Schedule CBP
CAPACITY BIDDING PROGRAM

APPLICABILITY

The Capacity Bidding Program (CBP) has a Day-Of Option and a Day-Ahead Option that are available to Aggregators, defined herein as an entity that aggregates one or more service accounts served under a non-residential rate schedule, for the purposes of participating under this Schedule as an Aggregator. An Aggregator, third party or not, is subject to the terms and conditions of this Schedule and all applicable Agreements. Aggregators are eligible for compensation under this Schedule. When applicable, the Aggregator is responsible for Capacity Nomination bid penalties, not the Aggregator's individual service accounts. However, metering requirements must be met by participating service accounts as defined in special conditions, prior to participation under this Schedule.

This Schedule is not applicable to customers served under Schedules GS-APS-E, TOU-BIP, or AP-I. All customer currently receiving service under any streetlight, area Lighting, traffic control or wireless technology rate is not eligible to enroll in this Schedule. A customer's participation in other demand response programs may affect a customer's eligibility for service under this Schedule (see Special Conditions).

TERRITORY

Within the entire territory served

RATES

All of the Otherwise Applicable Tariff (OAT) charges and provisions applicable to each service account of a participating Aggregator shall apply.

Day-Of Option - Capacity Credit Rate ($/kW-month)

<table>
<thead>
<tr>
<th>Hours per Day</th>
<th>Jan</th>
<th>Feb</th>
<th>Mar</th>
<th>Apr</th>
<th>May</th>
<th>Jun</th>
</tr>
</thead>
<tbody>
<tr>
<td>1 to 6</td>
<td>1.90</td>
<td>1.58</td>
<td>1.58</td>
<td>1.58</td>
<td>3.80</td>
<td>5.69</td>
</tr>
<tr>
<td>Jul</td>
<td>19.29</td>
<td>22.46</td>
<td>12.02</td>
<td>2.21</td>
<td>1.90</td>
<td>1.90</td>
</tr>
</tbody>
</table>

(Continued)
Schedule CBP  
CAPACITY BIDDING PROGRAM

(Capacity Credit Rate ($/kW-month) i

<table>
<thead>
<tr>
<th>Hours per Day</th>
<th>Jan</th>
<th>Feb</th>
<th>Mar</th>
<th>Apr</th>
<th>May</th>
<th>Jun</th>
</tr>
</thead>
<tbody>
<tr>
<td>1 to 6</td>
<td>1.65</td>
<td>1.38</td>
<td>1.38</td>
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<td>3.30</td>
<td>4.95</td>
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<td>Dec</td>
<td></td>
<td></td>
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<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>1 to 6</td>
<td>16.78</td>
<td>19.53</td>
<td>10.45</td>
<td>1.93</td>
<td>1.65</td>
<td>1.65</td>
</tr>
</tbody>
</table>

CBP Event/Test Event Maximum Energy Credit

All Hours: Daily SCE city gate gas price times the heat rate factor of 15,000 Btu/kWh

SPECIAL CONDITIONS

1. Definitions. The following Definitions are applicable to service provided under this Schedule:
   a. California Independent System Operator (CAISO): The California Independent System Operator Corporation, a nonprofit corporation that controls the transmission facilities of all participating transmission owners and dispatches certain generating units and loads. The CAISO is responsible for the operation and control of the statewide transmission grid.
   b. CAISO Demand Response Provider (CAISO-DRP): An entity that is responsible for delivering certain DR Services into the CAISO’s wholesale market and which has undertaken, in writing, by execution of the applicable agreement to comply with all applicable provisions of the CAISO Tariff. CAISO-DRP functions generally include registering customer Service Accounts in the CAISO’s relevant systems and working with a Scheduling Coordinator to bid into and settle with the CAISO market.

i The amounts of the capacity credit rates will be fixed until further modified by the California Public Utilities Commission.
SCHEDULE CBP
CAPACITY BIDDING PROGRAM

(Continued)

SPECIAL CONDITIONS

1. Definitions (Continued)

   d. Sub-Load Aggregation Point (SLAP): A geographical area, whereby generation and/or transmission constraints are grouped for the purposes of determining needed load reductions under this Schedule.

   e. Default-Load Aggregation Point (DLAP): A geographic area corresponding to the IOU service area.

   f. Meter Data Management Agent: An entity that takes raw meter outputs, validates them using validation, editing and estimation rules, adds corollary information needed to characterize the customer, and makes complete customer information available to others for use in various applications.

   g. Day-Of Option: One Option type. The CBP Event will only be scheduled on a Day-Of basis, as determined by meeting the Program Triggers prescribed in Special Condition 4 of this Schedule.

   h. Day-Ahead Option: One Option type. The CBP Event will only be scheduled on a Day-Ahead basis, as determined by meeting the Program Triggers prescribed in Special Condition 4 of this Schedule.

   i. Key Factors in Payment Calculations

      1. Capacity Nomination = The amount of energy nominated per hour

      2. Recorded Reduction = Sum of aggregated customer Energy Baselines or Adjusted Energy Baseline (see Special Condition 12) per SLAP – Sum of Recorded kW per SLAP

      3. Shortfall Energy = Capacity Nomination – Recorded Reduction

      4. Shortfall Penalty = (Shortfall Energy) * CAISO hourly energy price for DLAP

      5. Delivered Energy Payment

         (a) Day-Ahead Market:

            a. May to October: Delivered Energy Payment = Recorded Reduction * $0.075/kWh

            b. All other months: Delivered Energy Payment = Recorded Reduction * $0.065/kWh

         (b) Real-Time Market Delivered Energy Payment = Recorded Reduction * $0.16/kWh

(Continued)
SPECIAL CONDITIONS

1. Definitions (Continued)

   c. Aggregator: An entity that aggregates one or more service accounts of one or more end-use customers, for the purpose of participating under this Schedule as an Aggregator.

   d. Sub-Load Aggregation Point (SLAP): A geographical area, whereby generation and/or transmission constraints are grouped for the purposes of determining needed load reductions under this Schedule.

   e. Default-Load Aggregation Point (DLAP): A geographic area corresponding to the IOU service area.

   f. Meter Data Management Agent: An entity that takes raw meter outputs, validates them using validation, editing and estimation rules, adds corollary information needed to characterize the customer, and makes complete customer information available to others for use in various applications.

   g. Day-Of Option: One Option type. The CBP Event will only be scheduled on a Day-Of basis, as determined by meeting the Program Triggers prescribed in Special Condition 4 of this Schedule.

   h. Day-Ahead Option: One Option type. The CBP Event will only be scheduled on a Day-Ahead basis, as determined by meeting the Program Triggers prescribed in Special Condition 4 of this Schedule.

   i. Key Factors in Payment Calculations

      1. Capacity Nomination = The amount of energy nominated per hour

      2. Recorded Reduction = Sum of aggregated customer Energy Baselines or Adjusted Energy Baseline (see Special Condition 12) per SLAP – Sum of Recorded kW per SLAP

      3. Shortfall Energy = Capacity Nomination – Recorded Reduction

      4. Shortfall Penalty = (Shortfall Energy) * CAISO hourly energy price for DLAP

      5. Delivered Energy Payment = Recorded Reduction * daily SCE city gate gas price * heat rate factor of 15,000 Btu/kWh

      6. Energy Payment = Delivered Energy Payment – Shortfall Penalty
SPECIAL CONDITIONS (Continued)

1. Definitions (Continued)
   i. Key Factors in Payment Calculations (Continued)

   6. Delivered Energy Payment
      (a) Day-Ahead Market:
         a. May to October: Delivered Energy Payment = Recorded Reduction * $0.075/kWh
         b. All other months: Delivered Energy Payment = Recorded Reduction * $0.065/kWh
      (b) Real-Time Market Delivered Energy Payment = Recorded Reduction * $0.16/kWh

   7. Energy Payment = Delivered Energy Payment – Shortfall Penalty

2. Agreements. Aggregators must execute all applicable Agreements prior to participation under this Schedule. Necessary Agreements may include Capacity Bidding Program Aggregator Agreement (Form 14-777), Authorization for Participation in Aggregated Demand Response Programs Form (Form 14-980), and Aggregator Remove Form (Form 14-933). Aggregators must be in full compliance with all terms of the Aggregator Agreement to participate in Schedule CBP.

3. Assignment to SLAP: SCE will assign each CBP customer to a Sub-Load Aggregation Point (SLAP). The CBP customer’s assigned SLAP may change over time. SCE will notify the Aggregator of any change to SLAP assignment. The effective date of the SLAP change will occur on the first day of the following calendar month.

4. CBP Events. CBP Events may be triggered on any weekday between the hours of 1 p.m. to 7 p.m., Monday through Friday, excluding holidays. A CBP Event can be scheduled on a Day-Of basis and on a Day-Ahead basis on any weekday except holidays.

CBP Event Triggers. A CBP Event may be triggered when any one of the following criteria is met.

   a. High temperatures; or
   b. Resource limitations; or
   c. A generating unit outage; or
   d. Transmission constraints; or
   e. CAISO Alert or Warning Notice; or
   f. SCE system emergency; or
   g. A CAISO award in the Real-Time Market, based upon an energy price of $0.16/kWh; or
   h. An energy price based upon a short-term opportunity cost methodology resulting in the energy price to be within the 5 highest in the month per subLAP; or
   i. A CAISO award in the Day-Ahead Market based on an energy price,
      a) May to October: $0.075/kWh; or
      b) All other months: $0.065/kWh.
SPECIAL CONDITIONS (Continued)

1. Definitions (Continued)
   i. Key Factors in Payment Calculations (Continued)
      6. Energy Payment = Delivered Energy Payment – Shortfall Penalty

2. Agreements. Aggregators must execute all applicable Agreements prior to participation under this Schedule. Necessary Agreements may include Capacity Bidding Program Aggregator Agreement (Form 14-777), Aggregator Add Form (Form 14-932), and Aggregator Remove Form (Form 14-933). Aggregators must be in full compliance with all terms of the Aggregator Agreement to participate in Schedule CBP.

3. Assignment to SLAP: SCE will assign each CBP customer to a Sub-Load Aggregation Point (SLAP). The CBP customer’s assigned SLAP may change over time. SCE will notify the Aggregator of any change to SLAP assignment. The effective date of the SLAP change will occur on the first day of the following calendar month.

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   CBP Event Triggers. A CBP Event may be triggered when any one of the following criteria is met.

   a. High temperatures; or
   b. Resource limitations; or
   c. A generating unit outage; or
   d. Transmission constraints; or
   e. CAISO Alert or Warning Notice; or
   f. SCE system emergency; or
   g. A CAISO award in the Real-Time Market, based upon an energy price of $0.16/kWh; or
   h. An energy price based upon a short-term opportunity cost methodology resulting in the energy price to be within the 5 highest in the month per subLAP; or
   i. A CAISO award in the Day-Ahead Market based on an energy price,
      a) May to October: $0.075/kWh; or
      b) All other months: $0.065/kWh.
SPECIAL CONDITIONS (Continued)

2. Agreements. Aggregators must execute all applicable Agreements prior to participation under this Schedule. Necessary Agreements may include Capacity Bidding Program Aggregator Agreement (Form 14-777), Aggregator Add Form (Form 14-932), and Aggregator Remove Form (Form 14-933). Aggregators must be in full compliance with all terms of the Aggregator Agreement to participate in Schedule CBP.

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4. CBP Events. CBP Events may be triggered on any weekday between the hours of 1 p.m. to 7 p.m., Monday through Friday, excluding holidays. A CBP Event can be scheduled on a Day-Of basis and on a Day-Ahead basis on any weekday except holidays.

CBP Event Triggers. A CBP Event is triggered only when both of the following criteria are met.

   a. The economic criterion that a 15,000 Btu/kWh heat rate thermal resource is or should be dispatched. This criterion may be caused by any one of the following conditions:

      1) High temperatures; or
      2) Resource limitations; or
      3) A generating unit outage; or
      4) Transmission constraints; or
      5) CAISO Alert or Warning Notice; or
      6) SCE system emergency; and

   b. An energy price is set at (1) $0.065/kWh or above for the Day-Ahead market, or (2) $0.16/kWh or above for the Real-Time market.

5. CBP Test Events. Up to three (3) CBP Test Events may be called within each SLAP in each calendar year (see Special Condition 6 Event Limits). All notification protocols, as well as all applicable credits and penalties, will apply during CBP Test Events. A CBP Test Event can be scheduled on a Day-Of basis and on a Day-Ahead basis on any weekday except holidays.
SPECIAL CONDITIONS (Continued)

5. CBP Test Events. Up to three (3) CBP Test Events may be called within each SLAP in each calendar year (see Special Condition 6 Event Limits). All notification protocols, as well as all applicable credits and penalties, will apply during CBP Test Events. A CBP Test Event can be scheduled on a Day-Of basis and on a Day-Ahead basis on any weekday except holidays.

6. Event Limits

<table>
<thead>
<tr>
<th>Product (See Special Condition 8)</th>
<th>Minimum Duration per Event</th>
<th>Maximum Duration per Event</th>
<th>Maximum Event Hours per Operating Month per SLAP Location</th>
<th>Maximum Events per Day</th>
<th>Maximum Events per Month</th>
<th>Maximum Test Events per Year per SLAP Location</th>
</tr>
</thead>
<tbody>
<tr>
<td>Day-Of 1-6 Hours</td>
<td>1 Hours</td>
<td>6 Hours</td>
<td>30</td>
<td>1</td>
<td>5</td>
<td>3</td>
</tr>
<tr>
<td>Day-Ahead 1-6 Hours</td>
<td>1 Hours</td>
<td>6 Hours</td>
<td>30</td>
<td>1</td>
<td>5</td>
<td>3</td>
</tr>
</tbody>
</table>

7. Notification of a CBP Event/Test Event. SCE will provide notification of a CBP Event/Test Event via SCE’s designated CBP Internet Website. Notification may also be given via SMS text message, electronic mail, or by telephone. The Day-Ahead CBP Event/Test Event notice will be provided no later than 5 p.m. the day before a Day-Ahead CBP Event/Test Event. The Day-Of CBP Event/Test Event will be scheduled at least one-hour prior to commencing the Day-Of CBP Event/Test Event.

8. Products. The combination of Day-Of or Day-Ahead Options and available hours is herein referred to as a Product. There are two available Products, which are listed below. An Aggregator may enroll one or more eligible service accounts under a single Product type and a single capacity bidding resource.

<table>
<thead>
<tr>
<th>Product</th>
</tr>
</thead>
<tbody>
<tr>
<td>1 Day-Of 1-6 Hours</td>
</tr>
<tr>
<td>2 Day-Ahead 1-6 Hours</td>
</tr>
</tbody>
</table>

9. Capacity Nominations

The Aggregator must specify which of its service accounts will participate in each Product and provide their Capacity Nomination at least five (5) days prior to the beginning of each operating calendar month. The Capacity Nomination is valid for the entire operating month. The Aggregator may not nominate the same service account for more than one Product and must nominate at least 100 kW within each SLAP.
SPECIAL CONDITIONS (Continued)

6. Event Limits

<table>
<thead>
<tr>
<th>Product</th>
<th>Minimum Duration per Event</th>
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<td>Day-Of 1-6 Hours</td>
<td>1 Hours</td>
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<td>30</td>
<td>1</td>
<td>5</td>
<td>3</td>
</tr>
<tr>
<td>Day-Ahead 1-6 Hours</td>
<td>1 Hours</td>
<td>6 Hours</td>
<td>30</td>
<td>1</td>
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7. Notification of a CBP Event/Test Event. SCE will provide notification of a CBP Event/Test Event via SCE’s designated CBP Internet Website. Notification may also be given via SMS text message, electronic mail, or by telephone. The Day-Ahead CBP Event/Test Event notice will be provided no later than 5 p.m. the day before a Day-Ahead CBP Event/Test Event. The Day-Of CBP Event/Test Event will be scheduled at least one-hour prior to commencing the Day-Of CBP Event/Test Event.

8. Products. The combination of Day-Of or Day-Ahead Options and available hours is herein referred to as a Product. There are two available Products, which are listed below. An Aggregator may enroll one or more eligible service accounts under a single Product type and a single capacity bidding resource.

<table>
<thead>
<tr>
<th>Product</th>
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<tbody>
<tr>
<td>1</td>
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<tr>
<td>2</td>
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</tbody>
</table>

Day-Of 1-6 Hours

Day-Ahead 1-6 Hours

9. Capacity Nominations (Continued)

The Aggregator must specify which of its service accounts will participate in each Product and provide their Capacity Nomination at least five (5) days prior to the beginning of each operating calendar month. The Capacity Nomination is valid for the entire operating month. The Aggregator may not nominate the same service account for more than one Product and must nominate at least 100 kW within each SLAP. Aggregators must include the following information in their monthly Capacity Nominations:

1. Product selection;
2. Load Drop Estimate (LDE) for each nominated service account; and
3. SLAP designation.

(Continued)
9. Capacity Nominations (Continued)

Aggregators must include the following information in their monthly Capacity Nominations:

1. Product selection;
2. Load Drop Estimate (LDE) for each nominated service account; and
3. SLAP designation.

A CAISO DRP may break or disaggregate the monthly Capacity Nomination for a given SLAP into smaller resources as needed to comply with the CAISO’s telemetry requirements. If a CAISO integrated CBP resource is broken up to comply with CAISO’s telemetry requirements, a CBP Aggregator’s Capacity Nomination and Recorded Reduction will be measured for the entire SLAP.

10. Cancellation of Capacity Nomination. A Capacity Nomination may be cancelled up until the time it is accepted by SCE.

11. California Energy Commission Site Visits. All Aggregators and all customers participating through the aggregators served under this Schedule automatically agree to allow the California Energy Commission, or its contracted agents, to conduct site visits for measurement and evaluation, and further agree to complete all program evaluation surveys.

12. Baseline.

The Aggregator must select either Energy Baseline (EB) or Adjusted Energy Baseline (AEB) for each service account when they nominate for the operating month. The EB will be the default if the Aggregator does not make a selection.

a. Energy Baseline: A valid EB is defined as all service accounts having at least 10 days of interval meter data available to SCE’s billing system. Only the hourly average usage for the hours included in the event will be included in the EB. The EB will be calculated at the service account level. The EB will be calculated on an hourly basis using the average of the immediate past 10 weekdays, excluding holidays, of all applicable service accounts. The past 10 days will also exclude days when the customer: 1) was subject to a CBP Event, 2) was subject to a rotating outage, 3) was subject to a Critical Peak Pricing (CPP) Event, 4) was subject to an Optional Binding Mandatory Curtailment (OBMC) event, 5) was subject to a Demand Bidding Program (DBP) event, (6) was subject to a Demand Response Contract (DRC) event, or (7) was interrupted.

b. Day-Of Adjustment (DOA): The DOA is a ratio of (a) the average load of the first 3 hours of the 4 hours prior to the event to (b) the average load of the same hours from the last 10 weekdays, excluding event days and holidays. The DOA value shall not be less than 0.60 or greater than 1.40.

c. Adjusted Energy Baseline (AEB). The AEB will be determined by multiplying the EB by the DOA. The AEB shall be no more than 40 percent higher or lower than the EB after adjustment.
SPECIAL CONDITIONS (Continued)

9. Capacity Nominations (Continued)

A CAISO DRP may break or disaggregate the monthly Capacity Nomination for a given SLAP into smaller resources as needed to comply with the CAISO’s telemetry requirements. If a CAISO integrated CBP resource is broken up to comply with CAISO’s telemetry requirements, a CBP Aggregator’s Capacity Nomination and Recorded Reduction will be measured for the entire SLAP.

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a. Energy Baseline: A valid EB is defined as all service accounts having at least 10 days of interval meter data available to SCE’s billing system. Only the hourly average usage for the hours included in the event will be included in the EB. The EB will be calculated at the service account level. The EB will be calculated on an hourly basis using the average of the immediate past 10 weekdays, excluding holidays, of all applicable service accounts. The past 10 days will also exclude days when the customer: 1) was subject to a CBP Event, 2) was subject to a rotating outage, 3) was subject to a Critical Peak Pricing (CPP) Event, 4) was subject to an Optional Binding Mandatory Curtailment (OBMC) event, 5) was subject to a Demand Bidding Program (DBP) event, (6) was subject to a Demand Response Contract (DRC) event, or (7) was interrupted.

b. Day-Of Adjustment (DOA): The DOA is a ratio of (a) the average load of the first 3 hours of the 4 hours prior to the event to (b) the average load of the same hours from the last 10 weekdays, excluding event days and holidays. The DOA value shall not be less than 0.60 or greater than 1.40.

c. Adjusted Energy Baseline (AEB). The AEB will be determined by multiplying the EB by the DOA. The AEB shall be no more than 40 percent higher or lower than the EB after adjustment.
SPECIAL CONDITIONS (Continued)

   c. Adjusted Energy Baseline (AEB) (Continued).

   The EB/AEB will be determined by SCE at the time the Aggregator is billed following a CBP Event/Test Event. The EB/AEB may vary for each hour and for each CBP Event/Test Event. An Aggregator must establish a valid EB/AEB prior to its eligibility to submit Capacity Nominations. Only the service accounts included in an Aggregator’s Capacity Nomination will be used in the establishment of an Aggregator’s EB/AEB.

13. Recorded Reduction. Recorded Reduction equals the difference between the sum of an Aggregator’s participating account’s EB/AEB and their recorded kW, in a given SLAP during each hour of a CBP Event/Test Event occurring during a given Operating Month. The Recorded Reduction cannot be less than zero for purposes of calculating both Energy and Capacity payments.

   a. When there are zero CBP Events/Test Events triggered during an operating month, the Aggregator’s Energy Payment will be zero for that operating month.
   b. When there is one or more CBP Events/Test Events triggered during an operating month, the Delivered Energy Payment and Shortfall Penalty is calculated for each event hour. The Energy Payment consists of a Delivered Energy Payment and a Shortfall Penalty, as defined in Special Conditions 1.i.

   (1) When the Recorded Reduction is 100-150% of the Capacity Nomination the Shortfall Penalty is zero. (Any Recorded Reduction in excess of 150 percent shall not be eligible for the Energy Payment).

   (2) When the Recorded Reduction is less than 100% of the Capacity Nomination, a Shortfall Penalty is generated from the Shortfall Energy times the California Independent System Operator’s (CAISO) hourly energy price for DLAP.

   \[
   \text{Shortfall Energy} = \text{Capacity Nomination} - \text{Recorded Reduction}
   \]

   For purposes of calculating the Delivered Energy Payment and Shortfall Penalty, on an hourly basis the Recorded Reduction is summed by SLAP. For purposes of measuring performance each hour, the Capacity Nominations are summed for all SLAPs that were called in a given event hour, and compared to the Recorded Reduction.

   (Continued)
SPECIAL CONDITIONS (Continued)

   c. Adjusted Energy Baseline (AEB) (Continued).

   The EB/AEB will be determined by SCE at the time the Aggregator is billed following a CBP Event/Test Event. The EB/AEB may vary for each hour and for each CBP Event/Test Event. An Aggregator must establish a valid EB/AEB prior to its eligibility to submit Capacity Nominations. Only the service accounts included in an Aggregator's Capacity Nomination will be used in the establishment of an Aggregator's EB/AEB.

13. Recorded Reduction. Recorded Reduction equals the difference between the sum of an Aggregator's participating account's EB/AEB and their recorded kW, in a given SLAP during each hour of a CBP Event/Test Event occurring during a given Operating Month. The Recorded Reduction cannot be less than zero for purposes of calculating both Energy and Capacity payments.

   a. When there are zero CBP Events/Test Events triggered during an operating month, the Aggregator's Energy Payment will be zero for that operating month.
   b. When there is one or more CBP Events/Test Events triggered during an operating month, the Delivered Energy Payment and Shortfall Penalty is calculated for each event hour. The Energy Payment consists of a Delivered Energy Payment and a Shortfall Penalty.

   \[ \text{Energy Payment} = \text{Delivered Energy Payment} - \text{Shortfall Penalty} \]

   \[ \text{Delivered Energy Payment} = \text{Recorded Reduction} \times \text{daily SCE city gate gas price} \times \text{heat rate factor of 15,000 Btu/kWh} \]

   \[ \text{Shortfall Penalty} = (\text{Shortfall Energy}) \times \text{CAISO hourly energy price for DLAP} \]

   (1) When the Recorded Reduction is 100-150% of the Capacity Nomination the Shortfall Penalty is zero. (Any Recorded Reduction in excess of 150 percent shall not be eligible for the Energy Payment).

   (2) When the Recorded Reduction is less than 100% of the Capacity Nomination, a Shortfall Penalty is generated from the Shortfall Energy times the California Independent System Operator's (CAISO) hourly energy price for DLAP.

   \[ \text{Shortfall Energy} = \text{Capacity Nomination} - \text{Recorded Reduction} \]

---

For purposes of calculating the Delivered Energy Payment and Shortfall Penalty, on an hourly basis the Recorded Reduction is summed by SLAP. For purposes of measuring performance each hour, the Capacity Nominations are summed for all SLAPs that were called in a given event hour, and compared to the Recorded Reduction.
15. Capacity Payment. (Continued)

(4) When the Delivered Capacity is 59.99 percent of the Capacity Nomination, or less, the Capacity Payment will equal the Delivered Capacity minus 50 percent of the Capacity Nomination multiplied by the Capacity Credit Rate, as shown in the RATES section of this Schedule. (This will produce a negative dollar amount that will act as a charge to the Aggregator.)

\[
\text{Capacity Payment} = [\text{Delivered Capacity} - (50\% \times \text{Capacity Nomination})] \times \text{Capacity Credit Rate}
\]

16. Disbursement of Energy Payment and Capacity Payment. Aggregators will receive applicable CBP payments or charges, as calculated in Special Conditions 14 and 15 above, approximately thirty (30) days, but no later than sixty (60) days, after all service accounts nominated for the operating month have been billed. Payments to Aggregators will be in the form of a check, or other SCE-approved forms of electronic payment, or when such calculations result in a net charge, SCE shall bill the Aggregator accordingly.

17. Aggregator Services. SCE has no obligations under this Schedule to the service accounts of a customer who elects, or is required, to be included in an Aggregator’s list of participating service accounts. Customers with service accounts included in an Aggregator’s list of participating service accounts must work with their Aggregator to determine applicable CBP requirements and/or payments. With the exception of the metering requirements, all other provisions of this Schedule, including payments, are applicable only to the Aggregator, not the individual service accounts working through an Aggregator. SCE’s relationship, for purposes of his Schedule, is with the Aggregator not the individual service accounts of an Aggregator.
SPECIAL CONDITIONS (Continued)

18. Required Metering and Internet Communication Equipment. Each service account of a participating Aggregator must have an approved interval meter installed and operating prior to eligibility for service under this Schedule. The interval meter must be able to record energy usage data in hourly intervals. In addition to SCE, an MDMA may also read the meter on behalf of an Energy Service Provider (ESP) where one or more of an Aggregator’s participating service accounts are receiving Direct Access. Metering equipment (including telephone, or radio control communication device) must be in operation for at least 10 days prior to eligibility under this Schedule, for the purposes of establishing EB/AEB. An internet connection is also required for eligibility under this Schedule.

19. Relationship to Other Demand Response Programs. Customers’ service accounts enrolled in the Day-Of Option of this Schedule may also participate in an applicable RTP rate schedule, Schedules CPP, OBMC, SLRP, DBP, and/or Rate CPP of an applicable TOU rate schedule. Customers’ service accounts enrolled in CBP may also participate in the DRC program, provided that the specific contract provisions allow for such dual participation. Customers enrolled in CBP Day-Ahead Option may not dual-participate in DBP and CPP programs.

20. Customer-Owned Electrical Generating Facilities. Load reductions may be achieved by operating back-up or onsite generation. The Aggregator will be solely responsible for meeting all environmental and other regulatory requirements for the operation of such generation.

   a. Where customer-owned electrical generating facilities are used to meet a part or all of the service accounts of an Aggregator’s electrical requirements, service shall be provided concurrently under the terms and conditions of this Schedule and the applicable Standby Schedule, Schedule S, Schedule TOU-8-S, or Schedule TOU-8-RTP. Parallel operation of such generating facilities with SCE’s electrical system is permitted. A Generation Agreement is required for such operation.

   b. Customer-owned electrical generating facilities used solely for auxiliary, emergency, or standby purposes (auxiliary/emergency generating facilities) to serve the load of service accounts of an Aggregator during a period when SCE’s service is unavailable and when such load is isolated from the service of SCE are not subject to Schedules S, TOU-8-S, or TOU-8-RTP-S. However, upon approval by SCE, momentary parallel operation may be permitted in order for the customer to avoid interruption of load during a CBP Event/Test Event or to allow the service accounts of an Aggregator to test the auxiliary/emergency generating facilities. A Momentary Parallel Generation Contract is required for this type of service.
SPECIAL CONDITIONS (Continued)

21. Holidays are defined as follows:

Holidays are New Year’s Day (January 1), Presidents’ Day (third Monday in February), Memorial Day (last Monday in May), Independence Day (July 4), Labor Day (first Monday in September), Veterans Day (November 11), Thanksgiving Day (fourth Thursday in November), and Christmas (December 25).
19. Required Metering and Internet Communication Equipment. Each service account of a participating Aggregator must have an approved interval meter installed and operating prior to eligibility for service under this Schedule. The interval meter must be able to record energy usage data in hourly intervals. In addition to SCE, an MDMA may also read the meter on behalf of an Energy Service Provider (ESP) where one or more of an Aggregator’s participating service accounts are receiving Direct Access. Metering equipment (including telephone, or radio control communication device) must be in operation for at least 10 days prior to eligibility under this Schedule, for the purposes of establishing EB/AEB. An internet connection is also required for eligibility under this Schedule.

20. Relationship to Other Demand Response Programs. Customers’ service accounts enrolled in the Day-Of Option of this Schedule may also participate in an applicable RTP rate schedule, Schedules CPP, OBM, SLRP, DBP, and/or Rate CPP of an applicable TOU rate schedule. Customers’ service accounts enrolled in CBP may also participate in the DRC program, provided that the specific contract provisions allow for such dual participation. Customers enrolled in CBP Day-Ahead Option may not dual-participate in DBP and CPP programs.

21. Customer-Owned Electrical Generating Facilities. Load reductions may be achieved by operating back-up or onsite generation. The Aggregator will be solely responsible for meeting all environmental and other regulatory requirements for the operation of such generation.

   a. Where customer-owned electrical generating facilities are used to meet a part or all of the service accounts of an Aggregator’s electrical requirements, service shall be provided concurrently under the terms and conditions of this Schedule and the applicable Standby Schedule, Schedule S, Schedule TOU-8-S, or Schedule TOU-8-RTP. Parallel operation of such generating facilities with SCE’s electrical system is permitted. A Generation Agreement is required for such operation.

   b. Customer-owned electrical generating facilities used solely for auxiliary, emergency, or standby purposes (auxiliary/emergency generating facilities) to serve the load of service accounts of an Aggregator during a period when SCE’s service is unavailable and when such load is isolated from the service of SCE are not subject to Schedules S, TOU-8-S, or TOU-8-RTP-S. However, upon approval by SCE, momentary parallel operation may be permitted in order for the customer to avoid interruption of load during a CBP Event/Test Event or to allow the service accounts of an Aggregator to test the auxiliary/emergency generating facilities. A Momentary Parallel Generation Contract is required for this type of service.
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21. Customer-Owned Electrical Generating Facilities. Load reductions may be achieved by operating back-up or onsite generation. The Aggregator will be solely responsible for meeting all environmental and other regulatory requirements for the operation of such generation.

   a. Where customer-owned electrical generating facilities are used to meet a part or all of the service accounts of an Aggregator’s electrical requirements, service shall be provided concurrently under the terms and conditions of this Schedule and the applicable Standby Schedule, Schedule S, Schedule TOU-8-S, or Schedule TOU-8-RTP. Parallel operation of such generating facilities with SCE’s electrical system is permitted. A Generation Agreement is required for such operation.

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