

NOTICE OF FILING

**NOTIFICATION OF APPLICATION FILING BY SOUTHERN CALIFORNIA EDISON
COMPANY (SCE): FUEL CELL PROJECT
PROPOSED INCREASE IN ELECTRIC RATES**

APPLICATION NO. A.09-04-018

On April 27, 2009, SCE filed an application with the CPUC requesting authorization to incur and recover the costs necessary to pursue the development of three fuel cell installations at various state-owned universities in SCE's service territory (Fuel Cell Program). The sites selected by SCE to participate in its program are the California State University at San Bernardino (CSUSB), the California State University at Long Beach (CSULB), and the University of California at Santa Barbara (UCSB). Both CSUSB and CSULB will each host a fuel cell installation with associated cogeneration facilities and an electrical output rating greater than one megawatt (MW), and UCSB will host a highly efficient electric power output only fuel cell installation rated at 200 kilowatts (kW). Locating the power plants "on-site" at institutions of higher learning will provide benefits of locally generated electrical and thermal energy, and will also provide an educational platform for the universities to help develop an educated workforce, and increase the public's familiarity with this advanced, environmentally friendly technology.

SCE expects to incur approximately \$21.6 million in direct capital expenditures and \$8.9 million in non-fuel related operation and maintenance (O&M) expenses over the 10-year life of the fuel cells. These costs represent the expenses required to acquire, install, and maintain the fuel cells at the three host sites. **However, SCE is proposing to fund 50% of the of the Fuel Cell Program's estimated capital cost by using approximately \$10.8 million of unspent and uncommitted funds that are currently recorded in the existing Self Generation Program Incremental Cost Memorandum Account (SGPICMA).** SCE's proposal to recover the remaining \$10.8 million of capital costs and O&M expenses associated with the Fuel Cell Program is detailed in its supporting testimony.

If the CUPC approves SCE's request, it would result in an increase that is less than 1% of SCE's total revenue (the total amount of money customers pay in a year for the electric services they receive). An average residential customer using 600 kilowatt-hours per month would see an increase of \$0.02 per month, from \$77.72 to \$77.74, or 0.026%. The recovery of these costs is expected to begin 2010. The following table shows an estimate of proposed rate changes by customer group:

CUSTOMER GROUP RATE IMPACT

Customer Group	Present Rates ¢/kWh	Proposed Rates ¢/kWh
Residential	15.529	15.546
Small and Medium Power	14.999	15.017
Large Power	10.749	10.762
Agricultural and Pumping	10.869	10.881
Street and Area Lighting	19.213	19.225
TOTAL	14.044	14.060

THE CPUC WELCOMES YOUR PARTICIPATION AND COMMENTS

The CPUC may hold evidentiary hearings whereby formal parties of record provide testimony and are subject to cross-examination before a CPUC Administrative Law Judge (ALJ). These hearings are open to the public, but only those who are formal parties of record may participate. The CPUC has its own court reporters who will record the comments of those formal parties of record participating in the evidentiary hearings. After considering all proposals and evidence presented during the formal hearing process, the assigned ALJ will issue a proposed decision. When the CPUC issues a final decision on the application, it may adopt, amend, or modify all or part of the ALJ's proposed decision as written. The CPUC's decision may be different than SCE's request.

The Division of Ratepayer Advocates (DRA) is an independent arm of the CPUC, created by the Legislature to represent the interests of all utility customers throughout the state to obtain the lowest possible rates for service consistent with reliable and safe service levels. DRA has a multi-disciplinary staff with expertise in economics, finance, accounting, and engineering.

You may submit written comments to the CPUC's Public Advisor's Office at the address or e-mail shown below. Please state that you are writing concerning SCE's application A.09-04-002. Your comments will become a part of the formal correspondence file for public comment in this proceeding. The Public Advisor's Office will circulate your comments to the five Commissioners, the ALJ, DRA, and to CPUC staff assigned to this proceeding. You may also write to the CPUC if you need advice on how to participate in this proceeding, or would like to receive further notices regarding the date, time, and place of any hearing on SCE's application. You may also review a copy of this Application and related exhibits at SCE's corporate headquarters (2244 Walnut Grove Avenue, Rosemead, CA 91770). Finally, you may also review a copy of this Application and related exhibits at the CPUC's main office in San Francisco, listed below.

The Public Advisor California Public Utilities Commission 320 West Fourth Street, Suite 500 Los Angeles, CA 90013 Or by e-mail: Public.Advisor.la@cpuc.ca.gov	The Public Advisor California Public Utilities Commission 505 Van Ness Avenue, Room 2103 San Francisco, CA 94102 Or by e-mail: Public.Advisor@cpuc.ca.gov
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FOR FURTHER INFORMATION FROM SCE

As noted above, you may review a copy of this Application and related exhibits at SCE's corporate headquarters (2244 Walnut Grove Avenue, Rosemead, CA 91770). You may also view these materials at the following SCE business offices:

1 Pebbly Beach Rd.
Avalon, CA 90704

30553 Rimrock Rd.
Barstow, CA 92311

374 Lagoon St.,
Bishop, CA 93514

505 W. 14th Ave.
Blythe, CA 92225

3001 Chateau Rd.
Mammoth Lakes, CA 93546

510 S. China Lake Blvd.,
Ridgecrest, CA 93555

26364 Pine Ave.
Rimforest, CA 92378

41694 Dinkey Creek Rd.
Shaver Lake, CA 93664

421 W. J St.,
Tehachapi, CA 93561

120 Woodland Dr.,
Wofford Heights, CA 93285

6999 Old Woman Springs Rd.
Yucca Valley, CA 92284

Customers with Internet access may view and download SCE's application and the papers supporting it on SCE's Web site, www.sce.com/applications. Anyone who would like to obtain more information about the application, please write to:

Southern California Edison Company
P.O. Box 800
2244 Walnut Grove Avenue
Rosemead, CA 91770
Attention: Case Administration

Para solicitar una copia de esta notificacion en espanol por favor escriba a:

Southern California Edison Company
2244 Walnut Grove Avenue, Quad 4A
Rosemead, CA 91770

a la atención de Comunicaciones Corporativas o por medio de correo electronico a gabby.garcia@sce.com.

April 2009