

Application No.: A.24-10-002  
Exhibit No.: SCE-14  
Witnesses: J. Hasbrouck



(U 338-E)

***Woolsey Fire Cost Recovery Application – Cost  
Recovery Update Testimony***

Before the

**Public Utilities Commission of the State of California**

Rosemead, California  
July 15, 2025

# **SCE-14: Woolsey Fire Cost Recovery Application – Cost Recovery Update Testimony**

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1 I.

2 **INTRODUCTION**

3 At the time Southern California Edison Company (SCE) filed its Application, a small number of  
4 claims related to the Woolsey Fire remained pending against the Company.<sup>1</sup> In its Application and  
5 supporting prepared testimony, SCE committed to providing in its rebuttal testimony: (a) the additional  
6 claims paid, legal costs incurred, and financing costs incurred and estimated after August 31, 2024; and  
7 (b) SCE's best estimate of the remaining claims costs left to be paid, giving effect to the \$250 million  
8 disallowance consistent with the Commission-approved Administrative Consent Order (ACO) with the  
9 Safety and Enforcement Division (SED).<sup>2</sup> In its Application and supporting prepared testimony, SCE  
10 also proposed that costs not resolved in connection with the Application be subject to a post-decision  
11 true-up process.<sup>3</sup> Cal Advocates did not oppose this proposal. And while EPUC opposed this proposal it  
12 did so on the sole basis that, according to EPUC, "SCE has not demonstrated that it acted reasonably and  
13 prudently in operating its equipment to avoid the ignition of the Woolsey Fire."<sup>4</sup> In other words,  
14 EPUC's sole objection to SCE's update proposal is its substantive opposition to SCE's request, which is  
15 addressed in SCE's other chapters of rebuttal testimony.<sup>5</sup> In this rebuttal testimony, SCE provides the  
16 aforementioned cost updates and best estimate of remaining claims to be paid.

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<sup>1</sup> SCE-09 at pp. 14-15.

<sup>2</sup> Application at pp. 5-7, 16-17; SCE-09 at p. 16.

<sup>3</sup> Application at pp. 16-17; SCE-09 at p. 16.

<sup>4</sup> EPUC Direct Testimony at p. 51.

<sup>5</sup> See SCE-11, SCE-12 Volumes 1-4.

## II.

### UPDATE ON CLAIMS PAYMENTS, OUTSIDE LEGAL EXPENSES, AND FINANCING

#### COSTS

In SCE-09, SCE provided a table showing the claim payments, outside legal expenses, and financing costs recorded in the WEMA as of August 31, 2024 and an estimate of ongoing financing costs.<sup>6</sup> Table II-1 below updates these amounts through May 31, 2025.<sup>7</sup>

***Table II-1  
Event Costs Recorded in the WEMA as of May 31, 2025 and Estimate of Ongoing  
Financing Costs (\$000)<sup>8</sup>***

Line No.	Item	Woolsey Fire Subaccount as of May 31, 2025	Woolsey Fire Subaccount as of August 31, 2024	Change from August 31, 2024
1	Claims Payments	5,966,838	5,712,306	254,532
2	Insurance Reimbursements	(1,000,000)	(1,000,000)	-
3	Less ACO Disallowance	(56,097)	-	(56,097)
4	Less FERC-Jurisdictional Amounts	(330,474)	(313,522)	(16,952)
5	<b>Subtotal - Claims Recovery Request</b>	<b>4,580,267</b>	<b>4,398,784</b>	<b>181,484</b>
6	Legal Costs	110,173	98,478	11,696
7	Less FERC-Jurisdictional Amounts	(7,214)	(6,433)	(782)
8	<b>Subtotal - Legal Cost Recovery Request</b>	<b>102,959</b>	<b>92,045</b>	<b>10,914</b>
9	<b>Total</b>	<b>4,683,226</b>	<b>4,490,829</b>	<b>192,398</b>
10	Debt Issuance Costs	40,628	37,751	2,877
11	Financing Costs	538,326	375,320	163,007
12	<b>Subtotal - Financing Cost Recovery Reques</b>	<b>578,954</b>	<b>413,071</b>	<b>165,883</b>
13	<b>Ending WEMA Balance as of May 31, 2025</b>	<b>5,262,180</b>	<b>4,903,899</b>	<b>358,281</b>
14	Financing Costs (post-May 2025 estimate)	373,292	525,667	(152,375)
15	<b>Total - WEMA Cost Recovery Request</b>	<b>5,635,472</b>	<b>5,429,566</b>	<b>205,906</b>

<sup>6</sup> SCE-09 at p. 11 (Table II-3).

<sup>7</sup> The legal and financing costs (Line Nos. 6 and 11 of Table II-1) below are inclusive of an approximately \$472,000 reduction in legal costs to correct an error related to a period prior to May 31, 2025.

<sup>8</sup> The estimated financing costs (Line No. 14 of Table II-1) show a negative change from the estimates on August 31, 2024 because estimated costs have shifted to actual costs as time has passed (now reflected as part of the updated figures in Line No. 11 of Table II-1).

1 As of May 31, 2025, SCE's best estimate of the CPUC-jurisdictional portion of third-party  
2 uninsured claims related to the Woolsey Fire is \$4.830 billion, net of insurance.<sup>9</sup> In its Application, SCE  
3 sought recovery of approximately \$4.399 billion of that total for claims paid as of August 31, 2024.<sup>10</sup>  
4 After accounting for uninsured claims paid between August 31, 2024 and May 31, 2025,<sup>11</sup> SCE's  
5 current best estimate is that there is approximately \$193.9 million of CPUC-jurisdictional uninsured  
6 claims outstanding. As described in SCE-09, third-party uninsured claims payments recorded in WEMA  
7 after August 31, 2024 will be offset by the \$250 million Woolsey Fire-related disallowance for which  
8 SCE committed not to seek cost recovery from customers in the Commission-approved ACO.<sup>12</sup>  
9 Because SCE's current best estimate of CPUC-jurisdictional uninsured claims outstanding is less than  
10 the \$250 million ACO disallowance, SCE has already begun to give effect to the disallowance in this  
11 cost update, as shown above in Table II-1.<sup>13</sup> For the same reason, absent unforeseen circumstances, SCE  
12 currently estimates that there will be no additional CPUC-jurisdictional claims costs for which SCE will  
13 need to seek recovery from ratepayers. But should there be any balance of outstanding CPUC-  
14 jurisdictional uninsured claims after giving effect to the full \$250 million disallowance consistent with  
15 the ACO, then SCE will handle these costs (including any refunds) according to the post-decision true-  
16 up process described in SCE-09.<sup>14</sup>

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<sup>9</sup> This estimate is subject to change.

<sup>10</sup> See Table II-1 above at Line No. 5; SCE-09 at p. 11, Table II-3 at Line No. 4.

<sup>11</sup> See Table II-1 above at Line Nos. 3 and 5.

<sup>12</sup> SCE-09 at pp. 13-15.

<sup>13</sup> See Table II-1 above at Line No. 3 (showing that as of May 31, 2025, SCE has already given effect to approximately \$56.1 million of the \$250 million disallowance consistent with the ACO. This amount is equal to the difference between the \$250 million disallowance and the \$193.9 million of CPUC-jurisdictional uninsured claims that SCE estimates to be outstanding as of May 31, 2025).

<sup>14</sup> SCE-09 at p. 16.