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**Media Contact: Charles Coleman, (626) 302-2255**

## **Southern California Edison Finalizes Stimulus Grant to Start Large-Scale Energy Storage Demonstration**

ROSEMead, Calif., Oct. 20, 2010 – Southern California Edison (SCE), a subsidiary of Edison International, today announced that it has finalized an agreement with the U.S. Department of Energy (DOE) for a \$25 million stimulus grant to develop and conduct a comprehensive demonstration of lithium-ion battery storage for energy generated by wind projects.

The DOE funding is one of 32 stimulus grants awarded late last year to demonstrate advanced Smart Grid technologies and integrated systems under the American Recovery and Reinvestment Act. SCE will use the funds to facilitate increased integration of wind-powered generation from the Tehachapi region in Southern California into the electric grid in order to help the state meet its ambitious renewable energy goals.

The \$25 million DOE grant matches funds totaling \$29.9 million provided by SCE and its partners, including a \$1 million grant from the California Energy Commission, resulting in a total project cost of \$54.9 million.

“We are pleased to receive this significant financial assistance to study ways to make wind-generated energy more effective for electricity customers,” said Jim Kelly, SCE senior vice president of Transmission and Distribution. “SCE has been a leader in supporting electricity generation from renewable resources. This grant will help SCE, our partners and the electric utility industry better understand the optimal use of large-scale batteries in grid operations. We look forward to sharing this project’s important results with energy stakeholders and advancing the promising but still nascent field of grid-scale energy storage,” said Kelly.

Energy storage is an emerging industry and consists of many technologies with a broad range of potential uses. Batteries and other energy storage solutions can potentially support grid operations in many ways, one of which is to mitigate the impact of unpredictable wind patterns on energy production, enabling wind-powered generation to grow even more.

The Tehachapi Wind Energy Storage Project is expected to spur broader demand for the technology, bringing production to a scale that will make this form of energy storage more affordable. Cost-effective energy storage will allow for a smarter grid, facilitate integration of intermittent renewable resources and encourage job growth in the energy sector.

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The project is an integral part of SCE's effort to research and demonstrate storage technology and its various applications. With a more advanced understanding of energy storage capabilities, SCE, the state of California, and DOE can better evaluate potential storage solutions and grid requirements in order to identify an approach that is in the best interests of electricity customers.

The project will be deployed at an SCE substation that serves the Tehachapi area, approximately 100 miles north of Los Angeles, which is an ideal location for testing due to the site's challenges integrating nearby intermittent wind generation. The battery system will be installed in early 2012 with testing taking place through the end of 2014. The project results will be made available in early 2015.

SCE will collaborate on the Tehachapi Wind Energy Storage Project with U.S. battery manufacturer A123 Systems and the California Independent System Operator Corporation. Quanta Technology and California State Polytechnic University, Pomona, will provide engineering support and measurement and reporting services.

"A123 Systems is proud to be working with Southern California Edison and its partners on a project that we believe will advance the integration of renewable energy into the grid. We expect that the ability to dynamically manage the grid through large scale advanced lithium-ion battery systems will be a necessary innovation to realize the promise of a smarter, cleaner energy grid," said Robert Johnson, vice president, Energy Solutions Group at A123 Systems.

### **About Southern California Edison**

An Edison International (NYSE:EIX) company, Southern California Edison is one of the nation's largest electric utilities, serving a population of nearly 14 million via 4.9 million customer accounts in a 50,000-square-mile service area within Central, Coastal and Southern California.

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