



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

FILED
5-30-17
04:59 PM

AMERICAS STYRENICS,

Complainant

VS.

SOUTHERN CALIFORNIA EDISON
COMPANY (U338E),

Defendant

C1705020

Case No. _____

((Filed May 30, 2017))

**COMPLAINT
[PART 1 OF 2 PARTS]**

COMPLAINANT	DEFENDANT
Americas Styrenics c/o Fred J. Smalling 305 Crenshaw Blvd. Torrance CA 90503 T-424-488-3738 Email: FJSmalling@amsty.com	Southern California Edison Company Attn: Fadia Rafeedie Khoury Director & Managing Attorney 2244 Walnut Grove Avenue Rosemead CA 91770 T-626-302-6008 Email1: fadia.khoury@sce.com Email2: case.admin@sce.com

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

(A)

COMPLAINANT(S)
vs.

(B)

DEFENDANT(S)
(Include Utility "U-Number", if known)

(for Commission use only)

(C)

Have you tried to resolve this matter informally with the Commission's Consumer Affairs staff?

YES NO

Has staff responded to your complaint?

YES NO

Did you appeal to the Consumer Affairs Manager?

YES NO

Do you have money on deposit with the Commission?

YES NO
Amount \$ _____

Is your service now disconnected?

YES NO

COMPLAINT

(D)

The complaint of (Provide name, address and phone number for each complainant)

Name of Complainant(s)	Address	Daytime Phone Number
Americas Styrenics	305 Crenshaw Blvd, Torrance, California	424-488-3738
	Service Account Number 3-037-2970-16	

respectfully shows that:

(E)

Defendant(s) (Provide name, address and phone number for each defendant)

Name of Defendant(s)	Address	Daytime Phone Number
Southern California Edison	2244 Walnut Grove Ave Rosemead CA 91770	
Gregory Greene	Claims Department	626-302-6667

(F)

Explain fully and clearly the details of your complaint. (Attach additional pages if necessary and any supporting documentation)

In January of 2013 SCE replaced a transfer switch at our facility. The transfer switch allows our production facility, which operates 24/7, to have a redundant power feed in order to prevent a complete loss of power which is disruptive and costly to our operations. The new switch was installed at SCE's request, not ours. In April of 2014 our primary power circuit was interrupted and the transfer switch failed to operate due to a defect. This incident was relatively short lived but still created a serious disruption to our process. SCE technicians attempted a temporary fix but informed us the switch would again need to be replaced during our next facility turnaround. In December of 2014 the switch was replaced. In October of 2015 our primary circuit was again interrupted and again the transfer switch failed to operate. This outage was of longer duration and the resulting impact on our facility was so profound that it took two weeks to restart our production lines. This interruption to our operations resulted in a loss of over 2 million dollars. We filed a claim using SCE's claim process and were told the claim would be investigated. SCE never formally rejected our claim and we engaged legal counsel to contact them and negotiate a remedy.

(G) Scoping Memo Information (Rule 4.2(a))

(1) The proposed category for the Complaint is (check one):

adjudicatory (most complaints are adjudicatory unless they challenge the reasonableness of rates)

ratesetting (check this box if your complaint challenges the reasonableness of a rates)

(2) Are hearings needed, (are there facts in dispute)? YES NO

(3) Regular Complaint Expedited Complaint

(4) The issues to be considered are (Example: The utility should refund the overbilled amount of \$78.00):

Following each failure of the switch, SCE service technicians responded to our facility and in both cases they confirmed that their equipment was defective and failed to operate as designed. The issue here is not that there was a outage on our primary line but that the redundant feed and SCE owned and maintained switching gear which we paid for was defective and repeatedly failed to operate. We attempted to follow their claim process and for the past year we have attempted to meet with SCE to resolve the matter. We never received any notice telling us our claim was rejected and SCE refused to meet with our representatives to discuss the situation. At this point there appears to be no recourse other than contacting the commission to recover fees for service not rendered.

(5) The proposed schedule for resolving the complaint within 12 months (if categorized as adjudicatory) or 18 months (if categorized as ratesetting) is as follows:

Prehearing Conference: Approximately 30 to 40 days from the date of filing of the Complaint.
 Hearing: Approximately 50 to 70 days from the date of filing of the Complaint.

Prehearing Conference (Example: 6/1/09):	
Hearing (Example: 7/1/09)	

Explain here if you propose a schedule different from the above guidelines.

We have been very patient in trying to resolve this issue by dealing with SCE directly and have not recieved any reciprocation in the process. We are willing to abide by any schedule the commission proposes. We prefer the hearing take place in Southern California as both parties are located here.

(H)

Wherefore, complainant(s) request(s) an order: State clearly the exact relief desired. (Attach additional pages if necessary)

It is understood that the commission cannot award damages. However, we believe we are entitled to a refund of the monthly Facilities charge of \$1430.21 for redundant power feeds to the facility and the monthly Facility charge of \$391.19 for the transfer switch during the period from January 2013 to October 2015. There is no evidence that this equipment was functional during this period as it failed to operate each and every time it was called on to do so. The total of these charges for 34 months is \$61,927.60

(I)

OPTIONAL: I/we would like to receive the answer and other filings of the defendant(s) and information and notices from the Commission by electronic mail (e-mail). My/our e-mail address(es) is/are:

FJSmalling@amsty.com

(J)

Dated Torrance, California, this 24 day of April, 2017
 (City) (date) (month) (year)



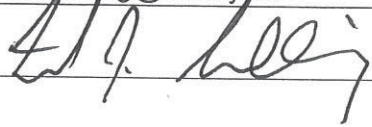
 Signature of each complainant

(MUST ALSO SIGN VERIFICATION AND PRIVACY NOTICE)

(K)

REPRESENTATIVE'S INFORMATION:

Provide name, address, telephone number, e-mail address (if consents to notifications by e-mail), and signature of representative, if any.

Name of Representative:	Fred J. Smalling
Address:	305 Crenshaw Blvd Torrance CA 90503
Telephone Number:	424-488-3738
E-mail:	FJSmalling@amsty.com
Signature	

VERIFICATION
(For Individual or Partnerships)

I am (one of) the complainant(s) in the above-entitled matter; the statements in the foregoing document are true of my knowledge, except as to matters which are therein stated on information and belief, and as to those matters, I believe them to be true.

I declare under penalty of perjury that the foregoing is true and correct.

(L)

Executed on _____, at _____, California
(date) (City)

(Complainant Signature)

VERIFICATION
(For a Corporation)

I am an officer of the complaining corporation herein, and am authorized to make this verification on its behalf. The statements in the foregoing document are true of my own knowledge, except as to the matters which are therein stated on information and belief, and as to those matters, I believe them to be true.

I declare under penalty of perjury that the foregoing is true and correct.

(M)

Executed on April 24, 2017, at The Woodlands, Texas,
(date) (City)

[Signature] General Counsel
Signature of Officer Title

(N) **NUMBER OF COPIES NEEDED FOR FILING:**

If you are filing your formal complaint on paper, then submit one (1) original, six (6) copies, plus one (1) copy for each named defendant. For example, if your formal complaint has one defendant, then you must submit a total of eight (8) copies (Rule 4.2(b)).

If you are filing your formal complaint electronically (visit <http://www.cpuc.ca.gov/PUC/efiling> for additional details), then you are not required to mail paper copies.

(O) Mail paper copies to: California Public Utilities Commission
Attn: Docket Office

505 Van Ness Avenue, Room 2001
San Francisco, CA 94102

PRIVACY NOTICE

This message is to inform you that the Docket Office of the California Public Utilities Commission ("CPUC") intends to file the above-referenced Formal Complaint electronically instead of in paper form as it was submitted.

Please Note: Whether or not your Formal Complaint is filed in paper form or electronically, Formal Complaints filed with the CPUC become a public record and may be posted on the CPUC's website. Therefore, any information you provide in the Formal Complaint, including, but not limited to, your name, address, city, state, zip code, telephone number, E-mail address and the facts of your case may be available on-line for later public viewing.

Having been so advised, the Undersigned hereby consents to the filing of the referenced complaint.



Signature

4-24-2017

Date

Fred J. Smalling

Print your name

Confirmation Number:CN 2016-01-25T14-10-05-887

Service Account Number 3-037-2970-16 **Claim Type:** Business

Contact Information:

Americas Styrenics LLC

Fred Smalling

Technology Manager

305 Crenshaw Blvd Torrance, CA 90503

424-488-3738 310-650-4193 fjsmalling@amsty.com

Claim
Form
Filed
With
SCE

Insurance Company Contact and Policy Information:

Contact:

Policy or Claim Number:

, CA

Incident Location

2015-10-14 11:44:00 PM

305 Crenshaw Blvd Torrance, CA 90503

Incident Description:

SCE outage 726506. The primary line to this address was interrupted on the date and time stated above. The PE gear installed at the facility failed to transfer to the available secondary power feed. This is the second failure of this PE gear since it was installed by SCE in January of 2013. The loss of power to the site for nearly an hour resulted in the emergency shut down of or polymeric production process under duress. The damage to our equipment and the nature of the shut down necessitated a prolonged restart of the processes which was not complete for nearly two weeks. As a result we suffered lost production during a period when our plant was in a sold out position. The lost profit margin on this production is placed at \$1,543,735. In addition we paid excessive demurrage charges for in bound raw material rail cars and bulk product railcars which we were unable to either unload due to the process outage or load due to lack of product. These excess demurrage charges are estimated at \$428,936. In addition we were forced to send limited product from east coast production plants at a freight penalty estimated at \$88,312. We also produced scrap and offgrade production during the restart if the plant at an estimated loss of \$37,733. During the period of time that the faulty PE gear was installed we have paid Southern California Edison an estimated \$61,914 in charges related to the PE gear which failed repeatedly during the 2+ years that it was installed. Lastly we incurred premium overtime charges to pay for personnel to work around the clock to restart our process the cost of which was \$39,740. IN aggregate we are filing a claim with Southern California Edison for \$2,200,371 to reimburse for business losses and expenses associated with the faulty equipment owned and maintained by SCE. Due to the sensitive business nature of the information required to document this claim we prefer that transfer of f=data take place in person. We have retained legal counsel to assist with the pursuit of this claim as necessary and can provide more details in that regard as requested. All of the information submitted above are reasonable estimates based on information available at hand but are subject to change as additional information becomes available and we reserve the right to revise this as circumstances dictate.



Gregory Greene
Senior Investigator

February 09, 2016

201600864
Americas Styrenics Llc

AMERICAS STYRENICS LLC
ATTENTION: FRED SMALLING
305 CRENSHAW BLVD
TORRANCE, CA 90503

Dear Mr. Smalling:

We recently received your claim. Thank you for the time and effort you dedicated to reporting the issue. Your request has been assigned to me for further research.

We are actively working to evaluate your claim and will follow up as soon as we have information for you.

If you have any questions, please feel free to contact me.

Sincerely,

A handwritten signature in cursive script that reads 'Gregory Greene'.

Gregory Greene

SOUTHERN CALIFORNIA EDISON COMPANY
ADDED FACILITIES AGREEMENT
APPLICANT FINANCED

For Transfer SWITCH

American Styrenics

("Applicant") and Southern California Edison Company ("SCE"), referred to collectively as "Parties" and individually as "Party", agree, as an accommodation to the Applicant, that SCE shall install the electric facilities described in Exhibit A, and hereinafter referred to as "Added Facilities", the cost of which shall be borne by the Applicant and which will be located at the service address as shown in Exhibit A. Added Facilities are defined in SCE's Rule 2.H as those which are in addition to, or in substitution for the standard facilities SCE would normally install to provide electric service. The Parties agree as follows:

1. Applicant shall pay to SCE in advance of construction by SCE for the Applicant-Financed Added Facilities, the estimated Total Installed Cost of said Added Facilities, as set forth in Exhibit A. If applicable, said cost shall include the estimated Income Tax Component of Contributions (ITCC), pursuant to SCE's Preliminary Statement as filed with the California Public Utilities Commission ("Commission") and the one-time cost to rearrange existing facilities and/or to provide facilities normally installed by the Applicant.
2. In addition to the payment required under Paragraph 1, the Applicant shall also pay a charge based on the Added Facilities investment in Applicant-Financed Added Facilities, pursuant to SCE's Rule 2.H as filed with the Commission and as changed from time to time by the Commission. The charge for Applicant-Financed Added Facilities is based upon the Added Facilities investment and the replacement coverage option selected by the Applicant, as follows:
 - (a) Replacement Coverage. The Added Facilities investment amount used as the basis for determining the charge Applicant pays SCE shall not be adjusted whenever Added Facilities are replaced as set forth in Paragraph 12(a). Under this option, Applicant shall pay to SCE, at SCE's sole option, either (SCE to select one):
 - (1) A Monthly Charge based upon _____ times the Added Facilities investment as set forth in Exhibit A.
 - (2) A One-Time Payment representing the present worth of the Monthly Charge (_____ per month) for the Added Facilities in perpetuity as set forth in Exhibit A.
 - (b) Replacement Coverage with 20 year Term. The Added Facilities investment amount used as the basis for determining the charge Applicant pays SCE shall not be adjusted for a term of 20 years whenever Added Facilities are replaced as set forth in Paragraph 12(a). Under this option, Applicant shall pay to SCE a Monthly Charge based upon _____ times the Added Facilities investment as set forth in Exhibit A. At the end of the 20 year term, this Agreement terminates in accordance with the provisions of Paragraph 16. If Applicant wants to continue being served from the Added Facilities, Applicant must sign a new Added Facilities Agreement. The new Added Facilities investment amount will be determined on a reconstruction cost new less depreciation (RCNLD) basis.
 - Without Replacement Coverage. The Added Facilities investment amount used in determining the charge Applicant pays SCE shall be adjusted whenever Added Facilities are replaced as set forth in Paragraph 12(b) and . Under this option, Applicant shall pay SCE a Monthly Charge based on .38% times the Added Facilities investment as set forth in Exhibit A.
3. The costs and charges paid by Applicant pursuant to Paragraphs 1 and 2 will normally be based upon estimated costs. When the recorded book costs have been determined by SCE, the charges may be based upon such recorded costs and adjusted retroactively to the date when service was first rendered by means of such Added Facilities. Additional charges resulting from such adjustments will, unless other terms are mutually agreed upon, be payable within thirty (30) days from the date of presentation of a bill therefore. Any credits resulting from such adjustments will, unless other terms are mutually agreed upon, be refunded to Applicant.
4. When SCE elects to provide Added Facilities hereunder on a recorded book cost basis, SCE has the right to revise its estimated costs and bill Applicant using such revised estimated costs during the period preceding determination of the recorded book costs. SCE shall indicate such revisions on Exhibit A or a superseding Exhibit A and provide a copy to Applicant. SCE shall commence billing the charge paid by Applicant pursuant to Paragraph 2 above using such revised estimate not earlier than thirty (30) days from the date the revised estimate is provided to Applicant.

5. The Monthly Charge to be paid by Applicant pursuant to Paragraph 2 above, as determined in Exhibit A, shall automatically increase or decrease without formal amendment to this Agreement if the Commission subsequently authorizes a higher or lower percentage rate in the calculation of the costs of ownership for Added Facilities as stated in Rule 2.H, effective with the date of such authorization. Further, the revised costs of ownership shall also be used to determine the unamortized balance of the One-Time Payment due to termination of service, termination of this Agreement, or otherwise, as provided in Paragraph 16 (a).
6. Where it is necessary to install Added Facilities on Applicant's property, Applicant hereby grants to SCE (a) the right to make such installation on Applicant's property including installation of a line extension along the shortest practical route thereon and (b) the right of ingress to and egress from Applicant's property as determined by SCE in its sole discretion for any purpose connected with the operation and maintenance of the Added Facilities. Applicant shall provide rights-of-way or easements of sufficient space to provide legal clearance from all structures now or hereafter erected on Applicant's property for any facilities of SCE.
7. Where formal rights-of-way or easements are required in, on, under, or over Applicant's property or the property of others for the installation of the Added Facilities, SCE shall not be obligated to install the Added Facilities unless and until any necessary permanent rights-of-way or easements, satisfactory to SCE, are granted without cost to SCE. Upon termination of this Agreement in accordance with Paragraph 16, SCE will quitclaim all easements and rights of way in, on, under, and over Applicant's property which are, as determined by SCE in its sole discretion, no longer required by SCE due to the removal of its Added Facilities.
8. SCE shall not be responsible for any delay in completion of the installation of the Added Facilities resulting from shortage of labor or materials, strike, labor disturbances, war, riot, weather conditions, governmental rule, regulation or order, including orders or judgments of any court or commission, delay in obtaining necessary rights-of-way and easements, act of God, or any other cause or condition beyond control of SCE. SCE shall have the right in the event it is unable to obtain materials or labor for all of its construction requirements, to allocate materials and labor to construction projects which it deems, in its sole discretion, most important to serve the needs of its customers, and any delay in construction hereunder resulting from such allocation shall be deemed to be a cause beyond SCE's control.
9. Added Facilities provided hereunder shall at all times remain the property of SCE.
10. This Agreement supplements the appropriate application and contract(s) for electric service presently in effect between the Parties.
11. If it becomes necessary for SCE to alter or rearrange the Added Facilities including, but not limited to, the conversion of overhead facilities to underground, Applicant shall be notified of such necessity and shall be given the option to either terminate this Agreement in accordance with Paragraphs 13 and 16, or to pay to SCE additional charges consisting of:
 - (a) The cost to remove any portion of the Added Facilities which is no longer necessary because of alteration or rearrangement, such charge to be determined in the same manner as described in Paragraph 16; plus
 - (b) An additional payment, ITCC, and/or one-time cost, if any, for any new Added Facilities requested which shall be determined in the same manner as described in Paragraphs 1 and 2; plus

A revised Paragraph 2 charge based on the total net additional installed cost of all new and remaining Added Facilities. Such revised charge shall be determined in the same manner as described in Paragraphs 1 and 2.
12. (a) Whenever Added Facilities are replaced due to damage (caused by other than the Applicant's intentional or negligent conduct) or equipment failure and Applicant has selected replacement coverage pursuant to Paragraph 2 (a) or Paragraph 2 (b), such replacement will be at SCE's expense with no change in the Added Facilities investment amount.
- (b) Whenever Added Facilities are replaced due to damage or equipment failure and Applicant has selected no replacement coverage pursuant to Paragraph 2, such replacement will be made by SCE at the Applicant's expense, including any applicable ITCC. Charges will be payable by the Applicant to SCE within thirty (30) days from the date of presentation of a bill. If such replacement results in a change in the Added Facilities investment, the Monthly Charge will be adjusted based on the revised added investment effective with the date the replaced Added Facilities are first available. Except that, where a replacement of Added Facilities is required for SCE's operating convenience or necessity or because of damage caused by the sole negligence or willful act of SCE, no increase will be made in the Added Facilities investment amount or the Monthly Charge.

Whenever Added Facilities are replaced due to Applicant's increased load or damage caused by the Applicant's intentional or negligent conduct, such replacement will be made by SCE at the Applicant's expense including any applicable ITCC. Charges will be payable by the Applicant to SCE within thirty (30) days from the date of presentation of a bill. Additionally, the Applicant's Monthly Charge pursuant to Paragraph 2 will be adjusted based on the revised added investment resulting from such replacement and will be effective with the date the replaced Added Facilities are first available.

SOUTHERN CALIFORNIA EDISON COMPANY
EXHIBIT "A"
APPLICANT FINANCED ADDED FACILITIES
A. F. NO. 39236719

APPLICANT American Styrenics

SERVICE ADDRESS 305 Crenshaw Blvd, Torrance, CA 90503

APPLICANT REQUESTED READY TO SERVE DATE November, 2012

All Estimated Costs Shown in this Exhibit "A" (SCE to Select One):

- are not binding estimates (final billing based on recorded costs), or
 are binding estimates valid for Added Facilities completed on or before _____

DESCRIPTION OF ADDED FACILITIES

Preferred Emergency Gear - P5133073
Miscellaneous splices and connectors

Original Estimated Demand _____ kVA

W.O. No(s) TD 576830

DESCRIPTION OF ONE-TIME COSTS (Paragraph 1)

\$41,000.00 One-time tie in fee
\$ 2,172.45 Remove labor for existing PE gear
\$43,172.45 Total

W.O. No(s) TD576830

EXHIBIT "A"
APPLICANT FINANCED ADDED FACILITIES

SCE's Actual Ready to Serve Date _____

APPLICANT INITIALS & DATE _____
(Original Estimate Only)

AMENDMENT
DATE _____

ORIGINAL ESTIMATE
DATE _____

A) TOTAL INSTALLED ADDED FACILITIES COST
(Paragraph 1)

A) \$102,944.63

B) ITCC (Paragraph 1) (A X 22 %)

B) \$ 22,647.82

C) ONE-TIME PAYMENT OPTION
OWNERSHIP COST ONLY [Paragraph 2(a)(2)]

C) N/A

D) ONE TIME COSTS INCLUDING ITCC
(Paragraph 1)

D) \$ 43,172.45

E) TOTAL CUSTOMER ADVANCE (A + B + C + D)

E) \$168,764.90

F) MONTHLY ADDED FACILITIES CHARGE
(Paragraph 2) (A X _____ %)

F) \$ 391.19



FINAL RECORDED COSTS
DATE _____

AMENDMENT
DATE _____

A) TOTAL INSTALLED ADDED FACILITIES COST
(Paragraph 1)

B) ITCC (Paragraph 1) (A X 22 %)

C) ONE-TIME PAYMENT OPTION
OWNERSHIP ONLY [Paragraph 2(a)(2)]

D) ONE TIME COSTS INCLUDING ITCC
(Paragraph 1)

E) TOTAL CUSTOMER ADVANCE (A + B + C + D)

F) MONTHLY ADDED FACILITIES CHARGE
(Paragraph 2) (A X _____ %)

SOUTHERN CALIFORNIA EDISON COMPANY
ADDED FACILITIES AGREEMENT
SCE-FINANCED

For
Redundant
Power Feed

Americas Styrenics

("Applicant")

and Southern California Edison Company ("SCE"), referred to collectively as "Parties", and individually as "Party", agree, as an accommodation to the Applicant, that SCE shall install the electric facilities described in Exhibit A, and hereinafter referred to as "Added Facilities", the cost of which shall be borne by the Applicant and which will be located at the service address as shown in Exhibit A. Added Facilities are defined in SCE Tariff Rule 2.H as those which are in addition to, or in substitution for, the standard facilities SCE would normally install to provide electric service. The Parties agree as follows:

1. Applicant shall pay a charge based on the Added Facilities investment in SCE-Financed Added Facilities, pursuant to SCE's Tariff Rule 2.H, as filed with the California Public Utilities Commission ("Commission") and as changed from time to time by the Commission. The charge for SCE-Financed Added Facilities is based upon the Added Facilities investment and the replacement coverage option selected by the Applicant, as follows:
 - (a) Replacement Coverage. The Added Facilities investment amount used as the basis for determining the charge Applicant pays SCE shall not be adjusted whenever Added Facilities are replaced as set forth in Paragraph 12(a). Under this option, Applicant shall pay to SCE, at SCE's sole option, either (SCE to select one):
 - (1) A Monthly Charge based upon _____ times the Added Facilities investment as set forth in Exhibit A.
 - (2) A One-Time Payment representing the present worth of the Monthly Charge (_____ per month) for the Added Facilities in perpetuity as set forth in Exhibit A.
 - (b) Replacement Coverage with 20 year Term. The Added Facilities investment amount used as the basis for determining the charge Applicant pays SCE shall not be adjusted for a term of 20 years whenever Added Facilities are replaced as set forth in Paragraph 12(a). Under this option, Applicant shall pay to SCE a Monthly Charge based upon _____ times the Added Facilities investment as set forth in Exhibit A. At the end of the 20 year term, this Agreement terminates in accordance with the provisions of Paragraph 16. If Applicant wants to continue being served from the Added Facilities, Applicant must sign a new Added Facilities Agreement. The new Added Facilities investment amount will be determined on a reconstruction cost new less depreciation (RCNLD) basis.
 - (c) Without Replacement Coverage. The Added Facilities investment amount used in determining the charge Applicant pays SCE shall be adjusted whenever Added Facilities are replaced as set forth in Paragraph 12(a) and (b). Under this option, Applicant shall pay SCE a Monthly Charge based upon 1.34% times the Added Facilities investment as set forth in Exhibit A.
2. Applicant shall pay to SCE in advance of construction by SCE, any one-time costs (including the Income Tax Component of Contribution (ITCC), pursuant to SCE's Preliminary Statement as filed with the Commission when applicable) to rearrange existing facilities and/or to provide facilities normally installed by the Applicant as set forth in Exhibit A.
3. The costs and charges paid by Applicant pursuant to Paragraphs 1 and 2 will normally be based upon estimated costs. When the recorded book costs have been determined by SCE, the charges may be based upon such recorded costs and adjusted retroactively to the date when service was first rendered by means of such Added Facilities. For existing facilities which are allocated for Applicant's use as Added Facilities, the resulting Paragraph 1 charges paid by the Applicant will be based upon the Added Facilities investment amount calculated on a RCNLD basis. Additional charges resulting from such adjustments will, unless other terms are mutually agreed upon, be payable within thirty (30) days from the date of presentation of a bill therefor. Any credits resulting from such adjustments will, unless other terms are mutually agreed upon, be refunded to Applicant.
4. When SCE elects to provide Added Facilities hereunder on a recorded book cost basis, SCE has the right to revise its estimated costs and bill Applicant using such revised estimated costs during the period preceding determination of the recorded book costs. SCE shall indicate such revisions on Exhibit A or a superceding Exhibit A and provide a copy to Applicant. SCE shall commence billing the charge paid by Applicant pursuant to Paragraph 1 above using such revised estimate not earlier than thirty (30) days from the date the revised estimate is provided to Applicant.
5. The Monthly Charge to be paid by Applicant pursuant to Paragraph 1 as determined in Exhibit A shall automatically increase or decrease without formal amendment to this Agreement if the Commission subsequently authorizes a higher or lower percentage rate in the calculation of the costs of ownership for Added Facilities as stated in Rule 2.H, effective with the date of such authorization.

6. Where it is necessary to install Added Facilities on Applicant's property, Applicant hereby grants to SCE (a) the right to make such installation on Applicant's property including installation of a line extension along the shortest practical route thereon and (b) the right of ingress to and egress from Applicant's property as determined by SCE in its sole discretion for any purpose connected with the operation and maintenance of the Added Facilities. Applicant shall provide rights of way or easements of sufficient space which provide legal clearance from all structures now or hereafter erected on Applicant's property for any facilities of SCE.
7. Where formal rights-of-way or easements are required in, on, under, or over Applicant's property or the property of others for the installation of the Added Facilities, SCE shall not be obligated to install the Added Facilities unless and until any necessary rights-of-way or easements, satisfactory to SCE, are granted without cost to SCE. Upon termination of this Agreement in accordance with Paragraph 16, SCE will quitclaim all easements and rights-of-way in, on, under, and over Applicant's property which are, as determined by SCE in its sole discretion, no longer required by SCE due to the removal of its Added Facilities.
8. SCE shall not be responsible for any delay in completion of the installation of the Added Facilities resulting from shortage of labor or materials, strike, labor disturbances, war, riot, weather conditions, governmental rule, regulation or order, including orders or judgments of any court or commission, delay in obtaining necessary rights-of-way and easements, act of God, or any other cause or condition beyond control of SCE. SCE shall have the right in the event it is unable to obtain materials or labor for all of its construction requirements, to allocate materials and labor to construction projects which it deems, in its sole discretion, most important to serve the needs of its customers, and any delay in construction hereunder resulting from such allocation shall be deemed to be a cause beyond SCE's control.
9. Added Facilities provided hereunder shall at all times remain the property of SCE.
10. This Agreement supplements the appropriate application and contract(s) for electric service presently in effect between the Parties.
11. If it becomes necessary for SCE to alter or rearrange the Added Facilities including, but not limited to, the conversion of overhead facilities to underground, Applicant shall be notified of such necessity and shall be given the option to either terminate this Agreement in accordance with Paragraphs 13 and 16, or to pay to SCE additional charges consisting of:
 - (a) The cost to remove any portion of the Added Facilities which is no longer necessary because of alteration or rearrangement, such charge to be determined in the same manner as described in Paragraph 16; plus
 - (b) An additional payment (one-time cost), if any, for any work required as defined in Paragraph 2; plus
 - (c) A revised Paragraph 1 charge based on the total net additional installed cost of all new and remaining Added Facilities. Such revised charge shall be determined in the same manner as described in Paragraphs 1 and 3.
12.
 - (a) Whenever Added Facilities are replaced due to damage or equipment failure, the work will be completed at SCE's expense. If such replacement results in a change in the Added Facilities investment, the Monthly Charge pursuant to Paragraph 1 option (c) for Added Facilities Without Replacement Coverage will be adjusted on the basis of the revised added investment effective with the date the replaced Added Facilities are first available for Applicant. Except that, where a replacement of Added Facilities is required for SCE's convenience or necessity or because of damage caused by the sole negligence or willful act of SCE, no increase will be made in the Added Facilities investment amount or the Monthly Charge.
 - (b) Whenever Added Facilities are replaced due to Applicant's increased load, such replacement will be at Applicant's expense and the Applicant shall pay SCE a revised Paragraph 1 charge under option (a), (b), or (c), based on the revised Added Facilities investment amount resulting from such replacement.
13. This Agreement shall remain in effect until terminated by either party on at least thirty (30) days' advance written notice. Applicant shall pay all costs incurred to the date of termination pursuant to Paragraph 16 including charges for any engineering, surveying, right-of-way and easement acquisition expenses and other associated expenses incurred by SCE for that portion of the Added Facilities not installed.
14. SCE has the right to charge Applicant under the terms and conditions of this Agreement commencing with the date SCE, in its sole opinion, is ready to serve or commencing with the ready to serve date requested by Applicant, whichever is later.

15. Construction of the Added Facilities shall not commence prior to receipt by SCE of appropriate rights of way and/or easements and Applicant's payment of all monies due as described in Paragraphs 1.(a)(2) and 2.
16. Upon discontinuance of the use of any Added Facilities due to termination of service, termination of this Agreement, or otherwise:
 - (a) Applicant shall pay to SCE on demand (in addition to all other monies to which SCE may be legally entitled by virtue of such termination) a facility termination charge defined as the installed cost (including any ITCC), plus the removal cost, less the salvage value for the Added Facilities to be removed. Commencing in the sixteenth (16) year after the date service is first rendered by means of Added Facilities, 20 percent of the termination charge shall be subtracted from that charge each year until the total charge is zero.
 - (b) SCE shall be entitled to remove and shall have a reasonable time in which to remove any portion of the Added Facilities located on the Applicant's property.
 - (c) SCE may, at its option, alter, rearrange, convey, or retain in place any portion of the Added Facilities off Applicant's property. Where all or any portion of the Added Facilities located off Applicant's property are retained in place and used by SCE to provide permanent service to other customers, the facility termination charge described in Paragraph 16.(a) shall be reduced by the installed cost of the retained facilities.
17. Applicant may assign this Agreement only with SCE's written consent. Such consent will not unreasonably be withheld. Furthermore, such assignment shall be deemed to include, unless otherwise specified therein, all of Applicant's rights to any refunds which might become due upon discontinuance of the use of any Added Facilities.
18. This Agreement shall, at all times be subject to changes or modifications as the Commission may, from time to time, direct in the exercise of its jurisdiction.
19. In witness whereof, the Parties hereto have caused this Agreement to be signed by their duly authorized representatives/agents. This Agreement is effective as of the last date set forth below.

Americas Styrenics
APPLICANT

BY: _____

NAME: _____

TITLE: _____

DATE SIGNED: _____

A.F. No. 38327136

SOUTHERN CALIFORNIA EDISON COMPANY

BY: _____

NAME: _____

TITLE: Engineering Manager

DATE SIGNED: _____