

MARKETING, EDUCATION AND OUTREACH WORKSHOP

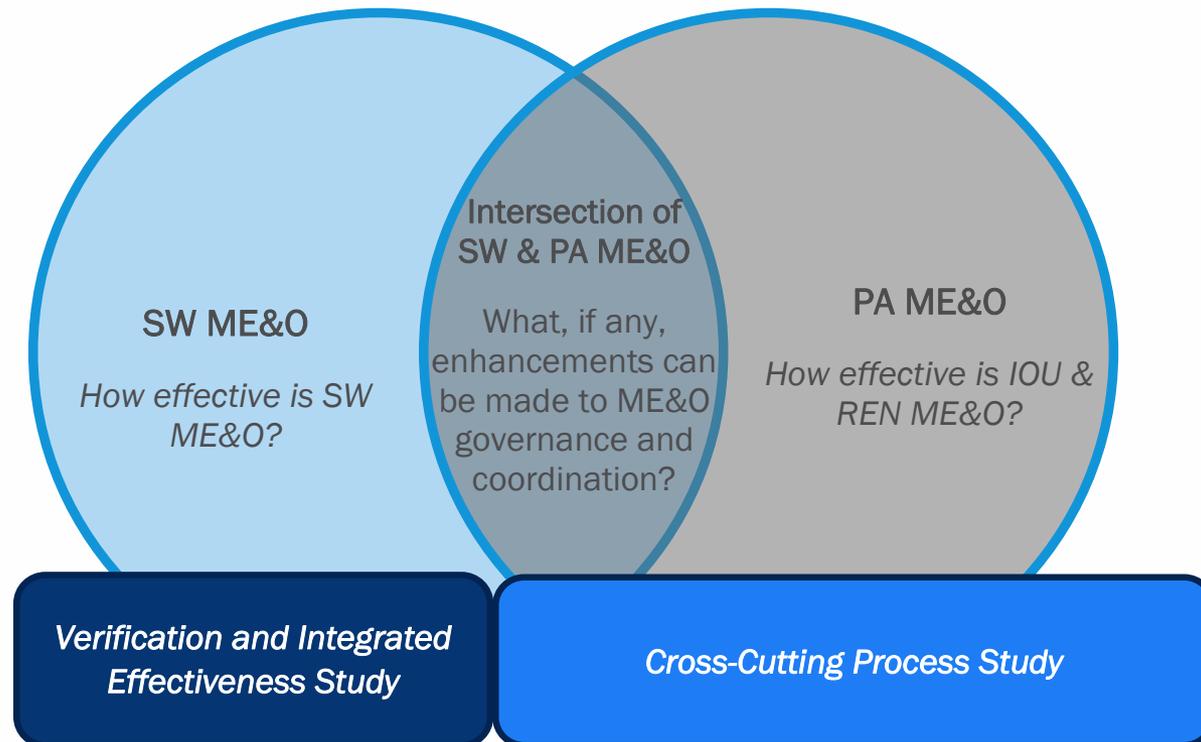
Evaluation Results and Recommendations

November 29, 2016



Team Introduction

- Opinion Dynamics is the independent third party evaluator for ME&O
- The evaluation team has completed two studies for the 2013-2015 cycle



Integrating SW ME&O with IOU and REN Marketing

Evaluation Results and Recommendations



Coordination on SW ME&O



Coordination improved between the SW ME&O Administrator and the PAs

- All stakeholders mentioned that coordination generally improved as the various parties worked together over time

Increased two-way communication

Earlier opportunities to provide feedback in the creative process

More collaborative quarterly stakeholder meetings

Improvements to the TRUMBA marketing calendar



However, stakeholders continued to identify challenges

Separate planning processes

- Prevents providing information in a timely manner
- Stakeholders develop plans in isolation before sharing with others

PAs did not always have enough lead-time for SW administrator requests

- Prevents thorough feedback
- No time for input from other internal stakeholders in PA organizations

SW administrator did not receive timely updates on program changes

- Difficult to ensure that statewide ME&O efforts accurately reflect PA program details

SW administrator did not always acknowledge PA feedback when not used

- Discourages feedback from the PAs
- Makes PAs feel their time and input is not valued



Recommendations to Improve Coordination & Encourage Collaboration

- Recommendation: The CPUC should consider utilizing an independent facilitator to guide the integrated planning process
- Recommendation: The CPUC or a designated party should establish formal rules and procedures for the group. If feasible, these procedures may be established through collaboration among the CPUC, SW ME&O implementer and ME&O stakeholders
- Recommendation: The SW ME&O administrator should expand on the most recent RASCI model to indicate the different levels of responsibility by stakeholder for different implementation activities
- Recommendation: The SW ME&O administrator should establish a formal feedback loop so that it is clear how information or input provided by the PAs has been used to inform campaign design

PA ME&O Documentation Relevant to Coordination



PA documentation of ME&O design and implementation varies

- PA marketing is one of many strategies deployed to support program participation. Marketing efforts are typically program-specific and regionally focused
- A review of 2013-2014 activities showed variation in the level of documentation of PA marketing efforts and suggested that there are opportunities to improve documentation to support coordination
 - Marketing plan availability, the timing of development, and content varies across PAs, programs, and program cycles
 - In some cases, the PAs did not identify or document metrics, and nearly two-thirds of activities did not include success criteria
 - There is conflicting information about the amount of money budgeted for and spent on PA ME&O
- A later assessment of 2016 marketing campaigns found that the PAs' documentation of metrics and success criteria was more robust



Budgets and metrics present two examples of this variation

- We found conflicting information about the amount of money budgeted for and spent on PA ME&O
 - Inconsistent information about budgets and expenditures makes it difficult for the CPUC to ensure that ratepayer funds for energy efficiency are truly being spent on energy efficiency messaging
- Just over three quarters (107 of 141) of the 2013-2014 PA ME&O activities reviewed for this task had metrics
 - Metrics could be either quantitative or qualitative by activity
 - Quality of metrics varied across PAs, programs and activities
- Far fewer PAs have defined success criteria for their ME&O activities (32% of activities)

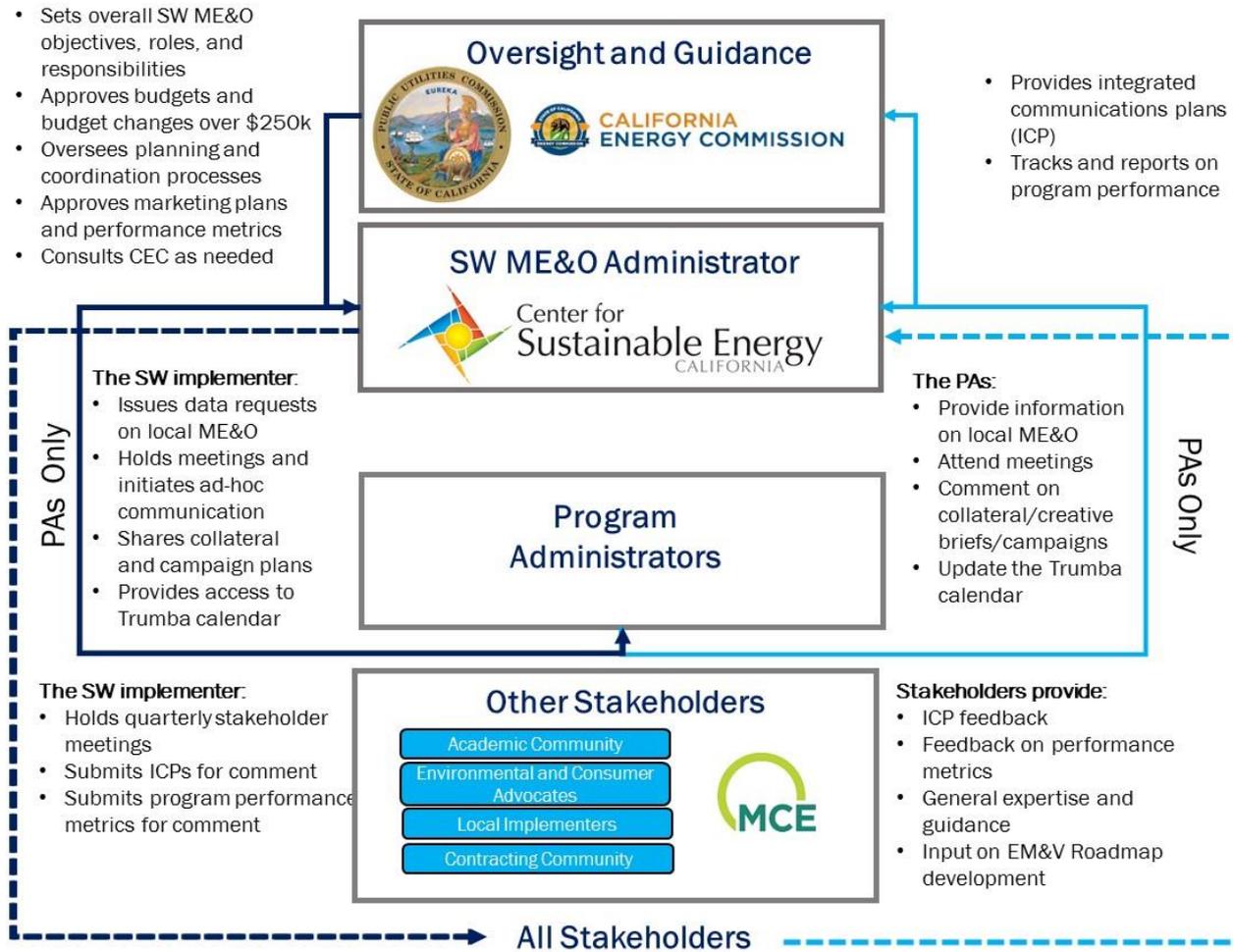
Recommendations Regarding CPUC Oversight of PA ME&O

- Recommendation: Require enhanced PA documentation of ME&O efforts. This evaluation reveals wide variations in terms of the level of documentation around PA marketing efforts in support of energy efficiency programs. While some variation is expected and reasonable, the PAs should provide more documentation for major promotional campaigns so that the CPUC can ensure that ratepayer funds are being spent appropriately. The CPUC should work with each of the PAs to determine the extent to which they can do the following:
 - Require annual reporting of ME&O budgets and expenditures
 - Require PAs to develop strategic marketing plans at the program or portfolio-level and share them on a post-hoc basis

SW ME&O Governance



Multiple actors are involved in SW ME&O governance



The SW administrator utilized a RASCI model to clarify roles and responsibilities

- The Proposed Decision includes an updated RASCI model (shown below)

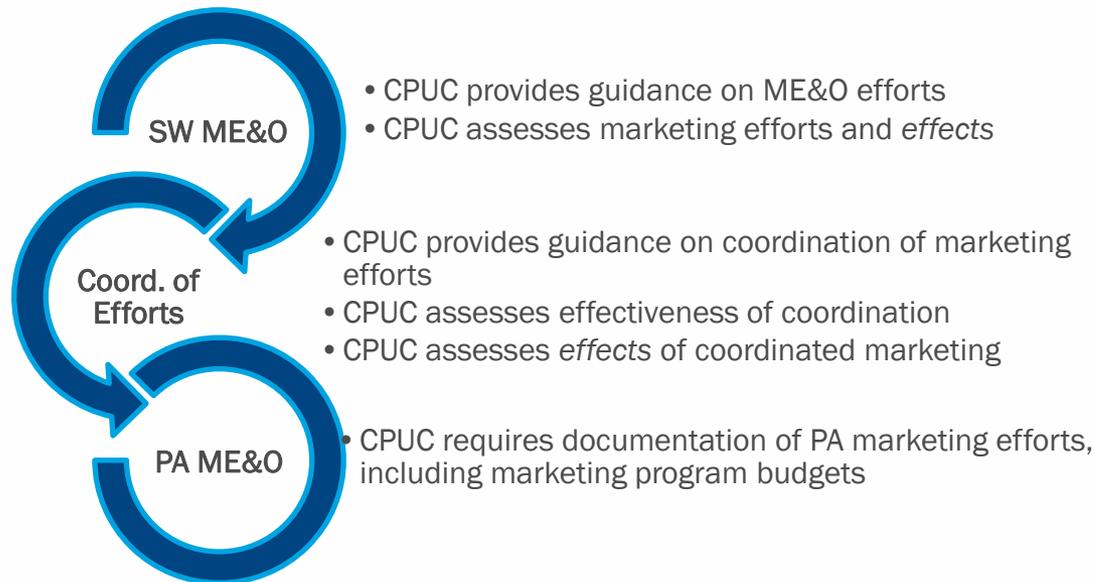
Role	Description of Role	Entity
Responsible	The one charged with delivering the successful outcome; Leads, coordinates, implements; can delegate to others as supportive	Statewide Implementer
Accountable	(also Approver): The ultimate authority who assigns and approves the deliverable	CPUC CEC
Supportive	Those who provide resources or play a supporting role in implementation or outcome and deems its success	Advisory Board IOUs RENs
Consulted	Those whose opinions are sought for input and/or buy-in and with whom there is two-way communication	IOUs RENs
Informed	Those kept up-to-date, often only upon completion, and with whom there is just one-way communication	Stakeholders Public



It is appropriate for the CPUC to provide different levels of oversight for the SW ME&O program as compared to PA marketing efforts

- SW ME&O program focuses exclusively on promotion whereas PA marketing is rooted in product, price, **promotion** and place (the four Ps)
- The CPUC should not provide oversight of only the promotional aspect of PA ME&O in isolation from the program(s) it supports

Recommended CPUC Oversight and Evaluation Approach



Recommendations Regarding CPUC Guidance and Oversight

- Recommendation: CPUC should focus its oversight on all *coordinated* efforts between the PAs and the SW ME&O program
 - Develop relevant metrics to assess how well the coordination process is working. Metrics for effective coordination can include a suite of qualitative and quantitative measurements that address the level and efficacy of coordination
 - Continue to ensure the SW ME&O program and PAs coordinate on messaging and content if both entities are promoting a particular program to California consumers

Recommendations Regarding Guidance and Oversight

- Recommendation: Assess the effectiveness of coordinated marketing
 - An assessment of the effectiveness of coordinated marketing is essential to future SW ME&O campaigns
 - Stakeholders noted that there is not an established approach for measuring the effects that a coordinated effort would have on increasing program participation or referrals

Metrics



Seven formal metrics were developed to assess program performance

- The CPUC, CSE, and stakeholders participated in a process to develop specific metrics by which to judge performance of the program

Metric	Description	Target
1	Awareness of Energy Upgrade California	20% aware (aided)
2	Knowledge among IOU ratepayers who are aware of Energy Upgrade California of the specific actions and opportunities communicated by the initiative that they can take to better manage their energy use	25% can identify highlighted programs (aided)
		25% can identify actions to save energy (unaided)
		25% know to go to the website to learn more (aided)
3	Engagement with Energy Upgrade California website, digital media, social media, and community outreach	Website: 1.3 million unique visitors
		Website: 25% of visitors view ≥3 pages
		Website: 30% of visitors spend >5 sec on a page
		Social media: 40,000 Facebook fans
		Digital media: 0.08% click through rate

The metrics included a number of qualitative targets

Metric	Description	Target
4	Participation in and engagement with Energy Upgrade California by CBOs, local governments, retailers, and realtors	Yes/No
5	Small business messaging is researched and piloted	Yes/No
6	RENs and IOUs provide information to CSE and the marketing firm in a timely manner	Yes/No
7	EM&V roadmap for Energy Upgrade California is completed	Yes/No

- These metrics were limited, but represented a starting point for assessing performance
- Given the objectives of the program, the evaluation team suggested a number of additional measures to consider moving forward



Recommendations Regarding Metric Development

- Recommendation: Take a collaborative approach to developing metrics
 - The SW ME&O administrator should include metric development as a specific activity in the updated RASCI model and metrics should be in place in advance of program deployment
 - CPUC staff involved should coordinate with their counterparts in other proceedings, including those that support Energy Efficiency, Electric Vehicles, demand response, customer-owned generation, and the Residential Rate Reform Proceeding to determine the desired level of alignment between the metrics used for all efforts
 - CPUC staff should engage the SW ME&O evaluator in developing program performance metrics using the PTLM as a guide
- Recommendation: Take a holistic view of campaign performance based on multiple metrics