U.S. DEPARTMENT of ENERGY | Federal Energy Management Program

Utility Open House for Federal Customers: Pepco

September 4th, 2025 | 10:00 AM – 1:00 PM ET

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A continuing education unit (CEU) from the International Association for Continuing Education and Training (IACET) equals 10 hours of learning in an approved program for licensed or certified professionals.

Agenda

Time	Session
10:00AM	**Pepco Welcome** – David Vosvick, Pepco VP of Customer
10:10AM	**FEMP Leadership Welcome** – Mary Sotos, DOE FEMP Director
10:20AM	**Leveraging Utility Programs to Meet Federal Energy Goals** – Jeff Gingrich, National Renewable Energy Laboratory
10:50AM	**Pepco Utility Energy Service Contract (UESC) Program and the Areawide Contract** – Joe Cohen, Manager Strategic Programs
Break	
11:15AM	**MD & DC Commercial and Industrial Energy Efficiency & Demand Response Programs** • **Pepco** – Stanley Katongole and Tom Dietsche, Sr. Energy Efficiency Program Manager • **DC Sustainable Energy** – Crystal McDonald, Director, Account Management & Workforce Development & Mikelann Scerbo, PE, CEM, Lead Engineering Consultant
12:05PM	**Resiliency Panel - Pepco Smart Grid & Innovation and Strategy Teams** • **Moderator:** Will Ellis, Director of External Affair, Pepco • **Panelists:** Gabrielle Levinson, Manager Smart Grid Program | Jacob Burlin, Manager Strategic Programs, Clean Energy Strategy | Eric Moberg, Manager Strategic Programs, Clean Energy Strategy
12:45PM	**Closing Remarks and Final Q&A** – Chris Taylor, Pepco Director Large Customer Services

U.S. DEPARTMENT of ENERGY | Federal Energy Management Program

Pepco Welcome

Vice President Customer Operations at Pepco

David Vosvick, September 4th, 2025

U.S. DEPARTMENT of ENERGY | Federal Energy Management Program

Welcome

Mary Sotos, FEMP Director





52 Years Helping Agencies Achieve Energy and Cost Savings in Facilities and Fleets




FEMP Mission

The Federal Energy Management Program (FEMP) helps the country's largest energy consumer - the Federal government - achieve **efficient, secure, and resilient energy use** in mission-critical facilities and fleets, saving billions in taxpayer money.

FEMP has helped the Federal government achieve a 50% energy intensity reduction in Federal buildings since 1975.

USG is on track to reach $60B in taxpayer savings by 2030.

FEMP Priorities & Key Activities

1. **Slash** federal energy waste in buildings and fleet, achieving billions in taxpayer savings.
2. **Leverage** private sector finance and partnerships.
3. **Restore** energy resilience across federal operations.
4. **Unleash** American energy resources in and on federal lands.

Army Fort Bliss, El Paso, TX
2024 AFFECT Selectee

Procurement Support · Competitive Grant Funding · Workforce Training · Technical Assistance

FEMP helps agencies navigate and adapt

Changing Landscape

- Administration priorities
- Workforce reductions and reshaping
- Regulatory requirement reviews
- Contracting support reduction/changes
- Building portfolio reduction/project reviews
- Changing costs due to supply chain/tariffs

Areas of FEMP Support

- AFFECT grants
- Customized project support
- Energy data tracking and reporting support
- Legal reviews
- Training, tools, and resources
- On-site identification of low- to no-cost measures

Technical Assistance and Training

25 agencies helped through **115 technical assistance engagements** in FY25 alone.

These services span:

- Metering and auditing
- Energy generation modeling (REopt)
- Resilience and risk assessments
- Fleet assessments
- Project financing support

+50,000 hours of training provided to federal energy personnel to increase job competency, relevant skills, and knowledge.

Accredited training offered:

- Online
- In-person and on-site
- On-demand

FEMP's Goal for Today: Agencies, Take Action!

Request a consultation with FEMP or your utility

- Discuss your site's energy goals, challenges, and priorities.
- Identify program offerings that align with your needs.
- Sign up for incentives.
- Connect with subject matter experts to learn more about any of the topics discussed today.

Consultation Request Form

Fill out this linked form or scan the QR code below.

FEMP will connect you with the appropriate team, including FEMP technical experts, utility POCs, and/or the relevant Utility Lead Agency.

Thank You

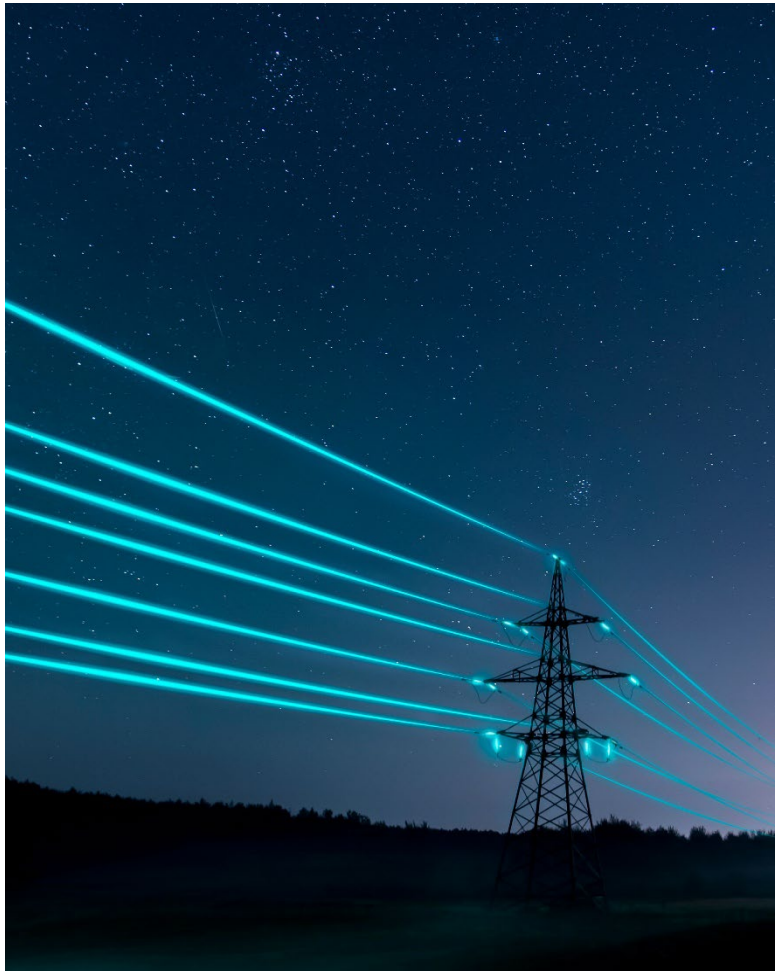
U.S. DEPARTMENT of ENERGY | Federal Energy Management Program

Leveraging Utility Programs to Meet Federal Energy Goals & Optimize Costs

Jeff Gingrich
Program Manager, FEMP Off-Site Energy Procurement
National Renewable Energy Laboratory (NREL)

Section Agenda

- Federal Requirements & Utility Programs
- Leveraging Utility Offerings
  - Reducing Waste with Utility Energy Service Contracts (UESCs)
  - Streamlining Infrastructure Projects with GSA Areawide Contracts (AWCs)
  - Cutting Costs with Demand Response
  - Enhancing Resilience
- Q&A



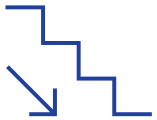
FEMP Helps Federal Facilities Identify Pathways to Optimize Costs

Focus area for today

Utility Services

Optimizing utility costs through rate analysis and participation in incentive programs

FEMP support: Off-site Energy Procurement Program



Demand Flex / DR

Enrolling in programs to reduce peak demand and claim incentives

FEMP support: Demand Response Technical Assistance | Grid-Interactive Efficient Buildings

Efficiency / Ops

Improving efficiency of equipment and building systems to reduce overall electricity consumption

FEMP support: Performance Contracting (ESPC & UESC) | Re-Tuning | Treasure Hunts | Facility Optimization

Distributed / On-site

Generating electricity on-site to offset grid purchases, reduce transmission costs, and / or support resilience

FEMP support: DEP program and REopt analysis

Request support on the FEMP Assistance Portal

Why This? Why Now?

Federal agencies face increasing demands to reduce costs and strengthen energy resilience.

- **Utilities are more than energy suppliers** — they provide tools, expertise, and programs that federal agencies can leverage to streamline procurement and reduce workload:
  - Pre-designed, turnkey solutions (e.g., resilience-as-a-service, energy audits, demand response enrollment)
  - Funding mechanisms (e.g., rebates, incentives, UESCs, on-bill financing)
  - Technical expertise and local grid insights

Why Utilities Are Key Partners:

- **They shape your energy costs** — through control of rates, tariffs, and delivery infrastructure.
- **They offer behind-the-meter solutions** — like battery storage, solar, and microgrids that improve resilience and flexibility.
- **They know the grid better than anyone** — and can help optimize energy use based on real-time conditions and local constraints.

Federal Requirements & Utility Programs

Category	Legislation	Citation	Summary	FEMP Resources
Utility Incentive Programs	Energy Policy Act of 1992 § 545, as amended	42 U.S.C. § 8256(c)	Authority for agencies to accept financial incentives, goods, or services generally available from a utility to increase energy efficiency or to conserve water or manage electricity demand.	Utility Program and Utility Energy Service Contracts for Federal Agencies
Renewable Electricity Use	EPAct 2005 § 109 EA 2020 §§ 3002(o), 3006(b)(2)	42 U.S.C. § 15852(a)	Of the total amount of electric energy, the Federal government consumes during any fiscal year (FY), the following amounts shall be renewable energy: not less than 7.5% in FY 2013 and each FY thereafter.	Federal Renewable Energy Use Requirement Distributed Energy and Energy Procurement
Implementation of Identified Energy and Water Efficiency Measures	EISA 2007 § 432 EA 2020 §1002	42 U.S.C. § 8253(f)(4)	Two years after the date of completion of each evaluation, each energy manager shall implement all life-cycle cost effective ECMs (individually or bundled) AND Each Federal agency shall use performance contracting (e.g., UESC) to address at least 50 percent of the measures identified.	Facility Energy Management Guidelines and Criteria for Energy and Water Evaluations in Covered Facilities

Federal Requirements & Utility Programs (cont.'d)

Category	Legislation	Citation	Summary	FEMP Resources
Metering Energy and Water Use	EPAct 2005 § 103 EISA 2007 § 434 EA 2020 §1002	42 U.S.C. § 8253(e)	Agencies are required to install metering and advanced metering devices for energy and water in Federal buildings in accordance with U.S. Department of Energy metering guidelines.	Federal Metering Guidance (Per EA 2020, Sec. 1002(g)) Metering Best Practices: A Guide to Achieving Utility Resource Efficiency, Release 3.0 Building Energy Use Benchmarking Guidance
Water Conservation Technologies	EPAct 2005 § 109	42 U.S.C. § 6834(a)(3)(A)(ii)	If water is used to achieve energy efficiency in new Federal buildings in accordance with 42 U.S.C. § 6834(a)(3), then water conservation measures shall be applied to the extent that they are life cycle cost-effective.	Water Efficiency in Federal Buildings and Campuses Best Management Practices for Water Efficiency

Utility Offerings

Programs Supporting Federal Energy Priorities

Reducing Waste: Utility Energy Service Contracts (UESCs)

Improve Facilities & Reduce Costs Without Upfront Spending

Capital costs are paid by the utility. Payments are made from cost savings, so agencies can improve facilities without needing extra budget.

Fix Old Equipment & Reduce Maintenance

Replace outdated systems like lighting or HVAC with modern, efficient technology, lowering energy use and avoiding expensive repairs.

Meet Requirements & Support Federal Energy Goals

UESCs make it easier to meet federal energy targets while improving facilities.

Cut Energy Bills for the Long Term

New systems reduce energy waste, helping facilities save money year after year.

Learn more on FEMP's UESC website

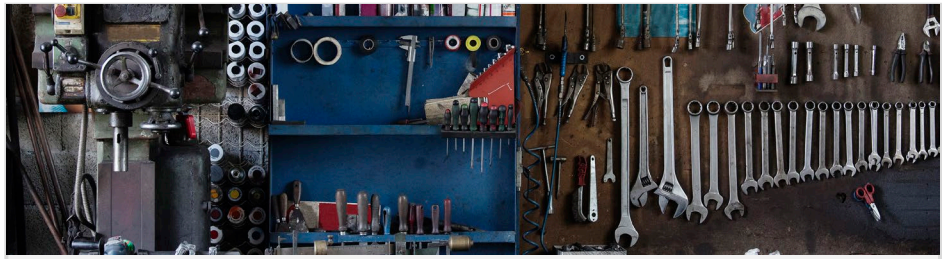
What Are Utility Energy Service Contracts?

A type of *performance-based services* contract, authorized by statute, that permits agencies to implement energy and water efficiency projects with little to no up-front costs or appropriations from Congress

- Capital costs for a variety of measures are paid through financing (secured by utility) and available agency funds
  - Infrastructure upgrades
  - Replacement of aging, inefficient equipment
  - On-site energy systems
- Contract payments are made from savings generated by lowering consumption, reducing operations and maintained, and improving efficiency
- Authorized and encouraged under the Energy Policy Act of 1992 - *42 U.S.C. § 8256 - Incentives for agencies* and *10 U.S.C. § 2913*

UESC Key Features

- **Objective** – Implement infrastructure upgrades and achieve savings or be budget neutral
- **Funding** – Financing, appropriations, grants, and incentives may be combined
- **Contractor** – Distribution utility for electricity, natural gas, or water (may work with an Energy Service Company)
- **Contracting** – Typically, awarded under a GSA Areawide Contract (most common) or Basic Ordering Agreement (BOA)
  - Max contract term is 25 years (including construction)
  - Owned or leased facilities served by the same utility may be included in a single project
  - Contracts are firm-fixed-price



A Performance Assurance Plan is required to sustain long-term savings.

- Establishes responsibilities and requirements for services like operations and maintenance (O&M), measurement and verification (M&V), repair and replacement (R&R), recommissioning, and training
- Plan is flexible – agency negotiates specific services based on project complexity, staff capabilities, and savings risk.
- Savings guarantees are not required

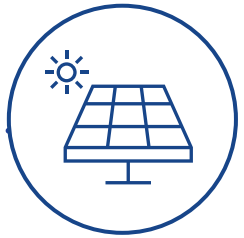
How Do Energy Performance Contracts Work?

Select contractor

Serving distribution utility for UESC

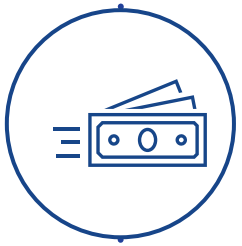
Conduct assessments to evaluate energy/water savings opportunities

Contractor identifies cost-effective ECMs



Implement ECMs

ESCO/utility secures financing and installs measures



Make payments from energy and cost savings

Contract term of up to 25 years to pay for ECMs

Monitor and sustain savings

Via operations and maintenance/measurement and verification

Savings: Energy Conservation Measure (ECM) Examples

The term "ECM" is defined under 42 U.S.C. § 8287c(4) and 42 U.S.C. § 8259(4)

Common examples (not exhaustive)

- Boiler and chiller upgrades
- Energy management control systems
- Commissioning/Retro-commissioning
- Building envelope
- HVAC
- Chilled/hot water, steam distribution
- Lighting and lighting control improvements
- Electric motors/drives
- Refrigeration
- Distributed Energy Systems
- Water and wastewater
- Electrical peak shaving/load shifting
- Rate adjustments
- Appliance/plug load reductions
- Energy consuming devices and support structures

Measures must be applied to a federal building (as defined by 42 U.S.C. § 8259(6)).

UESC Case Study: Army Fort Bliss (2022)

Quick Facts:

- Utility Partner: New Mexico Gas Company
- Contract Term: 24 years
- Investment Value: $58M
- Grants/Incentives: $1M AFFECT Grant
- Estimated Savings: ~$136M over contract term (2022-2046)

Energy/Water Measures:

- Micro-grid serving 142 buildings (102 mission critical)
- 15 MW of distributed energy resources (DERs)
- 2 MW of battery storage
- LED lighting upgrades
- Refurbishment of existing water well and transmission lines to connect water supply

Project is intended to **improve resilience, address critical infrastructure needs**, and **decrease energy and water expenses.**

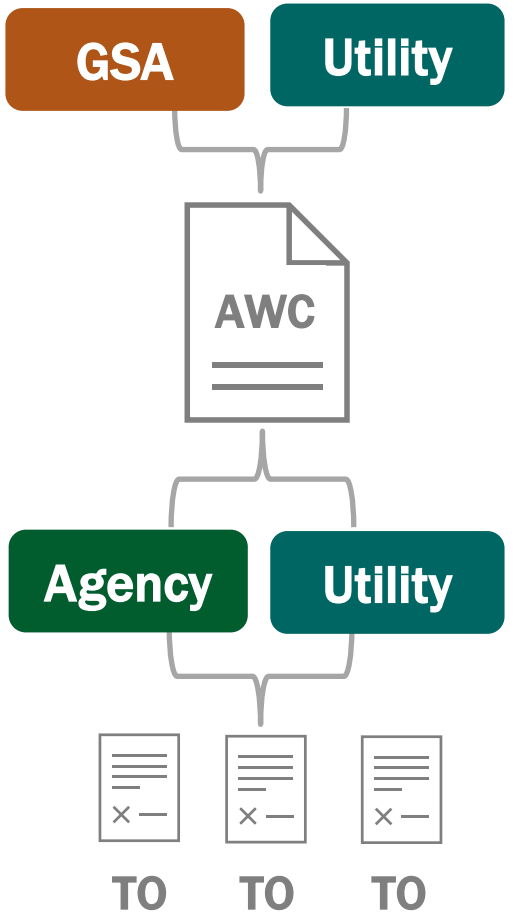
Supports utility and grid reliability by freeing up available capacity during critical peak load events.

For more information, see the ESG press release.

Streamlining Projects: GSA Areawide Contracts (AWC)

AWCs offer a streamlined procurement pathway for upgrading and hardening facility infrastructure

- AWCs are umbrella agreements that can be used by any federal facilities served by a utility who has executed an AWC with GSA
- Contain multiple 'Exhibits' used to order various services (*examples below – each AWC is unique*)
  - **Authorization for Electric or Natural Gas Service** – Connection or termination of service and infrastructure projects
  - **Authorization for Energy Management Services** – Demand-side management and efficiency services (typically used for UESCs)
- Contract Term – 10 years (typically renewed regularly)
- AWCs and guides available on GSA's website



Pepco's AWC

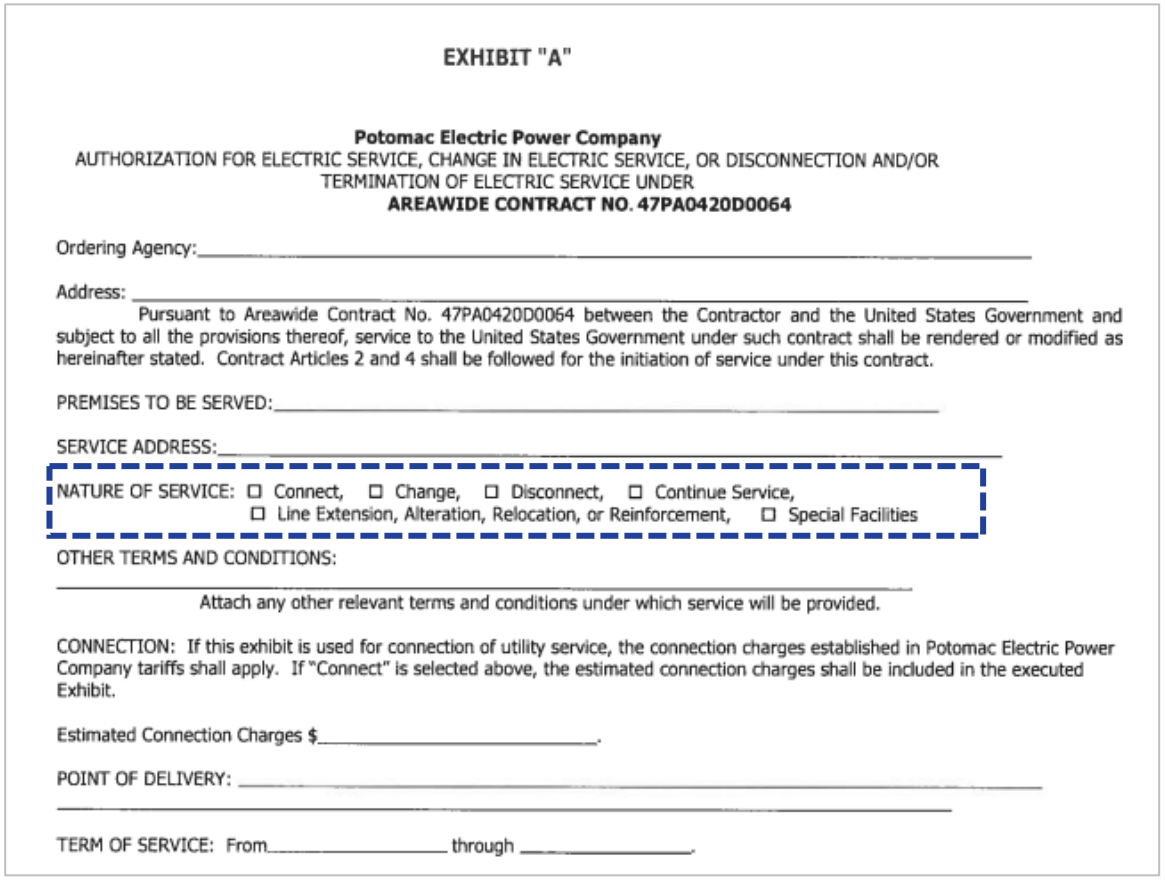


EXHIBIT "A"

Potomac Electric Power Company
AUTHORIZATION FOR ELECTRIC SERVICE, CHANGE IN ELECTRIC SERVICE, OR DISCONNECTION AND/OR TERMINATION OF ELECTRIC SERVICE UNDER
AREAWIDE CONTRACT NO. 47PA0420D0064

Ordering Agency:_____

Address: _____

Pursuant to Areawide Contract No. 47PA0420D0064 between the Contractor and the United States Government and subject to all the provisions thereof, service to the United States Government under such contract shall be rendered or modified as hereinafter stated. Contract Articles 2 and 4 shall be followed for the initiation of service under this contract.

PREMISES TO BE SERVED:_____

SERVICE ADDRESS:_____

NATURE OF SERVICE: ☐ Connect, ☐ Change, ☐ Disconnect, ☐ Continue Service,
☐ Line Extension, Alteration, Relocation, or Reinforcement, ☐ Special Facilities

OTHER TERMS AND CONDITIONS:

_____

Attach any other relevant terms and conditions under which service will be provided.

CONNECTION: If this exhibit is used for connection of utility service, the connection charges established in Potomac Electric Power Company tariffs shall apply. If "Connect" is selected above, the estimated connection charges shall be included in the executed Exhibit.

Estimated Connection Charges $_____.

POINT OF DELIVERY: _____

_____

TERM OF SERVICE: From_____ through _____.

EXHIBIT "B"

Potomac Electric Power Company
AUTHORIZATION FOR ENERGY MANAGEMENT SERVICE, OR DISCONNECTION OF ENERGY MANAGEMENT SERVICE
CONTRACT NO. 47PA0420D0064

Ordering Agency:_____

Address:_____

Pursuant to Contract No. 47PA0420D0064 between the Contractor and the United States Government and subject to all the provisions thereof, service to the United States Government under such contract shall be rendered and subject to all the provisions thereof. This Authorization for Energy Management Services (EMS) including any attachments listed below and any FAR provisions checked below and incorporated herein by reference, shall together with the referenced Areawide Contract form one single integrated agreement.

PREMISES TO BE SERVED:_____

SERVICE ADDRESS:_____

NATURE OF SERVICE: ☐ Preliminary Energy Audit ☐ Comprehensive Energy Audit
☐ EMS Engineering and Design ☐ EMS Installation
☐ Demand Side Management (DSM) Project ☐ Other (See Remarks Below)

IF ANY REGULATED SERVICES ARE PROVIDED UNDER THIS AUTHORIZATION, SUCH SERVICES SHALL BE SUBJECT TO THE AUTHORITY OF THE APPLICABLE PUBLIC UTILITY SERVICE COMMISSION.

POINT OF DELIVERY: _____

PROJECT COST: _____

ACCOUNTING AND APPROPRIATION DATA: _____

List of Attachments:

☐ General Terms and Implementation Guidelines to Exhibit B	☐ Payment Provisions	☐ Special Requirements	☐ Economic Analysis
☐ Facility/Site Plans	☐ Historical Data	☐ Utility Usage History	☐ ECP Feasibility Study
☐ Design Drawings	☐ Design Specifications	☐ Certifications	☐ Commission Schedules
☐ Other:			

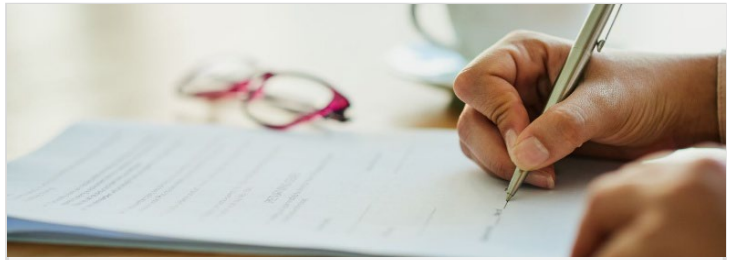
View and Download

AWC Exhibit A: Project Examples

AWCs have been used by federal agencies to execute individual resilience measures when a comprehensive resilience solution isn't required.

Examples *(not exhaustive)*

- Undergrounding lines
- Emergency/back-up generation and repairs
- Lightning protection
- Substation and distribution system upgrades
- Redundant feeders



Contracting Resources

FEMP UESC Resources

- Contract Guide
- Enabling Documents (legislation)
- Templates

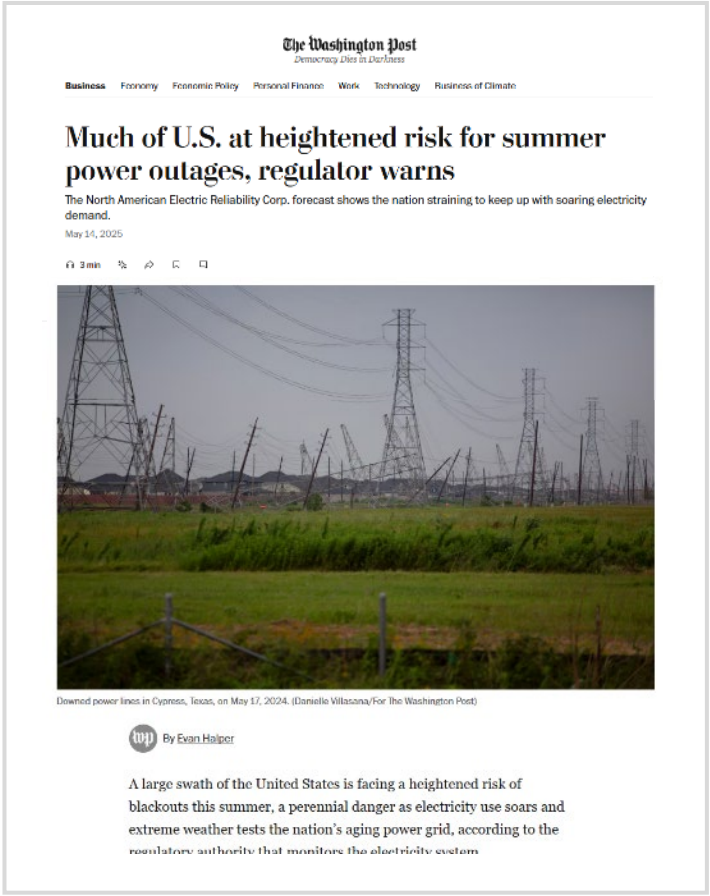
GSA Energy Library

- Utility Areawide Guide
- Guide to Procuring Energy Management Services
- Utility AWC Listing

Cutting Costs: Demand Response & Time Variable Pricing

Why it matters – Load growth on the grid is outpacing the speed at which new generation capacity can be added, increasing risk of grid outages

- Utility bill costs tied to kW demand can be very high in certain regions (may account for >40% of total bill costs)
- Many utilities offer generous incentives to participate in demand response and programs are often underutilized by federal facilities
  - FEMP's *Utility Program Navigator* contains 600+ programs across 100+ utilities
  - Some programs provide incentives in the form of utility bill credits and/or cash rebates regardless of whether a DR event occurs



The Washington Post
Democracy Dies in Darkness

Business Economy Economic Policy Personal Finance Work Technology Business of Climate

Much of U.S. at heightened risk for summer power outages, regulator warns

The North American Electric Reliability Corp. forecast shows the nation straining to keep up with soaring electricity demand.

May 14, 2025

3 min

Downed power lines in Cypress, Texas, on May 17, 2024. (Danielle Villasana/For The Washington Post)

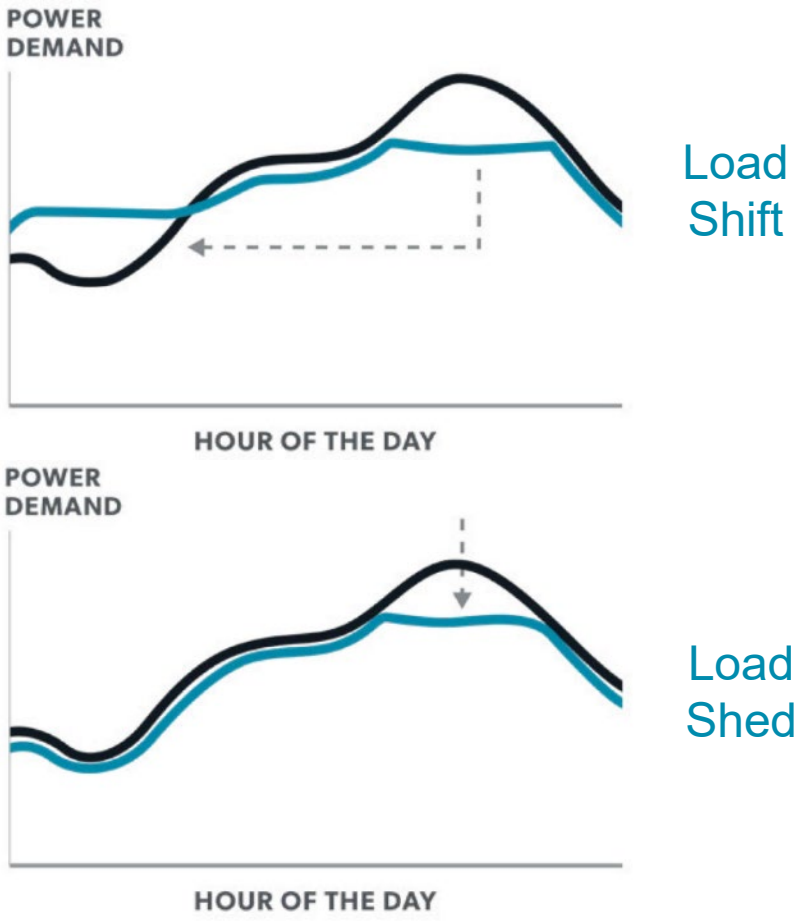
By Evan Halper

A large swath of the United States is facing a heightened risk of blackouts this summer, a perennial danger as electricity use soars and extreme weather tests the nation's aging power grid, according to the regulatory authority that monitors the electricity system

Demand Response (DR) Programs

Utilities offer financial incentives to encourage customers to reduce electricity consumption during periods of high ("peak") demand.

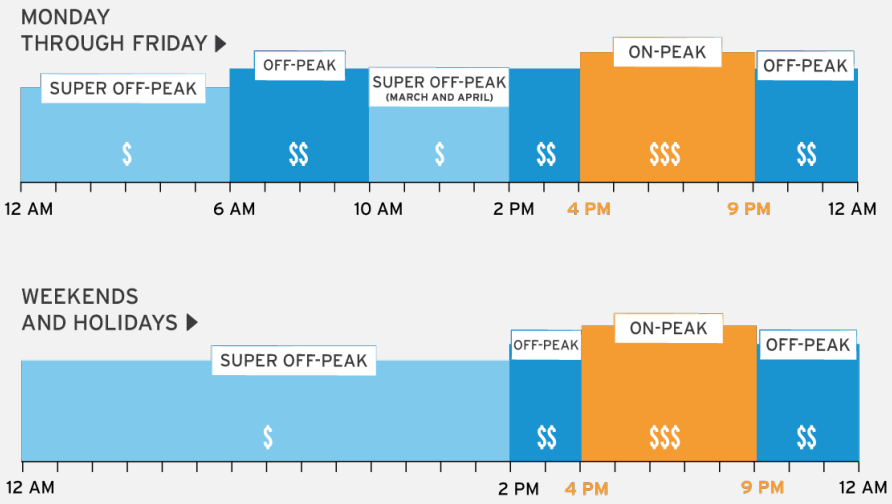
- Curbing use is quicker, less expensive than building a power plant or transmission line.
- Programs vary widely but typically call for reducing electricity use when specified by the utility.
- Examples of DR Programs:
  - Interruptible Programs
  - Peak Load Management
  - Emergency Load Reduction



Time-Variable Pricing (TVP)

TVP programs adjust electricity rates based on grid demand, encouraging users to shift consumption to lower-cost periods.

- Offers a low/no-cost strategy to reduce expenses for sites with operational flexibility
- Examples of pricing models:
  - Time-of-Use (TOU): Higher rates during peak hours, lower rates off-peak
  - Critical Peak Pricing (CPP): Higher rates on select peak days, lower rates otherwise
  - Real-Time Pricing (RTP): Prices fluctuate hourly based on wholesale market conditions



Source: https://www.sdge.com/residential/pricing-plans/about-our-pricing-plans/whenmatters

Peaks vary seasonally and by utility based on local climate and demand trends.

- On-Peak Hours = Higher energy demand and higher cost (e.g., Summer: 4-9 PM)
- Off-Peak Hours = Lower energy demand and lower cost.

Demand Response Savings: Examples

William S. Moorhead Federal Building enrolled in a TVP rate and **implemented load shifting resulting in $285k of savings (12%) over the first 3 years.**

VA MD Health Care System enrolled 1-3 MW annually in a DR program. Using small generators and manual curtailment strategies **they saved over $490k (as of 2024).**

GSA enrolled 11 facilities in PG&E's Emergency Load Reduction Program. **Sites enrolled in this program receive $2/kWh for their reduction when an event is called.**

Learn more on FEMP's DR/TVP website

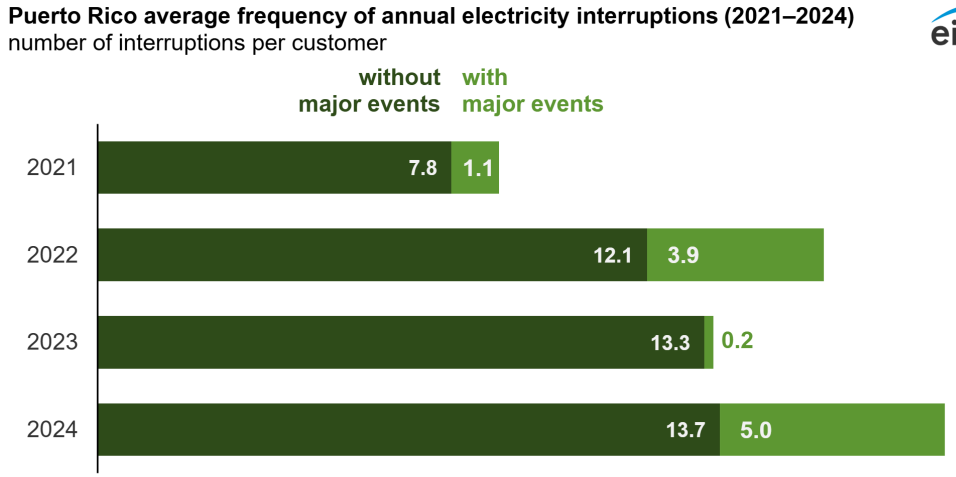
Strengthening Resilience Through Utility Partnerships

Programs and services are emerging to help federal agencies pursue mutually beneficial goals for enhancing energy resilience and grid reliability.

- **Resilience-as-a-service:** Turnkey, utility designed, owned and operated solutions for back-up generation, storage, and microgrids that may include on-bill financing
- **Shared (grid-connected) solutions:** Utility-owned, dispatchable systems located at customer's facility; utility shares upfront costs
- **Customizable programs and infrastructure upgrades:** Streamlined procurement of services available though utilities with GSA areawide contracts (AWCs)

LUMA Energy

- Power outages have been a long-standing problem in Puerto Rico for decades.
- LUMA Energy officially assumed control of Puerto Rico's transmission and distribution system from the Puerto Rica Electric Power Authority (PREPA) in June 2021, under a 15-year privatization contract.
- The frequency of Puerto Rico's electricity service interruptions has generally increased since 2021. On average, electricity customers in Puerto Rico experienced 19 service interruptions in 2024: 14 without major events and 5 from major events.
    - The most recent was on July 29th, 2025 - The LUMA Energy consortium announced on Tuesday afternoon another round of load shedding in the Ponce region due to a generation deficit after the exit of unit 2 at the Aguirre plant, affecting thousands of residents in the surrounding areas.
- Despite the privatization of Puerto Rico's grid under LUMA Energy, widespread blackouts and grid instability remain persistent challenges.
- This ongoing crisis highlights the urgent need for utility-driven programs like UESCs, AWCs, demand response programs, and resilient technologies such as battery systems and microgrids to strengthen critical infrastructure, reduce peak demand and enhance long-term energy security.
    - U.S. Department of Energy Announces up to $365 Million to Equip Multifamily Housing and Healthcare Facilities Across Puerto Rico with Resilient Solar and Battery Storage



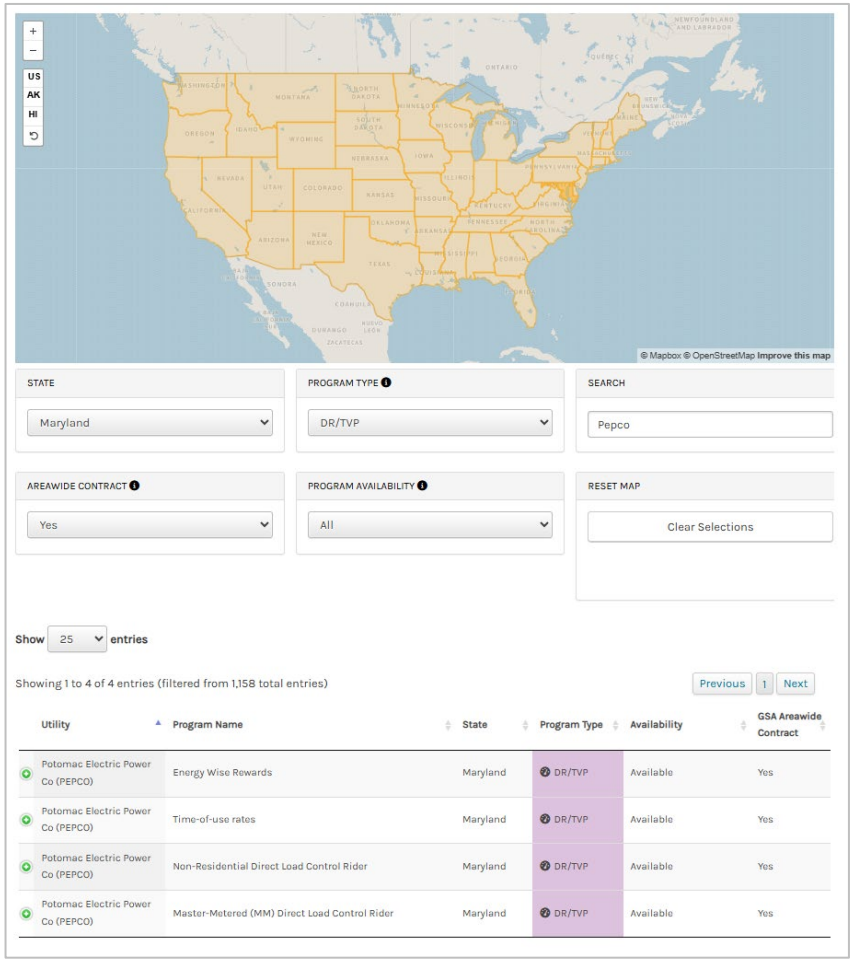
Source: https://www.eia.gov/todayinenergy/detail.php?id=65925

FEMP's Utility Program Navigator

The *Utility Program Navigator* is a searchable map and webtool that helps federal agencies find and learn about available utility programs and incentives.

- Focused on programs applicable to federal goals and priorities.
- Aims to centralize and simplify access to essential information for energy managers
- Connects users to utility web resources for more information

www.energy.gov/femp/femp-utility-program-navigator



Search by state, program type, keyword/utility name, GSA areawide Contract status

Q&A

U.S. DEPARTMENT of ENERGY | Federal Energy Management Program

September 4, 2025

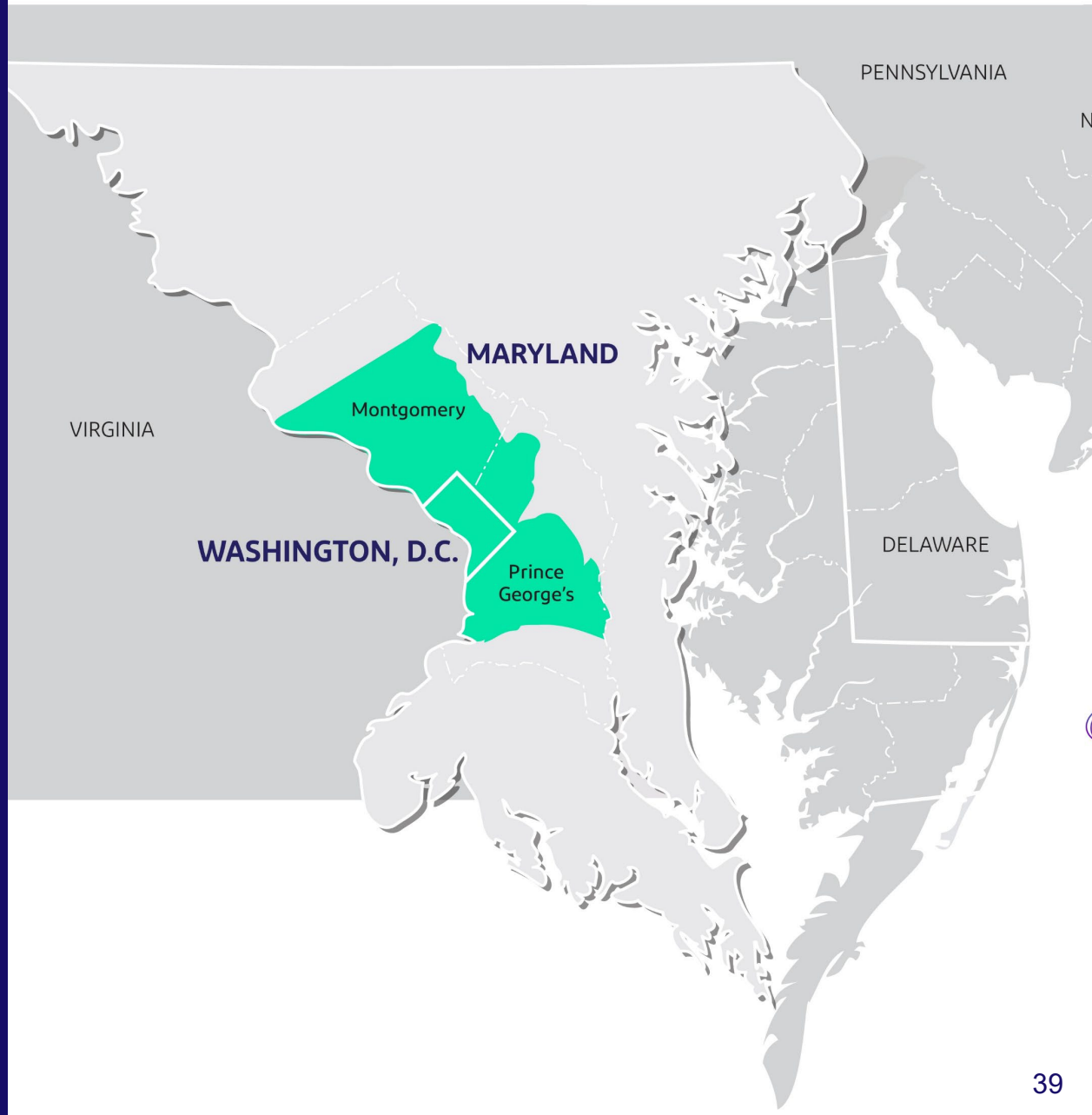
Pepco's Utility Energy Service Contract (UESC)

Large Customer Services| Joe Cohen

About Pepco

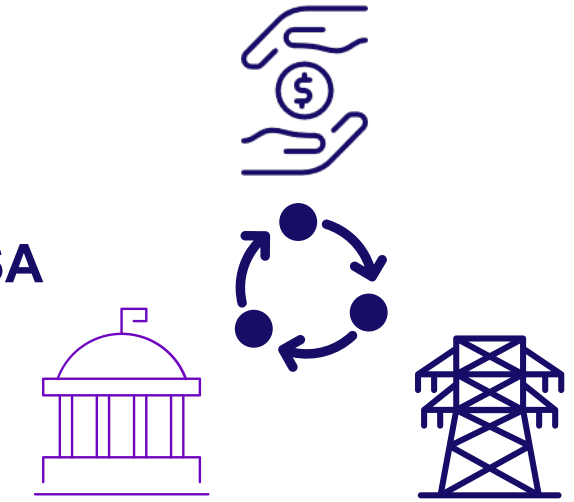
Quick Facts

- First incorporated in 1896
- Service territory: 640 square miles
- Customers served: 894,000
  - District of Columbia: 312,000
  - Maryland: 582,000
- Population served: 2.4 million
- Employees: 1,431
- Facilities: 9
- Substations: 156



Pepco and Federal Partnership

- **Executive Action: Strengthening the Reliability and Security of the United States Electric Grid and Achieving Energy Dominance**
  - Enhancing energy security and grid reliability
  - Infrastructure upgrades and hardening
  - Cost and time savings
- **Utility Solution: Utility Energy Service Contracts (UESCs) under GSA Areawide**
  - Streamlined procurement process
  - Utility can leverage financing if limited or no appropriated funds are available
  - Paid for by reduced usage and lower O&M costs through energy conservation measures
  - Have backing of utility as a partner, leverage our expertise when needed



Areawide Contract: Overview

The Areawide Utility Services agreement (Areawide Contract or AWC) is a 10-year contract between the GSA, and regulated host utilities for the procurement of utility and energy management services (EMS).

- Pepco's current Areawide with GSA runs through September 2030
- Contract #47PA040D0064 (can be viewed and downloaded here on GSA's website)

"The Pepco AWC is an established Federal Acquisition Regulation (FAR) compliant, flexible contract vehicle, with pre-negotiated terms and conditions, that is marketed and supported by GSA & the Department of Energy (DOE) to provide federal agencies a streamlined, cost beneficial procurement method for Federal Agencies to obtain comprehensive utility services, energy and water efficiency improvements, energy consulting, demand reduction services and energy infrastructure improvements."

Areawide: Types of Exhibits and Services

Exhibit “A” Authorization for Electric Service

Nature of Service
- ❑ Connect
- ❑ Change
- ❑ Line Extension, Alteration, Relocation or Reinforcement
- ❑ Special Facilities

Examples: EV Infrastructure, Advanced Meters; Army used Exhibit A for Georgia 3x30 Solar Generation Projects – 166 MW

Exhibit “B” Authorization for Natural Gas Service

Nature of Service
- ❑ Connect
- ❑ Change
- ❑ Continue service
- ❑ Line Extension, Alteration, Relocation or Reinforcement
- ❑ Transportation
- ❑ Billing & Ancillary Services

Example: Installation of gas line

Exhibit “C” Authorization for Energy Management Services

Nature of Service
- ❑ Preliminary Energy Audit
- ❑ Feasibility Study/IGA
- ❑ Engineering & Design Study
- ❑ Energy Conservation Project Installation
- ❑ Demand Side Management Project

Examples: Lighting and Chiller Retrofits, Cogeneration Facilities, Retro-commissioning, HVAC

Exhibit “D” Authorization for Provisions of Services Under (insert appropriate Regulatory Authority)

Nature of Service
- ❑ _____ Interconnection of the Ordering Agency’s renewable energy project

Examples: Interconnection of PV System, Substation/Battery Maintenance, Feasibility Studies

UESC Process

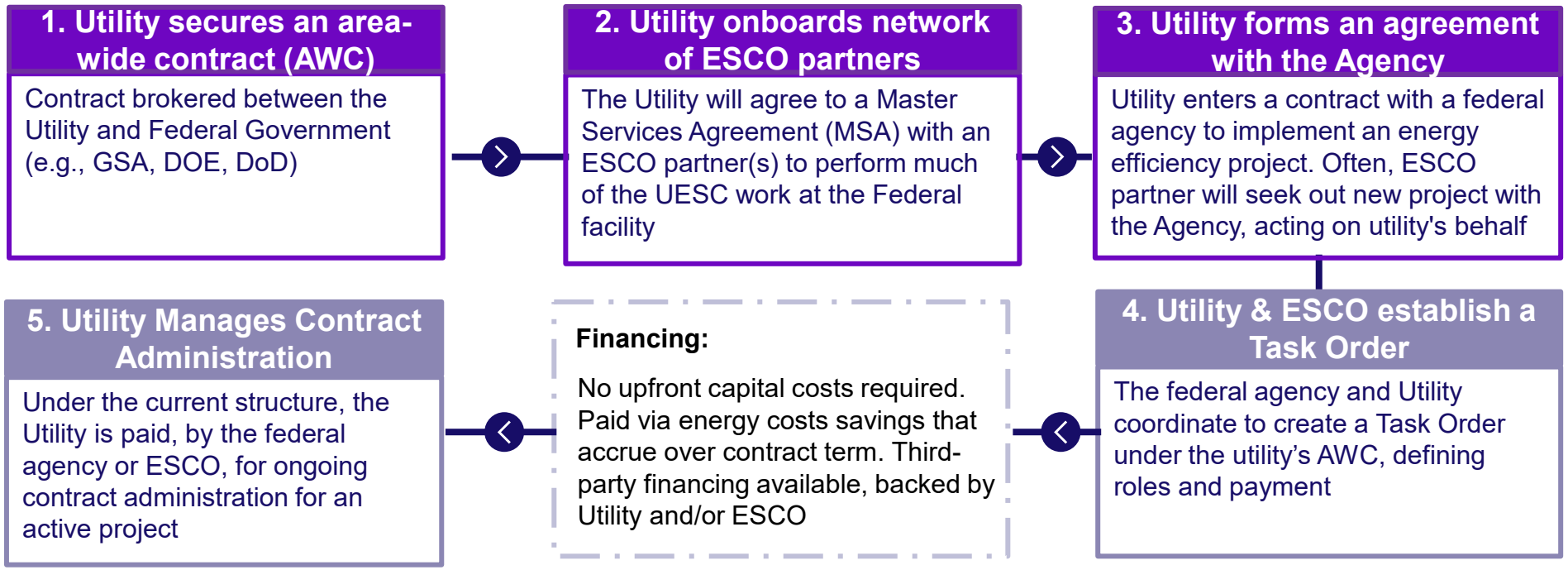
The GSA provides funding and administration of areawide public utility contracts

GSA is the only federal agency authorized to procure utility services for federal agencies; and to delegate authority to a limited number of federal departments (e.g., Department of Energy), Under 40 U.S.C. § 501 and FAR Part 41,

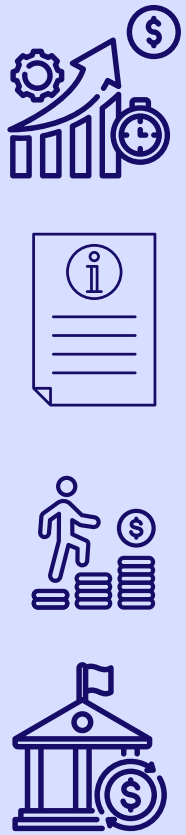
UESC Advantages:

Utilities act as sole source vendors for energy service projects within their service territory

Simplifies, otherwise rigorous, federal procurement process



UESC Benefits



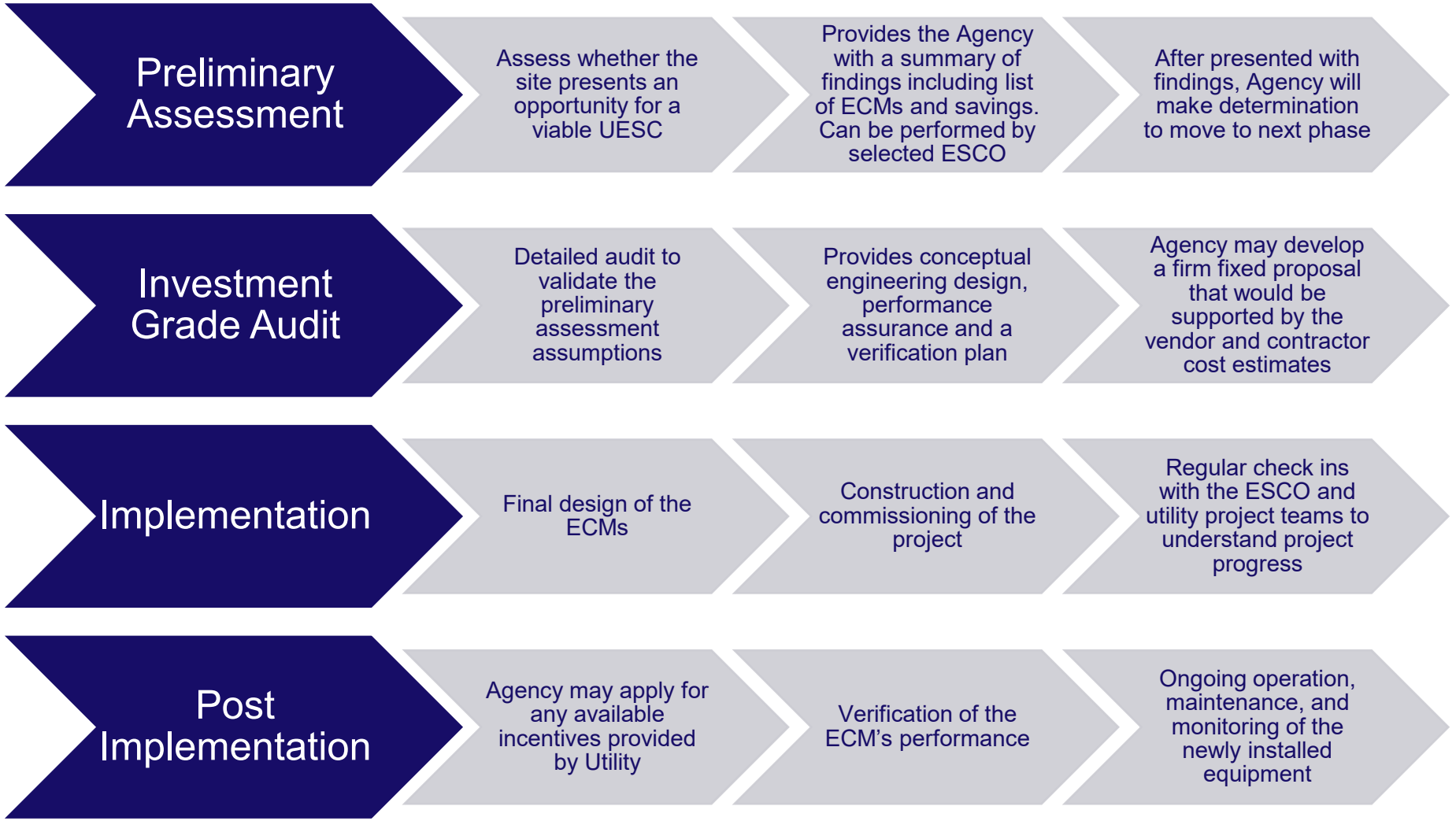
Benefits to Federal Government:

- Avenue to pursue a wide range of energy projects, including resiliency
- Utility serves as the general contactor and provides project oversight
  - Design, construction, financing, and post-installation verification done by ESCO/utility
- Sole-source projects to avoid putting them to bid
  - The AWC shortens and streamlines the process, often saving 12 – 24 months
  - Have the backing of a utility partner, can rely on utility expertise
- Projects come with performance assurance plans, but a savings guarantee is not a contract requirement
- Designed to be cash-flow positive
- Financing can be combined with appropriated dollars

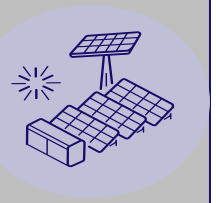
Benefits to Utility:

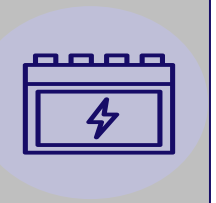
- Help improve customer satisfaction with Pepco's large Federal footprint
- Gives Pepco a say in what projects and equipment are installed
- Allow the utility to support the Federal Government in their energy initiatives
- Increase utility incentive program participation
- Improved system reliability

Project Process



Solutions





Solution Categories/Technologies	Benefits to Customer
➢ On-site Generation and Battery Storage ➢ Renewables ➢ Nat Gas/Fossil Fuel Gen ➢ Combined Heat and Power	▪ Islanding mode ▪ Reliability, resiliency ▪ Load management ▪ Lower demand charges
➢ Distributed Energy Resources ➢ Storage ➢ Energy Management Systems ➢ Demand Response Technologies	
➢ Resource conservation ➢ Lighting Upgrades and Controls ➢ Chiller and Cooling Tower Replacement ➢ Building Automation Systems (BAS) ➢ Variable Frequency Drives	▪ Efficiency ▪ Enables site to reduce operating costs and contribute to mission assurance ▪ Optimizes load management ▪ Cost effective facility management

UESC Case Study: NASA Goddard

UESC Quick Facts:

- Location: NASA Goddard Space Flight Center (GSFC), Greenbelt, MD
- Utility Partner: PEPCO
- Contract Term: 11 years
- Investment Value: $28.1 million
- Annual Savings: $1.8 million per year

Energy Conservation Measures (ECM):

- Building & Campus-Wide Lighting
- Low Flow Plumbing Fixtures
- Retro-Commissioning
- Data Center Improvements
- Chiller Replacements
- Chiller Optimization
- Monitoring Based Commissioning
- Campus-Wide Metering

Won the 2022 FEMP Energy & Water Management Project award

- *Awarded in December 2021, this UESC included 16 ECMs in 15 buildings.*
- *The project was funded with a combination of utility rebates ($3M+) , EUL funds ($6M+) and financing to improve the payback*

UESC Case Study: US Dept of State

Department of State: ongoing energy conservation measures at the Harry S Truman Building

- Conversion from steam to natural gas boilers
- Building Automation System (BAS) upgrade
- Duct Cleaning
- Replacement of Cooling Tower
- Initially executed in 2015
- Investment: Over $30M

Pepco ESCO Partners

Contact info

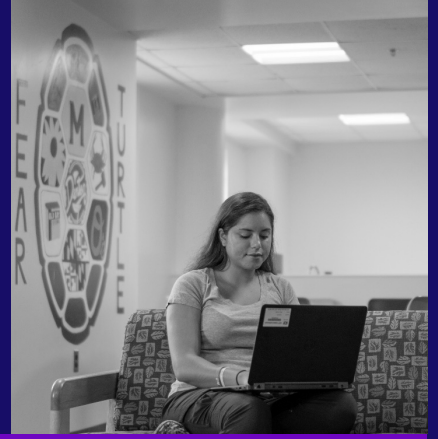
Joe Cohen
Manager, Strategic Programs, Large Customer Services
Pepco Holdings
Email: Jkcohen@pepcoholdings.com
Office: 202-428-1030
Mobile: 703-851-8120

U.S. DEPARTMENT of ENERGY | Federal Energy Management Program

Break

Positive Impact on Our Local Economy

Financial Savings



Spurs Innovation

EmPOWER Maryland

PEPCO and Delmarva Power

Energy Savings for Business Program

Audience: DOE FEMP hosted by the PEPCO LCS Team

September 4, 2025, at Edison Place, 701 9th St. NW

Job Creation

Reduce the Need for New Power Plants

Positive Impact on our Environment

PHI's EmPOWER Maryland C&I Program Team

Bryan Crawford
Manager, EE Programs

Tom Dietsche
Sr. EE Program Manager

- Prescriptive
- Retro-Commissioning
  (HVAC & Building Tune-Ups, MBCx, VCx, O&M training)

Dorcas Olawuni
Sr. EE Program Manager

- Small Business
- Energy Efficient Communities

Stanley Katongole
Sr. EE Program Manger

- Custom Projects
- New Construction
- Midstream/ Business Instant Discounts

Account Executives for C&I Customer Service

Delmarva Power and Pepco

DPL Account Executives

Robbie John
Robert.john@icf.com
- Somerset County
- Wicomico County
- Worcester County
- Dorchester County
- Talbot County

Joseph Fish
Joseph.fish@icf.com
Cecil County
- Kent County
- Queen Anne's County
- Caroline County

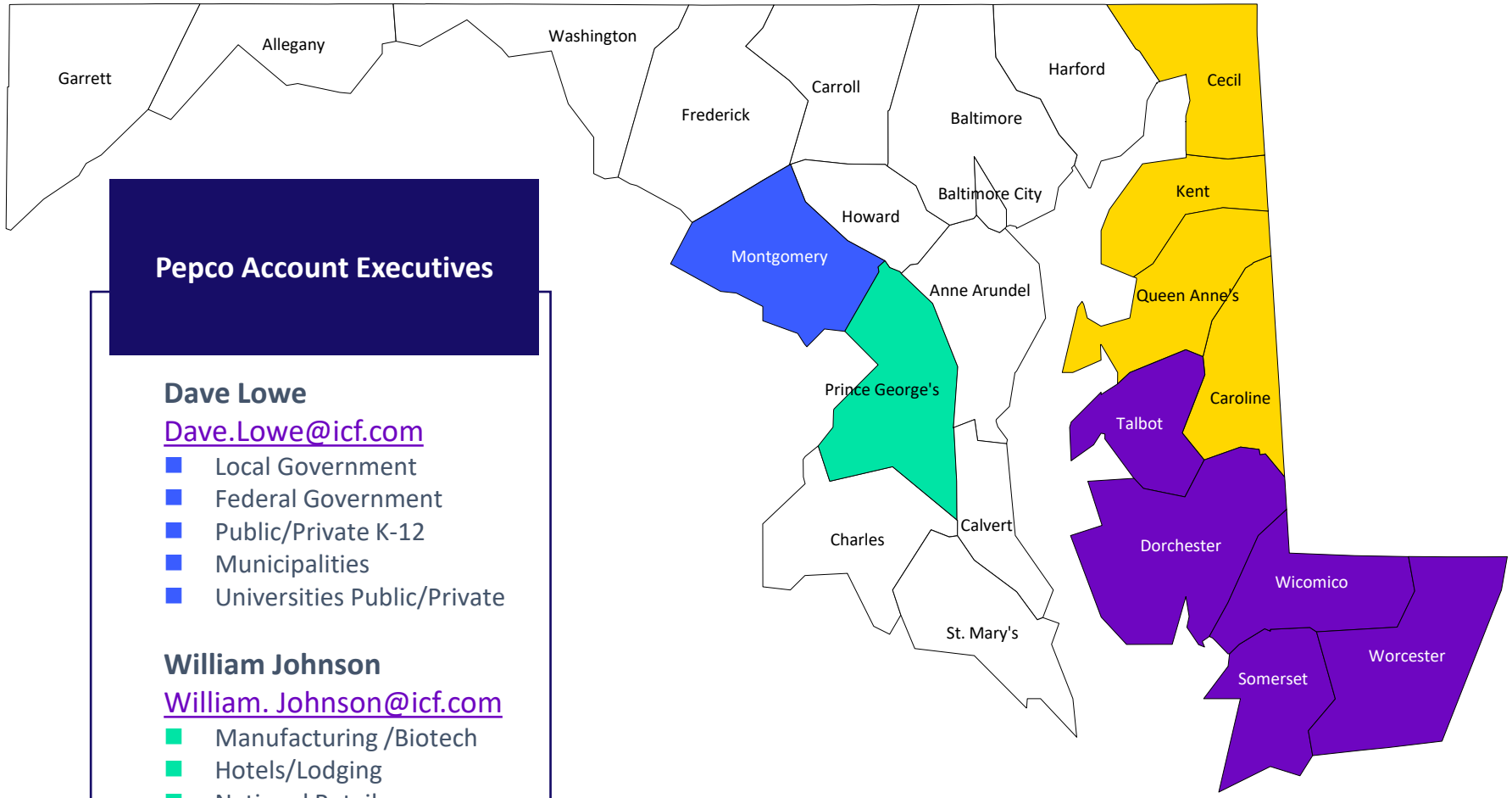
Delmarva Power and Pepco Multifamily Account Executive

Ryan Smith
Ryan.Smith@icf.com

Pepco Account Executives

Dave Lowe
Dave.Lowe@icf.com
- Local Government
- Federal Government
- Public/Private K-12
- Municipalities
- Universities Public/Private

William Johnson
William. Johnson@icf.com
- Manufacturing /Biotech
- Hotels/Lodging
- National Retail Accounts/Restaurants
- National Grocery Stores



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12-27-2024 UPDATE: MD Public Service Commission (PSC) Order No.91461

Program goals & progress are now measured by “greenhouse gas (GHG) emissions reduced” in MT CO2e instead of “[mega]watt hours reduced”

Why did this change happen?

- This change was required to ensure compliance with the state GHG reduction targets established with the passage of **House Bill 864**, “Energy Efficiency and Conservation Plans”. This change aligns EmPOWER’s goals with other state initiatives to reduce GHG emissions.

What does this mean for the programs right now?

- The programs will continue to offer the same incentives customers expect: lighting, HVAC, kitchen appliances, variable frequency drives, variable speed compressors and more.
  - See the application centers for the complete lists of current incentives: BGE | Delmarva Power | Pepco
- Custom and Building Tune-Up will be able to immediately start accepting for evaluation projects that include GHG-reduction measures such as low-emissions refrigerants and heat pump chillers, and to consider measures that reduce fossil fuel use or include fuel switching.

What does this mean for the programs long term?

- Incentives may eventually be rebalanced across the portfolio’s programs to focus on measures that result in the most GHG emissions reduction and make new measures available for incentives.

Does this mean that EmPOWER Maryland will now incentivize my EV charging and solar projects?

- No. The EmPOWER incentives approved for the 2024-2026 cycle do not include EV or Solar.

When does the current funding cycle end?

- The programs are approved through December 31, 2026.

Energy Savings for Business Program Portfolios

Prescriptive

Pre-qualified “standard” equipment upgrades

Custom

Complex equipment upgrades specific to your needs

New Construction

Technical support and upgrades for new construction or major renovations

Building Tune-up

Optimization of existing equipment to extend life and increase efficiency

Business Instant Discounts

Discounts on lighting products with no application required

Midstream HVAC

Distributor discounts on qualifying HVAC products

Energy Efficient Communities

Energy efficiency measures for municipal customers and non-profits

Small Business

Upgrades for customers with monthly demand of 100 kW or less, higher incentives

Project Types

Retrofit | New Construction | Renovation

Small Business Program Customer Eligibility

Customers with a monthly electric demand **less than 100kW** per month over a 12-month period

All projects require **pre-approval**

Application Process

Prescriptive Program

Prescriptive Measures

Choose from a list of pre-qualified "standard" measures

- Retrofit Lighting and Controls
- HVAC Units – AC & Heat Pumps
- Chillers
- Variable Frequency Drives (VFDs)
- EC Motors
- Commercial Kitchen and Refrigeration Equipment
- Misc. High Efficiency Equipment and Electronics
- Window Film (for existing buildings)

Savings at a Glance

$11,857
average rebate amount

41 MWh
average annual energy savings

$4,489
average annual utility bill savings

Building Tune-up Program

HVAC Tune-up

Available to facilities with unitary HVAC equipment

Building Tune-up

Available for facilities of all sizes with an energy management system

Monitoring-Based Commissioning (MBCx)

Available for facilities of all sizes with an energy management system

Operations & Maintenance Training

Available for all customers facility staff who directly influence energy (kWh) consumption

Virtual Commissioning (VCx)

Remote assessment and consulting for energy use reduction, measured & verified

Savings at a Glance

$13,492
average rebate amount

85 MWh
average annual energy savings

$9,414
average annual utility bill savings

Building Tune-up Program: BT & MBCx

Building Tune-up

- Optimizes the performance of existing building systems
- Identify and implement “low cost” operational and maintenance improvements
- Project goals are designed to meet occupants’ and customers’ needs
- $0.25 per annual kWh savings, up to 85% of the project, capped at $200k for one building, $300k for a multi-building project

Monitoring-based Commissioning

- Energy audit, monitoring equipment, baseline, monitor, ECMs, M&V
- Resolves operational problems
  - Applies data program or platform to benchmark energy use
- Optimizes energy use
  - Uses benchmark data to identify measures
- Improves comfort
  - Identifies sources of operational or comfort issues
- Project duration: +/- 1½ years
  - Minimum 18-month contract required
  - Incentives are paid in 2 of 3 phases
- INCENTIVES = up to $0.04/sf for audit, up to $8,000 for contract support, and $0.22 per annual kWh savings.

Building Tune-up Program

Operations and Maintenance Training

Eligibility Criteria

- Must obtain pre-approval prior to course registration
- ~50%+ of the applicant's assignment must be for the meter account's premise

O&M Training Incentives

Training courses that focus on reducing and conserving electrical energy within a customer's facility qualify for incentives

- Currently reimbursing 100% of enrollment, up to $1,000
- **LIMITED TIME OFFER: $3,500 including any testing fee. Apply by EOY.**

Visit pepco.com/EnergyTraining for a full list of approved O&M Training courses

Course Providers

- AABC Commissioning Group (ACG)
- American Trainco
- Association of Energy Engineers (AEE)
- BOMI International
- Clean Energy Center (CEC)
- Energy Management Association (EMA)
- International Association of Lighting Management Companies (NALMCO)
- International Facilities Management Association (IFMA)
- Leadership in Energy and Environmental Design (LEED)
- National Association of Power Engineers
- Siemen's Industry Inc.

Small Business Program

Eligibility Guidelines

- Maryland commercial customer
- Average monthly demand of 100 kW or less
- Participate in a Quick Energy Check-up and implement at least three low-cost/no-cost measures. This is no longer required, however, it will be offered
- Approved Service Provider Network

Small Business Measures

Typical measures include:

- Retrofit Lighting and Controls
- Commercial Kitchen-Refrigeration Equipment
- Variable Frequency Drives
- HVAC Units
- Smart Thermostats
- Vending Machine Controls
- Efficient Equipment

Savings at a Glance

$6,697
average rebate amount

16 MWh
average annual energy savings

$1,802
average annual utility bill savings

Custom Program

Custom Measures

"Catch all" program for unique projects and needs

- Building Envelope (white roofs, insulation, etc.)
- Non-prescriptive Variable Frequency Drives (VFDs), Lighting, Chillers
- Data Center Equipment
- Building and Networked Control Systems
- Compressed Air Optimization
- Specialized Technologies

Project Criteria

- Cost effectiveness test (total resource cost)
- Exceed minimum code requirements
- Must reduce daily consumption, not just peak demand

Custom Incentives

Retrofit/add-on: Existing Baseline	End-of-life Equipment/New Capacity: Code Baseline
Up to **50%** of full costs **$0.25** per kWh (full electric savings)	Up to **75%** of incremental costs **$0.25** per kWh (incremental electric savings)
$0.03/kWh bonus incentive for projects that remain within 15% variance of the original pre-approved energy savings (kWh) total. Projects submitted under the Custom Program since Jan. 1, 2021, are eligible for this new **Custom Accuracy Bonus**.	

Savings at a Glance

$49,751
average rebate amount

235 MWh
average annual energy savings

$25,868
average annual utility bill savings

New: Electrification Incentives

64

Electrification Projects

New opportunities are available to implement electrification projects through Pepco incentives.

Note: *Electrical, panel, and service upgrades are not yet covered. Projects must generate a net decrease in emissions per utility parameters, with lifecycle emissions from added electric load being less than those from eliminated fossil fuel load.*

Initial Programs:

Midstream HVAC	Custom projects	Building Tune-Up
• Air source heat pumps • Packaged terminal heat pumps • Heat pump water heaters • Electric cooking appliances	• Electric hot water boilers • Heat pump chillers • Process electrification (industrial and system improvements) • Electrification-enabled system enhancements	• Dual Fuel Optimization Measures for HVAC • Ventilation Measures • Building Shell Improvements

Additional Funding Sources

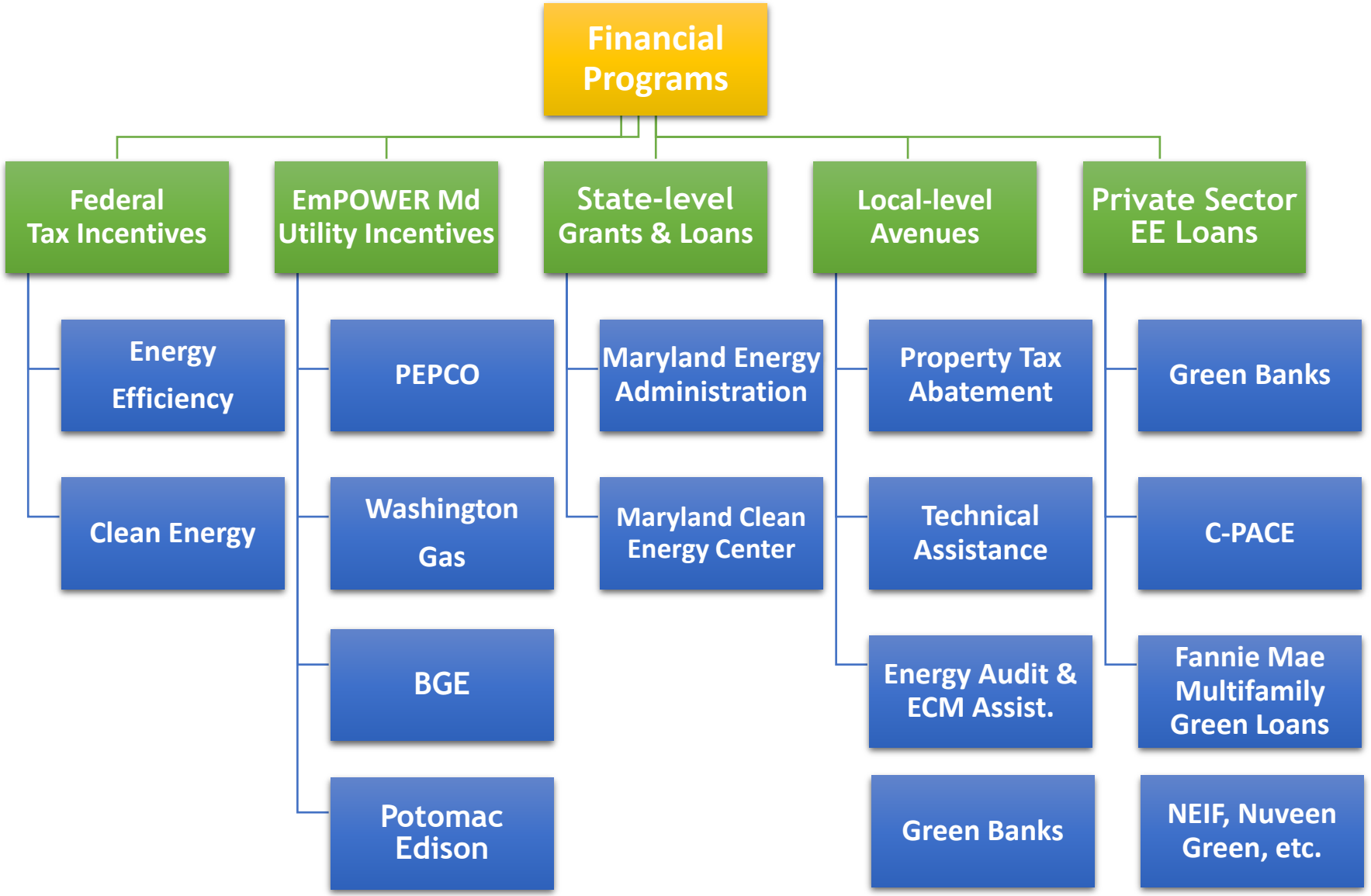
A sampling from the Pepco webpage and my "Funding & Financing" deck

Montgomery County Property Tax Credit: A two-year property tax incentive for commercial and multifamily buildings. The lucrative credit is meant to encourage building owners and managers to improve energy performance and make progress towards complying with the county's Building Energy Performance Standard.

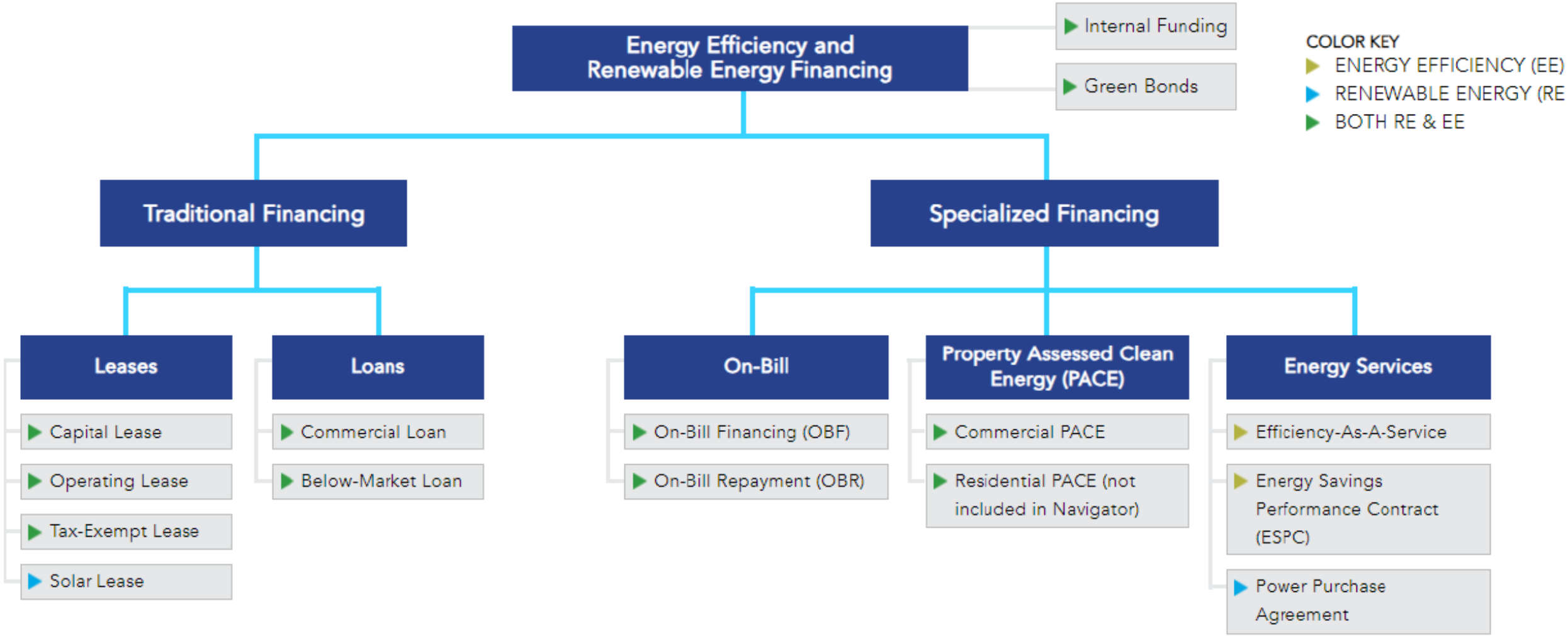
Maryland Energy Administration & Maryland Clean Energy Center

- The **MEA** manages grants, loans, rebates, and tax incentives to help meet the state's sustainability goals. Through the following programs, as well as others for clean energy production and use, **MEA helps finance the energy efficiency upgrades of Maryland businesses, nonprofits, and municipal governments**.
- The **Mechanical Insulation Grant program** **provides subsidies to eligible nonprofits and businesses** that install mechanical insulation in buildings and industrial processes
- The MEA's **Commercial, Industrial, and Agriculture grants** **provide funding for energy retrofit projects** in commercial, industrial, agricultural, and nonprofit facilities
- The **OPEN Energy Grant program** **funds projects that are outside of the MEA's suite of established energy programs**

Diverse Funding & Financing for Diverse Projects



USDOE's Financing Navigator



https://betterbuildingssolutioncenter.energy.gov/financing-navigator

Source: "Coining a Cleaner Future" - USDOE BBI webinar 11-28-2023

Project Examples

Silver Spring Federal Administration Facility

Government

Program
Prescriptive

Measure
Retrofit Lighting

Incentive Amount
$9,770

Energy Saved
218,853 kWh

Opportunity Zone
☐ **Yes** ■ **No**

Photo: Shutterstock

GHG Equivalent*	Monetary Savings†
36 cars	**$35,038/year**

* Gasoline-powered passenger vehicles operated for a year, per the **EPA's Greenhouse Gas (GHG) Equivalencies Calculator**, as of January 2024.

† Based on 2023 EIA Commercial Price Rate for Pepco.

NASA's Goddard Space Center - Greenbelt, MD
A long success story of incentive projects & energy cost savings

Project Examples and Outcomes

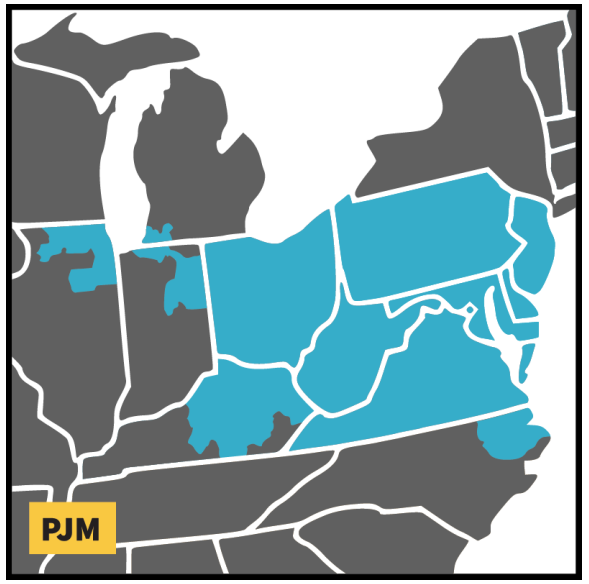
Project	Incentive Program	Pepco Incentive	MWh Savings	Annual $ Savings
Goddard Retro-Commissioning Phase 3	Full Building Tune-Up	$69,029	2,453.9	$387,022
Building 32 Lighting Retrofit	Prescriptive Lighting (EB)	$152,804	560.2	$88,353
Building 17 Lighting Major Renovation	New Construct. Lighting	$12,486	57.7	$9,097
Building 24 Chiller Replacement	Custom	$561,299	2,245.2	$315,432
Drinking Fountain Cooling Timers (ALL)	Custom	$4,261	15.2	$2,400
Building 18 VRF Units (Variable Refrigerant Flow)	Prescriptive HVAC	$4,833	31.2	$4,918

PJM Demand Response

PJM Demand Response

Receive payments for using less when electricity prices are high

- PJM's Demand Response Programs allow participating customers to manage their electricity use in response to conditions in the wholesale market.
- Participants are notified when wholesale electricity prices are high (or sometimes in case of emergencies) when to reduce their electric consumption.
  - Minimizes the impact of price spikes, reduces the need for new capacity generation, and helps keep prices stable in the market.
- Best suited for customers who can temporarily curtail their demand while not significantly impacting their operations.
- **To enroll**: Contact a Curtailment Service Provider



PJM is a regional transmission organization (RTO) that coordinates the movement of wholesale electricity in all or parts of 13 states and the District of Columbia.

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Thank You!

Tom Dietsche
Sr. Energy Efficiency Program Manager
(202) 428-1537 – Tom.Dietsche@ExelonCorp.com

INCENTIVE $ AMOUNTS –

ALL C&I PROGRAMS
QUICK REFERENCE SHEET
(Pepco 2-pager PDF)

Pepco Business Incentives

Delmarva Power Business Incentives

ICF Account Executives/ program support

Montgomery County = Dave Lowe
(410) 571-6762 Dave.Lowe@ICF.com

Prince George's County = Will Johnson
(301)-633-3057 Will.Johnson@ICF.com

pepco[SM] APPENDIX – Incentive$ Quick Reference Sheet

AN EXELON COMPANY

Consumer Electronics	Incentive	Unit
Monitor	$5	Monitor
Computer	$5	Computer
Imaging equipment	$10	Device
Uninterruptible power supply	$40	Per kVa

Lighting Equipment and Controls*	Incentive	Unit
LED linear recessed or surface troffers	$75–$100	Fixture
LED flat panels	$50	Panel
LED linear ambient luminaires	$14–$18	Foot
LED stairwell luminaires	$100	Fixture
LED wall wash luminaires	$30	Foot
LED track/mono-point luminaires	$40	Head
LED display case luminaires	$40–$50	Fixture
LED high/low bay fixtures	$200–$600	Fixture
LED exterior luminaires	$150–$600	Fixture
LED linear retrofit Kits	$25–$45	Kit
LED integrated retrofit Kits	$70–$110	Kit
LED integrated flat panel retrofit kits	$20–$40	Kit
LED retrofit kits for ambient luminaires	$15	Kit
LED retrofit kits for high/low bay luminaires	$100	Kit
LED retrofit kits for exterior luminaires	$100	Kit
ENERGY STAR® fixtures	$30–$100	Fixture
Type A LED linear lamp	$3	lamp
Type B LED linear lamp	$13	lamp
Type C LED linear lamp and new LED driver	$15	Lamp
Type C LED mogul screw-base replacement for HID lamp and new external driver	$30	Lamp
Networked lighting controls	$30–$60	Fixture
Dual daylight/occupancy controls	$10–$50	Fixture
Daylight controls	$20–$40	Fixture
Vacancy controls	$40	Fixture
Occupancy controls	$40	Fixture
Controls for low wattage fixtures	$20	Fixture
Wattage reduction measures	$0.30–$2.25	Per watt reduced
Sign lighting—dusk to dawn	$1	Per watt reduced
Sign lighting—retail 8 a.m.–9 p.m.	$1.25	Per watt reduced
Sign lighting—24 hours/7 days per week	$1.65	Per watt reduced
Street lighting	$55–$345	Fixture

Specialized Controls	Incentive	Unit
Smart power strips	$10	Strip
Hotel room HVAC controls	$70	Room
Receptacle controls	$10	Room
Vending machine refrigerated controls	$75	Control
Vending machine controls	$30	Control
HVAC smart thermostats	$50	Thermostat

Misc. Energy Efficiency Measures	Incentive	Unit
Heat pump water heaters	$500–$1,000	Unit
Commercial clothes washers	$100–$200	Unit
Residential dehumidifiers	$25	Unit
Variable speed air compressors	$100–$125	HP
Window film*	$1	Sq. ft.

HVAC Equipment	Incentive	Unit
Window units	$25	Unit
Water source heat pumps (water loop or ground loop)	$300–$350	Ton
PTAC	$75–$125	Unit
PTHP or PTAC with heat pump	$75–$125	Unit
Ductless Mini-Split Air Conditioners/Heat Pumps	$225	Ton
Air conditioners (RTU or Split) with dual enthalpy economizer	$300 Additional $200	Ton Unit
Air source heat pumps (RTU or Split) with dual enthalpy economizer	$350 Additional $200	Ton Unit
Water-cooled air conditioners with dual enthalpy economizer	$350 Additional $200	Ton Unit
Variable refrigerant flow (VRF) heat pumps	$390	Ton

Chillers	Incentive	Unit
Air-cooled chillers	$24 base, $8 enhanced	Ton
Water-cooled screw and reciprocating chillers	$10–$24 base, $2–$8 enhanced	Ton
Water-cooled, electrically operated centrifugal chillers	$10–$20 base, $3–$4 enhanced	Ton

Variable Frequency Drives	Incentive	Unit
Variable frequency drives (2–100 HP)	$500–$5,000	Unit
Variable frequency drives (> 100 HP)	$50	HP
Electronically commutated motors (ECMs)	$100–$750	Unit

Commercial Kitchen	Incentive	Unit
Anti-sweat heat controls	$40	Door
Strip curtains	$3	Sq. ft.
ECM evaporative fan motors	$50	Motor
Refrigerated door gaskets	$2–$3	Linear ft.

Commercial Kitchen (cont.)	Incentive	Unit
Reach-in refrigerators	$75–$225	Unit
Reach-in freezers	$100–$500	Unit
Commercial refrigerated beverage vending machines	$50–$75	Machine
Reach-in door closers*	$40–$50	Door
Refrigeration display case doors on open display case*	$25–$50, up to $600 per case	Linear feet of width
Night covers for refrigerated cases*	$8, up to $500 per case	Linear feet of width
Anti-fog film*	$8	Sq. ft.
Networkable evaporator fan controls	$65–$75	Motor
Ice machines	$50–$250	Unit
Fat fryers	$200	Unit
Steam cookers	$125	Unit
Hot food holding cabinets	$200–$300	Unit
Griddles	$250	Unit
Convection ovens	$350	Unit
Combination ovens	$1,000	Unit
Low-flow pre-rinse valves for automatic dishwashers	$75	Unit
Commercial dishwashers—high temperature	$250–$1,000	Unit
Commercial dishwashers—low temperature	$50–$500	Unit
Water coolers	$50	Unit

Full Building Tune-up†	Incentive
Single Building ≥ 75,000 sq.ft.	Lesser of 85% of project costs or $0.25/kWh and $3.00/therm saved annually capped at $200,000 per project
Campus Building ≥ 75,000 sq. ft.	Lesser of 85% of project costs or $0.25/kWh and $3.00/therm saved annually capped at $300,000 per project

Small Building Tune-up†	Incentive
Buildings < 75,000 sq. ft.	Lesser of 85% of project costs or $0.25/kWh and $3.00/therm saved annually capped at $200,000 per project

HVAC Tune-up*	Incentive	Unit
Units < 3 Tons	$40	Ton
Units 3–20 Tons	$160	Unit
Units > 20–50 Tons	$260	Unit
Units > 50 Tons	$350	Unit

Monitoring-Based Commissioning*	Incentive
Phase 1—Installation	25% of 18-month contract cost, capped at $8,000
With an ASHRAE level 2 audit	Additional $0.04 per sq. ft. of conditioned space
Phase 2—Monitoring	N/A
Phase 3—Implementation	$0.22/kWh and $3.00/therm saved annually capped at $200,000 per single building $0.22/kWh and $3.00/therm saved annually capped at $300,000 per campus with multiple buildings

Operations and Maintenance Training*	Incentive	Unit
Pre-qualified courses	100%, up to $1,000	Course

Custom	Incentive
Custom measures	$0.29/kWh saved (first year only) or 50% of installation cost*/75% of incremental cost
Electric and non-electricdual efficiency	$1.70 per therm of natural gas, propane, or oil saved, up to 60% of retrofit cost or 85% of new equipment cost

New Construction—Design-Based Lighting	Incentive	Unit
Tier 1	$0.40	Watt
Tier 2	$0.80	Watt

New Construction—Comprehensive Design Support	Incentive	Unit
Phase 1—Brainstorming	Up to $1,000	Based on sq. ft.
Phase 2—Simulation analysis	$0.03–$0.10	Sq. ft.
Phase 3—Final design	Up to $8,000	Based on sq. ft. and measures
Phase 4—Enhanced commissioning	Up to $8,000	Based on sq. ft. and costs

Instant Discounts‡
Lighting discounts‡
HVAC equipment discounts‡
Commercial kitchen equipment discounts‡

*Existing buildings only.
†Existing buildings only. Not to exceed 85% of the Building Tune-up plan costs.
‡Discounts are only available at select distributor locations. Visit pepco.com/BID for more information.

Qualifying equipment is subject to specifications, terms, and conditions as outlined in the program application. When an incentive range is provided, specific equipment will determine the exact incentive level. All projects require pre-approval to receive program incentives. Existing equipment being replaced may not be removed or altered, and proposed equipment may not be purchased and/or installed prior to the issuance of a program pre-approval letter. Incentive rates are subject to change without notice. Visit pepco.com/Business for a current list of available incentives.

DCSEU Programs for Commercial Buildings

Crystal McDonald, M.E.M.
Director, Account Management & Workforce Development

Mikelann Scerbo, PE, CEM
Lead Engineering Consultant

Pepco Federal Open House
September 4, 2025

DISTRICT OF COLUMBIA SUSTAINABLE ENERGY UTILITY

Highlights

- About the DCSEU
- Customer Engagement with Federal Agencies
- Pathways to Incentives & Technical Support
- Building Energy Performance Standards (BEPS)
- Business Rebates
- Custom Incentives
- Pay for Performance
- Questions

About the DCSEU

The District of Columbia Sustainable Energy Utility (DCSEU) is a community-minded organization committed to making energy efficiency and clean energy more accessible to every person and business in the District. Since 2011, we have helped District residents and business generate more than $1.4 billion in lifetime energy cost savings. We provide the industry-leading learning opportunities, expert hands-on assistance, and vital financial support that save our communities both energy and money.

Customer Engagement with Federal Agencies

- For over a decade, the DCSEU has partnered with federal agencies in Washington, D.C., to achieve energy and cost savings.
- We have incentivized energy-efficient equipment and provided technical assistance for new construction and retrofit projects.
- Projects in federally owned and operated buildings include lighting upgrades and controls, chiller replacements, installations of plate heat exchangers, steam pipe insulation, and installation of variable frequency drives.
- Most projects have a 5-to-10-year simple payback.
- The DCSEU incentive is based on estimated annual Electric Savings (MWh) and Natural Gas Savings (MMBtu). Lifetime Energy Cost Saved is based on estimated cost savings for installed measures.

Pathways to Incentives & Technical Assistance

Self- Service

Who: Customers completing a project that have chosen a contractor and equipment with a defined timeline.

Value:

- Defined rebate amounts with **up to $100k per commercial customer threshold**.
- Defined rebate amounts with **up to $15k per residential customer threshold**.

How: Prescriptive rebate application or buy directly from Participating Distributor.

Custom Service

Who: Commercial customers considering a project for which the equipment is not listed in prescriptive rebates are subject to a custom analysis to determine the incentive level.

Value: 3rd party review, technical assistance, and incentive value tied to project energy savings.

How: Custom incentive calculation from DCSEU Account Manager and Engineering Consultant.

Self-Service Pathway

Business Rebates

When installing or replacing equipment like lighting, refrigeration, and HVAC in businesses, multifamily residences, or other commercial buildings in the District, submit an application through our Online Rebate Center for rebates up to $100,000 per location per fiscal year.

Standard Rebates

- Lighting
- Motors
- HVAC
- Refrigeration
- Food Service & Vending
- Electric Lawn Care

Instant Rebates with Distributors

- Lighting
- HVAC

Visit dcseu.com/business-rebates

Custom Service Pathway

Custom Incentives

Any measure or operational improvement you are making in your District-based building that provides cost-effective energy savings is potentially eligible to receive technical assistance and incentives from the DCSEU.

Custom measures include but are not limited to:

- LED Lighting & Controls
- HVAC Equipment
- HVAC Controls Strategies and Retro-Commissioning
- Refrigeration Management & Leak Detection
- Solar Incentives (with Energy Efficiency Measures)

There are three ways to get started:

1. Complete the Custom Project form on our website.
2. Book time with an Account Manager based on your building type.
3. Call us at (202) 479-2222.

Visit dcseu.com/start-a-project

Custom Savings Analysis

We're here to help you meet your economic and operational goals. Uncover energy savings, run your buildings more efficiently, and identify efficiency improvements with the greatest returns on investment. Get a custom savings analysis from a DCSEU Engineering Consultant.

Identify Opportunities

- Site walkthroughs
- No-cost technical assistance
- Peer-to-peer information exchange
- New technology seminars

Analyze Project

Estimate energy savings as it relates to…

- Vendor quotes
- Operations/ controls adjustments
- Utility data analysis re: pay-for-performance
- Impacts on cash flow and ROI

Impacts

- Demonstrate value to decision makers
- Reduced operations and maintenance costs
- Increased comfort and employee performance

Pay for Performance

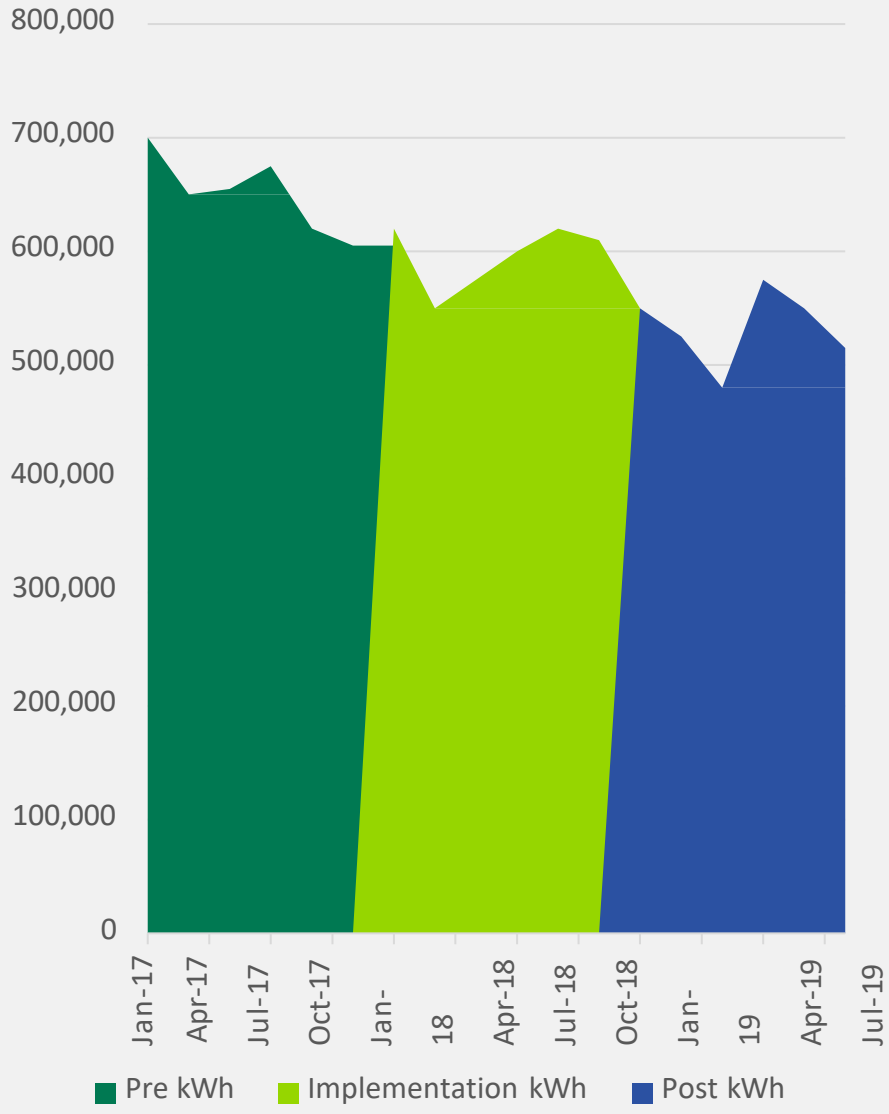
The DCSEU Pay for Performance (P4P) program offers incentives for energy conservation measures based on pre- and post-project metered data, which determines the actual energy saved.

Get paid for a better-performing building.

Pay for Performance (P4P)

- The P4P offer is based on a savings analysis tool within the DCSEU Custom Program.
- P4P accounts for actual energy consumption
  - Baseline: pre-implementation
  - Performance period: post-implementation
  - Complex, multi-measure efficiency projects
- Regression analysis determines energy savings

Annual target project savings	Metered Data	Participate with other DCSEU Offers	New construction note
Must exceed 100,000 kWh of electricity or 500 MMBtu of natural gas saved	Must have access to 15-minute interval electric data or gas utility monthly data	Participants may also qualify for separate incentives through the DCSEU's other programs	Since at least 1 year of metered baseline energy use data is needed, new construction does not qualify



DCSEU

Don’t know where to start?

Visit our bookings page to schedule time with an Account Manager!

DCSEU

DISTRICT OF COLUMBIA SUSTAINABLE ENERGY UTILITY

Thank you

Crystal McDonald, M.E.M.
Director, Account Management & Workforce Development

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U.S. DEPARTMENT of ENERGY | Federal Energy Management Program

Resiliency Panel - Pepco Smart Grid & Innovation and Strategy Teams

Moderator: Will Ellis, *Director of External Affair* - Potomac Electric Power Company (PEPCO)

Panelists: Gabrielle Levinson, *Manager Smart Grid Program*, Jacob Burlin, *Manager Strategic Programs, Clean Energy Strategy*, Eric Moberg, *Manager Strategic Programs, Clean Energy Strategy* - Potomac Electric Power Company (PEPCO)

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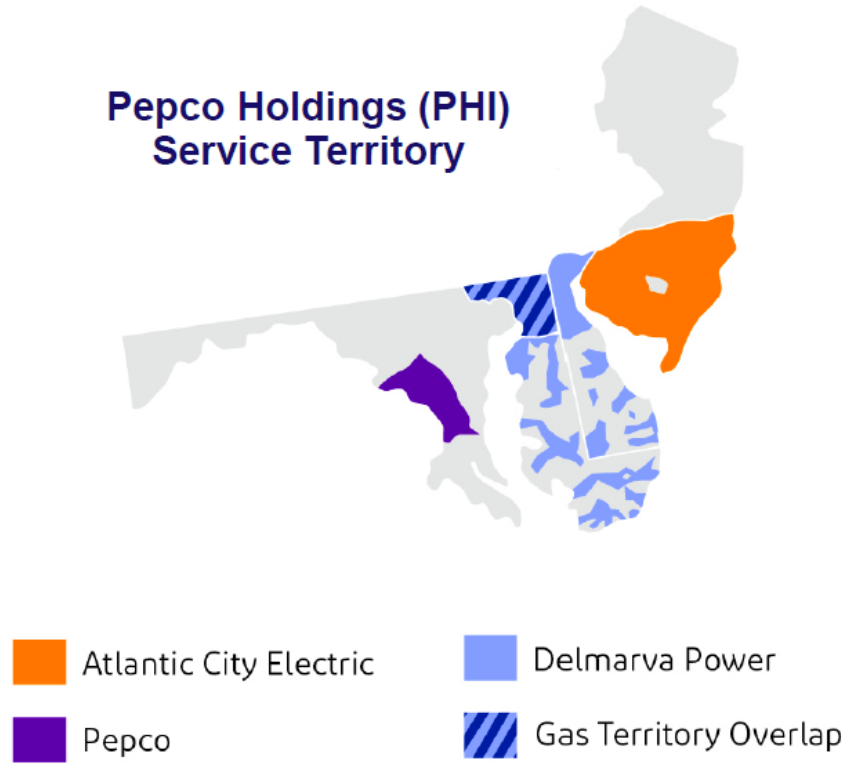
September 4, 2025

Battery and Microgrid Examples

Pepco Holdings, Inc. | Gabi Levinson

Active Battery Energy Storage Projects Across PHI

Project	Utility	Use Case(s)	Power Capacity (MW)	Energy Capacity (MWh)
Brookville Bus Depot	Pepco MD	**Distribution Substation Deferral**, Peak Shaving, EV Charging Support, DER Interconnection Support	2	4.3
Ocean City	Delmarva MD	**Enhance FLISR Scheme**, Peak Shaving, Voltage regulation	1	3
Elk Neck	Delmarva MD	**Customer Resiliency**, Peak Shaving, Energy Arbitrage, VPP	0.5	1.5
Beach Haven	ACE	**Distribution Substation Deferral**, voltage regulation	1	2



Energy Storage Use Cases

	#	Use Case	Perceived Risk			Potential Reward			Being Explored?
Capacity Expansion	1	Distribution Deferral	■	■		■	■	■	✔
	2	Create Investment Optionality	■	■		■	■		✔
	3	Hosting Capacity Improvement	■	■		■	■	■	
	4	DER Interconnection Support	■	■	■	■	■		✔
	5	EV Charging Support	■			■	■		✔
Reliability & Power Quality	6	Mobile Energy Storage for Temporary Uses	■	■	■	■	■	■	
	7	Grid Resiliency/Regulation	■	■	■	■	■	■	✔
	8	Power Quality	■	■		■	■		✔
	9	Enhance FLISR (ASR) Scheme	■	■		■	■		✔
	10	Voltage Regulation & Power Factor Correction	■			■			
Wholesale Market	11	Energy Arbitrage for Wholesale Supply Cost Reduction	■			■			✔
	12	Peak Shaving for Wholesale Supply Cost Reduction	■			■	■		✔
	13	Virtual Power Plant / Wholesale Market Participation	■	■		■			✔
	14	Advancing Clean Energy Goals & Emissions Reduction	■			■			

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Brookville Bus Depot

Pepco - Maryland

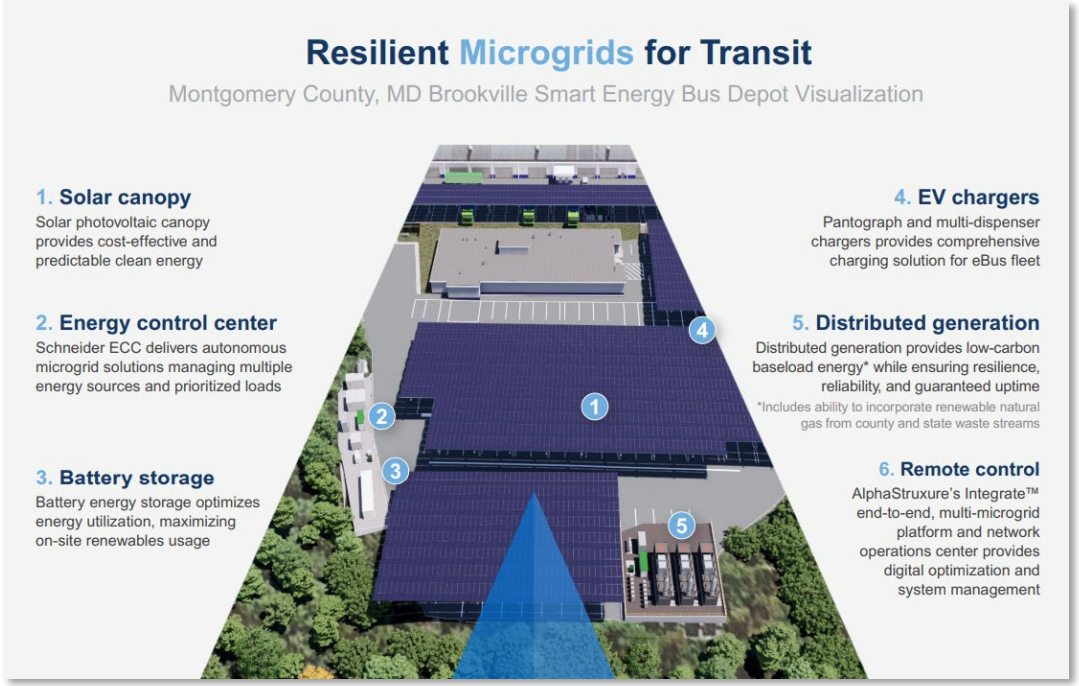
Brookville Bus Depot – Pepco MD

At the time, country's largest electric bus microgrid in Montgomery County, MD to ensure continuity of operations for a new fleet conversion of 70 transit vehicles from diesel to electric

- **Ownership & Control:** Energy-as-a-service model (EAAS) - 3rd party designed, financed, built, owned, and operated
- **Location:** 8710 Brookville Road, Silver Springs Maryland
- **Key Elements:**
  - Single Customer Microgrid
  - 6.5MW microgrid with three 633kW generators
  - 1.6MW solar photovoltaic canopies
  - 2MW/4.3MWhbattery energy storage system
  - Charging for 70 electric buses
- **Benefits:**
  - Up to 1,000MWh of annual peak load reductions
  - Defers a capital project to extend a feeder
  - Supports State plans to reach net zero carbon emissions
  - Reduces emissions by 62%

Microgrid Operation & Control

- **Microgrid will be connected to the utility feed during blue sky operations**
  - Linden Substation Feeder 14268
- **Ability to island from the grid during an outage or major weather event**
- **Concept of Operations**
  - Solar Canopy will charge the BESS
  - Excess solar generation will feed back to the grid (NEM)
  - BESS will discharge at night to charge the EV Buses
  - Natural Gas generators will act as additional supply to support the BESS during peak loads
  - BESS will provide feeder support to Pepco during times of peak demand
- **Pepco scope of work (SOW)**
  - Install approx. 1.1 miles of fiber to the site, upgrade relays at Linden Substation and establish telemetry and remote trip to the microgrid. Site integration into SCADA for live monitoring and visibility



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Ocean City BESS

Delmarva Power - Maryland

Ocean City BESS – DPL MD

Utility scale storage project to participate in the PJM wholesale market.

- **Ownership & Control:** Utility owned & operated asset. Concentric is the procurement & installation vendor.
- **Location:** bay side of the Costal Highway, north of the Worcester County Public Library at 100th Street
- **Key Elements:**
  - Install 1.0 MW 3-Hour, 3MWh Battery Storage System in Ocean City Maryland
  - In Service Date – May 2025
- **Benefits**
  - PJM market participation opportunity

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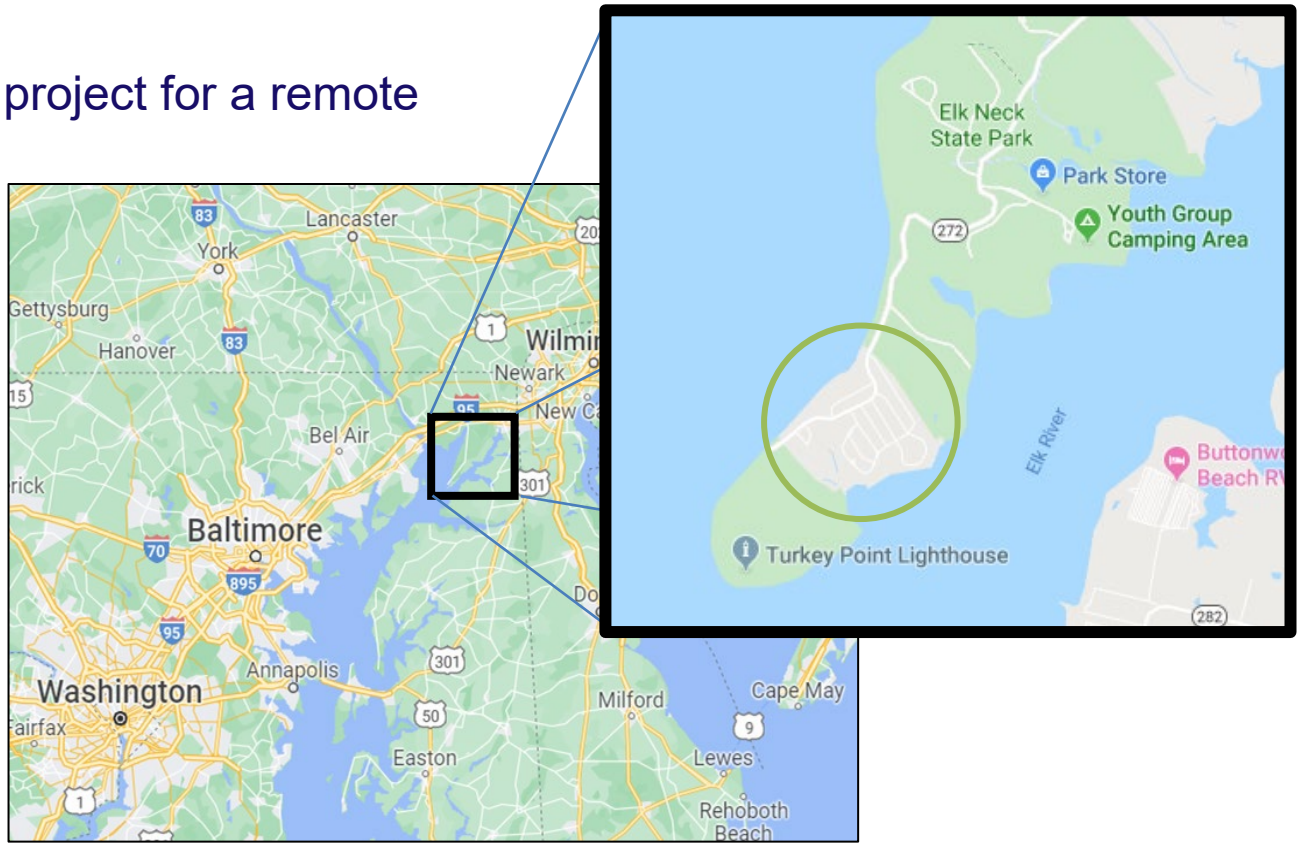
Elk Neck Virtual Power Plant (VPP)

Delmarva Power - Maryland

Elk Neck VPP – DPL MD

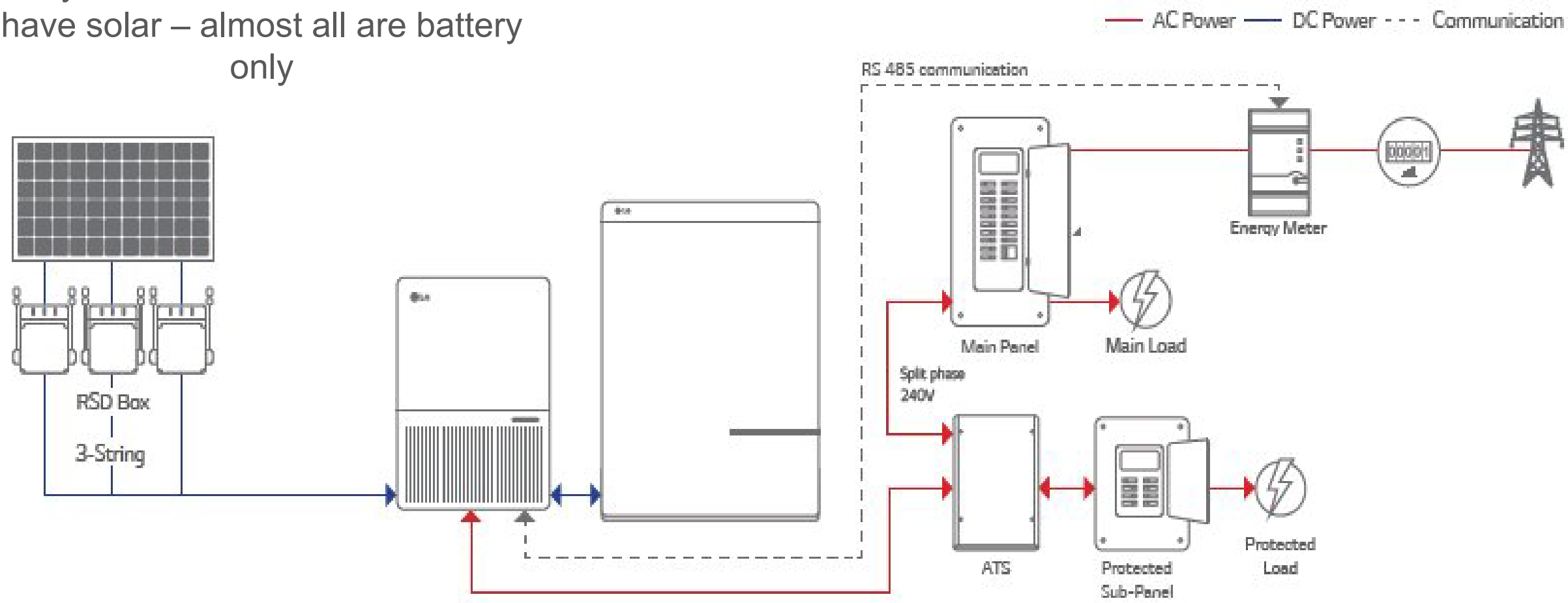
Aggregated residential behind-the-meter storage VPP project for a remote community

- **Ownership & Control:** 3rd party owned and operated (Budderfly)
- **Location:** 300+ residential customers south of Elk Neck State Park fed by a four-mile radial feeder
- **Key Elements:**
  - 110 behind-the-meter residential systems
  - Total System Capacity (EOL): 0.5 MW / 1.5 MWh
  - Hardware: LG Chem - 5 kW / 19.6 kWh
  - In-service date – July 2022
- **Benefits**
  - Customer reliability & resiliency
  - Emergency distribution operations / system load relief
  - PJM market participation, including energy arbitrage and regulation services (demand response)



Standard Budderfly Installation Diagram

Very few installations in Elk Neck have solar – almost all are battery only



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Beach Haven BESS

Atlantic City Electric – New Jersey

Beach Haven BESS – ACE

Utility scale storage project to support grid resiliency and offset peak loading using a non-wire alternative.

- **Ownership & Control:** Utility owned & operated asset
- **Location:** retired Beach Haven Substation Property in Beach Haven, NJ
- **Key Elements:**
  - Design and Install a 1MW, 2-Hour lithium-ion battery bulk energy storage system (BESS) at the
  - First utility-owned BESS in ACE
  - Hitachi Energy PowerStore 1000 Lithium-Ion battery storage technology
  - In-service date – December 2023

- **Benefits:**
  - Defers substation-level capital project (i.e., second substation)
  - Increases feeder capacity (NJ0558) by reducing peak loads and providing voltage stability
  - Aligns with goal of utilizing NWAs rather than fossil-fuel generators

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Thank You

U.S. DEPARTMENT of ENERGY | Federal Energy Management Program

Close Out and Final Q&A

Director of Large Customer Services

Chris Taylor, September 4th, 2025