

## **Essential Use Customer Classification and Priority System for Rotating Outages**

### **Background: Rotating Outages and Essential Use Customers**

Rotating outages are controlled power interruptions that SCE institutes at the direction and under the supervision of state regulators when there is an electrical system emergency. The California Public Utilities Commission (CPUC) created a priority system in which certain customers who provide Essential public health, safety, and security services should normally be exempt from rotating outages, and the 13 specific categories Essential Use customers are as follows:

- A. Government and other agencies providing Essential fire, police, and prison services.
- B. Government agencies Essential to the national defense.
- C. Hospitals and skilled nursing facilities.
- D. Communication utilities, as they relate to public health, welfare, and security, including telephone utilities.
- E. Navigation, communication traffic control, and landing and departure facilities for commercial air and sea operations.
- F. Electric utility facilities and supporting fuel and fuel transportation services critical to continuity of electric power system operation.
- G. Radio and television broadcasting stations used for broadcasting emergency messages, instruction, and other public information related to the electric curtailment emergency.
- H. Water and sewage treatment utilities may request partial or complete [rotating outage] exemption from electric utilities in times of emergency identified as requiring their service, such as firefighting.
- I. Areas served by networks, at utilities' discretion.
- J. Rail rapid transit systems as necessary to protect public safety, to the extent exempted by the CPUC.
- K. Customers served at transmission voltages to the extent that (a) they supply power to the grid in excess of their load at the time of the rotating outage, or (b) their inclusion in rotating outages would jeopardize system integrity.
- L. Optional Binding Mandatory Curtailment Program customers.
- N. Petroleum refineries, vital ancillary facilities, and other customers in the critical fuels chain of production, to the extent exempted by the CPUC.

The CPUC noted that even for these customers, “[p]rotection cannot be guaranteed because daily circuit switching may temporarily change a customer’s outage block and priority classification.”

### **Backup/Standby Generation**

SCE is strongly encouraging customers to start planning now for anticipated summer heat waves and potential outages. If customer facilities have back-up power generators, we recommend the customers test them each month to ensure they are ready in case of a power interruption.

The CPUC directed the utilities “to evaluate the adequacy of the standby generating equipment of [Essential Use] customers and to consider removing them from the lists of Essential Use customers.” Essential Use customers that have sufficient standby generating equipment for their essential load should not be routinely protected from rotating outages because this double protection may be jeopardizing other equally essential customers at the higher load reduction levels, and for that reason, some Essential Use customers may be “nonexempt” — that is, subject to rotating outages. Customers are considered nonexempt if they have sufficient and adequate backup generation to support their critical activities for at least one hour (the expected typical duration of a rotating outage).

### **Special Rules for Hospitals and Skilled Nursing Facilities**

All hospitals and skilled nursing facilities are exempt from rotating outages regardless of the status of backup or standby generation.

### **Special Rules for Water and Sewage Customers**

With regard to water and sewage treatment facilities, the CPUC clarified its position, concluding that such customers would not be automatically exempted from rotating outages. However, water and sewage facilities “may request an exemption from a specific rotating outage if an emergency requiring their service exists.” In D.02-04-060, the CPUC reaffirmed that, “if a water or sewage facility makes a good faith request [for exemption] (i.e., refraining from an exemption request unless absolutely required to ensure the public’s health and safety), ‘we fully expect the utility to grant it.’”

### **SCE Implementation of the CPUC’s Priority System**

To implement the CPUC’s Priority System for Rotating Outages, SCE has exempted from rotating outages all circuits that serve identified Essential Use customers (except those who are nonexempt). In the unlikely event an Essential Use customer is inadvertently interrupted due to a rotating outage, SCE has established a toll-free number for the Essential Use customer to call to report the outage; if feasible, SCE will restore service to the Essential Use customer, and then contact the customer to verify service restoration.

SCE has established the toll-free number 1-800-286-1723 for water and sewage customers to call if an emergency arises that requires their service, such as firefighting. SCE will take all steps necessary to restore service as quickly as possible, and then contact the customer to verify service restoration. SCE takes steps to ensure its Essential Use customer list is up-to-date and accurate. SCE annually reviews its Essential Use customer list to verify that each customer on the list should continue to be included.

SCE makes contact with each Essential Use customer to ensure that (a) its business functions have not changed in a manner that would eliminate it from the CPUC-designated categories of “Essential Use customers” and (b) there has been no change in the sufficiency or adequacy of its backup generation that would affect whether an Essential Use customer should be exempt. Any customer who is found to need reclassification (either Essential to Non-Essential or Non-Essential to Essential) receives a notification 15 days in advance of the effective date of reclassification.

In addition, SCE reviews each new service turn-on request to identify those new customers who may meet the CPUC definition for “Essential Use customers”. SCE representatives make individual contact with those identified customers to determine whether they should be included on the Essential Use customer list. Any customer classified as an Essential Use customer receives advance written notification of its classification.