



Locally powered energy innovation.

<Date>

<Customer Name>

<Mailing Address>

<Mailing City>, <Mailing State>, <Mailing Zip>

ATTN: Energy/Facilities/Purchasing Executive

Important Notification – Immediate Action May be Required

Rate Increase Information For TOU-8, TOU-GS-3, TOU-PA2, TOU-PA3, and Lighting Customers

Dear Valued Customer:

During the course of May 2019, Clean Power Alliance became the new default electricity generation provider for you and other non-residential customers in your area. We are proud to bring new, locally controlled renewable power choices to communities across Los Angeles and Ventura Counties. We are dedicated to serving our communities' diverse energy needs while ensuring you continue to have access to the same reliability, billing, and customer support from Southern California Edison (SCE).

June 2019 Rate Changes

The purpose of this letter is to provide information about Clean Power Alliance's new rates that were adopted on June 6, 2019 in response to rate changes SCE implemented on June 1, 2019. Clean Power Alliance's rates, on an annualized basis, will be higher than expected for some or all of your electricity accounts. Options for avoiding these increases for specified accounts are described on the following pages of this notification.

Over the course of 2019, Clean Power Alliance has adjusted rates for its customers each time SCE has changed its rates with the goal of having customers' bills fall within specified discounts or premiums compared to SCE base rates, depending on which rate tier a customer chooses:

- **Lean Power**, which provides 36% renewable energy at a 1-2% discount.
- **Clean Power**, which provides 50% renewable energy at a 0-1% discount.
- **100% Green Power**, providing 100% renewable energy at a 7-9% premium.

SCE's June rate change was its fourth this year; adjustments have included both major structural changes and unprecedented increases in fees. Both the scope and number of rate changes so far in 2019 is highly unusual.

Increased Rate Impacts to Specific Rate Classes

Given the combined effect of SCE's recent rate changes, Clean Power Alliance rates will increase beyond the aforementioned discount/premium ranges for accounts in the TOU-8, TOU-GS-3, TOU-PA2, TOU-PA3, and lighting rate classes¹. Discounts/premiums for residential accounts, commercial accounts in the GS-1 and GS-2 rate classes, and lighting accounts in the TC rate classes are not impacted by these changes.

¹ The TOU-8 rate covers the largest energy users; GS-3 covers medium-to-large energy users; PA2 and PA3 covers large agricultural and pumping customers. The lighting rate classes impacted are: LS-1, LS-2, LS-3, OL-1, and AL-2.

Clean Power Alliance is implementing this change because matching SCE's new rates for TOU-8, TOU-GS-3, TOU-PA2, TOU-PA3, and certain lighting customers would result in a revenue shortfall compared to the cost to serve these customers, particularly in the winter months. Sustaining such rates would require residential and small commercial customers to subsidize large commercial, industrial, and pumping and agricultural customers, who constitute less than 1% of Clean Power Alliance's eligible customer base.

Anticipated Rate Impacts by Rate Class – TOU-8, TOU-GS-3, TOU-PA2, and TOU-PA3

While the summer rate ranges have not changed, winter rates are increasing to ensure rates cover costs over the course of the year. Typical bill impacts per season and annually are shown below.² Winter rates become effective October 1, 2019.

	Summer Bill Premiums Unchanged (approximate)			Winter Bill Premiums Increase Beginning October 1 (approximate)			Total Annual Bill Premiums Increase (approximate – based on typical usage)		
Rate Type	Lean	Clean	100% Green	Lean	Clean	100% Green	Lean	Clean	100% Green
TOU-GS-3	-1%	0%	9%	16%	18%	19%	9%	10%	15%
TOU-PA-2	-1%	0%	9%	21%	24%	24%	10%	12%	19%
TOU-PA-3	-1%	0%	9%	32%	35%	37%	18%	21%	27%
TOU-8-SEC	-1%	0%	9%	19%	21%	23%	10%	12%	17%
TOU-8-PRI	-1%	0%	9%	23%	26%	27%	13%	15%	21%
TOU-8-SUB	-1%	0%	9%	26%	29%	32%	19%	22%	29%

Anticipated Rate Impacts by Rate Class – Lighting

Most lighting rates do not vary seasonally. As such, lighting rate changes become effective July 1. Typical bill impacts are shown below for both SCE-owned and customer-owned lighting rates.³

	New Bill Premiums, excluding SCE Fixture Charges Increase (approximate)			Bill Impact, including SCE Fixture Charges ⁴ Increase (approximate)		
Rate Type ⁵	Lean	Clean	100% Green	Lean	Clean	100% Green
LS-1	41%	45%	53%	12%	13%	15%
LS-2, LS-3, OL-1	44%	48%	57%	N/A	N/A	N/A
AL-2	16%	17%	20%	N/A	N/A	N/A

² These are average impacts. Impact to your accounts may vary depending on your usage patterns.

³ These are average impacts. Impact to your accounts may vary depending on your usage patterns.

⁴ Comparison based on common lamp type (High Pressure Sodium Vapor, 100 Watt)

⁵ LS-1 applies to SCE-owned streetlights, LS-2, LS-3, OL-1 and AL-2 primarily apply to customer-owned lighting

Your Options

Clean Power Alliance recognizes that the new rates may not be a fit for all customers in the TOU-8, TOU-GS-3, TOU-PA2, TOU-PA3 and lighting rate classes. If you have accounts on other rates, Clean Power Alliance may still meet your needs. We are here to answer your questions and share the many advantages Clean Power Alliance has to offer as your local supplier of renewable power.

If you decide that Clean Power Alliance is not the right choice at this time, you may opt out one or more of your accounts **by** visiting cleanpoweralliance.org/opt-out or calling us at 888-585-3788 (TTY 323-214-1296). Clean Power Alliance will not charge you any fees for opting out. SCE may charge you a one-time account processing fee, currently set at 50 cents per account.

Customers who opt-out within 60 days of enrollment in CPA will be returned to SCE with no additional conditions. For most accounts this date will fall between June 30 and July 31. An opt-out request of this type must be received at least 5 business days prior to your July meter read date.

If you opt-out more than 60 days after your Clean Power Alliance service launch there is an additional choice you need to make. Option 1 is to return to SCE service as soon as possible. Under this option, you will be subject to SCE's transitional bundled service (TBS) rates during your first six months back with SCE. TBS rates include variable components based on market energy prices. Option 2 is to return to SCE service after six months advance notice to SCE. Under this option, you will continue to receive service from Clean Power Alliance for a six-month period and then be transferred back to SCE's standard bundled rates.

Need More Information?

To learn more about Clean Power Alliance's program or rates, please contact us at 888-585-3788 (TTY 323-214-1296) or at customerservice@cleanpoweralliance.org.

For our 100% Green Power customers, Clean Power Alliance offers ways for your organization to be recognized for your environmental leadership through our Green Leader Program. Visit cleanpoweralliance.org/greenleader to explore opportunities for promoting your business as a Clean Power Alliance Green Leader that is powered by 100% renewable energy.

If you have any questions regarding SCE's service, related programs or rate options, please contact SCE's Customer Contact Center at 800-974-2356.

Sincerely,

Account Services
Clean Power Alliance

Attachment: Clean Power Alliance Terms & Conditions of Service

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TERMS AND CONDITIONS OF SERVICE: Clean Power Alliance electric generation rates are competitive. Available rates can be reviewed at cleanpoweralliance.org or by contacting Clean Power Alliance at 888-585-3788 (TTY 323-214-1296). **Clean Power Alliance rates are subject to change and changes will be adopted at duly noticed public meetings of the Clean Power Alliance Board of Directors.**

Southern California Edison (SCE) collects from Clean Power Alliance customers authorized charges for delivering power to your home or business and for providing other services. These components of your electric bill are the same whether you buy electricity from Clean Power Alliance or SCE.

Southern California Edison also charges Clean Power Alliance customers a Power Charge Indifference Adjustment (PCIA) and a Franchise Fee Surcharge. Both are calculated based on the number of kilowatt hours used each month. The PCIA is intended to ensure that customers who switch to Clean Power Alliance pay for energy that was acquired by SCE to serve them prior to their switch. Note that Clean Power Alliance rates are competitive with SCE's rates, even with these fees.

BILLING: Each month, Clean Power Alliance customers receive a single monthly bill from SCE, just as they would under SCE bundled service. This bill includes all electric charges, including Clean Power Alliance's power generation charges. SCE will continue to charge you for Transmission and Distribution services they provide; this includes the cost of transmitting electricity directly to your home or business.

ENROLLMENT: You were automatically enrolled in Clean Power Alliance, unless you opted out, on your scheduled meter read date on or following May 1, 2019.

DISCOUNT PROGRAMS: If you are currently enrolled in the California Alternative Rates for Energy (CARE) program, the Family Electric Rate Assistance (FERA) program, Medical Baseline, Level Pay or Summer Discount Program, you will continue to receive all benefits and discounts as a Clean Power Alliance customer.

OPT OUT: You have the right to opt out without penalty at any time. You will not be charged any fees by Clean Power Alliance if you opt out or if you cancel electric service altogether (for example, if you move). However, customers who opt out of Clean Power Alliance after service launch may be charged a one-time account processing fee by SCE (currently 50 cents*), and will be prevented by SCE from returning to Clean Power Alliance for a minimum of twelve months. By opting out, you will also be subject to SCE's then current rates and terms and conditions of service. For details on SCE's rates and terms and conditions, please visit sce.com/tnc. If you opt out, you will still be charged for all electricity you used before the transfer of electric service. Accounts will be transferred when the electric meter is read and cannot be transferred during the middle of a billing cycle. In order for your request to be processed on your next meter read date, your request must be received at least 5 business days prior to the date on which the meter is read. To opt out, please call Clean Power Alliance at 888-585-3788 (TTY 323-214-1296) or visit cleanpoweralliance.org. Please have your electric bill handy so you have the information needed to process the request.

FAILURE TO PAY: Clean Power Alliance may transfer your account to SCE upon 14 calendar days' written notice to you if you fail to pay any portion of the Clean Power Alliance charges on your bill. If your service is transferred, you may be subject to additional requirements by SCE.

*SCE's one-time account processing fee is subject to change.
View SCE's fees at www.sce.com/regulatory/tariff-books.