

June 9, 2026

Anjuman Islam

City of Racine Utilities Director
City of Racine, Wisconsin

Re: Invitation to Participate in the Focus on Energy Water Treatment Strategic Energy Management (SEM) Cooperative

Dear Anjuman,

We are pleased to invite the Racine Water Utility to participate in the Focus on Energy Water Treatment Strategic Energy Management (SEM) Cooperative, a no cost, professionally managed program designed to help Wisconsin water utilities reduce energy consumption, lower operating costs, and build long-term energy management capability.

This letter provides an overview of the program to support your review and approval.

ABOUT FOCUS ON ENERGY

Focus on Energy is Wisconsin's statewide energy efficiency and renewable resource program, funded through utility bill collections and administered on behalf of participating utilities across the state. The program has served Wisconsin businesses and municipalities for over 20 years, delivering hundreds of millions of dollars in energy savings to participants.

The Water Treatment SEM Cooperative is a specialized cohort program offered through Focus on Energy, delivered in partnership with Cascade Energy — a national leader in industrial and municipal energy management with a track record spanning hundreds of facilities across North America.

PROGRAM OVERVIEW: WHAT IS SEM?

Strategic Energy Management (SEM) is a structured, systems based approach to identifying and capturing energy savings through operational improvements, changes in how equipment is run, monitored, and managed, without requiring significant capital investment.

Participating utilities receive:

- Expert energy coaches and engineers alongside your facility throughout the program
- An on site energy assessment ("treasure hunt") to identify savings opportunities
- Development of a facility specific energy model to track and verify savings
- Cohort based learning with peer water utilities across Wisconsin
- Structured workshops and ongoing coaching to build internal energy management skills
- Identification of both operational improvements and capital project opportunities

NO COST TO PARTICIPATE

There is no cost to the Racine Water Utility to participate in this program. Focus on Energy funds the full delivery of SEM services through the statewide program budget. Ratepayers across Wisconsin already contribute to this fund through their utility bills, participation is a direct return on that investment.

In addition to no-cost technical assistance, participating facilities are eligible for performance-based financial incentives upon verified energy savings:

- \$0.02 per kWh saved through operational improvements
- \$0.20 per Therm saved
- Maximum incentive of \$50,000 per facility

PROGRAM TIMELINE

The 2026 Water Treatment SEM Cooperative is currently enrolling a limited cohort of 10 Wisconsin water utilities. The program runs approximately 16 months from enrollment and includes the following key milestones:

- Enrollment deadline: June 30, 2026
- Program kickoff and initial energy assessments: Summer/Fall 2026
- Cohort workshops and coaching: Ongoing through program year
- Energy model development and baselining: Fall 2026
- Savings verification and incentive processing: 2026-2027

WHAT PARTICIPATION REQUIRES

SEM is designed to work within the operational realities of a public utility. There is no capital commitment required. Participation involves:

- Designation of an Energy Champion, a staff member who serves as the internal point of contact and program driver (existing staff, no new hire required)
- Executive Sponsor acknowledgment, a senior leader who supports the program internally
- Staff availability for an on site energy assessment and periodic workshops
- Willingness to track and share basic utility and operational data (electricity bills, process data)

There is no contractual commitment to implement any specific project or achieve any specific savings target.

WHY THIS MATTERS FOR RACINE

Water treatment is among the most energy intensive functions a municipality operates. Energy typically represents the largest controllable operating cost in a treatment facility. SEM directly addresses that cost through smarter operations, not through rate increases or service reductions.

Utilities that complete SEM programs typically achieve 5 to 10 percent reductions in energy use, with many identifying additional capital project opportunities that continue to compound savings over time.

Beyond the direct financial benefit, SEM builds durable internal capability - your team will leave the program with tools, skills, and systems to sustain and grow energy savings independently.

NEXT STEPS

Enrollment closes June 30, 2026. With your authorization, we are prepared to move quickly to finalize enrollment and begin the program.

Thank you for your consideration. We look forward to supporting the Racine Water Utility in building a more energy-efficient future.

Sincerely,

Matt Jensen

Senior Engineering Manager

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