



Demand Response Remains Crucial to Summer Power Outlook

Statewide analyses indicate that the Southern California region should have adequate power supplies this summer given new generation scheduled to come online and customers' increasing commitment to participation in demand response programs.

The California Energy Commission projects just a 0.6% statewide probability of a Stage 3 peak day event, which would mean involuntary rolling blackouts. For the California Independent System Operator's SP 26 zone ("SP 26") – which includes the service territories of Southern California Edison (SCE) and San Diego Gas & Electric – the probability of a summer 2008 Stage 3 event is estimated at 1.6%.

The improved outlook compared to last year's takes into account the addition of approximately 900 megawatts (MW) of new generating capacity in SP 26 for this summer, as well as continued demand response participation from SCE customers.

However, despite the positive power supply outlook, the National Oceanic and Atmospheric Administration projects a warmer than average summer for Southern California, so the actual situation could change if significant heat storms occur. Even if any prolonged high temperatures don't lead to rolling blackouts, they still can cause outages on localized circuits, which SCE crews address as quickly as possible.

Demand Response Value

Use of energy efficiency and demand response during the heat spell on Labor Day weekend 2007 demonstrated how customer actions can help keep the electrical system "whole" and avoid rolling blackouts.

SCE reached its all-time system peak of 23,303 MW on Friday, Aug. 31, 2007. At the time of the peak, 55 MW of load reduction was achieved through a combination of day-ahead demand response programs and the Summer Discount Plan (air conditioner cycling), which helped alleviate localized circuit overloading. SCE had sufficient reserves to avoid any emergencies, plus the ability to tap into more demand response load reductions if needed.

Overall, SCE maintains the largest portfolio of demand response programs in California, with potentially more than 1,300 MW of demand reduction available during peak load periods.

Customers who participate in demand response programs receive valuable financial incentives in exchange for shifting or reducing energy use during critical energy demand periods. To learn more about which SCE programs can best serve your business, contact your account representative or visit www.sce.com/drp.

To read more about the state's 2008 power supply outlook, visit www.energy.ca.gov/2008_summer_outlook/documents/index.html.

Long-Term Supplies

Besides helping customers tap into a large portfolio of both demand response and energy efficiency programs, SCE continues to aggressively pursue the addition of new clean, renewable generation resources to its power supply mix. This fits into California's aim to meet power demand growth first with energy efficiency and demand response, then with renewable resources and distributed generation, and finally with new clean and efficient fossil-fueled generation resources.

SCE leads the nation in renewable power delivery, procuring about 13 billion kilowatt-hours of renewable energy per year, more than any U.S. utility. Currently, SCE serves over 16% of its customers' needs with renewable energy, and continues to work toward meeting the goals of California's renewable portfolio standard. By 2010, SCE hopes to have contracts in place that will allow 20% or more of its customers' energy needs to be met with renewable energy.

As recently as December 2007, SCE signed two new contracts – subject to California Public Utilities Commission approval – that could provide an additional 185 MW of renewable energy (in this case, geothermal and wind generation). These agreements came from the competitive renewable energy solicitation SCE issued in 2007.

For more information on SCE's renewable energy portfolio, visit www.sce.com/renewables.

QUICK LINKS TO FIND ENERGY INFO

SCE Home Page
– www.sce.com

Energy-Related Learning
– www.sce.com/ctac
– www.sce.com/agtac

Statewide Transmission System Status
– www.caiso.com

Utility Regulation
– www.cpuc.ca.gov
– www.energy.ca.gov

Make Your Resolutions for an Energy-Efficient 2008

It's still early in the year, so here are eight resolutions for '08 to save energy and save money – and make this your most energy-efficient year yet.

1. **Put more cash in your stash:** Earn rebates from SCE for energy-efficient equipment retrofits and the installation of high-efficiency equipment or systems. Check out www.sce.com/RebatesandSavings/SmallBusiness/ and www.sce.com/RebatesandSavings/LargeBusiness/ to learn more.
2. **Find out what the survey says:** Take the online business energy survey available at www.sce.com/RebatesandSavings/SmallBusiness/. You'll receive a report that lists ways you can lower energy use, along with estimated cost savings for each energy-saving suggestion.
3. **See the light:** Pledge to switch out at least one regular incandescent bulb for a compact fluorescent lamp (CFL); visit www.sce.com/cfl for details. CFLs now come in a variety of light qualities and shapes. Best of all, they use about a quarter of the energy of and last up to 10 times longer than a regular incandescent bulb.
4. **Chill your bill:** Save up to \$240 for every typical 5-ton air conditioning unit enrolled in the Summer Discount Plan, which provides you with bill credits for allowing SCE to occasionally turn off (or "cycle") the compressors of your central air conditioning unit (the fan continues to operate) during the summer months. Review the various cycling options and plans, as well as details on other SCE demand response programs, at www.sce.com/drp.
5. **Stay in tune:** Also get ready for summer by tuning up your air conditioning system. A nominal investment in preventative maintenance on your system can reduce heating, ventilation and air conditioning (HVAC) system expenses by up to 30% annually. Visit www.ac-quality.com for more details on SCE's A/C Quality Program.

Contact your account representative for additional information and assistance.

6. **Become a vampire slayer:** Make sure you're aware of "energy vampires" – electronic equipment, appliances and devices that use energy 24 hours a day, even when you think they're turned off. You can cut up to 6% from your bill by making sure that you plug your devices into a power strip or surge protector and turn it off when you're not using the equipment. For equipment that will lose its programming if turned completely off, buy ENERGY STAR-labeled products because they use less energy in "standby" mode.
7. **Make school cool:** Sign up for classes offered on a variety of energy management topics – from lighting and HVAC, to motors and refrigeration, and more – at SCE's Customer Technology Application Center (CTAC) in Irwindale and Agricultural Technology Application Center (AGTAC) in Tulare. Get the details at www.sce.com/energycenters.
8. **Follow the sun:** Receive rebates by providing your own clean, renewable energy from solar panels when you take advantage of the California Solar Initiative. Learn more at www.sce.com/RebatesandSavings/CaliforniaSolarInitiative/.

SCE's Energy Centers: Solutions for Your Business

The Customer Technology Application Center (CTAC) in Irwindale and the Agricultural Technology Application Center (AGTAC) in Tulare provide energy management and energy efficiency solutions to help your business save both energy and money. The calendar of events at both energy centers is available, listing seminars and workshops on a variety of subjects. For more information, contact CTAC at 800.336.2822 or AGTAC at 800.772.4822, or visit www.sce.com/energycenters.

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