

NOTIFICATION OF APPLICATION FILING BY
SOUTHERN CALIFORNIA EDISON COMPANY (SCE):
WILDFIRE COST RECOVERY
A.09-08-020

On August 31, 2009, Southern California Edison Company, San Diego Gas and Electric Company, Southern California Gas Company, and Pacific Gas and Electric Company, jointly filed Application No. 09-08-020 requesting authority from the California Public Utilities Commission (CPUC) to approve a mechanism to allow it to recover costs associated with wildfires. In the face of a changing insurance market that may limit the Utilities' ability to obtain insurance coverage, the Application asks for CPUC approval to establish a Wildfire Expense Balancing Account (WEBA) to record for future recovery all uninsured costs arising from wildfires, including:

- (1) payments to satisfy wildfire claims, including any co-insurance and deductible expense paid by the Utilities;
- (2) outside legal costs incurred in the defense of wildfire claims;
- (3) premiums for insurance against wildfire claims, and
- (4) the cost of financing these amounts.

Costs that have previously been authorized for recovery in rates in SCE's General Rate Case shall not be added to the WEBA. Insurance proceeds, as well as any payments received from third parties, will be credited to the WEBA as they are received. The Application requests that amounts recorded in the WEBA be included in rates after review and approval by the Commission. However, while requesting approval of the mechanism, the Application does not request increases in current rates.

THE CPUC PROCESS

The CPUC's Division of Ratepayer Advocates (DRA) will review this Application. DRA is an independent arm of the CPUC, created by the Legislature to represent the interests of all utility customers throughout the state and obtain the lowest possible rate for service consistent with reliable and safe service levels. DRA has a multi-disciplinary staff with expertise in economics, finance, accounting and engineering. DRA's views do not necessarily reflect those of the CPUC. Other parties of record will also participate.

The CPUC may hold evidentiary hearings where parties of record present their proposals in testimony and are subject to cross-examination before an Administrative Law Judge (ALJ). These hearings are open to the public, but only those who are parties of record can present evidence or cross-examine witnesses during evidentiary hearings. Members of the public may attend these hearings, but are not allowed to participate, only listen.

After considering all proposals and evidence presented during the hearing process, the ALJ will issue a draft decision. When the CPUC acts on this application, it may adopt all or part of SCE's request, amend or modify it or deny the application. The CPUC's final decision may be different from SCE's proposed application filing.

FOR FURTHER INFORMATION FROM SCE

You may also view a copy of the application at SCE's Web site at www.sce.com/applications. Or, by writing to SCE at the Rosemead mailing address below. You may also review a copy of this Application and related exhibits at SCE's corporate headquarters (2244 Walnut Grove Avenue, Rosemead, CA 91770) or 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

For further information from SCE regarding this Application, or to request a copy, please write to:

Southern California Edison Company
2244 Walnut Grove Avenue
Rosemead, CA 91770
Attention: Russell G. Worden
General Rate Case Project Manager

Los usuarios con acceso al Internet podrán leer y descargar esta notificación en español en el sitio Web de SCE www.sce.com/avisos o escriba a:

Southern California Edison Company
P.O. Box 800
2244 Walnut Grove Avenue
Rosemead, CA 91770
Atención: Gabby Garcia

If you would like additional information on the CPUC process or need assistance, you may contact the Public Advisor's Office (PAO) at 1-866-849-8391 (toll free) or 213-576-7055 in Los Angeles or the Public Advisor's Office (PAO) at 1-866-849-8390 (toll free) or 415-703-2074 in San Francisco.

You may also send your comments to the PAO at the address: Public Advisor's Office, 320 West 4th St., Ste. 500, Los Angeles, CA 90013 or send an email to: public.advisor.la@cpuc.ca.gov. Any letters received from you will be circulated to each Commissioner and will become part of the formal correspondence file in this application. In your letter, state that your comments are regarding Application No. A.09-08-020.

Reviewed by the California Public Utilities Commission