





On Sept. 18, 2025, the California Public Utilities Commission (CPUC) issued a Decision in Southern California Edison's (SCE) General Rate Case (GRC). The Decision authorizes the total amount of money SCE is authorized to collect from its customers through rates (called a revenue requirement) for 2025 through 2028.

Fast Facts

- **Customer Savings:** The Decision reduces SCE's request by \$819 million, prioritizing affordability while bolstering safety and reliability.
- Wildfire Safety: The Decision supports major investments in wildfire risk reduction, including undergrounding power lines in high-risk areas.
- **Aging Infrastructure:** Funding supports upgrades to aging equipment to improve long-term reliability and safety.
- Future-Ready Grid: Investments will help meet increased demand and support California's clean energy transition.
- **Community Input:** The Decision reflects input gathered over two years from ratepayer advocates, environmental groups, customers, and others.

Summary

- The Decision adopts a 2025 revenue requirement of \$9.664 billion (\$819 million lower than the \$10.483 billion that SCE had requested).
- This represents an increase of \$1.082 billion, or 12.61%, over the 2024 authorized revenue requirement of \$8.582 billion.
- Table 1 below provides an estimate of what the impact on rates from this increase in the revenue requirement will be.
 - o It assumes a residential average monthly bill and usage of 500 kWh/month.
 - o <u>CARE</u> is the California Alternate Rates for Energy program, which offers a 30-35% discount on electric bills and a 20% discount on natural gas bills for qualifying customers.

Table 1: Bill Impact Estimates

	1		
	June 2025 Bill	SCE's Request	Decision Impact
<u>CARE</u>			
Average Monthly Residential Bill	<u>\$107.99</u>	<u>\$123.58</u>	<u>\$117.79</u>
Average Monthly Residential Bill Increase		+\$15.59 (14.4%)	+\$9.79 (9.1%)
Non-CARE			
Average Monthly Residential Bill	<u>\$171.17</u>	<u>\$195.89</u>	<u>\$186.69</u>
Average Monthly Residential Bill Increase		+\$24.72 (14.4%)	+\$15.52 (9.1%)



Due to the Decision being voted on after Jan. 1, 2025, SCE will need to make up the difference between the amount it has been collecting since January 2025 and the increase the Decision approves for it to collect in 2025. This difference will be recovered from customers over a 24-month period, beginning as early as Oct. 1, 2025. While SCE provided an estimated bill impact in its original application in 2023, it did not account for this 2025 revenue requirement difference in its calculation.

Overview of Decision

- The Decision approves total revenues of \$41.78 billion for 2025 through 2028; \$4.39 billion lower (9.5% less) than the \$46.17 billion SCE requested for this timeframe.
- The Decision also authorizes funding for wildfire and non-wildfire capital investments during 2026-2028.

Table 2 shows total revenues for operations and capital.

Table 2: SCE GRC 2025-2028 Annual Revenues (Decision-Approved vs. SCE Requested)

Total Operating Revenues (\$ billion)							
	2025	2026	2027	2028	Total		
Decision-	\$9.664	\$10.208	\$10.730	\$11.177	\$41.78		
Approved					\$41.70		
SCE Requested	\$10.483	\$11.151	\$11.900	\$12.632	\$46.17		

This approved funding includes significant investments in wildfire risk reduction, including undergrounding, investments in the safety and reliability of aging infrastructure, and upgrades for increased load growth.

Safety, Reliability, and Building a Grid to Support Decarbonized Economic Growth

The Decision authorizes funding so that SCE can maintain safety and reliability and meet the growing demands on SCE's electric system for economic growth and decarbonization of California's economy. Specifically:

- Wildfire Management and Grid Hardening: Authorizes wildfire management grid hardening investments through targeted undergrounding and covered conductor programs.
 - SCE requested a four-year budget of \$4.232 billion to underground 580 miles of overhead lines and install 1,250 miles of covered conductor. The Decision authorizes a four-year budget of \$2.213 billion for these two mitigations \$941 million for 177 miles of targeted undergrounding and \$1,272 million for 1,653 miles of covered conductor.
 - o In addition to grid hardening, the Decision also authorizes more than 98% of SCE's requested funding for other activities to manage wildfire risk, including inspections and remediations, aerial suppression, and enhanced situational awareness such as weather stations to track wind speeds and monitor the effects of adverse weather conditions on SCE's electrical assets.
- Vegetation Management: Authorizes a budget of \$553.528 million to conduct vegetation management activities, which focus on reducing ignition risks when vegetation is near electrical facilities.
 - O Notably, the Decision supports SCE's request to transition to full remote sensing for routine inspections, a change with significant potential long-term safety, efficiency, and cost-saving benefits. However, the Decision directs SCE to incorporate remote sensing into its inspection program in a carefully phased manner and with reporting on the accuracy of its remote sensing inspections.









- Load Growth and Grid Modernization: Authorizes infrastructure projects that support the build-out of the grid for electricity demand growth.
 - Notably, the Decision adopts funding for infrastructure upgrades identified by SCE's
 Transportation Electrification Grid Readiness growth forecast, which supports the state's
 electrification and decarbonization goals and targets, especially to support economic growth and
 housing.
 - Additionally, the Decision adopts investments in grid modernization systems, software, and cybersecurity; pilots projects in grid technology and energy storage; and supports base-level planning costs for upgrades to SCE's advanced metering infrastructure.

Background

- On May 12, 2023, SCE filed its application seeking CPUC authorization to increase its authorized revenues for electric service and to reflect this increase in rates. SCE subsequently updated its requests in April 2024 and June 2024.
- The CPUC held four Public Forums for SCE customers remotely on March 5, 2024 and March 20, 2024; and held two in-person Public Forums for customers on April 10, 2024.
- Fourteen days of Evidentiary Hearings were conducted from May 6, 2024 to May 23, 2024. Twenty intervenors participated in the proceeding by submitting exhibits, cross-examining hearing witnesses, and filing motions and briefs.
- A Proposed Decision was issued for comment on July 28, 2025.
- The <u>Proposed Decision</u> was approved on Sept. 18, 2025.