



Energy Management Success Story

Industrial Energy Efficiency from Southern California Edison Helps Seam Master Industries Bridge the Gap

"My parents started this company over thirty years ago," says Paul M. Vidor, President of South Gate-based Seam Master, a leading manufacturer of carpet seaming tapes. "We call it 'The Oldest and the Best' in our industry. But recently I realized that we might not be able to stay in business much longer unless we took some drastic measures. At the top of the list was reducing our electrical bills. 'Oldest' isn't always the same as 'best': our electrical equipment was badly out of date, and our power bills ran as high as \$25,000 in peak months, a serious drain on our revenues. We needed to upgrade."

Seam Master General Manager Richard C. Kahrs continues, "Ours is an exceptionally competitive business. There's more capacity to manufacture product than there is demand, and we're up against companies whose labor and raw materials cost less. Seam Master competes based on quality and price, and if we compromise those, we lose customers. So we're making a commitment to the future by improving our efficiency and cutting costs. Our participation in Southern California Edison's (SCE) Industrial Energy Efficiency Program is the bridge we needed to help us get there."

IEEP: Power to Improve

SCE's Industrial Energy Efficiency Program (IEEP) offers cash payments and engineering services to SCE industrial customers for process modifications and/or equipment

retrofits that result in electrical energy efficiency savings. The amount of the incentive is based on the energy savings resulting from the process modifications and/or the installation of the new equipment or system. The program is open to industrial customers of any size that receive distribution services from SCE and pay the public goods charge. Almost any project involving permanent process modifications and/or replacement of existing equipment or systems with high-efficiency equipment is eligible for the IEEP. An application must be approved by SCE prior to any modification to the process or removal of existing equipment from service.

The source of the power problems at Seam Master was easy to find: fifty-year-old cauldrons used for heating adhesive on the production lines. "We're a five-day-per-week operation," Paul explains, "but the old heating equipment had to stay on 24/7 to work properly. After seeing our high power bills, we called SCE to see if IEEP might be applicable to us. Under IEEP, we got a technical audit from an engineering company, and they worked with a manufacturer to create new computerized adhesive cauldrons for us. They're programmable, and they're much more precise, energy-efficient and cost-effective than the old ones. The IEEP incentive, based on our projected savings, was the financial boost that helped us buy the equipment."

Savings by Managing Energy:

- 1.1 million kWh saved
- Over \$100,000 annual cost savings
- \$94,400 in incentives for new equipment

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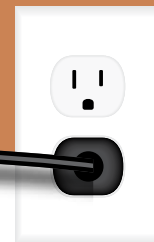
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IEEP: Dramatic Cut in Energy Bill

"Our electric bills have dropped by a third," Richard says, "and they're still falling. I think we can find even more savings, and SCE is working with us to make more improvements. If we hadn't made this upgrade, our other alternatives would have been to consider selling out right, or risking a move, or laying off employees and outsourcing everything, and we didn't want to do any of those. You can't avoid electricity rate increases, but you can look at electricity in new ways. It's a matter of survival. Overspending on energy comes right off the bottom line. IEEP is a better way for us—with this improvement, we can stay here and keep our commitment to California."

"I'm sure every manufacturer feels the same pressures we do," Paul says. "For years it's been the small companies like ours who've been hit hardest by the high cost of doing business. We're a very conservative business. We never took on debt; we saved when times were good and used that to tide us over in lean seasons. I couldn't have borrowed to purchase new equipment. That's why IEEP made such a difference to us. Now we're competitive again, and looking forward to introducing some new product lines that will keep us in the lead. I'm hoping to pass this company along to my own sons someday, and so I'm pleased that SCE was able to help us build for the future."

Like Seam Master Industries, you can save money on electricity:

- Call your SCE representative to find out if **SCE's Industrial Energy Efficiency Program** can work for you.
- **SCE's Technical Assistance & Technology Incentives (TA&TI) Program** at www.sce.com/drpf provides technical assistance in the form of demand response site assessments, usually at no charge to eligible commercial and industrial customers, and incentives for the installation of qualifying demand response technology.
- **Participate in SCE's Demand Bidding Program**, in which customers with demands (or customers with aggregated demands) of 200 kW or greater can receive credits on their bill for voluntarily reducing power during called events. Learn more at www.sce.com/drpf.
- **Take free SCE classes** in lighting, HVAC, energy management and more at an Edison Energy Center. www.sce.com/ctac 800-336-2822; www.sce.com/agtac 800-772-4822
- **Take the Online Business Survey** at www.sce.com to calibrate your building for savings.
- **Find out how the Standard Performance Contract Program** at www.sce.com/spc can give you cash incentives for energy-saving retrofits of existing equipment or systems.
- **Use Web-based tools such as SCE EnergyManager®, SCE Cost Manager® and SCE Bill Manager®** to monitor your electricity usage in real time and over the long term.

For More Information

Southern California Edison offers a range of programs such as cash incentives, energy surveys, and payment options to help you better manage your electricity costs. To learn more, please contact your SCE account representative, call **(800) 990-7788**, or visit us at www.sce.com.

Learn more about how to save energy and save money:

SCE Energy Management Classes

www.sce.com/ctac
800-336-2822;
www.sce.com/agtac
800-772-4822

Express Efficiency

www.sce.com/express
800-736-4777

Demand Response Programs

www.sce.com/drpf
866-334-7827

SCE Retro-Commissioning

www.sce-rcx.com

SCE Online Business Survey

www.sce.com/Tools/SmallMediumBusiness/OnlineBusinessEnergySurvey.htm

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