-6, Table II-2.

[35] SCE-02 at 8.

[36] SCE-05 at 109, Table VII-32.

c. Semiannual residential California climate credit of $36.00.[37]

Investor-owned utilities (IOUs) are required by the Commission to distribute GHG allowance revenues eligible for return to customers. The returns are to be made to Emissions-Intensive and Trade-Exposed (EITE) entities who will receive an annual fixed on-bill credit based on Commission calculations. The EITE distribution should proceed as described in D.20-10-002 and D.21-08-026. The remaining allowance distributions shall be made equally to all qualifying Small Business and Residential customers via a twice annual California Climate Credit (CCC).

Parties do not dispute SCE's calculations. Based on the record of the proceeding, we find SCE's forecasted 2027 a.) GHG administrative and outreach expense of $0.3 million; b.) net GHG revenue return of $551.5 million; and c.) semiannual residential CCC of $47.00 are reasonable. As such, we authorize two CCCs of $47.00 in 2027.

4.1.4. Mohave SO_2 Allowance Revolving Fund Memorandum Account

CalCCA stated SCE should correct its accounting for the MSARFMA so that any remaining balance is transferred to the one-time refunds/costs subaccount of the PABA, instead of the ERRA BA.[38] SCE's October update requested this authorization.[39]

We find SCE's request to update the MSARFMA preliminary statement to change the transfer of any remaining MSARFMA balance to the one-time refunds/costs of the PABA, instead of the ERRA BA, is reasonable.

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[37] SCE-05 at 111, Table VII-33. For SCE's 2026 estimate, it notes it used actuals "through August 31, 2026 plus estimated from September 1, 2026 through December 31, 2026."
[38] Direct Testimony of Jack Buckley at 13.

[39] SCE-05 at 121

4.1.5. SCE's Trigger Balance

On August 31, 2026, SCE had an ERRA trigger balance equaling negative 5.17 percent and did not expect the deviation to self-correct within 120 days. SCE filed its trigger application on September 30, 2026. Therefore, SCE complied with Commission orders such as D.19-12-001, by filing its trigger application within 30 days after the Trigger Threshold was exceeded.[40]

On October 5, 2026, an ALJ ruling directed SCE to incorporate its trigger balance into its October update. SCE incorporated its trigger balance into the October update.[41] No party protested SCE's incorporation of its ERRA trigger balance into the October update. We find SCE's treatment of its trigger balance was reasonable, and SCE is in compliance with the Commission's ERRA trigger balance orders.

4.1.6. PCIA Charges

This section discusses the PCIA charges used to recover the PCIA revenue requirement portion of its 2027 ERRA forecast revenue requirement. The PCIA Indifference Amount is the difference between SCE's projected 2026 PCIA-eligible Total Portfolio Cost and its Total Portfolio Market Value. As shown in Attachment 3, SCE's forecast 2027 indifference amount and revenue requirements are $1,464.5 million and $1,698.0 million, respectively.[42] SCE's proposed PCIA charges are shown in Attachment 4. PCIA concepts are further explained in Attachment 1.

[40] *See e.g.* D.19-12-001 at OP 5.

[41] SCE-05 at 3.

[42] SCE-05 at 138. The revenue requirement shown above is the uncollectibles factor applied.

Ultimately, no party objected to SCE's proposed PCIA charges in this proceeding.[43] Based on the record of the proceeding, we find SCE's 2027 PCIA revenue requirement and charges (including CTC costs), as shown in Attachments 3 and 4, are reasonable.

4.1.7. SCE's 2027 ERRA Forecast Revenue Requirement Request

SCE's application requests Commission approval of several procurement-related revenue requirement forecasts for 2027 and 2026 balance adjustments, as outlined in Attachment 2 of this decision. With its October update, SCE requests approval of the 2027 ERRA forecast revenue requirement of $4,510.3 million.[44]

Compared to SCE's initial May estimate of the 2027 ERRA forecast revenue requirement of $4,350.4 million, the October update estimate of the 2027 ERRA forecast revenue requirement of $4,510.3 million represents an increase of $159.9 million.[45] For 2026 year-end balances, SCE largely attributed change to "decreases in the 2026 Final RA and RPS Adders released by the Commission's Energy Division."[46] For the 2027 forecast, SCE attributed changes to: lower power prices, contracting, updates to its RA position, lower RPS voluntary allocation sales, and modeling.[47]

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[43] CalCCA's final filing in this proceeding requests: "for purposes of the Power Charge Indifference Adjustment (PCIA), a quantity of retained Renewables Portfolio Standard (RPS) resources that equals or exceeds its annual RPS compliance target. The Commission should not resolve that dispute here. . . . The Commission should decline SCE's request for an explicit resolution of this matter in this proceeding. If SCE wants to … retain RPS at a level below its annual compliance target, it should make that proposal in the PCIA rulemaking, R.25-02-005." CalCCA Reply Brief at 2, *see also* CalCCA Reply Brief at 3-4.

[44] SCE-05 at 7-12.

[45] SCE-05 at 8.

[46] SCE-05 at 8, Table II-1.

[47] SCE-05 at 7-8.

Compared to SCE's approved 2026 ERRA forecast revenue requirement of $4,711.1 million, SCE's October update estimate for the 2027 ERRA forecast revenue requirement of $4,510.3 represents a decrease of $200.8 million.[48] SCE similarly attributes changes from last year's forecast to MPB revenues, power prices, and contracting, as well as lower forecasted load.[49] Major deviations between the 2026 revenue requirement and SCE's 2027 estimate stem from the following changes:

Table 1: Major Deviations Between 2026 and 2027 ERRA Forecast Revenue Requirements ($ millions)[50]

ACCOUNT	CURRENTLY EFFECTIVE 2026 REVENUE REQUIREMENT	2027 REVENUE REQUIREMENT OCTOBER UPDATE	DIFFERENCE
2027 ERRA	2,712.5	2,322.2	-390.4
2026 ERRA Balance	-786.1	-1,289.0	-502.9
ERRA Total			**-883.2**
2027 PABA	1,495.60	2,182.0	686.4
2026 PABA Balance	1,224.50	1,438.7	214.2
PABA Total			**900.6**
2027 NSG	473.5	352.7	-120.8
2026 NSG Balance	-25.8	9.7	35.5
NSG Total			**-85.3**
2027 GHG Allowance Revenues	-443.3	-551.5	**-108.2**

[48] SCE-05 at 10, Table II-2.

[49] SCE-05 at 9.

[50] *See* SCE-05 at 12.

Essentially, the changes in ERRA and PABA cancel out, and the $200.1 million decrease from last year is largely attributable to the change in NSG and GHG revenues.[51]

Compared to current rates, for bundled residential customers, SCE projects a decrease of 4.1% for the California Alternate Rates for Energy (CARE) rates and 3.9% for the Non-CARE rate, compared to current rates.[52] For unbundled residential customers, SCE projects an increase of 18.7% CARE rates and 6.2% for the Non-CARE rate, compared to current rates.[53] The CARE discount is calculated from the bundled residential rate but delivered through the distribution component, so when a PCIA increase pushes bundled generation rates down, the discount shrinks and the CARE distribution rate rises. Unbundled CARE customers therefore pay the higher PCIA and the higher distribution rate, while unbundled non-CARE customers see only the PCIA increase.

SCE's proposed revenue requirement was not disputed. Based on the record of the proceeding, we find SCE's 2027 ERRA forecast revenue requirement and its subcomponents (such as Green Tariff Shared Renewables Program and MCAM costs), as shown in Attachment 2, is reasonable.

4.1.8. Allocation of 2027 ERRA Revenue Requirement Forecast in Rates

SCE provided 2027 forecast MCAM Rates, bundled customers 2027 ERRA forecast average rates by class, bundled customers 2027 ERRA forecast average rates by class, and average generation rates in it's October update. These rates

[51] SCE-05 at 12.

[52] SCE-05 at 178, Table XI-58.

[53] SCE-05 at 179, Table XI-57.

are shown in Attachment 5. Given we found the 2027 ERRA forecast revenue requirement was reasonable (above in Section 4.1.7), these rates were not disputed, and they are supported by the record, we find the proposed rates in Attachment 5 are reasonable.

4.1.9. Implementation Authority

SCE shall submit a Tier 1 Advice Letter to the Commission's Energy Division within 30 days of the date of issuance of this Decision to implement the revenue requirements adopted in this decision in rates. The tariff sheets filed in this advice letter shall be effective on or after the date filed, subject to the Commission's Energy Division determining that SCE's advice letter complies with this decision.

4.2. Contested Issues

4.2.1. Minimum RPS Retention Requirement and REC Loading Order

CalCCA originally argued that D.20-02-047 set a requirement for IOUs' annual RPS compliance targets to be met with "the minimum quantity of RPS generation that the IOU must recognize as Retained RPS, which is credited to the PCIA annually."[54] Therefore, if SCE's RPS-eligible generation in 2027 "is less than its annual RPS compliance requirement for bundled customers, SCE must use banked RECs (*i.e.*, unused RECs from a prior year) to make up the difference."[55]

In response, SCE argued that D.20-02-047 arose in Pacific Gas and Electric Company's (PG&E) 2020 ERRA forecast proceeding and that decision did not create a minimum RPS retention requirement for all IOUs.[56]

[54] CalCCA-01 at 10.

[55] CalCCA-01 at 10.

[56] SCE-04 at 4-5.

In CalCCA's reply brief, it argued that D.19-10-001, which applied to all IOUs, informed D.20-02-047.[57] CalCCA also argued "if SCE's contention is that it has no annual minimum RPS compliance quantity it must retain at all, it should make that proposal in a statewide proceeding such as the PCIA proceeding."[58]

We agree with SCE, D.20-02-047 did not create a requirement that generally applies to all IOUs. CalCCA did not show that the facts in this proceeding were either similar to those in PG&E's 2020 ERRA forecast proceeding or otherwise substantively require the application of the minimum RPS retention requirement. As such, we do not find a compelling reason to order SCE to apply the minimum RPS retention requirement. We also note that CalCCA requested that the Commission resolve the issue of whether all IOUs have an annual minimum RPS retention requirement in the PCIA and ERRA proceeding, Rulemaking (R.) 25-02-005, not this proceeding.[59]

CalCCA's opening brief noted that at the present time, SCE's proposed loading order for renewable energy credits (REC) usage is acceptable in this proceeding; however, CalCCA requests that the Commission address the issue in R.25-02-005, as a statewide policy matter.[60] SCE noted CalCCA may raise its REC loading order proposal in R.25-02-005, and "allow that proceeding to determine the appropriate treatment."[61]

[57] CalCCA Reply Brief at 3.

[58] CalCCA Reply Brief at 5.

[59] CalCCA Reply Brief at 2.

[60] CalCCA Concurrent Opening Brief and Comments on October Update at iii, 14.

[61] SCE Reply Brief at 2-3 (*Citing* Assigned Commissioner's Second Amended Scoping Memo and Ruling at 2 (August 18, 2026; R.25-02-005)).

On the REC loading order issue and the general applicability of the minimum RPS retention requirement to all IOUs, we defer to process in R.25-02-005 on how to address those issues.

4.2.2. RPS Loading Order and Tracking

CalCCA requested that SCE be required to track any Pre-2019 banked RECs used for bundled customer RPS compliance in 2026 or 2027, in the event CalCCA's appeal of D.26-09-047 requires changes.[62]

SCE responded, noting D.25-12-028 already required that tracking, that was implemented via advice letter 5736-E/E-A,[63] and CalCCA has access to this information via monthly ERRA/PABA reporting.[64]

Since D.25-12-028 only spoke to tracking Pre-2019 banked RECs used for bundled customer RPS in 2026, we clarify that SCE should continue tracking in 2027. We order SCE to track Pre-2019 banked RECs used for bundled customer RPS compliance in 2027, in the same manner ordered by D.25-12-028 at Ordering Paragraph 12 for 2026. SCE shall file a Tier 2 advice letter by February 1, 2027, if an extension of the authority granted by advice letter 5736-E/E-A is needed.

5. Summary of Public Comment

Rule 1.18 allows any member of the public to submit written comment in any Commission proceeding using the "Public Comment" tab of the online Docket Card for that proceeding on the Commission's website. Rule 1.18(a) requires that all written public comment submitted prior to the submission of the proceeding are part of the administrative record of the proceeding. Rule 1.18(b)

[62] D.25-12-028 at OP 12.

[63] Advice 5736-E/E-A was approved with an effective date of February 28, 2026.

[64] SCE Reply Brief at 3-4.

requires that relevant written comment submitted in a proceeding be summarized in the final decision issued in that proceeding.

Commenters opposed SCE's constant rate increases. They emphasized overall affordability concerns, noting that some cannot keep up with inflation and are in a desperate situation. Others noted SCE has some of the highest rates in the nation.

Additionally, commenters raised broad concerns regarding SCE's service quality and corporate responsibility. Some complained about SCE's service quality and therefore argued against rate increases. Others expressed frustration with SCE's profitability and lack of corporate responsibility (i.e. wildfire liability) and similarly argued against rate increases.

6. Procedural Matters: Motions to Admit Evidence and Seal Portions of the Evidentiary Record

On October 28, 2026, SCE and CalCCA filed a joint motion to offer prepared testimonies and exhibits into evidence pursuant to Rules 11.1, 13.8, and 13.11 of the Commission's Rules, as well as a joint motion to seal a portion of the evidentiary record. SCE requests that the Commission admit Exhibits SCE-01, SCE-02, SCE-03, SCE-04, SCE-05, SCE-05, SCE-06, and SCE-07 into the evidentiary record. SCE requests that the Commission seal Exhibits SCE-01C, SCE-02C, SCE-05C, and SCE-06C. CalCCA requests that the Commission admit Exhibits CalCCA-01, CalCCA-01C, and CalCCA-02 in the evidentiary record. CalCCA requests that we seal CalCCA-01C and CalCCA-02C.

On October 29, 2025, CalCCA filed a motion for leave to file under seal the confidential version of its concurrent opening brief and comment. On November 5, 2025, CalCCA filed a motion requesting leave to file a confidential version of its reply brief under seal.

No party has opposed these motions. Good cause having been shown and given compliance with procedural requirements, these motions are granted. This decision affirms all rulings made by the Administrative Law Judge and assigned Commissioner in this proceeding. All motions not ruled on are deemed denied.

7. Comments on Proposed Decision

The proposed decision of ALJ Brandon Gerstle in this matter was mailed to the parties in accordance with Section 311 of the Public Utilities Code and comments were allowed under Rule 14.3 of the Commission's Rules of Practice and Procedure. In developing the schedule for the proceeding, parties stipulated to reduce the 30-day public review and comment period required by Pub. Util. Code Section 311 to ten (10) days for Opening Comments and five (5) days for Reply Comments.[65]

Comments were filed on _____, and reply comments were filed on _____ by _____.

8. Assignment of Proceeding

Matthew Baker is the assigned Commissioner and Brandon Gerstle is the assigned Administrative Law Judge in this proceeding.

Findings of Fact

1. SCE's forecasted total retail net electricity sales of 78,132 GWh in 2026 and 79,944 GWh in 2027 are reasonable.
2. SCE's forecasted 2027 GHG allocated allowance proceeds are:
    a. GHG administrative and outreach expense of $0.3 million;
    b. The net GHG revenue return of $551.5 million; and
    c. The semiannual residential CCC of $47.00 are reasonable.

[65] The reduced comment period on the proposed decision is incorporated in the schedule adopted in the amended scoping memo.

3. SCE's 2027 CPE cost forecast of:
    a. $0 of procurement costs for solicited resources;
    b. A confidential amount of non-energy related CAISO costs and credits; and
    c. $250,000 of administrative costs are reasonable.

4. SCE's request to update the MSARFMA preliminary statement to change the transfer of any remaining MSARFMA balance to the one-time refunds/costs of the PABA, instead of the ERRA BA, is reasonable.

5. SCE had an ERRA trigger balance equaling negative 5.17 percent on August 31, 2026, and filed its 2026 ERRA trigger application 30 days later on September 30, 2026.

6. SCE incorporated its 2026 ERRA trigger balance into the October update.

7. SCE's 2027 PCIA revenue requirement and charges are reasonable, as shown in Attachments 3 and 4, respectively.

8. SCE's 2027 ERRA forecast revenue requirement of $4,510.3 million, with subcomponents outlined in Attachment 2, is reasonable.

9. SCE's allocation of the 2027 ERRA forecast revenue requirement in rates, as shown in Attachment 5, is reasonable.

10. CalCCA did not show that the facts in this proceeding were either similar to those in PG&E 2020 ERRA forecast proceeding or otherwise substantively require the application of the minimum RPS retention requirement of D.20-02-047.

Conclusions of Law

1. SCE should distribute two CCC of $47.00 in 2027.

2. SCE should recover its reasonable 2027 CPE forecast costs.

3. SCE's treatment of its trigger balance was reasonable, and SCE complied with relevant Commission ERRA trigger balance orders.

4. SCE should recover its 2027 ERRA forecast revenue requirement of $4,510.3 million, consisting of subcomponents outlined in Attachment 2.

5. SCE should be authorized to recover its 2027 ERRA forecast revenue requirement through rates, as shown in Attachment 5, via Tier 1 advice letter.

6. SCE's 2027 PCIA revenue requirement and charges should be approved, as shown in Attachments 3 and 4, respectively.

7. SCE should not be required to implement the minimum RPS retention requirement from D.20-02-047.

8. D.25-12-028 only spoke to tracking Pre-2019 banked RECs used for bundled customer RPS in 2026, we clarify tracking should also occur in 2027.

9. SCE's and CalCCA's joint motion to admit testimony and exhibits into evidence should be granted.

10. SCE's and CalCCA's joint motion to seal exhibits should be granted for a period of three years after the effective date of this decision.

11. CalCCA's motions to seal confidential versions of its concurrent opening brief and comments as well as its reply brief should be granted for a period of three years after the effective date of this decision.

O R D E R

IT IS ORDERED that:

1. Southern California Edison (SCE) Company is authorized a revenue requirement of $4,510.3 million for its 2027 Energy Resource Recovery Account (ERRA) Forecast effective January 1, 2027. Specifically, this decision adopts the subcomponents shown in Attachment 2 based on SCE's October update 2027 ERRA Revenue Requirement.

2. Within 30 days of the effective date of this decision, Southern California Edison Company shall file a Tier 1 Advice Letter with tariffs to implement the

rates authorized by this decision. The tariffs shall become effective on or after the filing of the advice letter, subject to review by the Commission's Energy Division.

3. Southern California Edison Company shall update its Mohave SO2 Allowance Revolving Fund Memorandum Account (MSARFMA) preliminary statement via a Tier 1 advice letter to reflect the disposition of any remaining MSARFMA balance through the One-Time Refunds/Costs Subaccount of the Portfolio Allocation Balancing Account instead of the Energy Resource Recovery Account Balancing Account, within 90 days of the issuance of this decision.

4. Southern California Edison Company shall track Pre-2019 banked Renewable Energy Credits used for bundled customer Renewables Portfolio Standard compliance in 2027 in the same manner ordered by D.25-12-028 at OP 12 for 2026. SCE shall file a Tier 2 advice letter by February 1, 2027, if an extension of the authority granted by advice letter 5736-E/E-A is needed

5. Southern California Edison Company and California Community Choice Association's October 28, 2026, Joint Motion to Admit Prepared Testimony and Exhibits into the record is granted.

6. Southern California Edison Company (SCE) and California Community Choice Association's (CalCCA) October 28, 2025, joint motion to seal a portion of the evidentiary record is granted. The following exhibits: SCE-01C, SCE-02C, SCE-05C, SCE-06C, CalCCA-01C and CalCCA-02C shall remain under seal for a period of three years from the effective date of this decision, consistent with Decision 06-06-066. During this three-year period, the information shall not be publicly disclosed except on further Commission order or Administrative Law Judge ruling.

7. California Community Choice Association's (CalCCA) October 29, 2026, motion for leave to file under seal the confidential version of its concurrent opening brief and comment and November 5, 2026, motion for leave to file a confidential version of its reply brief under seal are granted. The confidential version of CalCCA's Opening and Reply Briefs shall remain under seal for a period of three years from the effective date of this decision.

8. Application 26-05-006 and Application 26-09-019 are closed.

This order is effective today.

Dated _____, at San Francisco, California

ATTACHMENT 1

SUMMARY OF IMPORTANT TERMINOLOGY

Energy Resource Recovery Account (ERRA)

SCE uses its ERRA Balancing Account (BA) to track "wholesale short-term market purchases (i.e., the costs of meeting remaining bundled service customers' full energy and ancillary services requirements through the CAISO market with contract terms less than one year in duration) and the fuel and purchased power costs of any contracted resources that are not eligible for recovery in the Portfolio Allocation Balancing Account, the New System Generation Balancing Account, or another balancing account."[1]

Portfolio Allocation Balancing Account (PABA)

SCE's PABA records costs and revenues associated with Power Charge Indifference Adjustment and Competition Transition Charge (CTC) eligible resources. Over/under collection in PABA subaccounts in a given year are rolled over into the next year's ERRA forecast filing.[2]

Power Charge Indifference Adjustment (PCIA)

The Commission is required by law to ensure that the movement of customers from bundled electric services to unbundled service does not shift costs to customers that remain with the utility or those that depart for Community Choice Aggregator (CCA) or Direct Access (DA) service, collectively, "unbundled customers" or Departing Load (DL). In 2002, the Commission adopted a process to allocate costs to achieve this "indifference" to DL. This process addresses the shift of costs between bundled and departed customers by ensuring that DL customers share in the above- or below-market costs of generation resources that were procured on their behalf prior to their opting out of IOU generation service. The resource costs and revenues that must

[1] SCE-01 at 115.

[2] SCE-01 at 118-119, 154 (*citing* D.18-10-019, D.19-10-001).

be allocated to achieve this are tracked in the PABA, which is separated into vintaged subaccounts. The practice of vintaging the PABA subaccounts by year ensures that DL customers are allocated only those costs and benefits that were incurred prior to when they left SCE's generation service.[3]

The Indifference Amount is the quantification of the difference between the forecast annual cost of the PABA-eligible generation portfolio (Total Portfolio Cost) and the forecast market value of that portfolio (Total Portfolio Market Value). The Total Portfolio Market Value is the forecast output of the resources in the generation portfolio multiplied by Market Price Benchmarks (MPBs), related to the energy value, resource adequacy (RA) value, and Renewable Portfolio Standard (RPS) value of the resources, discussed below.[4]

Ultimately, the Indifference Amount is adopted via ERRA forecast proceedings on a forecast basis and is recovered from bundled customers via generation rates, and from DL customers via two separate charges: the CTC and the PCIA. The CTC is used to recover the above-market costs of resources developed prior to the electricity market restructuring that occurred in California in the late 1990s and early 2000s, such as eligible QFs, and is the same for all vintages.[5]

Established in D.06-07-030, the PCIA recovers the above-market costs of non-CTC, PABA-eligible resources. An Indifference Amount is calculated for each vintaged subaccount based on the generation resources committed in each calendar year. The sum of all CTC- and PCIA-vintaged Indifference Amounts

[3] D.25-12-028 at 96-97.

[4] D.25-12-028 at 97.

[5] D.25-12-028 at 97-98.

equals the total PCIA Indifference Amount. Finally, D.18-10-019 authorized utilities to conduct a true up of the PCIA Indifference Amount to reflect actual costs incurred and actual revenues received.[6]

PCIA Charges

SCE refers to the PCIA and the CTC as the Cost Responsibility Surcharges (CRS).[7] For this decision, we refer to the PCIA and the CTC collectively, as "PCIA Charges" that recover the "PCIA Revenue Requirement," pursuant to the "PCIA methodology."

Energy Settlements Refunds and Litigation Costs

SCE is pursuing refunds from generators who overcharged SCE for electricity during the 2000-2001 California Energy Crisis which it tracks the the Energy Settlement Memorandum Account (ESMA).[8] SCE recovers reasonable litigation costs related to each refund settlement, which it tracks through the Litigation Costs Tracking Account (LCTA).[9]

New System Generation (NSG)

The Cost Allocation Mechanism (CAM) is to allocate the benefits and costs of new generation to all benefiting customers in an IOU's service.[10] The NSGBA records the benefits and costs of power purchase agreements associated with new generation resources. The NSGBA also records costs and benefits associated with SCE's central procurement and emergency reliability procurement.[11]

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[6] D.25-12-028 at 98.

[7] SCE-01 at 134-135.

[8] SCE-01 at 119.

[9] *See* SCE-01 at 119; Resolution E-3894.

[10] SCE-01 at 120 (*citing* D.07-09-044).

[11] SCE-01 at 124 (*citing* D.07-09-044, D.20-06-002, D.21-02-028, D.21-03-056, D.21-12-015, D.23-06-029).

Spent Nuclear Fuel

SCE has an ownership interest in two nuclear generation stations Palo Verde Nuclear Generating Station and San Onofre Nuclear Generating Station. SCE incurs ongoing spent fuel storage costs for these facilities.[12]

Base Revenue Requirement Balancing Account (BRRBA)

SCE uses the BRRBA and the BRRBA distribution sub-account (BRRBA-D) for different purposes. For example, SCE transfers the year-end Demand Response Balancing Account-Incentives Sub-Account balance to the BRRBA, and debits the ERRA BA for the actual energy benefits received and credits to the BRRBA-D.[13]

Modified Cost Allocation Mechanism (MCAM)

The MCAM balancing account (MCAMBA) records the net costs related with SCE's procurement of energy resources incurred on behalf of certain load-serving entities (LSE) in the following circumstances:

a. Opt-out procurement-related costs for LSE customers that have opted out of self-procurement;
b. Backstop procurement-related costs for LSE customers that fail to provide the required capacity; and
c. Opt-out LSEs that have left the market and no longer serve customers.[14]

Tree Mortality

The Tree Mortality nonbypassable charge (NBC) was authorized in D.18-12-003. This is for recovery of net costs of tree mortality-related biomass energy procurement, which is intended to address the state's tree mortality crisis.

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[12] *See* SCE-01 at 59-63

[13] SCE-01 at 69-70; *see also* SCE-01 at 8, 120, 167.

[14] SCE-01 at 124-128 (*citing* D.19-11-016; D.21-06-035; D.22-05-015).

Bioenergy Market Adjusting Tariff (BioMat)

The BioMat-NBC was authorized in D.20-08-043. This is for recovery of net costs of small-scale bioenergy projects.

Public Purpose Programs Charge (PPPC)

The PPPC includes TMNBC, BMNBC, Local Capacity Requirements-Public Purpose Programs Sub Account, Disadvantaged Communities (DAC)-Green Tariff (GT), Community Solar Green Tariff (CSGT).[15]

Greenhouse Gas (GHG) Allowance Revenues and Return Allocations

Investor-owned utilities are required by the Commission to distribute GHG allowance revenues eligible for return to customers. This includes the California Climate Credit (CCC) for small business and residential customers and the CA Industry Assistance for customers who qualify as Emissions-Intensive and Trade-Exposed (EITE).[16]

Green Tariff Shared Renewables (GTSR)

The GTSR program is a voluntary program that allows customers two ways to participate:

i. A green tariff option (Green Tariff (GT) or Green Rate (GR)) that allows customers to allocate either 50 percent or 100 percent of their electricity bill to renewable energy; and

ii. An enhanced community renewables (ECR) option that allows customers to support renewable energy in their local community via agreements with third-party renewable energy developers."[17]

Central Procurement Entity (CPE)

[15] *See* SCE-01 at 110.

[16] *See* SCE-01 at 4, 93; D.14-10-033.

[17] SCE-01 at 56; *see* also D.15-01-051.

In D.20-06-002, the Commission designated SCE as the CPE for its distribution area, tasking SCE with multi-year local resource adequacy (Local RA) procurement obligations starting with the 2023 compliance year. That decision adopted CAM as the cost recovery mechanism for the resources and the administrative costs of acting as CPE. D.22-03-034 required that CPE procurement costs be forecast and implemented through rates in the ERRA proceeding and documented in a separate chapter of a utility's ERRA forecast.[18]

[18] D.25-12-028 at 28.

ATTACHMENT 2

DETAILED 2027 ERRA FORECAST REVENUE REQUIREMENT

Table 2-1 2027 ERRA Forecast Revenue Requirement Comparison ($ millions)[1]

Account	Currently Effective 2026 Revenue Req.[2]	2027 Revenue Req. May Application	2027 Revenue Req. October Update
2027 ERRA	2,712.5	2,368.7	2,322.2
2026 ERRA Balance	(786.1)	(330.8)	(1,289.0)
2027 PABA	1,495.6	1,972.1	2,182.0
2026 PABA Balance[3]	1,224.5	557.9	1,438.7
2027 GTSR	7.3	6.1	4.7
2026 ESMA and LCTA Balance	1.4	0.0	0.1
2027 NSG	473.5	313.0	352.7
2026 NSG Balance	(25.8)	29.9	9.7
2027 MCAM	3.7	3.8	3.8
2026 MCAM Balance	3.0	1.1	1.0
2027 Spent Nuclear Fuel	5.3	5.3	5.4
2027 BRRBA-D	(2.7)	(2.8)	(2.5)
2027 GHG Allowance Revenues	(443.3)	(616.7)	(551.5)
2027 PPPC[4]	32.1	35.6	33.1
2026 TMNBCBA Balance	14.4	8.5	2.6
2026 BMNBCBA Balance	(4.4)	(1.3)	(2.9)
Total[5]	**$4,711.1**	**$4,350.4**	**$4,510.3**

[1] Sources: SCE-01 at 10 and SCE-05 at 12.
[2] The D.25-12-028 2026 ERRA Forecast revenue requirement was implemented into rates on January 1, 2026, via SCE Advice Letter 5717-E.
[3] Includes TMNBC, BMNBC, LCR-PPP and DAC-GT/CSGT PPPC amounts.
[4] Excludes the revenue requirement associated with the 2025 General Rate Case Revenue Requirement Memorandum Account (GRCRRMA).
[5] Totals corrected for rounding error, consistent with sources.

ATTACHMENT 3

PCIA REVENUE REQUIREMENT

Table 3-1: Summary of SCE's 2027 ERRA Forecast Portfolio Costs, Portfolio Market Value, and Total PCIA Revenue Requirement ($ millions)[1]

PCIA Revenue Requirement	May Testimony	Amended October Update
Total Portfolio Cost	4,571.5	4,587.9
Total Portfolio Market Value • Energy Value • RPS Value • RA Value	 (1,212.2) (1,895.0) (1,713.7)	 (1,190.6) (478.4) (1,454.5)
One Time Adjustments	0.1	0.1
Total 2027 Indifference Amount	(249.4)	(1,464.5)
Additions and Balancing and Memorandum Account True Ups • YE 2026 PABA • UOS Separator • GRCRRMA • YE 2026 ERRA BA	 551.0 29.7 50.9 (326.8)	 1,421 29.7 50.9 (1,273.2)
2027 PCIA Revenue Requirement	55.4	1692.9
2027 PCIA Revenue Requirement with Uncollectibles Factor	55.6	1698.0

[1] SCE-05 at 138, Table IX-41.

ATTACHMENT 4

PCIA CHARGES

Table 4-1: 2026 & 2027 Average System PCIA Rates ($/kWh)

Vintage	2026 Rate[1]	2027 Rate[2]
2001	0.00006	0.00001
2004	0.00007	0.00001
2009	0.01231	0.0169
2010	0.01477	0.02028
2011	0.01711	0.02336
2012	0.01805	0.02501
2013	0.01842	0.02536
2014	0.02074	0.03556
2015	0.01573	0.03053
2016	0.01864	0.03726
2017	0.01770	0.03528
2018	0.02020	0.04089
2019	0.01627	0.03577
2020	0.01693	0.03888
2021	0.01534	0.03952
2022	0.02207	0.04691
2023	0.02198	0.04073
2024	0.00840	0.03481
2025	-0.00519	0.04108
2026	-0.00550	0.01672
2027		0.01672

[1] SCE AL 5717-E Appendix B, Table: "ERRA CRS Rates - Vintaged Specific Sales Rate Design."

[2] SCE-05, Appendix B, Table: "ERRA CRS Rates - Vintaged Specific Sales Rate Design."

Table 4-2: 2027 Competition Transition Charges ($/kWh)[3]

Rate Group	2027 CTC
Domestic	0.00003
TOU-GS-1	0.00002
TC-1	0.00002
TOU-GS-2	0.00002
TOU-GS-3	0.00002
TOU-8-Sec	0.00002
TOU-8-Pri	0.00002
TOU-8-Sub	0.00002
TOU-PA-2	0.00002
TOU-PA-3	0.00002
St. Lighting	0.00002
Standby-Sec	0.00002
Standby-Pri	0.00002
Standby-Sub	0.00002
System Average	0.00002

[3] SCE-05, Appendix B, Table: "ERRA CRS Rates - Vintaged Specific Sales Rate Design."

ATTACHMENT 5

RATE ALLOCATION FOR 2027 ERRA FORECAST REVENUE REQUIREMENT

Table 5-1: Summary of the 2027 ERRA Forecast Portion of SCE's Bundled Customer Rates[1]

Rate Schedule by Customer Group	Total Delivery (¢/kWh)	Total Generation (¢/kWh)	Total (¢/kWh)	Change from Oct 2026
Domestic				
• D	0.26882	0.10361	0.37243	-3.9%
• D-CARE	0.10748	0.10363	0.21111	-4.1%
• DE	0.16407	0.10353	0.26760	-3.9%
• DM	0.12127	0.10402	0.22529	-10.6%
• DMS-1	0.28473	0.10402	0.38875	-4.7%
• DMS-2	0.25460	0.10401	0.35861	-4.3%
Lighting-Small, Medium Power				
• GS-1	0.17768	0.10066	0.27834	-3.9%
• GS-2	0.20233	0.10064	0.30297	-3.0%
• TC-1	0.26041	0.09355	0.35396	-2.3%
• TOU-GS	0.17785	0.08513	0.26298	-2.9%
Large Power				
• TOU-8-S	0.15253	0.08608	0.23861	-3.2%
• TOU-8-P	0.13231	0.08211	0.21442	-3.3%
• TOU-8-T	0.05454	0.07277	0.12732	-4.2%
• TOU-8-S-S	0.15914	0.08685	0.24599	-2.9%
• TOU-8-S-P	0.12965	0.08070	0.21036	-3.2%
• TOU-8-S-T	0.04268	0.07232	0.11500	-4.9%
Agricultural & Pumping				
• TOU-PA-2	0.16221	0.09390	0.25611	-3.3%
• TOU-PA-3	0.13419	0.07312	0.20730	-3.1%
Street & Area Lighting				
• LS-1	0.74653	0.05314	0.79967	-0.6%
• LS-2	0.21445	0.05307	0.26752	-1.9%
• LS-3	0.11304	0.05390	0.16694	-3.0%
• DTL	0.50827	0.05314	0.56141	-0.9%
• OL-1	0.40379	0.05314	0.45693	-1.1%
Average Rate – All Groups	0.17671	0.09398	0.27070	-3.6%

[1] *See* SCE-05 at 178, Table XI-56.

Table 5-2: Summary of the 2027 ERRA Forecast Portion of SCE's Unbundled Customer Rates[2]

Rate Schedule by Customer Group	Total Delivery (¢/kWh)	Total Generation (¢/kWh)	Total (¢/kWh)	Change from Oct 2026
Domestic				
• D	0.26850	0.04767	0.31617	6.2%
• D-CARE	0.10560	0.04767	0.15327	18.7%
• DE	0.17760	0.04767	0.22527	6.7%
• DM	0.14336	0.04767	0.19103	-6.7%
• DMS-1	0.30943	0.04767	0.35710	3.1%
• DMS-2	0.27556	0.04767	0.32323	4.7%
Lighting-Small, Medium Power				
• GS-1	0.17633	0.03365	0.20998	7.7%
• GS-2	0.17526	0.02940	0.20466	7.4%
• TC-1	0.24949	0.03338	0.28287	6.9%
• TOU-GS	0.14916	0.02165	0.17081	6.1%
Large Power				
• TOU-8-S	0.13492	0.02449	0.15941	7.7%
• TOU-8-P	0.11569	0.01877	0.13446	7.2%
• TOU-8-T	0.04962	0.01041	0.06003	8.9%
• TOU-8-S-S	0.12735	0.01807	0.14542	9.1%
• TOU-8-S-P	0.10272	0.02039	0.12311	8.1%
• TOU-8-S-T	0.04895	0.01084	0.05979	7.9%
Agricultural & Pumping				
• TOU-PA-2	0.14924	0.03436	0.18360	10.3%
• TOU-PA-3	0.12582	0.02864	0.15446	9.9%
Street & Area Lighting				
• LS-1	0.62916	0.03889	0.66805	3.2%
• LS-2	0.26471	0.03889	0.30360	7.4%
• LS-3	0.10297	0.03889	0.14186	17.2%
• DTL	0.98418	0.03889	1.02307	2.1%
• OL-1	0.37438	0.03889	0.41327	5.3%
Average Rate – All Groups	0.16136	0.03005	0.19140	7.5%

[2] *See* SCE-05 at 179, Table XI-57.

Table 5-3: Modified Cost Allocation Mechanism Rate Component[3]

RATE SCHEDULE BY CUSTOMER GROUP	RATE (¢/KWH)
• Domestic	$0.00147
• GS-1	$0.00103
• GS-2	$0.00117
• TOU-GS-3	$0.00110
• TOU-8-Sec (Standby & Non-Standby)*	$0.00087
• TOU-8-Pri (Standby & Non-Standby)*	$0.00091
• TOU-8-Sub (Standby & Non-Standby)*	$0.00094
• TOU-PA*	$0.00059
• St. Lighting*	$0.00078
TOTAL	$0.00097

* The standby and non-standby Large Power groups, TOU-PA-2 and TOU-PA-3 groups, and the Street Lighting and TC-1 rate groups have been combined in this table for illustrative purposes to comply with the CPUC's 15/15 confidentiality rule.

[3] *See* SCE-05 at 177, Table XI-55.

Table 5-4: Average Generation Rates[4]

Rate Schedule by Customer Group	10/1/2026 Generation (¢/kWh)	2027 Forecast Generation (¢/kWh)	Change from Oct 2026
Domestic			
• Non-CARE	11.21	10.36	-7.60%
• D-CARE	11.22	10.36	-7.60%
Lighting-Small, Medium Power			
• GS-1	10.87	10.07	-7.41%
• GS-2	10.86	10.06	-7.36%
• TC-1	10.10	9.35	-7.39%
• TOU-GS-3	9.19	8.51	-7.33%
Large Power			
• TOU-8-SEC	9.30	8.61	-7.42%
• TOU-8-PRI	8.86	8.21	-7.37%
• TOU-8-SUB	7.86	7.28	-7.43%
• TOU-8-SEC-S	9.37	8.69	-7.29%
• TOU-8-PRI-S	8.71	8.07	-7.37%
• TOU-8-SUB-S	7.81	7.23	-7.40%
Agricultural & Pumping			
• TOU-PA-2	10.14	9.39	-7.37%
• TOU-PA-3	7.90	7.31	-7.40%
Street & Area Lighting			
• LS-1	5.74	5.31	-7.39%
• LS-2	5.73	5.31	-7.40%
• LS-3	5.82	5.39	-7.40%
• DTL	5.74	5.31	-7.39%
• OL-1	5.74	5.31	-7.39%
Total	10.15	9.40	-7.36%

END OF ATTACHMENTS

[4] *See* SCE-05 at 180, Table XI-58.