



SOUTHERN CALIFORNIA
EDISON[®]

An EDISON INTERNATIONAL[®] Company

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INDUSTRIAL SEGMENT EDITION

SOUTHERN CALIFORNIA EDISON

POWER BULLETIN

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Lower Your Rates by Participating in Critical Peak Pricing

Southern California Edison's (SCE) Critical Peak Pricing (CPP) programs offer valuable financial and other benefits if, in the summer months, you reduce electricity use during critical on-peak periods or shift usage to off-peak hours. By participating in a CPP program, you can lower your operating costs plus assist in alleviating potential power shortages in your community.

Customer CPP Benefits

CPP may prove especially valuable if you typically use less energy during peak hours, or if you have extended operating hours year-round and can minimize your energy use during CPP events. You then may benefit from the rate without making any major operational changes during a CPP load reduction event. For all participants, the more energy usage you can reduce or shift during critical peak days, the more money you can save.

Specifically, on a CPP rate, you may receive:

- Reduced mid-peak energy rates for all non-CPP use year-round, plus lower energy rates during non-CPP summer season on-peak hours (with higher energy rates during summer season CPP load reduction events).
- Bill protection for the first 12 months on CPP, which eliminates initial-year risks without eliminating rewards.
- An incentive credit of \$19.50 per month for SCE Cost Manager[®] for the initial year, offering access to powerful cost analysis tools.
- The ability to take advantage of SCE's Technical Assistance and Technology Incentives Program, in the form of demand response site assessments and financial incentives for the installation of eligible technologies that can reduce electricity usage during times of peak demand.

The CPP-Volumetric Charge Discount (CPP-VCD) rate is available to most bundled service customers with demands of 200 kilowatts (kW) or greater, while the CPP-GCCD (Generation Capacity Charge Discount) is available to bundled service customers eligible for Schedule TOU-8 service, with maximum demands of 500 kW or greater.

There are a total of 12 CPP events per summer season, including four test events, with no more than six hours per event.

Note that in October 2009, as part of SCE's General Rate Case Phase 2, all customers with demands greater than 200 kW are expected to be defaulted to a CPP rate. Customers should consider taking advantage of CPP now, with the initial 12-month bill protection, to prepare for potential default CPP rates.

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Your account representative can help you evaluate your facility for CPP based on your actual energy usage. To find out more, contact your account representative and visit www.sce.com/drp.

Get Energy-Saving Analyses at Your Fingertips

SCE's EnergyManager® suite of Internet-based programs gives you the knowledge and tools to make smart energy decisions right from your computer. The programs help you manage and monitor your company's energy usage, perform cost analyses and review billing information, which can help you save energy and money. Here's what's available:

- **SCE EnergyManager® Basic** is a free, easy-to-use web-based program that provides basic energy information and analytical tools to help you effectively manage your energy usage. Using EnergyManager Basic lets you identify when your energy usage is high, see how temperature affects your energy usage and compare data month-to-month or year-to-year. The program gives you the knowledge and opportunity to successfully participate in SCE's demand response programs.
- **SCE Cost Manager®** is a fee-based program that provides additional tools to help you better understand how your energy use translates into energy costs, plus enables you to analyze the savings of making changes to business operations and identify the cost benefits of implementing load reduction strategies. You may also receive interval data updates daily, hourly or quarter-hourly.
- **SCE Bill Manager®** is a fee-based program that allows you to review and track your SCE bills online. Using this tool, you can evaluate energy use trends, benchmark costs and usage, print and download easy-to-use reports for additional analysis and receive an electronic image of your SCE bills. Bill Manager also eliminates the manual input of bill data and streamlines the bill review and approval process.

For more information on the SCE EnergyManager suite of tools, contact your SCE account representative or visit www.sce.com/energymanager.

INDUSTRIAL SEGMENT FOCUS

Industrial Customers: How to Make the Most of Critical Peak Pricing

The Critical Peak Pricing (CPP) programs offered through SCE can prove especially valuable to industrial customers with certain load profiles and operational schedules.

If you are in an industry – like plastics and foam products, fabrication, commercial printing, furniture and millwork production, among others – that has operational flexibility, you may be able to enjoy significant savings from the CPP programs.



Industrial customers with operational flexibility may be able to achieve significant savings through the Critical Peak Pricing programs.

CPP is a rate that has lower charges than your standard rate during non-CPP event periods (most of the time during the summer season). On the 12 CPP event days (summer season weekdays from noon to 6 p.m.), the charges will be greater than your standard rate. If your operation has flexibility that can reduce your energy usage during CPP events, you should realize a saving. You may even benefit from the CPP rate without further load reductions during events because your current operating schedule already benefits on CPP.

Here are specific keys to determine whether the CPP rate can work for you:

- You can use mid- and off-peak periods (including weekends) to make up any curtailed production as a result of a CPP event.
- You have excess production capacity and/or operational flexibility, but the Time-of-Use Base Interruptible Program (TOU-BIP) does not work for you. (TOU-BIP provides participants with a monthly credit for reducing at least 15% of their maximum demand – not less than 100 kilowatts – during a program event.)
- You're not currently benefiting from weekend off-peak rates, and so may see larger potential annual savings from CPP participation.
- You're in a cyclical industry that's more likely to have excess capacity.
- You have curtailable on-peak production that can be completed after a CPP event without interfering with delivery commitments.
- You can increase energy-intensive processes before a CPP event and build in a six-hour inventory during an event for low-energy-intensive processes (like assembly).
- You're able to reschedule maintenance to a CPP period with one-day notice.
- You operate Monday through Friday but can make up production on a Saturday.

Additional CPP Advantages

The CPP-GCCD (Generation Capacity Charge Discount) rate rewards load reduction behavior by removing summer on-peak and mid-peak demand charges. The CPP-VCD (Volumetric Charge Discount) rate offers reduced mid-peak energy rates for all non-CPP usage year-round, plus lower on-peak energy rates during non-CPP summer season hours. In return, you pay significantly higher energy charges during a CPP event, providing the incentive to reduce or shift usage at that time.

As a CPP participant, you can enhance your load reduction abilities with incentives available through SCE's Technical Assistance and Technology Incentives Program to install eligible technologies, such as energy management systems (EMS). You can use an EMS to move from manual to automated demand response, and also can leverage the EMS to further optimize all energy usage and save even more energy and money.

Finally, you can augment CPP savings with savings through the Demand Bidding Program (DBP) – a flexible Internet-based bidding program that gives participants the opportunity to voluntarily reduce power during a DBP event without the risk of any penalties. Although you cannot receive duplicate credits (meaning no DBP incentives during a CPP event), you can participate in both programs at once and maximize your bill-lowering potential.

To learn more about making CPP work for you, contact your account representative, and get more information at www.sce.com/drp.



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