



Time-of-Use Base Interruptible Program



FACT SHEET

For Business Operations At or Above 200 kW

OVERVIEW

The Time-of-Use Base Interruptible Program (Schedule TOU-BIP) is an interruptible option open to Southern California Edison (SCE) customers who have monthly demands that reach or exceed 200 kW in any three months during a period of 12 consecutive months. Customers must commit to reducing at least 15% of their maximum demand (but no less than 100 kW) and select a Firm Service Level (FSL). When SCE sends notification of a California Independent System Operator (CAISO)-initiated interruption event to a TOU-BIP customer, the customer is required to reduce their electrical usage to their specified FSL within 15 minutes or 30 minutes (depending on the option selected) of the notification being sent.

In exchange, customers receive a monthly credit based on the difference between their average peak period demand for each month and their selected FSL. TOU-BIP credits for each billing period will be calculated and applied to the following month's bill. Excess energy charges (penalties) apply for failure to reduce power to the customer's determined FSL within 15 minutes or 30 minutes of the notification being sent.

Existing I-6 customers may also participate in Schedule TOU-BIP, but they will only become eligible for TOU-BIP credits after they have met all of their annual I-6 interruption obligations. "Essential Use" customers cannot set their FSL to less than 50% of their load.

By order of the California Public Utilities Commission (CPUC), the I-6 rate will be transitioned to BIP over a three-year period from 2006-2008, and then eliminated. I-6 customers who wish to transition to BIP may do so during a November window, provided they meet the eligibility requirements of BIP, that is, 200 kW three months out of the previous twelve.

Who is eligible?

Schedule TOU-BIP is available to customers eligible for service under General Service Rate Schedule, whose monthly maximum demands reach or exceed 200 kW. With limitations, TOU-BIP is also available to existing I-6, Demand Bidding Program (DBP), and California Demand Reserves Partnership (Cal-DRP) participants (Cal-DRP is scheduled to terminate in May, 2007). Customers taking service under Schedule TOU-BIP cannot also receive service on the Critical Peak Pricing (CPP) Programs or participate in the California Independent System Operator's (CAISO) Ancillary Services Load Program.

AGGREGATION

Customers may enroll through SCE or through an aggregator. Any eligible SCE customer and third party may combine SCE customers' load and make it available for reduction or interruption when called upon by Cal-ISO (triggered by SCE) or by SCE. Each customer enrolled in an aggregator's portfolio must take service under the provisions of a TOU rate schedule. The aggregator must sign a TOU-BIP Aggregator Agreement and establish an Aggregated Group to participate. The monthly Maximum Aggregated Demand for each Aggregated Group must be 200 kW or greater. The aggregator must select an aggregated Firm Service Level (FSL) with a minimum curtailment of 15% of the aggregated load or at least 100 kW above the aggregated FSL. The aggregator may not take insurance for willful failure to interrupt load. Customers in an Aggregated Group may also participate in some other Demand Response programs such as SCE's Demand Bidding Program, but may not receive payments from those programs if there is an overlapping event. Essential Use customers are not eligible to participate in an Aggregated Group.



Credits and excess energy charges (penalties) will be calculated at the Aggregated Group level, and SCE will pay credits to and collect any excess energy charges from the aggregator.

CUSTOMER OBLIGATIONS

Customers taking service under TOU-BIP must agree to the following conditions:

- **Firm Service Level (FSL):** The FSL is the amount of electricity a TOU-BIP customer determines is necessary to meet their operational requirements during a TOU-BIP event. TOU-BIP customers are required to reduce their electrical load to their designated FSL or “non-interruptible” level within 15 minutes, if Option A, or 30 minutes, if Option B, of a Notice of Interruption being sent to their dedicated telephone line. In exchange for agreeing to reduce electrical usage to their designated FSL, SCE provides participating customers with a bill credit based on the difference between the customer’s monthly average peak period demand and the customer’s FSL. TOU-BIP customers may change their FSL once per year during the annual November 1 to December 1 opt-out window.
- **Remote Terminal Units for Notices of Interruption:** Current and new TOU-BIP customers without a working Remote Terminal Unit (RTU) will receive an RTU for Notices of Interruption. Inactive RTUs already in place will be reactivated in 2007.
- **Telephone Lines:** TOU-BIP customers must have one dedicated, unlisted telephone line and telephone for the sole purpose of receiving official TOU-BIP event notifications, and may be required to have an additional dedicated phone line for the RTU. The dedicated telephone line must:
 - **Not have dial out capability.** Because its only purpose is to receive calls from SCE, no other calls should be made to or from this line. **Cellular phones are not acceptable.**
 - **Be an unlisted telephone number.** Only SCE calls should be received on this line.
 - **Be a direct line.** Calls cannot go through a switchboard or voicemail system.
 - **Be located in an area where it can be answered immediately at all times.** The customer is responsible for providing the telephone and telephone service.

- **Interruption Frequency and Duration:** An interruption event may occur as early as 15 minutes or 30 minutes after SCE receives such a request from the CAISO. The CAISO will direct SCE to reduce a specific amount of electrical load. SCE will then notify its interruptible customers to reduce electrical usage to their FSL within 15 minutes or 30 minutes of receiving the notification to avoid penalties.
- **TOU-BIP interruption events are limited to:**
 - No more than one 4-hour event per day, or
 - No more than 10 events per calendar month, or 120 hours per calendar year. The CAISO can call for an interruption event AT ANY TIME
 - 24 hours a day, 7 days a week, 365 days a year.
- **SCE’s Interval Meter:** The interval meter must be capable of recording usage in 15-minute intervals. If the customer does not already have an interval meter, SCE will provide and install one at no charge (certain restrictions apply).

CREDIT AND PENALTIES

What are Bill Credits?

The customer’s bill will be credited a specific amount per kW used above the customer’s designated FSL. The customer’s electrical usage is billed on a time-of-use rate, such as TOU GS-3 or TOU-8. All charges and provisions from the customer’s OAT still apply.

Termination of Interruptible Service

Failure to respond to two valid Notices of Interruption within a 12-month period may result in termination of interruptible service under this rate schedule beginning with the next regularly-scheduled meter read date following the second failure to respond.

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 and mid-peak for summer and mid-peak for winter) divided by the number of hours in the period that month.

TOU-BIP average demand credits are time differentiated and season differentiated. They vary by month, with 80% of the benefits falling in the summer and the remaining 20% in the winter.

TOU-BIP Credit Comparison		
Secondary Service	Current BIP Credit (\$/kW)	BIP-Option B Credit (\$/kW)
Summer Season On-Peak	6.81	16.45
Summer Season Mid-Peak	0.00	5.02
Winter Season Mid-Peak	6.81	1.93

Credit calculation example (for a customer below 2 kV):

- 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 \$16.45 = \$13,160 Summer On-Peak bill credit

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

Are Interruption Event Hours Considered in a TOU-BIP Credit?

Yes. An interruption event that occurs during a peak period (on-peak/mid-peak for summer and mid-peak for winter) would generally mean that a customer's 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.

Penalties Associated with TOU-BIP

Penalties, or "excess energy charges," may be applied each time a customer fails to reduce their electrical usage to their FSL during an interruption event. Interruptible customers have 15 minutes (Option A) or 30 minutes (Option B) from the time a notification is sent to fully comply with the request to interrupt to their FSL.

Penalty Amounts

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

Penalty Calculation

The total kWh consumption above the customer's FSL during a period of interruption is considered excess energy. The penalty is calculated thus: all kWh consumed above the FSL multiplied by appropriate \$ per kWh, as determined over the entire interruption event.

CONTRACTUAL REQUIREMENTS

A separate, signed Contract for Interruptible Service (Contract) designating the customer's FSL and other information is required for each service account that will take service on Schedule TOU-BIP. The Contract is available through the customer's SCE account representative. Customers enrolled through an aggregator will not sign the Contract with SCE, but will remain on their OAT. The aggregator will sign an Aggregator Agreement, and identify the service accounts that are part of the aggregated group. TOU-BIP customers or Aggregators may request to opt-out or adjust their FSL once per year during the annual November 1 to December 1 window. Changes made during the opt-out window become effective on the next scheduled meter read date after December 1, following verification of the request.

How do I sign up for Schedule TOU-BIP?

To sign up for this program, contact your account representative, visit the website www.sce.com/drp, or call the DRP Helpline at **(866) 334-7827**.

Becoming an Aggregator

Visit www.sce.com/drp, or call the DRP Helpline at **(866) 334-7827** or **(800) 990-7788**, or contact your SCE account representative.

How can I receive additional interruption information?

As a courtesy, SCE provides additional Interruptible Program Status resources. *(In rare cases when we experience rapid interruptible information changes, it may cause a delay to 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: (888) 334-7764, toll-free, 24 hours a day, 7 days a week, 365 days a year
- Interruptible Program Web site: www.sce.com/I-6
- E-mail Notification Service
- Paging Notification Service

Note: TOU-BIP customers **may not** substitute the use of the additional courtesy interruptible program information services listed above as alternative methods of receiving SCE's notices of interruption. These services are provided purely for reference purposes and **are not alternatives to the Remote Terminal Unit and the dedicated telephone line**. Failure to respond to a Notice of Interruption 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, and may result in termination from TOU-BIP, as described in the Schedule TOU-BIP tariff.

FOR MORE INFORMATION

SCE offers several programs 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**; or call **(800) 990-7788**, contact your account representative, or visit www.sce.com/drp.

PROCURING POWER FROM ANOTHER PROVIDER

Customers currently procuring power from another provider [third-party provider, or Energy Service Provider (ESP)] will continue to be billed for the non-generation charges through the applicable SCE TOU rate schedule, while their generation cost component will be billed according to the terms and charges agreed upon with their ESP.

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This fact sheet 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.

