



LR1/EW2 /rp4 7/11/2018

FILED

07/11/18
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BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

Application of Southern California Edison Company (U338E) to Establish the Wildfire Expense Memorandum Account.

Application 18-04-001

JOINT SCOPING MEMO AND RULING OF ASSIGNED COMMISSIONER AND ADMINISTRATIVE LAW JUDGE

Summary

This Scoping Memo and Ruling (Scoping Memo) sets forth the category, issues, need for hearing, schedule, and other matters necessary to scope this proceeding pursuant to Public Utilities Code § 1701.1 and Article 7 of the Commission's Rules of Practice and Procedure (Rules).¹

1. Background

On April 3, 2018, Southern California Edison Company (SCE) filed this application for authority to establish a Wildfire Expense Memorandum Account (WEMA). SCE requests the WEMA in order to track "incremental unreimbursed wildfire liability-related costs." SCE's application is not limited to any one particular fire and does not seek authorization to recover any costs, but SCE states that it "is imperative that SCE establish a WEMA now..." SCE seeks the authority to track costs in a memorandum account to enable a future application for recovery of those costs. SCE also requests the WEMA be effective as of the filing date of the application to allow SCE to track costs which it is incurring now.

¹ California Code of Regulations, Title 20, Division 1, Chapter 1.

A protest to the application was filed by the Commission's Office of Ratepayer Advocates (ORA). A prehearing conference (PHC) was held on June 7, 2018.

2. Issues

The scope of this proceeding encompasses all issues raised by SCE's application. Based on the application, protest and other pleadings, and statements at the PHC, the scope of this proceeding includes these more specific issues:

1. The breadth or specificity of the proposed WEMA: specifically, should the Commission authorize a WEMA for all wildfire-related costs (potentially encompassing multiple wildfires), or should a WEMA be more specifically event or time limited?
2. What costs are eligible to be recorded in the proposed WEMA? The answer to this question should also answer the following: What costs may (or may not) be recovered via another funding mechanism? What costs are "incremental?" Should financing costs be recorded in the proposed WEMA? Does the answer to this question vary with the answer to Question 1 above?
3. Should the Commission establish in this proceeding a standard or criteria for rate recovery of the costs recorded in the WEMA, or should that be addressed in the proceeding in which rate recovery is sought? Does the answer to this question vary with the answer to Question 1 above? If the standard or criteria is established in this proceeding, what should the standard or criteria be?
4. What should be the effective date of the proposed WEMA? Should it be effective as of the date the application requesting the WEMA was filed?

The application does not directly raise any safety issues; there may be an indirect relationship between this proceeding and fire safety issues.

3. Need for Evidentiary Hearing

The Commission in Resolution ALJ 176-3416 preliminarily determined that hearings were required. At the PHC, the parties agreed that there were no material issues of fact and that hearings are not necessary. (Transcript, PHC vol. at 3:9-18.) Accordingly, evidentiary hearings are not needed at this time.

4. Schedule

It is the Commission's intent to complete this proceeding within 18 months of the date this proceeding was initiated. This deadline may be extended by order of the Commission. (Public Utilities Code § 1701.5(a).)

The parties have stated evidentiary hearing and briefing are not necessary and we agree; therefore, this proceeding is submitted. The proposed decision shall be filed no later than 90 days from today for public review and comment pursuant to Pub. Util. Code § 311(d).

5. Category of Proceeding/Ex Parte Restrictions

This ruling confirms the Commission's preliminary determination that this is a ratesetting proceeding. (Resolution ALJ 176-3416.) Accordingly, *ex parte* communications are restricted and must be reported pursuant to Article 8 of the Commission's Rules of Practice and Procedure.

6. Public Outreach

Pursuant to Pub. Util. Code § 1711(a), I hereby report that the Commission sought the participation of those likely to be affected by this matter by noticing it in the Commission's monthly newsletter that is served on communities and businesses that subscribe to it and posted on the Commission's website.

7. Intervenor Compensation

Pursuant to Pub. Util. Code § 1804(a)(1), a customer who intends to seek an award of compensation must file and serve a notice of intent to claim compensation by July 9, 2018, 30 days after the prehearing conference.

8. Public Advisor

Any person interested in participating in this proceeding who is unfamiliar with the Commission's procedures or has questions about the electronic filing procedures is encouraged to obtain more information at <http://consumers.cpuc.ca.gov/pao> or contact the Commission's Public Advisor at 866-849-8390 or 415-703-2074 or 866-836-7825 (TTY), or send an e-mail to public.advisor@cpuc.ca.gov.

9. Service of Documents on Commissioners and Their Personal Advisors

Rule 1.10 requires only electronic service on any person on the official service list, other than the administrative law judge (ALJ).

When serving documents on Commissioners or their personal advisors, whether or not they are on the official service list, parties must only provide electronic service. Parties must NOT send hard copies of documents to Commissioners or their personal advisors unless specifically instructed to do so.

10. Assignment of Proceeding

Liane Randolph is the assigned Commissioner and Eric Wildgrube is the assigned Administrative Law Judge (ALJ) and Presiding Officer for the proceeding.

IT IS RULED that:

1. The scope of this proceeding is described above.
2. The schedule of this proceeding is as set forth above.

3. Evidentiary hearings are not needed.
4. The presiding officer is Administrative Law Judge Eric Wildgrube.
5. The category of the proceeding is Ratesetting.
6. This proceeding is submitted concurrently with issuing this Scoping Memo.

Dated July 11, 2018, at San Francisco, California.

/s/ LIANE M. RANDOLPH

Liane M. Randolph
Assigned Commissioner

/s/ ERIC WILDGRUBE

Eric Wildgrube
Administrative Law Judge