Strategic Energy Management (SEM)
Bonus Incentive Overview

PECO is offering SEM Bonus Incentives to commercial and industrial participants who prioritize rapid implementation of energy efficiency projects over a two-year period and achieve deep energy savings goals quickly.

What is the PECO SEM Bonus Incentive Offer?

The PECO SEM Bonus Incentive offer helps your business achieve near-term energy, cost and sustainability goals by providing an additional bonus on top of the standard custom project incentives and prescriptive equipment incentives that are available for qualifying energy efficiency projects.

To get started, customers adopt a goal to reduce their site's energy use by 5% to 15% over a two-year period and set a baseline of recent past usage. These goals are documented in the PECO SEM Bonus Incentives Participation Agreement.

Participants deepen their commitment by enrolling in the US EPA's ENERGY STAR® Challenge for Industry, or, for commercial businesses, become an ENERGY STAR Partner. These free federal programs provide information and public recognition for businesses achieving improvements in energy performance. Participants who achieve their savings goal and provide proof on enrollment in ENERGY STAR will receive an additional $.01/ kWh bonus.

Then, participants implement energy efficiency projects over the next two years, reserving and receiving standard incentives through the PECO Ways to Save program as the projects are proposed, installed and stated participant's savings goal verified.

If the verified savings meet the savings goal, participants earn the associated PECO SEM Bonus Incentive. PECO SEM Bonus Incentives are capped at a maximum payment of $150,000.

What is SEM?

Strategic Energy Management (SEM) has emerged over the past 10 years as a driver for deeper, lasting change in how businesses use energy. SEM practices focus on improving the organization's ability to manage and reduce their own energy use and costs on an ongoing basis. To do this, SEM emphasizes increasing organizational commitment, improved planning and implementation of energy saving projects and measuring energy performance improvements.

The Business Case for Accelerating Your Energy Management Efforts Now

Energy efficiency projects in commercial and industrial facilities are often compelling investments, but the time and budget required to develop and implement them can be a significant barrier due to competing business priorities. Standard project incentives available through the PECO Ways to Save program help to offset these costs quickly and improve project economics. The addition of PECO SEM Bonus Incentives can provide a significant financial boost to reward and support your ongoing energy management efforts.

The simplified example below shows how leveraging PECO SEM Bonus Incentives to achieve 10% energy savings reduces operating costs and improves your business' bottom line.

Estimates	Assumptions	Estimates
Baseline Annual Energy Use	10,000,000 kWh/ yr	
Energy Savings Goal	10%	1,000,000 kWh
Participant capital investment in EE	3-year simple payback before incentives	$240,000
Annual energy cost savings	$.08/ kWh electric rate	$80,000
PECO Custom Incentives	$.10/ annual kWh	$100,000
SEM Bonus Incentives	$.03/ kWh * Goal	$30,000
ENERGY STAR® Bonus Incentive	$.01/ kWh * Goal	$10,000
Total PECO Incentives		$140,000
Simple Payback After Incentives		1.25 years
Lifetime[1] energy cost savings	15-year average measure life	$1,200,000

1. Simple calculation, no escalation of assumed electric rate or discount rate applied

PECO SEM Bonus Incentives will be available for a limited time and the program will not accept new participants after 2024. Reservation of PECO SEM Bonus Incentives is subject to program funding limitations and available on a first-come, first-served basis. Enrollment is open now, so contact us to set your goals and reserve your PECO SEM Bonus Incentives today.

Call **1-844-4BIZ-SAVE** (1-844-424-9728) or visit **peco.com/business** for more information.