

NOTIFICATION OF GENERAL RATE CASE APPLICATION FILING BY SOUTHERN CALIFORNIA EDISON COMPANY FOR A PROPOSED RATE INCREASE ON CATALINA ISLAND

Application (A.) 08-09-019

On September 23, 2008, Southern California Edison Company (SCE) filed a proposed General Rate Case (GRC) Application with the California Public Utilities Commission (CPUC). The proposed application seeks authority to collect base rate (non-fuel) revenues for gas service on Santa Catalina island of \$1.654 million, effective January 1, 2009. Base rate revenues pay for the costs of owning and operating gas distribution facilities on Catalina Island. The commodity of propane is not included in this application filing.

REASONS FOR SCE'S PROPOSED INCREASE

SCE has made this request to continue providing safe and reliable service to its customers. The reasons for the requested revenue increase are:

- Increased Operations & Maintenance expense to maintain the aging gas distribution system infrastructure;
- The need to make substantial capital investments to replace aging gas distribution infrastructure.
- Increasing expenses to meet regulatory requirements.

WHAT THIS MEANS TO YOU

If the proposed GRC Application is approved by the CPUC, SCE's request would result in a \$751,000 increase, or 27 percent, increase over currently authorized total revenues (or a 83 percent increase in base rate revenues).

If you are a residential customer, the average gas bill on Santa Catalina Island is \$82 per month in the winter, and \$62 per month in the summer. If you are a commercial customer, the average bill is \$1,211 per month year-round. If the proposed Application is approved by the CPUC, the average residential customer's monthly bill will increase by approximately \$22 or 26 percent in the winter and \$17 or 27 percent in the summer. The average commercial customer's monthly bill will increase by approximately \$332 or 27 percent. **The actual impact on your bill may vary depending on your energy use.**

EVIDENTIARY HEARINGS

The CPUC may hold evidentiary hearings whereby the formal parties of record provide testimony and are subject to cross-examination before the CPUC's Administrative Law Judge (ALJ). These hearings are open to the public, but only those who are formal parties of record can participate. The CPUC has their own court reporters who will take the comments of those formal parties of record participating in the evidentiary hearings. The Division of Ratepayer Advocates (DRA) consists of engineers, accountants, economists and attorneys who independently evaluate the proposals of utilities for rate changes and present their analyses and recommendations for the CPUC at evidentiary hearings. Once hearings are completed the ALJ will consider all of the evidence presented and release the draft decision. The CPUC may approve the proposed requests of SCE, approve the draft decision by the ALJ, or may approve an alternate decision filed by a CPUC Commissioner. In its final decision, the CPUC can accept, reject, or modify the recommendations of any party.

CPUC Process

As part of its decision-making process, the Commission is interested in your comments on any aspect of the company's operations, including proposed rates, service quality issues or any other aspect of the proposed application filing you may have concerns with or wish to comment on.

If you wish to participate in this proceeding as an intervenor, seek formal party status or wish to make comments on the proposed request, you may contact the CPUC's Public Advisor's Office (PAO) for information. All letters and e-mails received from customers of SCE for the Catalina Island proceeding will be provided to the ALJ and the assigned Commissioner for their review. When writing, please refer to A.08-09-019. All letters and e-mails become part of the formal correspondence file under public comment. The PAO contact information is noted below:

The Public Advisor's Office
California Public Utilities Commission
320 West Fourth Street, Suite 500
Los Angeles, CA 90013
E-Mail: Public.Advisor.la@cpuc.ca.gov

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

Para solicitar una copia de esta notificación en español 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 electrónico a
gabby.garcia@sce.com
o visita www.sce.com/avisos.