

**BEFORE THE PUBLIC UTILITIES COMMISSION OF THE
STATE OF CALIFORNIA**

In the matter of the Application of Southern California Edison Company (U338-E) for Modification of Decision 05-09-018 to Extend EDR-Retention Rates.))))	Application 09-10-012 (Filed October 13, 2009) (Amended February 3, 2010)
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Application of Pacific Gas and Electric Company (U 39E) for Modification of Decision 05-09-018 to Extend the Economic Development Rate.))))	Application 09-11-010 (Filed November 13, 2009) (Amended January 27, 2010)
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**SETTLEMENT AGREEMENT FOR EXTENSION OF
ECONOMIC DEVELOPMENT RATES THROUGH DECEMBER 31, 2012**

Dated: May 3, 2010

Settlement Agreement for Extension of Economic Development Rates

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**SETTLEMENT AGREEMENT FOR EXTENSION OF
ECONOMIC DEVELOPMENT RATES THROUGH DECEMBER 31, 2012**

This Settlement Agreement (Settlement Agreement) for Extension of Economic Development Rates (EDRs) is entered into by the undersigned Parties hereto, with reference to the following:

1. Parties

The Parties to this Settlement Agreement are Southern California Edison Company (SCE), Pacific Gas & Electric Company (PG&E), the Division of Ratepayer Advocates (DRA), The Utility Reform Network (TURN) and the Energy Users Forum (EUF) (referred to hereinafter collectively as "Parties" or "Settling Parties" or, individually, as "Party").

- a. SCE is an investor-owned public utility and is subject to the jurisdiction of the California Public Utilities Commission (Commission or CPUC) with respect to providing CPUC-jurisdictional electric service to its retail customers.
- b. PG&E is an investor-owned public utility and is subject to the jurisdiction of the CPUC with respect to providing CPUC-jurisdictional electric service to its retail customers.
- c. DRA is a division of the Commission that represents the interests of public utility customers. Its goal is to obtain the lowest possible rate for service consistent with reliable and safe service levels. Pursuant to Public Utilities Code Section 309.5(a), the DRA is directed to primarily consider the interests of residential and small commercial customers in revenue allocation and rate design matters.
- d. TURN is an independent, non-profit consumer advocacy organization that represents the interests of residential and small commercial utility customers.
- e. EUF is an ad hoc association of medium and large commercial and industrial customers which represents the interests of both bundled and direct access customers in California.

2. **Recitals**

- a. In D.05-09-018, as modified by D.07-09-016 and D.07-11-052, the Commission approved Economic Development Rate (EDR) tariffs to offer incentives to SCE and PG&E customers who would otherwise not retain, expand or locate their load in California.
- b. For SCE, the EDR tariffs, which were modeled on tariffs the Commission first authorized in D.96-08-025, were (1) The Economic Development Rate-Attraction (EDR-A); (2) The Economic Development Rate-Expansion (E); and (3) The Economic Development Rate-Retention (EDR-R).
- c. For PG&E, the EDR tariff, which was modeled on the tariff the Commission first authorized in D.89-12-057, as Schedule ED.
- d. The Commission's sunset date for enrollment of new customers into the EDR programs of both SCE and PG&E (collectively, "the Utilities") was December 31, 2009.
- e. To extend the rates that were set to expire imminently, SCE filed on October 13, 2009 its *Application For Modification of Decision 05-09-018 to Extend EDR-Retention Rates*. PG&E filed on November 13, 2009 its *Application for Modification of Decision 05-09-018 to Extend the Economic Development Rate*. PG&E filed an amended application on January 27, 2010 and SCE filed an amended application on February 3, 2010.
- f. The EDR for PG&E (Schedule ED) was extended without modification on an interim basis by the Executive Director effective January 1, 2010. SCE's EDR-R was likewise extended without modification on an interim basis.
- g. DRA and TURN filed protests to the applications and amended applications and the Utilities filed replies.
- h. On February 5, 2010, the Assigned Commissioner consolidated the EDR applications of the Utilities and issued a Scoping Memo.

- i. On March 11, 2010, the Assigned Commissioner issued an Amended Scoping Memo.
- j. ALJ Wilson held three prehearing conferences on January 29, 2010, March 3, 2010 and March 4, 2010.
- k. On March 18, 2010, the CPUC issued for comment a proposed decision by ALJ Wilson, *Interim Decision Increasing Southern California Edison Company's Economic Development Rate-Retention Program*.
- l. On March 29, 2010, ALJ Wilson ruled that the schedule for submitting testimony in support of the applications and comments on the Interim Decision would be held in abeyance pending the parties' settlement talks.
- m. On April 15, 2010, SCE and PG&E served a Notice of Settlement Conference in accordance with CPUC Rule 12.1(b).
- n. A settlement conference was held on April 22, 2010. TAMCO, another party to this consolidated proceeding, indicated at that conference that it does not object to the settlement terms outlined herein. The only other party to the consolidated proceeding, Greenlining, did not attend the settlement conference and has since indicated that it has no intention of being active in the remainder of this proceeding.
- o. As of the date of this Settlement Agreement, SCE has enrolled forty-three (43) MW in the EDR program and PG&E has enrolled eighty-eight (88) MW.
- p. The Parties have evaluated the impacts of the various proposals in this consolidated proceeding for A.09-10-012 and A.09-11-010 and desire to resolve all issues related to the extension of Economic Development Rates as indicated in Paragraph 4 of this Settlement Agreement.

3. **Definitions**

When used in initial capitalization in this Settlement Agreement, whether in singular or plural, the following terms shall have the following meanings:

- a. "Settlement Agreement" shall have the meaning given to such term in the introductory paragraph hereof.
- b. "Commenced Service" means the date that an EDR customer has begun receiving service from the Utility pursuant to the rates and terms of the EDR contract previously executed by the customer and the Utility.
- c. "EDR contract" means the EDR-Attraction, EDR-Expansion, or EDR-Retention Agreements for SCE and Schedule ED Agreement for PG&E.
- d. "EDR Program Cap" means 200 megawatts (MW) of customer load for each Utility that is subject to discount pursuant to the applicable EDR contract for Pre-existing and New EDR Customers.
- e. "Floor Bill" is a contract term SCE uses, and "Floor Price" is a contract term PG&E uses, to describe a customer's OAT transmission charges, Public Purpose Program charges, Nuclear Decommissioning charges, California Department of Water Resources bond charges, Competition Transition Charge, marginal costs for distribution, and, if a bundled service customer, marginal costs for generation.
- f. "New EDR Customer" means a customer account enrolled pursuant to an EDR contract executed after the Commission's adoption of this Settlement Agreement.
- g. "Pre-existing EDR Customer" means a customer account enrolled pursuant to an EDR contract at the time of the Commission's adoption of this Settlement Agreement.
- h. "OAT" means the EDR customer's otherwise applicable tariff, which lists rate components applicable to service provided to the customer by the Utility.

4. **Settlement Agreement**

In consideration of the mutual obligations, covenants and conditions contained herein, the Settling Parties agree to the terms of this Settlement Agreement. Nothing in this Settlement Agreement shall be deemed to constitute an admission or an acceptance by any Party of any fact, principle, or position contained herein and this Settlement Agreement is subject to the limitations described in Paragraph 10 with respect to the express limitation on precedent. The Parties, by signing this Settlement Agreement, acknowledge that they pledge support for Commission approval and subsequent implementation of all the provisions of the Settlement Agreement.

- a. Except as modified by this Settlement Agreement, all terms and conditions of the Utilities' EDR programs and related EDR contracts shall remain unchanged.
- b. Subject to the applicable EDR Program Cap (Subparagraph 4.c), unless modified by the Commission, the last date for a Utility and a customer to execute an EDR contract shall be December 31, 2012. An EDR contract executed before this deadline shall remain in effect under the provisions of that applicable EDR contract until expiration of its term or termination pursuant to its terms.
- c. The EDR Program Cap shall be 200 MW per Utility, subject to the following:
 - i. If the contract of a Pre-existing EDR Customer that has Commenced Service is terminated after the date the Commission approves this Settlement Agreement, the contracted load in MW of the terminated EDR contract shall continue to count against the Utility's EDR Program Cap;
 - ii. If the contract of a Pre-existing EDR Customer that has not Commenced Service is terminated after the date the Commission approves this Settlement Agreement, the contracted load in MW shall not count against the Program Cap;
 - iii. If the contracted load in MW for a New EDR Customer is reduced due to contract termination or other causes, the amount of the load reduction shall no longer count against the Program Cap.

In any event, the EDR Program Cap, which includes both Pre-existing and New EDR Customers, shall not be exceeded at any time.

- d. Any customer who qualifies for and executes an EDR contract under the existing provisions of SCE's EDR program after the date SCE filed Application 09-10-012 or PG&E's EDR program after the date PG&E filed Application 09-11-010 shall have the option to take service under the terms and conditions applicable to New EDR Customers if the customer exercises this option within sixty days of the effective date of a Commission decision adopting this Settlement Agreement.
- e. Subject to the Floor Bill (for SCE) or Floor Price (for PG&E) provision, the authorized maximum discount for New EDR Customers shall be twelve percent of the customer's OAT each year for five years.
- f. The Utilities shall establish a floor price for each New EDR Customer as follows:
 - i. The method used by PG&E effective as of January 2010 to calculate the Floor Price shall remain unchanged.
 - ii. For each SCE contract with a New EDR Customer, the marginal generation components (energy and capacity) of the Floor Bill shall be based on the marginal generation costs adopted in D.09-08-028, multiplied by the ratio of 6.06 divided by 7.00, to reflect an updated gas price. These marginal generation cost components will be in effect for the entire term of each new EDR contract.
- g. The EDR discount shall be calculated based on those rate components of the EDR customer's bill that correlate to services the Utilities provide to the EDR customer (as specified in the rate components listed in the customer's OAT).
- h. In order to qualify as a New EDR customer for a retention contract, billed electricity costs must account for at least five percent of the customer's operating costs, less the cost of raw materials, on an annual basis. Estimated electricity costs must account for at least five percent of estimated operating costs, less the

estimated cost of raw materials, for new EDR-Expansion and EDR-Attraction Customers (SCE) or new Schedule ED attraction or expansion customers (PG&E). Each Utility shall add to or modify its respective EDR customer affidavit consistent with these eligibility requirements.

- i. Customers who seek to execute an EDR-R contract and can demonstrate that electricity costs account for 15 percent or more of their current operating costs, less the cost of raw materials (or, for potential EDR-Expansion and EDR-Attraction customers, their estimated electricity costs account for 15 percent or more of their estimated operating costs, less the estimated cost of raw materials) shall be provided expedited EDR screening, contract review and contract processing by the Utility.
- j. The EDR discounts provided to Pre-existing and New EDR Customers shall continue to be funded by the Utilities' ratepayers as provided in D.05-09-018. The Settling Parties recognize that the CPUC retains ongoing authority to review the Utilities' administration of their EDR tariffs.
- k. Each EDR contract will include (at Paragraph 20 for SCE and at Paragraph 14 for PG&E) the following provision, or words to the same effect, which neither adds to nor subtracts from the authority the CPUC already exercises: "This contract also shall be subject to review in any proceeding the Commission may conduct regarding the Utilities' EDR program implementation." If such review occurs, information relevant to the screening and enrollment of each EDR customer may be subject to discovery under Commission rules pursuant to protections that ensure confidentiality of proprietary and market-sensitive information.
- l. In addition to the information the Utilities currently provide to the CPUC in their annual reports, the reports shall include the following:
 - i. A detailed process flow chart describing the Utilities' EDR screening and enrollment processes; and

- ii. For each New EDR Customer who has commenced operation under an EDR contract, the amount paid to the utility above the Floor Bill or Floor Price and the discount provided relative to the customer's OAT (defined as the difference between the OAT and the discount rate).

The Utilities shall have the option of choosing a twelve-month period other than the prior calendar year when submitting their first annual reports in keeping with the current reporting schedule, or may submit their annual reports by no later than March 31 if basing their annual reports on the prior calendar year. Further, consistent with the reporting requirements adopted in D.05-09-018 that require the Utilities to produce annual EDR program reports through the current sunset date of the new EDR program (12/31/2009), the Utilities shall produce annual EDR program reports through the extended sunset of the EDR program (12/31/2012).

- m. For Pre-existing EDR Customers and New EDR Customers, each Utility will retain correspondence between the Utility and the EDR customer associated with the evaluation of eligibility for enrollment on an EDR, and will also retain the Schedule ED Project Evaluation Checklist for PG&E, and the Economic Development Rate Process Checklist for SCE, as well as all documents referred to in those checklists, in accordance with each Utility's respective document retention policy.

5. Implementation of Settlement Agreement

The Settling Parties intend and request that the Commission adopt this Settlement Agreement on an expedited basis and institute a schedule for comments that shortens the time periods prescribed in CPUC Rule 12.2. Furthermore, it is the intent of the parties that the Utilities should be authorized to implement the rates resulting from this Settlement Agreement as soon as practicable following the issuance of a final Commission decision approving this Settlement Agreement.

6. **Incorporation of Complete Settlement Agreement**

This Settlement Agreement is to be treated as a complete package and not as a collection of separate agreements on discrete issues. To accommodate the interests related to diverse issues, the Parties acknowledge that changes, concessions, or compromises by a Party or Parties in one section of this Settlement Agreement resulted in changes, concessions, or compromises by the Parties in other sections. Consequently, the Parties agree to oppose any modification of this Settlement Agreement not agreed to by all Parties.

7. **Signature Date**

This Settlement Agreement shall become binding as of the last signature date of the Settling Parties.

8. **Regulatory Approval**

The Parties shall use their best efforts to obtain Commission approval of the Settlement Agreement. The Parties shall jointly request that the Commission: (1) approve the Settlement Agreement without change; and (2) find the Settlement Agreement to be reasonable, consistent with law and in the public interest.

9. **Compromise Of Disputed Claims**

This Settlement Agreement represents a compromise of disputed claims between the Parties. The Parties have reached this Settlement Agreement after taking into account the possibility that each Party may or may not prevail on any given issue. The Parties assert that this Settlement Agreement is reasonable, consistent with law and in the public interest.

10. **Not Precedential**

Consistent with Rule 12.5 of the Commission's Rules of Practice and Procedure, this Settlement Agreement is not precedential in any other proceeding before this Commission, except as expressly provided in this Settlement Agreement or unless the Commission expressly provides otherwise.

11. Previous Communications

The Settlement Agreement contains the entire agreement and understanding between the Parties as to the subject matter of this Settlement Agreement, and supersedes all prior agreements, commitments, representation, and discussions between the Parties. In the event there is any conflict between the terms and scope of the Settlement Agreement and the terms and scope of the accompanying joint motion, the Settlement Agreement shall govern.

12. Non Waiver

None of the provisions of this Settlement Agreement shall be considered waived by any Party unless such waiver is given in writing. The failure of a Party to insist in any one or more instances upon strict performance of any of the provisions of this Settlement Agreement or to take advantage of any of their rights hereunder shall not be construed as a waiver of any such provisions or the relinquishment of any such rights for the future, but the same shall continue and remain in full force and effect.

13. Effect Of Subject Headings

Subject headings in this Settlement Agreement are inserted for convenience only, and shall not be construed as interpretations of the text.

14. Governing Law

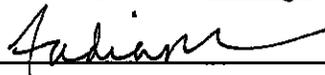
This Settlement Agreement shall be interpreted, governed and construed under the laws of the State of California, including Commission decisions, orders and rulings, as if executed and to be performed wholly within the State of California.

15. Number Of Originals

This Settlement Agreement is executed in counterparts, each of which shall be deemed an original. The undersigned represent that they are authorized to sign on behalf of the Party represented.

SOUTHERN CALIFORNIA EDISON COMPANY

By: Fadia Rafeedie Khoury

Signature: 

Title: Attorney Date: 4/30/10

PACIFIC GAS & ELECTRIC COMPANY

By: _____

Signature: _____

Title: _____ Date: _____

DIVISION OF RATEPAYER ADVOCATES

By: _____

Signature: _____

Title: _____ Date: _____

THE UTILITY REFORM NETWORK

By: _____

Signature: _____

Title: _____ Date: _____

ENERGY USERS FORUM

By: _____

Signature: _____

Title: _____ Date: _____

SOUTHERN CALIFORNIA EDISON COMPANY

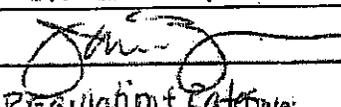
By: _____

Signature: _____

Title: _____ Date: _____

PACIFIC GAS & ELECTRIC COMPANY

By: JANE K. YURA

Signature: 

Title: VP. Regulation & Rates Date: 4/30/10

DIVISION OF RATEPAYER ADVOCATES

By: _____

Signature: _____

Title: _____ Date: _____

THE UTILITY REFORM NETWORK

By: _____

Signature: _____

Title: _____ Date: _____

ENERGY USERS FORUM

By: _____

Signature: _____

Title: _____ Date: _____

SOUTHERN CALIFORNIA EDISON COMPANY

By: _____

Signature: _____

Title: _____

Date: _____

PACIFIC GAS & ELECTRIC COMPANY

By: _____

Signature: _____

Title: _____

Date: _____

DIVISION OF RATEPAYER ADVOCATES

By: _____

Signature: _____

Title: _____

Date: _____

THE UTILITY REFORM NETWORK

By: _____

Signature: _____

Title: _____

Date: _____

[Handwritten Signature]
Dana S Applewhite
Director *4/22/2010*

15. Number Of Originals

This Settlement Agreement is executed in counterparts, each of which shall be deemed an original. The undersigned represent that they are authorized to sign on behalf of the Party represented.

SOUTHERN CALIFORNIA EDISON COMPANY

By: _____

Signature: _____

Title: _____ Date: _____

PACIFIC GAS & ELECTRIC COMPANY

By: _____

Signature: _____

Title: _____ Date: _____

DIVISION OF RATEPAYER ADVOCATES

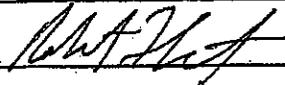
By: _____

Signature: _____

Title: _____ Date: _____

THE UTILITY REFORM NETWORK

By: Robert Finkelstein _____

Signature:  _____

Title: Legal Director Date: April 29, 2010

ENERGY USERS FORUM

By: _____

Signature: _____

Title: _____ Date: _____

SOUTHERN CALIFORNIA EDISON COMPANY

By: _____

Signature: _____

Title: _____

Date: _____

PACIFIC GAS & ELECTRIC COMPANY

By: _____

Signature: _____

Title: _____

Date: _____

DIVISION OF RATEPAYER ADVOCATES

By: _____

Signature: _____

Title: _____

Date: _____

THE UTILITY REFORM NETWORK

By: _____

Signature: _____

Title: _____

Date: _____

ENERGY USERS FORUM

By: *CAROLYN KEHREIN*

Signature: *Carolyn M. Kehrein*

Title: *Consultant*

Date: *4/29/10*

By: _____

Signature: _____

Title: _____

Date: _____

Appendix A-1

Revised Schedule EDR-R for SCE

Schedule EDR-R

Sheet 1

ECONOMIC DEVELOPMENT RATE-RETENTION

APPLICABILITY

Applicable to existing customers with demands of at least 200 kW. The customer must demonstrate to the satisfaction of SCE that relocation of its entire operations or a qualified portion of their operations which 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 eminent. Additionally, the customer must sign an affidavit attesting to the fact that "but for" this discount, either on its 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. In addition, the customer must affirm that billed electricity costs account for at least five percent of the customer's operating costs, less the costs of raw materials, on an annual basis. If a customer can demonstrate that its electricity costs account for 15 percent or more of its current operating costs, less the costs of raw materials, the customer will be provided expedited screening and contract processing by SCE. This Schedule is not applicable to state and local government customers or residential customers.

(T)
(T)

Subject to a program cap of 200 megawatts (MW), this Schedule will remain open to new participants until December 31, 2012. The total contract demand on Schedules EDR-R, EDR-E, and EDR-A, at any point in time for active agreements, shall not exceed 200 MW. However, the total contract demand of an EDR customer whose contract was executed before [date of CPUC's approval of settlement agreement in A.09-10-012] but whose EDR contract is terminated after [insert same date] shall continue to count against the program cap unless the EDR customer had never commenced service under the customer's EDR Agreement. If the total contract demand of an EDR customer whose contract was executed after [insert same date] is reduced due to contract termination or other causes, the amount of the load reduction shall no longer count against the program cap.

Any customer who qualified for and executed an EDR agreement (Form 14-760, Form 14- or Form 14-) during the period from the date SCE filed Application 09-10-012 until [insert same date] shall have the option to take service under the terms and conditions applicable to EDR customers that were approved by the Commission effective [insert same date] if the customer exercises this option within sixty days of [insert same date].

Customers must be served under a General Service rate Schedule.

Customers subject to the Environmental Pricing Credit agreement may not take service under this Schedule.

Customers served under this Schedule are not eligible for service under Schedule EDR-A or Schedule EDR-E.

TERRITORY

Within the entire territory served.

RATES

Unless provided herein, or in the Economic Development Rate-Retention Agreement, all charges and

(Continued)

(To be inserted by utility)

Advice 2422-E
Decision _____

Issued by
Akbar Jazayeri
Vice President

(To be inserted by Cal. PUC)

Date Filed Jan 8, 2010
Effective Jan 8, 2010
Resolution _____

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Schedule EDR-R
ECONOMIC DEVELOPMENT RATE-RETENTION

Sheet 1

provisions of the customer's Otherwise Applicable Tariff (OAT) shall apply, except that the customer's total bill shall be subject to discount as provided in the customer's EDR agreement.

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	Year 2	20%
	Year 3	15%
	Year 4	10%
	Year 5	5%

(Continued)

(To be inserted by utility)

Advice 2422-E
 Decision _____

100

Issued by

Akbar Jazayeri
Vice President

(To be inserted by Cal. PUC)

Date Filed Jan 8, 2010
 Effective Jan 8, 2010
 Resolution _____



Schedule EDR-R
ECONOMIC DEVELOPMENT RATE-RETENTION

Sheet 2

(Continued)

RATES (Continued)

The revenues for each customer will be reviewed to ensure that they equal or exceed the customer's floor bill (as defined in the applicable EDR Agreement), but do not exceed the OAT revenues the customer would have paid if the customer had not received the discount. (T)

SPECIAL CONDITIONS

- 1. Otherwise Applicable Tariff: The customer's regularly filed rate schedule under which service is rendered. (T)
- 2. Agreement: The customer must sign the Economic Development Rate - Retention Agreement (Form 14-760 or Form _____) and the Affidavit for Economic Development Rates (Form 14-772 or Form _____) in order to take service under this Schedule. (T)
- 3. Start Date: The start date of the discount period shall commence within 12 months from the date of execution of the Agreement and shall be designated by the customer within the Agreement. (T)
- 4. Metering: Separate electric metering for a qualified portion of load may be required if, in SCE's sole opinion, it is necessary to provide service under this schedule. The customer will be responsible for any costs associated with providing separate electric metering. (T)
- 5. Conservation: In order to be eligible for this Schedule, a customer must allow SCE to conduct a energy audit for the purpose of making cost-effective energy efficiency and demand side management options available to the customers. (T)

Deleted: For Bundled Service customers, the total bill includes Delivery Service and Generation, as shown in the Rates Section of the customer's OAT. For purposes of calculating the discount applicable to Direct Access (DA) and Community Choice Aggregation Service (CCA Service) customers, the total bill includes Delivery Service charges except nonbypassable charges, as shown in the Rates Section of customer's OAT, in addition to what the generation charges of the customer's OAT would have been had the customer been a Bundled Service customer. Such generation charges will be used as a proxy in order to calculate the discount. ¶

¶ The average rate after application of the discount under this Schedule cannot be less than the rate calculated under the floor bill. The sum of the revenue collected by SCE from the customer, exclusive of any additional applicable taxes, shall not fall below a floor price, which consists of transmission charges, PPP charges, ND charges, DWR Bond charges, CTC, marginal costs for distribution, and if a bundled-service customer, marginal costs for generation. Marginal costs in effect at the time of each Agreement execution will be used for this calculation, and used throughout the term of the Agreement.

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(To be inserted by utility)

Advice 2165-E
Decision 07-09-016

200

Issued by
Akbar Jazayeri
Vice President

(To be inserted by Cal. PUC)

Date Filed Sep 21, 2007
Effective Sep 21, 2007
Resolution _____



Schedule EDR-R
ECONOMIC DEVELOPMENT RATE-RETENTION

Sheet 3

(Continued)

SPECIAL CONDITIONS (Continued)

6. SCE will consult with the Office of California Business Investment Services (CalBIS), or its successor entity, under the supervision of the California Business Transportation and Housing Agency (BTH), in order to determine qualified customers. Approval by CalBIS is necessary, but not sufficient, for determining eligibility. SCE reserves the right for final review and eligibility determination, and service under this Schedule shall be offered at the discretion of SCE. However, any customer rejection may be subject to review by the Commission pursuant to the complaint procedure specified in Commission Decision (D.)05-09-018.
7. All customers must agree to maintain a minimum level of load for five years from the date service is first rendered under this provision as set forth in the Economic Development Rate - Retention Agreement.

(Continued)

(To be inserted by utility)

Advice 1918-E-A
 Decision 05-09-018

300

Issued by

John R. Fielder
 Senior Vice President

(To be inserted by Cal. PUC)

Date Filed Oct 3, 2005
 Effective Oct 3, 2005
 Resolution _____

Appendix A-2

Revised Schedule EDR-E for SCE

Advice 2422-E
 Decision _____

Akbar Jazayeri
 Vice President

Date Filed Jan 8, 2010
 Effective Jan 9, 2010

Resolution _____



Southern California Edison
 Rosemead, California (U 338-E)

Revised Cal. PUC Sheet No. 4636
 Original Cal. PUC Sheet No. 391

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 Revised Cal. PUC Sheet No. 43014-E**

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 ECONOMIC DEVELOPMENT RATE-EXPANSION

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 (To be inserted by Cal. PUC)
 Advice 2165-E Akbar Jazayeri Date
 Filed Sep 21, 2007
 Decision 07-09-016 Vice President
 Effective Sep 21, 2007
 2C22 Resolution

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 Year 2 20%
 Year 3 15%
 Year 4 10%
 Year 5 5%
 For Bundled Service customers, the total bill includes charges for Delivery Service and Generation, as shown in the Rates Section of the customer's OAT. For purposes of calculating the discount applicable to Direct Access (DA) and Community Choice Aggregation Service (CCA Service) customers, the total bill includes Delivery Service charges except nonbypassable charges, as shown in the Rates Section of the customer's OAT, in addition to what the generation charges of the customer's OAT would have been had the customer been a Bundled Service customer. Such generation charges will be used as a proxy in order to calculate the discount. The average rate after application of the discount under this Schedule cannot be less than the rate calculated under the floor bill. The sum of the revenue collected by SCE from the customer, exclusive of any additional applicable taxes, shall not fall below a floor price, which consists of transmission charges, PPP charges, ND charges, DWR Bond charges, CTC, marginal costs for distribution, and if a bundled-service customer, marginal costs for generation. Marginal costs in effect at the time of each Agreement execution will be used for this calculation, and used throughout the term of the Agreement.

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Schedule EDR-E Sheet 2
 ECONOMIC DEVELOPMENT RATE-EXPANSION

TERRITORY

Within the entire territory served.

RATES

Unless provided herein, or in the Economic Development Rate-Expansion Agreement, all charges and provisions of the customer's Otherwise Applicable Tariff (OAT) shall apply, except that the customer's total bill shall be subject to discount as provided in the customer's EDR agreement.

The revenues for each customer will be reviewed to ensure that they equal or exceed the customer's floor bill (as defined in the applicable EDR Agreement), but do not exceed the OAT revenues the customer would have paid if they had not received the discount.

SPECIAL CONDITIONS

1. Otherwise Applicable Tariff: The customer's regularly filed rate schedule under which service is rendered.
2. Agreement: The customer must sign the Economic Development Rate-Expansion Agreement (Form 14-759 or Form _____) and the Affidavit (Form 14-772 or Form _____) in order to take service under this Schedule.
3. Start Date: The start date of the discount period shall commence within 24 months from the date of execution of the Agreement and shall be designated by the customer within the Agreement.

(T)
 (T)
 (T)

 (T)
 (T)

(Continued)

(To be inserted by utility)

Advice 2422-E
 Decision _____

Issued by
 Akbar Jazayeri
 Vice President

(To be inserted by Cal. PUC)
 Date Filed Jan 8, 2010
 Effective Jan 8, 2010



Southern California Edison
Rosemead, California (U 338-E)

Revised Cal. PUC Sheet No. 46361-E
Original Cal. PUC Sheet No. 39113-E

Schedule EDR-E Sheet 3
ECONOMIC DEVELOPMENT RATE-EXPANSION

SPECIAL CONDITIONS (Continued)

4. Metering: Separate electric metering for the customer's Qualifying Incremental Load, as defined in Form 14-759 or Form _____ may be required if, in SCE's sole opinion, it is necessary to provide service under this schedule. The customer will be responsible for any costs associated with providing separate electric metering.

5. Conservation: In order to be eligible for this Schedule, a customers must allow SCE to conduct a energy audit for the purpose of making cost-effective energy efficiency and demand side management options available to the customers.

6. SCE will consult with the Office of California Business investment Services (CalBIS), or its successor entity, under the supervision of the California Business Transportation and Housing Agency (BTH), in order to determine qualified customers. Approval by CalBIS is necessary, but not sufficient, for determining eligibility. SCE reserves the right for final review and eligibility determination, and service under this Schedule shall be offered at the discretion of SCE. However, any customer rejection may be subject to review by the Commission pursuant to the complaint procedure specified in Commission Decision (D) 05-09-018.

7. All customers must agree to maintain a Minimum Expanded Load as defined in Form 14-759 or Form _____ for five years from the date service is first rendered as set forth in the Economic Development Rate-Expansion Agreement.

8. Base Period Usage: Base Period Usage shall be established and agreed to in the Economic Development Rate-Expansion Agreement. If time of use data is not available, the customer's Base Period Usage shall be established using available data, subject to subsequent adjustment based on customer's recorded demand and energy.

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(To be inserted by utility)
Advice 2422-E
Decision _____

Issued by
Akbar Jazayeri
Vice President

(To be inserted by Cal. PUC)
Date Filed Jan 8, 2010
Effective Jan 8, 2010
Resolution _____

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Rosemead, California (U 338-E)
Cancelling Cal. PUC Sheet No. 39113-E
Schedule EDR-E Sheet 3
ECONOMIC DEVELOPMENT RATE-EXPANSION
(Continued)
(Continued)
(To be inserted by utility) Issued by (To be inserted by Cal. PUC)
Advice 1918-E-A John R. Fielder
Date Filed Oct 3, 2005
Decision 05-09-018 Senior Vice President Effective Oct 3, 2005
3C9 Resolution~~

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Appendix A-3

Revised Schedule EDR-A for SCE



Southern California Edison
Rosemead, California (U 338-E)

Revised Cal. PUC Sheet No. 46361-E
Cancelling Original Cal. PUC Sheet No. 39113-E

Schedule EDR-A
ECONOMIC DEVELOPMENT RATE-ATTRACTION

Sheet 1

... [1]

APPLICABILITY

Applicable to new customers who locate their facilities at a site within SCE's service territory that results in SCE served load of at least 200 kW. Such load must be new to California. Customers will be eligible for service under this Schedule only if the discounts offered under this Schedule were necessary in the customer's decision to locate its new load in California. Additionally, the customer must demonstrate to the satisfaction of SCE that the load subject to this Schedule is new to California. The customer must sign an affidavit attesting to the fact that "but for" this discount, either on its own or in combination with a package of incentives made available to the customer from other sources, the customer would not have located operations within the State of California. In addition, estimated electricity costs must account for at least five percent of estimated operating costs, less the costs of raw materials. If a customer can demonstrate that its estimated electricity costs account for 15 percent or more of its estimated operating costs, less the costs of raw materials, the customer will be provided expedited screening and contract processing by SCE. This Schedule is not applicable to state and local government customers or residential customers.

Subject to a program cap of 200 megawatts (MW), this Schedule will remain open to new participants until December 31, 2012, and all Agreements must be executed prior to this date. The total accumulated contract demand on Schedules EDR-A, EDR-E, and EDR-R, at any point in time for active agreements, shall not exceed 200 MW (megawatts). However, the total contract demand of an EDR customer whose contract was executed before [date of CPUC's approval of settlement agreement in A.09-10-012] but whose EDR contract is terminated after [insert same date], shall continue to count against the program cap unless the EDR customer had never commenced service under the customer's EDR Agreement. If the total contract demand of an EDR customer whose contract was executed after [insert same date] is reduced due to contract termination or other causes, the amount of the load reduction shall no longer count against the program cap.

Any customer who qualified for and executed an EDR agreement (Form 14-760, Form [redacted], or Form 14-[redacted]) during the period from the date SCE filed Application 09-10-012 until [insert same date] shall have the option to take service under the terms and conditions applicable to EDR customers that were approved by the Commission effective [insert same date] if the customer exercises this option within sixty days of [insert same date].

Customers must be served under a General Service rate schedule.

Customers subject to the Environmental Pricing Credit Agreement may not take service under this Schedule.

Customers served under this Schedule are not eligible for service under Schedule EDR-E or Schedule EDR-R.

TERRITORY

Within the entire territory served,

(Continued)

(To be inserted by utility)

Issued by

(To be inserted by Cal. PUC)

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Unless provided herein, or in the Economic Development Rate-Attraction Agreement, all charges and provisions of the customer's Otherwise Applicable Tariff (OAT) shall apply, except that the customer's total bill shall be subject to discount as follows:¶
Year 1 25%¶
Year 2 20%¶
Year 3 15%¶
Year 4 10%¶
Year 5 5%¶
Southern California Edison Revised Cal. PUC Sheet No. 43013-E**

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Advice 2422-E
Decision _____
L22

Akbar Jazayeri
Vice President

Date Filed Jan 8, 2010
Effective Jan 9, 2010
Resolution _____



Southern California Edison
Rosemead, California (U.338-E)

Cancelling

Revised
Original

Cal. PUC Sheet No. 46381-E
Cal. PUC Sheet No. 39113-E

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Schedule EDR-A
ECONOMIC DEVELOPMENT RATE-ATTRACTION

Sheet 1

RATES

Unless provided herein, or in the Economic Development Rate-Attraction Agreement, all charges and provisions of the customer's Otherwise Applicable Tariff (OAT) shall apply, except that the customer's total bill shall be subject to discount as provided in the customer's EDR agreement.

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(To be inserted by Cal. PUC)

Decision _____

Vice President _____

Effective Jan 8, 2010



Southern California Edison
Rosemead, California (U 338-E)

Cancelling _____

Original Cal. PUC Sheet No. 39115-E

Cal. PUC Sheet No. _____

Schedule EDR-A

Sheet 3

ECONOMIC DEVELOPMENT RATE-ATTRACTION

SPECIAL CONDITIONS (Continued)

5. SCE will consult with the Office of California Business Investment Services (CalBIS), or its successor entity, under the supervision of the California Business Transportation and Housing Agency (BTH), in order to determine qualified customers. Approval by CalBIS is necessary, but not sufficient, for determining eligibility. SCE reserves the right for final review and eligibility determination, and service under this Schedule shall be offered at the discretion of SCE. However, any customer rejection may be subject to review by the Commission pursuant to the complaint procedure specified in Commission Decision (D) 05-09-018.

6. All customers must agree to maintain a minimum level of load for five years from the date service is first rendered as set forth in the Economic Development Rate-Attraction Agreement.

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Issued by

(To be inserted by Cal. PUC)

Advice 2422-E

Akbar Jazayeri

Date Filed Jan 6, 2010

Decision _____

Vice President _____

Effective Jan 8, 2010

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Resolution _____

Appendix B-1

Amended Revised EDR-R Agreement For SCE

ECONOMIC DEVELOPMENT RATE-RETENTION AGREEMENT

This Agreement is entered into between _____
("Customer"), _____ (Service
Account), located at _____

_____, and Southern California Edison Company ("SCE"), located at 2244 Walnut Grove Avenue, Rosemead, California 91770. This Agreement shall become effective as of the date set forth beneath SCE's signature on the signature page of this Agreement. This Economic Development Rate-Retention ("Agreement") provides Customer with a discount for electric energy purchased over the five-year term of the Agreement.

This Agreement is a filed form tariff agreement authorized by the California Public Utilities Commission ("Commission") for use by SCE. No officer, inspector, solicitor, agent, or employee of SCE has any authority to waive, alter, or amend any part of this Agreement except as provided herein or as authorized by the Commission. This Agreement is to be used in conjunction with Schedule EDR-R of SCE's Commission-approved tariffs, and supplements the terms and conditions of Customer's electric service under Customer's Otherwise Applicable Tariff, which is Schedule _____, and all related agreements.

The Parties agree as follows:

1. DEFINITIONS

As used in this Agreement, the following terms shall have the following meanings:

- 1.1 Added Facilities: Equipment or facilities that are in addition to, or in substitution for, standard facilities that SCE would normally install in order to provide electric service to Customer.
- 1.2 Agreement: This document and appendices, as amended from time to time.
- 1.3 Base Period Usage: As defined in Section 3 of this Agreement.
- 1.4 Customer: Customer as defined in SCE's Rule 1.
- 1.5 Forecast Maximum Demand: Customer's forecast of its Total Load maximum demand during the five years of this Agreement.
- 1.6 Incremental Added Facilities: Added Facilities that are required by SCE or requested by Customer to be installed in order to accommodate Customer's load, including any expansion under Schedule EDR-R.

- 1.7 Interest Rate: The 90-day commercial paper rate.
- 1.8 Liquidated Damages: Damages owed by Customer to SCE as provided in Section 10 of this Agreement.
- 1.9 Minimum Load: The minimum load Customer has agreed to purchase annually as established for Customer in Section 4.
- 1.10 Otherwise Applicable Tariff (OAT): The rate schedule under which Customer is taking electric service from SCE at the time of signing this Agreement, and any applicable successor schedule.
- 1.11 Party, Parties: The parties to this Agreement are SCE and Customer, as defined above.
- 1.12 Economic Development Rate-Retention (EDR-R): The rates and charges set forth in Schedule EDR-R, subject to the terms and conditions of this Agreement.
- 1.13 North American Industry Classification System ("NAICS") Code: A industry coding system developed jointly by the U.S., Canada, and Mexico to provide new comparability in statistics about economic activity across North America.
- 1.14 Standard Industrial Classification ("SIC") Code: The published codes in the 1987 Standard Industrial Classification Manual issued by the Executive Office of the President, Office of Management and Budget.
- 1.15 Total Load: Customer's recorded (metered) load (energy and demand).
- 1.16 Uncontrollable Force(s): An Uncontrollable Force is an event or occurrence due to influences outside the reasonable control of either or both Parties that could not have been prevented by the exercise of due diligence.

2. ECONOMIC DEVELOPMENT RATE-RETENTION

- 2.1 Customer represents that their NAICS 4-digit Code is _____, or their SIC 3 to 4-digit Code is _____.
- 2.2 Customer further represents that it meets the applicability requirements of Schedule EDR-R.
- 2.3 Subject to the terms and conditions of this Agreement, SCE will provide Customer a twelve percent discount off the Customer's bill calculated based on the rate components comprising its Otherwise Applicable Tariff or OAT (excluding the generation service cost component unless that service is provided by SCE) for purchases of electricity

(demand and energy) over the five-year term of this Agreement.

- 2.4 The maximum EDR discount will not exceed the difference between the EDR customer's OAT bill minus the EDR customer's floor bill, which consists of their OAT transmission charges, Public Purpose Program (PPP) charges, Nuclear Decommissioning (ND) charges, DWR Bond charges, Competition Transition Charge (CTC), marginal costs for distribution, and if a bundled-service customer, marginal costs for generation. The marginal cost generation components (energy and capacity) of the Floor Bill shall be based on the marginal generation costs adopted in D.09-08-028, multiplied by the ratio of 6.06 divided by 7.00. All other floor bill components will be based on the methodology in effect at the time of contract execution. These components added together will be used in determining the maximum EDR discount throughout the term of the contract. The revenue for each Customer will be reviewed to ensure that it equals or exceeds each month's floor bill, but does not exceed the OAT revenue the Customer would have paid if it had not received the EDR discount.
- 2.5 Customer must maintain Total Load maximum demand of at least 200 kW during each of the five years of service under this Agreement.
- 2.6 If Customer plans to move or consolidate operations already located in SCE's service territory in connection with Customer's decision to remain in California, Schedule EDR-R shall apply to the Customer's operations as moved or consolidated, so long as all of the operations subject to Schedule EDR-R and this Agreement meet the applicability requirements of Schedule EDR-R.
- 2.7 If Section 2.6 is applicable, Customer must describe the locations that will be moved or consolidated, indicating the kW of each, as included in Forecast Maximum Demand. Customer must also describe any plans for expansion over the term of this Agreement.

3. BASE PERIOD USAGE

- 3.1 Base Period Usage must be established for each Customer to determine its Minimum Load.
- 3.2 Base Period Usage is an average of Customer's historical monthly energy usage (kWh) and demand (kW) by season and time-of-use where applicable, and is computed by SCE from Customer's 12 most

representative continuous months of usage out of the past 24 months. Base Period Usage for energy consumption (kWh) shall be computed on an average hourly basis, and for billing shall be expanded by the applicable number of hours in the billing period. Ordinarily, Customer's Base Period Usage is based on the energy and demand recorded by SCE on a calendar-month basis. In the absence of calendar month data, 12 billing periods of Customer's billing history will be used, which may not add up to 365 days.

3.3 If Customer is subject to billing on a time-of-use basis but does not have the requisite historical data to determine its actual Base Period Usage, SCE shall estimate Customer's load characteristics, including estimated demand and energy usage on a time-of-use basis, using available data. That calculation shall be used as Customer's Base Period Usage until recorded load data becomes available to more definitively establish Customer's load characteristics. When SCE can more accurately estimate Customer's actual load characteristics, Customer's Base Period Usage shall be established based upon the new recorded data.

3.4 Base Period Usage is established as follows:

	Average Monthly Base Period Usage (kW)	Average Hourly Base Period Usage, (kWh)
Facilities Related Demand		N/A
Summer		
On-Peak		
Mid-Peak		
Off-Peak		
OVERALL	_____	_____
Winter		
Mid-Peak		
Off-Peak		
OVERALL	_____	_____

Base Period Usage Facilities Related Demand is computed as follows:

1. Determine a Facilities Related Demand for each month in the period used to establish Base Period Usage that is the greater of:
 - a. The maximum billing demand for the month, or

- b. 50% of the highest of all the billing demands in the period used to establish Base Period Usage.
2. Compute the average of the monthly Facilities Related Demands thus determined. This is Base Period Usage Facilities Related Demand.

An "XXX" entered above indicates that the entry is not applicable to Customer's Base Period Usage.

4. MINIMUM LOAD

- 4.1 Customer must maintain a Minimum Load for each year from the date service is first rendered under Schedule EDR-R for the five-year term of this Agreement.
- 4.2 The Minimum Load must be the greater of 200 kW or 75% of Base Period Usage.
- 4.3 If during any year of service the Customer's Total Load maximum demand falls below the Minimum Load in any three months, the Customer's discounts under Section 2.3 above shall be suspended for the balance of the year and such suspension shall begin with the month of the third occurrence. Customer's discounts applicable to Total Load shall resume at the beginning of the following year, subject to the terms of this provision. For purposes of this section, a year of service commences with the start of each level of discount set forth above in Section 2.3. (T)
- 4.4 Any load reductions shown to be directly attributable to energy efficiency measures implemented after establishing Base Period Usage in this Agreement shall not adversely impact the calculation of Customer's Minimum Load. The imputed load reductions attributable to any energy efficiency measure implemented subsequent to the establishment of Base Period Usage shall be added back into the load calculation in the event that Customer's usage falls below the Minimum Load. Provided that Customer maintains usage of at least the Minimum Load, net of any energy efficiency impacts, all Customer discounts shall apply. (T)

5. COMMENCEMENT OF SERVICE

- 5.1 SCE will begin providing service under Schedule EDR-R at the start of the next regular billing period following the date the Customer notifies SCE that service should begin under Schedule EDR-R, which date shall not be more than 12 months from the effective date of this Agreement.

- 5.2 If Customer notifies SCE that it plans to move or consolidate operations with qualifying load that will be billed under Schedule EDR-R, then SCE will begin providing service under Schedule EDR-R with the next regular billing period following the date Customer notifies SCE that service should begin under Schedule EDR-R, which date shall not be more than 12 months from the effective date of this Agreement.
- 5.3 Customer estimates that service under Schedule EDR-R shall commence at the start of the next regular billing period beginning after _____ and shall provide SCE at least five business days' notice of any change in such date.

6. ADDED FACILITIES

An Added Facilities Contract, SCE's filed Form Nos. 16-308 or 16-309, shall be required if additional equipment or facilities are required for Added Facilities or Incremental Added Facilities.

7. ACKNOWLEDGMENT

- 7.1 Except as otherwise amended herein, Customer acknowledges that it is fully subject to all terms and conditions contained in Customer's OAT, or its successor rate schedule, all of SCE's rules, and all terms and conditions of service contained in SCE's Commission-approved tariffs. Any provision pertaining to either a peak period rate limiter or an average rate limiter does not apply.
- 7.2 Customer also acknowledges that SCE may request documentation to support Customer's signed affidavit and may verify any supporting documentation and statements Customer has made in support of its signed Affidavit.

8. TERM

- 8.1 This Agreement shall be effective for five years following the commencement of service under Schedule EDR-R pursuant to Section 5 of this Agreement.
- 8.2 At the end of the fifth year, Customer will no longer take service under Schedule EDR-R and will be billed only under its OAT effective with the start of the next regular billing period following the end of the fifth year of service under this Agreement.
- 8.3 This Agreement is not renewable at the expiration of its term.

9. TERMINATION

This Agreement may be terminated (subject to payment of Liquidated Damages as provided in Section 10) by either party upon written notice as follows.

- 9.1 **Termination for Misrepresentation or Fraud:** SCE may terminate this Agreement upon five business days' notice if any representation made by Customer in this Agreement is untrue in any material respect, or if any statement in Customer's Affidavit was untrue, or if SCE determines that Customer was not eligible for Schedule EDR-R when this Agreement was signed, in which case Liquidated Damages as set forth in Section 10.3 shall be paid.
- 9.2 **Termination at Customer's Request:** Customer may request termination of this Agreement at any time by providing at least 60 days' written notice to SCE.
- 9.3 **Termination For Nonpayment:** SCE may terminate this Agreement if Customer fails to pay any amount due, under Schedule EDR-R within 30 days after receipt of notice of nonpayment from SCE. Customer shall be liable for all unpaid amounts and any accrued interest on the unpaid amounts.
- 9.4 **Termination For Noncompliance:** SCE may terminate this Agreement upon five business days' notice if Customer fails to comply with any term or condition of Schedule EDR-R or this Agreement, or if Customer ceases the operations to which this Agreement applies or moves such operations out of SCE's service territory.
- 9.5 **Termination For Ineligibility:** SCE may terminate this Agreement upon five business days' notice if it determines that Customer has become ineligible for Schedule EDR-R.
- 9.6 **Termination For Failure To Maintain Minimum Load:** SCE may terminate this Agreement if Customer fails to maintain its Minimum Load during any consecutive 12 month period or shuts down its operations. If Customer fails to maintain its Minimum Load, SCE must provide Customer at least 90 days' notice of termination and Customer shall have the opportunity to increase its load to the Minimum Load and demonstrate to SCE's satisfaction that it will continue to use its Minimum Load for the remaining term of this Agreement.
- 9.7 **Termination For Failure To Commence Service:** SCE may terminate this Agreement if Customer does not begin service within 12 months after the date this Agreement was executed.

10. LIQUIDATED DAMAGES

- 10.1 Upon termination of this Agreement, prior to its five-year term pursuant to Sections 9.1, 9.2, 9.3, 9.4, 9.5, or 9.6, Customer shall be required to pay SCE Liquidated Damages. The Liquidated Damages are required to ensure that neither SCE nor its ratepayers are financially or otherwise damaged if this Agreement is prematurely terminated before the end of its term.
- 10.2 It would be extremely difficult for the Parties to identify the amounts of increased or additional costs attributable to termination of this Agreement. Parties agree the Liquidated Damages specified herein are a reasonable approximation of damages which SCE and its ratepayers may incur as a result of such termination, and that the damage amount does not represent a penalty.
- 10.3 For termination under Section 9.1 above, Liquidated Damages under this Agreement shall be an amount equal to 200% of the cumulative difference between (i) the amount the Customer would have paid for its energy and demand if billed at their OAT, from the date service was first rendered under Schedule EDR-R, to the date of termination, and (ii) the amount billed to Customer under this Agreement and Schedule EDR-R during the same period.
- 10.4 For termination under Sections 9.2, 9.3, 9.5, or 9.6 above (excepting business closure or reduction in load without relocation) Liquidated Damages under this Agreement shall be an amount equal to 100% of the cumulative difference between (i) the amount billed to Customer under Schedule EDR-R from the date service was first rendered under Schedule EDR-R to the date of termination, and (ii) a "proxy" bill calculation based on a declining discount starting at 20% of the customer's OAT bill in year one with that annual discount reduced by 4% each year thereafter during the same period, i.e., a discount of 16% in year 2, 12% in year 3, 8% in year 4, and 4% in year 5, plus interest on that difference (at the Interest Rate) to the date of payment. Should a customer's usage increase such that cumulative liquidated damages become negative upon contract termination, under no circumstances will SCE be liable for paying liquidated damages to a customer.
- 10.5 After termination of this Agreement for any cause, Customer shall be billed at its OAT.
- 10.6 The limitations of Rule 17 of SCE's Commission-approved Tariffs shall not apply to amounts payable under this Agreement.
- 10.7 SCE may in its discretion require Customer to establish a letter of credit or other security as a condition to providing service under Schedule EDR-R to secure payment of any Liquidated Damages.

11. UNCONTROLLABLE FORCE

- 11.1 Neither Party shall be considered to be in default in the performance of any obligation under this Agreement, except for obligations to pay money, when and to the extent that failure of performance shall be caused by an Uncontrollable Force.

- 11.2 If either Party, because of an Uncontrollable Force, is rendered wholly or partly unable to perform its obligations under this Agreement, the Party shall be excused from whatever performance is affected by the Uncontrollable Force to the extent the following conditions are met.
- 11.2.1 The suspension of performance is of no greater scope and of no longer duration than is required by the Uncontrollable Force.
- 11.2.2 The nonperforming Party uses its best efforts to cure its inability to perform. This subsection shall not require the settlement of any strike, walkout, lockout or other labor dispute on terms which, in the sole judgment of the Party involved in the dispute, are contrary to its interest. It is understood and agreed that the settlement of strikes, walkouts, lockouts or other labor disputes shall be at the sole discretion of the Party having the difficulty.
- 11.2.3 When the nonperforming Party is able to resume performance of its obligations under this Agreement, that Party shall give the other Party written notice to that effect immediately.
- 11.3 Nonperformance due to Uncontrollable Force shall be excused, provided Party can demonstrate that the Uncontrollable Force was owing to causes outside its reasonable control and the occurrence of the Uncontrollable Force could not have been prevented by the exercise of due diligence.
- 11.3.1 Accordingly, nonperformance shall be excused from the date of the occurrence of the Uncontrollable Force, provided the nonperforming Party has given the other Party written notice describing the particulars of the occurrence within two weeks of the event.
- 11.3.2 Accordingly, nonperformance shall be excused from the date on which the nonperforming Party gives the other Party written notice describing the particulars of the occurrence of the Uncontrollable Force, if such written notice is given more than two weeks after the Uncontrollable Force occurred.
- 11.4 If Customer experiences an Uncontrollable Force that prevents Customer from complying with Schedule EDR-R and this Agreement, Customer may request that SCE suspend the terms of Schedule EDR-R and this Agreement for the duration of the Uncontrollable Force. Customer will be billed at their OAT for the duration of the suspension of this

Agreement. Resumption of the terms of Schedule EDR-R and this Agreement shall commence with the next regularly scheduled billing period. In addition, the term of this Agreement will be extended for up to 12 months beyond the term originally established in this Agreement by the length of time this Agreement was suspended.

11.5 The occurrence of an Uncontrollable Force shall not (i) prevent SCE from terminating this Agreement in accordance with Sections 9.4 and 9.5 or (ii) extend the period any level of discount is available as provided in Section 2.3.

11.6 If the Uncontrollable Force causing the nonperformance is caused by the actions or inactions of legislative, judicial or regulatory agencies, or other proper authority, this Agreement may be amended to comply with the legal or regulatory change causing the nonperformance. Any such amendment must be first authorized by the Commission prior to implementation.

12. DAMAGE LIMITATION

SCE shall not be liable for any consequential, incidental, indirect, or special damages, whether in contract, tort, or strict liability including, but not limited to, lost profits and loss of power resulting from power outages or other electric service interruptions or from SCE's performance or nonperformance of its obligations under this Agreement or in the event of termination of this Agreement.

13. INDEMNITY

Customer shall, at its own cost and expense, defend, indemnify, and hold harmless SCE, its officers, agents, employees, assigns, and successors in interest, from and against any and all liability, damages, losses, claims, demands, actions, cause of action, costs, including attorney's fees and expenses, or any of them, resulting from the death or injury to any person or damage to any property caused by Customer, its employees, officers and agents, or any of them, and arising out of the performance or non-performance of its obligations under this Agreement. Termination of this Agreement shall not exempt Customer from the terms and conditions of this Section.

14. ASSIGNMENT OF AGREEMENT

Customer shall not assign this Agreement or any part or interest thereof, to a third party without the prior, written consent of an authorized representative of SCE. Any assignment made without such consent shall be void and of no effect. Further, any assignment made under this Agreement shall be subject to any applicable Commission authorization or regulation except as waived by the Commission.

15. AMENDMENT

Any changes or amendments to this Agreement must be in writing and must be executed by the Customer and SCE and, if required, be approved by the Commission.

16. NOTICE

Any notice either Customer or SCE may wish to provide the other regarding this Agreement must be in writing and may be transmitted by hand, fax, email or postal mail. Notices delivered by hand shall be deemed effective when delivered. Notices delivered by fax, email and mail shall be deemed effective when received.

Customer:

(name)

(title)

(party)

(address)

(city, state, & zip code)

SCE:

Manager, Economic and Business Development
Southern California Edison Company
2244 Walnut Grove Avenue
Rosemead, California 91770

17. NON-WAIVER

The failure of either Party to enforce any of the terms and conditions or to exercise any right or privilege in this Agreement shall not be construed as a waiver of any such terms and conditions or rights or privileges, and the same shall continue and remain in force and effect as if no such failure to enforce or exercise had occurred.

18. SEVERABILITY

In the event that any of the provisions, or portions thereof, of this Agreement are held to be unenforceable or invalid by the Commission, or any court of competent jurisdiction, the validity and enforceability of the remaining provisions or any portion thereof shall not be affected. However, should either party determine, in good faith, that such unenforceability renders the remaining provisions of this Agreement economically infeasible or disadvantageous, said party may terminate this Agreement upon 15 days' notice, except that the provisions of Section 10, Liquidated Damages, shall apply to any such termination.

19. APPLICABLE LAWS, RULES, AND REGULATIONS

This Agreement shall be subject to, and interpreted under, the laws, rules, and regulations of the State of California and the Commission, and under SCE's Commission-approved Tariff Schedules and Rules. To the extent there are any inconsistencies between this Agreement and SCE's other tariffs, this Agreement shall control.

20. CALIFORNIA PUBLIC UTILITIES COMMISSION

20.1 This Agreement shall at all times be subject to such changes or modifications by the Commission as said Commission may, from time to time, direct in the exercise of its jurisdiction.

20.2 Notwithstanding any other provisions of this Agreement, SCE has the right to unilaterally file with the Commission, pursuant to the Commission's rules and regulations, an application for a change in rates, charges, classification, service, or rule, or any agreement relating thereto.

20.3 This Agreement shall be subject to review in any proceeding the Commission may conduct regarding SCE's EDR program implementation.

21. ENTIRE AGREEMENT

This Agreement, including SCE's tariffs as filed with the Public Utilities Commission, constitutes the sole, only, and entire agreement and understanding between the Parties as to the subject matter of this Agreement with respect to Schedule EDR-R. Prior agreements, commitments or representations, whether expressed or implied, and discussions between Parties, shall not be construed to be a part of this Agreement.

22. AUTHORIZATION SIGNATURES

IN WITNESS WHEREOF, the Parties have caused this Agreement to be executed by their duly authorized agents to be effective on the date of SCE's signature below.

By: SOUTHERN CALIFORNIA
EDISON COMPANY

By: CUSTOMER

(Signature)

(Signature)

(Name)

(Name)

(Title)
Southern California Edison Company

(Title)

(Customer)

(Date)

(Date)

AFFIDAVIT FOR ECONOMIC DEVELOPMENT RETENTION RATES

By signing this affidavit, an Applicant who retains load in the service territory of Southern California Edison (SCE) hereby certifies and declares under penalty of perjury under the laws of the State of California that the statements in the following paragraphs are true and correct:

1. But for the receipt of the applicable discounted economic development rate and the terms of the corresponding EDR-R Agreement, either on its own or in combination with an economic development incentive package, the Applicant's load would not be retained within California.
2. Applicant has discussed with SCE the cost-effective conservation and load management measures the Applicant may take to reduce their electric bills and the load they place on the SCE's system.
3. On an annual basis, the cost of electricity for Applicant at this facility is five percent or more of operating costs, less the cost of raw materials.
4. Customer confirms that its NAICS Code(s) and SIC Code(s) are as stated in the applicable EDR-R Agreement and that it is eligible for the applicable EDR-R schedule.
5. Customer certifies that all load subject to the applicable EDR-R represents load that is eligible for the applicable EDR-R schedule and is existing load which is being retained within California.

Executed this _____ day of _____, _____.

By: APPLICANT

Signature:

Name:

Title:

Page 10

Appendix B-2

Amended Revised EDR-E Agreement For SCE

ECONOMIC DEVELOPMENT RATE-EXPANSION AGREEMENT

This Agreement is entered into between _____
("Customer"), _____ (Service Account), located at

_____, and Southern California Edison Company ("SCE"), located at 2244 Walnut Grove Avenue, Rosemead, California 91770. This Agreement shall become effective as of the date set forth beneath SCE's signature on the signature page of this Agreement. This Economic Development Rate-Expansion Agreement ("Agreement") provides Customer with a discount for incremental electric energy purchased over the five-year term of the Agreement.

This Agreement is a filed form tariff agreement authorized by the California Public Utilities Commission ("Commission") for use by SCE. No officer, inspector, solicitor, agent, or employee of SCE has any authority to waive, alter, or amend any part of this Agreement except as provided herein or as authorized by the Commission. This Agreement is to be used in conjunction with Schedule EDR-E of SCE's Commission-approved tariffs, and supplements the terms and conditions of Customer's electric service under Customer's Otherwise Applicable Tariff, which is Schedule _____, and all related agreements.

The Parties agree as follows:

1. DEFINITIONS

As used in this Agreement, the following terms shall have the following meanings:

- 1.1. **Added Facilities:** Equipment or facilities that are in addition to, or in substitution for, standard facilities that SCE would normally install in order to provide electric service to Customer.
- 1.2. **Agreement:** This document and appendices, as amended from time to time.
- 1.3. **Base Period Usage:** As defined in Section 3 of this Agreement.
- 1.4. **Customer:** Customer as defined in SCE's Rule 1.
- 1.5. **Economic Development Rate-Expansion (EDR-E):** The rates and charges set forth in Schedule EDR-E, subject to the terms and conditions of this Agreement.
- 1.6. **Forecast Maximum Incremental Demand:** Customer's forecast of the maximum demand of its Incremental Load planned during the five years of this Agreement.

- 1.7. **Incremental Added Facilities:** Added Facilities that are required by SCE or requested by Customer to be installed in order to accommodate Customer's Incremental Load under Schedule EDR-E.
- 1.8. **Incremental Load:** Recorded (metered) load (energy and demand) in excess of Base Period Usage.
- 1.9. **Interest Rate:** The 90-day commercial paper rate.
- 1.10. **Liquidated Damages:** Damages owed by Customer to SCE as provided in Section 10 of this Agreement.
- 1.11. **Minimum Expanded Load:** The minimum incremental load Customer has agreed to purchase annually as established for Customer in Section 4.
- 1.12. **Otherwise Applicable Tariff (OAT):** The rate schedule under which Customer is taking electric service from SCE at the time of signing this Agreement, and any applicable successor schedule.
- 1.13. **Party, Parties:** The parties to this Agreement are SCE and Customer, as defined above.
- 1.14. **Qualifying Incremental Load:** Incremental Load maximum demand of at least 200 kW.
- 1.15. **North American Industry Classification System ("NAICS") Code:** A industry coding system developed jointly by the U.S., Canada, and Mexico to provide new comparability in statistics about activity across North America.
- 1.16. **Standard Industrial Classification ("SIC") Code:** The published codes in the 1987 Standard Industrial Classification Manual issued by the Executive Office of the President, Office of Management and Budget.
- 1.17. **Total Load:** Customer's Recorded (metered) load (energy and demand).
- 1.18. **Uncontrollable Force(s):** An Uncontrollable Force is an event or occurrence due to influences outside the reasonable control of either or both Parties that could not have been prevented by the exercise of due diligence.

2. ECONOMIC DEVELOPMENT RATE-EXPANSION

- 2.1. Customer represents that their NAICS 4-digit Code is _____, or their SIC 3 to 4-digit Code is _____.
- 2.2. Customer further represents that it meets the applicability requirements of Schedule EDR-E.
- 2.3. Subject to the terms and conditions of this Agreement, SCE will provide

Customer a twelve percent discount off the Customer's bill calculated based on the rate components comprising its Otherwise Applicable Tariff or OAT (excluding the generation service cost component unless that service is provided by SCE) for purchases of Incremental Load (demand and energy) over the five-year term of this Agreement.

- 2.4. All purchases of electricity equal to Base Period Usage shall be billed at Customer's OAT.
- 2.5. The maximum EDR discount will not exceed the difference between the EDR customer's OAT bill minus the EDR customer's floor bill, which consists of their OAT transmission charges, Public Purpose Program (PPP) charges, Nuclear Decommissioning (ND) charges, DWR Bond charges, Competition Transition Charge (CTC), marginal costs for distribution, and if a bundled-service customer, marginal costs for generation. The marginal cost generation components (energy and capacity) of the Floor Bill shall be based on the marginal generation costs adopted in D.09-08-028, multiplied by the ratio of 6.06 divided by 7.00. All other floor bill components will be based on the methodology in effect at the time of contract execution. These components added together will be used in determining the maximum EDR discount throughout the term of the contract. The revenue for each Customer will be reviewed to ensure that it equals or exceeds each month's floor bill, but does not exceed the OAT revenue the Customer would have paid if it had not received the EDR discount.
- 2.6. Customer's Qualifying Incremental Load is used to determine Customer's minimum required expansion of load under Schedule EDR-E.
- 2.7. Customer must maintain its Qualifying Incremental Load during each of the five years of service under this Agreement.

3. BASE PERIOD USAGE

- 3.1. Base Period Usage must be established for each Customer to determine its Incremental Load.
- 3.2. Base Period Usage is an average of Customer's historical monthly energy usage (kWh) and demand (kW) by season and time-of-use where applicable, and is computed by SCE from Customer's 12 most representative continuous months of usage out of the past 24 months. Base Period Usage for energy consumption (kWh) shall be computed on an average hourly basis, and for billing shall be expanded by the applicable number of hours in the billing period. Ordinarily, Customer's Base Period Usage is based on the energy and demand recorded by SCE on a calendar-month basis. In the absence of calendar month data, 12

billing periods of Customer's billing history will be used, which may not add up to 365 days.

3.3. If Customer is subject to billing on a time-of-use basis but does not have the requisite historical data to determine its actual Base Period Usage, SCE shall estimate Customer's load characteristics, including estimated demand and energy usage on a time-of-use basis, using available data. That calculation shall be used as Customer's Base Period Usage until recorded load data becomes available to more definitively establish Customer's load characteristics. When SCE can more accurately estimate Customer's actual load characteristics, Customer's Base Period Usage shall be established based upon the new recorded data.

3.4. Base Period Usage is established as follows:

	Average Monthly Base Period Usage (kW)	Average Hourly Base Period Usage, (kWh)
<u>Facilities Related Demand</u>		N/A
<u>Summer</u>		
On-Peak		
Mid-Peak		
Off-Peak		
OVERALL	_____	_____
<u>Winter</u>		
Mid-Peak		
Off-Peak		
OVERALL	_____	_____

Base Period Usage Facilities Related Demand is computed as follows:

1. Determine a Facilities Related Demand for each month in the period used to establish Base Period Usage that is the greater of:
 - a. The maximum billing demand for the month, or
 - b. 50% of the highest of all the billing demands in the period used to establish Base Period Usage.
2. Compute the average of the monthly Facilities Related Demands thus determined. This is Base Period Usage Facilities Related Demand.

An "XXX" entered above indicates that the entry is not applicable to Customer's Base Period Usage.

4. MINIMUM EXPANDED LOAD

- 4.1. Customer must maintain a Minimum Expanded Load for each year from the date service is first rendered under Schedule EDR-E for the five-year term of this Agreement.
- 4.2. The Minimum Expanded Load cannot be lower than 200 kW.
- 4.3. If during any year of service the Customer's Minimum Expanded Load falls below 200 kW in any three months, the Customer's discounts under section 2.3 above shall be suspended for the balance of the year and such suspension shall begin with the month of the third occurrence. Customer's discounts applicable to Minimum Expanded Load shall resume at the beginning of the following year, subject to the terms of this provision. For purposes of this section, a year of service commences with the start of each level of discount set forth above in Section 2.3.
- 4.4. Any load reductions shown to be directly attributable to energy efficiency measures implemented after establishing Base Period Usage in this Agreement shall not adversely impact the calculation of Customer's Minimum Expanded Load. The imputed load reductions attributable to any energy efficiency measures implemented subsequent to the establishment of Base Period Usage shall be added back into the load calculation in the event that Customer's Minimum Expanded Load falls below 200 kW. Provided that Customer maintains their Minimum Expanded Load, net of any energy efficiency impacts, all Customer discounts shall apply.

5. COMMENCEMENT OF SERVICE

- 5.1. SCE will begin providing service under Schedule EDR-E at the start of the next regular billing period following the date Customer notifies SCE that service should begin under Schedule EDR-E, which date shall not be more than twenty-four months from the effective date of this Agreement.
- 5.2. Customer estimates that service under Schedule EDR-E shall commence at the start of the next regular billing period beginning after _____ and shall provide SCE at least 5 business days' notice of any change in such date.

6. ADDED FACILITIES

An Added Facilities Contract, SCE's filed Form Nos. 16-308 or 16-309, shall be required if additional equipment or facilities are required for Added Facilities or Incremental Added Facilities.

7. ACKNOWLEDGMENT

- 7.1. Except as otherwise amended herein, Customer acknowledges that it is fully subject to all terms and conditions contained in Customer's OAT, or its successor rate schedule, all of SCE's rules, and all terms and conditions of service contained in SCE's Commission-approved tariffs. Any provision pertaining to either a peak period rate limiter or an average rate limiter does not apply.
- 7.2. Customer also acknowledges that SCE may request documentation to support Customer's signed Affidavit and may verify any supporting documentation and statements Customer has made in support of its signed Affidavit.

8. TERM

- 8.1. This Agreement shall be effective for five years following the commencement of service under Schedule EDR-E pursuant to Section 5 of this Agreement.
- 8.2. At the end of the fifth year, Customer will no longer take service under Schedule EDR-E and will be billed only under its OAT, effective with the start of the next regular billing period following the end of the fifth year of service under this Agreement.
- 8.3. This Agreement is not renewable at the expiration of its term.

9. TERMINATION

This Agreement may be terminated (subject to payment of Liquidated Damages as provided in Section 10) by either party upon written notice as follows:

- 9.1. Termination for Misrepresentation or Fraud: SCE may terminate this Agreement upon five business days' notice if any representation made by Customer in this Agreement is untrue in any material respect, or if any statement in Customer's Affidavit was untrue, or if SCE determines that Customer was not eligible for Schedule EDR-E when this Agreement was signed, in which case Liquidated Damages as set forth in Section 10.3 shall be paid.
- 9.2. Termination at Customer's Request: Customer may request termination of this Agreement at any time by providing at least 60 days' written notice to SCE.
- 9.3. Termination For Nonpayment: SCE may terminate this Agreement if Customer fails to pay any amount due, under Schedule EDR-E within 30 days

after receipt of notice of nonpayment from SCE. Customer shall be liable for all unpaid amounts and accrued interest on the unpaid amounts.

- 9.4. **Termination For Noncompliance:** SCE may terminate this Agreement upon five business days' notice if Customer fails to comply with any term or condition of Schedule EDR-E or this Agreement, or if Customer ceases the operations to which this Agreement applies or moves such operations out of SCE's service territory.
- 9.5. **Termination For Ineligibility:** SCE may terminate this Agreement upon five business days' notice if it determines that Customer has become ineligible for Schedule EDR-E.
- 9.6. **Termination For Failure To Maintain Minimum Expanded Load:** SCE may terminate this Agreement if Customer fails to maintain its Minimum Expanded Load during any consecutive 12 month period or shuts down its operations. If Customer fails to maintain its Minimum Expanded Load, SCE must provide Customer at least 90 days' notice of termination for failure to meet its Minimum Expanded Load and Customer shall have the opportunity to increase its load to meet its Minimum Expanded Load and demonstrate to SCE's satisfaction that it will continue to use its Minimum Expanded Load for the remaining term of this Agreement.
- 9.7. **Termination For Failure To Commence Service:** SCE may terminate this Agreement if Customer does not begin service within 24 months after the date this Agreement was executed.

10. LIQUIDATED DAMAGES

- 10.1. Upon termination of this Agreement, prior to its five-year term pursuant to Sections 9.1, 9.2, 9.3, 9.4, 9.5, or 9.6, Customer shall be required to pay SCE Liquidated Damages. The Liquidated Damages are required to ensure that neither SCE nor its ratepayers are financially or otherwise damaged if this Agreement is prematurely terminated before the end of its term.
- 10.2. It would be extremely difficult for the Parties to identify the amounts of increased or additional costs attributable to termination of this Agreement. Parties agree the Liquidated Damages specified herein are a reasonable approximation of damages which SCE and its ratepayers may incur as a result of such termination, and that the damage amount does not represent a penalty.
- 10.3. For termination under Section 9.1 above, Liquidated Damages under this Agreement shall be an amount equal to 200% of the cumulative difference between (i) the amount the Customer would have paid for its energy and demand if billed at their OAT, from the date service was first rendered under Schedule

EDR-E, to the date of termination, and (ii) the amount billed to Customer under this Agreement and Schedule EDR-E during the same period.

- 10.4. For termination under Sections 9.2, 9.3, 9.5, or 9.6 above (excepting business closure or reduction in load without relocation) Liquidated Damages under this Agreement shall be an amount equal to 100% of the cumulative difference between (i) the amount billed to Customer under Schedule EDR-R from the date service was first rendered under Schedule EDR-R to the date of termination, and (ii) a "proxy" bill calculation based on a declining discount starting at 20% of the customer's OAT bill in year one with that annual discount reduced by 4% each year thereafter during the same period, i.e., a discount of 16% in year 2, 12% in year 3, 8% in year 4, and 4% in year 5, plus interest on that difference (at the Interest Rate) to the date of payment. Should a customer's usage increase such that cumulative liquidated damages become negative upon contract termination, under no circumstances will SCE be liable for paying liquidated damages to a customer.
- 10.5. After termination of this Agreement for any cause, Customer shall be billed at its OAT.
- 10.6. The limitations of Rule 17 of SCE's Commission-approved Tariffs shall not apply to amounts payable under this Agreement.
- 10.7. SCE may in its discretion require Customer to establish a letter of credit or other security as a condition to providing service under Schedule EDR-E to secure payment of any Liquidated Damages.

11. UNCONTROLLABLE FORCE

- 11.1. Neither Party shall be considered to be in default in the performance of any obligation under this Agreement, except for obligations to pay money, when and to the extent that failure of performance shall be caused by an Uncontrollable Force.
- 11.2. If either Party, because of an Uncontrollable Force, is rendered wholly or partly unable to perform its obligations under this Agreement, the Party shall be excused from whatever performance is affected by the Uncontrollable Force to the extent the following conditions are met.
 - 11.2.1. The suspension of performance is of no greater scope and of no longer duration than is required by the Uncontrollable Force.
 - 11.2.2. The nonperforming Party uses its best efforts to cure its inability to perform. This subsection shall not require the settlement of any strike, walkout, lockout or other labor dispute on terms which, in the sole judgment of the Party involved in the dispute, are contrary to its interest.

It is understood and agreed that the settlement of strikes, walkouts, lockouts or other labor disputes shall be at the sole discretion of the Party having the difficulty.

- 11.2.3. When the nonperforming Party is able to resume performance of its obligations under this Agreement, that Party shall give the other Party written notice to that effect immediately.
- 11.3. Nonperformance due to Uncontrollable Force shall be excused, provided Party can demonstrate that the Uncontrollable Force was owing to causes outside its reasonable control and the occurrence of the Uncontrollable Force could not have been prevented by the exercise of due diligence.
- 11.3.1. Accordingly, nonperformance shall be excused from the date of the occurrence of the Uncontrollable Force, provided the nonperforming Party has given the other Party written notice describing the particulars of the occurrence within two weeks of the event.
- 11.3.2. Accordingly, nonperformance shall be excused from the date on which the nonperforming Party gives the other Party written notice describing the particulars of the occurrence of the Uncontrollable Force, if such written notice is given more than two weeks after the Uncontrollable Force occurred.
- 11.4. If Customer experiences an Uncontrollable Force that prevents Customer from complying with Schedule EDR-E and this Agreement, Customer may request that SCE suspend the terms of Schedule EDR-E and this Agreement for the duration of the Uncontrollable Force. Customer will be billed at their OAT for the duration of the suspension of this Agreement. Resumption of the terms of Schedule EDR-E and this Agreement shall commence with the next regularly scheduled billing period. In addition, the term of this Agreement will be extended beyond the term originally established in this Agreement by the length of time this Agreement was suspended.
- 11.5. The occurrence of an Uncontrollable Force shall not (i) prevent SCE from terminating this Agreement in accordance with Sections 9.4 and 9.5 or (ii) extend the period any level of discount is available as provided in Section 2.3.
- 11.6. If the Uncontrollable Force causing the nonperformance is caused by the actions or inactions of legislative, judicial or regulatory agencies, or other proper authority, this Agreement may be amended to comply with the legal or regulatory change causing the nonperformance. Any such amendment must be first authorized by the Commission prior to implementation.

12. DAMAGE LIMITATION

SCE shall not be liable for any consequential, incidental, indirect, or special damages, whether in contract, tort, or strict liability including, but not limited to, lost profits and loss of power resulting from power outages or other electric service interruptions or from SCE's performance or nonperformance of its obligations under this Agreement or

in the event of termination of this Agreement.

13. INDEMNITY

Customer shall, at its own cost and expense, defend, indemnify, and hold harmless SCE, its officers, agents, employees, assigns, and successors in interest, from and against any and all liability, damages, losses, claims, demands, actions, cause of action, costs, including attorney's fees and expenses, or any of them, resulting from the death or injury to any person or damage to any property caused by Customer, its employees, officers and agents, or any of them, and arising out of the performance or non-performance of its obligations under this Agreement. Termination of this Agreement shall not exempt Customer from the terms and conditions of this Section.

14. ASSIGNMENT OF AGREEMENT

Customer shall not assign this Agreement or any part or interest thereof, to a third party without the prior, written consent of an authorized representative of SCE. Any assignment made without such consent shall be void and of no effect. Further, any assignment made under this Agreement shall be subject to any applicable Commission authorization or regulation except as waived by the Commission.

15. AMENDMENT

Any changes or amendments to this Agreement must be in writing and must be executed by the Customer and SCE and, if required, be approved by the Commission.

16. NOTICE

Any notice either Customer or SCE may wish to provide the other regarding this Agreement must be in writing and may be transmitted by hand, fax, email or postal mail. Notices delivered by hand shall be deemed effective when delivered. Notices delivered by fax, email and mail shall be deemed effective when received.

Customer:

(name)

(title)

(party)

(address)

(city, state, & zip code)

SCE: Manager, Economic and Business Development
 Southern California Edison Company
 2244 Walnut Grove Avenue
 Rosemead, California 91770

17. NONWAIVER

The failure of either Party to enforce any of the terms and conditions or to exercise any right or privilege in this Agreement shall not be construed as a waiver of any such terms and conditions or rights or privileges, and the same shall continue and remain in force and effect as if no such failure to enforce or exercise had occurred.

18. SEVERABILITY

In the event that any of the provisions, or portions thereof, of this Agreement are held to be unenforceable or invalid by the Commission, or any court of competent jurisdiction, the validity and enforceability of the remaining provisions or any portion thereof shall not be affected. However, should either party determine, in good faith, that such unenforceability renders the remaining provisions of this Agreement economically infeasible or disadvantageous, said party may terminate this Agreement upon 15 days' notice, except that the provisions of Section 10, Liquidated Damages, shall apply to any such termination.

19. APPLICABLE LAWS, RULES, AND REGULATIONS

This Agreement shall be subject to, and interpreted under, the laws, rules, and regulations of the State of California and the Commission, and under SCE's Commission-approved Tariff Schedules and Rules. To the extent there are any inconsistencies between this Agreement and SCE's other tariffs, this Agreement shall control.

20. CALIFORNIA PUBLIC UTILITIES COMMISSION

- 20.1. This Agreement shall at all times be subject to such changes or modifications by the Commission as said Commission may, from time to time, direct in the exercise of its jurisdiction.
- 20.2. Notwithstanding any other provisions of this Agreement, SCE has the right to unilaterally file with the Commission, pursuant to the Commission's rules and

regulations, an application for a change in rates, charges, classification, service, or rule, or any agreement relating thereto.

20.3 This Agreement shall be subject to review in any proceeding the Commission may conduct regarding SCE's EDR program implementation.

21. ENTIRE AGREEMENT

This Agreement, including SCE's tariffs as filed with the Public Utilities Commission, constitutes the sole, only, and entire agreement and understanding between the Parties as to the subject matter of this Agreement with respect to Schedule EDR-E. Prior agreements, commitments or representations, whether expressed or implied, and discussions between Parties, shall not be construed to be a part of this Agreement.

22. AUTHORIZATION SIGNATURES

IN WITNESS WHEREOF, the Parties have caused this Agreement to be executed by their duly authorized agents to be effective on the date of SCE's signature below.

By: SOUTHERN CALIFORNIA
EDISON COMPANY

By: CUSTOMER

(Signature)

(Signature)

(Name)

(Name)

(Title)

(Title)

Southern California Edison Company

(Customer)

(Date)

(Date)

AFFIDAVIT FOR ECONOMIC DEVELOPMENT EXPANSION RATES

By signing this affidavit, an Applicant who adds load in the service territory of Southern California Edison (SCE) hereby certifies and declares under penalty of perjury under the laws of the State of California that the statements in the following paragraphs are true and correct:

1. But for the receipt of the applicable discounted economic development rate and the terms of the corresponding EDR-E Agreement, either on its own or in combination with an economic development incentive package, the Applicant's load would not have been added within California.
2. The load to which the EDR-E Agreement applies represents kilowatt-hours (kWh) and kilowatts (kW) that either (i) does not already exist in the State of California, or (ii) the Applicant considered expanding to a location outside of the State of California.
3. Applicant has discussed with SCE the cost-effective conservation and load management measures the Applicant may take to reduce their electric bills and the load they place on the SCE's system.
4. On an annual basis, the estimated cost of electricity is five percent or more of estimated operating costs, less the cost of raw materials.
5. Customer confirms that its NAICS Code(s) and SIC Code(s) are as stated in the applicable EDR-E Agreement and that it is eligible for the applicable EDR-E schedule.
6. Customer certifies that all load subject to the applicable EDR-E represents load that is eligible for the applicable EDR-E schedule and will be load new to California and does not represent load already in or which is being relocated within California.

Executed this _____ day of _____, _____.

By: APPLICANT

Signature:

Name:

Title:

307 10

8 4

Appendix B-3

Amended Revised EDR-A Agreement For SCE

ECONOMIC DEVELOPMENT RATE-ATTRACTION AGREEMENT

This Agreement is entered into between _____
("Customer"), _____ (Service Account), located at

_____, and Southern California Edison Company
("SCE"), located at 2244 Walnut Grove Avenue, Rosemead, California 91770. This Agreement shall become effective as of the date set forth beneath SCE's signature on the signature page of this Agreement. This Economic Development Rate-Attraction Agreement ("Agreement") provides Customer with a discount for electric energy purchased over the five-year term of the Agreement.

This Agreement is a filed form tariff agreement authorized by the California Public Utilities Commission ("Commission") for use by SCE. No officer, inspector, solicitor, agent, or employee of SCE has any authority to waive, alter, or amend any part of this Agreement except as provided herein or as authorized by the Commission. This Agreement is to be used in conjunction with Schedule EDR-A of SCE's Commission-approved tariffs, and supplements the terms and conditions of Customer's electric service under Customer's Otherwise Applicable Tariff, which is Schedule _____, and all related agreements.

The Parties agree as follows:

1. DEFINITIONS

As used in this Agreement, the following terms shall have the following meanings:

- 1.1. **Added Facilities:** Equipment or facilities that are in addition to, or in substitution for, standard facilities that SCE would normally install in order to provide electric service to Customer.
- 1.2. **Agreement:** This document and appendices, as amended from time to time.
- 1.3. **Economic Development Rate-Attraction ("EDR-A"):** The rates and charges set forth in Schedule EDR-A, subject to the terms and conditions of this Agreement.
- 1.4. **Base Period Usage:** As defined in Section 3 of this Agreement.
- 1.5. **Customer:** Customer as defined in SCE's Rule 1.
- 1.6. **Forecast Maximum Demand:** Customer's forecast of its Total Load maximum demand, including any expansion of load planned over the five years of this Agreement.

- 1.7. **Incremental Added Facilities:** Added Facilities that are required by SCE or requested by Customer to be installed in order to accommodate Customer's Load, including any expansion, under Schedule EDR-A.
- 1.8. **Interest Rate:** The 90-day commercial paper rate.
- 1.9. **Liquidated Damages:** Damages owed by Customer to SCE as provided in Section 10 of this Agreement.
- 1.10. **Minimum Load:** The minimum load Customer has agreed to purchase annually as established for Customer in Section 4.
- 1.11. **Otherwise Applicable Tariff (OAT):** The rate schedule under which Customer is taking electric service from SCE at the time of signing this Agreement, and any applicable successor schedule.
- 1.12. **Party, Parties:** The parties to this Agreement are SCE and Customer, as defined above.
- 1.13. **North American Industry Classification System ("NAICS") Code:** A industry coding system developed jointly by the U.S., Canada, and Mexico to provide new comparability in statistics about economic activity across North America.
- 1.14. **Standard Industrial Classification ("SIC") Code:** The published codes in the 1987 Standard Industrial Classification Manual issued by the Executive Office of the President, Office of Management and Budget.
- 1.15. **Total Load:** Customer's recorded (metered) load (energy and demand).
- 1.16. **Uncontrollable Force(s):** An Uncontrollable Force is an event or occurrence due to influences outside the reasonable control of either or both Parties that could not have been prevented by the exercise of due diligence.

2. ECONOMIC DEVELOPMENT RATE - ATTRACTION

- 2.1. Customer represents that their NAICS 4-digit Code is _____, or their SIC 3 to 4-digit Code is _____.
- 2.2. Customer further represents that it meets the applicability requirements of Schedule EDR-A.
- 2.3. Subject to the terms and conditions of this Agreement, SCE will provide Customer a twelve percent discount off the Customer's bill calculated based on the rate components comprising its OAT (excluding the generation service cost component unless that service is provided by SCE) for purchases of electricity (demand and energy) over the five-year term of this Agreement.

- 2.4. The maximum EDR discount will not exceed the the difference between the EDR customer's OAT bill minus the EDR customer's floor bill, which consists of their OAT transmission charges, Public Purpose Program (PPP) charges, Nuclear Decommissioning (ND) charges, DWR Bond charges, Competition Transition Charge (CTC), marginal costs for distribution, and if a bundled-service customer, marginal costs for generation. The marginal cost generation components (energy and capacity) of the Floor Bill shall be based on the marginal generation costs adopted in D.09-08-028, multiplied by the ratio of 6.06 divided by 7.00. All other floor bill components will be based on the methodology in effect at the time of contract execution. These components added together will be used in determining the maximum EDR discount throughout the term of the contract. The revenue for each Customer will be reviewed to ensure that it equals or exceeds each month's floor bill, but does not exceed the OAT revenue the Customer would have paid if it had not received the EDR discount.
- 2.5. Customer must maintain Total Load maximum demands of at least 200 kW during each of the five years of service under this Agreement.

3. BASE PERIOD USAGE

- 3.1. Base Period Usage must be established for each Customer.
- 3.2. SCE shall determine Customer's Base Period Usage by estimating Customer's load characteristics, including estimated demand and energy usage on a time-of-use basis using available data, including Customer's previous electricity bills, if any. That calculation shall be used to determine Customer's Base Period Usage until recorded load data becomes available to more definitively establish Customer load characteristics. When SCE can more accurately estimate Customer's actual load characteristics, Customer's Base Period Usage shall be established based upon the new recorded data.
- 3.3. If Customer is subject to billing on a time-of-use basis but does not have the requisite historical data to determine its actual base period usage, SCE shall estimate Customer's load characteristics, including estimated demand and energy usage on a time-of-use basis using available data. That calculation shall be used as Customer's Base Period Usage until recorded load data becomes available to more definitively establish Customer's load characteristics. When SCE can more accurately estimate Customer's actual load characteristics, Customer's Base Period Usage shall be established based upon the new recorded data.

3.4. Base Period Usage is established as follows:

<u>Facilities Related Demand</u>	<u>Average Monthly Base Period Usage (kW)</u>	<u>Average Hourly Base Period Usage, (kWh)</u>
		N/A
<u>Summer</u>		
On-Peak		
Mid-Peak		
Off-Peak		
OVERALL	_____	_____
<u>Winter</u>		
Mid-Peak		
Off-Peak		
OVERALL	_____	_____

Base Period Usage Facilities Related Demand is computed as follows:

1. Determine a Facilities Related Demand for each month in the period used to establish Base Period Usage that is the greater of:
 - a. The maximum billing demand for the month, or
 - b. 50% of the highest of all the billing demands in the period used to establish Base Period Usage.
2. Compute the average of the monthly Facilities Related Demands thus determined. This is Base Period Usage Facilities Related Demand.

An "XXX" entered above indicates that the entry is not applicable to Customer's Base Period Usage.

4. MINIMUM LOAD

- 4.1. Customer must maintain a Minimum Load for each year from the date service is first rendered under Schedule EDR-A for the five-year term of this Agreement.
- 4.2. The Minimum Load must be at least 200 kW.
- 4.3. If during any year of service the Customer's Total Load maximum demand falls below 200 kW in any three months, the Customer's discounts under Section 2.3 above shall be suspended for the balance of the year and such suspension shall begin with the month of the third occurrence. Customer's discounts applicable to Total Load, shall resume at the beginning of the following year, subject to the terms of this provision. For purposes of this section, a year of service commences with the start of each level of discount set forth above in Section 2.3.

- 4.4. Any load reductions shown to be directly attributable to energy efficiency measures implemented after establishing Base Period Usage in this Agreement shall not adversely impact the calculation of Customer's Minimum Load. The imputed load reductions attributable to any energy efficiency measure implemented subsequent to the establishment of Base Period Usage shall be added back into the load calculation in the event that Customer's Minimum Load falls below 200 kW. Provided that Customer maintains usage of at least 200 kW, net of any energy efficiency impacts, all Customer discounts shall apply.

5. COMMENCEMENT OF SERVICE

- 5.1. SCE will begin providing the Customer service under Schedule EDR-A at the start of the next regular billing period following the date the Customer notifies SCE that service should begin under Schedule EDR-A, which date shall not be more than 24 months from the effective date of this Agreement.
- 5.2. Customer estimates that service under Schedule EDR-A shall commence at the start of the next regular billing period beginning after _____ and shall provide SCE at least five business days' notice of any change in such date.

6. ADDED FACILITIES

An Added Facilities Contract, SCE's filed Form Nos. 16-308 or 16-309, shall be required if additional equipment or facilities are required for Added Facilities or Incremental Added Facilities.

7. ACKNOWLEDGMENT

- 7.1. Except as otherwise amended herein, Customer acknowledges that it is fully subject to all terms and conditions contained in Customer's OAT, or its successor rate schedule, all of SCE's rules, and all terms and conditions of service contained in SCE's Commission-approved tariffs. Any provision pertaining to either a peak period rate limiter or an average rate limiter does not apply.
- 7.2. Customer also acknowledges that SCE may request documentation to support Customer's signed Affidavit and may verify any supporting documentation and statements Customer has made in support of its signed Affidavit.

8. TERM

- 8.1. This Agreement shall be effective for five years following the commencement of service under Schedule EDR-A pursuant to Section 5 of this Agreement.
- 8.2. At the end of the fifth year, Customer will no longer take service under Schedule EDR-A and will be billed only under its OAT, effective with the start of the next regular billing period following the end of the fifth year of service under this Agreement.
- 8.3. This Agreement is not renewable at the expiration of its term.

9. TERMINATION

This Agreement may be terminated (subject to payment of Liquidated Damages as provided for in Section 10) by either party upon written notice as follows.

- 9.1. Termination for Misrepresentation or Fraud: SCE may terminate this Agreement upon five business days' notice if any representation made by Customer in this Agreement is untrue in any material respect, or if any statement in Customer's Affidavit was untrue, or if SCE determines that Customer was not eligible for Schedule EDR-A when this Agreement was signed, in which case Liquidated Damages as set forth in Section 10.3 shall be paid.
- 9.2. Termination at Customer's Request: Customer may request termination of this Agreement at any time by providing at least 60 days' written notice to SCE.
- 9.3. Termination For Nonpayment: SCE may terminate this Agreement if Customer fails to pay any amount due, under Schedule EDR-A within 30 days after receipt of notice of nonpayment from SCE. Customer shall be liable for all unpaid amounts and any accrued interest on the unpaid amounts.
- 9.4. Termination For Noncompliance: SCE may terminate this Agreement upon five business days' notice if Customer fails to comply with any term or condition of Schedule EDR-A or this Agreement, or if Customer ceases the operations to which this Agreement applies or moves such operations out of SCE's service territory.
- 9.5. Termination For Ineligibility: SCE may terminate this Agreement upon five business days' notice if it determines that Customer has become ineligible for Schedule EDR-A.
- 9.6. Termination For Failure To Maintain Minimum Load: SCE may terminate this Agreement if Customer fails to maintain its Minimum Load during any consecutive 12 month period or shuts down its operations. If Customer fails to maintain its Minimum Load, SCE must provide Customer at least 90 days' notice of termination and Customer shall have the opportunity to increase its load to the Minimum Load and demonstrate to SCE's satisfaction that it will continue to use its Minimum Load for the remaining term of this Agreement.
- 9.7. Termination For Failure To Commence Service: SCE may terminate this Agreement if Customer does not begin service within 24 months after the date this Agreement was executed.

10. LIQUIDATED DAMAGES

- 10.1 Upon termination of this Agreement, prior to its five-year term pursuant to Sections 9.1, 9.2, 9.3, 9.4, 9.5, or 9.6, Customer shall be required to pay SCE Liquidated Damages. The Liquidated Damages are required to ensure that neither SCE nor its ratepayers are financially or otherwise damaged if this Agreement is prematurely terminated before the end of its term.

- 10.2. It would be extremely difficult for the Parties to identify the amounts of increased or additional costs attributable to termination of this Agreement. Parties agree the Liquidated Damages specified herein are a reasonable approximation of damages which SCE and its ratepayers may incur as a result of such termination, and that the damage amount does not represent a penalty.
- 10.3. For termination under Section 9.1 above, Liquidated Damages under this Agreement shall be an amount equal to 200% of the cumulative difference between (i) the amount the Customer would have paid for its energy and demand if billed at their OAT from the date service was first rendered under Schedule EDR-A to the date of termination, and (ii) the amount billed to Customer under this Agreement and Schedule EDR-A during the same period.
- 10.4. For termination under Sections 9.2, 9.3, 9.5, or 9.6 above (excepting business closure or reduction in load without relocation) Liquidated Damages under this Agreement shall be an amount equal to 100% of the cumulative difference between (i) the amount billed to Customer under Schedule EDR-R from the date service was first rendered under Schedule EDR-R to the date of termination, and (ii) a "proxy" bill calculation based on a declining discount starting at 20% of the customer's OAT bill in year one with that annual discount reduced by 4% each year thereafter during the same period, i.e., a discount of 16% in year 2, 12% in year 3, 8% in year 4, and 4% in year 5, plus interest on that difference (at the Interest Rate) to the date of payment. Should a customer's usage increase such that cumulative liquidated damages become negative upon contract termination, under no circumstances will SCE be liable for paying liquidated damages to a customer.
- 10.5. After termination of this Agreement for any cause, Customer shall be billed at its OAT.
- 10.6. The limitations of Rule 17 of SCE's Commission-approved Tariffs shall not apply to amounts payable under this Agreement.
- 10.7. SCE may in its discretion require Customer to establish a letter of credit or other security as a condition to providing service under Schedule EDR-A to secure payment of any Liquidated Damages.

11. UNCONTROLLABLE FORCE

- 11.1. Neither Party shall be considered to be in default in the performance of any obligation under this Agreement, except for obligations to pay money, when and to the extent that failure of performance shall be caused by an Uncontrollable Force.
- 11.2. If either Party, because of an Uncontrollable Force, is rendered wholly or partly unable to perform its obligations under this Agreement, the Party shall be excused from whatever performance is affected by the Uncontrollable Force to the extent the following conditions are met.
 - 11.2.1 The suspension of performance is of no greater scope and of no longer duration than is required by the Uncontrollable Force.
 - 11.2.2. The nonperforming Party uses its best efforts to cure its inability to

perform. This subsection shall not require the settlement of any strike, walkout, lockout or other labor dispute on terms which, in the sole judgment of the Party involved in the dispute, are contrary to its interest. It is understood and agreed that the settlement of strikes,

walkouts, lockouts or other labor disputes shall be at the sole discretion of the Party having the difficulty.

11.2.3. When the nonperforming Party is able to resume performance of its obligations under this Agreement, that Party shall give the other Party written notice to that effect immediately.

11.3. Nonperformance due to Uncontrollable Force shall be excused, provided Party can demonstrate that the Uncontrollable Force was owing to causes outside its reasonable control and the occurrence of the Uncontrollable Force could not have been prevented by the exercise of due diligence.

11.3.1. Accordingly, nonperformance shall be excused from the date of the occurrence of the Uncontrollable Force, provided the nonperforming Party has given the other Party written notice describing the particulars of the occurrence within two weeks of the event.

11.3.2. Accordingly, nonperformance shall be excused from the date on which the nonperforming Party gives the other Party written notice describing the particulars of the occurrence of the Uncontrollable Force, if such written notice is given more than two weeks after the Uncontrollable Force occurred.

11.4. If Customer experiences an Uncontrollable Force that prevents Customer from complying with Schedule EDR-A and this Agreement, Customer may request that SCE suspend the terms of Schedule EDR-A and this Agreement for the duration of the Uncontrollable Force. Customer will be billed at the Otherwise Applicable Tariff for the duration of the suspension of this Agreement. Resumption of the terms of Schedule EDR-A and this Agreement shall commence with the next regularly scheduled billing period. In addition, the term of this Agreement will be extended for up to 12 months beyond the term originally established in this Agreement by the length of time this Agreement was suspended.

11.5. The occurrence of an Uncontrollable Force shall not (i) prevent SCE from terminating this Agreement in accordance with Sections 9.4 and 9.5, or (ii) extend the period any level of discount is available as provided in Section 2.3.

11.6. If the Uncontrollable Force causing the nonperformance is caused by the actions or inactions of legislative, judicial or regulatory agencies, or other proper authority, this Agreement may be amended to comply with the legal or regulatory change causing the nonperformance. Any such amendment must be first authorized by the Commission prior to implementation.

12. DAMAGE LIMITATION

SCE shall not be liable for any consequential, incidental, indirect, or special damages, whether in contract, tort, or strict liability including, but not limited to, lost profits and loss of power resulting from power outages or other electric service interruptions or from SCE's performance or nonperformance of its obligations under this Agreement or in the event of termination of this Agreement.

13. INDEMNITY

Customer shall, at its own cost and expense, defend, indemnify, and hold harmless SCE, its officers, agents, employees, assigns, and successors in interest, from and against any and all liability, damages, losses, claims, demands, actions, cause of action, costs, including attorney's fees and expenses, or any of them, resulting from the death or injury to any person or damage to any property caused by Customer, its employees, officers and agents, or any of them, and arising out of the performance or non-performance of its obligations under this Agreement. Termination of this Agreement shall not exempt Customer from the terms and conditions of this Section.

14. ASSIGNMENT OF AGREEMENT

Customer shall not assign this Agreement or any part or interest thereof, to a third party without the prior, written consent of an authorized representative of SCE. Any assignment made without such consent shall be void and of no effect. Further, any assignment made under this Agreement shall be subject to any applicable Commission authorization or regulation except as waived by the Commission.

15. AMENDMENT

Any changes or amendments to this Agreement must be in writing and must be executed by the Customer and SCE and, if required, be approved by the Commission.

16. NOTICE

Any notice either Customer or SCE may wish to provide the other regarding this Agreement must be in writing and may be transmitted by hand, fax, email or postal mail. Notices delivered by hand shall be deemed effective when delivered. Notices delivered by fax, email and mail shall be deemed effective when received.

Customer:

(name)

(title)

(party)

(address)

(city, state, & zip code)

SCE:

Manager, Economic and Business Development
Southern California Edison Company
2244 Walnut Grove Avenue
Rosemead, California 91770

17. NONWAIVER

The failure of either Party to enforce any of the terms and conditions or to exercise any right or privilege in this Agreement shall not be construed as a waiver of any such terms and conditions or rights or privileges, and the same shall continue and remain in force and effect as if no such failure to enforce or exercise had occurred.

18. SEVERABILITY

In the event that any of the provisions, or portions thereof, of this Agreement are held to be unenforceable or invalid by the Commission, or any court of competent jurisdiction, the validity and enforceability of the remaining provisions or any portion thereof shall not be affected. However, should either party determine, in good faith, that such unenforceability renders the remaining provisions of this Agreement economically infeasible or disadvantageous, said party may terminate this Agreement upon 15 days' notice, except that the provisions of Section 10, Liquidated Damages, shall apply to any such termination.

19. APPLICABLE LAWS, RULES, AND REGULATIONS

This Agreement shall be subject to, and interpreted under, the laws, rules, and regulations of the State of California and the Commission, and under SCE's Commission-approved Tariff Schedules and Rules. To the extent there are any inconsistencies between this Agreement and SCE's other tariffs, this Agreement shall control.

20. CALIFORNIA PUBLIC UTILITIES COMMISSION

- 20.1. This Agreement shall at all times be subject to such changes or modifications by the Commission as said Commission may, from time to time, direct in the exercise of its jurisdiction.
- 20.2. Notwithstanding any other provisions of this Agreement, SCE has the right to unilaterally file with the Commission, pursuant to the Commission's rules and regulations, an application for a change in rates, charges, classification, service, or rule, or any agreement relating thereto.
- 20.3. This Agreement shall be subject to review in any proceeding the Commission may conduct regarding SCE's EDR program implementation.

21. ENTIRE AGREEMENT

This Agreement, including SCE's tariffs as filed with the Public Utilities Commission, constitutes the sole, only, and entire agreement and understanding between the Parties as to the subject matter of this Agreement with respect to Schedule EDR-A. Prior agreements, commitments or representations, whether expressed or implied, and discussions between Parties, shall not be construed to be a part of this Agreement.

22. AUTHORIZATION SIGNATURES

IN WITNESS WHEREOF, the Parties have caused this Agreement to be executed by their duly authorized agents to be effective on the date of SCE's signature below.

By: SOUTHERN CALIFORNIA
EDISON COMPANY

By: CUSTOMER

(Signature)

(Signature)

(Name)

(Name)

(Title)

(Title)

Southern California Edison Company

(Customer)

(Date)

(Date)

AFFIDAVIT FOR ECONOMIC DEVELOPMENT ATTRACTION RATES

By signing this affidavit, an Applicant who locates load in the service territory of Southern California Edison (SCE) hereby certifies and declares under penalty of perjury under the laws of the State of California that the statements in the following paragraphs are true and correct:

1. But for the receipt of the applicable discounted economic development rate and the terms of the corresponding EDR-A Agreement, either on its own or in combination with an economic development incentive package, the Applicant's load would not have been located within California.
2. The load to which the Agreement applies represents kilowatt-hours (kWh) and kilowatts (kW) that do not already exist in the State of California.
3. Applicant has discussed with SCE the cost-effective conservation and load management measures the Applicant may take to reduce their electric bills and the load they place on the SCE's system.
4. On an annual basis, the estimated cost of electricity is five percent or more of estimated operating costs, less the cost of law materials.
5. Customer confirms that its NAICS Code(s) and SIC Code(s) are as stated in the applicable EDR-A Agreement and that it is eligible for the applicable EDR-A schedule.
6. Customer certifies that all load subject to the applicable EDR-A represents load that is eligible for the applicable EDR-A schedule and is load new to California and does not represent load already in or which is being relocated within California.

Executed this _____ day of _____, _____.

By: APPLICANT

Signature:

Name:

Title:

Appendix C

Revised Schedule ED for PG&E



**ELECTRIC SCHEDULE ED
ECONOMIC DEVELOPMENT RATE**

Sheet 1

APPLICABILITY: This schedule is available to qualified customers locating, expanding, or retaining load on PG&E's electric transmission and/or distribution system, or to customers who would otherwise close. Customers taking service on Schedule ED must sign an Agreement for Economic Development Incentive on Electric Service (Form No. 79-771).

TERRITORY: This schedule is available to customers within PG&E's electric service territory.

RATES: The rate schedule is available to customers who are not currently on a rate schedule. The rate schedule is available to customers who are currently on a rate schedule.

Incentive Limiter:

The average rate after application of the incentive under this schedule cannot be less than the Floor Price described below.

FLOOR PRICE: The sum of the revenues collected by PG&E from the customer, exclusive of any additional applicable taxes, shall not fall below a Floor Price equal to transmission charges, public purpose program (PPP) charges, nuclear decommissioning (ND) charges, DWR Bond charges, Competition Transition Charge (CTC), marginal costs for distribution, and, if a bundled-service customer, marginal costs for generation. The Floor Price shall be based on customer-specific marginal costs, up to the OAT. The California Public Utilities Commission's adopted marginal costs in effect at the time of each contract execution will be used for this calculation, and used throughout the term of the agreement.

The revenues will be reviewed annually to ensure that they equal or exceed the Floor Price, up to the OAT revenues the customer would have paid if it had not received the incentive. Additional lump-sum charges may be due to PG&E or credits due to the customer after each annual review. The charges will be designed to ensure that revenues do not fall below the Floor Price described above each year. Credits, if available after the annual review, will be provided if the customer's incentive rate had been previously reduced from the maximum rate above.

PROGRAM EXPIRATION AND CAP:

The program expires on the date of the last agreement executed under this schedule.

(T)
(T)

(Continued)

Deleted: The rate provides a five-year declining rate incentive equal to a percentage off the customer's otherwise applicable tariff (OAT) bundled rate (excluding taxes) as shown below. An equivalent incentive will be available to Direct Access (DA) and Community Choice Aggregation (CCA) customers. For DA and CCA customers, the incentive will be calculated based on the OAT DA/CCA rate (excluding taxes) plus a proxy for generation based on the otherwise applicable bundled service generation rate.¶
Incentive Reduction:¶
First 12 months 25 percent
Second 12 months 20 percent
Third 12 months 15 percent
Fourth 12 months 10 percent
Fifth 12 months 5 percent¶

Deleted: Incentive Reductions

Deleted: This schedule will remain open to new participants until the California Public Utilities Commission issues a final decision in Application 09-11-010. This schedule will also remain open until such time the last agreement expires or terminates.¶ The total contract demand on Schedule ED, at any point in time for active agreements, will be capped at 100 MW (megawatts).

Advice Letter No: 3592-E
Decision No.

Issued by
Brian K. Cherry
Vice President
Regulatory Relations

Date Filed January 13, 2010
Effective January 13, 2010
Resolution No.



**ELECTRIC SCHEDULE ED
 ECONOMIC DEVELOPMENT RATE**

Sheet 2

(T)

**SPECIAL
 CONDITIONS:**

1. **Eligible Customers:** Eligible customers are those on or electing existing Schedule A-10, E-19, or E-20, or their successor rate schedule. New customers with maximum billing demands greater than 200 kW, existing customers who add at least 200 kW of maximum billing demand, or existing customers with at least 200 kW of maximum billing demand that are considering relocating their load outside of California may qualify. Note, Schedule ED is not applicable to customers receiving service under Schedule E-31.

 For existing customers, only the additional demand or that portion deemed likely to relocate or cease operations may qualify for the Schedule ED Incentive reductions. New or additional billing demand does not include billing demand that exist within the State of California at the time eligibility is determined.

 PG&E will consult with the Office of California Business Investment Services (CalBIS), or its successor entity, under the supervision of the California Business Transportation and Housing Agency (BTH), in order to determine qualified customers. Approval by CalBIS is necessary, but not sufficient, for determining eligibility. PG&E reserves the right for final review and determination, and Schedule ED shall be offered at the discretion of PG&E.

 Residential customers and state or local governmental agencies are not qualified customers under this rate schedule.
2. **Contract:** Service under this schedule is provided under a five-year agreement.
3. **Start Date:** The start date of the incentive rate period shall commence within 24 months from the date of execution of the contract for service and shall be designated by the customer within the agreement.
4. **Metering:** Separate electric metering for new or additional load may be required if, in PG&E's sole opinion, it is necessary to provide service under this schedule. The customer will be responsible for any costs associated with providing separate electric metering.
5. **Limitations of Rate Limiters:** Average rate limiters may apply to the customer's bill under Schedule E-19 or E-20. The level of rate limiters will not be reduced by this schedule.
6. **Conservation:** In order to be eligible for this schedule, customers must allow PG&E to conduct a site inspection for the purpose of making applicable conservation options available to customers. PG&E will advise all customers of a range of cost-effective conservation options on a site-specific basis.
7. **"But For" Test:** In order to be eligible for this schedule, the customer must sign an affidavit, attesting to the fact that "but for" this incentive rate, either on its own or in combination with a package of incentives made available to the customer from other sources, the customer would not have: (i) located operations or added load within the State of California or (ii) retained load within the State of California.

(T)

Advice Letter No: 3505-E
 Decision No.

Issued by
Brian K. Cherry
 Vice President
 Regulatory Relations

Date Filed August 12, 2009
 Effective September 11, 2009
 Resolution No. _____

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Appendix D
Amended Revised ED Agreement For PG&E

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Distribution:

- Customer (Original)
- Division
- Tariff Interpretation (Original)
- Customer Billing

Reference:

Service Agreement ID.: _____
Premises #: _____
Control #: _____

AGREEMENT FOR ECONOMIC DEVELOPMENT INCENTIVE ON ELECTRIC SERVICE

This agreement is made between _____
_____ a(n) _____ ("Applicant"),
and PACIFIC GAS AND ELECTRIC COMPANY (PG&E), a California Corporation, and if
applicable, shall be made part of PG&E's Electric Service Agreement, General Service - Time
Metered.

RECITALS: The Economic Development rate was established and is made available at
PG&E's discretion upon an initial applicability determination made by the Office of California
Business Investment Services (CalBIS), or its successor entity, under the supervision of the
California Business Transportation and Housing Agency (BTH), to qualified customers in
PG&E's service territory. The Economic Development rate is a five-year incentive rate, as set
forth in rate Schedule ED.

AGREEMENT: Applicant and PG&E agree to the following terms and conditions:

1. **QUALIFICATION CRITERIA.** Applicant is or will be a customer, eligible for and
receiving service under Schedule A-10, E-19 or E-20, or its successor rate schedule.

The electric load subject to this agreement is a maximum billing demand of at least 200
kW of net new load to the State of California or of net retained load in the State of California (as
determined by CalBIS, or its successor entity, in consultation with PG&E), which is regularly
supplied by PG&E. The minimum 200 kW of net new or retained load must be maintained for at
least three consecutive months during the initial 12 months of this agreement. Only new or
retained load that will be regularly served by PG&E will be eligible for this incentive.

2. **BILL INCENTIVE.** Electric service to Applicant's premises shall be delivered under
Applicant's otherwise applicable tariff (OAT), which is _____. A five-year rate incentive of
up to a twelve (12) percent reduction will be applied to the customer's OAT (excluding taxes).
This reduction shall be calculated on the rate components of the customer's bill that correlate to
services PG&E provides the customer. If needed, PG&E may reduce the incentive percentage
to ensure that revenues exceed the Floor Price.

The incentive under this schedule will be limited by the Floor Price (as defined in
Schedule ED). In calculating the Floor Price, the California Public Utilities Commission's most
recently approved marginal costs and methodology in effect for PG&E at the time of each
contract execution will be used throughout the term of the contract. The revenues from each
participant will be reviewed annually and/or at end of the contract to ensure that they equal or
exceed the Floor Price for each year of the agreement, up to the OAT revenue the customer
would have paid if it had not received the incentive.

Applicant's rate under this schedule will be subject to an annual review, with potential
additional lump-sum charges due to PG&E or credits due to Applicant. The charges shall
ensure that the rate does not fall below the Floor Price each year. Credits, if available after the
annual review, will be provided if the customer's incentive rate had been previously reduced

from the maximum incentive above.

3. INCENTIVE CALCULATION. Terms and conditions necessary for the incentive calculation are defined and agreed to as follows:

Billing determinants used for calculating the first year incentive will be PG&E's best estimates of expected usage and demand for expansion and attraction cases, or the previous 12 months of historical metered data, if available, for retention cases at the time of contract execution. For expansion and retention cases for only part of a customer's load, the incentive will be calculated only on that portion of demand and usage added or retained. During the annual and contract term review, PG&E will compare the revenues received to the Floor Price to ensure that the revenues received remain at least equal to the Floor Price throughout the duration of the contract.

PG&E reserves the right to reduce the contracted demands stated by the Applicant below, if it is determined that the Applicant's actual load at full operation of the facility after the Commencement Date of this Agreement, is more than 25% less than the contracted maximum demands stated below.

[Please mark the appropriate space below, indicating whether this is an agreement for the Applicant's entire load or only a portion of the Applicant's load.]

- a. _____ New Customer Locating or Existing Customer Retaining Entire Load in PG&E's Service Territory

The customer's entire load will be eligible for the bill incentive. The maximum contracted demand is estimated to be _____ kW.

- b. _____ Retention of Customer's Partial Load or Expansion of Existing Customer's Load

The contracted demand of the partially retained or expanded load is estimated to be _____ kW.

The Excluded Demands are determined by averaging the Applicant's four highest measured maximum demands during each of the two seasonal 6-month periods preceding the execution date of this agreement, if available. If Applicant separately meters the Reserved Demand, Applicant's Excluded Demand will be zero (0) kW for both seasons. PG&E and the Applicant agree that the Excluded Demand is:

Summer 6-month period _____ kW

Winter 6-month period _____ kW

The Incentive Ratio for each month is defined as the difference between the Applicant's maximum demand for that month and the Excluded Demand divided by that same month's maximum demand. If the Incentive Ratio is negative, there will be no incentive for that month, or in other words, the Incentive Ratio will be

zero (0). The Incentive Ratio shall be a fraction no greater than one (1) or less than zero (0).

4. **COMMENCEMENT DATE.** The incentive shall commence on the Applicant's regularly scheduled meter read day in the month of _____, 20____ which is within a 24-month period of the date of execution of this agreement as required by rate Schedule ED.

5. **METERING.** Applicant agrees to be responsible for all costs associated with providing separate electric metering if PG&E, at its sole discretion, deems such metering a necessary condition to implement this rate. If Applicant is deemed to require separately metered reserved demand, Applicant must have metering in place before the incentive rate will apply. Applicant's inability to have required metering in place shall not delay the commencement date provided for in Section 4 by which Applicant would have otherwise received the incentive.

6. **TERM OF AGREEMENT.** This agreement shall take effect immediately and remain in effect for a term of five years following the commencement date of the rate incentive.

7. **TERMINATION OF AGREEMENT.** Applicant may terminate this agreement upon 30 days written notice. PG&E may also terminate this agreement upon 30 days written notice in the event Applicant no longer meets the qualifications described elsewhere in this Agreement and in rate Schedule ED. Notwithstanding these rights of termination, the Applicant shall be subject to Liquidated Damages as provided for in Section 12 of this agreement

8. **TRANSFERS OFF OF SCHEDULES A-10, E-19 AND E-20.** If Applicant's maximum demand drops for a period of time so that the Applicant is no longer eligible for A-10, E-19 or E-20, or its successor rate schedule, or if the Applicant's maximum billing demand falls under 200 kW for twelve consecutive months, the Applicant will be ineligible for continuing service under rate Schedule ED.

9. **E-19 AND E-20 RATE LIMITERS.** Average and peak rate limiters may apply under Schedule E-19 or E-20. These rate limiter levels will not be reduced by rate Schedule ED.

10. **ENERGY EFFICIENCY.** Applicant hereby grants to PG&E the right to conduct a site inspection for the purpose of making Applicant aware of potential energy efficiency measures. PG&E will advise Applicant of the cost effectiveness of identified measures.

11. **"BUT FOR" TEST.** Applicant attests that "but for" the terms of this agreement, either on its own or in combination with a package of incentives made available to the Applicant from other sources, the Applicant would not have located, retained, or increased its operations within California. Applicant shall sign the attached affidavit to that effect.

12. **LIQUIDATED DAMAGES.** If this agreement is terminated due to Applicant's misrepresentation or fraud, Applicant shall be liable for liquidated damages that equal 200% of the cumulative difference between (i) the bills calculated under the Schedule ED rate to the date of termination and (ii) bills that would have been calculated under the OAT. For other cases of early termination (excepting business closure or reduction of load below 200 kW without relocation), Applicant shall be liable for liquidated damages that equal the cumulative difference between (i) the bills calculated under the Schedule ED rate to the date of termination and (ii) a "proxy" bill calculation based on a declining discount starting at 20% of the customer's OAT bill

in year one with that annual discount reduced by 4% each year thereafter during the same period, i.e., a discount of 16% in year 2, 12% in year 3, 8% in year 4, and 4% in year 5, plus interest on that difference (at the 90-day commercial paper rate) to the date of payment. Should a customer's usage increase such that cumulative liquidated damages become negative upon contract termination, under no circumstances will PG&E be liable for paying liquidated damages to a customer.

13. **ASSIGNMENT.** Applicant may assign this agreement only if PG&E consents in writing and the party to whom the agreement is assigned agrees in writing to be bound by this agreement in all respects.

14. **COMMISSION JURISDICTION.** This contract shall at all times be subject to such changes or modifications by the Public Utilities Commission of the State of California as said Commission may, from time to time, direct in the exercise of its jurisdiction. In addition, this contract shall be subject to all of PG&E's tariffs on file with and authorized by the Commission. This contract also shall be subject to review in any proceeding the Commission may conduct regarding PG&E's Economic Development Rate program implementation.

Executed this _____ day of _____, 20_____.

Applicant

PACIFIC GAS AND ELECTRIC COMPANY

BY: _____
Signature

BY: _____
Signature

(Type or print name)

(Type or print name)

TITLE: _____

TITLE: _____

AFFIDAVIT FOR ECONOMIC DEVELOPMENT INCENTIVE RATE

By signing this affidavit, an Applicant who locates, adds, or retains load in the service territory of Pacific Gas and Electric Company (PG&E) hereby certifies and declares under penalty of perjury under the laws of the State of California that the statements in the following paragraphs are true and correct:

1. But for the receipt of the discounted economic development rate and the terms of the Agreement, either on its own or in combination with an economic development incentive package, the Applicant's load would not have been located, added, or retained within California.
2. The load to which the Agreement applies represents kilowatt-hours (kWh) and kilowatts (kW) that either (i) does not already exist in the State of California, or (ii) the Applicant considered relocating or expanding to a location outside of the State of California.
3. Applicant has discussed with PG&E the cost-effective conservation and load management measures the Applicant may take to reduce their electric bills and the load they place on the Utility System.
4. On an annual basis, a) the cost of electricity for a retention Applicant at this facility represents at least five (5) percent of its actual operating costs less the cost of raw materials, or b) the cost of electricity for an attraction or expansion Applicant at this facility represents at least five (5) percent of its estimated operating costs less the cost of raw materials.

Executed this _____ day of _____, 20_____.

Applicant

BY: _____
Signature

(Type or print name)

TITLE: _____