



Energy Solutions & Cascade Energy Present



Industrial Incentive Solutions

Stakeholder Presentation
October 27, 2025



Agenda

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- 3 Goals, Budget, and Benefits
- 4 Program Design
- 5 Process and Strategies
- 6 Innovation and Technology
- 7 Measurement and Verification
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Program Team



Program Team

Energy Solutions

Midstream, Measure Package Development & Incentive Payments



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Program Overview



Section Covers



Program Overview and Attributes



Program Objectives



Eligibility Requirements

Program Overview

- Serves Southern California Edison's (SCE's) largest and medium sized industrial customers.
- Incentives are offered through a variety of comprehensive approaches

Program Name	Industrial Incentive Solutions (IIS)
Portfolio Administrator	Southern California Edison
Program Implementer	Energy Solutions
Portfolio Segment	Resource Acquisition
Program Duration	10/01/25 – 12/31/2029
Market Sector	Large and medium industrial customers > 200 kW
Delivery Type(s)	Midstream-Distributor, Custom, NMEC and Downstream
Intervention Strategies	Incentive, Technical Assistance, Marketing and Outreach
M&V Methods	Deemed, Custom, NMEC- site





Program Objectives

- Maximize participation from industrial customers
- Leverage market relationships to increase participation in deemed industrial measures
- Target energy intensive industries with a custom program
- Implement Site-Level NMEC for eligible customers
- Identify new deemed measures and move deemed measures to midstream
- Coordination across midstream, downstream, custom, and NMEC programs
- Serve HTR and industrial customers that are in DAC locations.

Customer Eligibility Requirements

- IIS will work with SCE industrial customers
- Projects and customer service accounts cannot receive overlapping incentives from other EE programs (no “double dipping”)
- All eligible customers must have an annual electric demand of at least 200 kilowatts

Segment	NAICS Code	Description of Segment
Mining, Quarrying, and Oil and Gas Extraction	21	Crude and natural gas extraction, and mining
Utilities	22	Sewage Treatment, Water Supply and Irrigation, Steam and Air-Conditioning Supply
Construction	23	Concrete, Glass and Glazing, Drywall, Flooring and other contractors
Manufacturing	31-33	Food, Animal, Milling, Soft Drinks and Bakeries
Wholesale Trade	42	Paper and Paper Products, Wholesalers, Petroleum Bulk Stations
Retail Trade	44-45	Car, Boat and Tire Dealers, Home Centers, Pharmacies, Warehouse Clubs and Supercenters, Electronics and Appliances
Transportation and Warehousing	48-49	Freight Trucking, Railroads, pipeline transportation, refrigerated warehousing, and other warehouse and storage
Other Services (except Public Administration)	81	Reupholstery and furniture, Commercial and Industrial Machinery and Equipment, Industrial Launderers, linen supply, laundry supply, etc..





Goals, Budget and Benefits



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Timeline

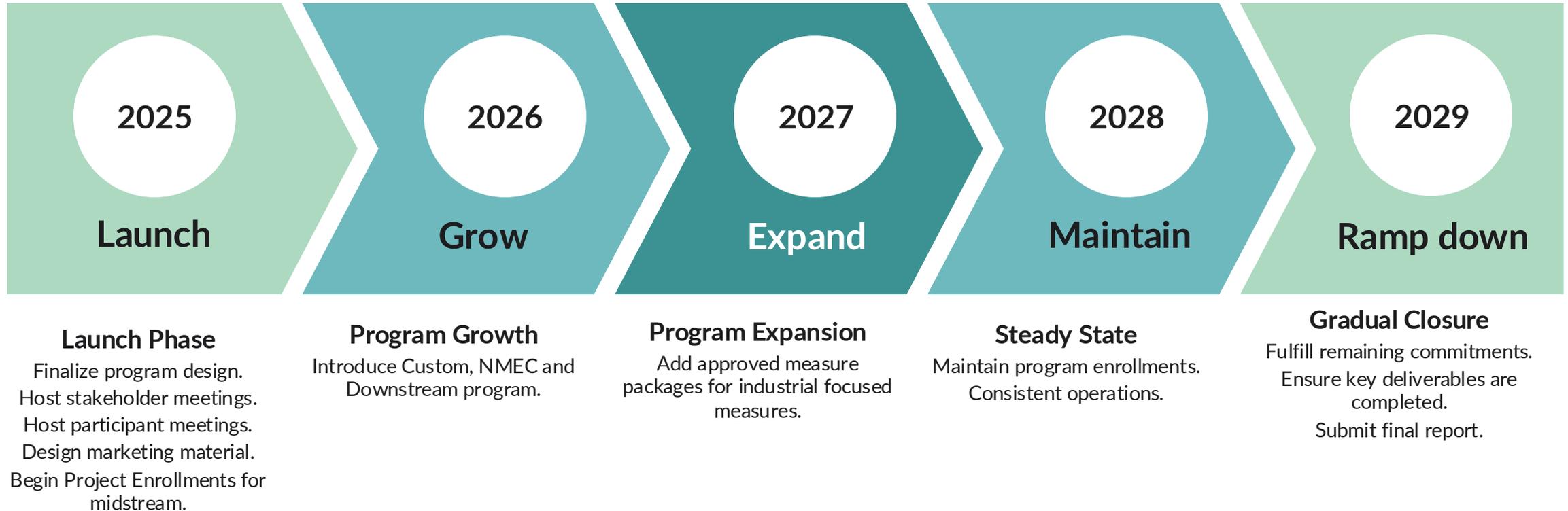


Enrollment Goals



Program Budget and Benefits

Timeline



Enrollment Goals

Customer Account Category	2025	2026	2027	2028	2029	Five-Year Total
Custom/NMEC Projects	0	10	16	8	6	40
Deemed Projects	30	60	60	90	60	300
Total Enrollments	30	72	76	98	66	340
DAC Enrollments	3	5	8	10	10	36

Program enrollment is defined as a completed:

- Deemed Rebate Application Form and number of midstream claims submitted
- Custom Project Enrollment Agreement
- NMEC Project Enrollment Agreement



Program Budget and Benefits

Program Year	Program Budget	Total System Benefit (TSB)
2025	\$1,417,688	\$207,754
2026	\$1,830,684	\$2,433,321
2027	\$3,055,216	\$3,813,958
2028	\$3,616,828	\$4,719,804
2029	\$3,610,596	\$4,933,029
Total	\$13,531,012	\$16,107,866

Program Design



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Program Delivery Approach

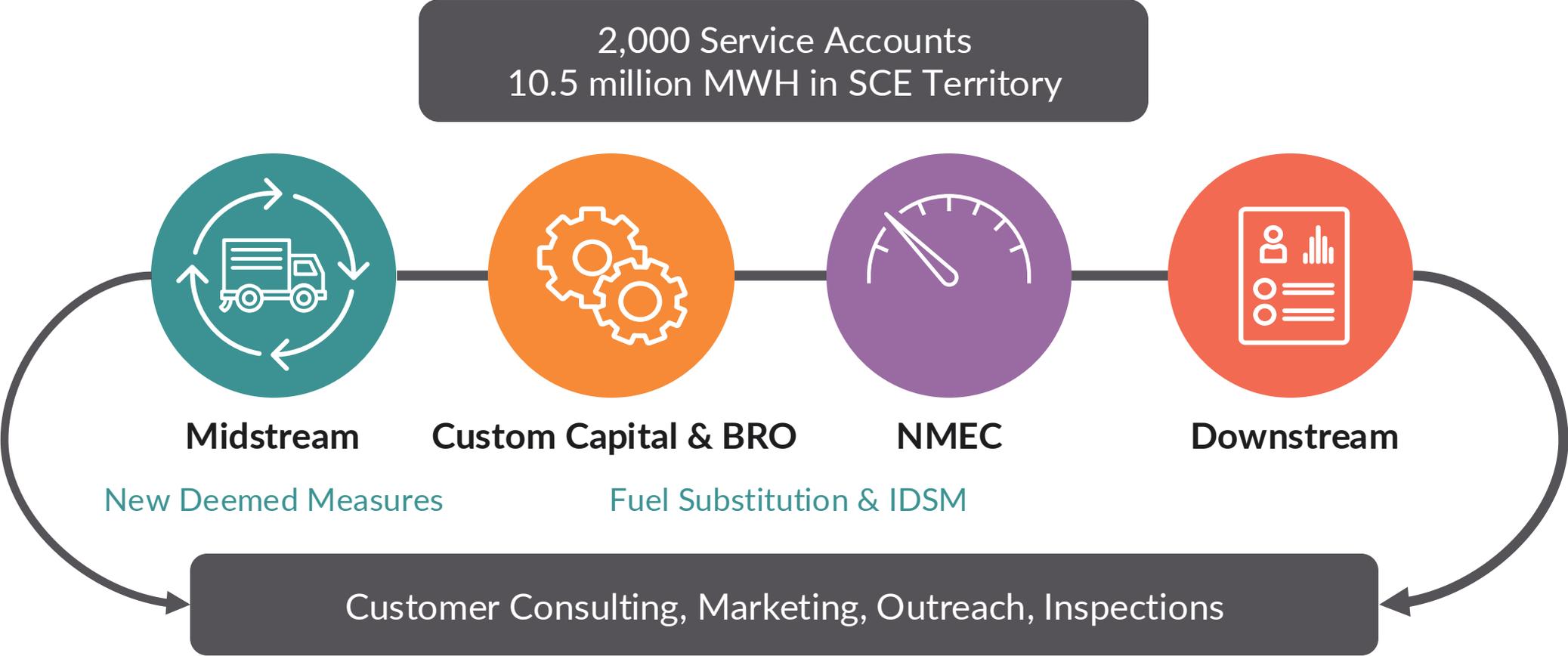


Program Measure Mix



Program Design and Best Practices

Program Delivery Approach



Midstream Measure Mix

Measure	Units	Customer Incentive	Distributor SPIFF
Air compressor VFD, 5 to 25 hp	HP	\$40	\$10
Rod beam VFD pump, gas production or petroleum, 10-150 HP	Each	\$2000-\$8000	\$100-\$200
Dust collection fan VSD, 10-150 HP	Each	\$600	\$50
Clean water pump, variable speed, 1-250 HP	HP	\$2-\$35	\$1-\$5
Clean water pump, constant speed, 1-250 HP	HP	\$2-\$35	\$1-\$5
Variable speed drive on chilled water pump (CHWP)	HP	\$40	\$10
Variable speed drive on condenser water pump (CWP)	HP	\$40	\$10
Circulating block heater, 37 - 199 kW	Each	\$350	\$50
Circulating block heater, 200 - 799 kW	Each	\$100	\$50

Note: Measure package SWWP004 is planned to be continued into 2026-2027, but the new version of the measure package does not have a set effective date yet



Measure Package Development

Program Team will work to add industrial measures to the eTRM and expand savings opportunities.



Variable Speed Drive
Build measure package for new end use applications of VSD's



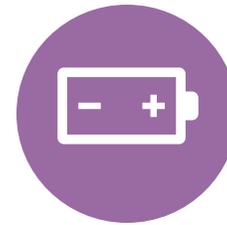
Air Compressor Accessories
Field measurement of air compressor measures to quantify deemed savings



FEI Fans
Measure exists in other state TRMs, develop measure through California eTRM process



Destratification Fans
Measure exists in other state TRMs, develop measure through California eTRM process

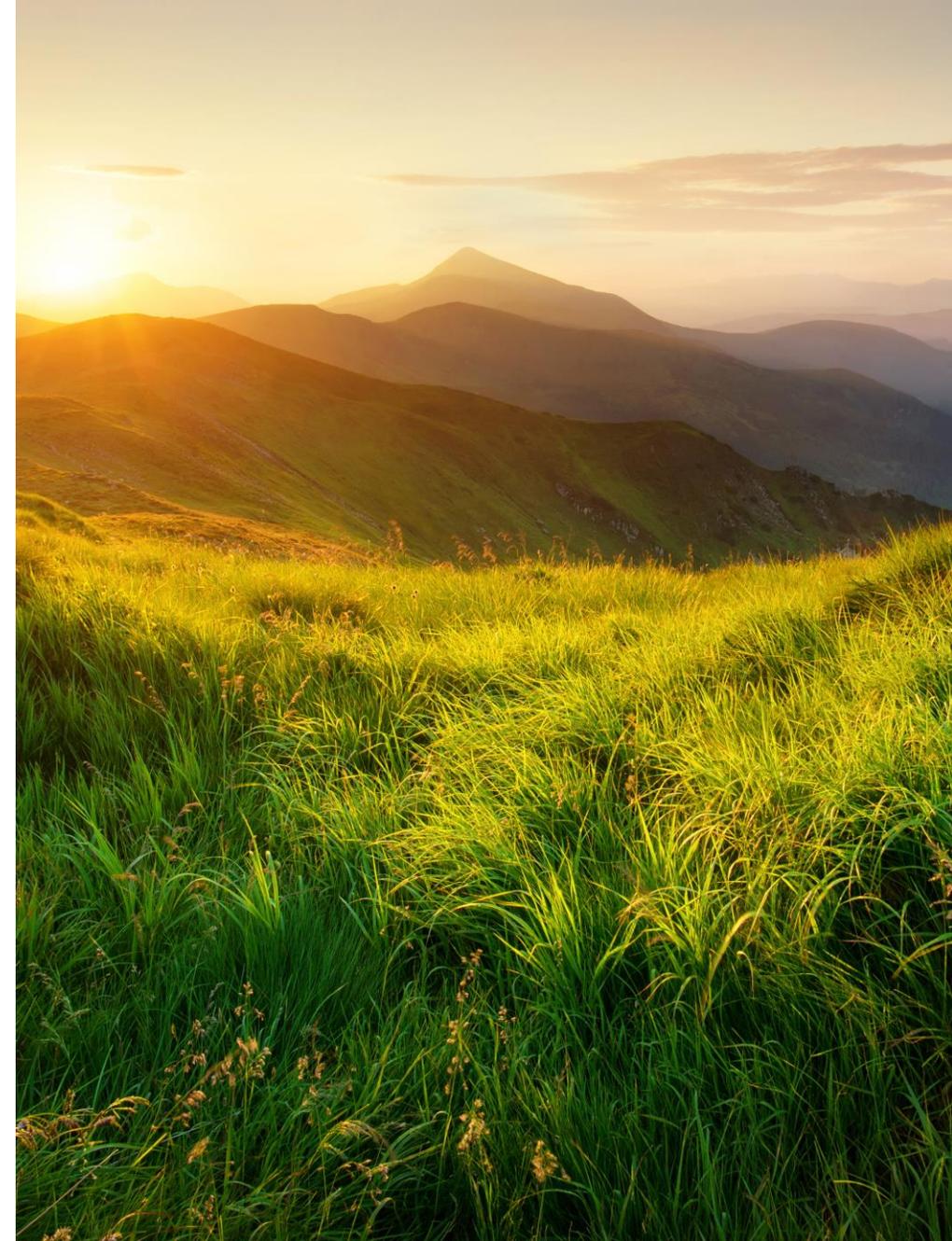


Battery chargers
Measure exists in other state TRMs, develop measure through California eTRM process

Downstream Deemed

- Deemed measures are pre-approved, standardized energy efficiency upgrades.
- Approved deemed measures are eligible for rebates based on pre-defined criteria such as equipment type, building type, climate zone, etc.

Measure	Version ID
Heat Pump Water Heater, Commercial	SWWH031-05-02
Heat Pump Water Heater, Commercial, Fuel Substitution	SWWH027-06-04
Large Heat Pump Water Heater, Commercial and Multifamily, Fuel Substitution	SWWH028-07-01

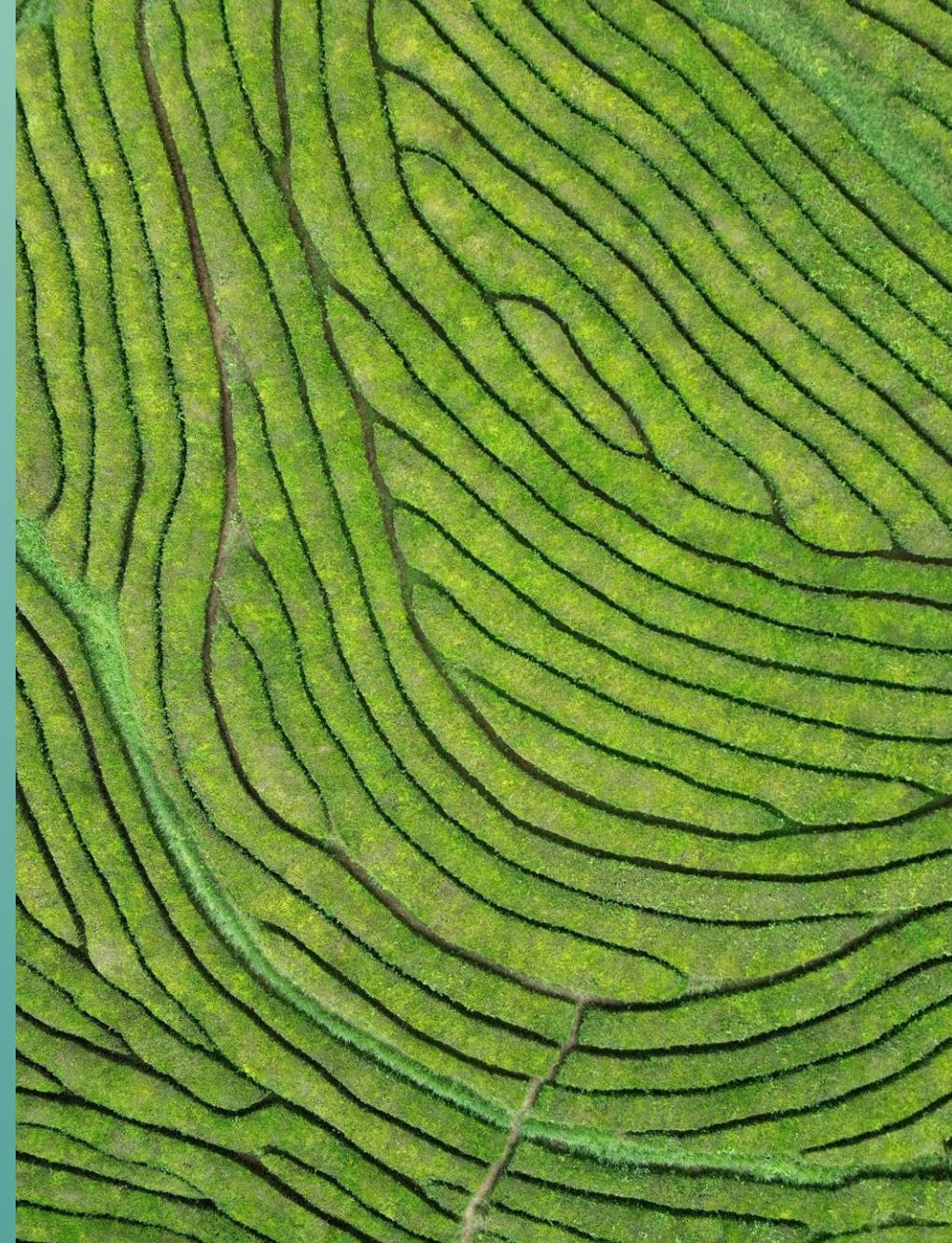


Custom Measures

Custom Projects can be used for any project that reduces energy consumption.

IIS offers:

- Technical assistance to identify potential projects and evaluate cost/benefit.
- Advice and support during project implementation.
- Post implementation measurement and verification to estimate actual energy savings.
- Generous incentives calculated using actual energy savings as the basis.



NMEC

- Site-level NMEC projects in industrial buildings will be offered to the extent they are similar to one that would be carried out in a commercial building and are separately metered i.e. not combined with industrial/process loads.
- Opportunities may include large office, lab, warehouse, and research buildings associated with industrial facilities.
- Savings are calculated at the meter rather than at the project level.
- As with Custom projects, IIS offers technical assistance, advice and support during implementation and performance period, and generous incentives based on actual savings.

Measure	Unit	Incentive Level
Custom BRO/NMEC	kWh	Up to \$0.05/kWh
Custom Capital	kWh	Up to \$0.12/kWh
Electrification	therm	Up to \$5.00/therm
Low-GWP Refrigerant Change-out	lb	Up to \$225/lb



Process and Strategies



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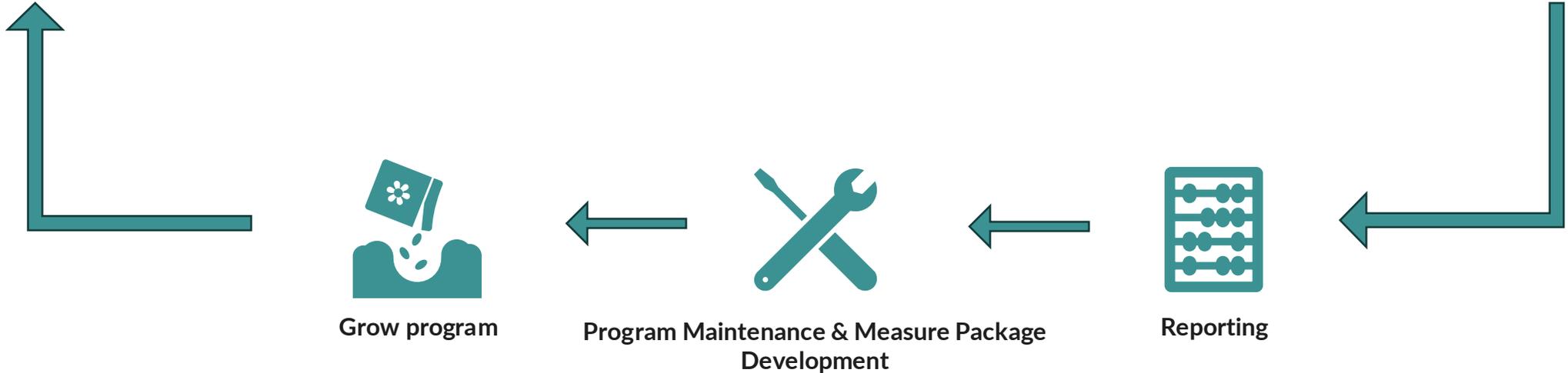
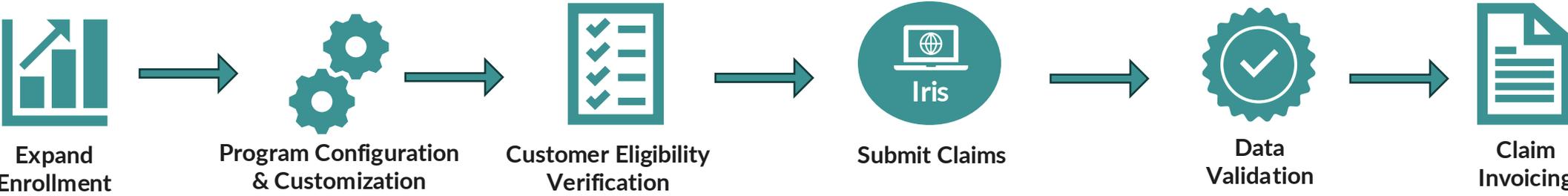


Participation Process



Marketing, Outreach and Engagement

Participant Process - Deemed/Midstream Process Flow Chart



Participant Process - Custom & NMEC Process Flow Chart



Customer Outreach



Conduct On-site Scoping Audit



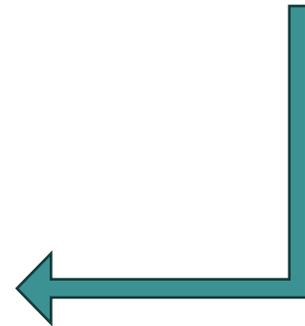
Customer Enrollment



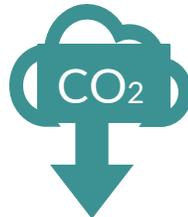
Project Feasibility Study Developed



Review PFS with Customer Agree On Implementation Path



Customer Implements Projects



Measure and Verify Energy Savings



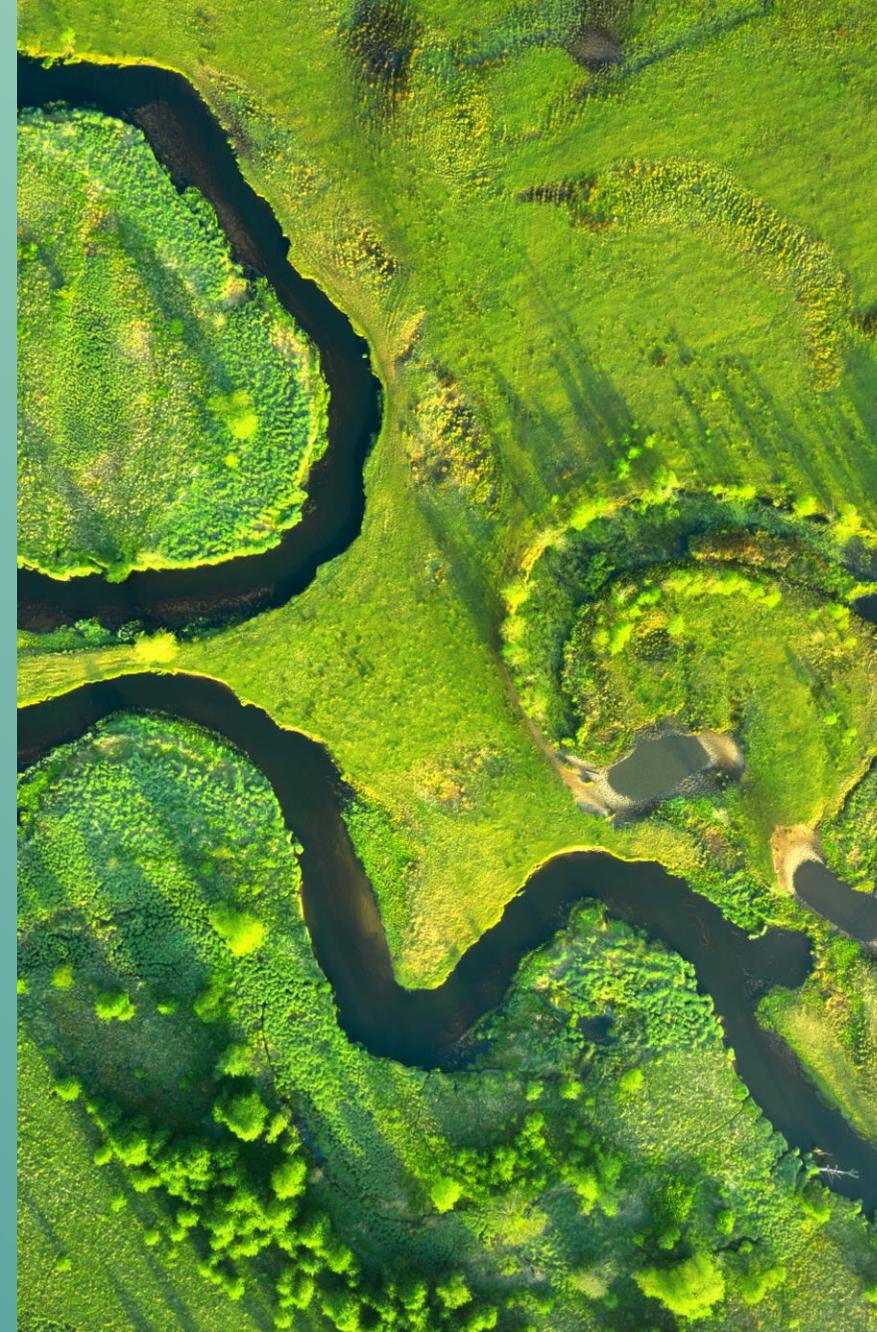
Customer Receives Incentive



Marketing, Outreach and Engagement

Program Outreach

- IIS will employ a variety of program outreach strategies to have as wide of a reach and large of an impact as possible in the industrial sector.
 - Direct outreach
 - Partner with SCE account executives
 - Take advantage of industry relationships
 - Utilize dedicated Trade Ally Management (TAM) team



Marketing, Outreach and Engagement - Midstream

Program Outreach

Industry Relationships

- Train distributor networks on energy efficiency benefits and incentives
- Use regional relationships and midstream program expertise to reach the right customers effectively

Trade Ally Management Team

- Leverage strategic relationships across supply chains to engage vendors and distributors

Targeted Market/Customer

- Target large and medium industrial customers in SCE's service territory
- Focus on sectors identified as having significant energy efficiency potential

Large Industrial Customer Marketing Approach

- Leverage existing relationships and field insights for cost-effective marketing
- Address opportunities by providing necessary support for project development and implementation



Marketing, Outreach and Engagement – Custom and NMEC

Large and Medium Industrial Customers Marketing Approach

- The Program Team will leverage its existing relationships with large industrial customers. Customer segments common in SCE territory include food and beverage, metals, plastics, packaging, cement, aerospace, minerals, pharmaceuticals, and port facilities.

Direct Outreach

- The Program Team will develop new leads through direct outreach to regional distributors and equipment vendors that serve the industrial market.

Partner with SCE Account Executives

- The Program Team will collaborate with SCE account executives to support lead identification.

Marketing Materials and Collateral

The IIS Program Team will develop marketing materials to promote the program's benefits to customers, distributors, and other market actors.

Marketing Flyer(s): Digital and/or print flyers will be created to describe the IIS program, its benefits, and the participation process.

Supply Chain Assessment (SCA) Newsletter: A monthly newsletter will be distributed to manufacturers and distributors within the Trade Ally network.





Innovation and Technology

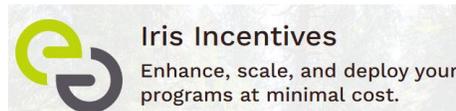




Innovation and Technology

IIS will utilize an innovative approach and offer a comprehensive set of solutions to engage industrial customers in saving energy while supporting California's decarbonization goals.

- Opportunities to promote and support change-outs of low global warming potential (low-GWP) refrigerants, deemed, custom and NMEC.
- Utilization of proprietary energy tracking management software, Gazebo™.
- Deemed/Midstream will utilize Iris for streamlined claim processing and comprehensive administrative tools.





Measurement and Verification

Program Measurement and Verification (M&V)

Deemed

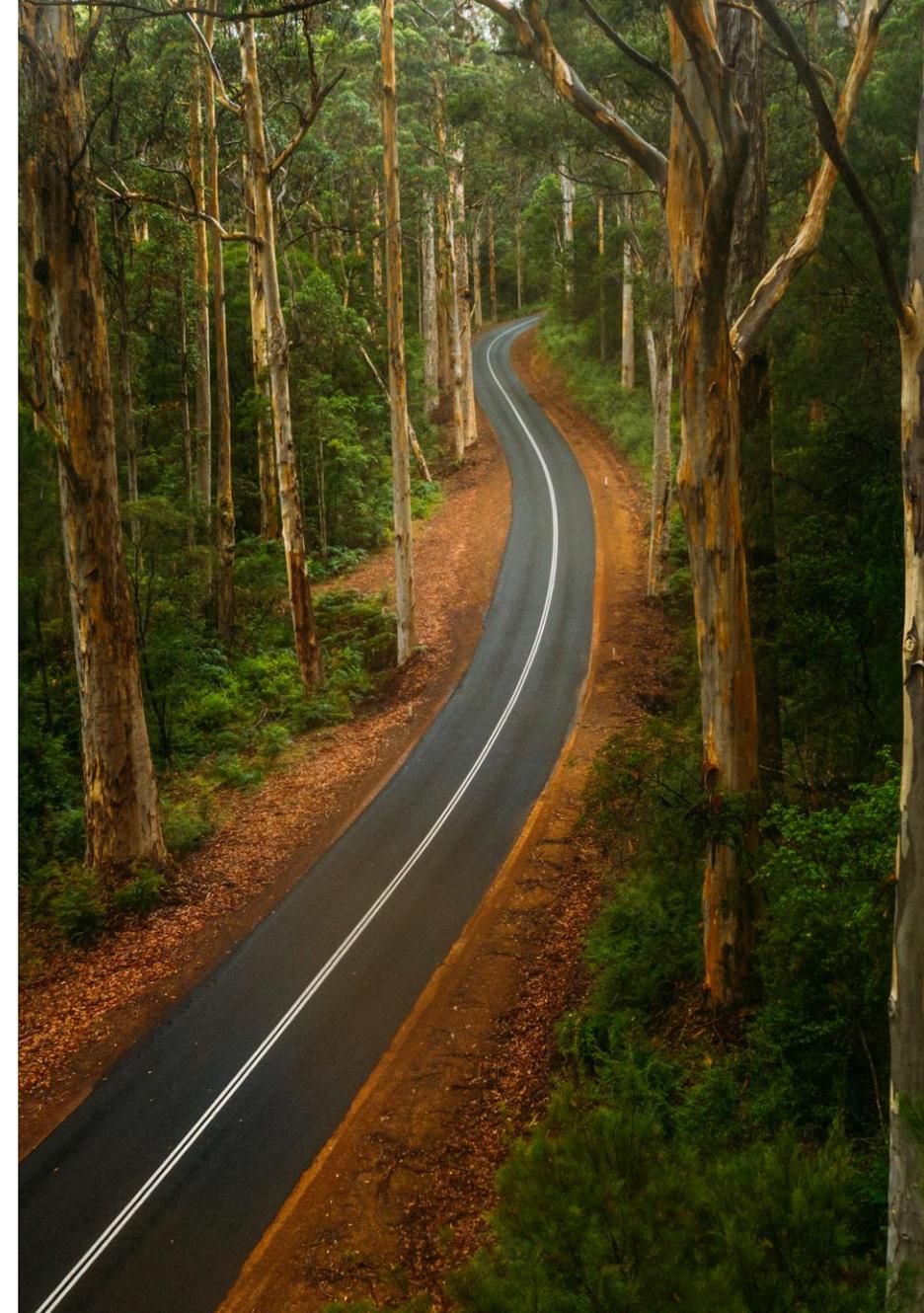
M&V approach for projects uses deemed ex-ante savings from the California eTRM.

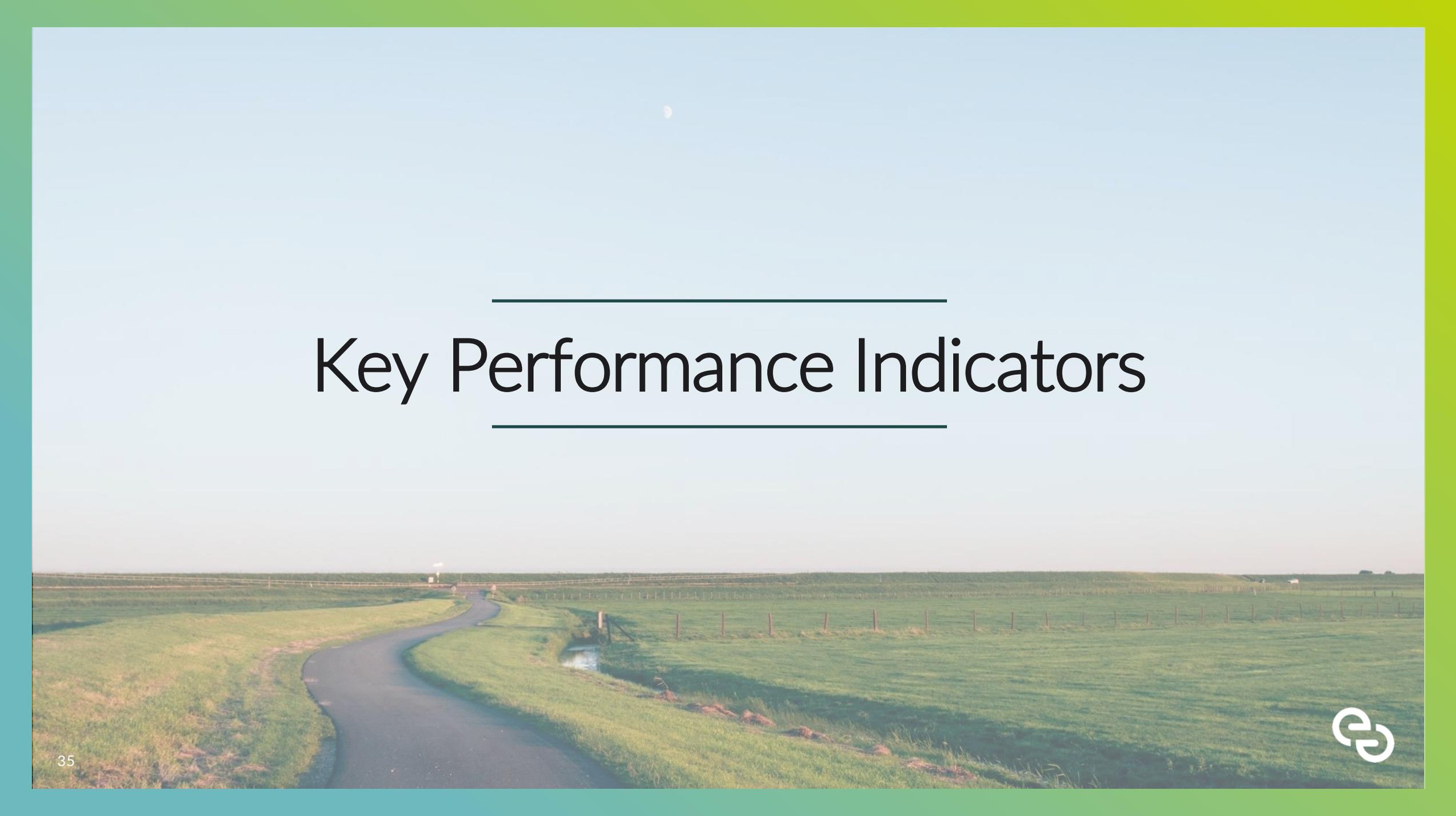
Custom

The M&V approach for projects using the Custom incentive platform will be detailed in the project-level M&V Plan submitted as part of the Project Feasibility Study (PFS).

NMEC

Using multivariate linear regression, IIS will develop baseline and performance models to calculate savings for qualifying projects.





Key Performance Indicators



Section Covers

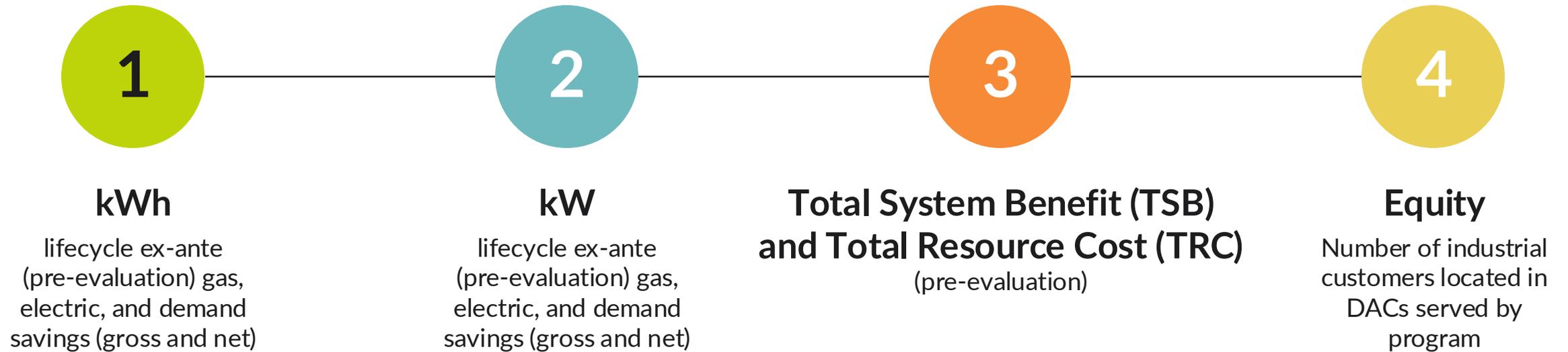


Key Performance Indicators



Forecasted Results & Savings

Key Performance Indicators



Forecasted Results & Savings

Source of Savings	Delivery Method	Forecasted Results	Why Achievable
Custom Capital	Downstream	9.5M kWh and 145,000 therms through electrification	<ul style="list-style-type: none"> • Realistic projections • Cascade brings industrial EE expertise needed to gain trust • Customers value free, relevant technical guidance from industrial systems experts to help develop and manage energy projects • Cascade will help participants make the business case for these projects internally and access funding • Program offers attractive incentives
Custom BRO	Downstream		<ul style="list-style-type: none"> • Realistic expectations based on regulatory hurdles • BRO opportunities are abundant in industrial (per Cascade's experience and the latest P&G study) • They are low-/no-cost "quick wins" with low barriers to implement
NMEC	Downstream		<ul style="list-style-type: none"> • Will target large office, lab, warehouse, and research buildings associated with industrial facilities • Opportunities have not been targeted prior
Deemed	Midstream/Downstream	16.9M kWh 43,000 therms	<ul style="list-style-type: none"> • Innovative approach to serving industrial customers by focusing on industrial measures and supply chain • Simple and streamlined approach



Q&A





Thank you

IIS Industrial Incentive Solutions

