APPLICABILITY

The Smart Energy Program (SEP) is an optional program applicable to eligible domestic Bundled Service Customers receiving service under Schedules D, D-CARE, D-FERA, TOU-D, or TOU-D-T. Eligible customers may enroll in an SCE authorized direct load control program where enabling technology is used and actively controlled by either SCE or an SCE approved third party entity in response to SEP events. Electrical load controlled by technology is subject to energy curtailment as initiated by an SEP Event Trigger. Such events will be administered by SCE and its approved contractor(s).

Customers may elect to opt-in or opt-out from the SEP at any time, and the change will be effective within three business days. In order to participate under this Schedule, customers must have (1) an Edison SmartConnect® meter that is program ready, and (2) the appropriate SCE approved direct load control device installed, programmed, and activated.

This Schedule is not applicable to customers served under Schedules DM, DMS-1, DMS-2, DMS-3, D-SDP, MB-E, CPP, and all CPP Options of applicable TOU rate schedules.

TERRITORY

Within the entire territory served.

RATES

The rates as applicable under the customer’s Otherwise Applicable Tariff (OAT) shall apply, except the customer's bill shall be reduced by the following applicable credit.

CAPACITY PAYMENT:

Annual credit of up to $40 per Service Account. The capacity payment will be provided in the form of a monthly bill credit to customers who maintain enrollment in the program from June 1 through September 30. Disbursement of credits will coincide with customer scheduled bill periods. Customers who enroll after June 1 or opt-out prior to September 30 will have their credits pro-rated to the summer season days with which they were actively enrolled in the program. Customers will earn $0.3275 per summer season day. Capacity payment will be provided whether or not any SEP events have been activated.
### SPECIAL CONDITIONS

1. **SEP Event:** An SEP Event is when a portion of the customer's electric load is reduced by utilizing the direct load control device over the SEP Event.

2. **SEP Event Trigger:** SCE may, at its discretion, call a SEP Event based on any one of the following criteria:
   
   a. After the California Independent System Operator (CAISO) has (i) publicly declared a Warning, Stage 1, Stage 2, Stage 3, or Transmission Emergency and (ii) has taken all necessary steps to prevent the further degradation of its operating resources according to Operating Procedure 4420;
   
   b. Upon determination by SCE’s grid control center of the need to implement load reductions in SCE’s service territory;
   
   c. At the discretion of SCE’s energy operations center in response to a CAISO economic award in the wholesale market, or high wholesale energy prices; or
   
   d. At the discretion of SCE for program evaluation or system contingencies.

3. **SEP Load Control Group:** SCE will assign each service account served under this Schedule to a Load Control Group (LCG) by geographic location for the purposes of bidding into CAISO market and determining needed load reductions under this Schedule.

4. **SEP Event Trigger Limitations:** The following SEP Event trigger limitations will apply independently to each SEP LCG.
   
   a. SEP Events may only be called up to 180 hours in a calendar year;
   
   b. Multiple SEP Events in a calendar day may be triggered; however, the total number of hours of SEP Events triggered must not exceed a maximum duration of four hours in a calendar day;
   
   c. Once 40 hours of SEP Events have been triggered in the calendar year for any of the criteria specified in Special Condition 2, SCE will not trigger any SEP Event under Special Condition 2.c. for the remainder of the calendar year;
   
   d. SEP Events triggered under Special Condition 2.a, 2.b. or 2.d may be triggered at any time, including weekdays, weekends and holidays;
   
   e. SEP Events triggered under Special Condition 2.c. may only be called between the hours of 11:00 a.m. and 9:00 p.m. on any non-holiday weekday, and cannot be called on weekends or SCE holidays;
   
   f. SEP Events triggered under Special Condition 2.c. will be limited to no more than three consecutive non-holiday weekdays.
SPECIAL CONDITIONS (Continued)

5. Electric Usage Criteria for Program Eligibility
   a. Minimum Electric Usage Threshold. All customers served under this Schedule must register a minimum of 1.5kWh of electric usage one hour prior to the start of an SEP event or one hour after the end an SEP event for no less than one SEP event in a calendar year.

   b. Electric Usage Eligibility. An annual review of customer's electric usage will be conducted by SCE no later than January 31 of each calendar year. At the annual review time, SCE will determine in its reasonable discretion whether a customer served under this Schedule for a full year in the previous calendar year has met the condition listed in Special Condition 5.a. above.

   c. Removal. Upon conducting the annual review, if SCE in its reasonable discretion has determined that a customer has not met the conditions listed in Special Condition 5.a. above, the customer will be removed from this Schedule within 30 days.

   d. Re-enrollment. Any customer removed from this Schedule under Special Condition 5.c. above is not eligible to re-enroll in this Schedule during the subsequent 12 months.

6. SEP Event Notification: Twenty minutes prior to a SEP Event, SCE will notify its approved contractor(s) that an event has been scheduled. SCE approved contractor(s) will provide notices to customers utilizing their communication platform.

7. Participation Requirement: At SCE's discretion, customers may be removed from SEP for overriding all SEP events dispatched in a calendar year, when such overrides consistently occur within the first hour of events.

8. 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).

   When any holiday listed above falls on Sunday, the following Monday will be recognized as a holiday. No change will be made for holidays falling on Saturday.

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