SMUD’s Power Cost Monitor Program

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Behavior, Energy & Climate Change Conference
A lot of info... BUT

NOT ABOUT WHAT DRIVES BILL
The Path we have been on

- EE advice
  - The Dark Ages - 1-1
  - In-Home Audit - High cost, small reach
  - Expanded Audit - Lower cost, better reach
  - Web - Better yet

What’s missing?
 Customers receive info.
 They may or may not engage
Opportunity Knocks

- Energy Crisis 2001 (Yes, opportunity)
  Need to charge real time energy costs
- Technology advances
  Automated Metering Infrastructure (AMI)
- SMUD develops . . .

The Compact with the Customer
Compact
with the Customer

- Address issues that impact SMUD & its customers
  - Growth – Energy & Peak
  - Environment
  - Resources
- Develop solutions
  - Rates
  - Smart meters
  - Energy efficiency ← Redesign SMUD Portfolio
  - Demand Response
  - Community Engagement

LOTS & LOTS TO LEARN
Research & Findings

- ~30 Customer Focus Groups (CI & Res)
- Customer Segmentation surveys

Common themes:
- What EE actions gave them greatest impact.
- If they did their part what would be the impact to the environment.
- Clear options on choices. Control
- Energy use information specific to them.
- That SMUD was walking the walk.
Power Cost Monitor

Program

- Great predecessors –
  Hydro One, NStar, Oregon Trust …
- Great external product research –
  E-Source, EPRI…
- Open Bid – Promote 10,000 units thru 2010
  BlueLine Innovations, Inc. product chosen
- Web based sales – $39.95 Price to Customer

Energy use information to lead to
Conservation and Efficiency Choices
**Program Launch Mid-August**

**Marketing**

**August – September**
- Internal/external press releases
- News Media coverage
- Internal web blog
- Web banner & focus
- IVR Messages
- California State Fair

**October – November**
- Bill Newsletter-Connections
- E-mail Newsletter to Online pay customers
- Direct mail – Your Account customers

More to Come?
Budget & Economy may have effect
Results to Date

Sales:
- Aug  201
- Sept 258
- Oct  764
- Nov  237

Program To Date 1460

Statistics:
- 97% Web sales
- <1% Tech calls
- 44% Digital,
  66% mechanical
- 31% of Web visitors purchased units
Fun Facts

- Lively internal Blog followed internal culture.
- SMUD Director reported family discussion and action incited by units.
- “Hogs in the house” games developed
- Use appears to be event driven
- SMUD Energy Geeks try to get exact bills.
  One reported getting within $ .28 !!!
SMUD’s PowerCost Monitor Program

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Back-up Information
**Brief Definitions of SMUD Segments**

- **Young Families (21%)** are best described by their lifestage: 30-44 years old, and married with children. A high proportion (22%) are Hispanic, though the vast majority are English-speakers.
  - Tend to live in modest (size), newer single family homes (perhaps new developments) with relatively high electricity usage that can go along with more people living in the home.

- **Money Minded Strivers (20%)** are financially constrained. Second lowest income and second youngest segment (Green Echoes are the first), but have larger households (compared to the Green Echoes).
  - Most transient of SMUD’s residential customers (about half are renters) and are the segment with the highest proportion of non-English speakers.

- **Uninvolved Achievers (12%)** are successful (higher income), middle-aged, married with children households living in large, newer single family homes. To go along with their large homes and families, their electricity usage is very high (second highest among the segments)
  - This segment is not into active conservation nor are they concerned about the future.

- **Big Toys, Big Spenders (4%)** – in the largest of homes with the highest electricity consumption. They are predominantly 45 to 64 years old, mostly married, and with 3+ person households.
  - Highest incomes and premium-buyers. They are not into active conservation and place higher priority on using electricity to be comfortable.
  - Above average interest in energy efficiency and home-related program concepts, and high participation rates in SMUD’s home-related programs.
**Brief Definition of SMUD Segments**

- **Green Echoes (21%)**  young, frequently single apartment dwellers, although some are married/children. They are the lowest income segment.
  - Have green attitudes, but their low income and low energy use likely prevents them from taking much action. They have very low participation in SMUD programs

- **Senior Savers (9%)**  older, married two-person households (or widowed) living in older homes for many years. Actively conserve (moderate electricity usage) and have somewhat above average green attitudes, but using electricity to be comfortable
  - They have average participation rates in existing SMUD programs

- **Green Boomers (7%)**  middle-aged (45 to 65 years old), primarily of one and two-person households of average income but above average education. They reside in moderate-size single family homes
  - Greenest of all segments with green attitudes and high interest in green programs backed up by high participation in Greenergy, rebates, and ACLM

- **Boomers, Buyers, and Browsers (6%)**  high income, high education segment living in larger homes with very high electricity consumption. Half are 45 to 64 years old, and a quarter are 65 or older.
  - Tech-friendly, premium buyers who believe it’s possible to save energy without sacrificing comfort. Highest incidence of rebate and home improvement program participation and asking SMUD for advice
Participants wanted SMUD to educate them on what energy-saving steps would have the greatest impact.

Participants wanted energy usage information and recommendations specific to their home.

Participants wanted to know that if they did their part, what would be the benefit to them and to the environment.

Participants said they liked the idea of having choices on pricing.

Some participants suggested showing any energy savings or peak savings on the bill.