



# **Residential Electricity Rates Summit (RERS)**

## **Energy Division Ideas for Consideration**

November 17<sup>th</sup> 2015  
10AM – 5PM  
CPUC Auditorium





## Current State of Play: Disjointed

- ❖ There needs to be a comprehensive approach to marketing, education and outreach (ME&O) regarding rate changes
- ❖ “Customer understanding” of bills must be increased per D.15-07-001
- ❖ Customers need to understand how rates interact with the large number of other programs they are contacted about
- ❖ Recent Minimum Bill letters and current approach to super-user energy surcharge outreach as proposed in IOUs’ AL filing suggest possible disconnect





## How to bring things together

- ❖ ME&O for rate changes and time-of-use rates should be tied to existing ME&O for residential DSM programs (e.g., EE, ESA, AC cycling)
- ❖ Explicit co-marketing should be used; see, e.g., D.15-07-001 at 261-262
- ❖ Marketing budgets for energy efficiency and demand response may be contingent on rate reform inclusion
- ❖ Should CPUC staff have a role in reviewing certain ME&O material before publication?





# How much is at stake?

- ❖ Energy Efficiency & Demand Response Marketing, Education and Outreach Budgets from 2013-14 : **~\$103.8 million**
- ❖ Statewide Marketing Education and Outreach Budget from 2013-14: **~\$44 million**
- ❖ Rate reform Marketing Education and Outreach Budgets from 2015: **~\$2.5 million**
- ❖ We should be able to leverage the budgets of other programs to create a wide-ranging and integrated message on rates and energy use
- ❖ Staff ideas for consideration:
  - For 1 year, all ME&O activities for all residential demand-side management programs should be integrated with rate reform messaging. Any non-decision ordered stand-alone marketing would be suspended.
  - The MEO Working Group will identify a specific subset of ME&O activity across all residential demand-side management programs that should be fully integrated with rate reform messaging.





# Bill design may be a road for further change

- ❖ Wholesale bill redesign should be considered
- ❖ Bill redesign can be used as an opportunity to better communicate rate structure and changes that are occurring
- ❖ SDG&E's efforts in this area may be instructive

## Billing systems

- ❖ Are the IOUs' current billing systems adequate to effectively transition to default TOU?





## ME&O to Super Users

- ❖ Current approach to super user surcharge marketing is inadequate
  - We need detail on who “super users” are and why they use so much energy – i.e., original marketing research
  - Alerts seem targeted too closely to 400%, should be expanded to all customers or those that get anywhere near 200% BQ
  - Looking for “Verizon-style” alerts – simple, easy to understand, clear about what to do
- ❖ Qualitative data can be developed and shared with CPUC and the ME&O Working Group





## ME&O to Super Users (cont.)

### ❖ Some ideas for consideration:

- Drop super users from auto pay for 6 months?
- Display % of SUE customers in each zip code publicly so EE providers can target those locations with their own marketing?
- Mimic notification process for high-usage CARE customers?
- Provide intra-month notification of approaching SUE status?





## Do we need ME&O Metrics?

- ❖ See Resolution E-4381, which set out metrics for PG&E's non-residential TOU outreach
- ❖ See also the statewide ME&O (EUC) decision – D. 13-12-038 - which established a collaborative process that includes performance metrics
- ❖ Core metrics that need tracking:
  - “Customer understanding” per D.15-07-001
  - Customer awareness of rate options
  - Customer awareness and engagement with money-saving tools and programs





## Online Tools

- ❖ SCE must do more to get its bill comparison tool up and running – see D.15-07-001 at 258
  
- ❖ Metrics needed to assess the usefulness of online tools in helping customers save money on their bills

