
Energy Efficiency Program Proposal

ThermWise[®] Energy Comparison Report

Program Description

ThermWise Energy Comparison Report Background

The ThermWise Energy Comparison Report (ECR) is a customized report that includes a series of four graphical illustrations that show how a customer’s usage compares (confidentially) to other customers with similar housing and other characteristics. The goals of the ECR are help influence customers’ behavior, lifestyle, appliance purchases, shell measures, and to encourage customers to be more energy efficient, while boosting participation in other rebate programs including the ThermWise Home Energy Plan.

The ECR is available to customers via opt-in and opt-out programs. Customers may participate in these programs by visiting the Company’s website, DominionEnergy.com or by being selected to receive the ECR at regular intervals throughout the year. The program’s cost-effectiveness is measured based on an analysis of savings achieved for the program.

ThermWise Energy Comparison Report History

In 2010, Dominion Energy began researching utility behavioral-driven programs operating throughout the United States and reporting usage-analysis to residential customers. In 2011, the Company launched the first ECR. Since development, the ECR has been an integrated component of the Market Transformation Budget. In Dominion Energy’s 2015 Budget Filing, the Company launched the ECR as a stand-alone program and claims natural gas savings as part of the program. In 2021, the Company intends to maintain this program as a stand-alone program.

The following table describes the current and historical distribution of the ECR. The column labeled “Control” are those customers who have not received the ECR, in order to compare statistically against the recipients for the purpose of evaluating the program’s effectiveness.

ThermWise Energy Comparison Report Distribution

Description	Recipients	Control	Planned Group Discontinuance
Group A (Initial Pilot – November 2011 Launch)	8,000		December 2015
Group B (High Usage – December 2012)	25,000	15,000	May 2020
Monthly Opt-In (Opt-In as of August 2019)	4,600		Ongoing
Group C (Roll – Out – September 2013)	100,000	10,000	December 2017 Group Relaunch 2018
Group D (Roll – Out – November 2014)	100,000	10,000	Relaunch group November 2019 – 2020
Group E (Roll – Out – October 2016)	55,000	10,000	October 2020 November 2022 Relaunch
Group F (Roll – Out – (2017)	50,000	15,000	October 2021
Group G (Roll – Out – 2018)	50,000	25,000	October 2022
Group H (Roll – Out 2019)	25,000	12,500	October 2023

Group I (Roll – Out 2020) ¹	25,000	10,000	November 2025
Group J (Roll – Out 2021) ²	50,000	10,000	December 2026
Group K (Rolls – Out 2022)	25,000	10,000	December 2027

Elements of Comparison

Customers are compared to one-hundred premises that share the same dwelling type, are in the same weather zone, have similar square footage, and are built within the same time period. Additionally, the Company employs a comparison of homes based on a “similarity index” which is based off the 10,000 closest homes within a weather zone of base load, peak to base usage, and weather sensitivity. This similarity index is designed to account indirectly for things such as the efficiency of gas equipment, number of appliances, customer’s behaviors, and a home’s occupancy without having that specific information. When combined with dwelling type, weather zone, square footage, and year built, comparison groups are formed to create a benchmark by which a customer may understand how their natural gas usage ranks relative to other similarly categorized customers.

ThermWise Energy Comparison Report Savings

Now, operating in its seventh year as a stand-alone program, the Company proposes to revise and move the ThermWise Energy Comparison Report to mirror deemed savings. Since program inception in each budget filing, the Company has performed annual studies to verify the Energy Comparison Report’s effectiveness. To date, the Company has found that reports distributed by postal mail are the most effective at saving energy. Now, as a mature program, the Company will utilize the deemed energy savings approach to measure the program’s cost effectiveness. The program’s deemed savings is based on a weighted average of all prior Budget year’s filings. This also takes into consideration program attrition and persistence. The following table outlines the weighted average savings.

Budget Year Filing	Evaluation Population ³	Savings	Evaluation Population x Savings
2015	4,464	.53	2,365
2016	105,000	.76	79,800
2017	173,486	.65	112,766
2018	166,419	.79	131,471
2019	206,684	.99	204,617
2020	196,312	.56	109,934
2021	226,300	.65	147,095
Total	852,365		788,049
Weighted Average Dekatherm Savings ⁴			0.92

The Company also discounts participant attrition with the savings. In addition to the weighted actual savings, the Company calculates a level of persistence savings beyond one year and considers the historical savings average. The savings are calculated using third party persistence savings analysis. The Company calculates persistence savings to be 0.36 dekatherms for a total savings of 1.28 for all program participants.

¹ This roll out may include previous members of Group A.

² This roll out may include previous members of Group B and Group D.

³ The evaluation population is based on the respective group’s evaluation size at the type of evaluation.

⁴ This is a function of Annual Savings / Total Evaluation Population

ThermWise Energy Comparison Enhancements

In 2022, the Company plans to begin offering recipients of the Energy Comparison an option to receive email or text messages for Cold Weather Alerts. Recipients of the Energy Comparison Report may opt in to receive these alerts at any time. The Company sends these messages to customers the night before an extremely cold day based off the projected daily temperature for the next day. Approximately, the Company targets 5 – 10 Cold Weather Alerts events per winter season (November – March). The Company views this as an opportunity to engage with customers in a new way.

ThermWise Energy Comparison Report Future

In October 2021 expanded the program to Group J with 50,000 customers. The Company will continue to discontinue select groups in 2021 and where appropriate include some of those customers into new groups. In December 2022, the Company plans to start a new Group K with 25,000 customers by identifying new customers and consolidating prior groups that are no longer being distributed. For the report push strategy, the Company intends to maintain the frequency of five times per year.

As the Company continues encourages more energy savings through better appliance and shell measures in homes and businesses, Dominion Energy believes that behavioral energy savings will become even more important in reducing natural gas energy consumption. The ECR stands ready to aid in this transition. Dominion Energy will continue to reach more customers in this program and examine additional ways to engage customers and achieve behavioral savings.

The Company will continue to review the ECR process to examine ways to increase customer participation and improve the customer's energy efficiency. Any changes would not alter the general framework of the program as outlined above, but merely expand on and enhance the elements already in place.

ThermWise Energy Challenge Pledge Program

As mentioned previously, in the 2021 Budget Filing, in the 2018 Annual ThermWise Telephone Survey (performed by Lighthouse), a combined 29% of customers indicated that they participated in the ThermWise Rebate Program either to "save money" or "to protect the environment." Research further indicates that individuals that make a commitment to changing their behavior are more likely to follow through and do so.⁵

In November 2019, the Company launched a pilot program to give interested General Service residential customers the opportunity to make a commitment to saving energy. In Fall 2019, the Company launched the ThermWise Energy Challenge to approximately 2,000 enrolled customers. During the campaign, customers receive monthly status emails, text messages, cold weather alerts, and an end of year report from Dominion Energy. For this program, customers pledge their commitment towards energy conservation and the Company will provide opportunities for customers to exercise their interest through a formalized Dominion Energy program. In the 2021 program year the Company completed its two-year pilot. At the one-year mark of the pilot, the Company ran an evaluation to measure the pilot efficacy. The Company found average savings of 0.88 dekatherms for each participant.

Based off the results of the pilot program, the company intends to claim savings and expand this program to a second group of eligible customers in 2022 with a few minor modifications (Group B). Program solicitation for

⁵ Pallak, MS, Cook, DA, Sullivan, JJ (1980). "Commitment and energy conservation." In L. Bickman (Ed.), Applied Social Psychology Annual (pp 235 – 253). Beverly Hills

Group B will start in the summer of 2022 with the official start for Group B in November 2021. In turn Group B will run from November 2022 to October 2024. The Company anticipates 2,000 pledge participants. However, any GS residential customer with qualifying usage would be eligible.