

From: **Dent, Dan** <ddent@nexant.com>
Date: Thu, Nov 6, 2014 at 2:15 PM
Subject: RE: Utah DSM Advisory Committee Meeting
To: Carol Revelt <crevelt@utah.gov>, Dan Gimble <dgimble@utah.gov>, John Harvey <jsharvey@utah.gov>, Sarah Wright <sarah@utahcleanenergy.org>

Hello Everybody,

It's been a while since we've chatted as I haven't been too engaged in the Utah EE markets the past four years or so. I hope you are doing well.

I still live and work in SLC, and with Matt Gibbs moving on earlier this year I've been somewhat re-engaging in QGC and RMP programs (supporting Bryan Haney). Anyway, I was on the PacifiCorp Advisory Group call today and was very interested in the "marketing" discussion at the very end of the call. Although Nexant (my current company) doesn't manage this piece for PacifiCorp, I believe PacifiCorp is doing the right thing(s) promoting the wattsmart® portfolio, especially in terms of reducing sponsorship spending and creating more targeted marketing and advertising approaches.

In fact, a couple months ago, working the Mike Orton and his Questar DSM team on strategy and planning for ThermWise in 2015, I uncovered/recognized some areas of concern in the QGC ThermWise Market Transformation spending as it relates QGC's "sports marketing" sponsorships and spending. In particular the significant amount of spending on the Utah Jazz Green Team campaign (roughly \$300K+/yr.). This spending is getting QGC and their customers virtually no return and this is proven by recent research QGC commissioned that showed only 2% of the survey respondents (QGC customers) were aware of ThermWise from "sports marketing" messaging. That is "aware" not even "participating" as a result of the sports marketing sponsorships.

Upon assessing these research results and other information, I wanted to provide a better marketing solution to QGC to keep the momentum of the ThermWise programs and increase the cost effectiveness the programs through greater participation that is directly tied to marketing efforts and spending. To this end, I assembled a talented, proven and local marketing team (Nexant, Wilkinson Ferrari & Company and ReDirect Digital Marketing) and together we presented QGC with what I believe to be a very good proposal to "repurpose" the sports marketing expenditures on community and customer marketing strategies and tactics that are actually measureable and highly likely to produce much greater benefit (including direct and measureable customer participation) for the QGC ThermWise programs and customers. Unfortunately, although this proposal was very well received and supported by Mike Orton and Barrie McKay, it was "shot down" by QGC Corporate Communications for what I believe are purely internal political reasons (I would be happy to provide my perspective on this).

In confidence, I wanted to share this information and our proposal we delivered to QGC (attached) for the following reasons:

1. QGC's annual filing is currently open and I believe this gives you as stakeholders and regulators a prime opportunity to question (or maybe even reject) the Market Transformation budget and the benefit that is being received. I know better than anybody the origination and purpose of the ThermWise Market Transformation budget, as well as the original strategies and campaign (because I developed them) and I also know the funds are being misused and not benefiting QGC customers (which I'm still one) or the ThermWise program in general.
2. Although self-serving, I would like you to be aware of capabilities that me and my team can bring to the table for Utah EE, DR and other utility or community initiatives that can or do have very attractive costs / benefits for Utah citizens, utility customers, communities and the utilities. We are very capable in many areas

(technical, marketing, design, research, etc.) and not afraid to tie results to our performance and compensation. This marketing proposal is just a minor example of what we can (are doing elsewhere) do for Utah.

3. Open the door going forward to any discussions you may be open to want have and that are appropriate where I can provide insight and/or support for helping to improve and sustain meaningful utility and/or EE initiatives within the State.

Please don't hesitate to contact me if you would like to discuss further or have other topics you'd like to chat about.

Thank you.

Sincerely,

Dan Dent

p.s. I'll be on vacation next week but would be available 11/17/14 or later should you want to connect.

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