



SOUTHERN CALIFORNIA
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Contact your account representative for additional information and assistance.

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– www.sce.com

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– www.sce.com/ctac
– www.sce.com/agtac

Statewide Transmission System Status

– www.caiso.com

Utility Regulation

– www.cpuc.ca.gov
– www.energy.ca.gov

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SOUTHERN CALIFORNIA EDISON

POWER BULLETIN

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COMMERCIAL SEGMENT

The Power Bulletin newsletter is meant to be an aid in understanding programs and incentives administered by SCE to help your business reduce energy. Programs and incentives covered in this newsletter are subject to funding availability and policy changes. Please consult your account representative for more information on any incentives/programs mentioned in this issue.

Add Some Green to Your Bottom Line With Solar Energy

Incentives available through the California Solar Initiative (CSI) can significantly lower your cost of installing a solar energy system, while adding these environmentally friendly benefits to your business' bottom line:

- The ability to offset some or all of your energy costs on your Southern California Edison (SCE) bill by generating your own electricity on-site.
- Reduced operating costs, through predictable pricing that is not affected by electric rate changes.
- Up to a 30% federal investment tax credit applied to net system cost.*
- Property tax exemption for solar equipment.**
- A clean, reliable power source that can provide, with minimal maintenance, up to 25 years of energy production.

While the potential savings from your solar system will vary depending upon several factors, you can obtain a quick estimate of your individual savings by utilizing several helpful online calculation tools. For details, visit www.gosolarcalifornia.ca.gov, click on "Solar 101," then select "Calculators and Other On-Line Decision Assistance Tools."

Solar energy systems also provide many other benefits, such as reducing greenhouse gas emissions, diversifying California's electricity supply, and easing demand on the electric grid.

Solar Incentive Opportunities

Two types of incentives are available through the CSI Program:

1. An up-front incentive based on the solar energy system's estimated future performance, applies to projects less than 50 kilowatts (kW); and
2. A flat cents-per-kilowatt-hour performance-based incentive that is paid over 60 months, applies to projects greater than 50 kW.

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Incentives in California will decline as more systems are installed. The CSI Incentive Trigger tracker, available at www.sce.com/csi, provides information on current incentive levels based on customer classification and the size and characteristics of the solar installation.

The Next Steps to "Go Solar"

Talk to your account representative to arrange an energy efficiency audit, which is required for all project sites. An energy efficiency audit can help you identify important energy-saving opportunities to maximize your solar investment and, in many cases, reduce the number of panels you need to buy to meet the load requirements of your business, saving you even more money.

For details on the five-step process to obtain a solar energy system incentive, visit www.sce.com/csi. This website also links to a statewide database of licensed solar contractors. A solar contractor can help you identify different financing options for your solar project, including Power Purchase Agreements—a common method utilized by many businesses similar to yours that have already made the decision to "go solar."

For more information about the California Solar Initiative, visit www.sce.com/csi or www.gosolarcalifornia.ca.gov. To find out about other SCE programs and solutions that can help your business save energy, money and the environment, contact your account representative or visit www.sce.com.

The CSI Program is part of a statewide goal to create 3,000 megawatts of new solar-produced electricity by 2016, moving the state toward a clean energy future and helping to lower the costs of solar energy for customers. The program is funded by California investor-owned utility customers and is administered by Southern California Edison in its service territory under the auspices of the California Public Utilities Commission. California customers are not obligated to purchase any full-fee service or other services not funded by this program. The program began on Jan. 1, 2007, and will continue for 10 years or until funding is depleted. The program is subject to change by the Commission in a public regulatory proceeding.

* Consult the IRS or your tax consultant for details.

** Section 73 of the California Revenue and Taxation Code allows a property tax exclusion for certain types of solar energy systems installed between Jan. 1, 1999, and Dec. 31, 2016. System owners should contact the applicable county assessor's office for further information on the terms.



Get Convenience and Savings of Online Bill Paying

For a faster, more convenient way to receive and pay your electric bill, enroll in SCE's free My Account service, which allows you to manage your account(s) online at www.sce.com.

My Account gives you 24-hour access to your account(s) and puts three years of usage history at your fingertips. With SCE's paperless Online Billing, you can reduce operating costs associated with manual bill processing. Customer safeguards make this a secure way to manage your bills and help the environment by eliminating paper waste.

If all SCE business customers switched to paperless Online Billing, it would be equivalent to an annual savings of:

- Nearly 5.1 million pounds of greenhouse gas emissions avoided.
- Almost 2.1 million gallons of wastewater prevented from discharge.
- More than 122,000 gallons of gas saved by not mailing bills, statements and payments.

For more information, and to enroll, contact your account representative or visit www.sce.com/paperless.

Mark Your Calendars for Plug-In 2009 Conference

Save the dates of Aug. 10-13, 2009, for Plug-In 2009, a second annual international conference that will showcase the latest technological advances, market research and policy initiatives shaping the development of plug-in vehicle technology.

SCE will serve as the principal sponsor of the event, taking place at the Long Beach Convention Center. For more information, visit www.plugin2009.com.



COMMERCIAL SEGMENT FOCUS

Costco Eases the Power Peak With a Solar Solution

"Due to the incentives, the energy savings are able to pay for the net cost of the systems," said Craig Peal, assistant vice president of energy for Costco Wholesale. "And the systems integrate well into existing facilities, their performance has met our expectations and their reliability has been very good."

Peal's comments refer to the 17 solar energy systems already installed or currently being installed in SCE's service territory on buildings operated by the world's largest (based on sales volume) membership warehouse club chain. Costco receives a per-solar site incentive of 22 cents per kilowatt-hour (kWh) for the first five years of operation through the California Solar Initiative (CSI) Program administered by SCE. This can add up to about \$900,000 per building, which doesn't even include the federal investment tax credit for solar installations.*

Over the course of a year, Peal noted, each system produces between 800,000 kWh and 900,000 kWh, covering about 20% of a facility's energy load.

After beginning in 2007 with two solar pilot projects in Lake Elsinore and Lancaster, "this is past the pilot stage. It's no longer experimental," Peal said. "We understand these systems. It's a standard option on any building we put up when it makes sense. The California Solar Initiative has made it possible to get to this point."



Costco's completed or in progress solar energy installations in SCE's service territory now total 17, including this one in Simi Valley. The per-solar site incentive for the first five years of operation can add up to about \$900,000 per building.

Simultaneous Growth and Savings

The solar energy systems clearly provide benefits to the bottom line and to the environment, plus to Costco members.

"Since we started Costco, we've expanded our grocery areas, meaning more refrigeration for frozen and fresh foods," said Craig Stevenson, manager of Costco's Lancaster facility. "We've added produce sections, delis and rotisserie chicken. That means we've added to the electrical load we use. Utilities are a critical component of our operating costs, and margins in our business are very thin, so we've always looked for ways to conserve."

He added, "Our savings on energy help put money in the pockets of our members. Solar electricity offers us a way to control costs, stay competitive and even to get a financial payback."

Smart Power Use, High-Powered ROI

Costco's solar systems produce the most power during peak energy hours, from about noon until mid-afternoon, when the cost of grid-generated power is highest. That coincides with peak shopping hours, so—do the members detect any difference?

"We haven't needed to make any sacrifices through using solar," said Kamal Bhatt, assistant warehouse manager at the Costco Warehouse in Lake Elsinore. "Our warehouse is well-lit and comfortable; our goods are well-displayed and maintained. We won't compromise the comfort and safety of our members or the quality of our goods. The members haven't noticed any difference, and they'll benefit from the savings."

Solar represents another step in Costco's ongoing energy-saving management initiatives implemented with the support of SCE, such as strip curtains for cool spaces, skylights that maximize the use of natural light, high-efficiency battery charging for forklifts, and streamlined handling of recyclables.

In addition, every new building Costco constructs is reviewed on the drawing board by SCE under the Savings By Design Program to ensure the greatest economy in energy costs and the optimal use of produced energy.

"We continue to push the envelope on efficiency measures," Peal said. "It's very easy to work with SCE and our account manager, Cynthia Martin. They're a great supplier and business partner."

To learn more about how your business can benefit from installing a solar energy system, contact your account representative or visit www.sce.com/csi. For information on all of SCE's energy management programs for business and industry, also contact your account representative or log onto www.sce.com/b-rs/large-business.

* Consult the IRS or your tax consultant for details.