



Engaging our Customers in Demand Response

Demand Response Workshop
Marketing, Education and Outreach
July 10, 2008

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Discussion Overview

- What We Know – The Customer Perspective
- ME&O Objectives
- Strategic Approach
- ROI

Understanding Customers Needs is Key to Engaging our Customers

- Customers do not want a third job
- Combination of demographics, attitudes and communication styles drive preferences
- Customers do not fully understand their rates or the link between what they use and pay
- More and more customers are riding the “green wave”
- SCE segmentation and experience indicates “one size fits all” approach does not work

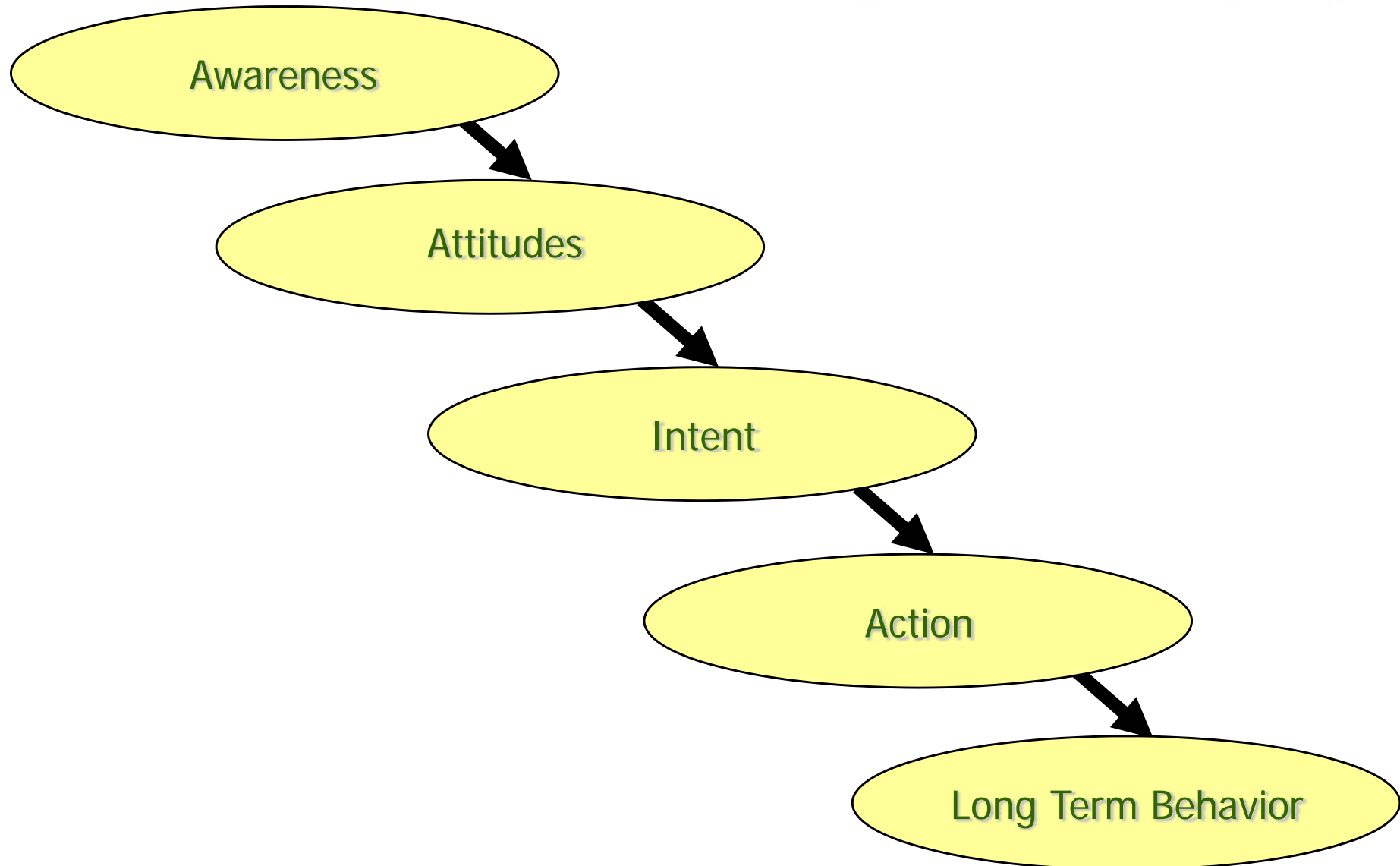
We have to offer relevant choices, make it easy, worthwhile and appeal to diverse motivators



ME&O Objectives

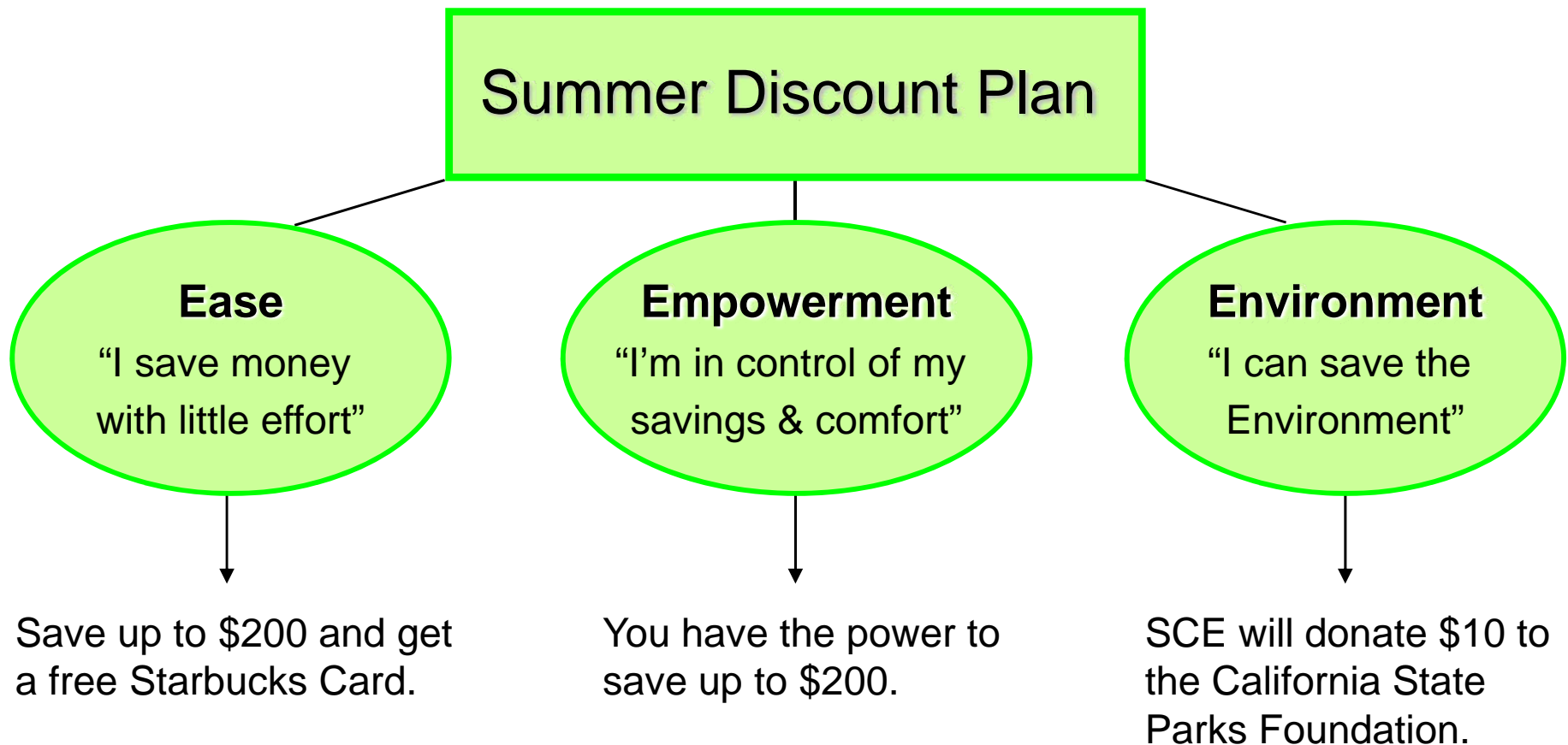
- Maximize participation in demand side management programs and rates
- Enable customers adoption of an “energy-efficient” lifestyle

Strategic Approach: Move Customers Through A Continuum



Strategic Approach: Leverage Segmentation

Summer Discount Plan Campaign



Easy Savings Message

Primary Target:
Proactive Savers / Conservers / Uncertain Savers

“I save money with little effort”

SOUTHERN CALIFORNIA EDISON
An EDISON INTERNATIONAL Company
P.O. Box 800
Rosemead, CA 91770

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Permit No. 1-928

Time offer!

PLUS, save up to \$200* every summer.

Starbucks Card**

EDISON
An EDISON INTERNATIONAL Company

Offer expires 7/15/07

Visit www.sce.com/reward or call 800-497-2813

feel the effects of savings?

Sign up for SCE's Summer Discount Plan now and save up to \$200* every summer.

Yes, I'm interested. Give me a Summer Discount Plan!

Don't miss out on this offer. Sign up today!

Choose your comfort level. You choose the savings.

Signing up for the Summer Discount Plan is easy — and there are three ways to do it!

1. Building and you can save up to \$200* every summer.
2. Call 800-497-2813. We'll help you sign up for the plan.
3. Visit www.sce.com/reward and sign up for the plan.

Summer Discount Plan

Signing up for the Summer Discount Plan is easy — and there are three ways to do it!

1. Building and you can save up to \$200* every summer.

2. Call 800-497-2813. We'll help you sign up for the plan.

3. Visit www.sce.com/reward and sign up for the plan.

Save up to \$200* this summer.
Plus, for a limited time, get a **FREE \$20 Gift.** Details inside.

save up to \$200* every summer.

money, and our Maximum Comfort option, which lets you earn \$200* by allowing us to turn off your A/C for the duration of an emergency period (up to 6 hours a day). For some additional comfort, select the Limited option and earn \$100* with no more than 15 interruptions.

Sign up today!

There are three easy ways to sign up for the Summer Discount Plan. Email at www.sce.com/reward and

When you help yourself to savings, you're also helping the environment.

At Southern California Edison we're constantly searching for ways to improve our performance and reduce the environmental impact of producing and distributing electricity. That's why we create programs like the Summer

Choose your plan now. Save up to \$200* every summer.

MAXIMUM SAVINGS	GOOD VALUE	MAXIMUM COMFORT
Off continuously during an emergency period, up to 6 hours	Off 15 out of every 30 minutes during an emergency period	Off 15 out of every 30 minutes during an emergency period
Unlimited (any # of interruptions per summer) \$200*	\$100*	\$50*
Limited (up to 15 interruptions per summer) \$100*	\$50*	\$25*

The chart above shows the range of options you can choose to control your comfort level and the amount you could save.

MAXIMUM SAVINGS

Choose the Maximum Savings Unlimited option and you'll earn \$200* by allowing us to turn off your A/C for the duration of an emergency period (up to 6 hours a day). For some additional comfort, select the Limited option and earn \$100* with no more than 15 interruptions.

GOOD VALUE

Get savings and comfort with the Good Value Unlimited option. We'll turn off your A/C for 20 out of every 30

minutes during an emergency period (up to 4 hours a day), and you'll earn \$50* with no more than 15 interruptions.

MAXIMUM COMFORT

Want to stay cool and still save a few bucks? Select the Maximum Comfort Unlimited option. We'll turn off your A/C for only 15 out of every 30 minutes during an emergency period (up to 3 hours a day), and you'll earn \$25* with no more than 15 interruptions.

But you might not feel a thing **here.**

SOUTHERN CALIFORNIA EDISON
An EDISON INTERNATIONAL Company


Visit www.sce.com/reward or call 800-497-2813

FOR OVER 100 YEARS... LIFE. POWERED BY EDISON.

You'll definitely feel SCE's Summer Discount Plan **here.**

SOUTHERN CALIFORNIA EDISON
An EDISON INTERNATIONAL Company

Primary Targets:
Proactive Savers and Conservers Set In Their Ways
“I’m in control of my savings and my comfort”



Summer Discount Plan

Enrolling in Edison Summer Discount Plan can provide you with up to \$200¹ in savings during the summer season. Once you sign up and choose a plan, we will email an application to you. A review on your part of the application is required to be turned in to us by the 15th day of August during the summer season. Once approved, you will receive the schedule and details of the plan. Please refer to the attached document for more information about the Edison Summer Discount Plan.

As you complete this application, please note that Edison Energy Service in Section 2 and below has been assigned to your Edison Summer Discount Plan. Please refer to the attached document for more information about the plan. Please contact us at **1-800-435-2773** or **1-800-435-2773** for more information.

1. Customer Information

Service address # **XXXXXXXXXX** E-mail

Service location, street, apt. number, local contact person:

My service address is located about from home.

City/county: State/zip:

Home phone # Best time to call (weekdays)

Advance phone # Best time to call (weekdays)

2. Choose one of the plan options below

I would like one of the following options (check one):

- ☐ **Up to \$200¹ per month per summer season**
Summer Discount, \$2.00 per kilowatt-hour (emergency demand controlled interruptions during the summer season)
- ☐ **Up to \$100 savings per summer season**
Summer Discount, \$1.00 per kilowatt-hour (emergency demand controlled interruptions during the summer season)
- ☐ **Up to \$50 savings per summer season**
Summer Discount, \$0.50 per kilowatt-hour (emergency demand controlled interruptions during the summer season)
- ☐ **Up to \$25 savings per summer season**
Summer Discount, \$0.25 per kilowatt-hour (emergency demand controlled interruptions during the summer season)
- ☐ **Up to \$10 savings per summer season**
Summer Discount, \$0.10 per kilowatt-hour (emergency demand controlled interruptions during the summer season)
- ☐ **Up to \$5 savings per summer season**
Summer Discount, \$0.05 per kilowatt-hour (emergency demand controlled interruptions during the summer season)
- ☐ **Up to \$2 savings per summer season**
Summer Discount, \$0.02 per kilowatt-hour (emergency demand controlled interruptions during the summer season)

3. Set an initial peak cap for convenience

How many initial peak constraints do you wish the device installed on? (Please circle one) ☐ 1 ☐ 2 ☐ 3 ☐ 4 ☐ 5 ☐ 6 ☐ 7 ☐ 8 ☐ 9 ☐ 10 ☐ 11 ☐ 12 ☐ 13 ☐ 14 ☐ 15 ☐ 16 ☐ 17 ☐ 18 ☐ 19 ☐ 20 ☐ 21 ☐ 22 ☐ 23 ☐ 24 ☐ 25 ☐ 26 ☐ 27 ☐ 28 ☐ 29 ☐ 30 ☐ 31 ☐ 32 ☐ 33 ☐ 34 ☐ 35 ☐ 36 ☐ 37 ☐ 38 ☐ 39 ☐ 40 ☐ 41 ☐ 42 ☐ 43 ☐ 44 ☐ 45 ☐ 46 ☐ 47 ☐ 48 ☐ 49 ☐ 50 ☐ 51 ☐ 52 ☐ 53 ☐ 54 ☐ 55 ☐ 56 ☐ 57 ☐ 58 ☐ 59 ☐ 60 ☐ 61 ☐ 62 ☐ 63 ☐ 64 ☐ 65 ☐ 66 ☐ 67 ☐ 68 ☐ 69 ☐ 70 ☐ 71 ☐ 72 ☐ 73 ☐ 74 ☐ 75 ☐ 76 ☐ 77 ☐ 78 ☐ 79 ☐ 80 ☐ 81 ☐ 82 ☐ 83 ☐ 84 ☐ 85 ☐ 86 ☐ 87 ☐ 88 ☐ 89 ☐ 90 ☐ 91 ☐ 92 ☐ 93 ☐ 94 ☐ 95 ☐ 96 ☐ 97 ☐ 98 ☐ 99 ☐ 100 ☐ 101 ☐ 102 ☐ 103 ☐ 104 ☐ 105 ☐ 106 ☐ 107 ☐ 108 ☐ 109 ☐ 110 ☐ 111 ☐ 112 ☐ 113 ☐ 114 ☐ 115 ☐ 116 ☐ 117 ☐ 118 ☐ 119 ☐ 120 ☐ 121 ☐ 122 ☐ 123 ☐ 124 ☐ 125 ☐ 126 ☐ 127 ☐ 128 ☐ 129 ☐ 130 ☐ 131 ☐ 132 ☐ 133 ☐ 134 ☐ 135 ☐ 136 ☐ 137 ☐ 138 ☐ 139 ☐ 140 ☐ 141 ☐ 142 ☐ 143 ☐ 144 ☐ 145 ☐ 146 ☐ 147 ☐ 148 ☐ 149 ☐ 150 ☐ 151 ☐ 152 ☐ 153 ☐ 154 ☐ 155 ☐ 156 ☐ 157 ☐ 158 ☐ 159 ☐ 160 ☐ 161 ☐ 162 ☐ 163 ☐ 164 ☐ 165 ☐ 166 ☐ 167 ☐ 168 ☐ 169 ☐ 170 ☐ 171 ☐ 172 ☐ 173 ☐ 174 ☐ 175 ☐ 176 ☐ 177 ☐ 178 ☐ 179 ☐ 180 ☐ 181 ☐ 182 ☐ 183 ☐ 184 ☐ 185 ☐ 186 ☐ 187 ☐ 188 ☐ 189 ☐ 190 ☐ 191 ☐ 192 ☐ 193 ☐ 194 ☐ 195 ☐ 196 ☐ 197 ☐ 198 ☐ 199 ☐ 200 ☐ 201 ☐ 202 ☐ 203 ☐ 204 ☐ 205 ☐ 206 ☐ 207 ☐ 208 ☐ 209 ☐ 210 ☐ 211 ☐ 212 ☐ 213 ☐ 214 ☐ 215 ☐ 216 ☐ 217 ☐ 218 ☐ 219 ☐ 220 ☐ 221 ☐ 222 ☐ 223 ☐ 224 ☐ 225 ☐ 226 ☐ 227 ☐ 228 ☐ 229 ☐ 230 ☐ 231 ☐ 232 ☐ 233 ☐ 234 ☐ 235 ☐ 236 ☐ 237 ☐ 238 ☐ 239 ☐ 240 ☐ 241 ☐ 242 ☐ 243 ☐ 244 ☐ 245 ☐ 246 ☐ 247 ☐ 248 ☐ 249 ☐ 250 ☐ 251 ☐ 252 ☐ 253 ☐ 254 ☐ 255 ☐ 256 ☐ 257 ☐ 258 ☐ 259 ☐ 260 ☐ 261 ☐ 262 ☐ 263 ☐ 264 ☐ 265 ☐ 266 ☐ 267 ☐ 268 ☐ 269 ☐ 270 ☐ 271 ☐ 272 ☐ 273 ☐ 274 ☐ 275 ☐ 276 ☐ 277 ☐ 278 ☐ 279 ☐ 280 ☐ 281 ☐ 282 ☐ 283 ☐ 284 ☐ 285 ☐ 286 ☐ 287 ☐ 288 ☐ 289 ☐ 290 ☐ 291 ☐ 292 ☐ 293 ☐ 294 ☐ 295 ☐ 296 ☐ 297 ☐ 298 ☐ 299 ☐ 300 <

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Environmental Message

Primary Target: Conservationists

"I can save the environment, while saving money"



John Q. Sample
12345 Some Street
Anytown, USA 90068

SAVE some
serious **GREEN** this summer —
up to **\$200*** off your electric bill.

Sign up by 7/31/07
AND SCE will donate **\$10**
to the California State
Parks Foundation.



Summer Discount Plan

Enrolling in SCE's Summer Discount Plan can provide you with up to \$200* in savings during the summer season. Once you sign up and choose a plan, we will install, at no cost to you, a device on your central air conditioner that allows us to turn it off for up to 4 hours during an emergency interruption. Once enrolled, you will be included automatically in the Summer Discount Plan every summer.

As you complete this application, ensure that you choose a plan option in Section 2 and tell us how many devices you need in Section 3 before sending the application back to us in the enclosed postage-paid envelope. If you are a renter, please have your property manager or owner sign Section 4 for more information or to email online, go to www.sce.com/help. More questions? Call us at 800-447-2853 or TTY 800-552-8850.

1. Complete your account information			
Service account #	XXXXXXX		
My name (last name, first name)		Email	
My service address (number, street)			
City (zip code)	State (CA)	Zip (XXXXXX)	
Home phone # ()	Best time to call (weekdays)	<input type="checkbox"/> AM <input type="checkbox"/> PM	
Alternate phone # ()	Best time to call (weekdays)	<input type="checkbox"/> AM <input type="checkbox"/> PM	

2. Choose one of the three options below

How the Summer Discount Plan helps the environment.

The Summer Discount Plan is just one part of SCE's environmentally friendly strategy. Your participation in the Summer Discount Plan helps provide SCE with an environmentally friendly, 27% renewable resource portfolio that is called upon during an energy emergency. This is enough to power 305,500 energy homes.

What impact can I have on climate change?

Everyone can help the environment, and in other ways, and changes to make a big difference. For instance, if every American home replaced just one bulb with an ENERGY STAR® Compact Fluorescent light bulb, the amount of greenhouse gases that would be avoided would equal the emissions from two million cars. And if only 1 in 10 homes used qualified ENERGY STAR® appliances, the environmental benefit would be like planting 1.7 million new acres of trees.

What is SCE doing to counter climate change?

SCE is the nation's leading purchaser of renewable energy, buying one sixth of all U.S. wind, solar, biomass and geothermal power generation. During the past five years, SCE's energy efficiency programs have saved more than four billion kilowatt-hours (KWH) — enough to power 200,000 homes for an entire year. And we've helped reduce greenhouse gas emissions by more than 10 million tons — the equivalent of removing 250,000 cars from the road. Over the next two years, we plan to help reduce emissions by another million tons.

Choose the option that's best for your budget. Control the comfort and the savings!

Maximum Savings	Good Value	Maximum Comfort
Up to \$200* Up to 10 interruptions	Up to \$100* Up to 5 interruptions	Up to \$50* Up to 2 interruptions

Dear <FIRST NAME LAST NAME>

Everyone likes saving money. Now you can with SCE's Summer Discount Plan you can.

Sign up with SCE's Summer Discount Plan. When you join SCE's Summer Discount Plan, SCE will install a remote emergency device on your central air conditioner. (Your fan will continue to run.)

You choose the comfort level as the enclosed brochure includes a chart that you think will be best for your budget. Whichever plan you pick, you don't have to pay for the device.

Enrolling is easy and we let you

1. By Internet. Online enrollment is available. You can even track your savings.
2. By Telephone. Call 800-447-2853, Monday through Friday.
3. By mail. Return the enclosed brochure to us.

You choose the plan that will save you the most money. So many ways.

Sincerely,
Lynda Zieg
Lynda Zieg
Senior Vice President

*These figures are based on the 2006 National Energy Conservation Survey.

The SCE Summer Discount Plan

Save money this summer while doing something good for the environment.



SCE will also donate **\$10** to the California State Parks Foundation.

In addition to helping you save money every summer with the Summer Discount Plan, SCE will make a \$10 donation to the California State Parks Foundation as a reward for your enrollment. The California State Parks Foundation is the only statewide nonprofit organization dedicated to protecting, enhancing and advocating for California's magnificent state parks, including those located throughout Southern California.

California State Parks make up the most diverse natural and cultural park system in the nation. There are over 1.3 million acres of land to hike or bike through, pristine coastline to surf, ghost towns to tour, and ancient redwood groves to admire and treasure. With SCE's Summer Discount Plan, you save some serious money, and the earth will become a little bit greener.

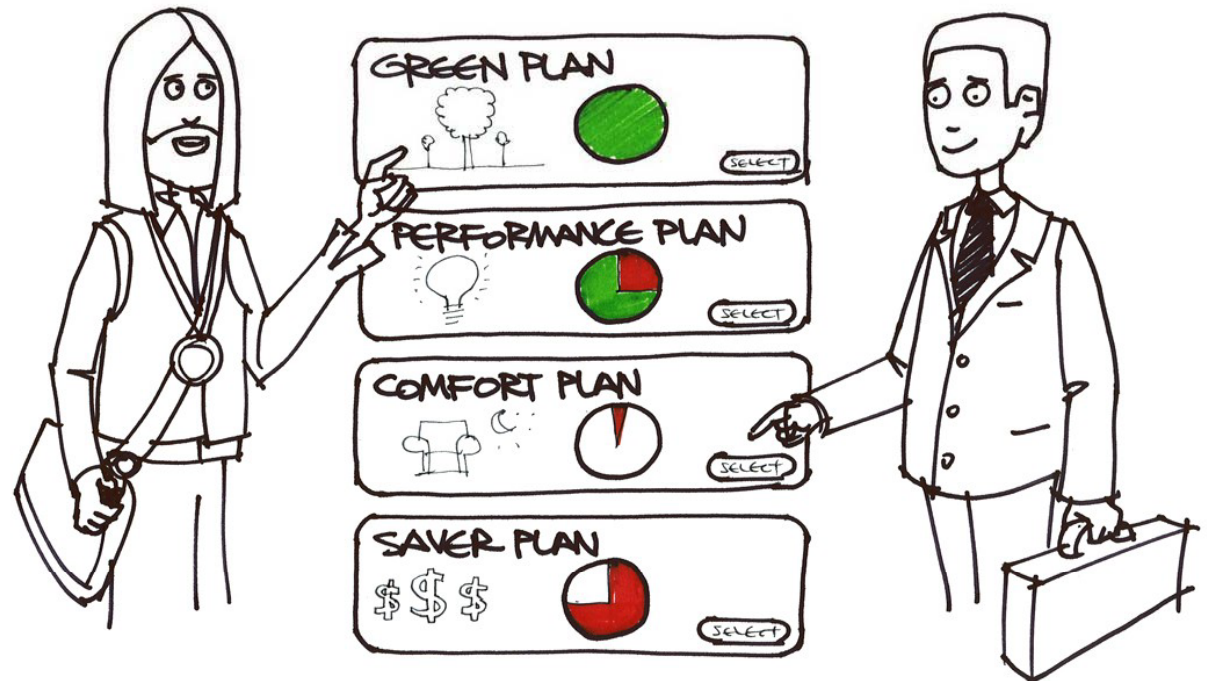


*These figures represent the savings a resident could enjoy with a typical 4.5-ton central air conditioning unit. Based upon 1.8 summer participation from the first Sunday in June through the first Sunday in October. Enrollment after the first Sunday in June will result in prorated savings beginning from the first meter read date after your application is processed and your device is installed and activated. SCE may also test the device twice per summer for 30 minutes. ©2007 Southern California Edison. All rights reserved.



Strategic Approach: Integration of Rates and Programs

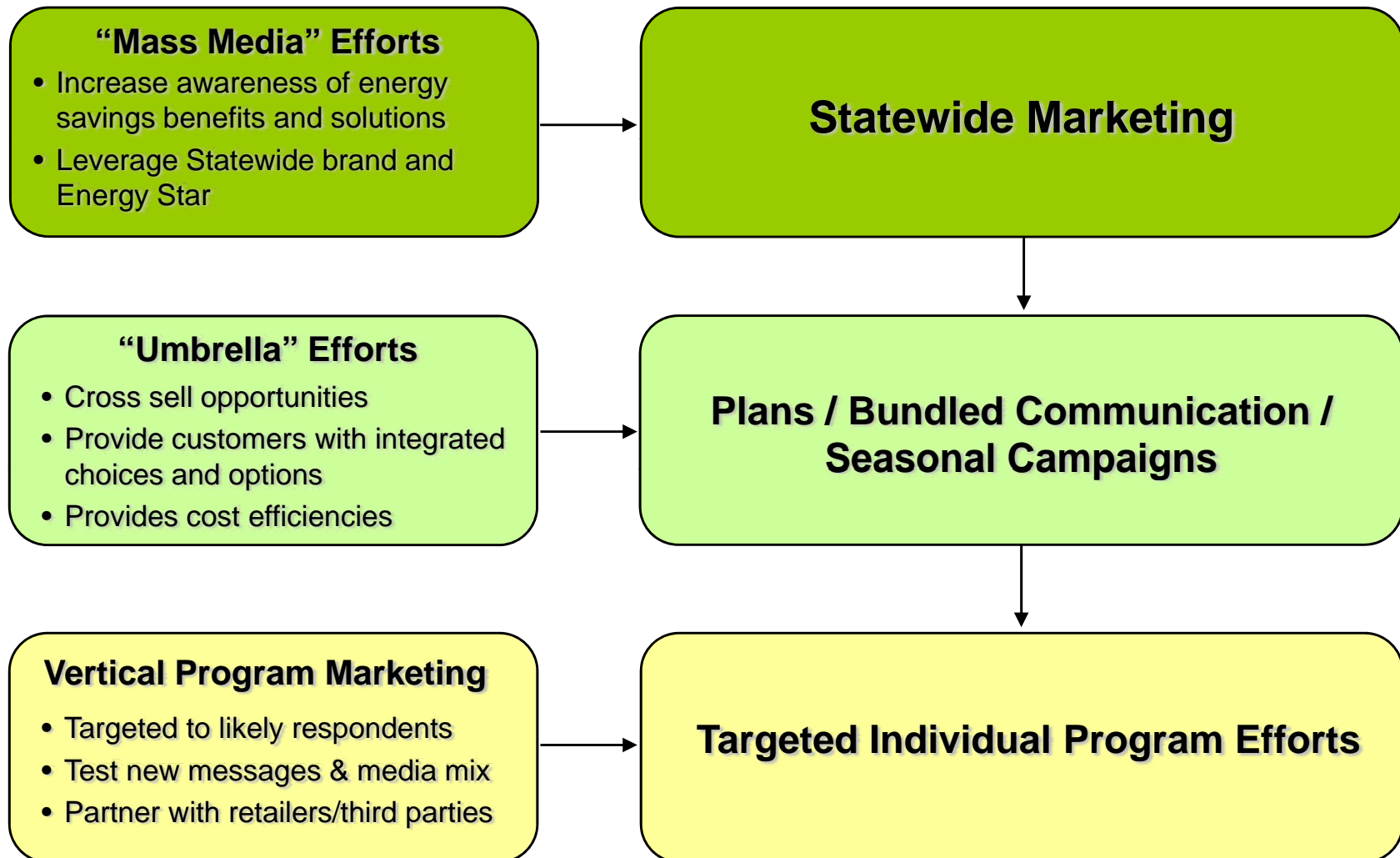
- Leverage Edison SmartConnect Technology to Better Engage Customers
- Persona Based Plans Provide Integrated Initiative and Holistic Solutions
 - Rate
 - Energy Information Tool
 - Load Control Program
 - Energy Audit
 - Billing and Payment



Strategic Approach: Integration of Key Players



Strategic Approach: Integrated Marketing, Education & Outreach



ROI

- Greater participation in demand response programs, rates and energy efficiency offerings
- More efficient use of dollars across DSM programs
- Customers make more informed energy decisions, leading to permanent adoption of an “energy efficient” lifestyle