Creating Informed Consumers – A Utility’s Toolbox

September 25, 2012
Today’s Presenters

Gail Allen
Sr. Manager, Customer Solutions
Kansas City Power & Light

Bud Vos
Chief Operating Officer
Simple Energy
Housekeeping

• You will receive a copy of the slides
  – To the email you used to register
  – You will also receive a summary of the webinar

• You can ask questions as we go along
  – Simply type into the question box, as we will explain or raise questions during the Q&A

• We will answer all the questions submitted
  – If we are unable to get to all the questions, they will be included in the summary
Questions & Audio

If this is what you see – Click on the orange arrow to expand your dashboard.

In order to ask questions over the phone, please log in with your Audio Pin.

Click on the + sign to open up the questions box.

Use the Questions box at any time to type questions.

We will answer questions during a Q&A near the end of the call.

Yes, you will receive the slides after the webinar.
Agenda

1. KCP&L Demonstration Project
   - Background
   - Project goals and customer experience
   - Energy management tool

2. Simple Energy Customer Engagement Platform
   - Background
   - Engaging customers
   - Tools available & success

3. Questions & Answers
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<tr>
<td>Gail Allen</td>
<td>Sr. Manager, Customer Solutions - Kansas City Power &amp; Light</td>
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<td>• Smart Grid Project Manager, Customer End Use at KCP&amp;L</td>
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<td>• Director, New Products &amp; Services, Aquila, Inc</td>
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<td>• Operations Manager, Corporate IT, Aquila, Inc.</td>
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<td>• MBA from Avila University</td>
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<td>• B.A. in Business Administration, University of Missouri Kansas City</td>
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Demonstration Project

SGCC Peer Connect:
Creating Informed Consumers - A Utility’s Toolbox

September 25, 2012
Gail Allen, Project Manager, Smart Grid
Project Highlights

- Creating a “smart” electric grid in midtown Kansas City
- Leveraging Federal stimulus funds to bring 14,000 customers new tools to better monitor and manage energy use
- Investing more than $48 million
- Benefitting customers:
  - Empowering greater control over electricity use
  - Improving reliability
  - Reducing outage response times
  - Improving efficiency of electricity delivery
  - Reducing carbon footprints
The SmartGrid demonstration improvements will enhance service for the entire Midtown area through improved service reliability, reduced energy delivery costs, more efficient energy consumption, an improved carbon footprint and better information flow.
Smart Grid Project Area – 14,000 Customers

Green Impact Zone

150-square block area (39th to 51st between Troost and Prospect).

Comprehensive set of programs using grant funds and other resources for:

- Economic development
- Community policing & service centers
- Training and employment
- Energy and water conservation
- Grant funds (over $100M) include
  - Transportation Investments Generating Economic Recovery (TIGER) grant
  - Energy Efficiency Conservation Block Grant (KC MO, MARC)
  - MDNR Innovative Weatherization Grant
  - KCP&L SmartGrid Pilot Project
  - Brownfields Grant — (Pending)

Involves over 25 stakeholder groups including neighborhood groups, Congressman Cleaver, MARC, MEC, KCP&L, MGE, KCMO water & UMKC
Pilot Timeline – Project Overview

2010
- Launch of Meter Exchange (Oct. 18)
- MySmart Display offer begins
- Access to customized energy management, MySmart Portal
- Neighborhood Meetings
- Smart Grid Energy Fairs
- Community Outreach Events
- Open Project Living Proof (Demonstration House)

2011
- Commercial solar installation at Paseo High School
- Present estimated billing information for portal and displays
- MySmart Portal upgrade for goal setting and social media
- Community partnerships continue

2012
- Begin offering MySmart Home (home area network)
- Start installations of programmable thermostats
- Time of Use Rates are offered for summer months
- Continue Solar installs
- Electric Vehicle Charging Stations
- Battery substation site is developed
PROJECT GOALS
&
CUSTOMER EXPERIENCE
Customer-Focused Goals

- Provide **sustainable energy savings** for our customers as we increase customer satisfaction by:
  - Educating customers in the demonstration area about how smart grid investments will ultimately impact and benefit them
  - Engaging customers and influence behavior/participation in energy usage management
  - Informing the remainder of KCP&L’s customer base about how smart grid investments will ultimately impact and benefit them
- Understand new smart grid technologies and interoperability
- Improve **community relations** with our stakeholders
- Create jobs and focus on economic development
- Streamline processes
- Share information with the broader utility industry on the progress and outcome of the project
In addition to traditional communications efforts, KCP&L will utilize a non-traditional approaches to increase awareness and engage customers:

- **Collaboration:**
  - Green Impact Zone, KC Energy Works
- **Neighborhood Association & Faith-based Outreach**
- **Education opportunities:**
  - Paseo High School, UMKC, various elementary schools in the area
  - Residential & Business Training Sessions
    - Opportunities for one-on-one training and Q&A
- **Community Outreach Events**
- **Demonstration house:**
  - Touch, feel, learn about and experience new, energy efficient and smart grid products first-hand
- **Workforce Development**
The Customer Experience

Customers will move up the curve the more they engage with us and are delighted with MySmart Products.

Foundational Engagement
- Energy Management Portal
- In Home Displays
- Minor/Emergency Home Repair

Enlightened Interaction
- Energy Audits
- Smart Thermostats
- Weatherization and Retrofit Rebates

Active Partnership
- Home Area Networks
- Time of Use Rates
- Solar Rebates

We intend to change the way we communicate with our customers from a 1-time monthly bill to customers who frequently use the smart grid tools.
- KCPL’s **MySmart Portal** is a Web-based tool that allows you to monitor and manage your electricity usage. Having this information helps you make smarter decisions about how you use energy, which can save you money on your monthly bill.

- KCP&L’s **MySmart Display** is a portable electronic device that takes information directly from your electric meter and displays it for you in real-time. It helps you set goals for your energy consumption and to track your progress.
MySmart Thermostat works with your heating and cooling systems, allowing you to pre-set temperatures for any time during the day or when you are away from home. You’ll save energy, save money and still stay comfortable.

MySmart Home is an Internet-based home area network (HAN) that allows you to remotely manage appliances and electronics. It’s made up of a group of devices – hub, thermostat, plugs and switch – that are managed by MySmart Portal to monitor and control energy usage in your home.
Time of Use rate program designates “off-peak” hours (when rates are discounted to about $.06/kWh) and “peak” hours (when rates are raised to about $.38/kWh). This difference in rates is designed to encourage customers to think about when they use electricity rather than just how much electricity they use, ultimately shifting grid load from peak to off-peak periods.

Demand Response Events occur when demand on the grid is particularly high. KCP&L can issue a "demand response event", signaling MySmart products in your home to reduce electricity consumption.
CUSTOMER ENGAGEMENT WITH ENERGY MANAGEMENT PORTAL
Applied Behavior Change Framework

Active and Social Learning

People change when they have a meaningful goal, steps toward that goal, progress to goal feedback and social support.
Proven Goal-Based Methodology

50+ years of social and behavioral science inform Tendril’s goal-based framework.

**Change:** Engagement based on goal-setting established immediately. Feedback provided in the context of goal.

**Right Time/Place:** Personalized, relevant, timely information and feedback enhances motivation for change.

Users select goal at registration.

Users see goal progress and links to recommended actions to improve outcome on
Actionable, Relevant Recommendations

Consumers are looking for ways to manage energy, but don’t know how to go about it.

- Majority of consumers can’t identify the energy hogs in their home.
- Difficult to translate notion of “efficiency” into actionable steps.
- Out of the litany of possible efficiency tips, consumers seek direction for “biggest bang for the buck.”
- Consumers get frustrated with recommendations that don’t apply to them.
- Consumers are encouraged when they can see actions worked for others.

Leveraging Tendril’s Building Model engine, disaggregated home view on web provides context for consumption.

Personalized tips and recommendations delivered via web, paper, mobile and email trigger real-time behavioral change.
Multiple Feedback Mechanisms

Consumption Data feedback is displayed as visualizations and summarized for users. Other feedback includes: Progress to goal, similar households, total community and saving plan status.

Customers see their performance relative similar households and community norms.

Feedback on saving plan summarizes estimated savings based on their goal.
Consumers want to compare, collaborate and even compete.

- Create trusted social network, context.
- Users learn from experiences of others.
- Recommendations are discussed and validated in opt-in public forums on the web.
- Experts are available to answer questions and give advice.
QUESTIONS?
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### Speaker #2

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<td>Arthur ‘Bud’ Vos</td>
<td>Chief Operating Officer - Simple Energy</td>
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<td>• Sr. Vice President of Utility Sales &amp; CTO at Comverge, Inc</td>
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<td>• Vice President of Engineering, Founder of Sixth Dimension, Inc</td>
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<td></td>
<td>• M.S. in Mechanical Engineering from Colorado State University</td>
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Platform to enable utilities to engage customers

- High social interaction across the web
- School and Community-based engagement
- Comprehensive multi-channel marketing approach

Achieve measurable and verifiable energy efficiency results
Increase program participation
Stimulate smart grid and dynamic pricing participation
Improve customer retention & satisfaction
Customer and Utility Value Propositions

For Consumers:
- Behavior Modification
- Feedback & Rewards
- Energy Rewards
- Peak Rewards
- Team Rewards
- Social Media Integration

For Utilities:
- Customer Engagement
- Customer Action & Savings
- Peak Pricing
- Demand Response
- Analytics
- Customer Connections

Increased Customer Satisfaction
How are People Spending their Time Online?

If all U.S. Internet time were condensed into one hour, how much time would be spent in the most heavily used sectors?

1 - Social
2 - Games
3 - E-Mail
4 - Portals
Energy has become “back of mind” for nearly all customers

Average number of minutes spent by Americans per year

Interacting with their utility

- Facebook: 14,198 minutes/year
- Religious Activity: 4,599 minutes/year
- Playing Sports: 1,920 minutes/year
- Twitter: 1,584 minutes/year
- Watching Iron Man 2: 14 minutes/year
Breaking through barriers of consumer indifference takes engaging customers in the ways they want to be engaged.
Contrary to common misconception, social gamers span age groups and demographics, with the average social gamer being a 43 year old woman. Social gamers map well to the target demographic for most EE programs.
What are “game mechanics”? 

Supersized Incentives

Energy Efficiency
• Daily Energy Challenges
• Monthly Energy Challenges

Demand Response
• Peak Time Challenges
• Community / School Challenges
What are “game mechanics”?

Social Pressure

Social Sharing
- Accomplishments / Badges
- Winners!

Public Profiles
- Activity Feeds
- Community Awards
What are “game mechanics”?

FREE!!!

Points & Activities
- Ad-Hoc Contests
- Invites & Referrals

Public Activity
- Activity Feeds
- Community Awards
What are “game mechanics”?

Social Comparison

Leaderboards
• Individual & Community Comparisons

Energy Savings
• One to Many Comparisons
• Community Comparisons
What are “game mechanics”?  

Accomplishments

Daily Task Challenges
- Energy Tips
- Utility Program signups

EE Products
- Product / Solution Recommendations
- Social Comparisons
Compelling & Persistent Motivators

Supersized Incentives

Social Pressure

FREE!!!

Social Comparison

Accomplishments
Customer Engagement → Programmatic Success

Steps to Success

1. Opportunities to leverage standardized data transfer (Green Button or other) approach.

2. Engage customers in the places where they spend their time – Facebook, mobile, web, and email.

3. Give customers motivation to sign up, take action, and continue to stay engaged.

4. Leverage customer insights to refine the engagement program.

5. Produce measurable and verifiable engagement and energy efficiency results at scale.
The Platform For Customer Engagement

Customer Engagement  Social Game Mechanics  Program Participation

Web Portal  Mobile  Social  Messaging
**BIGGEST ENERGY SAVER: Erica F.**

“When we first learned of the contest, my husband said, ‘we’re going to win this.’ So, we started looking for ways to save energy. We changed chemicals in the pool so we could turn off the pool pump, we plugged our home entertainment system into a power strip and made sure it was off when we weren’t watching it, and we turned off our computers instead of just letting them go to “sleep.” Near the end, when it got close, we cut back on TV and washed our dishes by hand.”

“I’ll admit, we got really into the contest. All of the my friends knew about it and they wrote notes on my Facebook wall encouraging us to keep it up.”

“We didn’t win any of the three drawings for an iPad; but, now that I think about it, we saved more than enough money to buy a brand new iPad!”

**SAVINGS VS 2010**

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<th>SAVINGS</th>
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<td>1,356 kWh</td>
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**MONTHLY DRAWING WINNERS**

**September: Josephine G.**

“Every time I can see that there are other people on the leaderboard saving more energy than I am, I’m motivated to save even more.”

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<tr>
<th>SAVINGS VS 2010</th>
<th>34.2%</th>
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<td>1,506 kWh</td>
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**October: Linda H.**

“I had no idea how much energy the ‘can lights’ in the kitchen used – and, I probably never would have thought to investigate that – but, the daily reminders motivated me to. Now, unless I need all of those lights, I use as few as possible.”

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<th>SAVINGS VS 2010</th>
<th>42.8%</th>
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<td>1,488 kWh</td>
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**November: Tracy G.***

“We paid a lot of attention to the daily updates. In fact, when my boyfriend’s brother came to visit, I saw our energy use going up. When he left, I could really see the difference. It’s just amazing how much we were saving.”

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<th>SAVINGS VS 2010</th>
<th>12.6%</th>
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<td>106 kWh</td>
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*Joined 11/1/11; Only November data included.*
Takeaways & Questions
Thank you!

You will receive a copy of the slides to the email address you used to register.

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