

HOURLY PX PRICING

Hourly PX Pricing, sometimes referred to as Virtual Direct Access, is offered by Southern California Edison and is an optional rate schedule available to all customers. It is designed for customers who want to take advantage of the competitive electric market without having to select an Electric Service Provider (go “direct access”).

Customers who choose Hourly PX Pricing will have three parts to their rate schedule: 1) rate components reflecting their rate before switching to HPX (for example, GS-2), 2) the Average PX Energy Charge Credit, and 3) the PX Energy Charge. (See chart to right).

RATE COMPONENTS BEFORE SWITCHING TO HPX

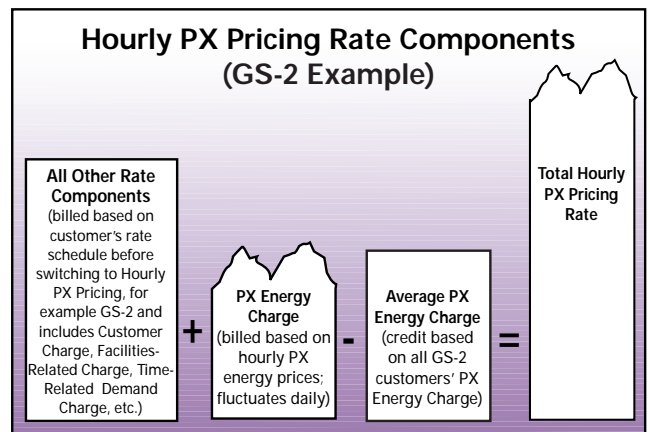
All charges beside the Average PX Energy Charge Credit and the PX Energy Charge will be billed based on the customer's rate schedule before selecting HPX (for example, GS-2). Such charges include the Customer Charge, the Time-Related Demand Charge, the Facilities-Related Demand Charge, etc.

THE AVERAGE PX ENERGY CHARGE CREDIT

The Average PX Energy Charge Credit will be calculated and credited to the customer based on the average price of power from the Power Exchange for the customer's rate schedule before switching to HPX. For example, customers on GS-2 before switching to Hourly PX Pricing will receive a credit based on the average price for electricity from the Power Exchange for all GS-2 customers.

THE PX ENERGY CHARGE

The PX Energy Charge will be calculated and billed to the customer based on the price of power from the Power Exchange for every hour of the billing period and the customer's total kWh usage during every hour of every day of the billing period. The customer will see a sum total of all of these hourly charges on their bill.



QUESTIONS AND ANSWERS

Q **A** **What types of customers are likely to benefit from Hourly PX Pricing?**

Hourly PX Pricing is likely to benefit customers who have the flexibility to change their hours of operation and can manage their usage in response to hourly price variations, or in general, businesses that operate at night, during weekends, or use equal amounts of power throughout the day and night.



SOUTHERN CALIFORNIA
EDISON

An EDISON INTERNATIONAL Company

QA **Are there any special meter requirements that I must meet before being placed on Hourly PX Pricing?**

Yes, you must have installed metering equipment capable of recording hourly usage as well as measuring and recording maximum demand. You may purchase your meter from any meter supplier including SCE. Contact your SCE Sales Representative or SCE at (800) 799-4723 for more information about meter options available through SCE. Note: For residential, small business and small agricultural customers, recent California Public Utilities Commission decisions require SCE to continue owning your meter until December 31, 1998. This means you must lease your meter from SCE through 1998. After 1998, you may purchase your meter if you'd like. Ask your SCE Sales Representative or call SCE at (800) 799-4723 about SCE's meter leasing program and costs.

QA **Will my business benefit on Hourly PX Pricing?**

It depends. Potential benefits come when your business' usage pattern is better than the average usage pattern for customers in your particular rate class (GS-2, for example). The better than average your usage pattern, the more likely you are to realize savings. Conversely, the worse than average your usage pattern, the less likely you are to realize savings. (See chart on last page).

QA **Will SCE help me determine how my usage pattern differs from the average of my rate class as well as potential savings I may realize on Hourly PX Pricing?**

Yes. SCE will assist you in analyzing your usage pattern as well as potential savings. Contact your SCE Sales Representative or SCE at (800) 799-4723 for more information.

QA **What about CTC? How will my CTC be determined under Hourly PX Pricing?**

Your CTC will be based on your rate before signing up for HPX (GS-2, for example). Specifically, your CTC is based on two components: the total "generation" price for customers in your rate class (GS-2, for example), and the average monthly cost for SCE to procure power from the Power Exchange for customers in your rate class. Your CTC is calculated by subtracting the average PX price for customers in your rate class from the total "generation" price. In this way, CTC varies monthly depending on the PX price for customers in your rate class. The higher the PX price, the lower your CTC rate. Conversely, the lower the PX price, the higher your CTC rate.

QA **Will I pay any more or less CTC by moving to Hourly PX Pricing than I would have under my current rate schedule?**

No, because your CTC will be based on your rate before signing up for HPX (GS-2, for example).

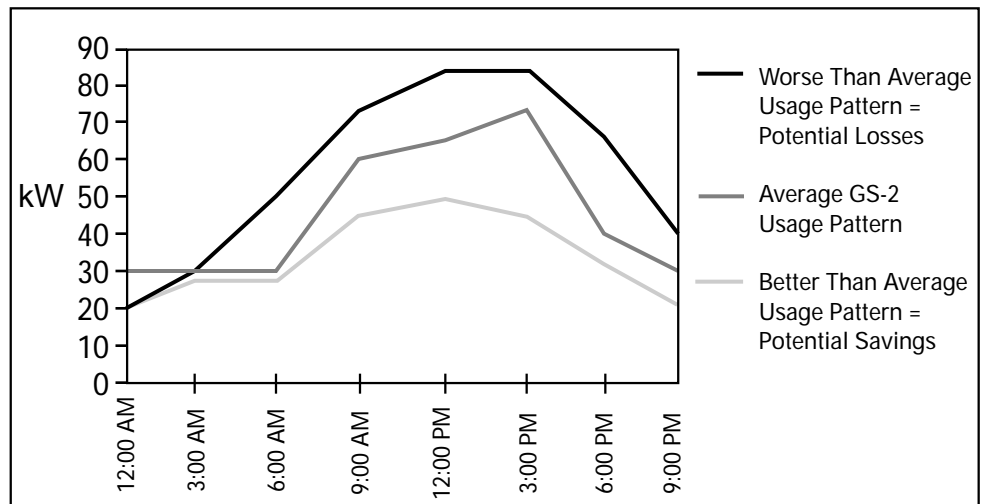
QA **If I am a residential, small business or small agricultural customer, will I be able to take advantage of Hourly PX Pricing?**

Yes. All customers will be able to participate in Hourly PX Pricing.

QA **What are the costs to sign up for this rate option?**

Costs vary depending on whether or not you have metering equipment capable of recording hourly usage, as well as

measuring and recording maximum demand. If you already have the required metering equipment (in general, TOU-8 and I-6 customers already have this equipment), there is no cost for signing up for this rate option. If you do not have the necessary equipment, contact your SCE Sales Representative or SCE at (800) 799-4723 for assistance in determining your costs.



This fact sheet is meant as an aid to understanding SCE's pricing options. It does not replace the tariffs. If there are differences between this material and the tariffs, the tariffs shall prevail.



SOUTHERN CALIFORNIA
EDISON

An EDISON INTERNATIONAL Company