

PRESS RELEASE

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## CPUC APPROVES SMART METERS FOR EDISON

SAN FRANCISCO, September 18, 2008 - The California Public Utilities Commission (CPUC) today approved Southern California Edison's Advanced Metering Infrastructure project for 2008-2012, which will provide customers with access to pricing information that more accurately reflects actual market conditions and gives customers greater control over their energy use and bills.

Today's decision adopts a settlement proposed by Edison and the CPUC's Division of Ratepayer Advocates for the \$1.63 billion project. The CPUC determined that the project offers between \$9 million and \$304 million in net benefits to consumers.

AMI, or Smart Meters, replace conventional customer electric meters and represent an integral part of the state's demand response efforts. Demand response programs allow consumers and businesses to reduce the use of their electricity during times of high energy demand when resources are scarce or expensive. This enhances electric system reliability, reduces power purchases and individual consumer costs, avoids the need to build power plants, and protects the environment.

"Today's decision continues our efforts to transform California's utility distribution network into an intelligent, integrated network," said CPUC President Michael R. Peevey. "Demand response joins energy efficiency as the state's preferred way to meet electricity demand, as outlined in our Energy Action Plan."

Added Commissioner Dian M. Grueneich, the Commissioner assigned to this proceeding, "These meters will improve customer service by providing customers with information, assisting with outage detection, and providing real lear-term is age information in Public Utilities Commission Commissioner John Bohn stated, "This represents another step in transforming the electric utility industry from the old 20<sup>th</sup> Century methods to a new, more efficient mode of operation that will yield better service and greater reliability for all customers."

From 2008 through 2012, Edison will install approximately 5.3 million new Smart Meters that can, among other things, measure energy usage on a time-differentiated basis. Edison will report to the CPUC on the energy savings and associated financial benefits of all demand response, load control, and conservation programs enabled by AMI, including programmable communicating thermostat programs, Peak Time Rebate programs, and other dynamic rates for residential customers. Edison will also work with the CPUC to ensure its AMI marketing, education, and outreach program is consistent with the goals and strategies in the California Long-Term Energy Efficiency Strategic Plan.

For more information on the CPUC, please visit <a href="www.cpuc.ca.gov">www.cpuc.ca.gov</a>.

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