



Time-of-Use Base Interruptible Program



QUESTIONS AND ANSWERS

OVERVIEW

The Time-of-Use Base Interruptible Program (Schedule TOU-BIP) offers eligible Southern California Edison (SCE) customers a monthly bill credit in exchange for reducing their power to no more than their Firm Service Level (FSL) during a California Independent System Operator (CAISO)-initiated interruption event.

Schedule TOU-BIP is available to customers whose monthly demands are greater than 200 kilowatts (kW) in any three months during a period of 12 consecutive months of service. Once a notice of interruption has been sent, a customer has 15 minutes (Option A) or 30 minutes (Option B) to reduce their demand to no more than their designated FSL, or penalty charges may be imposed. The FSL is the electrical demand (kW) that a customer determines is necessary to meet basic operational requirements during an interruption event. Customers must commit to reduce a minimum of 15% of their maximum demand, which cannot be less than 100 kW. Customers may enroll directly with SCE through their representative, or with an aggregator.

A TOU-BIP customer is eligible to receive monthly bill credits for each kW that exceeds their designated FSL. The total monthly credit is based on the difference between the customer's average peak period demand during a billing period and their selected FSL. Interruptions are limited to one event per day, four hours per event, 10 events per calendar month, and 120 events per calendar year.

TOU-BIP INTERRUPTION EVENTS

SCE will notify you of an interruption via your dedicated TOU-BIP telephone line. This dedicated telephone line serves as the official notification vehicle for interruption events.

If I am an I-6 customer and I want to participate in TOU-BIP, when and how can I sign up for the program?

If you are an existing I-6 customer, you may also participate in Schedule TOU-BIP, but you will only become eligible for TOU-BIP credits after you have met all of your I-6 annual

interruption obligations. However, during the one month annual opt-out window (November 1 through December 1), a customer participating in both I-6 and TOU-BIP must select either I-6 or TOU-BIP as their effective interruptible schedule, beginning January 1 of the subsequent year. You will continue to receive service under Schedule I-6 only. If you are on Schedule I-6 and wish to terminate service under that schedule and receive service under TOU-BIP only, you must elect to do so during the annual opt-out window. You may contact your SCE account representative to review your I-6 interruption status and your TOU-BIP sign-up eligibility.

FIRM SERVICE LEVEL

When I am on TOU-BIP, can I change my FSL?

Yes. TOU-BIP customers may request to increase or decrease their FSL during the annual November 1 to December 1 window.

If I am on I-6 and have met my obligations and I'm enrolled in TOU-BIP, can I select a different FSL under TOU-BIP than what I have in the I-6 Program?

Yes. At the time of your enrollment for TOU-BIP, you will be required to designate your FSL. The FSL you designate for TOU-BIP may be different from your FSL on I-6.

CONTRACT INFORMATION

Are there any contractual requirements for TOU-BIP?

Yes. A separate signed Contract for Interruptible Service (Contract) designating your FSL and other information is required for each service account you choose to be served under schedule TOU-BIP. The Contract is available through your SCE account representative.

How do I terminate my TOU-BIP Contract?

TOU-BIP customers may terminate their Contract during the annual November 1 to December 1 window, with termination becoming effective on the next scheduled meter read date following SCE's receipt of the termination request.

PARTICIPATION IN OTHER PROGRAMS

As a TOU-BIP customer, can I participate in other demand response programs?

Yes. With certain limitations, TOU-BIP customers may participate in other capacity-reduction programs.

TOU-BIP customers:

- May participate in the Demand Bidding Program (DBP) and the Optional Binding Mandatory Curtailment Program (OBMC), but cannot be paid for the same reduced load.
- May not participate in the CAISO's Ancillary Services Load Program.
- May not participate in the Critical Peak Pricing (CPP) Programs.

TOU-BIP EQUIPMENT REQUIREMENTS

Who pays for the dedicated telephone line and unlisted phone number required for TOU-BIP?

TOU-BIP participants are responsible for all costs associated with the installation, monthly fees, maintenance, etc., for the dedicated telephone/ telephone line and its unlisted phone number.

What type of requirements does the TOU-BIP have regarding telephone/telephone lines?

TOU-BIP customers must install one dedicated telephone and telephone line for the purpose of receiving interruption notifications. The dedicated telephone must:

- **Not have dial out capability.** Since its only purpose is to receive calls from SCE, **no** outgoing calls should be made on these lines. *Cellular phones are not acceptable means of receiving interruption notifications.*
- **Be an unlisted telephone number.** Only SCE calls should be received on this line.
- **Be a direct line.** Calls cannot go through a switchboard, voicemail, or answering machine.
- **Be located in an area where it can be immediately answered at all times.**

Failure to answer a call from SCE on your dedicated telephone line, notifying you of an interruption, may result in your failure to interrupt and may result in penalties for not complying with a notice of interruption, as described in the applicable interruptible tariffs.

If an existing I-6 customer terminates its I-6 Contract and switches to TOU-BIP, can they still use the Remote Terminal Unit?

No. All TOU-BIP customers are notified of an interruption event through their dedicated phone line. Consequently, we will not send notices of interruptions for TOU-BIP through the Remote Terminal Unit (RTU), used solely for I-6.

If you are a former I-6 customer and your RTU has a secondary radio system, and/or you have an automatic load shedding device, it is possible that the RTU could continue receiving interruption notices and your load shedding device could receive a signal and perform accidental power shedding. To avoid this potential problem, SCE recommends that you disable your RTU in the following manner:

1. Disconnect the A/C 120 power to the RTU (unplug the RTU).
2. Open the RTU and remove one or both of the leads from the batteries inside.
3. If applicable, remove your load shedding equipment from the RTU's trip relays.
4. After completion of the above steps, all features of the RTU will be rendered inoperable, including alarms, load display, and automatic load shedding.
5. If you need assistance, please contact SCE's Demand Response Helpline at (866) 334-7827.

CREDITS AND PENALTIES

What are the TOU-BIP credit amounts?

A TOU-BIP customer will be paid a monthly bill credit, regardless of whether or not there are interruption events. Bill credits vary according to voltage and are applied to the kW difference between each month's average peak demand and the customer's designated FSL. The average monthly peak period demand is the sum of the kWh consumed in the peak period (on-peak for summer and mid-peak for winter) divided by the number of hours in the period that month.

Credits are as follows:

Below 2 kV	=	\$6.81/kW
2 kV to 50 kV	=	\$6.66/kW
Above 50 kV	=	\$6.42/kW

Credit calculation example:

- Customer's monthly average peak period demand = 1,000 kW
- Customer's designated FSL = 200 kW
- Credit would be 1,000 kW - 200 kW = 800 kW x \$6.81 = \$5,448 bill credit

Note: TOU-BIP bill credits will be calculated in, and applied toward, the following month's bill.

What about service accounts enrolled through an aggregator?

For service accounts enrolled through an aggregator, credits and penalties will be calculated at the aggregated group level, and will be paid to or collected from the aggregator.

Are interruption event hours considered in my TOU-BIP credit?

Yes. An interruption event that occurs during a peak period (on-peak for summer and mid-peak for winter) would generally mean that your kWh usage would be less than normal during the event, and would therefore result in a lower credit caused by the reduced kWh usage calculated in the average monthly peak period demand.

If I enroll in the TOU-BIP after I have fulfilled my annual I-6 interruption obligations, will I still receive my I-6 rate discounts?

Yes. You will receive the I-6 rate discounts plus the TOU-BIP bill credit for the remainder of the year in which you participated in both schedule TOU-BIP and I-6.

Are there penalties associated with TOU-BIP?

Penalties, or “excess energy charges,” may be applied when customers fail to reduce their electrical usage to their FSL during an interruption event. Excess energy is the total kWh consumption above a customer’s designated FSL during an interruption event. To avoid penalties, I-6 and TOU-BIP customers must reduce usage to their FSL by no more than 15 minutes (Option A) or 30 minutes (Option B) after a notice of interruption is sent.

How much are the penalties?

The applicable penalties under schedule TOU-BIP are assessed per kWh of excess energy consumed during an interruption event and vary by voltage, as follows:

Below 2 kV	=	\$10.21 per kWh
2 kV – 50 kV	=	\$10.00 per kWh
Above 50 kV	=	\$9.63 per kWh

How is the penalty calculated?

The total kWh consumption above the customer’s FSL during a period of interruption is considered excess energy.

Example:

- Customer’s FSL = 300 kW
- Number of hours of interruption = 2 hours
- Total kWh consumed during interruption = 800 kWh
 - Convert FSL kW into FSL kWh: 300 kW FSL x 2 hours of interruption = 600 kWh

- Determine excess kWh: 800 kWh – 600 kWh = 200 kWh
- Calculate penalty: 200 kWh x \$10.21/kWh penalty = \$2,042 penalty

ESSENTIAL USE CUSTOMERS

What is an Essential Use customer?

An Essential Use customer is one whose operations are deemed by the California Public Utilities Commission (CPUC) to be essential to the health and safety of the citizens of California. They may be exempt from rotating outages to the maximum extent possible, depending on their classification. Customers will be notified if they are currently classified as Essential Use. Typical Essential Use customers include:

1. Government and other agencies providing essential fire, police, and prison services.
2. Government agencies essential to the national defense.
3. Hospitals and skilled nursing facilities.
4. Communication utilities, as they relate to public health, welfare and security, including telephones.
5. Navigation communication, traffic control, and landing and departure facilities for commercial air and sea operations.
6. Electric utility facilities, supporting fuel, and fuel transportation services critical to continuity of electric power system operation.
7. Radio and television broadcasting stations used for broadcasting emergency messages, instructions, and other public information related to the emergency electric reduction.
8. 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 fire fighting.
9. Areas served by networks at the utility’s discretion.
10. Rail rapid transit systems as necessary to protect public safety, to the extent exempted by the CPUC.
11. Customers served at transmission voltages to the extent that (a) they supply power to the grid in excess of their power at the time of the rotating outage, or (b) their inclusion in rotating outages would jeopardize system integrity.
12. Limited to other customers as necessary to protect public health and safety, to the extent exempted by the CPUC.

Note: Category M was removed from the essential customer list on September 7, 2003.

13. Petroleum refineries, vital ancillary facilities, and other customers in the critical fuels chain of production, to the extent exempted by the CPUC. Petroleum refineries are facilities that separate or alter the components in crude oil, and convert the components into usable fuels or feedstock for further processing. Vital ancillary facilities are facilities that, if reduced during a rotating outage, would cause one or more petroleum refineries to significantly reduce production, initiate a controlled shutdown, or initiate an emergency shutdown. Eligible refineries and vital ancillary facilities must be firm electricity service customers served at transmission level, or served at distribution level in an outage block exempt from rotating outages.

Will an Essential Use customer be allowed to participate in the TOU-BIP program?

Yes. However, to be in the TOU-BIP program, Essential Use customers must have on file with SCE a completed **Essential Use Declaration** stating that:

- To the best of the customer's understanding, the customer is an Essential Use customer under the rules of the CPUC and is exempt from rotating outages;
- The customer voluntarily elects to participate in an interruptible program with an FSL of no less than 50% of their maximum demand; and
- The customer has adequate backup generation or other means to meet all essential power needs.

How can I get additional interruptible program status information?

As a courtesy, SCE also provides additional interruptible program status resources. (In rare cases when we experience rapid interruptible information changes, there may be delays in our manual process of posting to any of our systems. In these situations, every effort is made to provide this information as quickly as possible.)

- **Interruptible Program Status Telephone Line**
Customers may call SCE's toll-free telephone line at (888) 334-7764 to receive up-to-date information on interruption event status. This telephone line is available 24 hours a day, 7 days a week, 365 days a year.

- **Internet Web site for Interruptible Program**

SCE's Web site at www.sce.com/l-6 displays up-to-date interruptible program status information as well as provides overall program-related information.

- **E-mail Notification Service**

On receipt from CAISO, SCE forwards interruption notices via e-mail to participating interruptible customers. (The timely delivery of these notices is dependent on the transmission abilities of various Internet service providers and is beyond the control of SCE.)

- **Early Warning Paging**

SCE sends the CAISO's notices on receipt to participating interruptible customers' personal pagers.

***Note:** Interruptible customers may not substitute the use of additional interruptible program information services listed on page 5 as alternative methods of receiving SCE's notices of interruption. These services are provided purely for reference purposes and are not alternatives to the RTU and/or dedicated telephone line. Failure to answer a call from SCE on the dedicated telephone line which notifies the customer of an interruption could result in a failure to interrupt, and may result in penalties for not complying with a notice of interruption, as described in the tariffs.*

Where can I get copies of CPUC decisions?

You can obtain copies of most CPUC Final Decisions on the CPUC Web site at: www.cpuc.ca.gov.

Where can I get information about other SCE programs and services?

SCE has several programs available to assist customers in the management of their electricity costs such as rebates, incentives, energy surveys, and payment options. If you have questions regarding TOU-BIP or any other SCE Demand Response Programs, call the DRP Helpline at **(866) 334-7827**, contact your SCE account representative, or visit www.sce.com/drps.

NR-010-BIPQA-0407

This Q&A is meant to be an aid to understanding SCE's pricing schedules. It does not replace the CPUC-approved tariffs. Please refer to the individual rate schedule of interest for a complete listing of terms and conditions of service, which can be viewed online at www.sce.com.

