



JON M. HUNTSMAN, JR.  
*Governor*

GARY R. HERBERT  
*Lieutenant Governor*

State of Utah  
DEPARTMENT OF COMMERCE  
Office of Consumer Services

MICHELE BECK  
*Director*

To: Public Service Commission

From: The Office of Consumer Services  
Michele Beck  
Cheryl Murray

Date: June 8, 2009

Subject: RMP's Strategic Communications and Outreach Program for Demand Side Management. Docket No. 09-035-36

## Background

On May 12, 2009 Rocky Mountain Power submitted its Strategic Communications and Outreach Program for Demand Side Management. The filing includes results of a survey conducted at the Company's request by Dan Jones & Associates to determine customers' awareness of demand side management programs offered by the Company. The results show that the majority of customers are not aware of the availability of these programs however, customers expressed an interest in participation when made aware of the programs. The objectives of the communications and outreach program are to promote customer conservation through energy efficiency education and increase customer awareness of and participation in DSM programs offered through RMP. An additional important feature will be to educate customers on the residential rate structure, especially summer tiered rates.

## Issue

Currently, DSM programs are typically promoted individually. While this method may be appropriate, an overarching education campaign is expected to create greater awareness of all programs and how these programs can complement each other. RMP proposes to expend up to \$1.5 million per year over an initial three year period to increase awareness and participation in all programs as well as general acceptance and understanding of the importance of energy conservation and efficiency. Over this three year time frame the effectiveness of the program in increasing awareness and participation will be monitored and a final assessment performed at the end of the three year period. The cost effectiveness of this plan will not be measured on a stand alone basis but will be included

2018

in the overall cost effectiveness test of the DSM programs.

The OCS believes that communication with customers is an essential element of successful DSM programs. Providing information and communication on a holistic basis as well as by measure or program is a step in the right direction. The OCS supports the allocation of funds to an education effort, as well as judging the cost-effectiveness as part of the overall DSM programs rather than education as a standalone measure that is likely to fail the cost effectiveness tests. We have also previously encouraged the Company to provide more information regarding the summer rate structure so that customers can make better informed decisions about their summer energy use.

On page 6 of its Outreach Program the Company lists ten primary goals of the communication, education and outreach program based on the research results of the survey. The OCS supports these goals and believes that with proper follow through they are achievable and will result in benefits to all RMP customers.

The Company proposes a consistent, integrated program to effectively reach customers and change behavior. The OCS agrees that an integrated approach, utilizing TV, radio, print, online advertising, local sponsorships and outreach, is an effective way to achieve these goals. However, we do have some concerns with the Company's proposal, specifically the lack of detail, the specific benefits from sponsorships and the specific responsibilities and benefits of partnerships. Advertising should be specific to this Program; it should not be combined with other RMP issues and should be carefully and separately tracked.

Although this is a very high level view of the undertaking, the Company states that upon receiving Commission approval for this Program it will develop a detailed three year Action Plan. This Plan will be forwarded to the DSM Advisory Committee for review and comment as part of the implementation process. Following year one and each subsequent year the program's effectiveness will be assessed prior to the next year's campaign. The OCS agrees with the Division's recommendation that the Company, on a quarterly basis, report program progress to the DSM Advisory Group.

The OCS recommends that the Commission require that the three-year Action Plan the Company will submit to the DSM Advisory Committee be very detailed as to the expected funding level<sup>1</sup> in each category as well as the basic content of advertising campaigns. The types of sponsorships that the Company intends to support as well as the specific items that it will receive from the sponsorship should be provided in as much detail as possible.<sup>2</sup> The Company also indicates that it will partner with local government and existing groups (HEAL Utah, Utah Clean Energy, etc). The Action Plan should provide

---

1 The OCS would expect the Company would have some latitude in the expenditure of funding and not be required to strictly maintain the funding by category from the Action Plan.

2 The OCS does not view a RMP banner at a sporting or other event as providing benefit to customers unless it is part of an overall package.

2018

detail as to what “partnership” entails. Is it sharing costs for publications, sharing the stage at educational events, or providing dollars to those organizations, and if so exactly what will be provided in return. The Company should be required to provide a yearly update to the Action Plan providing any proposed changes based on experience gained over the prior year or stating that no changes are necessary.

Further, should DSM Advisory Group members disagree with elements of the Action Plan there should be an opportunity to provide comments to the Commission prior to the Company beginning implementation.

### **OCS Recommendation**

The OCS recommends that the Commission approve, in principle, the Company’s request for funding for this Program. We further recommend that prior to expenditure of any of the funds the Company be required to provide its Action Plan to the DSM Advisory Committee and the Commission provide an opportunity for parties to comment on the Action Plan. The Company should also be required to provide a yearly update of the Action Plan to the DSM Advisory Group.