



SOUTHERN CALIFORNIA
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Southern California Edison Clean Energy Future

January 13, 2011

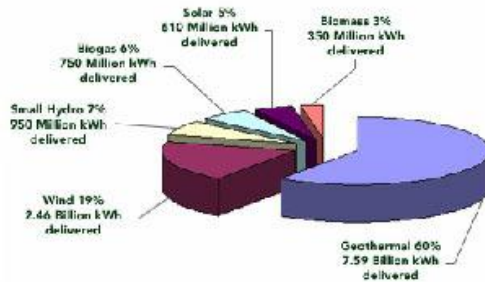
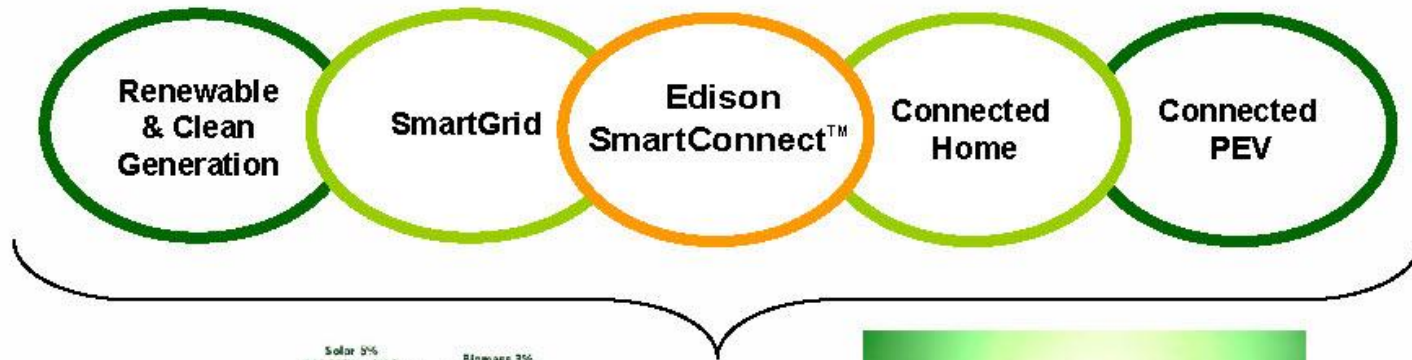
Danielle Schofield
Business Customer Division

Agenda

- 2011 Rate Changes
- Direct Access Deregulation Update
- Energy Efficiency
- Demand Response
- Smart Grid, Smart Connect
- Plug In Electric Vehicles

EIX Vision for Clean Energy Future

Integration of Information Technology with Energy Technology Delivers Environmental Benefits



Low Carbon Fuel Mix



Energy Management & Efficiency

Energy Efficiency

Over the last five years SCE's energy-efficiency programs have saved **5.6 billion kilowatt-hours** = enough energy to power **789,000 homes** for an entire year

&

reduced greenhouse gas emissions by **2.1 million metric tons** = removing **400,000 cars** from the road.

Over the next three years SCE is proposing to invest more than **\$1.3 billion** to achieve savings in excess of **3.5 billion kilowatt-hours**.



Demand Response Incentive Programs

- Automated Demand Response (ADR System)
 - Provides an incentive of \$300 per kW of verified load reduction toward the purchase and installation of equipment that temporarily reduces load by remote activation
 - Customer must be enrolled and participating in an SCE Demand Response rate or program
- Technical Assistance and Technology Incentives (TA&TI)
 - Provides financial incentives up to \$125 per kW of verified load reduction toward the installation of eligible technologies that reduce electricity usage during periods of peak demand
 - Provides demand response site assessments at no charge



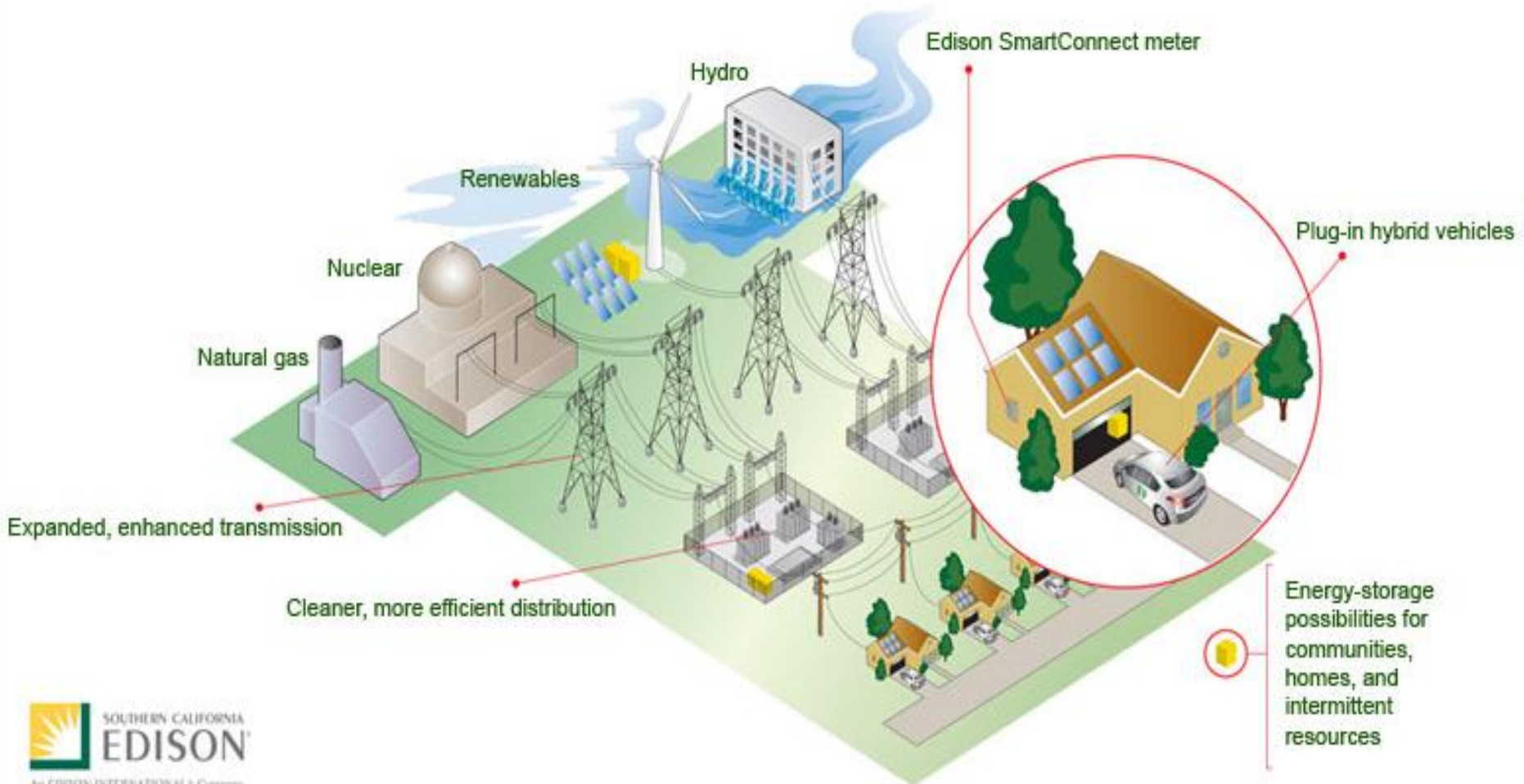
SCE's Smart Grid Leadership

- Reliably deliver a growing and diverse supply portfolio of renewable and clean generation
- Enable distributed energy resources and storage to support customer choice and improve grid stability
- Prevent catastrophic system failures through innovative real time power system analytics and grid technologies
- Minimize customer power disruptions due to distribution system failures through expansive automation
- Improve workforce safety and asset efficiency through smarter tools, worker protective equipment & electrical equipment



SCE's Smart Grid Vision

A cleaner, more diverse generation supply flowing through a smarter and more reliable electricity grid to serve customers who are using electricity more wisely, and in more ways, than ever before.



Getting to Know Edison SmartConnect

www.sce.com/smartconnect

Empowering Customers



- Rate choices to manage costs
 - Time of Use and Tiered Rates
 - Critical Peak Pricing (CPP)
 - Peak Time Rebate (PTR)
 - Programmable Communicating Thermostats (PCT)
- Energy information and analysis
- Service automation-remote turn-on
- Billing & Payment options
- Communication with SmartGrid technologies to detect, avoid and repair grid problems in seconds



SCE Plug-In Electric Vehicle Leadership

Plug-in vehicles linked through Edison SmartConnect™ will be part of the future energy solutions to achieve transportation sustainability and energy storage



Drivers for Electric Transportation



- Electricity is less expensive than gasoline or diesel
- Reduced maintenance requirements & longer life
- Cleaner source of fuel (greenhouse gases & criteria pollutants)
- Estimated cost of \$3.00 per charge
- Technology readiness
- Lower life cycle cost

Vehicles in the Pipeline for 2010-12

Mitsubishi



BYD



Ford



BMW



Nissan



Tesla



Chevrolet



Smart



Mercedes



Toyota



Types of Plug-in Vehicles

Vehicle Types

Plug-in Hybrid Electric Vehicle (PHEV)

- Up to 50 miles EV range
- Combines internal combustion engine and electric motor
- Serial or parallel configuration of engine and motor depending on model

Examples

Chevy Volt



New Prius PHEV



Battery Electric Vehicle (BEV)

- 160 miles on a 5 hour charge. Due in 2012
- Large battery, high-charge power
- 100 miles on an 8 hour charge. Just released.

Tesla Model S

Tesla

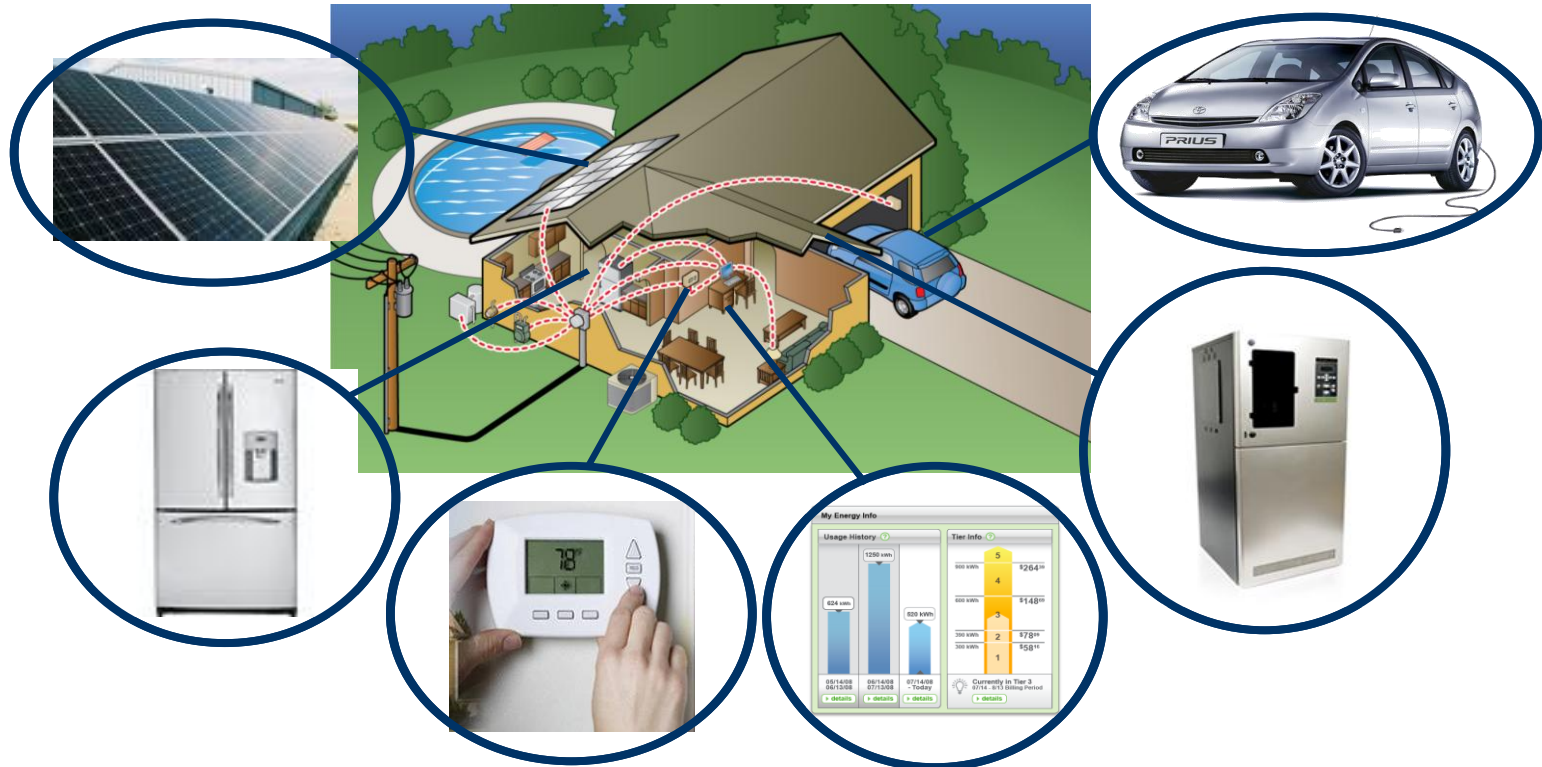


Nissan Leaf



Smart Home Energy Experience now open at SCE's CTAC center

Zero Net Energy Home



SCE is Leading the Way: Renewable Energy

- SCE is the nation's largest purchaser of renewable energy - approximately 15 billion kWh in 2010
- 20% of SCE's fuel portfolio is renewable energy as required by the California Public Utilities Commission
- Broader goal of 33% is proposed for 2020.
- SCE signed the world's largest wind power contracts with OakCreek Energy and Alta Energy in Tehachapi for 4,500 MW of wind energy 2012
- SCE has signed 40 new contracts for up to 25 billion kWhs. They include the largest wind and solar contracts in the nation. In February SCE signed a 726 MW deal with Solar Millennium in Blythe. In June SCE signed a 1,300 MW deal with BrightSource Energy in Ivanpah (Needles) in the Mojave Desert.



Rooftop Solar Photovoltaic Program

Application requested \$875M to install 250 MW of PV within 5 years

- SCE Utility owned
- Most are 1 – 2 MW (dc) units
- Power delivered into SCE's distribution system
- Estimated installed cost is \$3.50/W (dc)
- Does not compete with California Solar Initiative (CSI)
 - Larger than CSI limit
 - Target roofs aren't net metering candidates
- One in service: Fontana, 2.44 MW
- Two are underway:
 - Chino, 1.11 MW dc
 - Mira Loma, 1.67 MW





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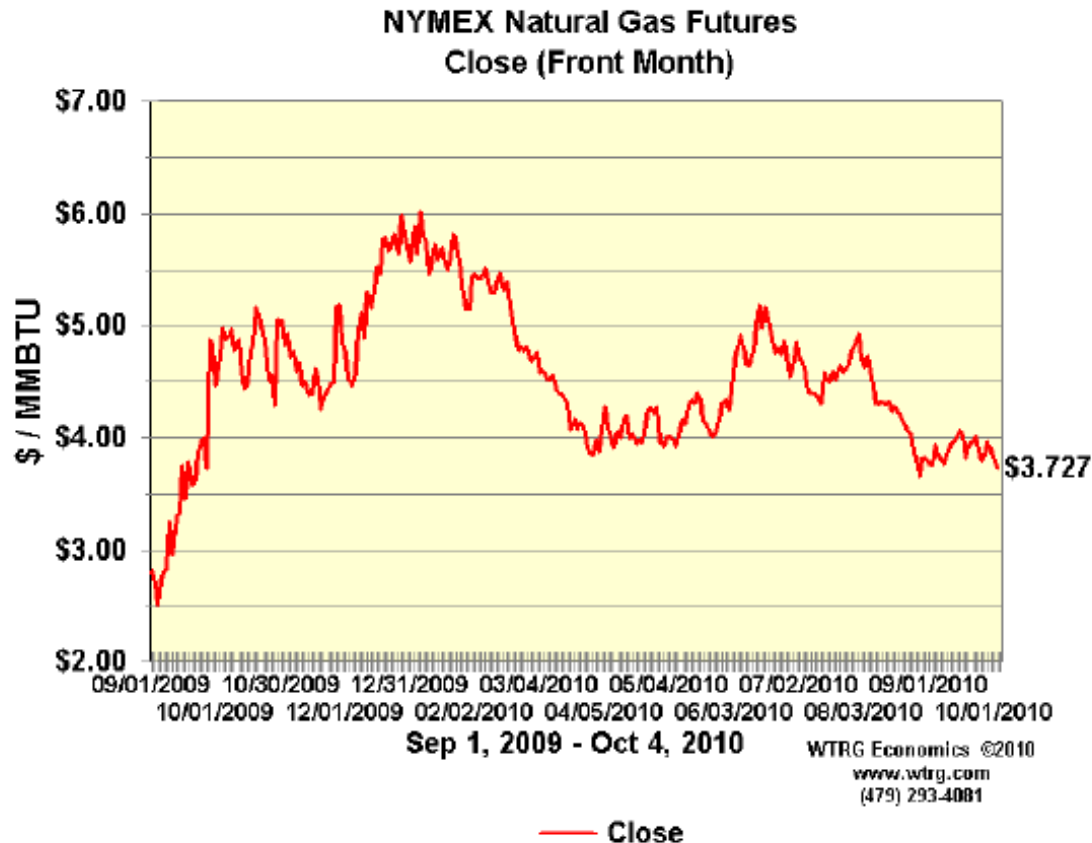
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2011 Rate Changes

1st Quarter 2011 Rate Changes

Component	Description
Department of Water Resources (DWR)	Change in allocation of costs from the long term state procurement contracts
2011 Energy Resource Recovery Account (ERRA)	Filed annually to recover generation costs. Primarily affected by natural gas costs and wholesale electric market costs
2009 General Rate Case (GRC) Attrition	GRC filed to establish and recover delivery and other costs for 2009, 2010 and 2011
Other Programs	Includes steam generator replacement, Edison SmartConnect, EE, DR and Solar PV programs
Federal Energy Regulatory Commission (FERC) GRC	Filed periodically to recover transmission (high voltage) costs

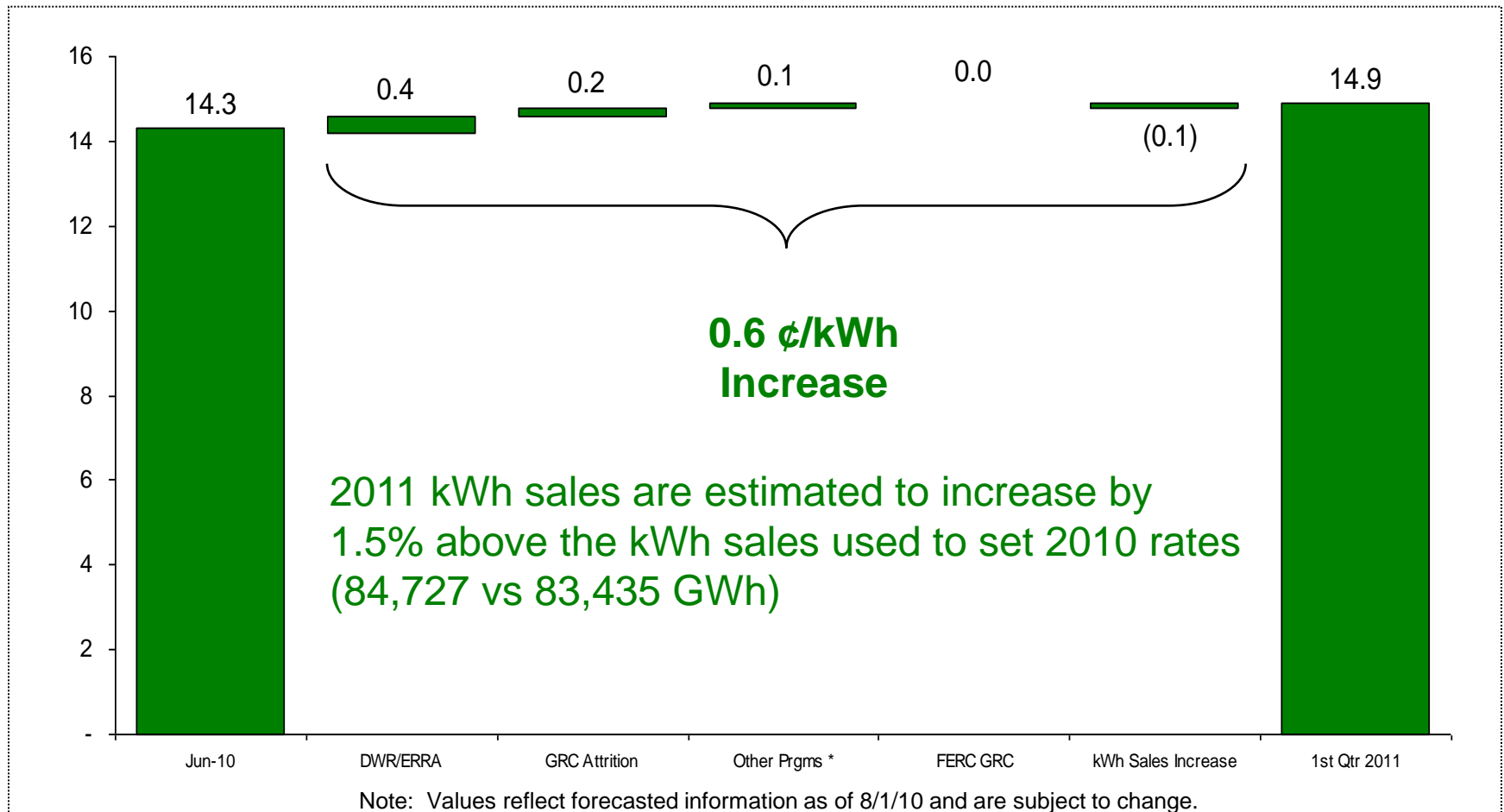
Gas Futures Prices



- The increase in SCE's procurement cost is driven primarily by a substantial decrease in DWR's procurement for SCE's bundled service customers
- DWR's contracts begin to fall off in 2011 and SCE must replace these contracts at a much higher rate

Estimated 2011 System Average Rate Bundled Service

(cents/kWh)



* Includes Steam Generator Replacement, Edison SmartConnect, and Solar PV Programs

January 1, 2011 Electric Rates

- Overall impact of the Jan. 1 rate change is minimal
- State's Long Term contracts will be paid down this year
- General Rate Case filed for 2012-2014 estimates rate increases of 7.5% over 3 years

Rate Schedule By Customer Group	Bundled Service		
	Current Average Rate (¢ / kWh)	Proposed Average Rate (¢ / kWh)	Average Rate % Change %
Domestic	15.90	16.01	0.7%
Lighting-SM Med Power			
GS-1	17.41	17.53	0.7%
GS-2	15.31	15.41	0.6%
TC-1	15.84	15.93	0.6%
TOU-GS-3	13.51	13.62	0.8%
Group Total	15.26	15.36	0.7%
Large Power			
TOU-8-SEC	12.44	12.55	0.9%
TOU-8-PRI	11.23	11.33	0.9%
TOU-8-SUB	8.10	8.06	-0.4%
Group Total	10.79	10.89	1.0%
Agricultural & Pumping			
PA-1	18.42	18.53	0.6%
PA-2	13.22	13.31	0.7%
TOU-AG	10.39	10.48	0.8%
TOU-PA-5	9.82	9.91	1.0%
Group Total	11.53	11.62	0.8%
Street & Area Lighting	19.17	19.24	0.4%
Grand Total	14.29	14.38	0.7%

Southern California Edison Can Help

□ There are many different SCE Programs and Rates to choose from:

Energy Efficiency
Demand Response
Renewables

Optional Rates
Economic Development Services
Products & Services

- **SCE offers detailed rate analyses to assist you in making decisions**
- **Our goal is to help you reduce your energy usage, energy cost and carbon footprint**

