



SOUTHERN CALIFORNIA
EDISON

An EDISON INTERNATIONAL Company

50-361/362

**NOTICE OF FILING OF APPLICATION
FOR INCREASE IN ELECTRIC RATES
A.04-12-003**

On December 2, 2004, SCE filed an application with the California Public Utilities Commission (CPUC) asking for changes in SCE's electric rates due to the firestorms that ravaged Southern California in October and November of 2003. The CPUC designated the application as A.04-12-003. The application requests an increase in SCE's revenue requirement of \$15.9 million, or 0.2 percent, most likely effective in 2006.

The CPUC adopted a mechanism called the Catastrophic Event Memorandum Account (CEMA) to compensate SCE for costs it incurs associated with a catastrophic event, such as earthquake or fire. SCE has recorded its incremental costs of restoring service to customers and repairing damage to its facilities associated with the 2003 firestorms in its CEMA. In this proceeding, the Commission will determine the reasonableness of these costs which total \$37.2 million. Assuming that SCE's CEMA costs are found to be reasonable by the CPUC, the estimated 2006 revenue requirement increase related to the firestorms will be approximately \$15.9 million.

In October and November of 2003, a series of devastating wildfires struck wide areas of SCE's service territory in Los Angeles, San Bernardino, Ventura and Riverside counties. Governor Gray Davis issued State of Emergency Proclamations in all four counties and President George W. Bush declared a major disaster existed in the State of California. These firestorms, which affected hundreds of thousands of SCE customers, were some of the most destructive fires in United States history. SCE is requesting compensation through its CEMA of costs related to the firestorms that are not part of SCE's normal business and therefore not funded through existing rates.

If the CPUC were to allocate the requested increase in SCE's annual revenues to SCE's customer groups on a System Average Percentage Change basis, the impact on each customer group would be as shown in the following table. However, the increases in the table are illustrative only. SCE proposes that the revenue allocation and rate design associated with the revenue requirement resulting from this application be consolidated with other pending revenue changes such as those addressed in the pricing phase (Phase 2) of SCE's 2006 general rate case or such other proceeding as the CPUC may designate. As shown in the table, the percentage increase in SCE's total revenue is less than one percent.

Customer Group Revenue Impact

Customer Group	Revenue Change	
	(\$millions)	% Change
Domestic (Residential)	4.9	0.15%
Lighting --		
Small and Medium Power	6.7	0.20%
Large Power	3.7	0.23%
Agricultural and Pumping	0.5	0.20%
Street and Area Lighting	0.1	0.10%
TOTAL	15.9	0.17%

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Rec'd 12/15/04
Post dated 12/7/04

THE CPUC WELCOMES YOUR PARTICIPATION AND COMMENTS

The CPUC will issue its decision after evidentiary hearings on SCE's request. At the hearings, SCE representatives, interested parties, and the CPUC's staff will present testimony. The CPUC staff, engineers, accountants, economists, attorneys and other professionals independently evaluate utility rate increase proposals and present their analyses and recommendations to the CPUC at evidentiary hearings. The rates approved may differ from those SCE requests.

If you need advice on how to participate or wish to make comments to the CPUC, please write to:

The Public Advisor
California Public Utilities Commission
320 West Fourth Street, Suite 500
Los Angeles, CA 90013
public.advisor.la@cpuc.ca.gov

Please state in your letter if you would like a response; otherwise, no reply will be sent. The Public Advisor will give your letter to the Commissioners and it will become part of the formal file. Please mention Application No. 04-12-003.

FOR MORE INFORMATION REGARDING THIS APPLICATION

If you have Internet access, you may view and download SCE's application and supporting testimony on SCE's web site, www.sce.com, or in the alternative, a copy of the application and supporting testimony will be provided by SCE upon written request. Anyone wishing 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 notificación en español por favor escriba a

Southern California Edison
2244 Walnut Grove Avenue, Quad 4A
Rosemead, CA 91770,
a la atención de Corporate Communications
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