



West American Rubber Company



West American Rubber Company Stretches Energy Savings with SCE's Automated Demand Response Program

"We didn't make it to 100 just by chance," says West American Rubber Company (WARCO) Partner Ken Hemstreet. "We intend to stay in business and we know to do that we have to look everywhere we can to make our business even more efficient and competitive."

Orange, Calif.-based WARCO, marking its centennial in 2010, joined Southern California Edison's (SCE) Automated Demand Response (Auto-DR) program in 2009 as another step forward in its efforts to lower energy costs — one of its major expenses.

Auto-DR allows customers with an automated load control system, such as an energy management system (EMS), to participate in SCE demand response programs with no manual intervention, providing flexibility and ease of use. Customers pre-select their level of participation and earn incentives for energy load reductions, which also offer environmental benefits.

A \$245,000-Plus Incentive

Working with SCE and the company's account executive, WARCO began with a demand response site assessment through the Technical Assistance and Technology Incentives Program (TA&TI) to identify

opportunities to participate in Auto-DR. Company President Jim deLeo says this offered the ability "to better control expenses by identifying each piece of our equipment in terms of energy consumption." He also credits SCE for providing a clear explanation of Auto-DR to allow WARCO to make an informed decision.

Next, SCE provided WARCO with an incentive of more than \$245,000 for the installation of an EMS to automatically reduce load from high-consumption equipment. This reflects the up-to-\$300 per kilowatt (kW) SCE pays for verified automated load reduction. Testing showed that the Auto-DR system can allow WARCO to reduce load by 899 kW during high-demand periods — when California needs it most.

WARCO currently participates in two demand response programs: the Demand Bidding Program (DBP) and the Base Interruptible Program (TOU-BIP), with Auto-DR used for DBP:

- DBP offers the opportunity to receive bill credits for voluntarily reducing load when a DBP event is called, and
- TOU-BIP provides a monthly credit for committing to reduce load to a pre-determined level during state-initiated interruption events.

Estimated Savings by Managing Energy

- *Location:* Orange, CA
- *Industry:* Manufacturing
- *SCE Programs Utilized:* Technical Assistance and Technology Incentives Program, Automated Demand Response, Demand Bidding Program, Time-of-Use Base Interruptible Program
- *Results:* An incentive of more than \$245,000 to install an energy management system, and nearly \$9,400 in annual demand response program participation savings

TA&TI INCENTIVE THROUGH AUTO-DR

\$245,000

APPROXIMATE ANNUAL SAVINGS

\$9,400

Energy Management Success Story

WARCO Stretches Energy Savings with SCE's Automated DR Program

Substantial Energy Savings

Jim says WARCO now receives "substantial savings" both from demand response program rate discounts and bill credits, and overall from the energy reduced during the demand response events.

In addition, he notes that the knowledge gained from the TA&TI demand response site assessment and use of the EMS allows WARCO — which operates 24/5 — to make smart, cost-effective decisions to manually reduce load on additional equipment and rearrange shifts from on-peak periods.

"We're always looking at how we can cut costs," he says. "Now we have new information and options, and we can monitor equipment and decide what to use. The system gives us more flexibility."

The move to Auto-DR represents the next step in a long history of energy management initiatives by WARCO completed with the support of SCE. To deliver quality rubber products, the company's 160,000-square-foot facility includes major energy-intensive equipment, including 45 presses, 15 injection molding presses, two mixing lines, three colanders, numerous mills and more.

WARCO (which also operates a plant in Mississippi) already has implemented several energy efficiency projects. The company began working with SCE in 2009 on additional process modifications and equipment retrofits, a project that will provide future incentive funding and even more energy savings. Knowing exactly how much energy each piece of equipment is using,

Jim says, helps the company make the best possible decisions when it needs to rework, upgrade or replace any of that equipment.

With its energy management successes to date, WARCO plans to continue its commitment to more efficient use of energy. Ken, noting the passion employees feel for the company, explains, "In this business environment, we all have to keep looking wherever we can to help better position ourselves for the future."

More About Auto-DR

Simplifying participation in demand response programs, Auto-DR utilizes automated load control systems such as an EMS to automatically achieve specified energy demand reductions (kW and duration) during peak periods. Qualifying customers who do not have an EMS can use SCE's Technical Assistance and Technology Incentives Program (TA&TI) to help offset the purchase and installation of the system equipment.

Auto-DR is available to customers with energy demands of 200 kW or greater who are willing to participate in Critical Peak Pricing and/or the Demand Bidding Program. Customers on Auto-DR receive energy and money savings from automated demand response program participation, plus up to \$300 per kW of verified load reduction for equipment installed through TA&TI.

To learn more about Auto-DR opportunities, contact your account representative, visit www.sce.com/tati, call (866) 238-3605 or e-mail ta&ti@sce.com.

This case study is provided for your general information and is not intended to be a recommendation or endorsement of any particular product or company. Funding for this case study is provided by California utility customers and the TA&TI Program is administered by SCE under the auspices of the California Public Utilities Commission.

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Jim deLeo, President
West American Rubber Company

Earn Even More Savings with Other SCE Programs

- Find out how SCE's Demand Response Programs can reward you for reducing your electricity usage during peak hours: **(866) 334-7827**
www.sce.com/drp
- Switch to a time-of-use (TOU) rate and shift electricity usage to off-peak hours, to take advantage of lower energy rates.
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SCE offers a range of solutions such as cash incentives, energy surveys and payment options to help you better manage your electricity costs.

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