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State of Utah
DEPARTMENT OF COMMERCE
Office of Consumer Services

MICHELE BECK
Director

To: Public Service Commission of Utah

From: Office of Consumer Services
Michele Beck, Director
Cheryl Murray, Utility Analyst

Date: January 13, 2020

Subject: In the Matter of the Request of Rocky Mountain Power for Approval of its Eleventh-Year Strategic Communications and Outreach Action Plan and Budget for Demand Side Management. Docket No. 19-035-44

Background

On December 20, 2019, Rocky Mountain Power (RMP) filed with the Public Service Commission (Commission) a Request for Approval of its Eleventh-Year Strategic Communications and Outreach Action Plan and Budget for Demand Side Management (2020 Communications Plan). On December 24, 2019, the Commission issued a Notice of Filing and Comment Period allowing that interested parties may submit comments on or before January 13, 2020. The Office of Consumer Services (Office) provides the following comments pursuant to that schedule.

On June 22, 2009, Docket 09-035-36, RMP received Commission approval to implement an outreach and communications program for RMP's energy efficiency and peak management programs (Campaign). The Campaign was intended to increase awareness and participation in RMP's energy efficiency and peak reduction programs. Although initially approved for a period of three years, RMP has received approval annually since 2009 for its outreach and communications plans.

RMP proposes a budget of \$1.5 million for the 2020 Communications Plan and requests an effective date of January 20, 2019 (the Office assumes the correct date to be January 20, 2020).

Research Results

RMP hired two research firms, MDC Research and Escalent, to conduct on-line surveys of residential and commercial customers. RMP states that the results of the surveys show that RMP's

marketing and communications outreach efforts are having a positive effect with both residential and business customers.¹

The surveys identified five key takeaways:

- Familiarity with *wattsmart* and the importance of conversation remain strong.
- Customers are responding to real life examples. A key focus will continue to be on case studies and customer achievements.
- RMP will add more direct email and digital advertising directing customers to the redesigned responsive website in addition to advertising through television, social media, online, radio, and out-of-home.
- Customers feel it is important for RMP to help them conserve energy.
- RMP is the first source for energy efficiency information.

RMP's strategy is to use research to continually improve awareness efforts for energy efficiency to support *wattsmart* programs and energy conservation in general. Those efforts as identified by RMP include:

- Continue to promote "being *wattsmart*" to support Rocky Mountain Power's "Powering Your Greatness" brand essence that empowers customers with options to save energy and money
- Maintain targeted media channels while making adjustments for trends, cost and impact.
- Engage customers by increasing the use of online and direct email advertising.
- Increase outreach to inspire the next generation of energy savers with engaging energy efficiency education. Specifically, through increasing the number of schools reached with in-classroom energy education presentations.²
- Include annual program evaluation and monitoring in the Campaign to measure and verify plan delivery.

Proposed Budget

RMP requests approval of \$1.5 million for the 2020 Communications Plan, which covers the period from January 1, 2020 to December 31, 2020. Expenses associated with the 2020 Communications Plan were included in RMP's forecast of expenses in the DSM Deferred Account & Forecast Report filed November 1, 2019 in Docket No. 19-035-28.³ RMP expresses its belief that the "proposed budget is critical to the continued success of RMP's *wattsmart* program portfolio".

RMP includes a breakdown of the budget expenses by "tactic" as follows:

¹ The application provides additional detail regarding the surveys.

² Currently there are schools on a waiting list for presentations.

³ On December 23, 2019 the Commission acknowledged the DSM Deferred Account & Forecast Report as complying with the "relevant reporting requirements".

Tactic	Budget
Media	\$763,000
Creative/Production/Planning	\$295,000
<i>wattsmart</i> Business events and sponsorships	\$100,000
General PR and public affairs support	\$55,000
<i>wattsmart</i> School Curriculum Program	\$259,000
Research	\$28,000
Total	\$1,500,000

Approach and Campaign Components

RMP states that messaging for the 2020 campaign will “remind and empower customers to adopt energy-efficient behaviors and choose energy-efficient equipment to realize long-term financial savings as well as other operational and environmental benefits.” [Page 13]

It appears that much of the campaign will be focused on businesses and communities. RMP will use the success of the business program to provide greater familiarity with the benefits of energy efficiency for businesses and communities.

Results from MDC Research indicate the following:

“[O]ver two in five business customers agree that Rocky Mountain Power “Provides information on how to control energy costs” (41%) and “Offers solutions to help customers use energy efficiently” (41%). Perceptions are slightly lower for “Provides information about products and services that are of value to your organization” (36%) and “Helps your company/organization by providing incentives to save money on energy bills (32%). Small companies (less than 10 employees) are more likely than large companies (more than 20 employees) to disagree with all four statements. This finding reveals an opportunity for the Company to continue to create more engagement with smaller business customers.” [Application page 10]

RMP states that this research “indicates a need to maintain or increase awareness of *wattsmart* across all customer segments and particularly for small- to mid-size customers.” The Office agrees that increased efforts should be made to reach and provide programs that are relevant to small businesses. RMP indicates that the 2020 Plan is designed to promote awareness of the benefits associated with the *wattsmart* Small Business direct install (SBDI) program. The Office is hopeful that this will result in an increase in participation in the SBDI program. We encourage RMP to consider possible modifications to SBDI if participation does not increase as well as adding programs directed to small businesses.

Office Recommendation

The Office recommends that the Commission approve RMP's Eleventh-Year Strategic Communications and Outreach Action Plan and Budget for Demand Side Management.

CC: Michael Snow, Rocky Mountain Power
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