

Business Connection

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Page 1 of 4

Southern California Edison's Electric Rate Options

Below are brief descriptions of current rate options or schedules that may help you save energy and money. The size and type of your business will help determine the rates for which you may qualify. Your current rate appears at the top of your electric bill. For complete details on SCE's business customer rate options and specific pricing, please visit www.sce.com/rateoptions, or call us at 1-800-990-7788.

Small and Medium-Sized Business Customers

General Service 1 (GS-1): This option is for small business customers. Maximum demand cannot exceed 20 kilowatts (kW), or approximately 6,000 kilowatt-hours (kWh) of usage per month. This rate schedule has a summer energy charge that is higher than the winter energy charge. Energy charges are costs per kWh consumed that vary by season (summer vs. winter).

Time-of-Use General Service 1 (TOU-GS-1): This option is for customers on Schedule GS-1. Energy charges vary by time-of-use (TOU) and season. Rates are lowest during off-peak hours, higher during mid-peak hours, and highest during on-peak hours of noon to 6:00 p.m., and summer season weekdays, excluding holidays. Customers can save money by shifting usage to off-peak hours.

General Service 2 (GS-2): This option is for medium-sized customers with expected or registered demands above 20 kW, and below 200 kW. GS-2 includes demand (measured in kW) charges, in addition to a monthly customer charge.

General Service 2 Time-of-Use (GS-2-TOU): This option is for customers on Schedule GS-2. Energy rates vary by season and time of day, with the highest rates during the on-peak hours of noon to 6:00 p.m. and summer season weekdays, excluding holidays. The following options are available to GS-2-TOU customers: Option A, Option B, Option R and Schedule CPP (please refer to the "Option Descriptions" section for details).

Time-of-Use General Service 3 (TOU-GS-3): This option is for medium-sized commercial and industrial customers with registered demands of 200 kW through 500 kW. The following options are available to TOU-GS-3 customers: Option A, Option B, Option R and CPP (please refer to the "Option Descriptions" section for details).

Time-of-Use General Service 3 Super Off-Peak (TOU-GS-3-SOP): Similar to Schedule TOU-GS-3, but includes a "super off-peak" period from midnight to 6:00 a.m. year-round, when both demand and energy rates are lowest.

Rates for Large Business and Industrial Customers

Customers with registered demands greater than 500 kW must take service on Schedule TOU-8 or RTP-2. Large individual water agencies and other large water pumping accounts that exceed 500 kW and use at least 70 percent of their power for agricultural purposes must take service on an agricultural and pumping rate.

Time-of-Use 8 (TOU-8): Schedule TOU-8 is for large commercial and industrial customers who register demands greater than 500 kW, including large manufacturers and processors, supermarkets, colleges or universities, hospitals and office buildings. The following options are available to TOU-8 customers: Option A, Option B, Option R and CPP (please refer to the "Option Descriptions" section for details). Note: Option A for TOU-8 is limited to cold ironing and permanent load shifting customers.

Time-of-Use 8 Reliability Back Up (TOU-8-RBU): Applicable to TOU-8 customers who request an additional metered service connection at their premises used solely for reliability or backup purposes. Customers pay for the additional electric facilities under a separate added facilities agreement.

Real Time Pricing (RTP-2): Under RTP-2, customers with a maximum demand greater than 500 kW are billed hourly electricity prices that vary based on the time of day, season and temperature. This rate is beneficial to bundled service customers with the flexibility to manage or reduce energy usage based on temperature-driven pricing variations.

Option Descriptions

The following options apply to rates for GS-2-TOU, TOU-GS-3 and TOU-8 business customers:

Option A: This option includes Facilities-Related Demand (FRD) charges and increased on-peak and mid-peak energy charges, but no time-related demand charges. Facilities-Related Demand charges reflect the cost of transmission and distribution facilities built to meet our customers' peak power demands and are applied all year round. These demand charges are in addition to energy charges (per kilowatt hour).

Option B: This option includes time-related demand and energy rates that vary by time-of-use and season, highest during on-peak hours of noon to 6:00 p.m. and summer season weekdays (excluding holidays). The demand and energy rates are lowest during off-peak hours. This option also includes FRD charges.

Option R (Renewable): This time-of-use rate is for customers with installed renewable energy generation systems, or other renewable energy generation systems. Option R applies and is available to business customers with demands greater than 20 kW [but not exceeding four megawatts (MW)] who install, own or operate eligible on-site renewable energy generation systems with net capacities of 15 percent or greater than the customer's annual peak demand recorded over the previous 12 months. The Option R rate structure has no on-peak or mid-peak demand charges, has a reduced FRD charge and increased on-peak and mid-peak energy charges.

Critical Peak Pricing (CPP): The CPP rate is for bundled service customers and offers a discount on monthly on-peak demand charges during the summer months. When electricity demand and prices climb, SCE will activate CPP "events" (weekdays from 2:00–6:00 p.m., excluding holidays) during which energy charges increase significantly. However, if customers reduce or reschedule usage to lower-demand times of day during these events, CPP may help lower electric bills. Participants also receive bill protection for the first 12 months of participation.

Rates for Agricultural and Pumping Customers

Eligibility for all SCE agricultural and pumping schedules requires that 70 percent or more of the customer's electrical usage is for general agricultural purposes or for general water or sewage pumping. Accounts greater than 500 kW are ineligible for service under an agricultural and pumping rate and will be transferred to Schedule TOU-8. However, large water agencies and large agricultural water pumping accounts that exceed 500 kW or 671 horsepower (hp) of total connected load, and use at least 70 percent of their power for agricultural purposes must take service on an agricultural and pumping rate.

Power – Agricultural & Pumping 1 (PA-1): This schedule has a monthly service charge based on the amount of connected load, and a flat-rate energy (kWh) charge, and applies to accounts with registered demand less than 200 kW (continued on next page)

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and connected load less than 268 hp. An off-peak credit is available to customers who agree to permit SCE to install an automatic SCE-controlled device designed to prevent the service from being energized during the summer season on-peak hours of noon to 6:00 p.m., weekdays.

Power – Agricultural & Pumping 2 (PA-2): This schedule, which applies to accounts with registered demand less than 200 kW, has a facilities-related demand charge, a summer time-related demand charge, and seasonal energy charges.

Time-of-Use Agricultural & Pumping (TOU-PA): This option is mandatory for accounts with registered demands of 200 kW and above, or connected load greater than 268 hp. It is optional for accounts with registered demands less than 200 kW, or connected load less than 268 hp. Energy rates vary by season and time of day, with the highest rates during on-peak hours of noon to 6 p.m. on summer season weekdays, excluding holidays. Customers can choose an option with a connected load service charge, or an option with facilities-related and time-related on-peak and mid-peak demand charges. Customers can save money by shifting usage to off-peak hours.

Time-of-Use Agricultural & Pumping Internal Combustion Engine (TOU-PA-ICE): This rate permits qualified customers to receive line extension allowances and discounted monthly charges for converting internal combustion engines used for pumping water (fueled by diesel, gasoline, propane or butane – not natural gas) to electric motors. This rate is closed to new customers as of August 1, 2007.

Time-of-Use Agricultural & Pumping Super Off-Peak (TOU-PA-SOP): This rate is similar to TOU-PA, but includes a shorter summer season (three months), a shorter on-peak period (four hours), significantly higher time-related demand charges, and a "super off-peak" period from midnight to 6:00 a.m., every day, year-round, when energy rates are lowest. Customers can select one of the following summer season options: 1) July 1 to October 1; or 2) June 1 to September 1. A Time Management Load Control (TMLC) device is available at the customer's expense.

Time-of-Use Agricultural & Pumping (TOU-PA-5): This rate is similar to TOU-PA, but designed for high load-factor customers with consistent monthly usage of at least 35 hp of connected load or at least 26 kW of measurable demand. Customers receive energy charges that are lower than TOU-PA-B. In exchange, the facilities-related and time-related on-peak and mid-peak demand charges are higher than TOU-PA-B. A monthly minimum charge applies. Customers can save money by shifting usage to off-peak hours.

Agricultural & Pumping – Real Time Pricing (PA-RTP): This rate is beneficial to agricultural and water pumping customers who have the flexibility to manage or reduce energy usage based on temperature-driven pricing variations. Customers are billed hourly electricity prices that vary based on the time of day, season and temperature.

Economic Development Customers

Economic Development Rate - Attraction (EDR-A): This rate provides a bill discount for new customers who locate their facilities at a site that results in SCE served load of at least 200 kW. Such load must be new to California. Customers are eligible only if the discounts offered under EDR-A are necessary in the customers' decisions to locate their new loads in California.

Economic Development Rate - Expansion (EDR-E): This rate provides a bill discount for existing customers who increase load by at least 200 kW over their current maximum demand. Customers planning to expand their load at their current site or who are planning to relocate and expand their load at a new site must demonstrate to the satisfaction of SCE that the expanded load is new to California.

Economic Development Rate - Retention (EDR-R): This option is for existing customers with demand of at least 200 kW. Customer must demonstrate to the satisfaction of SCE that relocation of its entire operations, or a qualified portion of its operations that consists of load of at least 200 kW, to a site outside of California is a viable alternative or that closure of the customer's existing facilities is otherwise imminent. Customer must sign an affidavit attesting to

the fact that "but for" this discount (total bill will be subject to a discount), either on customer's own or in combination with a package of incentives made available to the customer from other sources, the customer would not have retained load within the state of California. Not applicable to state and local government customers or residential customers.

Rates for Street and Area Lighting Customers

Area Lighting 2 (AL-2): This rate is for customers who use electricity during dusk-to-dawn hours (usually from 5:30 p.m. to 6:00 a.m.) for outdoor area lighting purposes other than street or highway lighting. AL-2 has a low energy rate that reflects lower costs associated with the off-peak usage patterns of customers who use outdoor lighting. AL-2 customers must install, own, operate, and maintain a photocell device to ensure that no lighting load is used during daylight hours. Effective October 2009, Schedule AL-2 has two options. Option A offers a fixed energy charge but prohibits daytime usage. Option B provides time-of-use energy rates and allows 15 percent of a customer's total load (not to exceed 20 kW) to be used during daytime hours.

Domestic Walkway Lighting (DWL): Applies to unmetered lighting of walkways and other common areas of condominiums, cooperatives and other residential projects with individually metered, single family accommodations. DWL is only available to customer accounts established on or prior to December 10, 1976, and is closed to new customer installations after that date.

Lighting – Street and Highway 1 (LS-1): Applies to unmetered street and highway lighting where SCE owns, operates and maintains the street lighting facilities. Lamp charges are based on type and size of lamp. Customers may choose between "All Night" or "Midnight" service. LS-1 is also available to publicly-owned and operated parking lots open to the general public.

Lighting – Street and Highway 2 (LS-2): Applies to unmetered street and highway lighting where the customer owns and maintains the street lighting facilities. Customers may choose between "All Night" or "Midnight" service. LS-2 is also available to publicly-owned and operated parking lots open to the general public.

Lighting – Street and Highway 3 (LS-3): Applies to street and highway lighting where the customer owns and maintains the street facilities as with LS-2, except the service is metered by SCE.

Outdoor Lighting (OL-1): Applies to unmetered outdoor area lighting service, excluding street and highway lighting, where SCE owns, operates and maintains the lighting facilities. Customers may choose between "All Night" or "Midnight" service. Normally for wood pole installations only.

Traffic Control (TC-1): Applies to metered single-phase and three-phase service for traffic directional signs or traffic signal systems located on streets or highways. TC-1 can be used for railway crossings and track signals, and other public thoroughfare lighting, such as bus stop shelters, under certain conditions, that is used 24 hours per day or is not controlled by switching equipment.

Miscellaneous Business Rates

Standby (Schedule S): This rate is mandatory for many customers who self-generate all of, or a portion of, their electrical power from their own on-site generating facility, for both retail and wholesale customers. Under Schedule S, SCE provides "standby" service, meaning that SCE is ready to provide service when the customer's generator is not in operation, which is usually during scheduled or unscheduled outages (other than power outages or rotating outages). Schedule S ensures that businesses are not compromised when their generators are not operating. Schedule S has two basic charges: Capacity Reservation Charge (CRC), based on the nameplate rating of the generator or the standby level set by the customer; and time-related demand charges for backup service or maintenance service.

Net Energy Metering (NEM, BG-NEM, FC-NEM): This option is available only to customers who use solar, wind, a combination of solar and wind, biogas, or fuel cell technology, to generate power up to 1,000 kW to serve their on-site power needs, pursuant to Public Utilities Code Sections 2827- 2827.10. *(continued on next page)*

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Wireless Technology Rate (WTR): This contract rate option is available as a single-phase and three-phase service to customers in wireless technology industries who require electric service to operate radio repeaters or similar devices (wireless communication devices). Devices must be mounted on existing SCE facilities, or other facilities approved by SCE. All service under WTR is unmetered.

Wireless Fidelity (Wi-Fi-1): This rate is applicable to cities, counties and qualified commercial providers of wireless Wi-Fi Internet service. Schedule Wi-Fi-1 allows cities, counties and qualified commercial providers of wireless Wi-Fi Internet service to attach Wi-Fi transmitting devices to SCE-owned streetlights, and to power such devices with unmetered, single-phase electric service so that these entities can provide Wi-Fi Internet service in the communities they serve. The total load per attachment cannot exceed 35 watts, and the cumulative limit of 35 watts cannot be exceeded for every two adjacent poles on the same (looped) circuit where Wi-Fi devices are installed.

Community Choice Aggregation Service (CCA Service): Cities, counties or a Joint Power Authority (JPA) whose governing boards have elected to act as Community Choice Aggregators (CCAs) can purchase and sell electricity on behalf of utility customers within their service area(s). Under CCA Service, a CCA is solely responsible for procuring and providing for the electric power needs (including ancillary services) of its customers, ensuring resource adequacy and renewable portfolio requirements for these customers, and scheduling and settling with the California Independent System Operator (CAISO). CCAs are required to meet certain requirements with the California Public Utilities Commission (CPUC) in addition to meeting financial and technical requirements with SCE.

California Renewable Energy Small Tariff (CREST): Schedule CREST is for retail customers of SCE who are not public water or wastewater agencies and own and operate an eligible renewable generator with a total effective generation capacity of not more than 1.5 megawatts (MW). It allows customers to sell electricity to SCE without complex negotiations and delays. SCE pays for either the total or the excess energy the customer generates (customer's choice). Two agreements are available: CREST Full Buy/Sell, and CREST Excess. Service under this schedule is on a first-come-first-served basis and will be closed to new customers once the total rated generating capacity of Eligible Renewable Generating Facilities within SCE's service territory reaches 247.690 MW, which is SCE's allocated share of the 500 MW statewide cap.

Water Agency Tariff for Eligible Renewables (WATER): This schedule is optional for customers who meet the definition of an Eligible Public Water Agency or Wastewater Agency (as defined in the Special Condition section of this schedule) who own and operate an Eligible Renewable Generating Facility (as defined in the Special Condition section of this schedule), with a total effective generation capacity of not more than 1.5 megawatts (MW). Service under this Schedule is on a first-come, first-served basis and shall be closed to new customers once the combined rated generating capacity of Eligible Renewable Generating Facilities within SCE's service territory reaches 123.9 MW, which is SCE's proportionate share of 250 MW, based on the ratio of SCE's peak demand to the total peak demand of all electrical corporations within the State of California.

Time-of-Use Electric Vehicle (TOU-EV-3, TOU-EV-4): These rates are designed for customers who own and operate electric vehicle(s) (EVs) and use chargers with demands of 20 kW or less for TOU-EV-3, or no greater than 500 kW for TOU-EV-4. Customers can save money by charging their EVs between 9:00 p.m. and noon.

Load Reduction Programs

Load reduction programs provide financial incentives and benefits to customers

who reduce their energy usage and/or demand during periods when load on the electric grid must be reduced to maintain system reliability.

Agricultural and Pumping Interruptible (AP-I): This program provides a year-round monthly credit to eligible agricultural and pumping customers with a measured demand of 37 kW or greater, or with at least 50 hp of connected load, who elect to allow SCE to temporarily interrupt electric service to their total load served. On August 20, 2009, the CPUC ruled that the AP-I program is capped at current participating levels. All requests for AP-I program enrollments received by SCE after August 20, 2009, will be placed on a waiting list and will be processed on a first-come, first-served basis. Interruptions will not exceed 25 times, 6 hours each or 150 hours per calendar year.

Summer Discount Plan (SDP): This program provides a bill credit to customers during the summer season. In exchange, customers allow SCE to temporarily turn off or "cycle" their central air conditioner compressor(s) during periods of peak demand, when directed by the California Independent System Operator (CAISO) or SCE.

Demand Bidding Program (DBP): This is a voluntary bidding program that offers bill credits for reducing power when a DBP event is called with either day-of or day-ahead notification. There are no penalties for this program. This option is for customers with monthly maximum demand of 200 kW or greater. Customers may have accounts less than 200 kW if they are part of an aggregated group that has at least one account that is over 200 kW.

Capacity Bidding Program (CBP): This is a flexible bidding program in which participants are paid a monthly incentive to agree to reduce load to a pre-determined amount during CBP events with day-of or day-ahead notification. Participants receive a monthly incentive payment based on the amount of load reduction (capacity) nominated each month, plus payments for actual energy reduction, based on kilowatt hours (kWh), when an event is called. Payments vary based on month, product and participation level. Customers may also participate through a third-party Curtailment Service Provider (CSP).

Time-of-Use Base Interruptible Program (TOU-BIP): This program is for customers who can reduce their electrical usage to a pre-determined amount, also called the "Firm Service Level" (FSL), within 15 or 30 minutes of notice. It is available to customers whose monthly maximum demand or aggregated monthly maximum demand reaches or exceeds 200 kW and who commit to curtail at least 15 percent, but not less than 100 kW, of their maximum demand per period of interruption. In return, customers receive a monthly capacity credit. On August 20, 2009, the CPUC ruled that the BIP program is capped at current participating levels. All requests for BIP program enrollments received by SCE after August 20, 2009 will be placed on a waiting list and will be processed on a first-come, first-served basis. Customers may also participate through a third-party CSP.

Optional Binding Mandatory Curtailment Program (OBMC): This option exempts an entire circuit from most rotating outages when the load on the circuit that is reduced by up to 15 percent during each rotating outage. An OBMC plan, which details how the entire circuit's load will be reduced by up to 15 percent during each rotating outage, must be submitted to SCE.

Scheduled Load Reduction Program (SLRP): This option provides a bill credit per kWh of qualified load drop to bundled service customers who complete a contract to reduce load by a predetermined amount on pre-selected weekdays, during summer season hours. Customers with an average monthly demand of 100 kW or greater must reduce at least 15 percent of maximum demand (but not less than 100 kW) for each hour during pre-scheduled days and times. Other reduction amounts may be selected from one of three optional timeframes. (continued on next page)

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Electric Industry Restructuring Options

Direct Access (DA) Service: This is an optional program whereby customers can choose to purchase their electricity from an Electric Service Provider (ESP) instead of from SCE (SCE continues to provide transmission and distribution services to DA customers). DA was suspended on October 20, 2001, as a result of the 2000-2001 energy crisis. Senate Bill (SB) 695 authorizes a partial re-opening (subject to annual kilowatt hour limits) of DA for retail non-residential, end-use customers. For all other customers, the law continues the DA suspension, except as presently authorized, pending any further action by the legislature. The CPUC is expected to establish the rules that will govern the re-opening of DA. SB 695 was signed into law on October 11, 2009; DA for non-residential customers is expected to be partially re-opened beginning in April 2010.

Bundled Service Customer Interval Meter Ownership (BSC-IMO):

This option is for bundled service customers who replace an existing meter or install retrofit metering facilities in accordance with Schedule CC-DSF. Meter reading services and billing services will be provided solely by SCE.

Customer Choice Discretionary Service Fees (CC-DSF): This option is for DA and bundled service customers purchasing metering services, electing a rate option requiring the use of interval metering facilities, or requesting interval metering and/or metering facilities in substitution for, or in addition to, standard facilities.

The following two rate options are available to Electric Service Providers (ESPs) – companies whose business is procuring electric power and/or ancillary services such as meters, meter reading, and billing services to end-use DA customers.

Electric Service Provider - Discretionary Service Fees (ESP-DSF):

This option is for ESPs participating in DA who elect to have SCE provide metering, meter reading and/or billing services for their DA customers.

Electric Service Provider - Non-Discretionary Service Fees (ESP-NDSF): This option is for ESPs participating in DA for providing billing services for their DA customers.

These descriptions are meant to be an aid to understanding SCE's rate schedules and programs for SCE customers only. They do not replace information contained in the CPUC-approved tariffs. Please refer to SCE's tariff books for a complete list of terms and conditions of service available online at www.sce.com/rateoptions.

For more information about any of SCE's rate options, please call 1-800-990-7788, or visit www.sce.com/rateoptions, or write to:

Southern California Edison Consumer Affairs, G.O.1, Quad 2A P.O. Box 800 Rosemead, CA 91770.

Para solicitar una copia en español de esta notificación, por favor escriba a:

Southern California Edison P.O. Box 800, G.O. 1, Quad 4A Rosemead, CA 91770

á la atención de Comunicaciones Corporativas, o visita www.sce.com/avisos.



Online Billing

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Holiday Safety Reminders



As you begin preparing for the holiday season, we remind you to follow these important safety tips:

- Do not use decorative lighting with frayed cords and wires, broken fuses or broken lightbulbs.
- Use only Underwriters Laboratories (UL) approved lighting and extension cords.
- Plug no more than three strands of lights into each electrical cord/outlet.
- Keep live trees watered and keep watering pans away from electrical cords.
- Never use lighted candles on or near holiday trees or decorations.
- Remember to unplug decorative lights when you leave home and before going to bed.

We wish you and yours a safe and

We wish you and yours a safe and happy holiday season. For more safety tips, please visit www.sce.com/safety.

Strengthening Our Distribution Grid

As part of our commitment to providing reliable electric service, SCE is upgrading and expanding Southern California's local electricity grid to maintain long-term reliability while building a smarter, cleaner and more efficient energy future for our customers.

This investment includes upgrades by SCE to our local distribution network that serves portions of the city of Diamond Bar and the city of Compton.

The Diamond Bar project consists of two phases. In early 2008, SCE completed an upgrade of our electric system serving the central part of the city. The remaining phase will be completed in late 2009. The upgrade will allow for additional circuit capacity and improve the operational capabilities of SCE equipment. When completed, the project will include the installation or replacement of three miles of underground cable and other underground equipment.

In July, SCE completed upgrading our electric system serving a residential area in Compton by replacing old and undersized electrical conductors with ones that have a much larger capacity, and by upgrading the equipment that supports them. SCE crews replaced approximately 1,800 feet of electrical line and two poles, installed switching equipment, and upgraded supporting hardware on 19 overhead poles.

The improvements will help minimize the likelihood of unanticipated service interruptions for residents and business owners within the city of Diamond Bar and the city of Compton, in addition to meeting future electrical demands within the cities.

Through 2013, SCE will invest \$9.7 billion to strengthen our system-wide distribution grid to ensure our customers continue to receive affordable, reliable power. In the process, SCE is creating one of the nation's most advanced grids including exploring emerging technologies that promise greater reliability, longer equipment life and reduced customer costs.

To learn more about SCE's infrastructure investments, visit www.sce.com/smartergrid.