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Energy Curtailment Specialists launches Cut Back California demand response program in San Diego

Seminars scheduled to increase public awareness of demand response benefits

San Diego, CA, May 8 – Energy Curtailment Specialists, Inc. (ECS), the largest demand response service provider in the United States, is launching its Cut Back California Program in San Diego.

Cut Back California is a customer-friendly demand response program which pays larger users to shift electric use during peak periods and conserve electricity during shortages. This action, which is requested typically only a few days per summer, levels off electric users' demand and brings stability back to the grid.

To increase public awareness and educate business leaders about the benefits of Cut Back California, ECS is holding a "lunch and learn" seminar called "Cashing in on Demand Response" from 11:30 a.m. to 2:00 p.m. on May 30 at Courtyard by Marriott San Diego Central and on May 31 at Courtyard by Marriott San Diego Downtown. For more information, visit www.ecscal.com or call 877-327-0032. There is no cost to attend and registrants will be entered to win a pair of Padres tickets in a raffle at the end of the seminar.

Guest speakers Joseph Semerad, program manager at San Diego Gas and Electric (SDG&E), and Joseph Lyons, energy policy director at California Manufacturers and Technology Association (CMTA), will present demand response history and issues. Paul Tyno, vice president and director of business development at ECS will discuss the specific benefits of the Cut Back California Program.

"Demand response is an effective and environmentally friendly way to increase the electric grid's reliability and lessen dangerous peaks of high electric demand, and we encourage our customers to investigate the option of participating in such programs," said Semerad.

ECS' total contracted demand response portfolio is nearly 700 megawatts, approximate in size to the output of the South Bay Power Plant in Chula Vista – about enough to power all the homes in Riverside County. ECS anticipates increasing its portfolio by up to 300 additional megawatts in demand response reserves over the next 2 to 3 years in California.

Unlike most other programs, Cut Back California provides participants with day-ahead notice prior to events, which allows time to prepare for energy reduction, and makes it a more attractive option for the largest of consumers, including manufacturers.

"For years we've been advocating for demand response programs to allow customers to customize a program that is consistent with their business operations and ability to shift load," said Dorothy Rothrock, senior vice president of government relations at CMTA.

In addition to providing day-ahead notice, Cut Back California will involve significantly higher payments than past programs, a limitation on the number of hours in which participants can be called, in-period flexibility to allow participants to modify their energy reduction commitment, and most importantly, a "no out-of-pocket penalties" clause for failure to hit the commitment target.

"The primary reason behind our success in other areas of the country has been our ability to create a truly customer-friendly program with no hidden gimmicks; the focus is on a straightforward program that customers understand," said Glen Smith, co-founder, president and chief executive officer of ECS.

"Larger electricity users are seriously interested in aiding the grid and the utility, but they need to know the dollars they receive are significant enough to justify participation, and that the program's rules are not too onerous," said Stephen Lynch, co-founder and principal of ECS.

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With some minor exceptions, any large electricity user qualifies for funding as a demand response participant in Cut Back California. "We have an all-inclusive program that includes manufacturers, hotels, hospitals, nursing homes, school districts, universities, commercial buildings, and just about anything else you can think of," said Lynch.

The initiatives of the California Public Utility Commission, led by President Michael Peevey, have sent a clear message that by the summer of 2007, the utilities need to come up with more demand response participation. Demand for electricity in California continues to increase annually against a relatively stagnant supply.

"We applaud President Peevey and the rest of the California Public Utility Commission, as well as the California utilities, for their initiatives and efforts, and quest for a unique and fresh approach. We're very happy to lend our expertise, and more importantly our experience, to bring more demand response resources to the table in California," said Smith.

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