

ATTACHMENT K

Rate Schedule for Recovery of Costs Associated with Charging Distribution Service

1. Applicability. This Rate Schedule is applicable to all Distribution Customers who have requested Charging Distribution Service and are parties to a Service Agreement for Wholesale Distribution Service (“Service Agreement”) and a Generator Interconnection Agreement (which provides the terms, conditions, and charges for interconnection to the Distribution System).

2. Description. The Service Agreement shall set forth, among other things, the Distribution Customer’s Charging Distribution Service, Contract Demand, and the Service Level for Charging Distribution Service.

2.1 For As-Available Charging Distribution Service, the Distribution Customer will be responsible for paying the monthly demand charge, which shall be calculated by multiplying the customer’s Contract Demand specified in the Service Agreement by the applicable Demand Charge Rate specified in Section 5.1 below. Additionally, the customer shall pay the monthly Customer Charge specified in Section 5.2 below.

2.2 For Firm Charging Distribution Service, the Distribution Customer shall be responsible for either: (1) the monthly demand charge; or (2) the incremental cost of any Distribution System Upgrades that are required to serve the Distribution Customer’s Contract Demand. A higher-of test, as described in Section 4 below, shall determine the applicable option (either 2.2(1) or 2.2(2) above).

If the higher-of test determines that the customer is responsible for the monthly demand charge, such charge shall be calculated by multiplying the customer’s Contract Demand specified in the Service Agreement by the applicable Demand Charge Rate specified in Section 5.1 below.

Additionally, the customer shall pay the monthly Customer Charge specified in Section 5.2 below.

3. Definitions. Capitalized terms used in this Appendix shall have the meanings either set out below or in the Tariff, unless otherwise stated.

A-Station Distribution Facilities: SCE’s Non-ISO substation facilities with high side transformation above 200kV.

High-Voltage Distribution Line Facilities: SCE’s Non-ISO line facilities at voltages of 50kV and above.

B-Station Distribution Facilities: SCE’s Non-ISO substation facilities with 50kV and above

high side transformation, excluding A-Station Distribution Facilities.

Distribution Line Facilities: SCE's Non-ISO line facilities at voltages below 50kV.

Firm Demand Charge NPV: Net present value of the monthly revenue that would be collected if the customer pays the Firm Demand Charge Rate (for its quantity of Contract Demand) for a period of 10 years, discounted at SCE's Cost of Capital.

Estimated Upfront Distribution System Upgrades Cost: The incremental cost of any Distribution System Upgrades that are required to serve the customer's Firm Charging Distribution Service.

4. Higher-of Test.

4.1 The higher-of test, applicable only to customers taking Firm Charging Distribution Service, will compare (A) the Firm Demand Charge NPV to (B) the Estimated Upfront Distribution System Upgrades Cost. If (A) is greater, then the customer will be responsible for the on-going monthly Firm Demand Charge. If (B) is greater, then the customer will be responsible the Estimated Upfront Distribution System Upgrades Cost, subject to true-up as set forth in the Generator Interconnection Agreement, and will have no on-going responsibility for the Firm Demand Charge. If the customer is charged the Estimated Upfront Distribution System Upgrades Cost (subject to true-up), an on-going charge for O&M for any new facilities added to the Distribution System shall also be applicable, and will be calculated pursuant to the Generator Interconnection Agreement and Attachment J. The on-going O&M charge shall not be applicable for replacements or upgrades of existing facilities.

4.2 The Firm Demand Charge NPV shall be calculated using Table 1 below and the following equation:

$$\text{Firm Demand Charge NPV} = (\text{Firm Demand Charge NPV Per KW}) \times (\text{customer's Contract Demand})$$

Table 1: Firm Demand Charge NPV Per KW Contract Demand

Service Level	Interconnection Point	Firm Demand Charge NPV Per KW
1	A-Station Distribution Facilities	\$64
2	High-Voltage Distribution Line Facilities	\$110
3	B-Station Distribution Facilities	\$209
4	Distribution Line Facilities	\$621

5. Rates.

5.1 The following Demand Charge Rates are applicable for Charging Distribution Service. For Firm Charging Distribution Service, the applicability of these rates is subject to the higher-of test described above in Section 2.2 and Section 4 of this Attachment K.

Service Level	Interconnection Point	As-Available Demand Charge Rate (\$/KW-Month)	Firm Demand Charge Rate (\$/KW-Month)
1	A-Station Distribution Facilities	0.41	0.74
2	High-Voltage Distribution Line Facilities	0.71	1.27
3	B-station Distribution Facilities	1.35	2.43
4	Distribution Line Facilities	4.00	7.19

5.2 The Customer Charge applicable to customers taking Charging Distribution Service shall be \$11.74/Month.