

Business Connection

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Page 1 of 2

Precision Specialty Metals Stays Ahead of the Curve in Energy Management

As an energy-intensive business, Precision Specialty Metals, a Worthington Industries company, focuses on both demand response and energy efficiency to improve its bottom line — with its commitment to smart energy management solutions continuing to pay dividends.

The 40-year-old company is a conversion mill located in the eastern Los Angeles region. It specializes in stainless steel, offering precision light-gauge strip and sheet products for a range of industries, including aerospace, automotive, construction, food service and petrochemical.

"Because we're a 1.9-megawatt firm, it's very important for us to be ahead of the curve for what's new in energy savings," said Vice President Jim Lutz. "Raw materials and payroll are the only costs that surpass utilities."

Lutz said Precision Specialty Metals focuses primarily on lowering its electric demand costs, particularly during the summer peak periods. An early demand response adopter, the company joined the Critical Peak Pricing (CPP) rate in 2006 and stayed on it until this year.

CPP offers benefits for shifting or reducing electricity use during critical peak events in the summer months. During these events, energy charges increase significantly, but participants can avoid them and lower their bills by reducing electricity usage. CPP participants also receive reduced monthly on-peak demand charges throughout the summer season.

CPP Savings of \$300,000-Plus

During the four years on CPP, Lutz estimates the company saved more than \$300,000, noting that the rate was "superior to the alternative of TOU-8."

This year, Precision Specialty Metals decided the company would benefit from moving to a Demand Response Contract. SCE's portfolio of Demand Response Contracts consists of five aggregators, each contracted to provide SCE with load reductions during demand response events that SCE may call at its discretion.

Aggregators design their own programs, and offer demand response program structures and options that may not be directly available through SCE. Customers may select an aggregator with services that best meet their business needs. Besides assisting customers directly by lowering electrical load during peak demand periods, these programs help California maintain a reliable supply of electricity, reduce the possibility of rotating outages and help avoid the need to build new power plants.

Lower Costs With Nighttime Shifts

At Precision Specialty Metals, even if there's not a demand response event, the company, which operates 24/7, looks for ways to shift from on-peak to off-peak usage.

"In the past, if we didn't need 24/7 work, we would terminate the night shift," Lutz said. "Now if we have to shut down a portion of the plant, we do so during the day. For the price of a kilowatt it's worth running at night."

Lutz advised other manufacturers to take a similar approach. "Investigate all of the tariff possibilities to ameliorate the demand portion of your bill. Reschedule to the night shift any time it's possible to save on summer peak rates."

For more information on how you also can benefit from SCE's wide array of energy management programs and services, contact your account representative or visit www.sce.com/solutions and www.sce.com/drp.

Changes to SCE's On-Bill Financing Program

SCE's On-Bill Financing program lets you finance your business energy efficiency retrofit and upgrade projects. You can repay the cost of energy-saving improvements through your monthly utility bill, interest-free.

Previously, loans made through the On-Bill Financing program were capped at the Customer Account level. To better serve you, SCE has made changes to the program's loan limits. As of November 2, 2010, loan limits are capped at the Service Account (SA) level. Customers with multiple Service Accounts may have multiple loans. Each loan cannot exceed the Service Account cap. Please see the table below for loan limits and terms for different types of business customers:

On-Bill Financing Loan Limits			
Customer Type	Loan Limits	Loan Terms	
Business	Minimum of \$5,000 and maximum of \$100,000 per Service Account	Up to 5 years	
Government and Institutional	Minimum of \$5,000 and maximum of \$250,000 per Service Account *	Up to 10 years	

*Government and Institutional customers may designate one Service Account per facility** to receive loans up to a maximum total of \$1 million. All other Service Accounts at the facility (if any) must abide by the \$250,000 Service Account cap.

**"Facility" is defined as a building or a single location that provides a particular service or is used for a particular purpose.

To learn more about this change and how the program can work for your organization, contact your account representative or visit www.sce.com/onbill.

This program is funded by California utility customers and administered by Southern California Edison under the auspices of the California Public Utilities Commission. This program is offered on a first-come, first-served basis and is effective until funding is expended or the program is discontinued by the California Public Utilities Commission. This program may be modified or terminated without prior notice. Terms and Conditions apply. Please refer to www.sce.com/onbill for more information.

Learn to Make Smarter Energy Choices at SCE's Energy Centers

Find free training and information on new energy-efficient technologies for your business or non-profit organization at SCE's energy centers – the Customer Technology Application Center (CTAC) in Irwindale, and the Agricultural Technology Application Center (AgTAC) in Tulare. Offerings at CTAC and AgTAC are tailored for commercial and industrial customers, while AgTAC also offers classes geared at agricultural customers. Here are a few examples of upcoming workshops at the energy centers:

Date	Location	Topic
January 26, 2011	AgTAC, Tulare	Fundamentals of Electricity and Energy Efficiency
February 10, 2011	CTAC, Irwindale	2008 Nonresidential Standards Essentials for Energy Consultants
February 22, 2011	CTAC, Irwindale	Sustainable Building Envelopes
February 24, 2011	AgTAC, Tulare	Lighting Retrofit Strategies & Project Management Techniques

For more information about the services offered at SCE's energy centers, visit www.sce.com/energysolutions, or call us at (800) 336-2822 (for CTAC) or at (800) 772-4822 (for AgTAC).

Just in Time for a Friendly Reminder

Many of us know someone who may have difficulty remembering to pay the electric bill on time. Whatever the circumstance, a free Friendly Reminder Notification might help prevent unnecessary disconnection* of a customer's electric service.

SCE customers can designate someone to be notified in the event their service is to be disconnected because of a past due bill. Designated persons are not responsible for paying the bill, but they can provide an extra reminder when the bill payment is due. To enroll an SCE customer, call (800) 684-8123, or for complete details, visit www.sce.com/reminder.

*A Friendly Reminder Notification does not stop electric service from being disconnected if the bill is not paid on time.



Not Seeing Eye-to-Eye With Your Bill?

If you believe the amount you have been billed is incorrect, call the customer service phone number at the top of your bill to request an explanation. We will be happy to look into your concerns.

Have a Safe and Happy New Year

To safely remove and store your holiday lighting and electrical decorations, here are a few helpful tips:

- Unplug all decorations, lights and extension cords before taking them down. Plugged in items are still energized and can be dangerous.
- Don't tug on electrical cords this may tear the insulation and expose wires.
- Stay at least 10 feet away and keep ladders, long-handled tools and dangling light strands the same distance from overhead power lines when removing decorations.
- Follow the manufacturer and your city's directions for safely disposing of worn or broken lights and decorations.

We look forward to serving you this year and wish you a safe and happy New Year. For more information about electrical safety, visit www.sce.com/newyear.

College Scholarships Available from Edison International

Edison International, the parent company of Southern California Edison (SCE), welcomes applications for the Edison Scholars program, which supports the study of math, science, engineering and technology. Promising high school seniors who plan to attend four year colleges are encouraged to apply for the program, which continues Edison International's long-standing tradition of awarding scholarships to students who show the potential for successful college careers.

Applicants for the Edison Scholars program must meet the eligibility criteria listed below (partial list):

- Be high school seniors who live, or attend a public or private school, in SCE's 50,000-square-mile service area.
- Have a cumulative grade point average of 2.8 or higher on a 4.0 scale (or the equivalent).
- Have taken the SAT or ACT exams.
- Plan to be a full-time student majoring in math, physics, chemistry, engineering, materials science or computer science/information systems at a four year college/university.
- Must prove financial need.

Preference will be given to students who are first generation college students and those who have overcome significant obstacles and challenges.

Dependents of Edison International employees or retirees are not eligible.

As many as 75 successful candidates each may receive scholarships of \$2,500, renewable for up to \$10,000 total, if all requirements are met. **All applications must be postmarked by March 1, 2011.**

Visit <u>www.edison.com/edisonscholars</u> to learn more about the Edison Scholars program, including a complete list of requirements, lists of eligible schools, and to download an application.



Past Edison scholarship recipients