

L. Jan Reid Cross Examination Exhibit 1

SCE GRC Scoping Memo

A.10-11-015

R.10-05-006

Track I

Long-Term Procurement Plans



FILED

03-01-11
11:52 AM

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

Application of Southern California Edison Company (U338E) for Authority to, Among Other Things, Increase Its Authorized Revenues for Electric Service In 2012, And to Reflect That Increase In Rates.

Application 10-11-015
(Filed November 23, 2010)

SCOPING MEMO AND RULING OF ASSIGNED COMMISSIONER

1. Summary

Pursuant to Rule 7.3(a) of the Commission's Rules of Practice and Procedure (Rules),¹ this scoping memo sets the procedural schedule, assigns the Presiding Officer and addresses the scope of this proceeding following a prehearing conference (PHC) held on January 31, 2011. Evidentiary hearings are scheduled between July 25, 2011 and August 19, 2011. This ruling also grants the motion by The Utility Reform Network (TURN) to authorize Southern California Edison Company (SCE) to establish a General Rate Case Revenue Requirement Memorandum Account, and grants party status to the Direct Access Customer Coalition, County of Los Angeles, and the California Black Chamber of Commerce.

¹ All subsequent references to Rules are to the Commission's Rules of Practice and Procedure, Chapter 1, Division 1 of Title 20 of the California Code of Regulations. The current version of the Rules is available on the Commission's website: www.cpuc.ca.gov.

of ratepayers. They did not develop or clarify their specific issues as they relate to the GRC application. I agree with SCE that if Joint Parties are seeking to examine the merits and benefits of the California Solar Initiative Program, these issues were addressed in R.06-03-004 and are outside the scope of this GRC.

5. Funding for seismic studies and nuclear license renewal: The primary issue identified by A4NR is its request for removal from the GRC of all funding for seismic studies recommended by the California Energy Commission as a result of AB1632, and funding related to renewal of SCE's nuclear license. A4NR argued that these issues should be submitted to the Commission in separate proceedings similar to PG&E's applications in A.10-01-014 (seismic) and A.10-01-022 (license renewal). I agree with A4NR that these issues should be addressed through separate applications so that the Commission may act more quickly and uniformly on these issues.
6. Philanthropy: Joint Parties asked for consideration of a proposal that SCE adjust its philanthropic contributions to direct 2% of its pre-tax income to "underserved" and minority communities. They did not develop or clarify the implications of the request as it relates to the GRC application. The Commission's policy of finding philanthropic donations beyond its jurisdiction is reflected in a 1965 decision by the California Supreme Court¹⁰ which found that amounts related to charitable contributions must be excluded from authorized rates. Although Greenlining obtained permission to introduce testimony on SCE's philanthropy in the 2009 GRC, no philanthropy issues were addressed in the final decision. In fact, the assigned commissioner's ruling permitting testimony noted that in past GRCs, the

¹⁰ *Pacific Tel. & Tel. Co. vs. Public Util. Comm.* (1965) 62 Cal.2d 634, 669.