2026 ONCOR RURAL COMMERCIAL PROGRAM
Program Manual

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Program Overview

The Oncor Rural Commercial Program is designed to support commercial end-users in Oncor's non-metro service territory to improve energy efficiency, reduce operational costs, and enhance overall building performance. Through a combination of no-cost energy assessments, technical guidance, and financial incentives, the program enables participants to implement strategic upgrades that lead to long-term energy and cost savings.

This program excludes the following counties:

- Dallas
- Tarrant

This program will not focus efforts in the following counties:

- Collin
- Rockwall
- Denton
- Ellis
- Johnson

By participating in Oncor Rural Commercial Program, organizations can expect to lower energy costs through high efficiency installations and personalized recommendations tailored to the participants' needs. Financial incentives are available for a variety of energy efficient measures. Other benefits include building assessments and communication support.

How The Oncor Rural Commercial Program Can Assist

1. Benefit to business owners and entities
    a. The Oncor Rural Commercial Program is an energy efficiency program offered by Oncor to specifically benefit non-metro commercial customers for energy efficiency improvements.
2. Drive projects through customer engagement

    a. We want to hear from you. What are your needs? You know your facility best, and we are here to help guide a project and drive discussion to get things started.
3. Work to find a solution to fit your needs, while saving energy
    a. Through this process, we will work with you to help reduce peak demand, save electricity, reduce operating costs, maximize the efficiency of new systems and generate cash incentives from Oncor. This should not be a cookie cutter approach, but fit around your interests, needs and steering towards project measures that make financial sense at this time.
4. Collaborate with all parties involved
    a. Pronged approach to success. We want to be involved early in a project, connecting with vendors, architects, and engineers, so that we can make recommendations and provide incentive estimates that will help offset the costs of installing higher efficiency systems.
5. Offer flexibility to maximize the service to the business or contractors
    a. We understand flexibility is necessary throughout these projects. The program is designed to make participation as seamless as possible. From project identification to the final incentive payout, we are here to help.

Background

Oncor is an electric transmission and distribution service provider that serves more than 400 communities and 98 counties in Texas. It delivers electricity to customers from north-central to the western edge of Texas. Oncor is the program administrator for the Oncor Rural Commercial Program.

Oncor Team

- Greg Kraemer – Senior Program Manager

Oncor & Frontier Energy Partnership

Frontier Energy is the Oncor Rural Commercial Program implementor on behalf of Oncor. Frontier Energy is a Texas based company dedicated to helping businesses operate their buildings more efficiently. Our goal is to help participants understand technical and financial benefits of investing in energy efficiency and develop a clear plan to improve their efficiency. Participants will receive energy efficiency recommendations

to assist with decisions towards making cost effective investments in facility energy efficiency. Participants also receive direct cash incentives for completing energy efficiency projects that reduce peak electric demand and save energy consumption. While providing some technological recommendations, Frontier Energy does not require nor advocate for specific technologies, manufacturers, or contractors. Instead, we provide a framework through which you can receive incentives for implementing and installing a wide range of eligible measures at your facilities.

Program Objectives

The program is designed to educate non-metro utility participants on energy efficiency for their building and provide incentives for implementing energy efficiency upgrades.

- Maximize incentive dollars for Oncor customers.
    - Tiered incentives will be based on kWh-based energy savings delivered to maximize dollars returning to customers for energy efficient projects and ensure appropriate, available funds for all customer and project sizes. The tiered incentive rates can be found on page 10, below.
- Grow the program in terms of participants, trade allies, energy conservation measures, and savings.
- Ensure sufficient program coverage across Oncor's non-metro territories.
- Provide a high level of satisfaction across all program components to enhance Oncor's reputation and promote participation in future years.
    - Frontier Energy staff will take a proactive approach in the field to continuously pursue leads, meet potential customers, and engage market actors throughout Oncor-served communities.
- Ensure program effectiveness through program monitoring and project verification.
- Conduct energy assessments before projects start and post verification site visits after project completion.

Goals & Budgets

Program	kWh Goal	Incentive Budget
Oncor Rural Commercial Program	4,981,250	$523,031.25

Participant Eligibility

Non-residential customers within Oncor's non-metro service areas – as mentioned above – are eligible to participate in the Oncor Rural Commercial Program. Proposed projects must involve the installation of energy-efficient equipment or upgrades that deliver energy savings in accordance with the Texas TRM. Projects can include retrofits from existing systems, building remodels, or new constructions incorporating high-efficiency design and technologies.

Oncor Service Areas

Oncor provides electrical services in north-central and west Texas. Please see the picture below for service area reference:

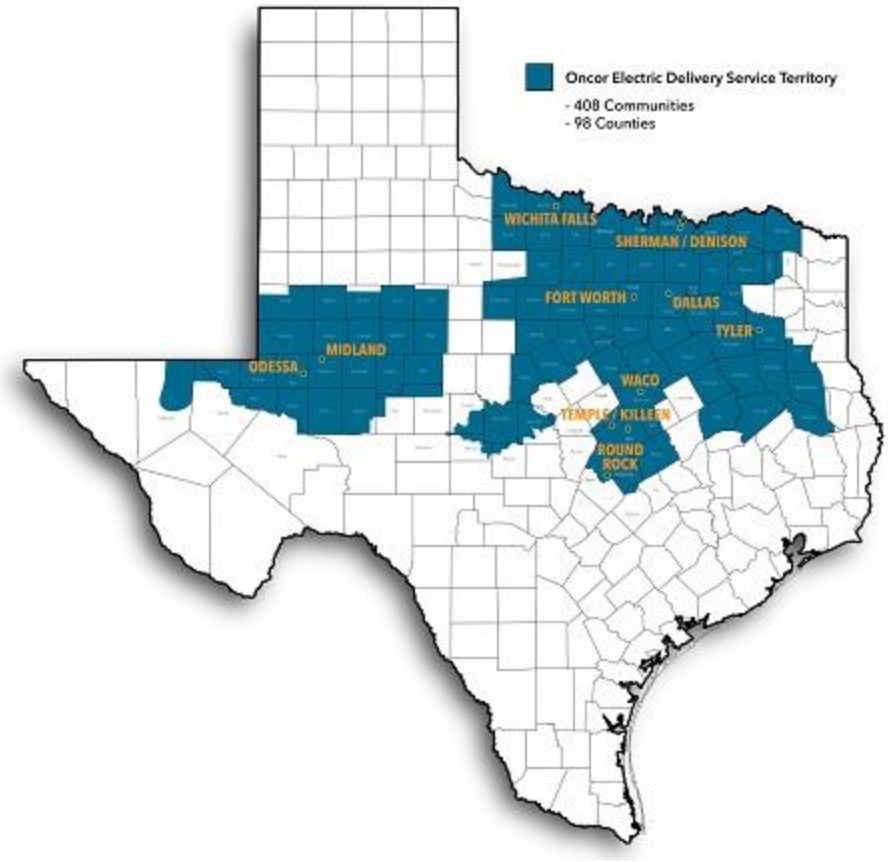

Figure 1: Oncor Service Territory Across Texas

Types of Projects

The program supports a wide range of energy efficiency projects designed to reduce energy consumption and improve facility performance. Projects are evaluated based on eligible measures, energy savings, and alignment with the program's goals to maximize efficiency and reduce long-term operational costs. Types of projects include:

New Construction

- Work to assist in a proactive manner to get in front of projects to inform customers about program offerings
- Facilitate discussions with architects, engineers, and contractors to influence energy efficiency in the design stages of the project

- Conduct plan reviews to identify available savings, qualified measures, and estimated values, as well as to provide energy savings recommendations to unqualified measures

Remodel Construction

- Facilitate general discussions up front and offer support as needed during space transitional use
- Capture all eligible measures being planned
- Create custom approaches to guide efficiency into the project

Retrofit

- Upgrading or improving existing buildings, systems, or equipment
- Discuss with the customer what type of equipment is already in place and what it will be replaced with
- Before and after photo verification will be needed

Program Process

1. Reach out! Submit an online application prior to your project being started. We can send this link to you, your customer or team member. Fill it out and an email comes to our team entering you in our programs.
2. Within a day, we will reach out via phone call or email to chat more about the interest in the program, project specifics, and next steps that will benefit the customer.
3. The next step will be to get on site. Again, check out projects taking place and get the story for energy saving opportunities. At this point, we also want to gather some pre-project verification photos.
4. Once we have had the chance to gain a better understanding of your baseline system, we can then provide some estimates or recommendations for energy saving opportunities or lean on your vendors to provide specific scope of work to go off.
5. Work with vendors to complete projects.
6. As the project wraps up, we will want to get back on site to gather post-completion verification photos and make sure we are accounting for all energy savings for your incentive.
7. Send final invoices, as built submittals, available plans (if new construction, remodel, or addition), and any other finishing details to us for final incentive submission.
8. Finally, the customer can enjoy energy savings and cash incentives.

Eligible Measures

- Lighting Measures: Upgrading lighting systems is one of the most effective ways to reduce energy use and improve working conditions. Examples include:
  - LED Lighting Retrofits – Replacing fluorescent, incandescent, or HID lights with energy-efficient LED fixtures.
  - Fluorescent Lighting Retrofits – Select T5 & T8 linear fluorescents, CFL, and CCFL lamp retrofits.
  - Exterior Lighting – Upgrading to high-efficiency LED streetlights, parking lot lights, and security lighting.
- HVAC (Heating, Ventilation, and Air Conditioning) Measures: Improving HVAC systems increases comfort while reducing energy use. Examples include:
  - High-Efficiency HVAC Systems – Installing energy-efficient chillers, split systems, and packaged rooftop units (RTUs).
  - Variable Frequency Drives (VFDs) – Used with motors to enhance energy efficiency and process control.
- Food Service Measures: Installing high efficiency commercial kitchen equipment reduces energy consumption and can help increase production. Examples include:
  - ENERGY STAR Appliances – Opting for ENERGY STAR rated combination ovens, convection ovens, commercial dishwashers, electric fryers, electric steam cookers, and hot food holding cabinets.
  - Pre-Rinse Spray Valves – Choosing low-flow spray heads reduce hot water usage. Electric hot water heading is required.
- Refrigeration Measures: Implementing high efficiency refrigeration equipment and controls can turn refrigerators, coolers, and freezers from high energy loss into high energy saving systems. Examples include:
  - Door Heater Controls – Installing anti-sweat controls help reduce condensation/frosting on refrigerated case doors while only operating at full capacity when the space humidity is at 55%.
  - ECM Evaporator Fans – Electronically Controlled Motors (ECMs) offer integrated controls for walk-in cooler and freezer evaporator fan systems.
  - Electronic Defrost Controls – Installing demand controlled defrost controls reduce defrosting frequency from a set-time cycle to only occur when defrosting is needed.
  - Evaporator Fan Controls – Installing controls on evaporator fans reduce fan speed during periods of compressor downtime.
  - Solid & Glass Door Reach-Ins – Opting for ENERGY STAR or CEE certified reach-in refrigeration cases.

    - Strip Curtains – Installing strip curtains on walk-in refrigerated storage offer an extra physical boundary to keep cold air from escaping the walk-in and reduces the need for fan runtime.
    - Zero Energy Doors – Upgrading to zero energy doors on refrigerated cases eliminates the need for additional anti-sweat controls by incorporating heat reflective coatings, inert gas between glass panes, non-metallic spacers, and non-metallic door frames.
- Building Envelope Improvements: White reflective roofing, “Cool Roof” replacements, exterior door weatherstripping, and window treatments.
- Renewable Energy Integration (if applicable) Incorporating renewable energy helps offset energy consumption from traditional sources. Examples include:
    - Solar Panels – Installing photovoltaic (PV) systems to generate on-site electricity.
- Miscellaneous Efficiency Measures: Energy efficiency can be achieved in a multitude of ways! Additional examples include:
    - Premium Efficiency Motors – Replace existing standard efficiency motors with NEMA Premium Efficiency motors.
    - Lodging Guest Room Energy Management (GREM) Systems – Installation of occupancy controls on guest room lighting and HVAC systems.
    - Vending Machine Controls – Installation of occupancy and temperature controls to vending machine refrigeration and lighting systems.

Incentives

The final incentive amount is calculated based on the annual energy savings as calculated by the savings methodologies in the Texas TRM, at a tiered incentive rate based upon kWh savings of the project, seen below. A kW-based incentive is not to be given.

kWh Savings	**Per kWh Incentive Rate**
0 – 500,000 kWh	$0.105/kWh
500,001 – 1,000,000 kWh	$0.05/kWh
1,000,001 kWh and above	$0.025/kWh

Custom efficiency projects can qualify but may result in a varied incentive value. Incentive payment values are subject to change at the program’s discretion. Oncor reserves the right to cap incentives for a project and/or customer on an annual basis.

Development Measurement & Verification Plan

Frontier Energy will review all calculators with our Texas-based engineering support team (and statewide evaluator where necessary) prior to deployment to ensure all prescriptive calculations align with Texas TRM methodologies. All custom measure calculations will be reviewed by statewide evaluator for pre-approval. As we work with industries where custom and M&V measures are advantageous, Frontier Energy will work with the customers to develop applicable M&V plans, ensuring compliance with industry standard protocols and the Texas TRM. Each business and M&V plan are unique and require specific pre- and post-installation data collection. We will ensure we communicate this information to all parties, including the customer, contractor, design firm, utility representative, and statewide evaluator, as needed. Along with this process, Frontier Energy will work to maximize incentive dollars to the customer based on eligible projects that follow program processes and guidelines.

Table 1: Overview of M&V Options

M&V Option	How Savings Are Calculated	Typical Applications
A. Partially Measured Retrofit Isolation Savings are determined by partial field measurement of the energy use of the system(s) to which an ECM was applied, separate from the energy use of the rest of the facility. Measurements may be either short-term or continuous. Partial measurement means that some but not all parameter(s) may be stipulated, if the total impact of possible stipulation error(s) is not significant to the resultant savings. Careful review of ECM design and installation will ensure that stipulated values fairly represent the probable actual value. Stipulations should be shown in the M&V Plan along with analysis of the significance of the error they may introduce.	Engineering calculations using short term or continuous post-retrofit measurements and stipulations.	Lighting retrofit where power draw is measured periodically. Operating hours of the lights are assumed to be one half hour per day longer than store open hours.
B. Retrofit Isolation Savings are determined by field measurement of the energy use of the systems to which the ECM was applied, separate from the energy use of the rest of the facility. Short-term or continuous measurements are taken throughout the post-retrofit period.	Engineering calculations using short term or continuous measurements	Application of controls to vary the load on a constant speed pump using a variable speed drive. Electricity use is measured by a kWh meter installed on the electrical supply to the pump motor. In the baseyear this meter is in place for a week to verify constant loading. The meter is in place throughout the post-retrofit period to track variations in energy use.
C. Whole Facility Savings are determined by measuring energy use at the whole facility level. Short-term or continuous measurements are taken throughout the post-retrofit period.	Analysis of whole facility utility meter or sub-meter data using techniques from simple comparison to regression analysis.	Multifaceted energy management program affecting many systems in a building. Energy use is measured by the gas and electric utility meters for a twelve month baseyear period and throughout the post-retrofit period.
D. Calibrated Simulation Savings are determined through simulation of the energy use of components or the whole facility. Simulation routines must be demonstrated to adequately model actual energy performance measured in the facility. This option usually requires considerable skill in calibrated simulation.	Energy use simulation, calibrated with hourly or monthly utility billing data and/or end-use metering.	Multifaceted energy management program affecting many systems in a building but where no baseyear data are available. Post-retrofit period energy use is measured by the gas and electric utility meters. Baseyear energy use is determined by simulation using a model calibrated by the post-retrofit period utility data.