



Media Statement

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Southern California Edison Alerts Customers to Higher Future Customer Rates Because of Sharply Higher Utility Fuel Costs

Background: Southern California Edison (SCE) will inform the California Public Utilities Commission in August of sharply higher utility costs that will significantly impact customer rates during the coming months. SCE issued the following statement about this development.

ROSEMEAD, Calif., July 22, 2008 — Southern California Edison expects sharply higher power plant fuel and purchased power costs as well as rising infrastructure costs to force customer rates significantly higher by early 2009.

The cost of natural gas, the fuel that affects 60 percent of the power SCE provides customers, has nearly doubled since December impacting not only SCE purchases for its natural gas plant but the cost of power it and the state purchase for customers from independent suppliers. SCE also must address the need to replace aging components of Southern California's electricity infrastructure before service reliability drops below acceptable levels.

SCE is especially concerned about the effect rising costs will have on mid- to higher-use residential customers who are subject to a tiered-rate structure that will create a higher average increase for them.

Multiple regulatory decisions this fall will provide specific direction regarding how customer rates will change. Depending on the outcome, overall average SCE rates could increase as much as 25 percent during the next six months with mid- and higher-use residential customers seeing estimated increases in excess of 30 percent. The first of these increases could occur as early as October with other changes expected early in 2009.

SCE is concerned about the impact these higher utility costs will have on its customers and encourages them to take steps while rates are lower to make their homes and businesses more energy efficient. Practical recommendations and financial rebates to help customers switch to more energy-efficient devices can be found at: www.sce.com/rebatesandsavings.

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An Edison International (NYSE:EIX) company, Southern California Edison is California's largest electric utility, serving a population of more than 13 million via 4.8 million customer accounts in a 50,000-square-mile service area within Central, Coastal and Southern California.