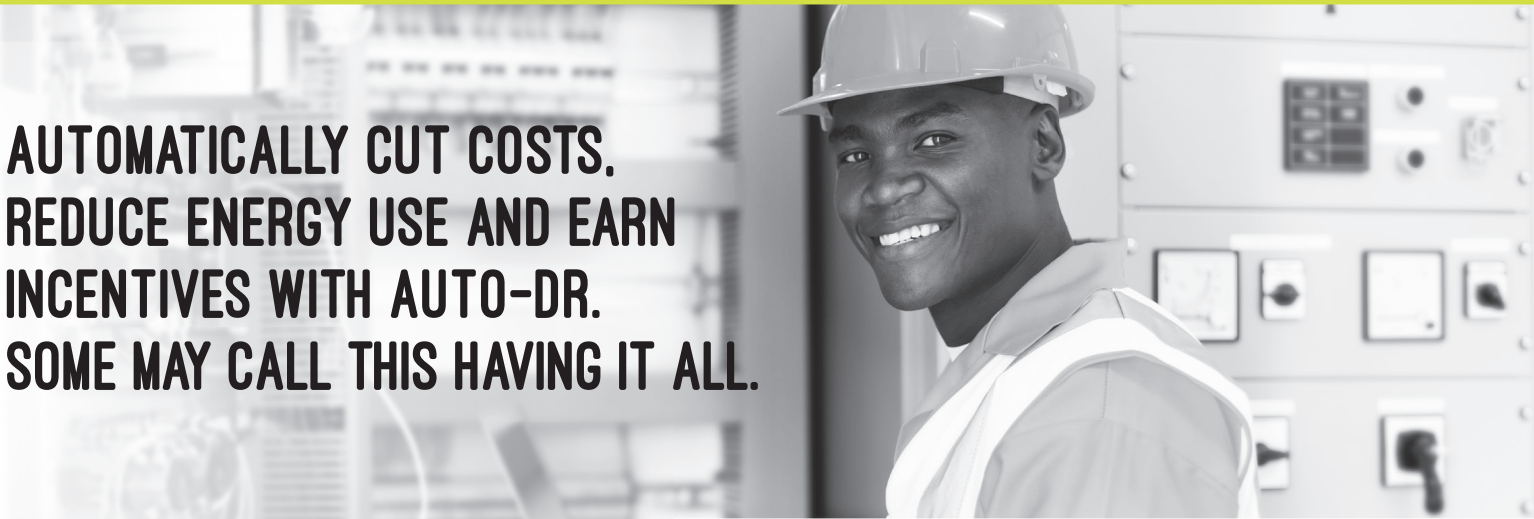


Automated Demand Response with Customized Technology Incentives



**AUTOMATICALLY CUT COSTS.
REDUCE ENERGY USE AND EARN
INCENTIVES WITH AUTO-DR.
SOME MAY CALL THIS HAVING IT ALL.**

Looking for a simple way to reduce energy costs? Load reduction is the answer. That's when you lower your energy use during the highest period of demand (when energy can be most expensive). Sign up with Automated Demand Response (Auto-DR), and you can reduce your energy at exactly the right time. Automatically. It's an easy way to save energy, money, and time.

With Auto-DR, put your saving strategy on autopilot.

An easy way to save energy is through our Auto-DR Program. It's based on a technology that automates load reduction during a Demand Response (DR) Event. So, when you enroll in a DR Program, you'll benefit by maximizing your participation and capitalizing on program earnings with little or no effort.

Ease of use + total control.

Auto-DR is easy to use. Plus, it's flexible and gives you complete control over your operations. First, decide your load reduction strategy. Then input the actions you want to take into your energy management system (EMS) or other load control devices. When a DR Event is called, a signal is sent to your EMS. Your device will understand and follow your pre-programmed settings. If you need to adjust those settings or override during an Event, you can do that, too. We just want you to be comfortable and take advantage whenever you can.

Auto-DR Customized Technology Incentives.

We're glad to offer Technology Incentives to help you enjoy the full benefits of Auto-DR. We'll pay whichever is less — either \$200 per kW of verified load reduction or 75% of actual eligible qualifying¹ equipment and installation costs. Your incentives are based on the Auto-DR measured and verified (M&V) load reduction.

Qualifying equipment and technologies.

- Lighting controls, motors, pumps, fans, air compressors, process equipment, and HVAC
- Thermostats and other temperature control devices that are able to receive Auto-DR signals
- Some load control software and hardware
- Plus, much more

“ We knew we wanted to have that powerful tool at our disposal. By automating the most important part of our process and reducing energy, we're lowering costs and going green. ”

— Jesse Munguia,
Operations Manager at Four Star Fruit



Auto-DR in action during a DR Event.

FAQs

When will I be reimbursed?

Here is the process in a nutshell:

- 1 Your Auto-DR project is approved, then you purchase and install
- 2 3rd party performs Measurement and Verification (M&V)
- 3 **After M&V results are verified, receive 1st payment: 60%**
- 4 Actively participate, for 12 consecutive months in a Qualifying DR Program
- 5 **Receive 2nd participation bonus payment of up to 40%**

We pay in two installments:

Installment Payment 1

Amount: 60% of your approved incentive amount
Timing: After installation and measurement verification

Installment Payment 2: Participation Bonus

Amount: Bonus of up to 40% of your approved incentive amount
Timing: Based on your DR performance over the 1st 12 months

Participation Bonus Calculation:

$$\left[\frac{\text{Average DR Participation [kW]}}{\text{M\&V Load Reduction [kW]}} - 0.6 \right] \times \text{Approved Incentive Amount [\$]}$$

$$\text{Where average DR Participation [kW]} = \frac{\text{Total Consumption Reduction for all Events [net kWh]}}{\text{Total eligible Event hours [h]}}$$

Where approved incentive amount [\$] is the lesser of \$200 x M&V load reduction [kW] or 75% of actual and reasonable cost for installation and purchase of qualifying equipment.

Your total eligible incentive amount is based on M&V of your load reduction performed by a third-party engineer. To keep your incentives, you must remain on a Qualifying DR Program for at least 36 consecutive months.

What can I do to maximize my 40% participation bonus?

It's all about your actual load reduction achieved during a DR Event. If your average hourly load reduction is more than 60% of your M&V load reduction, you'll enjoy a portion of the bonus. Interested in earning the whole bonus? Your load will need to be the same or higher than your incentivized kW amount.

What happens if I don't perform during an Event?

Your average hourly load reduction needs to be above 60% of your M&V load reduction to earn the participation bonus. So if you don't do well or override an event, you'll need to exceed or over-perform in other DR Events to make up for low performing events. If your average hourly load reduction is at 60% or less, you won't qualify for the participation bonus incentive amount.²

“ ... now we have new information and options, and we can monitor our equipment and decide what to use. Our EMS gives us flexibility and more!” ”

— Jim deLeo,
President at West American Rubber Co.



Will all events count towards Average Participation?

All DR events that occur between May through October from noon to 8 p.m. will count towards the participation bonus incentive calculation. We use the Average Performance of hours related to all Auto-DR enabled programs you're enrolled in. Remember that eligible event hours differ from program to program.

Does your business qualify?

Ready to participate in Auto-DR? Just meet the following requirements and you can be on your way.

- Be a current SCE business customer
- Be enrolled in and meet the requirements of one or more of these Qualifying DR Programs:
 - Capacity Bidding Program (CBP)
 - Critical Peak Pricing (CPP)
 - Real-Time Pricing (RTP)
 - Demand Response Auction Mechanism (DRAM) Pilot
- Have an installed interval or Edison SmartConnect® meter with interval data features enabled

What are the requirements to earn incentives?

If you want to earn Auto-DR Customized Technology Incentives, your facility must:

- Be a bundled service, Direct Access, Community Choice Aggregation or Community Aggregation customer
- Have purchased and installed qualifying DR solutions
- Enroll and/or remain enrolled in a Qualifying DR Program for at least 36 consecutive months after you receive the first technology incentive payment

Ideal Industries for Auto-DR Customized Solutions:

- Large Retail
- Agricultural
- Water
- Manufacturing
- Office Buildings
- Hospitality/Lodging

“ From an energy standpoint, Demand Response and the EMS enabled us to increase our business without the higher energy costs. ”

— James Johnson,
Senior Systems Analyst at Railex

To learn more about Auto-DR Customized Technology Incentives, visit sce.com/drp or call the Auto-DR program helpline at 1-866-238-3605.

¹Requests for reimbursement must meet program eligibility requirements. Energy Management Systems may also qualify for additional incentives through SCE's energy efficiency rebate programs. Incentives are not granted for manual improvements to existing equipment, customer behavior changes or metering equipment.

²Contact your SCE representative for more information if your total incentives are \$200,000 or greater for a single facility.

This fact sheet is meant to be an aid to understanding SCE's programs and pricing schedules. It does not replace the CPUC-approved tariffs. Please refer to the individual rate schedule or Demand Response program of interest for a complete listing of terms and conditions of service, which can be viewed online at sce.com/tariffbooks.

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