

**BEFORE THE PUBLIC UTILITIES COMMISSION OF THE  
STATE OF CALIFORNIA**

Application of Southern California Edison	)	
Company (U 338-E) for Authorized Cost of	)	A.07-05-003
Capital for Utility Operations for 2008	)	
_____	)	A.07-05-007
And Related Proceedings	)	A.07-05-008
_____	)	

**PROOF OF COMPLIANCE WITH NOTICE REQUIREMENTS FOR COST OF  
CAPITAL APPLICATION NO. 07-05-003 OF SOUTHERN CALIFORNIA EDISON  
COMPANY**

FRANK J. COOLEY  
LAURA I. GENAO

Attorneys for  
SOUTHERN CALIFORNIA EDISON COMPANY

2244 Walnut Grove Avenue  
Post Office Box 800  
Rosemead, California 91770  
Telephone: (626) 302-6842  
Facsimile: (626) 302-1935  
E-mail: [Laura.Genao@sce.com](mailto:Laura.Genao@sce.com)

Dated: **June 20, 2007**

**BEFORE THE PUBLIC UTILITIES COMMISSION OF THE  
STATE OF CALIFORNIA**

Application of Southern California Edison	)	
Company (U 338-E) for Authorized Cost of	)	A.07-05-003
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**PROOF OF COMPLIANCE WITH NOTICE REQUIREMENTS FOR COST OF  
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COMPANY**

Pursuant to Rule 3.2 of the California Public Utilities Commission’s Rules of Practice and Procedure, SCE provides the following proof of compliance with the notice requirements for its Cost of Capital Application filed May 8, 2007.

Attached as Appendix A is the declaration of Laura Genao attesting to the facts surrounding the filing of notice as required. That declaration includes various exhibits as proof of filing as required by Rule 3.2.

Respectfully submitted,

FRANK J. COOLEY  
LAURA I. GENAO

/s/ Laura I. Genao

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By: Laura I. Genao

Attorneys for  
SOUTHERN CALIFORNIA EDISON COMPANY

2244 Walnut Grove Avenue  
Post Office Box 800  
Rosemead, California 91770  
Telephone: (626) 302-6842  
Facsimile: (626) 302-1935  
E-mail: Laura.Genao@sce.com

June 20, 2007

# Appendix A

**DECLARATION OF LAURA GENAO RE: PROOF OF NOTICE AND PUBLICATION**  
**OF SCE'S COST OF CAPITAL APPLICATION, DOCKET A.07-05-003**

I, Laura Genao, have personal knowledge of the facts contained herein and if called to testify under oath could and would competently testify as follows:

1. I have been continuously employed by Southern California Edison Company ("SCE") from December 2002 to date. My present capacity is as an Attorney in the Law Department. I am duly authorized to practice law before the Courts of the State of California and the California Public Utilities Commission ("CPUC"). My duties include representing SCE in connection with its 2008 Cost of Capital Application, CPUC Docket 07-05-003, as filed on May 8, 2007 and presently pending before the CPUC. I am familiar with SCE's processes and procedures for providing notice of the above-referenced proceeding pursuant to CPUC Rule 3.2. I make this declaration in support of SCE's provision of notice of its 2008 Cost of Capital Application.
2. On May 11, 2008, having served its Notice of Application to appropriate state, county, and local government offices, SCE timely filed its Notice of Compliance With Rule 3.2(b).
3. I am familiar with SCE's notice insert process coordinated by SCE's Corporate Communications and Customer Service Billing personnel. On or about May 22, 2007, I initiated the process for notice of SCE's 2008 Cost of Capital Application to be delivered to SCE customers as a separate insert included with SCE customer invoices during SCE's regular billing cycle for May 2007. I reviewed the final content of the printer galleys for the billing insert notice and have been informed that the bill inserts were printed

accordingly. Attached hereto as Exhibit A is a true and correct copy of the billing insert.

I am informed and believe that a copy of said notice was included in each bill mailed beginning May 22, 2007 through June 20, 2007.

4. Rule 3.2(c) requires that notice of SCE's Cost of Capital Application be published in newspapers of general circulation in the counties within SCE's service territory. I caused SCE to make arrangements for such publication. I am informed and believe that such publication was accomplished and attach a listing of the newspapers in which SCE published its notice as Exhibit B hereto. SCE will make available copies of the certifications of publication to any party wishing to see them. Such parties may make such requests to case.admin@sce.com.

I declare the foregoing to be true and correct under penalty of perjury under the laws of the State of California. Executed this 20th day of June 2007, at Rosemead, California.

/s/ Laura I. Genao  
Laura I. Genao

**Exhibit A**



## IMPORTANT INFORMATION ABOUT PROPOSED INCREASES IN ELECTRIC RATES

On May 8, 2007, SCE filed its 2008 Cost of Capital Application with the California Public Utilities Commission ("CPUC"). The CPUC designated the application as A.07-05-003. It requests an increase in SCE's revenue requirement of \$16.902 million, or 0.15 percent.

This application is necessary to establish SCE's authorized cost of capital for 2008. The authorized cost of capital determines how much money SCE is allowed in rates as a return on its invested capital. In this proceeding, the Commission will determine the reasonable costs of long-term debt, preferred stock, and common stock that are part of the authorized cost of capital. The authorized cost of capital adopted in this application will be applied to the rate base authorized by SCE's post test year ratemaking mechanism established in D.06-05-016. SCE currently estimates that the resulting annual revenue requirement increase for SCE's 2008 cost of capital will be approximately \$16.902 million.

SCE is requesting a return on common equity of 11.8% and a return on rate base of 8.87%. SCE's requested cost of capital will fairly compensate those who invest in SCE, and permit SCE to attract capital to meet its obligations to serve its customers safely and efficiently. It will also allow SCE to mitigate financial effects in 2008 resulting from purchased power contracts.

The following table shows an estimate of proposed revenues and rate changes by customer group. The percentage increase in total revenue is less than one percent. Any revenue change resulting from this application will be consolidated with revenue changes from other SCE applications.

Customer Group	Revenue Change (\$ Thousands)	% Change
Domestic (Residential)	8,166	0.18%
Small & Medium Power	5,757	0.13%
Large Power	2,433	0.10%
Agricultural & Pumping	525	0.16%
Street & Area Lighting	20	0.02%
<b>TOTAL</b>	<b>\$16,902</b>	<b>0.15%</b>

On an illustrative basis, if total rates were to change as requested, an average residential electric customer using 700 kilowatt-hours per month in the summer would see an increase of \$0.16 per month, from \$97.00 to \$97.16.

### 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 Division of Ratepayer Advocates ("DRA") will present testimony. The DRA staff of 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  
E-Mail: [Public.Advisor.la@cpuc.ca.gov](mailto:Public.Advisor.la@cpuc.ca.gov)

Please state in your letter if you would like a response; otherwise, no reply will be sent. Your letter should also mention Application No. A.07-05-003. The Public Advisor will give your letter to the Commissioners and it will become part of the formal file.

### FOR MORE INFORMATION REGARDING THIS APPLICATION

If you have questions or need further information about this matter, or to request a copy of the application and attachments, please write to:

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

Para solicitar una copia de esta notificación en español por favor escriba a:

Southern California Edison  
P.O. Box 800  
2244 Walnut Grove Avenue  
Rosemead, CA 91770  
Atención: Ellen Chen

**Exhibit B**

**List of Newspaper Publications for  
A.07-05-003 Cost of Capital 2008**

Avalon Bay News	05/24/2007
Bakersfield Californian	05/23/2007
Fresno Bee	05/25/2007
Hanford Sentinel	05/23/2007
Imperial Valley Press	05/25/2007
Inyo Register	05/24/2007
Los Angeles Times	05/23/2007
Madera Tribune	05/23/2007
Mammoth Times	05/24/2007
Riverside Press Enterprise	05/24/2007
San Bernardino County Sun	05/24/2007
Santa Barbara News-Press	05/24/2007
The Register	05/23/2007
Union Democrat	05/23/2007
Ventura County Star	05/24/2007
Visalia Times-Delta	05/24/2007

**CERTIFICATE OF SERVICE**

I hereby certify that, pursuant to the Commission's Rules of Practice and Procedure, I have this day served a true copy of PROOF OF COMPLIANCE WITH NOTICE REQUIREMENTS FOR COST OF CAPITAL APPLICATION NO. 07-05-003 OF SOUTHERN CALIFORNIA EDISON COMPANY on all parties identified on the attached service list(s). Service was effected by one or more means indicated below:

Transmitting the copies via e-mail to all parties who have provided an e-mail address. First class mail will be used if electronic service cannot be effectuated.

Executed this **20th day of June, 2007**, at Rosemead, California.

/s/ Cecilia R. Jones  
Cecilia R. Jones  
Project Analyst  
SOUTHERN CALIFORNIA EDISON COMPANY

2244 Walnut Grove Avenue  
Post Office Box 800  
Rosemead, California 91770

**A.07-05-003**

Wednesday, June 20, 2007

CASE ADMINISTRATION  
SOUTHERN CALIFORNIA EDISON COMPANY  
2244 WALNUT GROVE AVENUE  
ROSEMEAD, CA 91770  
A.07-05-003

STEPHEN D. BAKER  
SENIOR REGULATORY ANALYST  
FELLON-MCCORD AND ASSOCIATES  
9960 CORPORATE CAMPUS DRIVE, STE.  
2000  
LOUISVILLE, KY 40223  
A.07-05-003

John Bohn  
CALIF PUBLIC UTILITIES COMMISSION  
505 VAN NESS AVENUE  
ROOM 5200  
SAN FRANCISCO, CA 94102-3214  
A.07-05-003

Jonathan Bromson  
CALIF PUBLIC UTILITIES COMMISSION  
505 VAN NESS AVENUE  
ROOM 4107  
SAN FRANCISCO, CA 94102-3214  
A.07-05-003

KAY DAVOODI  
NAVY UTILITY RATES AND STUDIES OFFICE  
1322 PATTERSON AVE, SE - BLDG 33  
WASHINGTON NAVY YARD, DC 20374-5018  
A.07-05-003

Thomas A. Doub  
CALIF PUBLIC UTILITIES COMMISSION  
505 VAN NESS AVENUE  
ROOM 4205  
SAN FRANCISCO, CA 94102-3214  
A.07-05-003

NORMAN J. FURUTA  
ATTORNEY AT LAW  
FEDERAL EXECUTIVE AGENCIES  
1455 MARKET ST., SUITE 1744  
SAN FRANCISCO, CA 94103-1399  
A.07-05-003

Michael J. Galvin  
CALIF PUBLIC UTILITIES COMMISSION  
505 VAN NESS AVENUE  
ROOM 5015  
SAN FRANCISCO, CA 94102-3214  
A.07-05-003

LAURA GENAO  
ATTORNEY AT LAW  
SOUTHERN CALIFORNIA EDISON COMPANY  
2244 WALNUT GROVE AVENUE  
ROSEMEAD, CA 91770  
A.07-05-003

Maryam Ghadessi  
CALIF PUBLIC UTILITIES COMMISSION  
505 VAN NESS AVENUE  
AREA 4-A  
SAN FRANCISCO, CA 94102-3214  
A.07-05-003

HAYLEY GOODSON  
ATTORNEY AT LAW  
THE UTILITY REFORM NETWORK  
711 VAN NESS AVENUE, SUITE 350  
SAN FRANCISCO, CA 94102  
A.07-05-003

STEPHEN G. HILL  
HILL ASSOCIATES  
PO BOX 587  
HURRICANE, WV 25526  
A.07-05-003

Edward Howard  
CALIF PUBLIC UTILITIES COMMISSION  
505 VAN NESS AVENUE  
ROOM 5110  
SAN FRANCISCO, CA 94102-3214  
A.07-05-003

Donald J. Lafrenz  
CALIF PUBLIC UTILITIES COMMISSION  
505 VAN NESS AVENUE  
AREA 4-A  
SAN FRANCISCO, CA 94102-3214  
A.07-05-003

Robert M. Pocta  
CALIF PUBLIC UTILITIES COMMISSION  
505 VAN NESS AVENUE  
ROOM 4205  
SAN FRANCISCO, CA 94102-3214  
A.07-05-003

Thomas M. Renaghan  
CALIF PUBLIC UTILITIES COMMISSION  
505 VAN NESS AVENUE  
ROOM 4205  
SAN FRANCISCO, CA 94102-3214  
A.07-05-003

MICHAEL SHAMES  
ATTORNEY AT LAW  
UCAN  
3100 FIFTH AVE., STE. B  
SAN DIEGO, CA 92111  
A.07-05-003

James Simmons  
CALIF PUBLIC UTILITIES COMMISSION  
505 VAN NESS AVENUE  
ROOM 4108  
SAN FRANCISCO, CA 94102-3214  
A.07-05-003

**A.07-05-003**

Wednesday, June 20, 2007

Stephen St. Marie  
CALIF PUBLIC UTILITIES COMMISSION  
505 VAN NESS AVENUE  
ROOM 5202  
SAN FRANCISCO, CA 94102-3214  
A.07-05-003

NINA SUETAKE  
THE UTILITY REFORM NETWORK  
711 VAN NESS AVE., STE 350  
SAN FRANCISCO, CA 94102  
A.07-05-003

JAMES WEIL  
AGLET CONSUMER ALLIANCE  
PO BOX 37  
COOL, CA 95614  
A.07-05-003

James R. Wuehler  
CALIF PUBLIC UTILITIES COMMISSION  
505 VAN NESS AVENUE  
ROOM 4208  
SAN FRANCISCO, CA 94102-3214  
A.07-05-003

STELLA ZAHARIUDAKIS  
PACIFIC GAS AND ELECTRIC COMPANY  
77 BEALE STREET, MCB10A  
SAN FRANCISCO, CA 94105  
A.07-05-003

MRW & ASSOCIATES, INC.  
1814 FRANKLIN STREET, SUITE 720  
OAKLAND, CA 94612  
A.07-05-003