

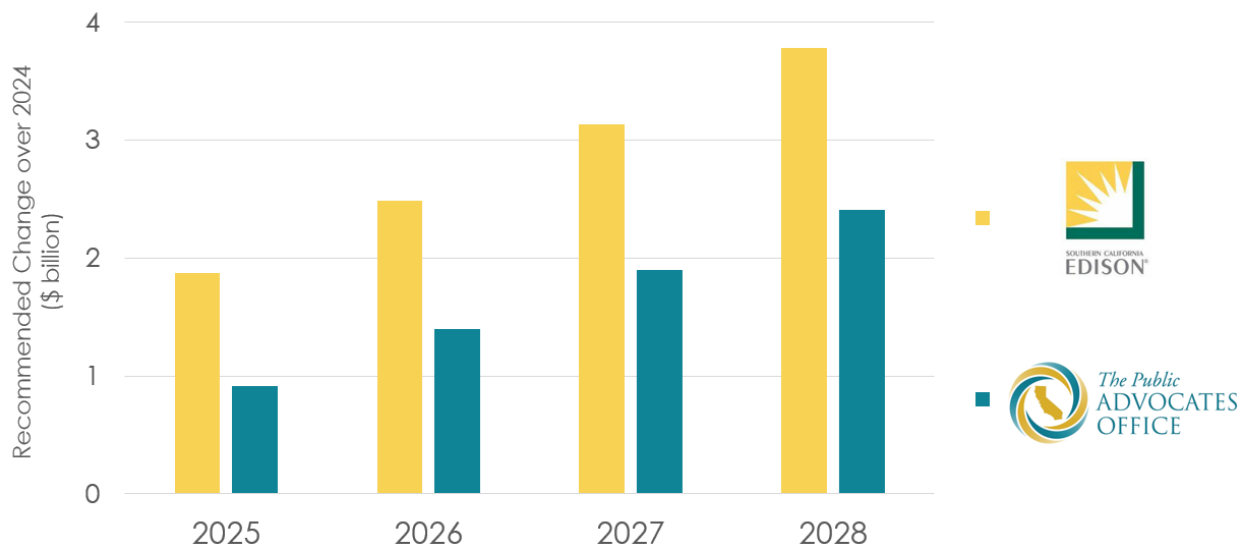
Public Advocates Office recommends \$4.66 billion reduction to Southern California Edison rate increase request

Date: March 19, 2024

SUMMARY

Last year, Southern California Edison (SCE) filed its Test Year 2025 General Rate Case application requesting that the California Public Utilities Commission (CPUC) increase the amount it can collect from its ratepayers beginning January 1, 2025. SCE requests an average annual increase of \$2.81 billion over from 2025 to 2028 over 2024 levels, based on the utility's expectation of higher costs to provide its services.¹ After a review of their application, the Public Advocates Office recommended \$4.66 billion in reductions compared to the utility's request over the 4-year period.

SCE (Dec 2023) vs. Public Advocates Office Recommendations (Mar 2024)



The Public Advocates Office proposes various adjustments resulting in lower forecast costs across several areas, including wildfire management, executive benefits, incentive programs, and capital investments. These recommendations were informed by exhaustive reviews, including by compelling the utility for additional information, conducting independent forecasts and comparing them to utility forecasts, and ultimately, developing more affordable recommendations. In many instances, SCE did not provide sufficient details to fully evaluate and determine the reasonableness of its requested increases.

¹SCE requests revenue increases of \$1.875 billion in 2025, \$608 million in 2026, \$654 million in 2027, and \$645 million in 2028. SCE's proposals amount to a cumulative revenue increase of \$11.275 billion over the four years while the Public Advocates proposal is \$4.659 billion lower over the four years.

In the next step in the regulatory process, SCE will issue a response to the Public Advocates Office recommendations by April 15, 2024. The Commission has scheduled evidentiary hearings for May 6 through May 24, 2024. The Public Advocates Office will continue to promote affordable alternatives to utility requests until the CPUC issues its decision on the application.

BACKGROUND

A General Rate Case is a CPUC proceeding that examines and forecasts the utility's operating, maintenance, administrative, and investment related costs and authorizes a revenue requirement (the total amount of money a utility collects from its customers) for a future Test Year (TY), while ensuring safe and reliable operation of the utility.

The Public Advocates Office represents utility customer interests before the California Public Utilities Commission and other forums. We develop recommendations that advance the state's climate goals in the most affordable ways for ratepayers. For more detailed information, please contact us at publicadvocatesoffice@cpuc.ca.gov or visit our website at www.publicadvocates.cpuc.gov