

## Agenda and DRAFT Workshop Notes

Post-Decision Workshop – Statewide Marketing, Education and Outreach (ME&O)

CPUC Auditorium – 505 Van Ness Avenue, San Francisco, 94102

Call-in Number: 866-642-1440, password 751-6937

This workshop will be available via live video webcast at <http://www.adminmonitor.com/ca/cpuc/>

**D.16-03-029: The assigned Administrative Law Judge shall schedule a workshop to discuss the results of the two upcoming evaluation, measurement, and verification studies related to statewide marketing, education and outreach.**

**The workshop topics shall also include the 2017 vision, goals, budget and governance structure of the program, and shall incorporate the revisions and guidance on these topics provided in this decision.**

**9:30 – 9:45 Introduction (Commissioner Peterman)**

**9:45 – 10:15 The California Long Term Energy Efficiency Plan – A review of goals, strategies and accomplishments (2008 – 2016) (Commission Staff)**

**Rory Cox, CPUC**

**Presented slides on the Energy Efficiency Strategic Plan and ME&O.**

What's in the SP vis a vis ME&O?

- 🎬 Goal: to create and launch an effort for an EE brand => Engage360, now EUC.
- 🎬 Effort would lead to high awareness and strong demand for EE and related services.
- 🎬 Iconic brand, integrated marketing and related plan, social marketing, internet-based marketing. We have 3 of the 4 (backed off on internet-based effort).
  
- 🎬 What's ahead: SB350. Decision called for the 5-year MEO roadmap vis a vis compliance.
- 🎬 Spend is \$138 million/year on marketing in total, including IOUs and RENS
- 🎬 Challenge for marketing is to prove its worth compared to widgets we know will reduce GHG.

**Cmr. Peterman, CPUC**

I support these efforts but how do we tie them to specific goals and measuring/metrics. Do we need different metrics going forward?

**ALJ Steve Roscow, CPUC**

Are we on the right track?

**Peter Franzese, CPUC**

We're not on the right track

**Stephanie Wang, CSE**

We are in that we have developed foundational work.

**Peter Franzese, CPUC**

Can or should this be treated as a more traditional selling exercise with targets, much like a Nike or Apple would do for selling a product?

**James Forcier, PG&E**

We encourage the idea of greater integration and planning process -- that should help us reach California consumers.

**10:15 – 11:00 Statewide ME&O – Evaluation Results and Discussion (Opinion Dynamics)**

Discussion Question to Stakeholders: How should these results help inform the RFP for a program administrator for Statewide ME&O?

**Notes:**

(ODC shows and discusses slides on Statewide ME&O Evaluation)

**Jessica Lim, SCE**

Related to the unaided awareness of brands research, have you looked at other social marketing categories that began with low brand awareness to benchmark—like recycling or smoking. If we can ask bidders to comment on their insights to collorary industries or causes. What was done in the past?

**Tami Buhr, ODC**

The smoking campaign is interesting. What is different is that you have a singular action, something easy to measure from a public health perspective. It doesn't mean it shouldn't be done or a comparison can't be tried, but shows why there needs to be multiple metrics.

**Joanna Gubman, CPUC**

Did the stop smoking campaign demonstrate that our efforts should be more narrow and focused? Should we just hammer on one or two things?

**Tami Buhr, ODC**

EUC's objectives are really quite broad. If you hammered away on just lighting, you might be able to move that. Not sure that it's the right metric.

**Brad Kates, ODC:**

I've been working on this for 10 years, evaluating this. Oftentimes in working on smoking, or something like Smokey the Bear, makes me wonder...is this really a social marketing campaign? SM is trying to change behavior, where somebody is not actually buying something. What we're asking people to do is purchase something which is something like a hybrid of social and traditional marketing. Need to go back to the 4 Ps of marketing: product, price, place, promotion. The only thing this campaign does is promotion. I want to encourage the discussion, to think about that. I think it's a great idea, great concept, there's a "there there." But that's a seminal question—what type of marketing campaign is this? The slide about energy self-efficacy is one to consider long term. Energy efficacy could mean that over time, that people realize they have control over energy decisions.

**Roland Mollen, SDGE**

Going back to awareness, a lot of marketers are under pressure to move from awareness to action marketing. It's important to start with awareness and then move to action. Maybe in this phase we moved on too quickly from awareness to action. Also, regarding attribution—actions vs. statewide efforts vs. local efforts. Do you have more specific guidance on what you'd like to see from bidders?

**Hannah Arnold, ODC**

The campaign was asked to do a lot of different things. It's hard to say definitively whether it moved too quickly from awareness to action, but we have seen in Massachusetts that constantly changing strategies and tactics can make it harder to get key messages across. In Massachusetts, they ultimately decided on a single message that essentially directed consumers to their Mass Save website.

**Tami Buhr, ODC**

Attribution has plagued this program—we're relying on self-reporting whereas on other evals we have customer data. We should build in the process experimental design that pulls apart that self-selection process. We suggest we do things like how you would in evaluating behavior programs.

**Carol Edwards, SCE**

Just to point out something—the second bunch of metrics on the summary slide, everyone had to be already aware of the brand. The fact that we're asking people questions that have heard the brand—have you heard about home automation? We still really don't know how effective we are in how we're pushing people to action.

**ALJ Roscow:**

How would you address that in the RFP?

**Carol Edwards**

There are strategies you need to build in. Making it more finite and clear

**Pam Wellner, CSE:**

So many of these things are what we've experienced before going back to Flex Your Power. There were a lot of lessons learned there—I do appreciate a different approach. Massachusetts is a good example, but we found that there is a very unique feature to EUC that we are not covering resource programs. Programs in other states like Oregon and Massachusetts cover resource programs. We can't be working in isolation to utility and REN marketing.

**Tami Buhr, ODC**

It's important that attribution be acknowledged, but we might have to sacrifice strict accounting processes that we'll have to give up. We need to treat ME&O like a resource program.

**James Forcier, PG&E**

Regarding the Mass Save model, we drew heavily on the Mass Save model in our comments. The planning process there was a collaborative effort with utility program implementers. Energy Upgrade California has the same opportunity. The idea was if we all plan together from the ground up. Let's back it up with a statewide approach we can all get behind. This is promotion that the State is trying to get with EUC.

**Karen Sturgeon, SCG**

I just want to bring up that we are a natural gas facility, and at least 50% of the marketing is for electricity. I just want to get on the record that we want natural gas to be credited, we want to have something equivalent to that.

**Brad Kates, ODC**

Our expertise is figuring out things that are not easy to figure out.

**Evelyn Lee, PG&E:**

This is my first exposure to EE in more than 10 years, it's become lot more technically rigorous. One thing I heard is that it may be difficult to pick apart attribution. But EE cost effectiveness is paramount. I feel like if we can better understand the contributions of all the players, we shouldn't abandon that objective.

**Stephanie Wang, CSE:** Procedural item—is the workshop going to be part of the record.

**ALJ Roscow**

We will rely on comments. Workshop report and slides will be part of the record.

**11:00 – 11:15 Break**

**11:15 – Noon Cross Cutting ME&O – Evaluation Results and Discussion (Opinion Dynamics)**

Discussion Question to Stakeholders: How should these results help inform the 5 year ME&O roadmap and the annual integrated communications plans?

**Notes:**

**Presentation by ODC of Cross Cutting ME&O Results**

**ALJ Roscow:**

When will the final report done?

**Olivia Patterson, ODC**

End of June, at least a draft

**ALJ Roscow:**

– This evaluation will inform this and other proceedings.

**Roland Mollen, SDG&E**

The evaluation roadmap said all studies will be done by later this year, the roadmap initially said they'd be done in January. The EM&V part of local marketing – if I want to do a study on programs, I have to find the funding myself. There may be a question of adequate resources.

**Olivia Patterson, ODC**

The consumer perspectives piece was pushed out a quarter because data wasn't available. The research we've done to date has been more process in nature. As for the costs of additional effectiveness studies, what is the burden for the IOUs and the RENs?

**Natalie De Leon, Bay REN:**

This eval has been helpful for Bay REN. When we did our initial PIP we didn't realize we'd be looped into the statewide ME&O proceeding and evaluations and be evaluated on the same KPIs as the Statewide ME&O. We have since began tracking KPIs and implemented some of the recommendations in the report. In terms of the 5 year plan, it would be helpful for us to be involved with developing the KPIs with ODC and Energy Division so that we understand what we will be evaluated on and can track appropriately from the beginning. In terms of budget, it has been a challenge to meet all of the Statewide ME&O evaluation data requests since it was not something that we had planned or budgeted for.

**ALJ Roscow:**

Where does Bay REN funding come from? Has your budget impacted your team's participation in the EMV requests?

**Natalie:**

We're ratepayer supported. The team answering the data requests is only myself.

**Carol Edwards, SCE**

To piggyback on what he's asking, can you explain what we might expect to see from the pieces that are missing. Understanding what we might be getting would be helpful. In terms of the budgeting and effectiveness piece, I assume you'll do the same thing for SW.

**Hannah Arnold, ODC**

In our response to comments on the SW report, we were able to add in some high level budget info. What we hope to do in the final Cross-Cutting report is pull in this information so that there is comparable information for CSE, IOUs and RENS.

**Olivia Patterson, ODC**

Consumer perspectives—we're 50% done with that. We did focus groups. I think everyone in the PCG has seen the focus group slides. We selected a single campaign to see how it did across utilities. We want to see if specific programs are evaluable. We're in different stages. SW governance structure will be developed based on interviews—looking at secondary data. We're hoping to launch in beginning of May.

**Noon – 1:00 Lunch**

**1:00 – 2:30 Revised vision, goals, objectives, and strategies for ME&O**

Discussion Question to Stakeholders: How should existing Strategies and Measurable Objectives be updated to reflect the revised vision and goals?

**Notes:**

**Stephanie Wang, CSE**

Will there be any refinements to the goals per the use of technologies?

**Jessica Lim, SCE:**

As we're looking to get more action oriented...if we can figure out how lead generation can fit more neatly into this. When we think about the updated vision, San Diego mentioned having awareness as a piece. Will there be any consumer testing on the name EUC? Will there be an opportunity to test the name?

**James Forcier, PG&E:**

It would be helpful to have a definition of customer owned renewable generation.

**ALJ Roscow:**

Put that in a comment.

**Mr. Peterman:**

Decision language is meant to reflect what the Commission wants—if you need clarity, put that in your comments.

**Roland Mollen, SDG&E:**

Good to see lead generation included in the vision. That may impact objectives we have—I would like to include a goal that includes lead generation. Perhaps having primary and secondary objectives. For example methods to giving information to small business customers—that could be secondary. It may help to help put a frame around the scope of work in the RFP.

**Mr. Peterman:**

It would be useful to hear of any ideas you have on prioritization.

**Steph Wang:**

I thought that was an interesting point tying back to previous conversation – this is about SW ME&O, but we could also have the objectives of the joint plans, not just the statewide administrator. Would be helpful to understand .

**Steve Roscow;**

Would having reply comments be useful? I think they would be useful. Current goals are assumed in the RFP.

**Cmr. Peterman:**

What do people think of reply comments.

**All:**

(Express strong consensus for reply comments.)

**2:45 – 3:30 Budget, Governance Structure, Roles and Responsibilities**

Discussion Question to Stakeholders: (1) Budget discussion (2) How should existing Roles and Responsibilities be updated to reflect the revised governance structure?

**James Forcier, PG&E**

Budgets should follow the program objectives. The needs of the program should drive what dollars are allocated.

**ALJ Steve Roscow:**

I thought the 2013 budget was thorough in describing how we arrived at that budget. How would you see that be in the next decision?

**Steph Wang:**

I assumed it would be in the next decision – because bidders will have the opportunity to modify budget.

**James Forcier, PG&E:** The budget needs to reflect progress made by EUC thus far. We have a track record. I think the conclusion reached by the Commission based on that will be influenced by that. If we continue to grow the MEO program, that should be considered.

**ALJ Roscow**

I felt in comments some dissatisfaction with the governance structure. I wasn't sure entities were happy with the roles in their comments. Commission does not want to go back to the pre EUC days of governance.

**Karen Sturgeon**

I have a question—should the IOUs be in both roles? Are now in both Supported and Consulted.

**James Forcier**

I think the IOUs have been expected to be consulted for some time. We've also been expected to collaborate with the implementer. It doesn't seem to be a problem. PG&E does advocate for a structural change that is more like the Mass Save model. There is a challenge to be collaborative under the current structure. I do think though that the decision moved us along in a positive way with the planning process. There needs to be more ground level cooperation.

**ALJ Roscow**

Is it built in such a way that it can't work, or that parties get grumpy and drag their feet? The direction to the utilities is to 'make things work.' If the structure can be better, put it in comments. There is going to be a SW implementer, and it won't be the utilities. It's time to make this work. It's Commission decision.

**Roland Mollen, SDG&E**

SDG&E's comment was a default budget of \$22 million maximum, and leave the RFP process to see if they can implement for less money. The RFP process should be helpful to determine what the budget should be. Also, regarding RASCI, we'd like a clearer defining process to providing feedback, but what happens with the feedback as well. An example is if the Communications Plan is distributed, which comments are being accepted and which ones aren't. That feedback is helpful. It could be part of the ME&O roadmap, how parties engage with each other. Might not be as formal as going in the decision, but something informal might be good.

**Athena Besa, SDGE:**

In this governance table, we had a few things to clarify, in the supportive category, who is on the advisory board? It can be confusing in the sense of being in a supportive role, and in a succeeding function, it talks about soliciting input or buy in. If the PAs are expected to do both functions, it doesn't make sense.

**Rory Cox, CPUC:**

We never created an advisory board.

**ALJ Roscow**

Asks for budget numbers with more detail.

**Notes:**

**3:30 – 4:15 Planning Process for 5 year ME&O Roadmap and 1 year Joint Consumer Action Plans**

Review planning schedule, and how other proceedings align with roadmap.

Discussion Question to Stakeholders: What should be included in the plans? What should not?

**Notes:** No Comments outside of clarifying questions regarding the schedule

**End:** Near the end of the workshop, Judge Roscow confirmed that the following is consistent with final decision page 44. The bids will be based upon the current objectives and strategies for SW ME&O in the CPUC December 2013 SW ME&O decision, but bidders have the opportunity to propose revisions in the bids to the objectives and strategies based on the workshop, comments and evaluations.

**Participants:**

Commissioner Carla Peterman, CPUC

Joanna Gubman, CPUC

Rory Cox, CPUC

ALJ Steve Roscow, CPUC

Karen Sturgeon, So Cal Gas

Octavio Verdurio, So Cal Gas

Landis Marttila, IBEW 1245

Neelan Mohammed, CSE

Stephanie Wang, CSE

Ty Tantum, SDG&E

Guillermo Valdivies – SDG&E

Pamela Wellner – CSE

Josh Thompson – SDG&E

Nicola Forster – PG&E

James Forcier – PG&E

Lucy Morris – PG&E

Johanna Fors – PG&E

Natalie De Leon – Bay REN

Sasha Cole – ORA

Athena Besa – SDG&E

Liz Oh – CSE

Jessica Lim – SCE

Lisa Mau – SCE

Andrea Tozer – SCE

Carol Edwards - SCE