August 8, 2013

Akbar Jazayeri
Vice President, Regulatory Operations
Southern California Edison Company
P O Box 800
Rosemead, CA 91770

Subject: Retail Customer Pilot to Demonstrate Direct Participation of a Vehicle-To-Grid Non-Generating Resource in the California Independent System Operator’s Market for Energy and Ancillary Services

Dear Mr. Jazayeri:

Advice Letter 2889-E is effective July 11, 2013 per Resolution E-4595.

Sincerely,

Edward F. Randolph, Director
Energy Division
ADVICE LETTER (AL) SUSPENSION NOTICE
ENERGY DIVISION

Utility Name: Southern California Edison
Utility No./Type: U 338-E
Advice Letter No.:2889-E
Date AL filed: April 23, 2013
Utility Phone No.: (626) 302-2086

Date Utility Notified: May 3, 2013 via: e-mail
[ x ] E-Mail to: advicetariffmanager@sce.com
Fax No.: (626) 302-4829
ED Staff Contact: Adam Langton and Noel Crisostomo

Date Calendar Clerk Notified: _____/_____/_______
Date Commissioners/Advisors Notified: ___/___/

[X] INITIAL SUSPENSION (up to 120 DAYS)

This is to notify that the above-indicated AL is suspended for up to 120 days beginning May 3, 2013 for the following reason(s) below. If the AL requires a Commission resolution and the Commission’s deliberation on the resolution prepared by Energy Division extends beyond the expiration of the initial suspension period, the advice letter will be automatically suspended for up to 180 days beyond the initial suspension period.

[ ] Section 455 Hearing is Required. A Commission resolution may be required to address the advice letter.

[ ] Advice Letter Requests a Commission Order.

[X] Advice Letter Requires Staff Review

Expected duration of initial suspension period: 120 days.

[ ] FURTHER SUSPENSION (up to 180 DAYS beyond initial suspension period)

The AL requires a Commission resolution and the Commission’s deliberation on the resolution prepared by Energy Division has extended beyond the expiration of the initial suspension period. The advice letter is suspended for up to 180 days beyond the initial suspension period.

If you have any questions regarding this matter, please contact Adam Langton at 415.703.1812 or via email at Adam.Langton@cpuc.ca.gov or Noel Crisostomo at 415.703.5404 or via e-mail at Noel.Crisostomo@cpuc.ca.gov.

cc: Damon Franz
    Maria Salinas
    ED Tariff Unit
    Akbar Jazayeri, AdviceTariffManager@sce.com
    Leslie Starck, Karen.Gansecki@sce.com
    Lisa Vellanoweth, lisa.vellanoweth@sce.com
    Protestants to the advice letter:
    None
April 23, 2013

ADVICE 2889-E
(U 338-E)

PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA
ENERGY DIVISION

SUBJECT: Retail Customer Pilot to Demonstrate Direct Participation of a Vehicle-To-Grid Non-Generating Resource in the California Independent System Operator’s Market for Energy and Ancillary Services

Southern California Edison Company (SCE) hereby submits for California Public Utilities Commission (Commission) approval the following changes to its tariffs. The revised tariff sheets are listed on Attachment A and are attached hereto.

I. OVERVIEW AND PURPOSE

Southern California Edison Company (SCE) seeks authorization to facilitate a demand response (DR) pilot in which two retail customers - the Los Angeles Air Force Base (LAAFB) and the Naval Air Weapons Station at China Lake (China Lake) - may directly participate in the California Independent System Operator’s (CAISO’s) wholesale markets. LAAFB and China Lake seek to provide energy, regulation, and other ancillary services to the CAISO market using batteries from plug-in electric vehicles (PEVs) on the two military bases. SCE seeks approval of the attached pilot tariff, entitled Schedule V2G PILOT, SCE Vehicle to Grid Experimental Pilot, which will govern the relationship between SCE and its two customers for the duration of the pilot.

The United States Department of Defense (DoD) is a key player and sponsor of this proposed pilot and has been in regular contact with LAAFB and China Lake, the staff of the Commission, the CAISO and SCE to identify the regulatory and technical issues that need to be resolved before implementing the pilot. Even in advance of filing this Advice Letter (AL), the DoD has invested resources in building out the charging stations at the two locations, procuring the necessary vehicles and equipment, and preparing the bases to enable vehicle-to-grid capability.
The pilot proposed in this AL is consistent with the goals the Commission set in Rulemaking (R.)07-01-041, which examined, *inter alia*, the rules that should govern direct participation of retail end-use customers in CAISO’s wholesale markets in light of Federal Energy Regulatory Commission (FERC) Order 719. That order required, among other things, that independent system operators (ISOs) nationally modify their tariffs to allow demand response resources to bid directly into the ISOs’ ancillary services markets. CAISO’s existing market functionality will support participation by non-generator resources (NGRs), such as batteries from PEVs, in both the energy and ancillary services markets. These resources have the capability to serve as both generation and load and can be dispatched at any operating level within their entire capacity range, but are also constrained by a MWh limit to: (1) generate energy, (2) curtail the consumption of energy in the case of demand response, or (3) consume energy.

The most recent decision in R.07-01-041 (issued on December 4, 2012) set a schedule for stakeholders to finalize a proposed “direct participation” tariff rule and documents that will be subject to Commission approval through a future Resolution.1 While that process is underway, SCE requests that the two customers in this proposed pilot be permitted to move forward so that all interested parties can benefit from the knowledge gained that can be more generally applied in several areas summarized in Section III below. Further, for the reasons stated in Section IV below, non-participating customers are not financing or being affected by the pilot. Perhaps more importantly, as the Commission stated in D.10-12-036, which authorized the Investor Owned Utilities (IOUs) to bid their retail programs into CAISO’s wholesale market as a Proxy Demand Resource, there are policy goals that can be served by a pilot like this one. Specifically, the Commission stated:

- “The CPUC is pleased to be making progress on the development of new Demand Response resources that are likely not only to facilitate the state’s aggressive greenhouse gas emissions goals, but to also diminish the need to spend ratepayer dollars to build and maintain additional, infrequently used peaking generation units.”

- “[I]mplementing . . . pilots will further the goals of renewable resource integration.”

- “[K]nowledge and insights gained through . . . pilot . . . programs will help support our efforts to resolve [many questions],” including “baseline calculations, communications needs arising from the increased use of Demand Response resources, and the need for development of consumer protection policies prior to consideration of whether and how to implement more comprehensive . . . programs.”2

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1 D.12-11-025.
2 D.10-12-036, pp. 5-6.
II. SUMMARY OF THE PILOT

The DoD seeks to replace part or all of LAAFB and China Lake general purpose fleets with vehicle-to-grid (V2G)-capable PEVs such that the vehicles’ batteries can be used to participate directly in CAISO’s market for Energy and Ancillary Services. The current plan is to have forty-one (41) vehicles at LAAFB of which 35 will be V2G-capable, accounting for approximately 600 kilowatts (kW) of potential load, and 75 V2G-capable vehicles at China Lake, accounting for approximately 3,000 kW of potential load, for daily vehicle use and for participation in CAISO’s wholesale market. The pilot at LAAFB will likely launch first, with China Lake after that. Each base will participate in a 12-month pilot measured from the date on which each one first begins its participation in the CAISO’s wholesale market as an NGR. The pilot for LAAFB may be extended by an additional six months should the customer and SCE mutually agree to that extension. However, the customers will have the ability to cut the pilot short and revert to their respective Otherwise Applicable Tariff (OAT) at any time within the pilot period. SCE will serve as the Scheduling Coordinator (SC) for the behind-the-meter PEV load (“the resource”) participating in CAISO’s wholesale markets and will transmit bids to CAISO based on the bidding strategy3 the customer develops and communicates to SCE. CAISO will then issue to SCE—as the SC—settlement invoices that reflect debits and credits associated with the performance of both resources. SCE proposes to use CAISO’s settlement invoices, which are specific to both resources, to credit (or debit, as appropriate) each military base’s overall electric bill consistent with the methodology proposed and set forth in the pilot tariff and described in subsection II.C. below.

A. Structure of the Pilot

Each military base, LAAFB and China Lake, has one primary point of connection to SCE’s distribution system. This service arrangement will not change, and the customers will each be billed at an OAT, as modified by the “Rates” section of the attached Schedule V2G PILOT tariff rider, to account for the energy, demand and customer charges incurred at each military base. All tariff provisions relevant to any Net Energy Metering (NEM) system will also apply. To isolate and measure the activity of the PEV load, and to meet CAISO’s metering requirements for the resource, each customer plans to install, at its own cost, at least one CAISO-approved “revenue-grade” meter at each base where the PEV charging occurs. The customers, through SCE as the SC, will place bids for energy and ancillary services on a day-ahead and hour-ahead basis, and, if the bids are accepted, CAISO will send dispatch instructions to the resource. The resource will be responsible for responding to CAISO’s dispatch instructions.

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3 This strategy may include self-provisioning, i.e., being a “price-taker.” The customer will be solely responsible for the strategy it chooses in relation to making its resource available to respond to the CAISO’s markets.
B. **CAISO's Non-Generating Resource Model**

CAISO launched its NGR model late in 2012 as a means of allowing eligible NGRs, including demand response resources, to participate in energy and ancillary services markets (e.g. regulation up, regulation down, spinning reserve and non-spinning reserve). CAISO financially settles the energy the resource generates or consumes at the applicable locational marginal price. CAISO also settles capacity payments associated with the resource’s provision of ancillary services. Starting May 2013, in the case of regulation up and regulation down services, CAISO will also provide a performance payment (known as a “mileage payment”) based on the accuracy of the resource’s response to CAISO’s control signals. CAISO’s payments for the resource will be based on its tariff, as approved by the FERC.\(^4\)

C. **SCE’s Role**

Because CAISO does not settle with individual end-use customers of the Utility Distribution Company, and instead interfaces only with SCs, SCE will be serving as SC for this pilot. To trace with specificity the payments CAISO provides (or that CAISO charges) for the two resources that are the subject of the pilot, SCE proposes to use a specific SC identification (ID) for the two resources at LAAFB and China Lake, each of which will bear its own Resource ID. This will enable SCE to isolate the CAISO-issued invoices containing payments/debits for each of the resources in this pilot. To the extent SCE cannot trace charges or payments directly back to an individual Resource ID, as may be the case, SCE will apply the charges or credits to LAAFB and China Lake in proportion to participating load for the applicable period. Although the NGR model permits customers to use third-party SCs, the DoD has elected to use SCE for this pilot. SCE and its two customers will agree to the communications protocol for submitting bids. Performance under this protocol may inform future program operations.

D. **Proposed Payment To The Customers**

The customers will be billed according to their OATs, with modifications to account for the following three adjustments, consistent with the pilot tariff:

1. The customer’s bill will include a credit or debit reflecting the invoice amount provided to SCE by CAISO for the Resource ID assigned to each customer. However, to the extent the CAISO invoices include charges for energy procurement by the resource at each military base, SCE will not pass that cost to the customer because the customer’s energy procurement costs are already accounted for in the customer’s OAT bill.\(^5\)

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\(^4\) An overview of CAISO’s NGR model may be found at http://www.caiso.com/Documents/NGR-REMOvew.pdf.

\(^5\) Although SCE is not now aware of any other potential “double” billing that will need to be adjusted, the objective is not to charge the customer for costs it already incurs through its retail bill.
2. For incremental costs SCE incurs to perform as the SC for this pilot—including costs for manual billing and scheduling bids—SCE will estimate these customer-specific fees, amortize them over a period of 12 months, and true them up at the pilot’s conclusion as a line item on the customers’ bills.

3. Should the CAISO issue dispatch instructions to discharge the battery or interrupt the charging of the battery in a way that may impact the metering of load at the rest of the military base, SCE will make the appropriate adjustments to the energy and kW demand registered on the customer’s retail (“master”) meter to ensure that the change resulting from responding to CAISO’s instruction is not used for both peak load shaving at the retail level and simultaneously participating in the CAISO’s market. This will be accomplished by adding all 15-minute changes to the PEV station load associated with a CAISO instruction back into the load registered on the master meter. Adjustments to the metered load will not be made in circumstances where “peak shaving” occurs in the absence of a simultaneous CAISO instruction.

III. STUDY OBJECTIVES OF THE PILOT

This pilot has many study objectives, including studying the role of the utility, if any, in direct participation by retail end-use customers in the CAISO’s markets; determining the costs involved in facilitating the proper maintenance of direct participation; supporting a pioneering customer in the direct participation space, with all its technical and metering novelties; developing a potential solution that may be scalable (possibly with modifications) to other retail customers wishing to participate in CAISO’s ancillary services market; completing a “proof of concept” test demonstrating the technical viability of V2G; and better understanding of the settlement process for wholesale market participation by a retail customer. SCE is amenable to working collaboratively with the customers, DoD (including its contractors) and CAISO to prepare a report on our findings at the conclusion of the pilot at each military base.

IV. RATEMAKING TREATMENT; IMPACT OF PILOT ON NON-PARTICIPATING RATEPAYERS

SCE is not requesting any incremental funds to design and administer the pilot. The customers will be obligated to pay service fees for manual billing and SC services emanating from the pilot. SCE proposes that the “service” fees billed to these customers be recorded as a credit entry to the distribution sub-account of the Base Revenue Requirement Balancing Account (BRRBA). These service fees will be returned to all SCE customers on an annual basis when the December 31 balance recorded in the BRRBA is included in rate levels for the following year. Interest shall
accrue monthly through the operation of the BRRBA and entries will be reviewed annually in the April Energy Resource Recovery Account Review proceeding.⁶

The pilot customers will be responsible for all costs, including penalties, if any, for non-performance of the resource at the wholesale level. Thus, this AL will not increase any rate or charge to non-participating customers, nor will it cause the withdrawal of service or conflict with any other schedule or rule.

V. STATEMENT OF NON-PRECEDENT

As is true of any pilot, the aim of this pilot is to obtain experience and knowledge that can help SCE determine what does and does not work, clarify policy principles, quantify costs for supporting retail customers’ wholesale market participation in this limited arena, and develop potential ways the direct participation structure could be modified in the future on a larger scale. As such, SCE emphasizes here—and requests that a Resolution include—a statement as to the pilot’s non-precedential status, including that nothing in the pilot shall be construed as a waiver of SCE’s ability to support different policy positions in the future. For example, SCE does not customarily provide service to its retail end-use customers. Because of the complicated and novel nature of this pilot, and to simplify the financial settlements process, the customers are soliciting SCE’s assistance as an established SC at CAISO, which will facilitate a more expedient route for the pilot, but important questions remain to be addressed about the role of the utility in direct participation more generally (and the service fees the utility should collect if it does serve in this role). There are other areas that may need to be revisited upon the conclusion of the pilot, such as, for example, the fact that the PEV load in connection with this pilot will effectively be a submetered, behind-the-meter resource, measured with a CAISO revenue-grade meter rather than an SCE retail billing meter. This set-up, in addition to the manual billing adjustments that are necessary to prevent the customer from gaining a “double benefit” by peak-shaving the base’s master-metered load as it responds to a CAISO instruction may reveal that a dedicated separate service extension, at the customer’s expense under Rule 16 – Service Extensions, may become a requirement for this type of arrangement in the future. Finally, although SCE is aware that the DoD expects to receive a net financial incentive from direct participation, it remains to be seen whether the monetary benefits of participation outweigh the costs.

VI. PROPOSED SCHEDULE

As indicated in the attached tariff, each customer will participate in a 12-month pilot starting on the date on which each military base first participates in the NGR market, with an optional six-month extension for LAAFB should the parties so agree.⁷ The LAAFB is seeking to launch the pilot by late August 2013. Because the customers are

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⁶ Upon Commission approval of this AL, SCE will file a Tier 1 Advice Letter to amend its Preliminary Statement to include a line item indicating that SCE will have a “credit entry to record fees paid by customers participating in the CAISO’s NGR market pilot program.”

⁷ As indicated above, the customers may stop participating in the pilot at any time within the pilot period and revert to their OATs.
investing millions of dollars in capital and resources into this project, SCE, on behalf of itself and the several active players involved in the pilot, respectfully requests that the Commission be cognizant that the pilot launch is time-sensitive and asks that the Commission expeditiously issue a draft resolution following the expiration of the protest period.

VII. MISCELLANEOUS

A. TIER DESIGNATION

Pursuant to General Order (GO) 96-B, Energy Industry Rule 5.3(1), this advice letter is submitted with a Tier 3 designation.

B. EFFECTIVE DATE

This advice filing will become effective on the date approved by a Commission resolution.

C. COST

No cost information is required for this advice filing.

NOTICE

Anyone wishing to protest this advice filing may do so by letter via U.S. Mail, facsimile, or electronically, any of which must be received no later than 20 days after the date of this advice filing. Protests should be mailed to:

CPUC, Energy Division
Attention: Tariff Unit
505 Van Ness Avenue
San Francisco, California 94102
E-mail: EDTariffUnit@cpuc.ca.gov

Copies should also be mailed to the attention of the Director, Energy Division, Room 4004 (same address above).

In addition, protests and all other correspondence regarding this advice letter should also be sent by letter and transmitted via facsimile or electronically to the attention of:
There are no restrictions on who may file a protest, but the protest shall set forth specifically the grounds upon which it is based and shall be submitted expeditiously.

In accordance with Section 4 of GO 96-B, SCE is serving copies of this advice filing to the interested parties shown on the attached GO 96-B and R.07-01-041 service lists. Address change requests to the GO 96-B service list should be directed by electronic mail to AdviceTariffManager@sce.com or at (626) 302-2086. For changes to all other service lists, please contact the Commission’s Process Office at (415) 703-2021 or by electronic mail at Process_Office@cpuc.ca.gov.

Further, in accordance with Public Utilities Code Section 491, notice to the public is hereby given by filing and keeping the advice filing at SCE’s corporate headquarters. To view other SCE advice letters filed with the Commission, log on to SCE’s web site at https://www.sce.com/wps/portal/home/regulatory/advice-letters.

For questions, please contact Lisa Vellanoweth at (626) 302-2021 or by electronic mail at Lisa.Vellanoweth@sce.com.

Southern California Edison Company

Akbar Jazayeri
Company name/CPUC Utility No.: Southern California Edison Company (U 338-E)

Utility type:  
- ☑ ELC  ☐ GAS  ☐ PLC  ☐ HEAT  ☐ WATER  
  - Contact Person: Darrah Morgan  
  - Phone #: (626) 302-2086  
  - E-mail: Darrah.Morgan@sce.com  
  - E-mail Disposition Notice to: AdviceTariffManager@sce.com

EXPLANATION OF UTILITY TYPE

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<th>ELC = Electric</th>
<th>GAS = Gas</th>
<th>PLC = Pipeline</th>
<th>HEAT = Heat</th>
<th>WATER = Water</th>
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Advice Letter (AL) #: 2889-E  
Tier Designation: 3

Subject of AL: Retail Customer Pilot to Demonstrate Direct Participation of a Vehicle-To-Grid Non-Generating Resource in the California Independent System Operator’s Market for Energy and Ancillary Services

Keywords (choose from CPUC listing): Demand Response, Balancing Account

AL filing type: ☑ One-Time  ☐ Monthly  ☐ Quarterly  ☐ Annual  ☐ Annual  ☐ Other

If AL filed in compliance with a Commission order, indicate relevant Decision/Resolution #:

Does AL replace a withdrawn or rejected AL? If so, identify the prior AL: 

Summarize differences between the AL and the prior withdrawn or rejected AL:

Confidential treatment requested? ☑ Yes  ☐ No

If yes, specification of confidential information: 
Confidential information will be made available to appropriate parties who execute a nondisclosure agreement. Name and contact information to request nondisclosure agreement/access to confidential information:

Resolution Required? ☑ Yes  ☐ No

Requested effective date: Upon approval by Commission resolution  
No. of tariff sheets: 5

Estimated system annual revenue effect (%): 
Estimated system average rate effect (%): 

When rates are affected by AL, include attachment in AL showing average rate effects on customer classes (residential, small commercial, large C/I, agricultural, lighting).

Tariff schedules affected: Schedule V2G PILOT, Table of Contents

Service affected and changes proposed: 

Pending advice letters that revise the same tariff sheets: None

1 Discuss in AL if more space is needed.
Protests and all other correspondence regarding this AL are due no later than 20 days after the date of this filing, unless otherwise authorized by the Commission, and shall be sent to:

CPUC, Energy Division
Attention: Tariff Unit
505 Van Ness Ave.,
San Francisco, CA 94102
Edtariffunit@cpuc.ca.gov

Akbar Jazayeri
Vice President of Regulatory Operations
Southern California Edison Company
8631 Rush Street
Rosemead, California 91770
Facsimile: (626) 302-4829
E-mail: AdviceTariffManager@sce.com

Leslie E. Starck
Senior Vice President, Regulatory Policy & Affairs
c/o Karyn Gansecki
Southern California Edison Company
601 Van Ness Avenue, Suite 2030
San Francisco, California 94102
Facsimile: (415) 929-5540
E-mail: Karyn.Gansecki@sce.com
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APPLICABILITY

This Schedule is applicable to customer accounts receiving service on the main meter of the Los Angeles Air Force Base (LAAFB) and the Naval Air Weapons Station at China Lake (China Lake).

This Schedule implements a twelve-month pilot program beginning from the date on which each military base first uses vehicle batteries to participate in the California Independent System Operator's (CAISO's) wholesale markets (“battery resource”). The pilot may be suspended at any time at the election of the customer, and the pilot for LAAFB may be extended by an additional six months should the customer and SCE mutually agree to that extension.

CAISO's existing market functionality will support participation by non-generator resources (NGRs), such as batteries from plug-in electric vehicles (PEVs), in both the energy and ancillary services markets. These resources have the capability to serve as both generation and load, and can be dispatched to any operating level within their entire capacity range but are also constrained by a megawatt-hour (MWh) limit to (1) generate energy, (2) curtail the consumption of energy in the case of demand response, or (3) consume energy.

TERRITORY

Within SCE’s territory only at LAAFB and China Lake.

RATES

Customers eligible for service under this Schedule will be billed according to their Otherwise Applicable Tariff (OAT) subject to the following three adjustments:

1. The customer’s bill will include a credit or debit reflecting the invoice amount provided to SCE by CAISO for the resource(s). However, to the extent the CAISO invoices include charges for energy procurement by the battery resource at each military base, SCE will not pass that cost to the customer because the customer’s energy procurement costs are already accounted for in the customer’s OAT bill.

2. SCE will collect service fees on a monthly basis, per customer, for incremental expenses it incurs, as follows:

   Manual Billing.................................................................$ 118.46
   Meter Data Feed to Billing.................................................$ 216.50

These fees are good faith estimates only. Actual costs will be tracked throughout the pilot and will be reconciled with the amounts billed at the conclusion of the pilot. Any excess costs will be billed to the customer, and any excess charges will be reimbursed to the customer.
SCE VEHICLE TO GRID EXPERIMENTAL PILOT

RATES (Continued)

3. Should the CAISO issue dispatch instructions to discharge the battery or interrupt the charging of the battery in a way that may impact the metering of load at the rest of the military base, SCE will make the appropriate adjustments to the energy and kW demand registered on the customer’s retail (“master”) meter to ensure that the change resulting from responding to CAISO’s instruction is not used for both peak load shaving at the retail level and for participation in the CAISO’s market simultaneously. This will be accomplished by adding all 15-minute changes to the PEV station load associated with a CAISO instruction back into the load registered on the master meter. Adjustments to the metered load will not be made in circumstances where “peak shaving” occurs in the absence of a simultaneous CAISO instruction.

SPECIAL CONDITIONS

1. Metering. The customer shall install, solely at the customer’s expense, sufficient metering to allow the CAISO to measure performance of the customers’ battery resource being bid into the CAISO’s markets and to accurately bill under Schedule NEM or other applicable SCE tariffs.

2. Bidding. Although SCE will serve as the customer’s Scheduling Coordinator (SC) at CAISO for purposes of this pilot only, and will transmit bids to CAISO based on the customer’s bidding instructions as communicated to SCE, the customer will be solely responsible for the strategy it chooses in relation to making its battery resource available to respond to the CAISO markets.

3. CAISO Settlements. CAISO’s payments for the battery resource will be based on its tariff, as approved by the Federal Energy Regulatory Commission (FERC). SCE will not be responsible for disputing with CAISO the debits or credits it includes on the invoices it submits to SCE respecting the customer’s resource performance in the CAISO markets. Should the customer wish to have SCE dispute the invoices on the customer’s behalf, the customer must pay dispute resolution fees, as determined by SCE.

4. Payment Allocation. To trace with specificity the payments CAISO provides (or that CAISO charges) for the two battery resources that are the subject of the Schedule V2G Pilot, SCE will use a specific Scheduling Coordinator Identification (SCID) for the two battery resources at LAAFB and China Lake, each of which will bear its own Resource ID. This will enable SCE to isolate the CAISO-issued invoices containing payments/debits for both resources in this pilot. To the extent SCE cannot trace charges or payments directly back to an individual Resource ID, SCE will apply the charges or credits to LAAFB and China Lake in proportion to participating load for the applicable period.
SPECIAL CONDITIONS (Continued)

5. Communication Protocol. SCE and the two customers subject to this Schedule will agree to a communications protocol for submitting bids to SCE for transmittal to CAISO.

6. Indemnity and Liability.

6.1 SCE shall not be liable to the customers for consequential damages incurred by the customers.

6.2 Nothing in this Schedule V2G Pilot shall create any duty to, any standard of care with reference to, or any liability to any person other than SCE and the customers, who are each a party to this Schedule.

6.3 The customers shall be responsible for protecting their facilities from damage by reason of preparing for or executing this pilot, including, but not limited to, the PEVs and their batteries, and all equipment associated with the pilot, and SCE shall not be liable for any such damage so caused.

7. Governing Law. Matters involving the interpretation of this Schedule are subject to the jurisdiction and regulation of the California Public Utilities Commission (Commission) except to the extent that same are determined to be preempted by Federal law.

8. All Other Rules Apply. All SCE rules apply to this rate schedule.
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PRELIMINARY STATEMENT:

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