



Business Rate Basics

RATE SCHEDULE ME

for Maritime Entities



What is Rate Schedule ME for Maritime Entities at the Port of Long Beach?

Rate Schedule ME provides electric infrastructure and discounted rates to Maritime Entities (ME) located and operating within the geographic borders of the Port of Long Beach (Port). The rate option was established on April 14, 2014, to support the Port's electrification, environmental, and competitive goals.

Who Are Eligible MEs?

ME customers that satisfy the following criteria are eligible to receive service under Schedule ME:

- The connected load of a specific service account is engaged in container, stevedoring, or shipping activities (e.g., *lighting, office, oil extraction, and other general are not eligible, nor are oil extraction activities*).
- The customer's maritime activities and service account are located and operating within the Port's geographic borders, within or adjacent to the Harbor District, excluding Pier H.

For more information about the Schedule ME tariff and eligibility, please visit sce.com/wps/portal/home/regulatory/tariff-books/rates-pricing-choices/other-rates.

What Are the Benefits of the Rate Schedule ME?

Benefits vary based on a few factors, including service voltage, historical demand and usage, amount of new load, and any existing added facilities charges.

In general, the rate offers:

- A **Contribution to Margin (CTM)** discount for certain types of **New Load**
- Accounts Served at \leq 50kV: Option to pay **Existing Load** at sub-transmission rates, plus **Imputed Added Facilities (IAF) amount** in lieu of the served voltage rates (i.e., secondary or primary)
- Accounts Served at >50 kV with Previously Existing Added Facilities Agreements: Option to pay **IAF amount** in lieu of existing **Added Facilities Agreements (AFA) charges**¹
- Under certain conditions, SCE will install and pay for 66kV electric facilities

Important Terms:

- Existing Load vs. New Load
- Contribution To Margin (CTM)
- Imputed Added Facilities (IAF)

¹ This option is only available for accounts enrolled on or before December 14, 2014. To qualify, accounts must have an AFA that include facilities used to step down the voltage to actual voltages are eligible for this option.

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Existing Load vs New Load

Existing Load, also known as Base Period Usage (BPU), is the installed service's average usage, demand, and kVAR by season and TOU period for the 24 months immediately preceding the effective date of the rate (April 14, 2014).

New Load is any usage, demand, and kVAR exceeding the BPU.

Example

| | | |
|--------------------------------|-------------------------------------|---------------------|
| Monthly Maximum Metered Demand | 3 MW billed as New Load | Winter |
| 4 MW | 1 MW billed as Existing Load | FRD BPU 1 MW |

Specific BPU tariff provisions apply for customers with <12 months of usage data, including the provision that all load is considered New Load for customers with <8 months of usage data (i.e., BPU is set at zero).

Imputed Added Facilities (IAF)

The IAF amount is calculated by multiplying the monthly metered demand by the IAF charge (\$2.84).

How Is the Imputed Added Facilities Calculated?

$\$2.84 \times \text{Metered kW per month}$

Example IAF Option Calculation for a Category B Account

| BPU kW | Existing AFA = \$2000 per month | Savings: |
|-----------------------|---|----------------|
| Monthly kW 200 | Customer pays: IAF = $\\$2.84 \times 200 = \\568 | \$1,432 |
| Monthly kW 500 | Customer pays: IAF = $\\$2.84 \times 300 = \\852 | \$1,148 |

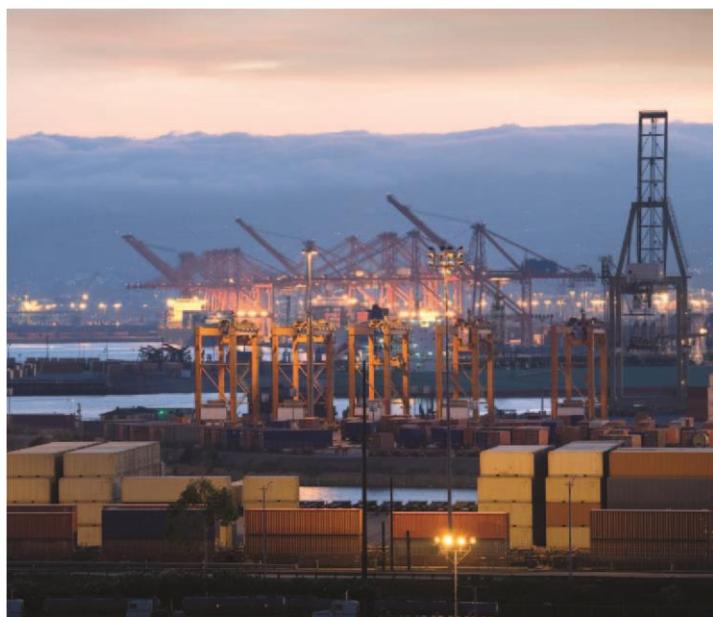
For >50kV customers that elect to have their existing AFAs billed based on the IAF charge, the IAF amount is capped at the seasonal FRD BPU — meaning these customers will never pay more than $\$2.84/\text{kW} \times$ the seasonal FRD BPU.

Contribution to Margin (CTM)

Calculated each monthly billing period, and only applicable to New Load, the CTM is the difference between your Otherwise Applicable Tariff (OAT) bill (as defined in the tariff) for New Load and the Marginal Cost of Service for the New Load of Maritime Entities. When the CTM is positive, a discount of 50% of the CTM is applied to your bill.

CTM Discount Example

| Positive CTM Scenario | Negative CTM Scenario |
|--|-------------------------------------|
| OAT Bill \$100 | OAT Bill \$100 |
| Marginal Cost \$80 | Marginal Cost \$110 |
| Monthly CTM (\$100 – \$80) \$20 | Monthly CTM (\$100 – \$110) -\$10 |
| 50% CTM Discount (\$20 * 50%) \$10 | No Discount \$0 |
| Discounted Bill (\$100 – \$10) \$90 | Customer Pays OAT Bill \$100 |



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Accounts < 50kV, Existing & New Load

Existing Load (i.e., BPU): Your account is billed the lower of

- Your served voltage rates, or
- The sub-transmission voltage rates of your OAT + the IAF amount

New Load: You have the option to elect to pay either

- Your served voltage rates, or
- The sub-transmission voltage rates of your OAT + the IAF amount

✓ The default option for New Load is sub-transmission voltage rates + IAF

✓ Customers may change their New Load rate election after 12 months (Rule 12)

✓ Not eligible to pay IAF option in lieu of existing Added Facilities Agreement charges (i.e., no changes to existing AFAs)

Accounts >50kV, Existing Load (i.e., BPU)

There are no changes to your energy bill.

Accounts >50kV, New Load

- Applies to all usage, demand, and kVAR that exceeds the BPU, per billing period
- You will continue to be billed at sub-transmission rates with a CTM discount, if applicable

Frequently Asked Questions

I have a facility within the Port boundaries. Why can't my account be on the ME rate?

Schedule ME is only for accounts with load associated with **container, stevedoring, and shipping** activities.

Will my Base Period Usage (BPU) ever change? Is the IAF Charge of \$2.84/kW fixed?

Your BPU is meant to remain fixed but may be adjusted under certain circumstances based on a written agreement between you and SCE. The IAF Charge of \$2.84/kW is fixed.

How do I enroll in schedule ME?

Contact your SCE Account Manager. If you qualify, your Account Manager will facilitate any necessary agreements to get started.

This rate sheet is meant to be an aid to understanding SCE's Rate Schedule ME. It does not replace pricing information contained in the CPUC-approved tariffs. Please refer to the tariffs for a complete list of terms and conditions of service, which can be viewed online at sce.com/regulatory.