

EDISON INTERNATIONAL
Form 8-K
July 14, 2004

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UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

FORM 8-K

CURRENT REPORT

Pursuant to Section 13 or 15(d) of the Securities Exchange Act of 1934

Date of Report (Date of earliest event reported): July 8, 2004

EDISON INTERNATIONAL
(Exact name of registrant as specified in its charter)

CALIFORNIA
(State or other jurisdiction
of incorporation)

001-9936
(Commission
File Number)

95-41
(I.R.S.
Identific

2244 Walnut Grove Avenue
(P.O. Box 800)
Rosemead, California 91770
(Address of principal executive offices, including zip code)

626-302-2222
(Registrant's telephone number, including area code)

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Page 1

This current report includes forward-looking statements. These forward-looking statements are based on Edison International's current expectations and projections about future events based on knowledge of facts as of the date of this current report and assumptions about future events. These forward-looking statements are subject to risks and uncertainties that may be outside the control of Edison International and its subsidiaries. Edison International has no obligation to publicly update or revise any forward-looking statements, whether as a result of new information, future events, or otherwise. This current report should be read in conjunction with Edison International's 2003 Annual Report on Form 10-K and Quarterly Report on Form 10-Q for the first quarter of 2004.

Item 5. Other Events and Required FD Disclosure.

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General Rate Case Decision

On July 8, 2004, the California Public Utilities Commission issued a final decision in Southern California Edison Company's 2003 general rate case. Southern California Edison is the largest supplier of electricity in California. The general rate case decision authorized an annual increase of approximately 2.5% in base rates. Southern California Edison had requested an increase of about \$250 million.

The decision is retroactive to May 22, 2003, when the decision initially was forecasted. The balance in the account established to record the recovery of the authorized rate increase since January 1, 2003, will be recovered in rates over the next 12 months. To stabilize customer rates, Southern California Edison proposed that the general rate case decision be combined with several other rate-related proceedings. Southern California Edison estimates that the outcome of this consolidated rate decision will decrease average rates for bundled service customers by 0.34%.

The general rate case decision approves nearly all of Southern California Edison's request for funding its multi-billion infrastructure investment program through 2005. This program is essential to provide the levels of electric grid reliability. The decision also establishes revenue adjustments for 2004 to cover cost escalation and planned capital investments.

The decision rejects Southern California Edison's requested increase in depreciation to cover the disposal costs of retired equipment, instead choosing to shift recovery of about \$114 million annually. The balance of the reduction in Southern California Edison's request is primarily in the capital-related ratemaking adjustments of about \$42 million, and operations and maintenance expenses of about \$10 million.

While Southern California Edison's case was pending before the California Public Utilities Commission, the company identified \$28 million of supplemental costs being incurred above the general rate case. The commission's final decision did not recognize these cost increases, which are primarily in transmission and distribution operations. Southern California Edison intends to review its operations to align its costs with the authorized revenues.

Page 2

Southern California Edison is planning to submit a notice of intent for its 2006 general rate case in the summer and then file a formal application in the fall once it has met the California Public Utilities Commission's standard for completeness. In this upcoming application, Southern California Edison requests to establish appropriate levels of operating and depreciation expenses.

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

EDISON INTERNATIONAL
(Registrant)

/s/ KENNETH S. STEWART

KENNETH S. STEWART
Assistant General Counsel and Assistant Secretary

July 14, 2004