

10-Day Average Baseline with "Day-Of" Adjustment



FACT SHEET

Effective January 1, 2010, the methodology used to calculate customer baselines for Demand Response events changed to a "10-Day Average Baseline." Under this new baseline methodology, each hour during the past ten similar days prior to an event day is averaged (by service account) to establish an hourly average baseline for those ten days. The past ten similar days excludes event days, weekends and holidays.*

APPLICABILITY

The 10-Day Average Baseline methodology is applicable to the following Demand Response (DR) programs:

- Capacity Bidding Program (CBP)
- Demand Bidding Program (DBP)
- Optional Binding Mandatory Curtailment (OBMC)*
- Scheduled Load Reduction Program (SLRP)

* OBMC used the 10-Day Average calculation prior to January 1, 2010. Since OBMC events may be called on weekends or holidays, the adjustment (and baseline) may be calculated differently than CBP, DBP, and SLRP. If the OBMC event occurred on a business day, then the past ten similar days will include business days only. If the OBMC event occurred on a weekend or holiday, then the past ten similar days will include weekends or holidays only.

The 10-Day Average Baseline methodology is illustrated in the example below:

Date	kWh Noon - 1 p.m.
7/29/09	5808
7/30/09	7344
7/31/09	7488
8/3/09	4992
8/4/09	5184
8/5/09	5232
8/6/09	5040
8/7/09	4848
8/10/09	5088
8/11/09	4944
10-Day Average Baseline	5597

Immediate
past ten similar
weekdays

"DAY-OF" ADJUSTMENT OPTION

The 10-day Average Baseline calculation includes a "Day-Of" adjustment option, which may adjust your baseline up or down.

The adjustment ratio is calculated in the formula below:

$$\text{Adjustment Ratio} = \frac{\text{Average kWh usage of the first three of the four hours before the event (on the day of the event)}}{\text{Average kWh usage for the same three hours from the past 10 similar days (excluding event days, weekends, and holidays)}}$$

Once the adjustment ratio is calculated, it will be multiplied by your hourly baseline for each hour during an event. The adjustment ratio is limited to plus or minus 20% of your baseline, or within a range of 0.80 – 1.20. An example of how to apply this calculation is on the next page.

Please contact your SCE Account Representative to ensure your facility has the necessary energy reduction strategies in place that would enable you to benefit from this option.

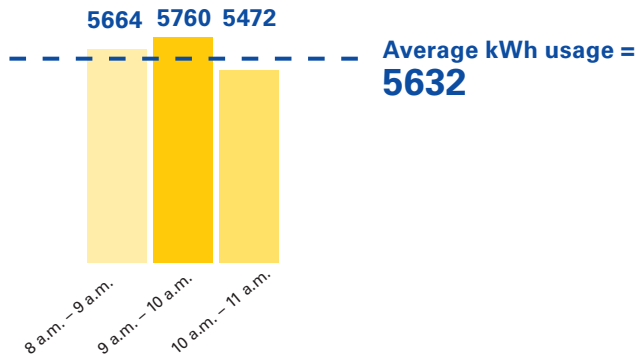
AGGREGATED GROUPS

Each of your service accounts' baselines will be individually determined, regardless of whether the "Day-Of" adjustment option is selected. Your individual baselines will then be summed up to produce the baseline for your aggregated group.

DETERMINING THE “DAY-OF” ADJUSTMENT RATIO

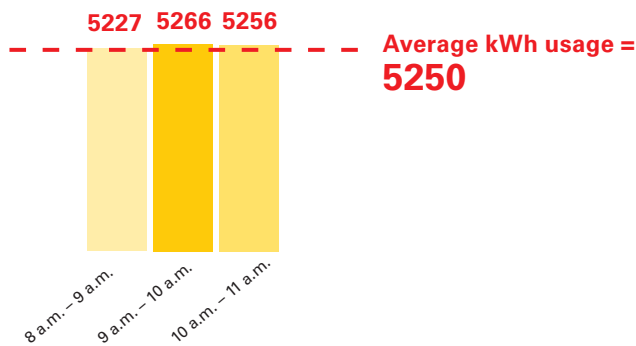
Step 1

The numerator is the average kWh usage for the 8 a.m. – 11 a.m. time period the **day of the event**.
(Figures shown in table at right.)



Step 2

The denominator is the average kWh usage for the 8 a.m. – 11 a.m. time period of the **10 days prior to the event**.
(Figures shown in table at right.)



Step 3

The kWh usage from Step 1 is divided by kWh usage from Step 2 to determine the **Day-Of Adjustment Ratio**.

$$\frac{5632}{5250} = 1.0728$$

The table on the next page shows the Day-Of Adjustment Ratio applied to kWh usage (the 10-Day Average Baseline) from Noon – 8 p.m.

8 a.m. – 11 a.m. 10 Days Prior to the Event

To determine the Day-Of Adjustment Ratio, the first three hours of the four-hour period preceding the event are used to calculate the average kWh usage.

Date	8 a.m. - 9 a.m.	9 a.m. - 10 a.m.	10 a.m. - 11 a.m.	11 a.m. - Noon
7/29/09	5712	5808	5856	
7/30/09	5808	5760	5808	
7/31/09	5568	5616	5712	
8/3/09	5136	4896	4992	
8/4/09	4944	5232	5184	
8/5/09	5136	4992	4992	
8/6/09	4896	4944	5040	
8/7/09	5088	5136	4896	
8/10/09	4992	5088	5136	
8/11/09	4992	5184	4944	
8/12/09 Event Day Usage	5664	5760	5472	
10-Day Average	5227	5266	5256	

4th hour (neutral hour used to prepare for the event)

“DAY-OF” ADJUSTMENT SELECTION

The table below lists when you may select the “Day-Of” adjustment option for each Demand Response program in which you may be enrolled:

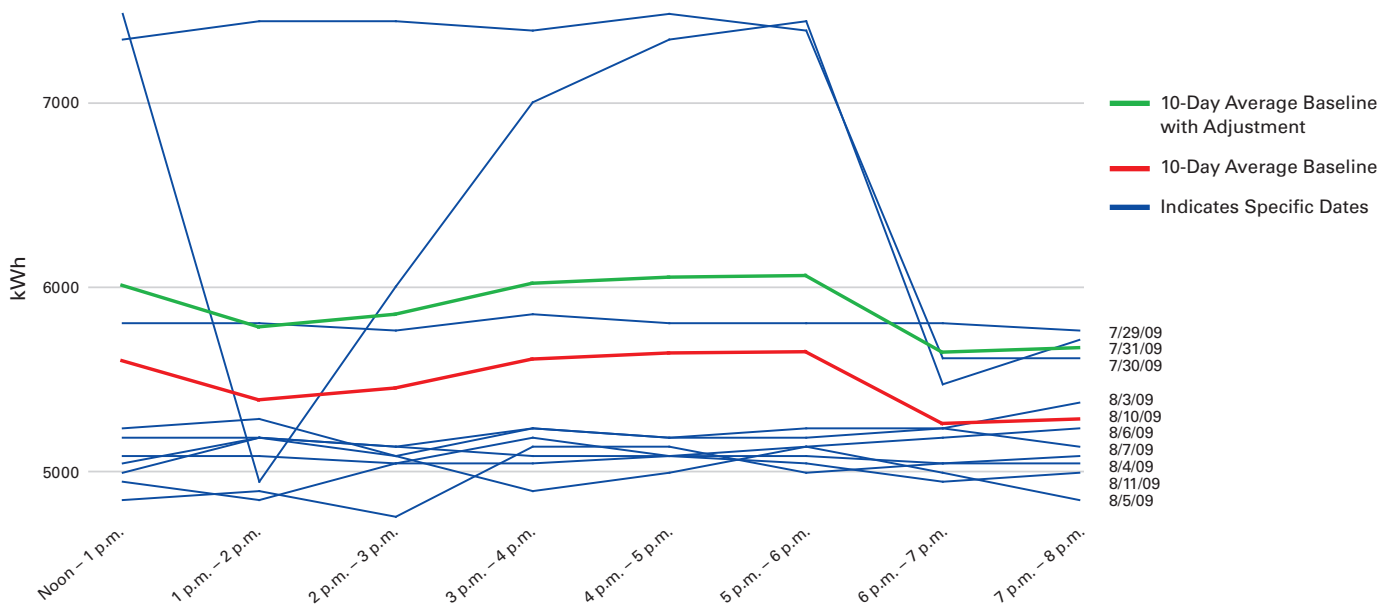
Demand Response Program	“Day-Of” Adjustment Selection	Event Hours
Demand Bidding Program (DBP)	Must be selected when placing a manual or standing bid.	12 noon – 8 p.m.
Capacity Bidding Program (CBP)	Must be selected during the monthly nomination process.	11 a.m. – 7 p.m.
Optional Binding Mandatory Curtailment Program (OBMC)	Must be selected when the annual agreement is signed.	Anytime
Scheduled Load Reduction Program (SLRP)	Must be selected when the annual agreement is signed.	4-hour options between 8 a.m. – 8 p.m.

Noon – 8 p.m. 10 Days Prior to the Event

This table shows the 10-Day Average Baseline with a “Day-Of” adjustment of **1.0728**

Date	Noon - 1 p.m.	1 p.m. - 2 p.m.	2 p.m. - 3 p.m.	3 p.m. - 4 p.m.	4 p.m. - 5 p.m.	5 p.m. - 6 p.m.	6 p.m. - 7 p.m.	7 p.m. - 8 p.m.
7/29/09	5808	5808	5760	5856	5808	5808	5808	5760
7/30/09	7344	7440	7440	7392	7488	7392	5616	5616
7/31/09	7488	4944	6000	7008	7344	7440	5472	5712
8/3/09	4992	5184	5088	5232	5184	5232	5232	5376
8/4/09	5184	5184	5136	5088	5088	5136	5184	5232
8/5/09	5232	5280	5088	4896	4992	5136	4992	4848
8/6/09	5040	5184	5136	5232	5184	5184	5232	5136
8/7/09	4848	4896	4752	5136	5136	4992	5040	5040
8/10/09	5088	5088	5040	5184	5088	5088	5040	5088
8/11/09	4944	4848	5040	5040	5088	5040	4944	4992
10-Day Average Baseline	5597	5386	5448	5606	5640	5645	5256	5280
Adjustment Ratio	1.0728							
10-Day Average Baseline with “Day-Of” Adjustment	6004	5778	5845	6015	6051	6056	5639	5665

Comparison of 10-Day Average Baseline with and without Adjustment



The Day-Of Adjustment may be beneficial if it is calculated to be greater than 1.00, as shown in this example. Customers who may benefit from the Day-Of Adjustment are those who are temperature-sensitive, who can pre-cool their facilities, or have the ability to shift load from the event period to the hours prior to an event.

