

## Exhibit A

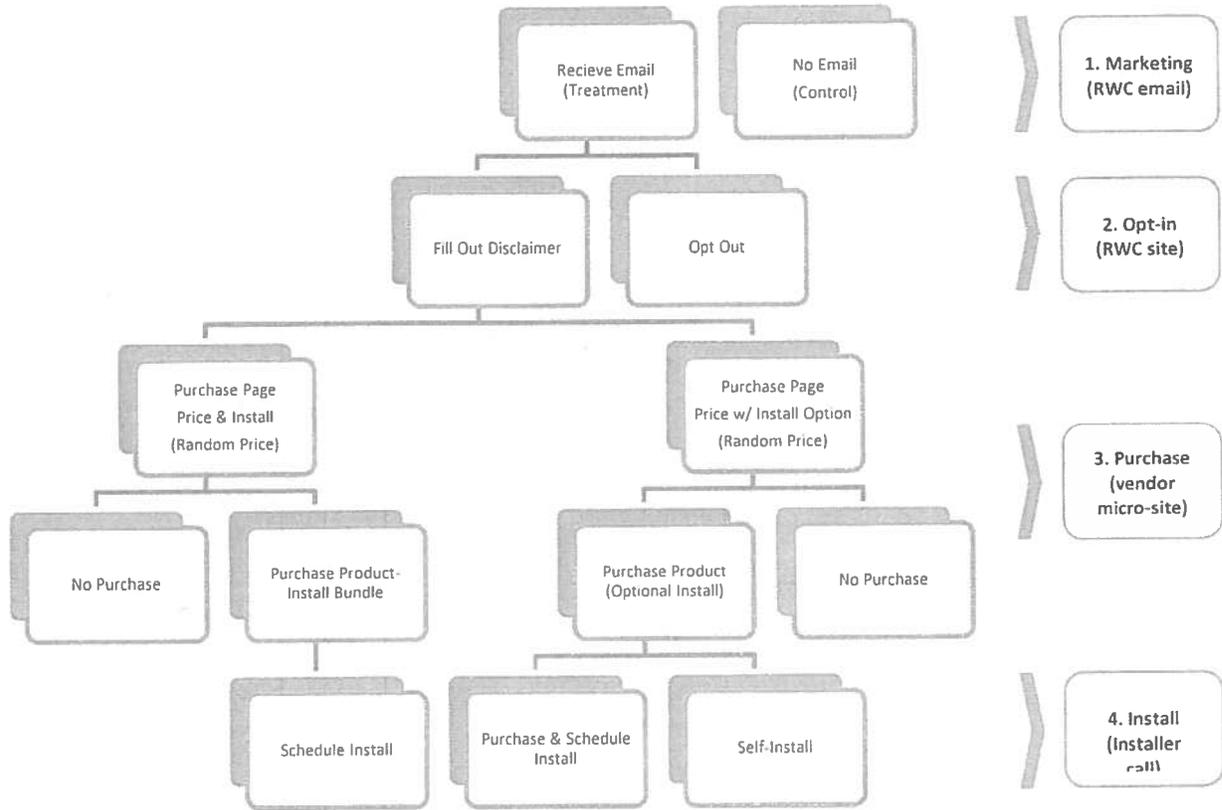
### Smart Water Controller Research Program

#### Distribution Plan

The plan for the smart water controller distribution involves four distinct steps: marketing communication, program opt-in, purchase and installation. Figure 1 shows a visual representation of the distribution plan, while the text below outlines each of the steps in more detail. Prior to program launch, we would develop one or more websites dedicated to the opt-in, purchase and installation steps of the plan. Internal Stanford resources will be able to aid the creation of the website(s). Redwood City and / or relevant collaborating firms will retain ownership of the website(s) to allow for the possibility of a more long-term smart water controller distribution plan. A potential host for each step is included in parentheses in Figure 1.

1. **Marketing:** The intent of the marketing communication is to inform the customer base of the program and to direct all interested participants to the program website.
    - o To ensure that enrollment is available to the full customer base, include a description and link to the program website on the Redwood City home page.
    - o To drive further enrollment and measure efficacy of email communication, target a randomly selected subset of households (with email address on file) with emails containing program enrollment details and link.
  2. **Opt-in:** Upon reaching the program website, the customer chooses whether to register for the program or opt out. Registration entails the following:
    - o Filling out a program disclaimer form
    - o Providing household details to ensure residence in Redwood City, existing infrastructure necessary for a controller (wifi access @ existing controller), and a maximum enrollment of one individual per household
  3. **Purchase:** Upon submitting a program disclaimer form, the participant is randomly assigned to one of several treatment groups (or control group) and proceeds to the collaborating firm's micro-site
    - o Treatment groups differentiated along the following factors:
      - a. Whether device and installation are bundled or offered as separate product and service
      - b. Effective price to the consumer of the (1) device and installation bundle or (2) the separate device and installation
    - o Pricing and purchase website host determined based on favorable terms negotiated by Stanford with device provider.:
      - a. The customer purchases the device and installation (bundled or unbundled) on the same website.
      - b. To incentivize installation and usage of the device, the price is heavily subsidized but not zero
    - o The customer can choose to opt-out of purchase at this point
  4. **Install:** Upon completing device and / or installation purchase, the installation company follows up with the customer to set up / verify the installation appointment (e.g., follow-up call from installer).
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Figure 1: Diagram of Smart Water Controller Distribution Plan\*



\*Potential hosts for each step included in parentheses.

## **Exhibit B Obligations**

Each party's obligations necessary for successful completion of the Research Program are defined below.

### **Rachio's obligations**

1. Set up a micro-site to enable the rebate program for RWC residents. Website to have an opt-in button for residents interested in participating
2. Verify account/code and either reject (not eligible) or send to appropriate offer
3. Forward list of codes input in 2 above
4. Company to convert sales (purchase and installation at appropriate consumer price)
5. Provide link on micro-site to installation videos
6. Update Stanford bi-weekly on how many purchases have been made by Redwood city households
7. Coordinate timely installation for the randomly selected group that will receive installation
8. Deliver three tables of data to Stanford monthly
  - a. Micro-site activity (i.e. user level path information following code input)
  - b. Details of Rachio installs as part of program or RWC generally
  - c. Event data for Rachio devices installed in RWC

### **RWC's obligations**

1. RWC to provide Stanford with baseline data with user ID and e-mail prior to any marketing or installations
2. RWC to create a new icon and link about the smart water controller on its [water conservation programs page](#)
  - a. Stanford can create the text if needed
  - b. This link will forward users to the Rachio micro-site
3. RWC to offer classes on installation (optional)
4. RWC to insert postcard baseline surveys into bills
5. RWC to send email and postcard to treatment groups informing them of the Rachio offering.
6. RWC to provide monthly water consumption download of all users in the experimental and control group and hourly use data wherever available for a time period of at least 12 months following the last installation and potentially up to 24 months

### **Stanford's obligations**

1. Randomize the opt-in RWC customers into the treatment groups and hand that list over to Rachio to then handle the sales of the smart controllers
  2. Pay Rachio the costs defined in the procurement contract with Rachio. Invoice RWC for coordinating the rebate program for the purposes of this study
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