
Energy Efficiency Program Proposal

ThermWise[®] Market Transformation
Initiative

Program Description

Background

Since the introduction of Dominion Energy Utah's (Dominion Energy or the Company) ThermWise Energy Efficiency (EE) programs, the Market Transformation Initiative has been a consistent and critically important component of the long-term strategy. "Market Transformation involves promoting ongoing and lasting changes to natural gas appliance penetration rates and new construction markets, as well as natural gas conservation" (Application, Docket No. 05-057-T01, paragraph 21). There are three primary goals that drive the Company's Market Transformation Initiative. They are, (1) enhance the Company's involvement in energy efficiency and conservation promotion; (2) change consumer and market participation behaviors; and (3) encourage persistent demand for energy efficiency products and practices. (Application, Docket No. 05-057-T01, paragraph 22).

In its Order issued December 29, 2017 (Docket No. 17-057-22 Order), the Commission provided guidance regarding future applications for the Market Transformation Initiative. Specifically, the Commission supported the recommendation that future applications include strategies and justification for proposed budget amounts. Additionally, the Commission indicated support for the Advisory Group and the collaborative process originally envisioned for this group as outlined in the Joint Application filed December 16, 2005 (Docket No. 05-057-T01). In effort to be responsive to this guidance the following sections are included in this section.

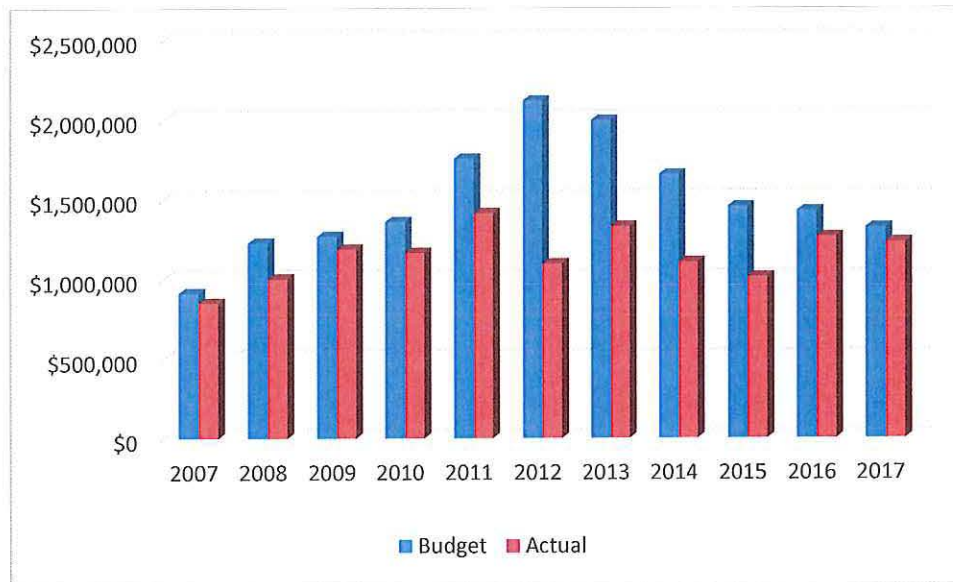
In this section, the Company will provide the following:

- A summary of proposed-versus-actual Market Transformation Initiative spending from 2007-2017.
- An analysis of historical customer participation in the ThermWise programs.
- ThermWise Program benchmarking to its peers in the natural gas energy efficiency industry.
- A summary of the 2018 Advisory Group Meetings.
- A high-level summary of the proposed 2019 Market Transformation Initiative components and budget.
- The 2019 Strategic Marketing Plan, a comprehensive report, prepared by Faktory, that recaps 2018 research and the proposed strategy for the 2019 Market Transformation Initiative.

Proposed vs. Actual Market Transformation Initiative Spending 2007-2017

Table 1 is a summary of proposed versus actual Market Transformation Initiative spending from 2007-2017. The Company has been selective in its spending, choosing projects with the greatest return and high program exposure. The Company has been diligent in its efforts to secure event and promotional contracts at low rates. The Company regularly seeks out and takes advantage of low to no-cost events. In many cases the Company is able to leverage its existing marketing channels in return for a waiver of the participation fees at community events. These efforts have proven effective as historical Market Transformation spending has always come in lower than budget (see Table 1). Additionally, the Company has historically built flexibility into the budget in order to be responsive to unanticipated Market Transformation opportunities that will maximize program exposure. These unanticipated opportunities contribute to variances between projected and actual spending.

Table 1. Proposed vs. Actual Market Transformation Spending



Historical ThermWise Customer Participation

The Company looks at a number of indicators to gauge participation throughout the service territory, as shown in tables 2-4.

Historically there has been a steady increase in the total number of rebates paid each year. Table 2 shows cumulative rebates paid by year.

Table 2. Cumulative Rebates Paid by Year

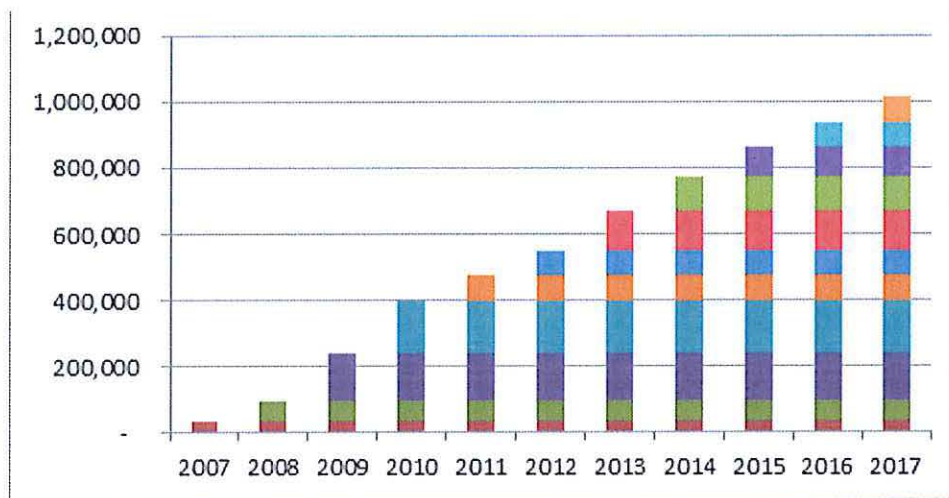
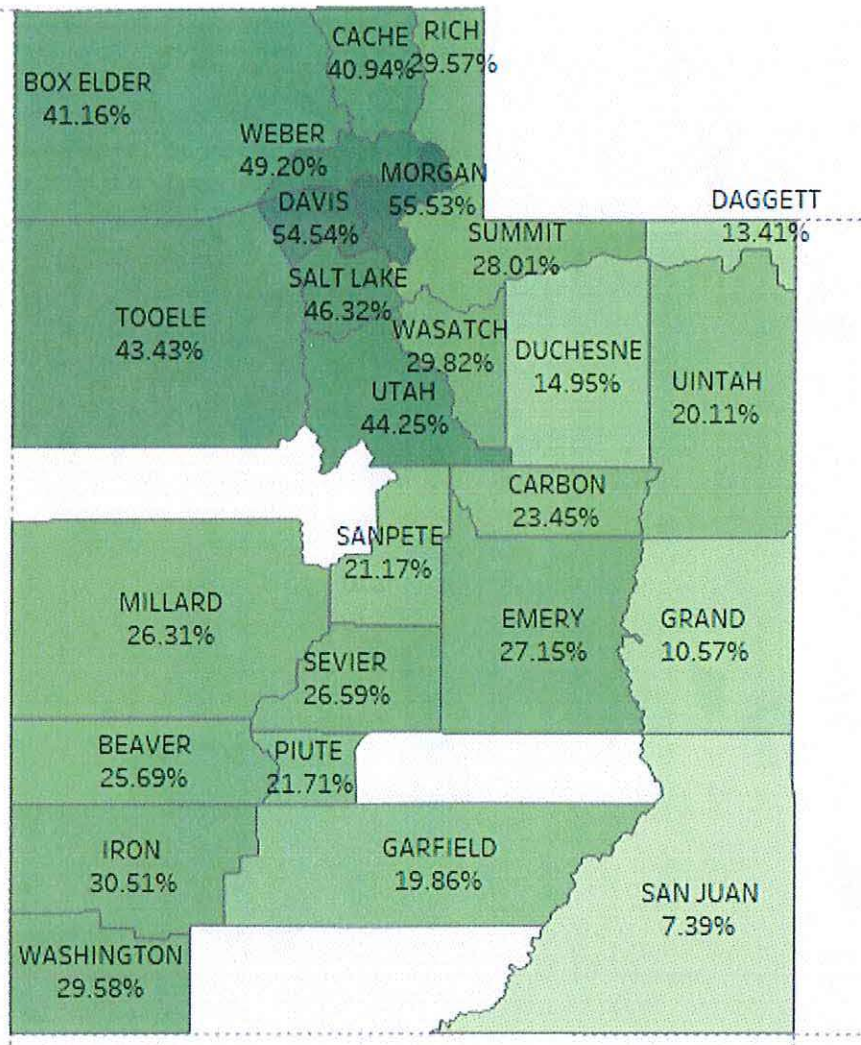


Table 3 shows unique participants and penetration levels by county. It shows the Company continues to see a steady increase in unique ThermWise participants throughout its service territory. The Company is pleased with the trend in participation and market penetration and expects to see similar trends in the future as a result of its Market Transformation Initiative.

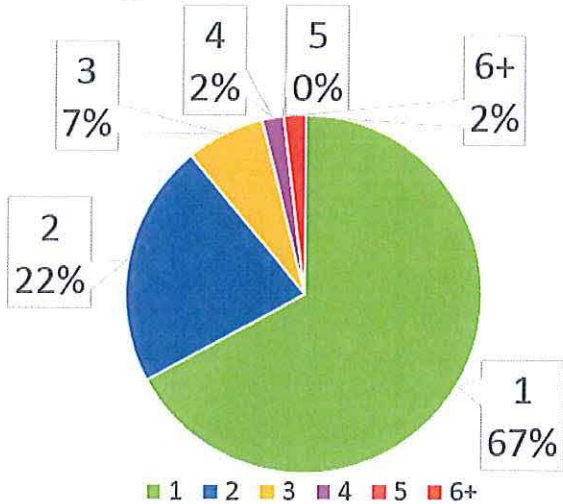
Table 3. Unique ThermWise Participants and Levels of Penetration – June 2017



Although the company continues to see an increase of unique participants there is still opportunity for first time participants as well as repeat participants to increase their individual efficiency. Table 4 shows a participation breakdown by the number of measures individual customers have participated in, along with a year by year breakdown of the percentage of participants with only one measure completed.

Table 4. Participation Breakdown by Number of Measures Per Customer

Participation Breakdown



Year	Percentage with only one measure
2007	52%
2008	67%
2009	65%
2010	40%
2011	33%
2012	31%
2013	32%
2014	26%
2015	37%
2016	30%
2017	31%
2018 (Through August)	24%
Average	39%

Table 5 shows additional evidence to the progress on these goals can be seen in the adoption of energy efficiency equipment and technologies that were previously categorized as “new and emerging” technologies, but are now required by code or have become standard in the Company’s Utah service territory. Specifically, clothes washers, natural gas dryers with moisture sensors, 0.30 U-Factor windows, 0.62 EF storage water heaters, and 90.0-92% furnaces, have all become standard, as shown in Table 5. Improvements in the construction industry related to higher standard building codes are ongoing. New equipment and technology such as air sealing, smart thermostats, R-5 windows and the direct install weatherization program have been added to the programs as well.

Table 5. Measures Added and Eliminated from the ThermWise Programs

Added	Year	Eliminated	Year
Air Sealing	2012	Dryers	2011
Smart Thermostats	2015	90% AFUE Furnace	2013
R-5 Windows	2016	Programmable Thermostat	2015
Direct Install Program	2017	Windows (≤0.30 U-value)	2015
		Water Heaters (0.62)	2016
		Clothes Washers	2017
		92% AFUE Furnace	2019



Energy Efficiency Industry Analysis

As in past years the Company has benchmarked market transformation efforts with other programs across the nation using the results of the American Gas Association (AGA) annual energy efficiency report. Below is the Company's analysis from the most recently available AGA survey (2016 program year).

AGA's report shows a state by state comparison of incentive to non-incentive costs. The report shows that on average, states spent 39.6% of total program expenditures on non-incentive related costs. By comparison, during the same time frame, the Company spent 25.6% of its total program expenditures on non-incentive related costs. When comparing the top 22 participating programs (programs with total expenditures exceeding \$10,000,000), the Company ranks 5th overall in least amount of non-incentive related spending as a percentage of total program expenditures at 25.6%. The Company continues to be a national top performer in this metric.

Table 3 summarizes the overall percentage mix for each participating state with total annual expenditures of at least \$10,000,000.

Table 3. Percentage of Total Expenditures spent on Non-Incentive Costs ranked by State

Rank	State	2016 Total Expenditures	2016 Marketing / Admin	2016 EM&V / Research Studies	2016 Other Costs	2016 Total Non-Incentive Costs	% of Total
1	Oklahoma	13,763,605	1,532,996	122,428	0	1,655,424	12.0%
2	New Jersey	96,004,675	15,881,882	1,049,718	5,000	16,936,600	17.6%
3	Iowa	54,105,039	10,490,515	664,281	648,734	11,803,530	21.8%
4	Florida	23,436,109	5,396,421	0	0	5,396,421	23.0%
5	Utah	23,319,412	5,976,249	0	0	5,976,249	25.6%
6	Rhode Island	23,135,493	4,725,293	277,245	1,406,647	6,409,185	27.7%
7	Connecticut	45,260,984	9,095,903	590,011	2,908,120	12,594,034	27.8%
8	New York	98,180,497	23,750,472	1,969,831	1,789,837	27,510,140	28.0%
9	Massachusetts	202,247,347	30,854,487	3,956,618	22,566,781	57,377,886	28.4%
10	Washington	21,821,194	7,745,797	434,697	88,043	8,268,537	37.9%
11	Oregon	25,396,724	10,213,247	0	130,492	10,343,739	40.7%
12	Michigan	79,907,373	26,394,212	3,667,505	4,383,233	34,444,950	43.1%
13	Colorado	18,431,220	5,310,987	869,609	1,914,944	8,095,540	43.9%
14	Arkansas	13,194,137	5,188,649	775,190	108,778	6,072,617	46.0%
15	Indiana	16,011,147	6,363,773	666,430	381,018	7,411,221	46.3%
16	Maryland	16,714,559	7,704,691	125,244	142,869	7,972,804	47.7%
17	Wisconsin	22,209,278	3,983,691	853,025	6,134,297	10,971,013	49.4%
18	Illinois	65,158,380	29,434,554	2,482,317	2,530,461	34,447,332	52.9%
19	Pennsylvania	21,792,043	11,924,793	251,773	0	12,176,566	55.9%
20	Minnesota	50,745,694	25,674,693	1,891,958	1,073,473	28,640,124	56.4%
21	Ohio	47,113,953	29,827,855	362,205	0	30,190,060	64.1%
22	California	283,455,955	204,221,875	5,435,416	145,000	209,802,291	74.0%

2018 Advisory Group Meeting Summary

The Advisory Group met March 29, 2018, August 23, 2018, and September 26, 2018. At each of these meetings, the Company or its contracted marketing firm, Faktory Inc. (Faktory), discussed aspects of the current or future ThermWise campaign. Representatives from Commission staff, the Division, and the Office were in attendance at each meeting and provided useful feedback along with other program stakeholders. At the March 29 meeting, the Company discussed the 2018 ThermWise campaign strategy. The Company additionally sought input from stakeholders and dedicated a portion of the meeting to the future of the ThermWise campaign. The Company concluded the market transformation initiative discussion indicating that it would conduct the annual ThermWise customer survey in June 2018 and that the survey results would be presented at the next Advisory Group meeting.

The Company's contracted survey firm, Lighthouse Research (Lighthouse), presented the results of the 2018 customer survey at the August 23 meeting. Lighthouse contacted 709 customers by phone with an even split between genders and with an age profile that was similar to the Company's overall 2018 customer base. Faktory followed the Lighthouse presentation with an interpretation of the survey results. The primary conclusions drawn from the survey by the marketing experts was that the majority of Company's customers (91%) believe it's important for utilities to offer efficiency programs, that ThermWise continues to be the most recognized energy efficiency program (60%) in the State, and that television remains the most common medium where customers see ThermWise messaging. However, Faktory also recognized that an overall downward trend seemed to be emerging where customer awareness of the State's efficiency programs had decreased significantly over the past four annual surveys (48% recognition of efficiency programs in 2015 and 36% in 2018). In addition, the survey indicated awareness of energy efficiency programs had decreased most sharply among women and younger customer demographic groups. The summary from Faktory was that while the ThermWise mass media was, for the most part, in the right places, the survey results were indicating that changes needed to be made in order to reengage and excite customers about energy efficiency in 2019. The Company concluded the meeting with a commitment to addressing Faktory's summary findings at the next Advisory Group meeting.

Faktory presented a high-level vision for the 2019 ThermWise Market Transformation Initiative at the Advisory Group meeting held on September 26. The main element of Faktory's presentation was that, while saving money continues to be the main reason customers currently conserve natural gas (69% in 2018 Lighthouse survey), there is an opportunity to "lead the research" by creating another reason to conserve that is more emotionally driven and currently relevant. Faktory's messaging answer to reengage customers in 2019: "Let's all work together to clean the air" by participating in energy efficiency. Faktory presented the following information to the Advisory Group from local newspapers and research organizations in support of the proposed new messaging: 1) Utahns lead the nation in searching the internet for ways to clean the air we breathe; 2) Utahns rate poor air quality as one of the top issues we face as a state, but we believe we're doing the worst at addressing it; 3) Utahns want to work to clean the air; 4) Utahns base air quality concerns on health reasons first, with other reasons secondary; and 5) Utahns are willing to do things **in their homes** to achieve better air quality. The Company concluded the market transformation portion of the meeting by announcing that, in addition to the 2019 messaging changes, it would transition away from sports marketing and into efforts that are focused more on communities and grass-roots efforts to increase awareness and participation in the ThermWise programs.

2019 Market Transformation Initiative Components and Budget

For 2019, the Company will make adjustments to the Market Transformation Initiative components in order to address the declining awareness of the program identified through the 2018 Lighthouse Customer Survey. The ThermWise campaign will also be focused on creating awareness of the energy efficiency and clean air benefits provided to communities and businesses in Utah. Builders, installers, dealers, and other trade allies will also be targeted and trained in an effort to increase uptake of energy efficiency equipment and improve building standards.

Key Messages

- ThermWise will continue to emphasize the “If You Conserve, You Can Save” tagline that has been in use since program inception. This message has resonated with customers as is illustrated by customer participation results shown in table 3.
- The Company will also implement a “Let’s All Clean the Air” message intended to re-engage customers in energy efficiency. Greater detail on this message can be found in the Strategic Marketing Plan prepared by Faktory, Inc (Faktory).
 - Emphasize that energy efficiency helps Utah customers save money and that it is good for the environment.
- The Company will continue to utilize “Therm the Energy Wise Guy” as the spokesperson of the campaign. Therm has been the Company’s spokesperson since the beginning of the program and Therm is widely recognized by the Company’s customers as an expert and advocate in energy efficiency.

Advertising and Media: \$900,000

Contracted Agency Work

The Company has worked closely with its advertising and media partner, Faktory, to develop the 2019 Strategic Marketing Plan. The Company’s partnership with this agency has been and will continue to be beneficial, as they are proven experts in creating and purchasing media. In an effort to re-engage customers in energy efficiency, the Company proposes an advertising and media budget of \$900,000 for 2019.

Historical advertising campaigns have been designed to reach the Company’s customers throughout multiple media outlets. In 2018 these outlets included television, radio, online, print, and bill inserts. The 2019 campaign will include these outlets as well as reintroduce billboards as a component of the strategy.

2019 advertising and media campaign will include the following:

- Mass media
 - Television
 - Radio
 - Digital/Online
 - Social
 - Limited Print (strategically placed)
 - Search Engine Optimization
- Revamped Website
- Community Toolkit

Complete detail of the 2019 Advertising and Media Campaign is included in the Strategic Marketing Plan prepared by Faktory beginning on page 10 of this section.

Community Initiatives, Trade and Consumer Shows, and the Community Leaders Campaign: \$280,000

The Company, in coordination with its current advertising and media partners, will focus on community initiatives (designed to re-engage customers in energy efficiency at a grass roots level), trade and consumer shows, and a community leaders campaign. The Company proposes a budget of \$280,000 for this component in 2019.

Complete detail of the 2019 community initiatives, trade and consumer shows, and the community leaders campaign is included in the Strategic Marketing Plan prepared by Faktory beginning on page 10 of this section.

Dominion Energy Management and Administration: \$50,000

The Company proposes to continue its membership in energy efficiency industry associations (Consortium for Energy Efficiency, Association of Energy Services Professionals, American Council for an Energy Efficient Economy, Southwest Energy Efficiency Project, etc.) through its program managers to further advance natural gas energy efficiency and conservation in the Utah market. In 2018 the Company budgeted \$50,000. The Company proposes to maintain the budget of \$50,000 for 2019.

State of Utah Codes Training: \$80,000

The Governor's Office of Energy Development (OED) conducts building code training programs, in collaboration with and through partial funding from Dominion Energy. The purpose of the training is to support the adoption, awareness, and enforcement of building codes associated with the International Energy Conservation Code (IECC). Based on the ongoing need in the market for more specific training sessions, the Company is proposing to continue funding these training sessions in 2019 at the level of \$80,000. OED will continue to work with an outside vendor to design and conduct these trainings in 2019.

Program Design: \$10,000

The costs associated with the program design budget are related to potential updates to the ThermWise portfolio of programs. Updates may include the addition or removal of energy efficiency measures, re-working of incentive levels, and re-calculation of savings. As with every component of the Company's Market Transformation budget, these funds are used prudently. The Company proposes to continue the \$10,000 budget for 2019.

2018 Research & 2019 Market Transformation Initiative Strategy

The Company has worked closely with its advertising and media partner, Faktory, to develop the 2019 Strategic Marketing Plan. The plan includes the results of studies and strategy for the the upcoming 2019 campaign. Included below is the 2019 Strategic Marketing Plan prepared by Faktory.



2019 Strategic Marketing Plan



PREFACE

Since 2007, Dominion Energy (the Company or ThermWise) has worked with the Utah Public Service Commission and the ThermWise Advisory Group to help residents of the state conserve natural gas. This stable of programs, dubbed together as the “ThermWise Program,” is a multi-pronged, comprehensive plan that includes incentives for customers, energy comparison reports, home energy plans, and a market transformation initiative to enhance the company’s involvement in energy efficiency and conservation promotion, change consumer and market participation behaviors, and encourage persistent demand for energy efficiency products and practices.

An integral part of ThermWise market transformation program is the communications and outreach behavioral change media campaign, designed to encourage participation in a variety of ThermWise programs and help customers understand the need to conserve energy. It also provides motivation to conserve. This document gives important insight into the 2019 plans for the ThermWise market transformation campaign, along with why the proposed budget is critical in the continued success of ThermWise and its mandate to aggressively promote energy efficiency.

SUMMARY

Therm

Therm, pictured here, has become the recognized spokesperson for ThermWise. In focus group testing, Therm is liked and recognized by the general public and is wholly tied to the ThermWise message of conservation. Faktory, the ThermWise communications agency, proposes to continue using Therm to be the friendly face of energy efficiency in Utah.



Research

Every year, the ThermWise department commissions a research survey to gauge the general public’s sentiments towards conservation and the Company’s energy efficiency programs. Based on the results of this research, spending and messaging are adjusted each year. This survey shows the ThermWise program continues to be successful in helping people understand the need to conserve and have a desire to save. Recognition of the program remains strong, as does participation.



- ThermWise continues to be the most recognized energy efficiency program in the state with 60% awareness
- 91% of consumers feel it's important for utilities to offer energy efficiency programs
- People are paying attention to ThermWise energy comparison reports; awareness is up from 27% in 2014 to 49% in 2018
- More people learned about ThermWise on TV than any other medium (though other media have closed the gap a bit), with utility bill inserts and radio coming in next
- Dominion Energy continues to be the first utility turned to for energy efficiency information

Strategies

Based on key survey results (to be shown more in-depth below), some ThermWise strategies will remain the same and some will shift. Faktory, the ThermWise communications agency, recommends ThermWise still communicate energy efficiency using Therm as the spokesperson. Awareness leading to a desire to act continues to be the main purpose. But, dollars and messaging will shift a bit based on our annual survey results. Our strategies for the future will be:

- Continue using the character "Therm" as the ThermWise spokesperson
- As in the past, utilize mass for high reach and frequency in order to communicate to Dominion Energy customers and the general public
- Adjust budgets based on research results to add more community and grassroots education (shift money from past sponsorships) and reengage customers in energy efficiency
- Overhaul website to update to current mobile standards
- Broaden messaging to incorporate the "clean air" benefit that comes from conserving energy



KEY RESEARCH FINDINGS

Demographic Profile

▶ **709** telephone surveys conducted
 95% confidence level
 ±3.68% margin of error

Age	Percentage
1 = 18 to 24	4%
2 = 25 to 34	25%
3 = 35 to 44	21%
4 = 45 to 54	20%
5 = 55 to 64	15%
6 = 65 or older	15%

▶ Average Age: **3.63**
 Median Age: **4.00**

▶ **Gender Split**
 50% male, 50% female

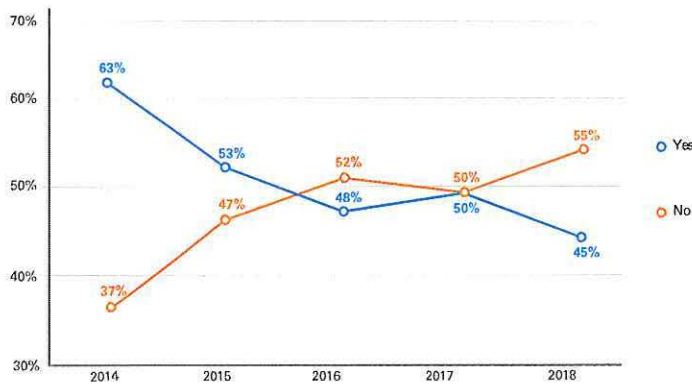
Average Income	Percentage
1 = Less than \$20,000	5%
2 = 20,000 to \$39,999	11%
3 = \$40,000 to \$59,999	20%
4 = \$60,000 to \$89,999	25%
5 = \$90,000 to \$129,999	23%
6 = \$130,000 to \$199,999	10%
7 = \$200,000 or More	5%
Don't Know	1%

▶ Average Income: **4.02**
 Median Income: **4.00**

▶ **82%** own their home
18% rent their home

Energy Conservation Actions

In the past year, have you taken any actions or changed anything in your household to save energy?



▼ Significant **decrease** since 2014 in the percentage who said "Yes"

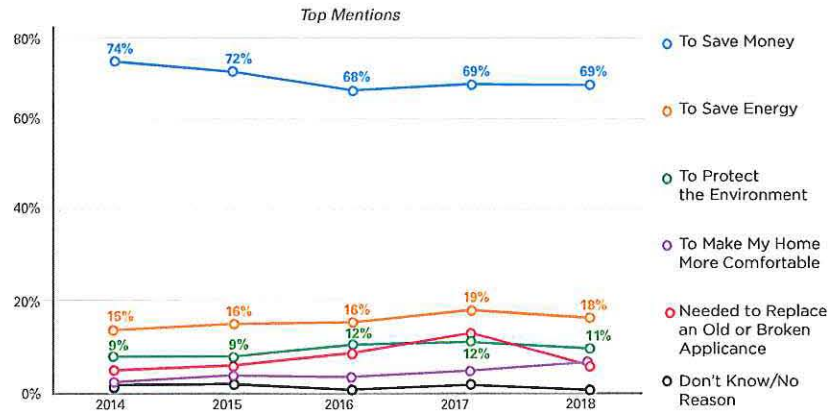
Over the past few years, people are less likely to take actions to conserve. This is energy conservation overall, not specific to natural gas. This could be due to a number of reasons, including low costs of fuel and a good economy where saving money is less of a concern. It could also be due to the number of more dire "public service" messages that fill the airwaves, such as opioid abuse and suicide prevention. These may be perceived as far more important than conserving to save money in a good economy/low fuel cost environment, thus lessening the importance of conservation. This shows a need to find more current and relevant messaging.





Energy Conservation Actions

What are the main reasons you took steps to conserve energy in your home?

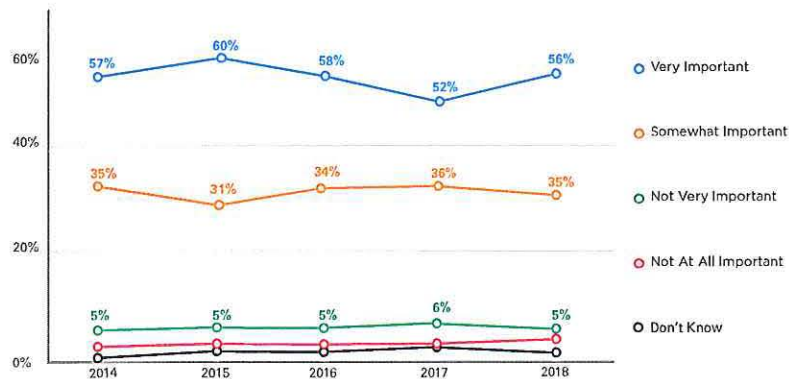


▼ Significant **decrease** in the percentage who said “replace old or broken appliance”

Saving money continues to be the main reason people conserve. But it doesn't have to be the only reason. Second place, next to the generic “to save energy,” is for the environment. This is where new “clean air” can become one of our strategic messages. See more details on page 8.

Energy Conservation Programs

How important is it for utility companies to offer customers programs to help conserve energy?



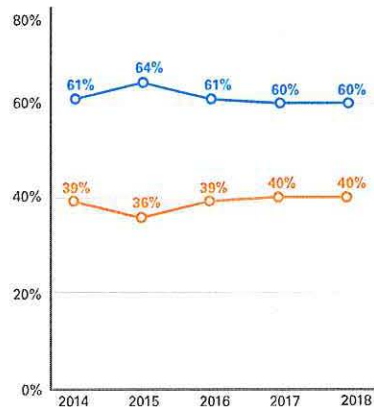
A combined 91% of people feel it's very important or somewhat important for a utility to offer a conservation program. This is a huge majority. This makes the market transformation dollars vital. They are what allow us to inform people about the ThermWise Program.



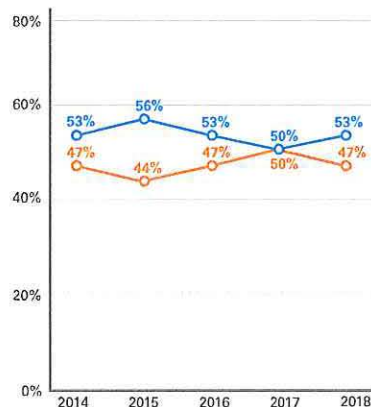


Aided Awareness

Have you heard of the campaign called ThermWise?



Have you heard of the campaign called wattsmart?



○ Yes ○ No

Overall awareness remains strong, denoting continued success in the marketing and communications of ThermWise.

ThermWise

Where did you first see or hear about Dominion Energy's ThermWise programs?

Top Mentions

	2014	2015	2016	2017	2018
TV Ad/Public Service Announcement	50%	55%	50%	53%	48%
Utility Bill Insert	15%	25%	21%	16%	22%
Radio/Radio Ad	9%	21%	21%	19%	18%
Direct Mail from Utility Company	9%	8%	13%	20%	12%
Emails	0%	2%	0%	2%	6%
Movie Theaters	3%	3%	5%	3%	6%
Website: Other	1%	5%	3%	2%	5%
Website: Dominion Energy / Questar Gas	1%	5%	5%	6%	5%
TV News	4%	5%	3%	4%	4%

Television still leads in helping people become aware of the ThermWise program. Utility bill inserts and radio are among the other leaders. Though television continues strong, it has dropped slightly. This confirms our mass media strategy combined with targeted communications. It also suggests a need to look to more digital media properties. (See the following data.)





ThermWise



The drops in TV are accounted for in five areas: women, younger people, homeowners overall, Salt Lake County, and average income. This suggests shifting some dollars to digital and social media, where younger people and women spend more time.

Information Sources

If you wanted to know more about energy efficiency and home energy savings, rebates, and/or products, where would you look for information?

Top Mentions

	2014	2015	2016	2017	2018
Internet Search (Google, Yahoo, etc.)	42%	53%	46%	49%	44%
Website: Dominion Energy / Questar Gas	25%	19%	27%	25%	30%
Internet (Other)	17%	12%	14%	13%	19%
Website: Rocky Mountain Power	10%	8%	6%	8%	10%
Contact the Utility Company (In General)	2%	4%	5%	5%	5%
With the Power/Gas Bill	4%	4%	4%	4%	5%
Dominion Energy / Questar Gas	7%	6%	4%	5%	3%
ThermWise.com	1%	2%	1%	2%	1%
Don't Know/Unsure	5%	4%	4%	4%	6%

Aside from an internet search, Dominion Energy and its site is the place people go for energy information. It's been a number of years since the ThermWise site has been updated. Part of the 2019 strategy to make conservation information more available to consumers is to update the ThermWise.com website and better link it to the Dominion Energy site.





2019 KEY TAKEAWAYS

This year's annual survey confirmed much of the ThermWise strategy. It continues to be important for utilities to offer programs like ThermWise. Awareness and participation in ThermWise continues to be strong. The Home Energy Report is becoming more and more known. It also showed a continuation of the trend of, over the past four years, people's interest in conservation waning (conservation overall, not solely natural gas). The 2019 ThermWise plan will begin to address that trend.

2019 STRATEGIES

2019 Target Audiences

Targeting the general public with a mass campaign to drive both awareness and desire to conserve energy will continue. Using dollars previously put towards sponsorships, a strategy to strengthen communication with another audience will be put in place. This audience is community leaders to partner with ThermWise to help drive conservation messaging within communities.

MESSAGING

The importance of staying "ThermWise"

Years have been spent building the "ThermWise" brand via consistent messaging and a recognizable, likable spokesperson in Daryn Tufts, aka "Therm." Past years' research proves this is a strong, memorable tactic for consumers. Promoting "ThermWise" and using "Therm" as messenger will continue. This will be done with all audiences.

Keep Saving Money

Research indicates that saving money is still the number one motivator for conservation. This message will stay as a staple for the ThermWise mass media audience. That being said, Faktory proposes adding another message to the ThermWise campaign: clean air.





Let's All Clean the Air

The research shows that over the past four years there has been a steady decline in people acting to conserve energy. This is across the board, not just with natural gas. It's not that they don't want to; it's simply that they're not acting (see the SL Tribune article referenced below). To address that trend, the ThermWise team and Faktory both propose the creation of a stronger desire to act on conservation by communicating the effect it can have on one of Utah's most urgent concerns: clean air.

Utah leads the nation in Google searches for ways to clean the air. It's among the most pressing concerns among the people in our state.

<https://yourutahyourfuture.org/topics/air-quality/item/48-your-utah-your-future-survey-results>
<https://www.sltrib.com/news/2018/02/04/utahns-may-lead-on-air-quality-awareness-but-poll-shows-they-lag-on-taking-personal-action/>

Yes, saving money is still the main reason people conserve and will continue to play a major role in ThermWise messaging. But conserving for the environment ranks second behind saving money (eliminating the generic and non-descriptive "to save energy" response). Faktory proposes that some of the ThermWise communications funds be used to promote efficiency and conservation based on environmental stewardship, specifically helping to clean our air. This is something people care about and would be more apt to act upon. It adds an emotionally relevant message to ThermWise.

In doing this, the hope is to not only follow the research, but lead it by creating a change in attitude. Over time, the goal is that future research shows a desire to conserve has been created based on improving air quality.

Who Receives What Message?

The general public will continue to get the "save money" message, as usual. Testing with the general public will also take place on the "clean our air" message, helping to create a message that resonates. Community leaders (and by way of them, their constituents), will receive the "clean the air" message through educational materials. Partnerships with some of Utah's most environmentally-conscious communities will also be explored.

New Tagline?

"If you conserve, you can save" has been the ThermWise tagline since its inception. It's a good line and has functioned well to communicate the singular message of saving money. As part of the 2019 messaging, new taglines will be explored that broaden the message to encapsulate the entirety of reasons to conserve rather than simply focusing on one. Research to test taglines will be done with both the general public and community leaders.



MEDIA

Priority 1: Mass Media

As always, the ThermWise campaign will reach the general public via mass, utilizing TV, radio, and digital (web and social) platforms. The Company will also use limited print, strategically placed. The annual research bares out this approach, as does industry research for public service campaigns like ThermWise. Mass media and the awareness/desire to act it creates is a necessary part of any behavioral change initiative. The National Institutes of Health states the following on mass media used to change behaviors:

“Mass media campaigns can work through direct and indirect pathways to change the behaviour of whole populations. Many campaigns aim to directly affect individual recipients by invoking cognitive or emotional responses. Such programmes are intended to affect decision-making processes at the individual level. Anticipated outcomes include the removal or lowering of obstacles to change, helping people to adopt healthy or recognise unhealthy social norms, and to associate valued emotions with achieving change. These changes strengthen intentions to alter and increase the likelihood of achieving new behaviours.³ For instance, an antismoking campaign might emphasise risks of smoking and benefits of quitting, provide a telephone number for a support line, remind smokers of positive social norms in relation to quitting, associate quitting with positive self-regard, or a combination of these features.

“Behaviour change might also be achieved through indirect routes. First, mass media messages can set an agenda for and increase the frequency, depth, or both, of interpersonal discussion about a particular health issue within an individual’s social network, which, in combination with individual exposure to messages, might reinforce (or undermine) specific changes in behaviour. Second, since mass media messages reach large audiences, changes in behaviour that become norms within an individual’s social network might influence that person’s decisions without them having been directly exposed to or initially persuaded by the campaign. For example, after viewing televised antismoking campaign messages, several members of a social group might be prompted to form a support group to help them stop smoking. Another individual who has not seen the television campaign could decide to join the support group and change his or her own behaviour.

Finally, mass media campaigns can prompt public discussion of health issues and lead to changes in public policy, resulting in constraints on individuals' behaviour and thereby change. For example, a campaign discouraging smoking because of its second-hand effects on non-smokers might not persuade smokers to quit, but it might increase public support for a new policy that restricts smoking in specific places, which might have the secondary effect of persuading smokers to quit."

<https://www.ncbi.nlm.nih.gov/pmc/articles/PMC4248563/>

In other words, changes in behavior work on two levels via a mass campaign. First, the campaign directly affects people via emotional or cognitive messaging. Second, the campaign affects change through indirect means such as increasing discussion about a specific topic or changing social norms within a given group. This is why the market transformation dollars are so vital to the ThermWise campaign. It creates awareness and a desire to make change. Plus, a behavioral change initiative like ThermWise can't be effective if people aren't aware of it. It's a necessary component to ensure ThermWise is successful as a program.

Trade/Consumer Shows

The Company will continue marketing the ThermWise programs through local events and promotions such as spring and fall home shows, local fairs, energy efficiency conferences, local business conferences, military related events, and other community events. This allows the Company to have direct contact with its customers and local leaders, distribute marketing collateral, answer questions, and provide useful and accurate information in regards to its energy efficiency programs. In an effort to increase awareness of the programs outside the Wasatch Front, the company has initiated involvement in more community events outside the Wasatch front, including county fairs and community events in more rural areas. In addition, many of these events allow "Therm" to interact with the Company's customers and further promote energy efficiency awareness and participation. Below is a list of marketing events through October 2018. The Company anticipates similar community marketing events in 2019.



2018 Marketing Events
Salt Lake Tribune Spring Home and garden show
Sandy City Safety and Efficiency fair
Pleasant Valley Preparedness Conference
Utah Safety Conference and Expo
Cyber Security Conference
Cache Valley Chamber Event
Autoliv Earth Week Event
West Valley City Spring Fest 2018
Governors Economic Summit
Prevention Awareness Day at the Bees
Varix Green Fair
Governors Energy Summit
Friends of Housing
Hill Air Force Event
Warriors Over the Wasatch Hill Air Force Base Air Show
Wells Fargo Green Fair
Cache County Fair
Tooele County Fair
Utah County Fair
St George Utah Fall Home Show
Ogden Utah Fall Home Show
Deseret News Fall Home Show
Edwards Life Sciences Conservation Event
Logan Utah Home and Holiday show
Womens in Business Conference

Revamp ThermWise.com Website

The survey results show that people look to the Dominion Energy website for conservation information. In addition, 63% of all website visits are generated from a mobile device. In 2019, ThermWise.com will be updated to be more mobile-friendly and search-friendly. It will also be remapped and reorganized, including the “clean the air” message along with other benefits.

<https://www.stonetemple.com/mobile-vs-desktop-usage-study/>





Engaging with Communities and Community Leaders

ThermWise wants to empower community leaders to better talk about joining Therm and Dominion Energy's ThermWise program in being good environmental stewards to help clean our air through participation in energy efficiency. Materials (what Faktory is calling a "toolkit") will be built to educate community leaders and provide them with resources and messaging that they can then take to their constituents. This toolkit will include printed materials, videos, infographics and presentations to help community leaders understand the need for conservation. Deeper partnerships with specific conservation-minded communities will also be explored.

Net Zero Homes Initiative

The Company plans to partner with Habitat for Humanity organizations throughout Utah in 2019 to promote Net Zero Homes. This proposed partnership will focus building homes that meet Net Zero Standards. A Net Zero Home is defined as an energy efficient building where, on a source energy basis, the actual annual consumed energy is less than or equal to the onsite renewable generated energy. In addition to renewables, these homes will include high efficient natural gas and electric appliances. The Company views this initiative as a foundation for the development of a robust and self-sustaining Net Zero Homes market in the years to come. The Company will partner with higher education institutions, local trade schools, contractors, and other interested parties to implement this initiative. An additional goal of this initiative is to train the next generation of contractors and tradesfolk in the production of Net Zero Homes. The Company anticipates the first project to break ground in spring of 2019.

RESEARCH AND EVALUATION OF SUCCESS

The annual research survey will be performed to ensure awareness/desire to conserve continues strong among the ThermWise target audience, along with verifying ThermWise remains strong in recognition. Beyond this, there is currently research underway with two respected research firms—Cicero and Christensen & Associates—to do environmental/clean air message testing among the general public and community leaders to ensure we're putting forth a consistent message that resonates.

