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<td><strong>Docket Number:</strong></td>
<td>21-IEPR-06</td>
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<tr>
<td><strong>Project Title:</strong></td>
<td>Building Decarbonization and Energy Efficiency</td>
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<td><strong>Document Title:</strong></td>
<td>Presentation - Southern California Edison Industrial Strategic Energy Management (SEM) Program</td>
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<td><strong>Description:</strong></td>
<td>S1.2C Derek Okada, Southern California Edison</td>
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<td><strong>Filer:</strong></td>
<td>Raquel Kravitz</td>
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Southern California Edison Industrial Strategic Energy Management (SEM) Program

DEREK OKADA

AUGUST 3, 2021

Sierra Aluminum
Background and Strategy

SCE is one of the nation’s largest electric utilities:
- Provides electric service to approximately 15 million people through 5 million customer accounts.
- SCE delivered more than 87 billion kWh of electricity in 2015 and powered a total of 50,000 square miles of service area.

Pathway 2045 Strategy

**Pathway 2045 Strategy**

- **Decarbonize the Electric Sector**
  - 100% of load served by carbon-free resources by 2045.

- **Electrify Buildings**
  - 70% electric space and water heating in buildings.

- **Electrify the Transportation Sector**
  - 75% of light-duty vehicles are electric vehicles (EVs).

- **Use Low-Carbon Fuels**
  - 43% non-electric energy.
  - Use low-carbon fuels for hard-to-electrify end uses.

[Link to Pathway 2045]
Energy Efficiency Program Landscape

Energy Efficiency portfolio is shifting from programs designed & delivered by SCE to Third Parties

- Requirement of 60% designed and delivered by Third Parties by 2023

Industrial Strategic Energy Management (SEM)

- CPUC Decision 16-08-019 (dated August 18, 2016) directed the utilities to modify their continuous energy improvement (CEI) programs
- SEM was implemented by IOUs in 2017 to offer a robust strategic energy management program, using a statewide program design.
- SEM represents one of few remaining cost-effective resource programs within the IOUs’ overall portfolios.
Strategic Energy Management (SEM) Background

Multi-year Program Cycles

Cycle 1: Years 1 and 2
Initial SEM Design Guide, 2017

Cycle 2: Years 3 and 4
Cycle 2 Design Guide, 2020

Cycle 3: Years 5 and 6
Cycle 3 Design Guide—not yet developed

Industrial Customer Types:
- Aerospace
- Beverages
- Cardboard Packaging
- Construction Materials
- Food processing
- Industrial Gases
- Metal Smelting
- Plastic Formulation
- Plastic Packaging
- Water Bottling
Program Impacts

**Annual Program Savings (kWh)**

- **2019 Total**: 8,143,749 kWh
- **2020 Total**: 8,465,173 kWh
- **2021 Total**: 17,497,600 kWh
SEM Customers

Testimonials From Energized Edison article
“Facilities really hit their stride in the program when they fully engage all employees. That creates a sustainable system of continuous improvement and operational savings because employees start to own the results.”

Richard Hart, Cascade Energy

Sierra Aluminum Riverside and Fontana Facilities:
Uncovered energy and cost-saving opportunities by:
• Fixing air leaks and lowering their compressed air system’s operating pressure
• Installing auto shutoffs to shut off a superfluous air compressor
• Realized a 5% reduction in energy usage in 2020 in its Riverside facility and saved more than $70,000 in energy savings, and
• Received a $10,000 incentive check after achieving key program milestones.

Glanbia Corona Facility:
Saved thousands of dollars after a treasure hunt at their Corona facility
• Identified and fixed 30-40 air leaks by using equipment from SCE’s “lending library.”
• Saved $10,000 in savings
SEM’s Approach to Decarbonization

Decarbonization begins with a dedicated commitment to employing sustainable practices to achieve carbon-neutral electricity.

SEM helps industrial customers to:

• Achieve increased productivity, operational efficiency, and profitability
• Reduce energy consumption especially for energy-intensive businesses
• Build strong partnerships between customers and energy efficiency service providers
• Provide training, technical support and energy monitoring/reporting tools
• Encourage adoption of IDSM principles
Thank You!

• For more information, please contact Derek.Okada@sce.com