



SOUTHERN CALIFORNIA
EDISON®

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SOUTHERN CALIFORNIA EDISON

POWER BULLETIN

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INDUSTRIAL SEGMENT EDITION

Achieve Your Business' Full Potential With SCE's Economic Development Services

Whether you're looking to expand your business operations in Southern California, find incentives to stay in the region, or access additional resources to help your business thrive, Southern California Edison's (SCE) Economic and Business Development team offers a robust array of no-fee consulting services and assistance to help you fast track your company's growth and prosperity.

Forecasting Your Impact

One Economic and Business Development service, the Economic Impact Analysis Model (ECIA), provides a powerful tool to help your company understand and forecast the fiscal and economic impact of your facility's operations on the regional economy at the city, county and state levels.

Using some simple, basic data points you provide for the operation of your business, SCE's model factors in a number of up-to-date statistics and generally accepted economic multipliers to create a report on the total population supported by your business/facility and how your business impacts regional employment and wages.

Specifically, the report breaks down direct, indirect and induced impacts in terms of employment, economic output, personal income and supported population. The report also demonstrates the fiscal impact in terms of

incremental taxes, fees and licenses to the city, county and state. The results can be provided for a single year or up to five years of forecasted operations.

ECIA Case Study

The Greater Antelope Valley Economic Alliance (GAVEA), a regional Economic Development Corporation, used SCE's ECIA to demonstrate the alliance's value in attracting, creating and retaining wealth-creating jobs, specifically those that expand and diversify the region's industrial job base.

Through a historical analysis of GAVEA's projects that brought businesses into the area, the ECIA found that the related impacts of the attraction and retention projects had:

- Created nearly 9,000 direct, indirect and induced jobs, representing an annual personal income of approximately \$473 million.
- Supported a population growth of approximately 18,000 and provided a total economic output estimated at \$1.18 billion annually.
- Generated state, county and city-level revenues of about \$40 million.
- Created a local return on investment for the city of approximately 60:1 over a five-year cycle.

CONTINUED ON BACK

CONTINUED FROM FRONT

As a result of the analysis, GAVEA secured additional local funding to continue its successful work, which also creates significant quality of life and environmental benefits by providing jobs closer to where people live.

The no-fee, confidential ECIA process usually takes seven to 10 days after you first meet with an SCE Economic and Business Development project manager. For more information, talk to your account representative, or contact the appropriate Economic and Business Development manager listed at www.sce.com/EconomicDevelopment/EconomicDevelopment/Team/default.htm.

Building Partnerships, Delivering Resources

Economic and Business Development offers a wide array of other services to help your business grow and prosper. This includes connecting you with numerous state and regional/county organizations that foster economic growth.

SCE can link you with partners that include statewide government and economic development agencies, manufacturing and workforce associations, economic alliance and partnership organizations in the counties SCE serves, and more – including RED Teams comprised of key local stakeholders who can identify the resources needed to address issues impacting your company's success and growth.

Additional resources offered by SCE's Economic and Business Development team include:

- **Location Consulting:** Includes location incentives, financial assistance and film sites.
- **Workforce Issues:** Includes training programs and initiatives, plus valuable labor data.
- **Emerging Businesses:** Includes business incubator connections, technology transfer assistance, and business guidebooks on a range of topics.

To learn more about all of SCE's no-fee Economic and Business Development consulting services, contact your account representative, visit www.sce.com/EconomicDevelopment, or talk to your regional Economic and Business Development project manager, with contacts available at www.sce.com/EconomicDevelopment/EconomicDevelopment/Team/default.htm.

Mapping Your Future: Stay Tuned

Look for more information soon about Economic and Business Development's newest feature, an online GIS tool that will provide you with timely access to current market and demographic information, plus use of an interactive map and table of available commercial and industrial buildings and sites in SCE's service territory.

Summer Discount Plan: View Cycling Event Status

If you participate in SCE's Summer Discount Plan (SDP) – which provides summer season bill credits in exchange for allowing SCE to periodically turn off, or cycle, the central air conditioning unit compressor(s) during peak energy demand periods – you now have an online connection to the status of SDP events. To determine if an SDP event is taking place in your area, plus to see past events by Zip Code, visit www.sce.com/acevent.

INDUSTRIAL SEGMENT FOCUS

Merrick International Lowers Electricity Costs While Boosting Capacity

"Double the output while controlling costs," said Abraham Abdi, founder and president of Merrick International, "and you're creating a huge competitive advantage."

Easy enough in theory, but Merrick, manufacturer of molded-plastic closet and home organization products, makes the theory profitable in fact. Controlling electricity costs with the Standard Performance Contract (SPC) Program from SCE is a key to the company's success.

With over 35 years in business, Merrick has undergone continual expansion and operational improvement while facing predictable challenges of rising energy costs. Faced with a possible out-of-state move to control expenses, their solution – with the assistance of SCE's Economic and Business Development group – was to stay and improve their return on overhead by increasing output and efficiency, thereby slashing unit costs on their products.

SPC provided them the opportunity to receive financial incentives on innovative molding machinery that enables Merrick to use less power than before while making a million coat hangers a day at their Corona plant – a significant improvement over the output of their old machinery. The savings on electricity costs have accelerated the payback on the investment and helped Merrick get a powerful competitive advantage through the innovation.

Incentives Now, Savings for the Long Term

The SPC Program offers financial incentives to offset the capital cost of installing highly energy-efficient equipment or systems. Examples may include common retrofits like lighting, heating, ventilation and air conditioning (HVAC) and refrigeration upgrades, or more specialized process improvements and customized equipment replacements. Retrofit or new equipment installations are eligible. Incentives are based on the type of equipment installed and the kilowatt-hours saved over a 12-month period.

"Every manufacturer faces the challenge of controlling costs, and electricity is just one of them," said Merrick Executive Vice President Muna Vienna, M.D. "But one company's hurdle is another company's advantage. Instead of saving money by compromising quality or materials, we found a way to improve quality and productivity while saving money and electricity in our process."

"Our savings now total about 1.5 million kilowatt-hours to date and counting," Abdi affirmed. "We're busier than ever supplying major retailers at a great price, and we're running our new equipment 24/7 to keep our customers satisfied."



Abraham Abdi (left), founder and president of molded-plastic closet and home organization product manufacturer Merrick International, and Muna Vienna, M.D., executive vice president, are tapping into SCE's Standard Performance Contract Program to increase production capacity while lowering electricity usage.

To learn more about SPC and SCE's other energy management programs, contact your account representative or visit www.sce.com/rebatesandsavings. For more information about SCE's Economic and Business Development retention and expansion no-fee services, visit www.sce.com/EconomicDevelopment.

Merrick International: Estimated Savings by Managing Energy

Industry: Manufacturing

SCE Programs Utilized: Standard Performance Contract

Savings to Date: 1.45 million kilowatt-hours, equivalent to keeping 1.45 million pounds of greenhouse gases out of California's air (like removing 100 cars from the road for one year)

Results: A 35% decrease in electricity consumed, a 21% increase in production capacity and a 6% decrease in labor costs

Save the Date: Meeting the Green Challenge Symposium for Plastics

Are you a plastics executive interested in learning about emerging technologies? About tomorrow's alternative market opportunities that can separate your company from others? About how regulatory trends will impact your business? And are you ready to join the "green" revolution?

If so, mark your calendar for Wednesday, Oct. 22, 2008 for the Southern California Symposium for Plastics: Meeting the Green Challenge. The event will take place from 7:30 a.m. to 4:30 p.m. at SCE's Energy Center in Irwindale.

Sponsored by SCE's Economic and Business Development group, the Society of the Plastics Industry, the Society of Plastics Engineers Southern California Section and California Manufacturing Technology Consulting, the conference will address waste minimization through industrial and packaging design, new recycling technologies, regulatory and legislative environmental trends, bio-based alternative plastics, alternative-energy market opportunities, energy efficiency and demand response programs, and "lean and green" business practices.

For more information, and to register, visit www.socalspe.org/symposium/.



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