

# Time-Of-Use Rates for Business: Frequently Asked Questions



## 1. What are Time-of-Use rates and how do they work?

With Time-of-Use rates, the cost of electricity changes depending on the time of day you use it. Instead of a single flat rate for electricity use, the cost of electricity on a Time-of-Use rate varies based on the time of day, day of week, and season in which it is used. With Time-of-Use rates, **when** you use electricity is just as important as **how much** you use.

## 2. What are the Time-of-Use time periods?

There are three different Time-of-Use periods: On-Peak (highest energy charge), Mid-Peak (medium energy charge), and Off-Peak (lowest energy charge). For an overview of the exact time periods by time of day, day of week and season, see the detailed chart in this document.

## 3. Why do Time-of-Use rates vary?

Time-of-Use rates better align the price of electricity with the cost of electricity at the time it is produced and the cost to deliver it to your business. Rates will generally be higher during summer weekday afternoons when electric demand is higher and lower at all other times, which provides an incentive to shift electricity use away from more expensive peak hours. This can help you save money and reduce strain on the electric grid.

## 4. How can I save money on Time-of-Use rates?

With a Time-of-Use rate, you can lower your bill by shifting energy use to the mid-peak and off-peak hours of the day when rates are lower.

## 5. Do I have options with Time-of-Use rates?

Yes, there are several rate options available. Learn more about your options at [sce.com/MyAccount](https://www.sce.com/MyAccount), or call us at 1-800-990-7788 to request a rate analysis.

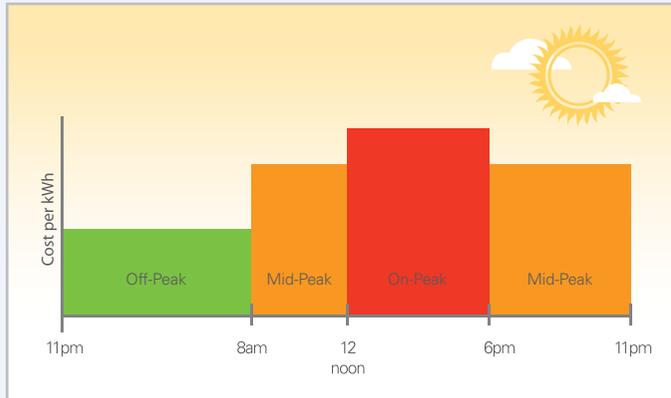
## 6. What is the difference between demand charges and usage charges?

Demand charges come in two types – Facilities-Related Demand Charges, and Time-Differentiated Demand Charges, which is explained in the next two frequently asked questions. In general, demand charges are based on the highest amount of electricity used within any 15-minute period during the customer's monthly billing period. This will be considered your maximum or "peak demand". The unit of measurement is the kilowatt (kW). By contrast, energy usage charges are based on the total amount of electricity used in a billing period and vary by season and time of day. The unit of measurement is the kilowatt hour (kWh).

# Summer Rates

Begins at 12 a.m. on June 1, and continues until 12 a.m. on October 1 each year.

## Weekdays\*



## Weekends and Holidays\*

 **Off-Peak**  
All Day

\* The lower off-peak rate applies on holidays. When any holiday falls on Sunday, the following Monday will be recognized as a holiday. Holidays are New Year's Day, President's Day, Memorial Day, Independence Day, Labor Day, Veteran's Day, Thanksgiving Day, and Christmas.

## 7. What are Facilities-Related Demand Charges?

A Facilities-Related Demand Charge is billed on a per kW basis, and it is in effect during each billing period throughout the year. It is applied to the registered maximum demand in each billing period. This charge is necessary to recover costs for the installed transmission and distribution facilities required to serve your highest demand throughout the year.

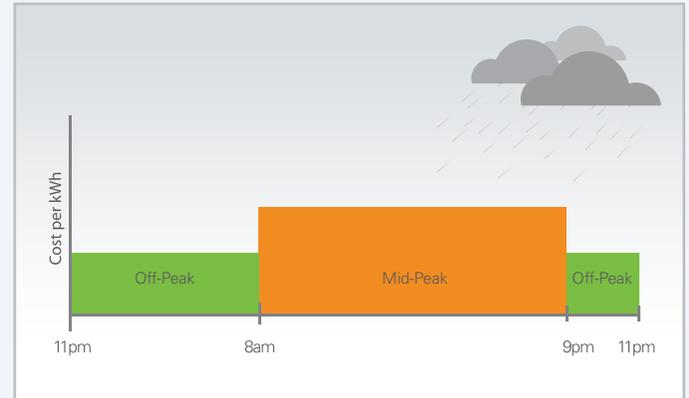
## 8. What are Time-Related Demand Charges?

Several Time-of-Use rates have a Time-Related Demand Charge, which will be applied only during SCE's summer season (June 1st through October 1st). This charge, which is in addition to and separate from a Facilities-Related Demand Charge, helps recover part of SCE's higher costs of providing transmission and distribution services during the high-demand summer season. It is a per-kW charge applied to the greatest amount of registered demand in the on-peak and mid-peak periods of each summer-season billing period. Time-of-Use rates that do not have Time-Related Demand charges during the summer season have higher usage (kWh) charges in the mid- and on-peak time periods. This type of rate could be beneficial for businesses that use a lot of electricity at once, but have shorter operating times.

# Winter Rates

Begins at 12 a.m. on October 1, and continues until 12 a.m. on June 1 each year.

## Weekdays\*



## Weekends and Holidays\*

 **Off-Peak**  
All Day

## 9. How can I reduce my electricity use during summer season On-Peak hours?

Small changes can make a big impact on your electricity saving efforts. Cooling costs can really add up in the summer. Visit us at [sce.com/EnergyTips](http://sce.com/EnergyTips) to view a quick list of tips designed to help you control and reduce your electricity costs during the summer months.

## 10. I can't reduce how much electricity I use between noon and 6 p.m. — what other options do I have?

If you can't reduce or shift how much electricity you use during this time frame, consider installing more energy-efficient equipment to help you reduce electricity use at all times. Visit us at [sce.com/Business](http://sce.com/Business) for solutions specific to your type of business.

For more information on Time-of-Use rates, tools, and solutions to help manage your energy costs, visit [sce.com/TOU](http://sce.com/TOU)