



Energy Management Program

STRATEGIC ENERGY MANAGEMENT GUIDE

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Commercial & Industrial (C&I)

Atlantic City Electric

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I. Introduction

The Atlantic City Electric Energy Management program - Strategic Energy Management (SEM) offering is a subset of the Energy Solutions for Business program which supports Participants in the development of long-lasting sustainable practices and efficient use of energy in their facilities.

This SEM Guide is a document created by the Program Administrator to provide existing and prospective program participants with necessary guidance about all aspects of the SEM offering including the application process, eligibility requirements, and program processes.

This Guide is designed to provide you with an overview of the SEM offering and help you understand how your organization can benefit from participating.

II. General Description

The Strategic Energy Management (SEM) offering through Atlantic City Electric's Energy Management program provides a holistic and systematic approach to continuous energy improvement.

Through participation in SEM, Atlantic City Electric will provide you with hands-on coaching and training to discover, assess, and improve your company's energy management practices. Your Energy Coach will perform an in-depth building energy assessment, build your energy team, develop an action plan for tackling identified improvements, and help you measure and verify resulting energy savings— all at no additional cost.

Strategic Energy Management provides incentives for actual energy savings achieved by rising to the challenge of implementing long-term operational, maintenance, and behavioral improvements, as well as assistance with obtaining incentives through other Atlantic City Electric's Energy Solutions for Business programs.

Who is a good fit for SEM?

A key factor that leads towards a Participant's success in the SEM offering is a facility's clear commitment towards energy efficiency. Facilities that have strong executive support for participation and have an existing culture around continuous improvement are well positioned for success in the SEM offering.

Other factors that contribute to success include willingness to allocate human and capital resources towards attaining sustainability goals, and having robust energy and production data that enable tracking energy use.

What happens during the SEM process?

The first step in a Participant's process with SEM is to undertake a self-assessment to determine the current energy management practices and identify what data is currently available at the facility.

The next step requires development of a breakdown of all energy uses in the facility and establish a baseline of the energy usage. Then begins a regular cycle of energy-saving activities outlined in the SEM Process Section V of this guide.

Who provides the training?

SEM is delivered by an energy coach, provided at no cost by Atlantic City Electric, working hand in hand with a cohort of customers by meeting regularly to learn about energy management practices.

What systems do you focus on?

Improvements to energy performance through SEM requires implementing measures that include cultural change - behavioral and operational improvements. Example of measures include adjusting HVAC setpoints, turning off lights or shutting doors, scheduling optimization etc. SEM principles and objectives may lead to capital and unique projects that may be eligible for incentives from other Energy Solutions for Business programs.

Where do these activities take place?

SEM activities happen at your facility, at Atlantic City Electric meeting spaces, or via phone/video call.

How much time commitment is required?

See Section VI for more specific information. We estimate a minimum of 12 hours per month total time commitment, but this may vary by month.

Why should I do SEM?

Many benefits can be derived from participating in SEM including:

- Cash incentives for electric, and possibly natural gas, savings achieved through Atlantic City Electric's Energy Solutions for Businesses programs.
- Increased profitability by reduction in overhead costs and production downtime
- Competitive advantage gained in the market by becoming a sustainability leader
- Reduced environmental impact

III. Eligibility

Below are the requirements to be eligible to participate in the SEM offering:

- Participants must be a customer of Atlantic City Electric with a non-residential account, targeting but not limited to industrial, manufacturing, healthcare/hospitals, and large hospitality sectors.
- Minimum facility size of 50,000 sq.ft.
- Average peak demand of 200 kW or higher over the last 12 months.
- Ideally, the facility should have an AMI interval meter to streamline data collection.

To gain optimal results and qualify for the full range of training, assistance, and cash incentives available through SEM, your team must:

- Commit to saving energy through continuous improvement practices.
- Be willing to implement no-and low-cost projects during the year-long engagement.
- Actively participate in training by attending workshops and completing assignments and onsite projects between workshops.
- Obtain management support for an Energy Champion, Energy Data Manager and Energy Team to commit work time to SEM activities.
- Provide energy and production data, or other data, to develop energy intensity models for your facility and to measure energy savings achieved.

IV. Enrollment

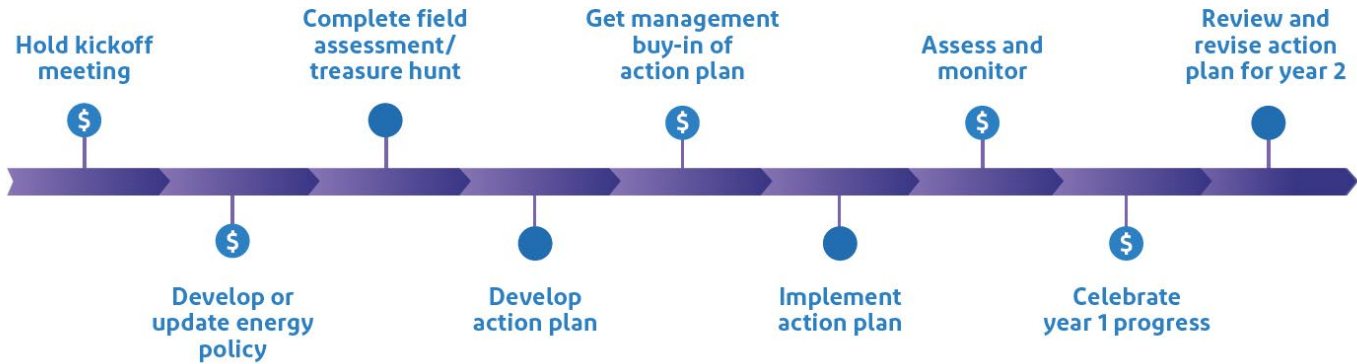
To enroll, the Participant must submit a signed SEM Enrollment Application located on the [Atlantic City Electric website](https://atlanticcityelectric.com/EnergyManagement) (atlanticcityelectric.com/EnergyManagement).

Before submitting your SEM Enrollment Application, please contact us. The program administrator will guide you through the enrollment process, which will include confirming your company's eligibility for the program.

V. SEM Process

The SEM Energy Coach will guide each participant through the following process:

Year 1 of the SEM process



This icon indicates completion of the step earns an incentive. **See Incentive section below for details.**

Step	Description
1	<p><u>Kick-Off Meeting</u> </p> <p>The SEM Energy Coach will lead a kick-off meeting with the Energy Champion to to:</p> <ul style="list-style-type: none"> ❖ Identify the Energy Team roles and responsibilities, ❖ Make a commitment to Year 1 SEM process, and ❖ begin data collection to complete benchmarking of the facility and provide an understanding of the facility layout and equipment
2	<p><u>Develop or Update Energy Policy</u> </p> <p>With the help of the Energy Coach, the Energy Team will develop or update the company’s Energy Policy, which provides the foundation for setting performance goals and integrating energy management into operations.</p> <p>The Energy Coach will provide a template and examples of Energy Policies, which serves as a formal declaration that the organization is focusing on energy management. The Energy Policy should be approved and shared with the organization by the Executive Sponsor.</p>
3	<p><u>Field Assessment/Treasure Hunt</u></p> <p>The Energy Coach, with help of the Energy Champion and other staff, will conduct an energy assessment or "Treasure Hunt" of the facility and develop a complete list of energy efficiency measure (EEM) opportunities, known as a Solutions List.</p> <p>The Solutions List will include ideas for low/no-cost "quick win" EEMs plus an evaluation of potential energy savings and any of the following types of EEMs: capital improvements, retro-commissioning, behavioral, or operations and maintenance. Any applicable incentives from other Atlantic City Electric incentive programs will be included in the cost-effectiveness analysis to inform next steps.</p>

Step	Description
4	<p><u>Develop Action Plan</u></p> <p>An Action Plan will be developed to define roles and resources and set timeline for implementation of selected EEMs within the SEM Year 1 timeframe. EEMs will be prioritized for implementation based on available incentives, cost-effectiveness and feasibility. The Energy Coach will assist with leveraging Atlantic City Electric Trade Ally network to implement EEMs as applicable.</p> <p>The Energy Coach will present the findings of the assessment and work with the Energy Team to solidify the savings from selected EEMs, establish an implementation strategy, evaluate cost-effectiveness, as well as an approach for collecting energy performance data pre- and post-implementation.</p>
5	<p><u>Management Buy-in of Action Plan</u> </p> <p>The Energy Team will present the Action Plan to the Executive Sponsor for buy-in to procure the resources necessary for EEM implementation. The Executive Sponsor will formalize the organization’s commitment to move forward with selected EEMs.</p>
6	<p><u>Implement Action Plan</u></p> <p>The Energy Team will facilitate the implementation of EEMs from the Action Plan with internal staff and/or by selecting Trade Allies to adjust, upgrade or replace equipment as applicable.</p> <p>The Energy Coach will assist with obtaining applicable program incentives from the Atlantic City Electric Energy Solutions for Business program. The Energy Team will work with the Energy Coach to institute informational and motivational campaigns within the organization to achieve behavioral energy savings.</p>
7	<p><u>Assess and Monitor</u> </p> <p>Upon successful implementation of EEMs in the Action Plan, the Energy Coach will work with the Energy Data Manager to collect the necessary energy performance data in order to calculate energy savings.</p>
8	<p><u>Celebrate Year 1 Results</u> </p> <p>The Energy Team and the Energy Coach will come together to review achievements, setbacks, lessons learned and visualizations of overall energy performance in order to recognize the Energy Team’s efforts.</p>
9	<p><u>Review and Revise Action Plan for Year 2</u></p> <p>The Energy Coach will assist the Energy Team with updating the Action Plan with ideas for continuous improvement for ongoing energy management into Year 2, as well as adding guidance for persistence of savings for implemented EEMs to the Energy Policy.</p>





VI. Participation Requirements

Energy Team

Each participating company must designate an Energy Champion, Energy Data Manager, and an Energy Team, as well as identify an Executive Sponsor. The in-house Energy Team can be as big or as small as fits the company's size and culture. Members of the Energy Team will participate in as defined in the SEM Year 1 Process, plus optional employee engagement events or campaigns for broader employee participation. These will include energy audit or "treasure hunts" to identify energy saving opportunities and follow-up meetings with your Energy Coach to inquire about building equipment information, operation, or general feedback.

Time commitments vary based on each role but are generally estimated as shown in the table below in order to accomplish the SEM Year 1 activities. These time commitments are expected to last for a duration of 1 year, then be re-evaluated for potential SEM Year 2 participation.

Successful Energy Teams generally are comprised of individuals from multiple levels of the organization who have knowledge about existing systems (production, capital project planning, facilities and maintenance, financial, etc.) and management support to participate in this effort.

Role	Description
 <p>Energy Champion</p>	<p>The Energy Champion is the point of contact at the Participant's facility and is responsible for coordinating with the Energy Coach, Energy Team, Energy Data Manager, and the Executive Sponsor to schedule meetings, assist with the energy audit. The Energy Champion should have an interest in the energy performance of the facility and possess good project management skills. This person's title within the organization may be—but not limited to—Operations Manager, Facility Manager or Energy Manager.</p> <p>4 – 16 hours/month</p>
 <p>Energy Data Manager</p>	<p>The Energy Data Manager ensures a plan is created for collecting energy data and other variable data at the facility. The Energy Champion may fill this rôle.</p> <p>2 – 16 hours/month</p>
 <p>Executive Sponsor</p>	<p>A member of the Participant's executive management (President, CEO, COO, CFO, etc.) or highest-level manager who has the authority to commit to undergoing SEM at the facility, commit to devoting staff time to this endeavor, and support projects and trainings that are critical to implementation of SEM.</p> <p>1 – 3 hours/month</p>
 <p>Energy Team Members</p>	<p>A cross-functional team that includes the Energy Champion, the executive sponsor and other representatives from HR, production, management, facilities etc. that meets regularly to discuss and participate in the workshops and energy audit presentations. This is geared toward the « doers »—people who want to dig in and make things happen.</p> <p>2 – 8 hours/month</p>

Cohort Workshops

Members of the Energy Team are invited to attend workshops with other participants in the SEM cohort. Cohort workshops provide an opportunity for the participant to learn about energy savings strategies and lessons learned from prior SEM participants. Workshops are offered monthly on a variety of topics.

Measure Implementation

Resources required to implement SEM measures can vary by scope, facility size, the number of employees, among other things. Behavioral measures such as turning off lights could entail communicating the change to employees and posting signage, for example, whereas automated/controls-based measures may entail hiring a contractor to install equipment or make the upgrade. As such, the cost or time to implement will vary depending on these factors.

Data Collection

Energy regressions will be developed to provide feedback on overall energy performance during and after the program. In order to develop the energy models, drivers of energy consumption will need to be identified and tracked. Some variables commonly used in energy regressions are:

- Ambient dry bulb temperature
- Heating degree-days (HDD)
- Cooling degree-days (CDD)
- Production output
- Number of occupants in a facility

The Energy Coach will work with the Participant to develop a data collection plan that includes data sources (meters, loggers, or utility), frequency for data collection, method and location for which data will be documented. The Energy Coach will review that the data is robust and are in a format the Energy Coach can read and use. Interval meter data for energy usage is strongly recommended for tracking energy performance and impact of implemented measures, access should be granted to the Energy Coach whenever such data is available.

VII. Incentives

Milestone Incentives

The Participant will be awarded \$1,000 upon successful completion of each of the following designated milestones during the SEM Year 1 Process:

- Kick-off Meeting and Energy Team election
- Energy Policy
- Management Buy-In of Action Plan
- Post-Implementation Data Collection

Performance Incentive

The SEM offering will pay an incentive of \$0.02/kWh to the Participant based on actual first-year verified savings, which will be paid upon completion of one year performance period. If applicable, incentives for natural gas savings will be available for eligible customers.

A baseline energy usage level is established by analyzing historical energy usage data. Once this baseline is established, energy-saving measures are implemented, and energy usage data is collected for the same duration after implementation (see 'Data Collection' section above). The actual energy savings achieved are then calculated by comparing the post-implementation energy usage data to the baseline energy usage level.

During SEM participation, your Energy Coach may assist with applications to other Atlantic City Electric incentive programs for EEMs implemented as a result of the Action Plan. EEMs that qualify for and have been awarded incentives through other programs (i.e RCx, HVAC Tune-up, Prescriptive, or Custom) will not qualify for additional SEM incentives.

Training Course Allowance

Atlantic City Electric will pay the course fee for up to two (2) participants from the Energy Team to complete the Building Operator Certificate course offered by Pennsylvania College of Technology. Contact us for details.

Glossary of Terms

- **Action Plan:** A document that operationalizes the energy policy by providing a roadmap detailing how the organization will improve energy performance to achieve goals.
- **Cohort:** A group of companies participating in SEM at the same time. Cohorts meet periodically for workshops and to share lessons learned.
- **Energy Coach:** SEM provider under contract with Atlantic City Electric to provide SEM training and technical assistance to Participants throughout the offering. The Energy Coach measures, tracks and reports on energy intensity, savings, and performance.
- **Energy Policy:** A written statement of an organization's aims and priorities for energy use and management that guides and governs SEM efforts.
- **Participant:** The company/entity participating in the SEM offering
- **SEM:** Strategic Energy Management