



**California Public Utilities Commission**  
**505 Van Ness Ave., San Francisco**

**FOR IMMEDIATE RELEASE**

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**PRESS RELEASE**

Docket #: A.19-08-013

**CPUC ISSUES DECISION IN SCE'S 2021 RATE CASE**

SAN FRANCISCO, August 19, 2021 - The California Public Utilities Commission (CPUC) today approved Southern California Edison's (SCE) General Rate Case, authorizing a 7.63 percent increase to the utility's revenue requirement for 2021, compared to SCE's requested 19.03 percent increase, after a thorough assessment and determination of operating expenses and capital expenditures that are necessary for the utility to provide safe and reliable service.

Today's Decision authorizes a 2021 revenue requirement of \$6.899 billion for company operations and capital investments. This is \$730 million less than what SCE had requested, resulting in an increase of \$12.41 (or 8.9 percent) for a typical residential non-CARE customer's monthly bill compared to SCE's requested increase of \$16.77 (or 12.1 percent).

The other issues resolved in today's Decision include the following:

- Excludes more than \$131 million of costs associated with executive compensation and SCE's employee bonus programs that do not benefit consumer interests.
- Adopts SCE's investment in its distribution and transmission grids, substations, and energy storage and to modernize its grid and replace electrical poles to enhance safety and resiliency.
- Approves \$3.29 billion in spending on SCE's Wildfire Mitigation Programs. This approval includes authorizing SCE to replace 4,500 miles of overhead wire with covered conductor in an effort to reduce ignitions from power lines in high fire threat areas. SCE will also have the opportunity to increase this covered conductor deployment if needed, subject to further review in conformance with its Wildfire Mitigation Plan.
- Allows SCE to purchase up to \$1 billion of liability insurance coverage for third-party wildfire-related claims at a cost of approximately \$460 million. SCE may use alternative risk



transfer instruments such as catastrophe bonds or self-insurance if needed and must demonstrate the reasonableness of costs exceeding the approved amounts for cost recovery.

“This proceeding created the opportunity for the CPUC to make strategic decisions on the future of Southern California Edison’s capital investments, including grid modernization, responses to cyber security risks, and safety investments in response to climate change risks such as wildfires. Our decision keeps our communities safe and employed and also keeps Southern California Edison’s wildfire mitigation strategy agile,” said Commissioner Genevieve Shiroma, who is assigned to the proceeding.

The CPUC hosted public forums from June 30, 2020 to July 1, 2020 to receive comments from the public—connecting to hundreds of customers over the course of four public forums.

In authorizing a revenue requirement, the CPUC closely scrutinizes the activities of a utility company to ensure it receives the necessary funds to provide safe and reliable service to customers, and to allow the company to maintain and replace its aging infrastructure, but at a reasonable cost to its customers. Specific rates that customers pay are set in a separate proceeding.

The proposal voted on is available at

<https://docs.cpuc.ca.gov/PublishedDocs/Published/G000/M400/K807/400807458.PDF>.

Documents related to this proceeding are available at

[https://apps.cpuc.ca.gov/apex/f?p=401:56:0::NO:RP,57,RIR:P5\\_PROCEEDING\\_SELECT:A1908013](https://apps.cpuc.ca.gov/apex/f?p=401:56:0::NO:RP,57,RIR:P5_PROCEEDING_SELECT:A1908013).

The CPUC regulates services and utilities, safeguards the environment, and assures Californians’ access to safe and reliable utility infrastructure and services. For more information on the CPUC, please visit [www.cpuc.ca.gov](http://www.cpuc.ca.gov).

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