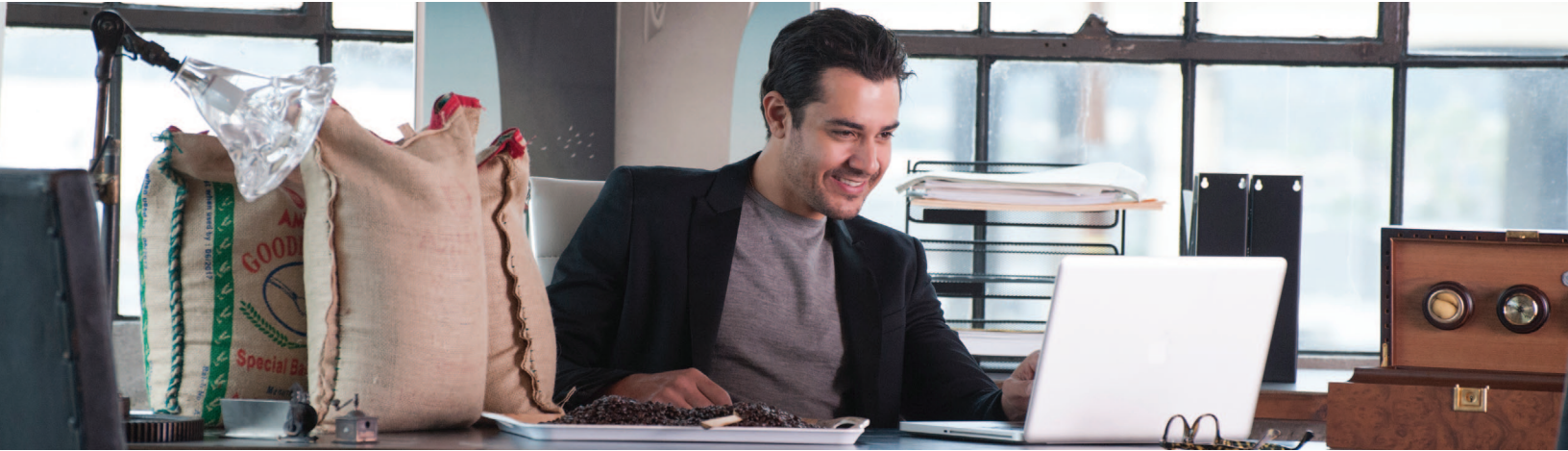


Capacity Bidding Program



Start Earning Incentive Payments for Powering Down When Electricity Demand Is Up

As your electricity provider, we're not just focused on delivering your electricity; we're here to help you find ways to reduce your energy use. For businesses of all sizes, we offer the Capacity Bidding Program (CBP), which rewards you for reducing energy when energy prices are high, demand reaches critical levels, or supply is limited. By pledging to use less energy when a CBP event is called, your business can help us prevent outages and reduce greenhouse gas emissions, all while earning incentives that can create significant savings on your electric bill.

Get Paid to Reduce with CBP

- Receive a monthly incentive payment even if no load reduction events are called
- Participate through a third-party Aggregator or Self-Aggregate your portfolio of service accounts
- Make flexible monthly choices; you control how much you bid each month

How CBP Works

The Capacity Bidding Program is a year-round, event-based program, which means we may call an event any weekday (excluding holidays) between 1 p.m. and 7 p.m. to temporarily reduce energy usage. Events are called in response to weather- or system-related energy shortages, high energy prices, or may be called up to three times a year for testing purposes. Each month, you choose how much your business can commit to reduce, and you'll receive incentive payments for meeting your bid. Even if no CBP event is called, you'll still earn incentives, so it pays to participate.

Events can be scheduled on a day-ahead or on a day-of basis and can last from one to six hours. Event participants will not be required to reduce load for more than one event per day and not for more than 30 hours per month.

Flexibility to Change

We know your business energy needs can change from month to month, so we designed the CBP to give you the control and flexibility to change your commitment, or "Capacity Nomination", on a month-to-month basis. Once enrolled, you'll have access to our easy online system to choose your bid amount and set notification preferences. You can also opt to be notified the day of, or the day before the event, by your choice of email, SMS text message, or telephone, so you can plan ahead.

Capacity Bidding Program

Maximize Incentive Payments to Your Bottom Line

The CBP offers two types of incentive payments: Energy Payments and Capacity Payments. Energy Payments are only earned when events occur, and are based on your actual energy-use reduction. Generally, Capacity Payments are based on the load reduction amount you nominated for the month and vary depending on the month's capacity price and whether you require day-ahead or day-of notification. The closer your average actual energy load reduction during event hours is to your bid/nomination amount, the higher your Capacity Payment. If no event is called in a given month, you'll receive the full Capacity Payment. If you fail to meet your bid commitment during an event, you may be subject to penalties, so we recommend bidding reduction levels that are attainable.

Is Your Organization Eligible?

We invite and encourage all of our business customers to participate in the CBP, whether you are a large-scale operation or one with multiple smaller locations under one portfolio. To participate, you'll need to have an approved meter that measures energy use in hourly increments. In some cases, business customers who are already enrolled in a Demand Response (DR) rate plan or program may not be eligible for this program. Please see the Dual Participation rules for more information.

Getting Enrolled

You may choose to enroll through a third-party aggregator or if your business has a single or multiple service accounts with us, you may want to self-aggregate. You'll need to meet certain requirements, and you'll be able to manage your CBP portfolio through our online system. Start by calling your Account Manager or the Demand Response Helpline. We can help you determine if you're eligible, properly metered, and review your enrollment options.

What Types of Reductions Can I Make?

Common examples include:

Lighting	Battery Chargers
Manufacturing Processes	Pumps
HVAC Equipment	Industrial Freezers

Our customers find that many energy intensive processes can be shifted by a few hours to facilitate participation.

For more customized reduction strategies, visit sce.com/energytips.

Additional Resources to Manage Your Energy Use

If you're a medium or large business, we invite you to take advantage of SCE EnergyManager[®] online. This online resource can help you save time and money, while providing you with tools to evaluate your bids. You may also want to consider installing Automated Demand Response enabling equipment that can automatically reduce your energy use during CBP events and other DR programs. Talk to your SCE Account Manager or visit sce.com/drp to learn more.

For answers to frequently asked questions, please see the CBP FAQ sheet.

Enroll today! Contact your SCE Account Manager or call the Demand Response Helpline at 1-866-334-7827 or visit us at sce.com/drp.