

2020 Vision

A new norm of energy behavior —
Smart Energy Living

Presentation on Statewide California Clean
Energy Brand, Engage 360 June 14, 2010
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Commission

California Energy Efficiency Strategic Plan Marketing, Education & Outreach

Mission

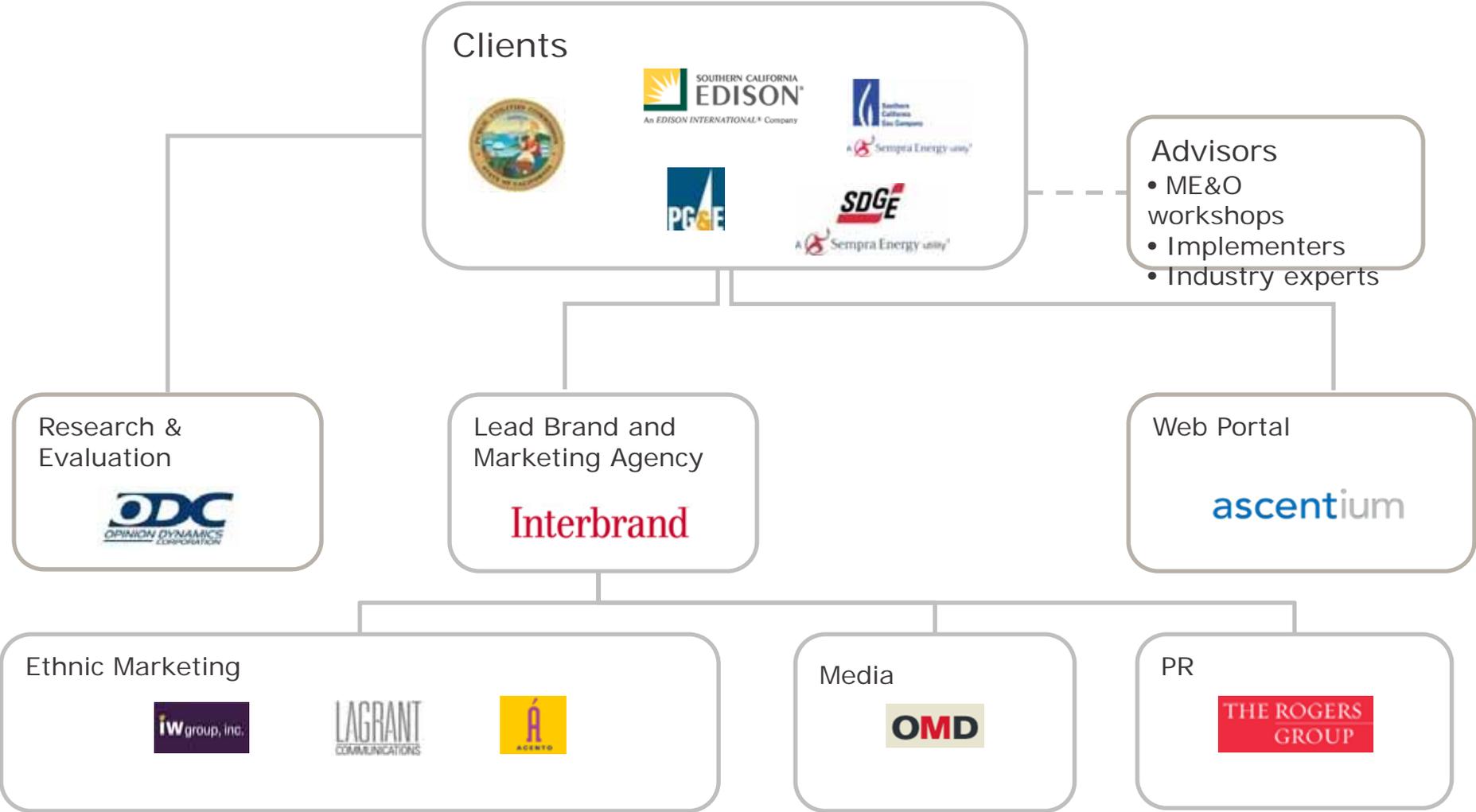
To increase consumer awareness and participation in demand-side management activities and to encourage behavior changes that save energy, reduce greenhouse gas emissions, and support clean energy solutions.

Vision

Californians will be engaged as partners in the State's energy efficiency, demand-side management and clean energy efforts by becoming fully informed of the importance of energy efficiency and their opportunities to act.

Mandated by CPUC Decision

Multiple Participants and Stakeholders



Our Goal Is Persistent Behavioral Changes

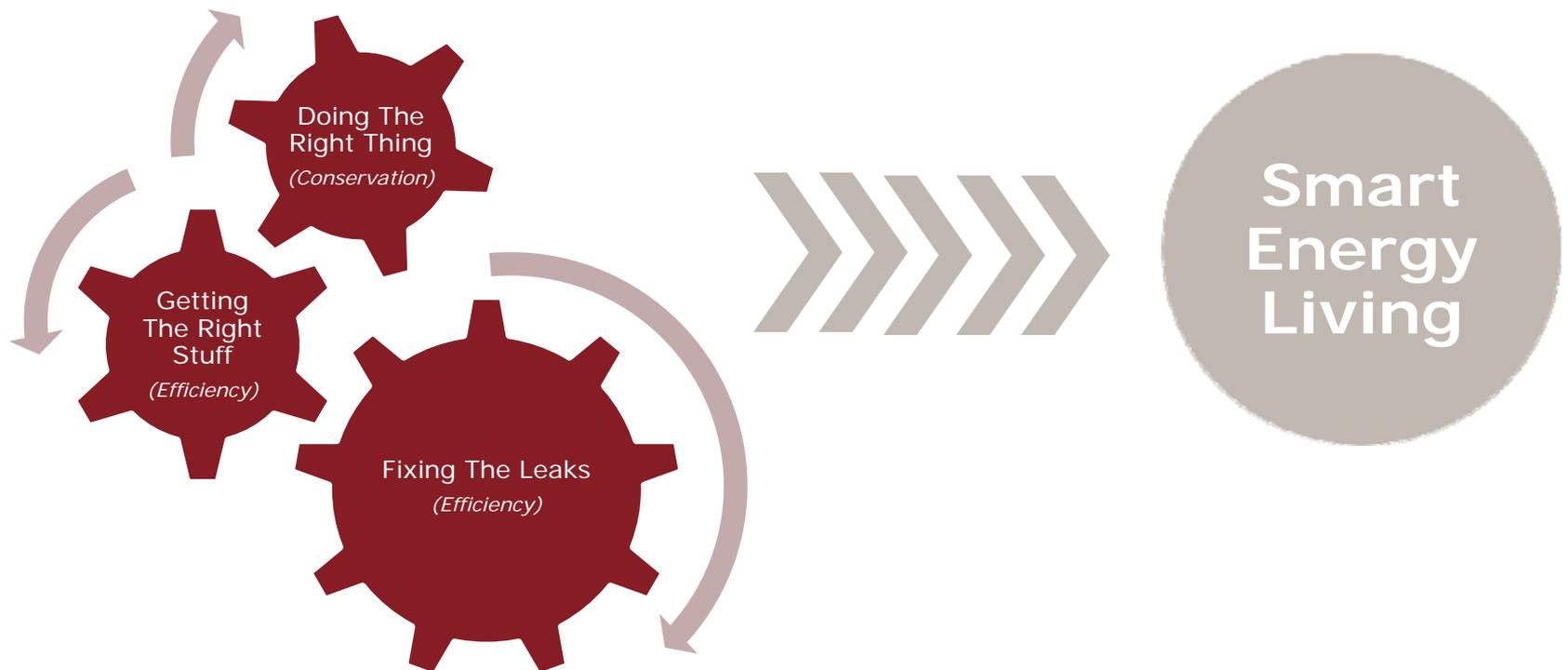
~~Create a new
marketing program
to promote
energy efficiency~~

Create a change
in behavior that will
effect a meaningful,
long-term reduction in
energy consumption

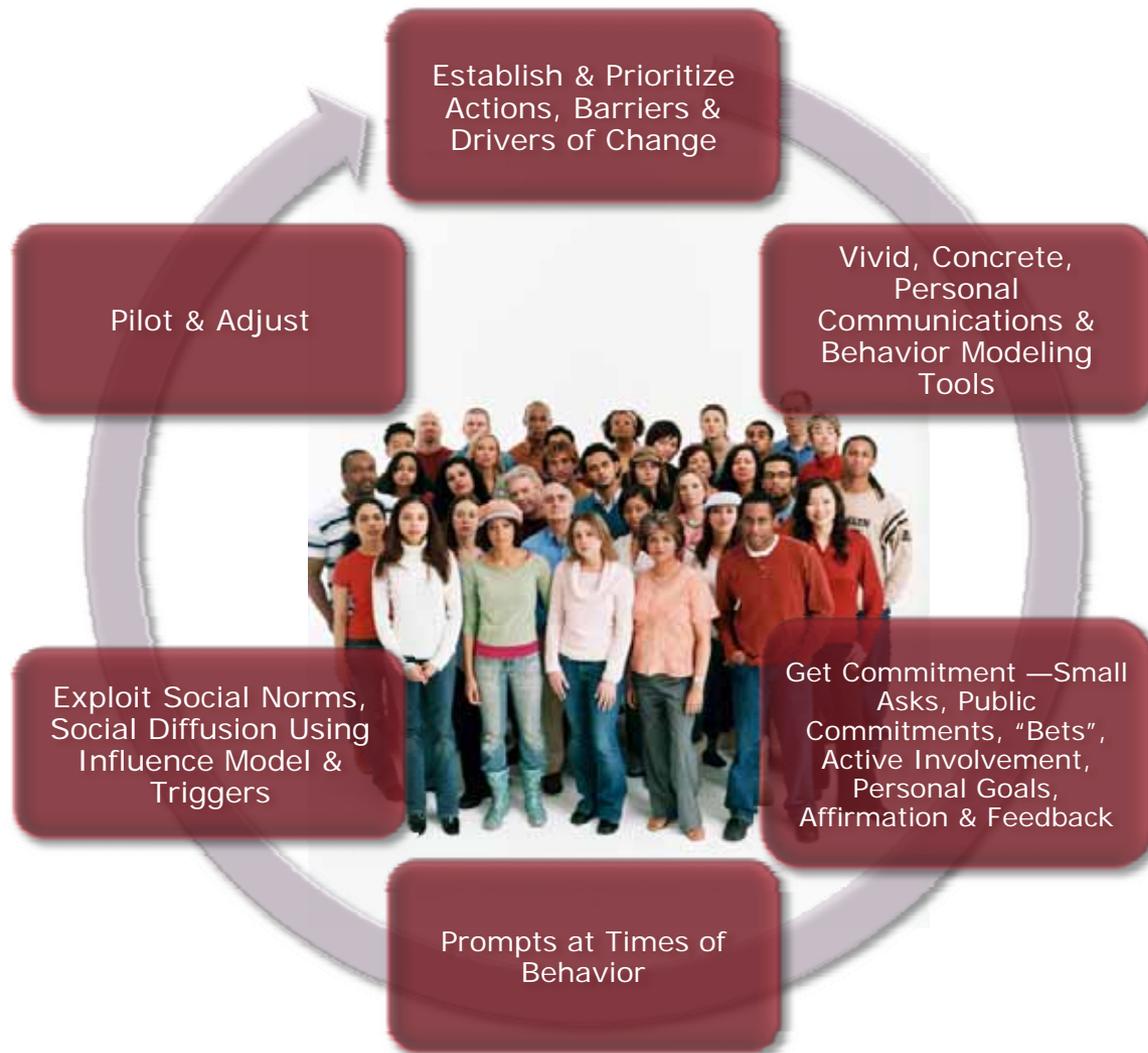
Smart Energy Living Behaviors

Smart Energy Living is powered by different behaviors performed at the right time by Smart Energy Users

AT THE RIGHT TIME

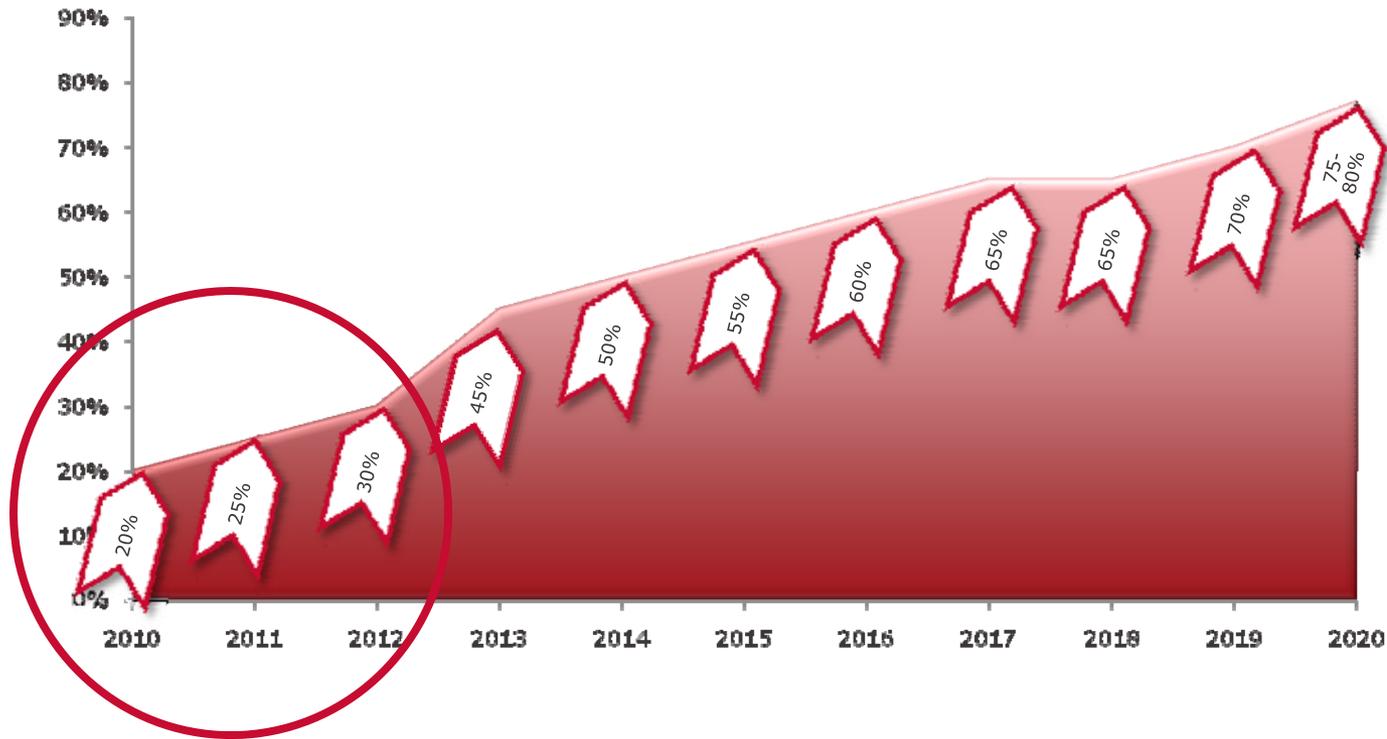


Marketing Approach for Behavioral Change



Source: *Community Based Social Marketing (CBSM.com) and Interbrand analysis*

Marketing Objective: Increase the Number of People Defined as "Smart Energy Users"



* Note: To be confirmed via CA Baseline research scheduled in 2010

Ethnographic Study (2008)

Language

- “Saving” is something I do; “wasting” is something others do
- “Energy conservation” is an action that I can do, because I can choose to reduce my energy use
- “Energy efficiency” is the property of an object, not something humans or Californians have control over day to day

Key barriers to being energy efficient

- Inconvenience
- Aesthetics
- Indifference
- Household dynamics
- Skepticism
- Safety/Comfort

The majority of households felt that they were “doing everything that they can” within the realm of their control

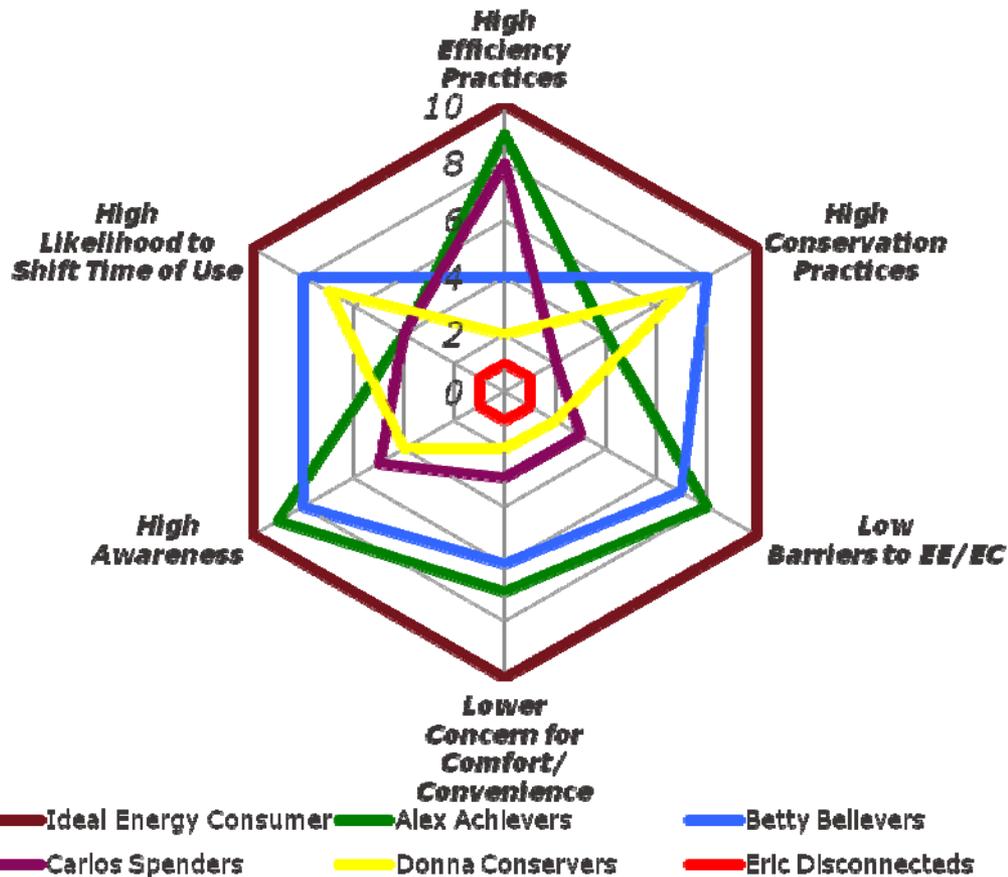
Five Unique Segments— Smart Energy Practices And Demographics

Meet...	Alex The Leading Achiever	Betty The Striving Believer	Carlos The Practical Spender	Donna The Thrifty Conservor	Eric The Disconnected
% Pop/Sample	20%	24%	18%	21%	17%
Efficiency Practices	High	Low	High	Low	Low
Conservation Practices	Low	High	Low	High	Low
Concern for Convenience & Comfort	Lower	Lower	Higher	Higher	Higher
Age	35 – 64	25 – 54	55+	25 – 34 & 65+	18 – 34
Income	\$75k+	\$50k – \$100k	\$30k– \$75k	< \$50k	< \$50k
Owner/ Renter	Owner	Renter	Owner	Renter	Renter
% Ethnicity per Segment	White 76% Hispanic 13% AA 3% Asian 5% Other 2%	White 61% Hispanic 18% AA 8% Asian 11% Other 2%	White 54% Hispanic 29% AA 6% Asian 10% Other 2%	White 49% Hispanic 35% AA 4% Asian 11% Other 1%	White 29% Hispanic 50% AA 14% Asian 8% Other 3%
% of Segment Residing in IOU Territory*	PG&E 42% SCE 40% LADWP 4% SDG&E 10% Other 3%	PG&E 40% SCE 35% LADWP 11% SDG&E 12% Other 3%	PG&E 34% SCE 50% LADWP 2% SDG&E 8% Other 5%	PG&E 37% SCE 40% LADWP 8% SDG&E 7% Other 6%	PG&E 32% SCE 45% LADWP 9% SDG&E 7% Other 6%

Source: Opinion Dynamics Corporation, 2009 * Population distribution by IOU: PG&E 40%, SCE 40%, SDG&E 10%, Other 10%

Five Segments Compared to The Ideal Smart Energy User

Californians of all segments fall short of the Ideal Smart Energy User

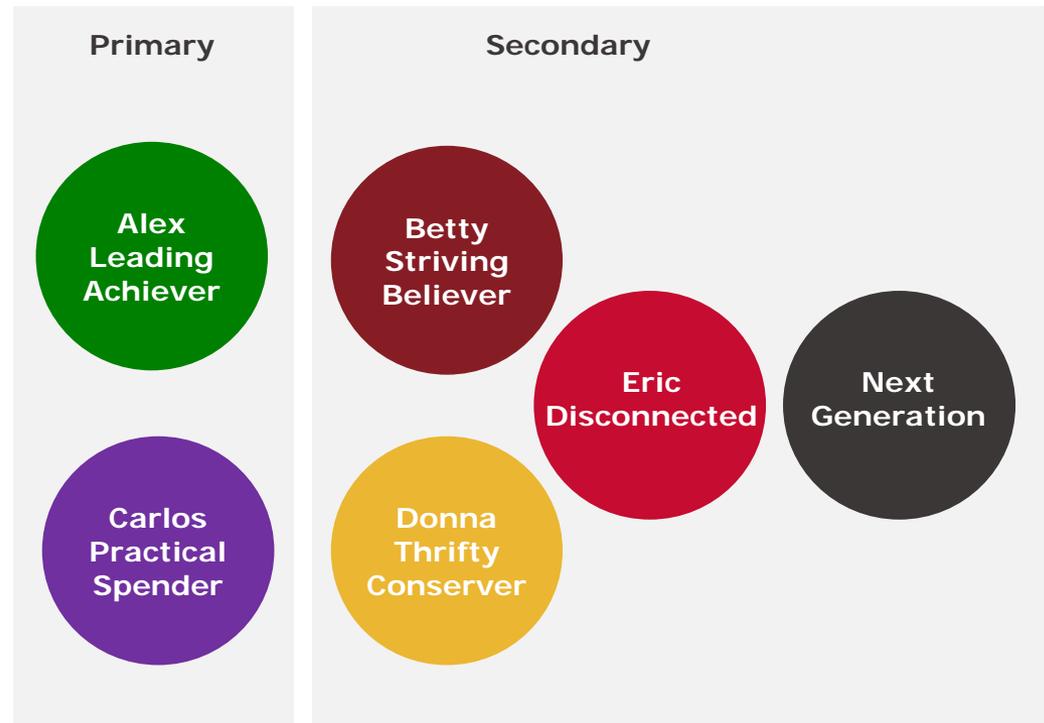


* Note: "High Awareness" = High level of awareness that EE is important, plus high awareness of EE/conservation messages
 Source: Opinion Dynamics Corporation, 2009

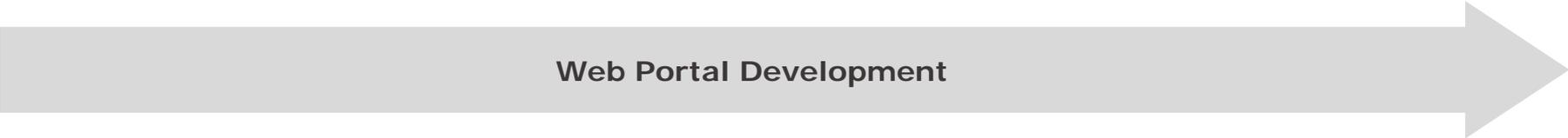
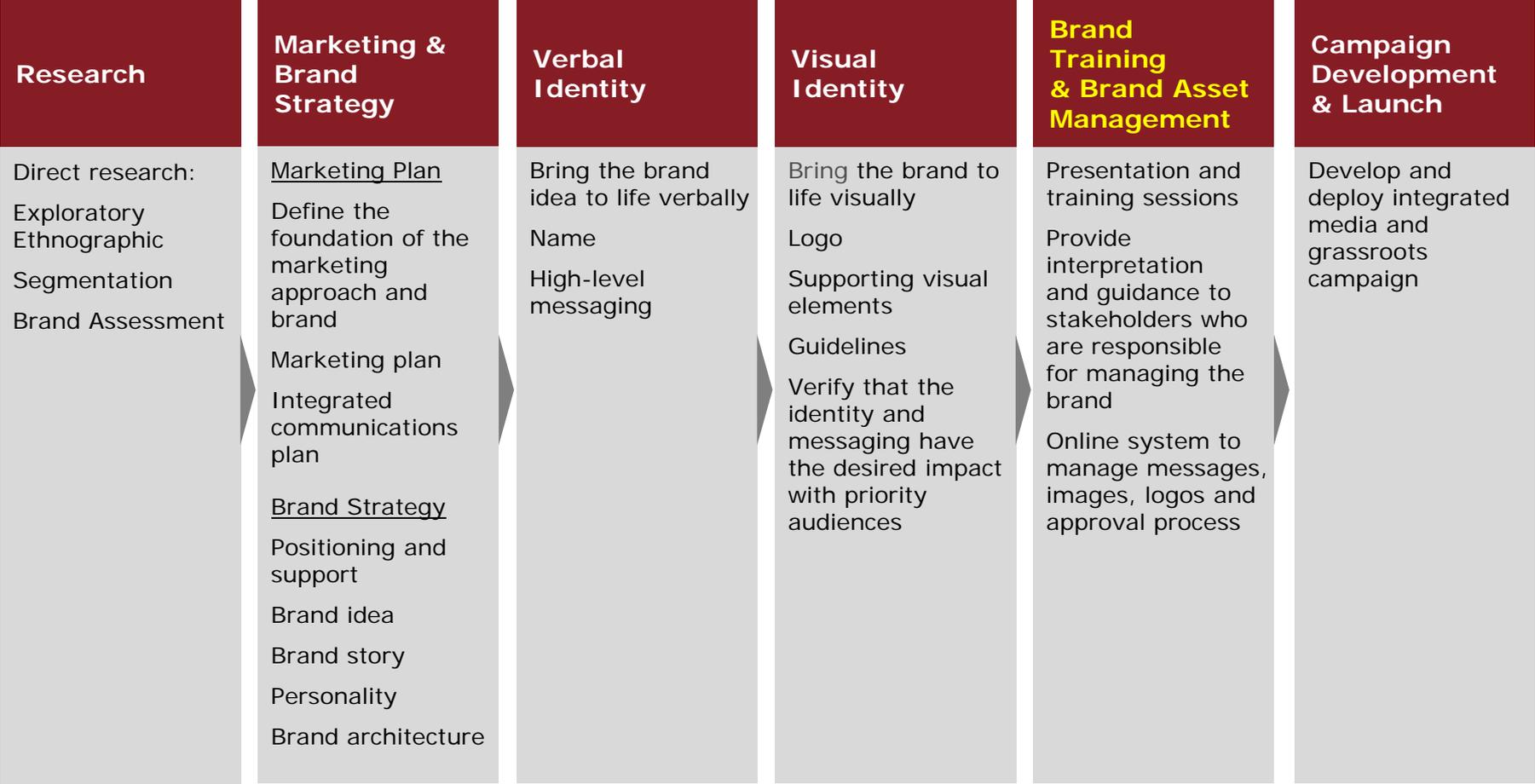
Marketing to a Mix of Primary and Secondary Adult Targets, using an “Influence Model”

Primary focus on the current segments actively engaged in saving energy (albeit for very different reasons)

- Because of attitudinal similarities, messaging addressing **Alex will influence Betty**; messaging addressing **Carlos will influence Donna**
- Eric and Next Generation will be influenced by the overall campaign, as well as primarily served by other direct programs and Market Actors (e.g., LIEE, CBOs, SmartPower, etc.)



Extensive Process to Create a Strategy and Brand



Brand Strategy: The Brand House

Brand idea: The motivating idea that inspires a change in behavior

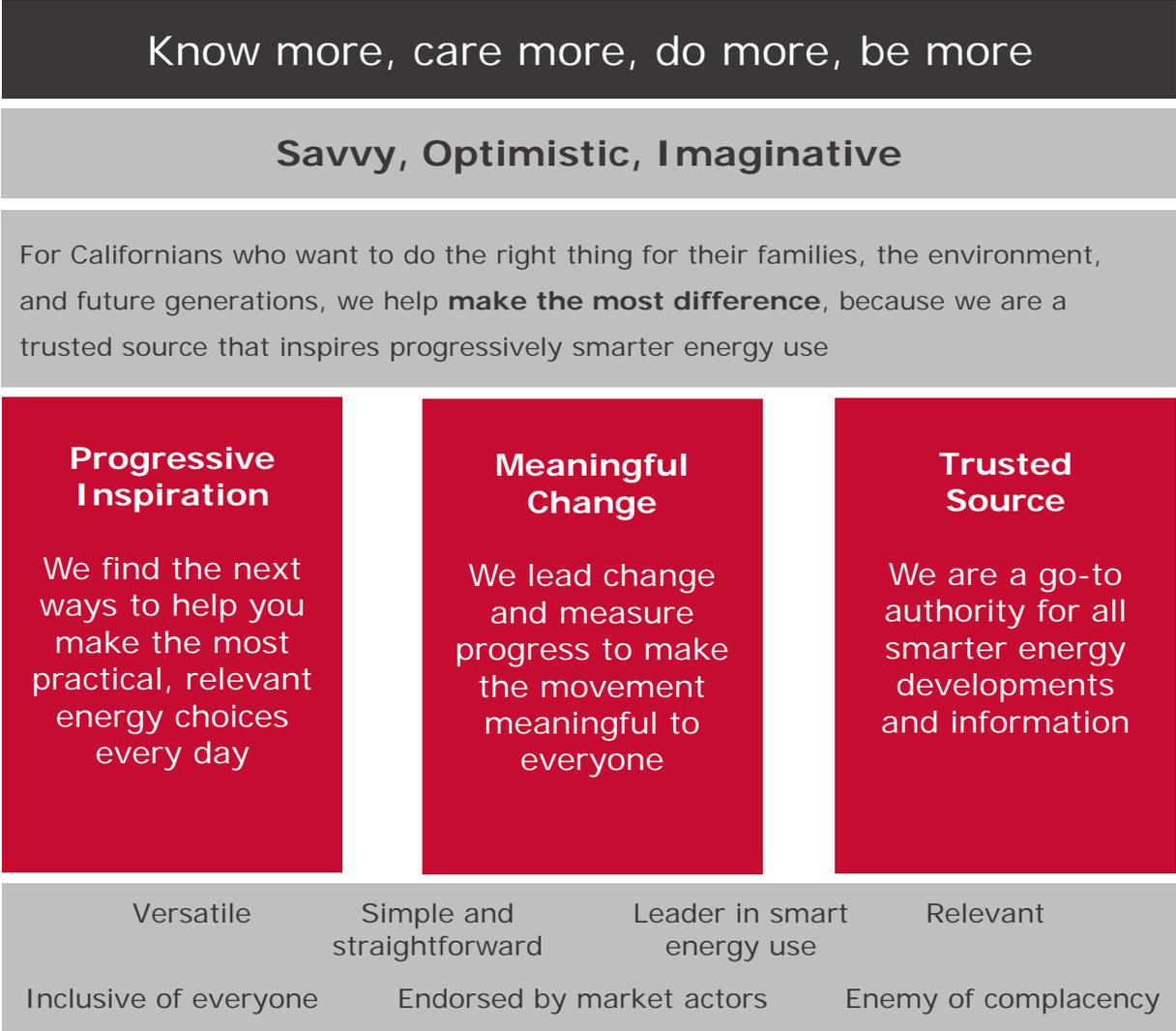
Brand Personality: How the brand speaks and acts

Brand Positioning: Who this movement is for, what we will help them do, and why they will care

Brand Pillars: Core attributes that drive behavioral change, accounting for both motivations and barriers. Combines key associations and frames how the brand communicates.

- Incorporates elements of success attributes
- Appeals to targeted segments

Foundational elements: Attributes that are critical to the success of broad-based movements



The Brand Story

It doesn't matter if you're liberal, conservative, independent, or other. Regardless of your ethnicity, income level, or age; where you live or what you do; whether you believe in global warming or not, one thing is for certain:

The world cannot continue to use energy at the same rate, in the same ways, from the same sources. It's simply not sustainable.

We need to change not only how we use energy, but how we think about using energy. We must re-examine our assumptions and actions and make new ones.

For some, this means adopting additional smart energy habits. For others, this will be a new way of looking at the world they live in. For all of us, it's a reminder that we need to increase our efforts on the journey toward a sustainable environment, economy, and way of life.

We will grasp the future and propel ourselves forward.

We will continue to be bold, decisive, and cutting-edge; innovative and unafraid.

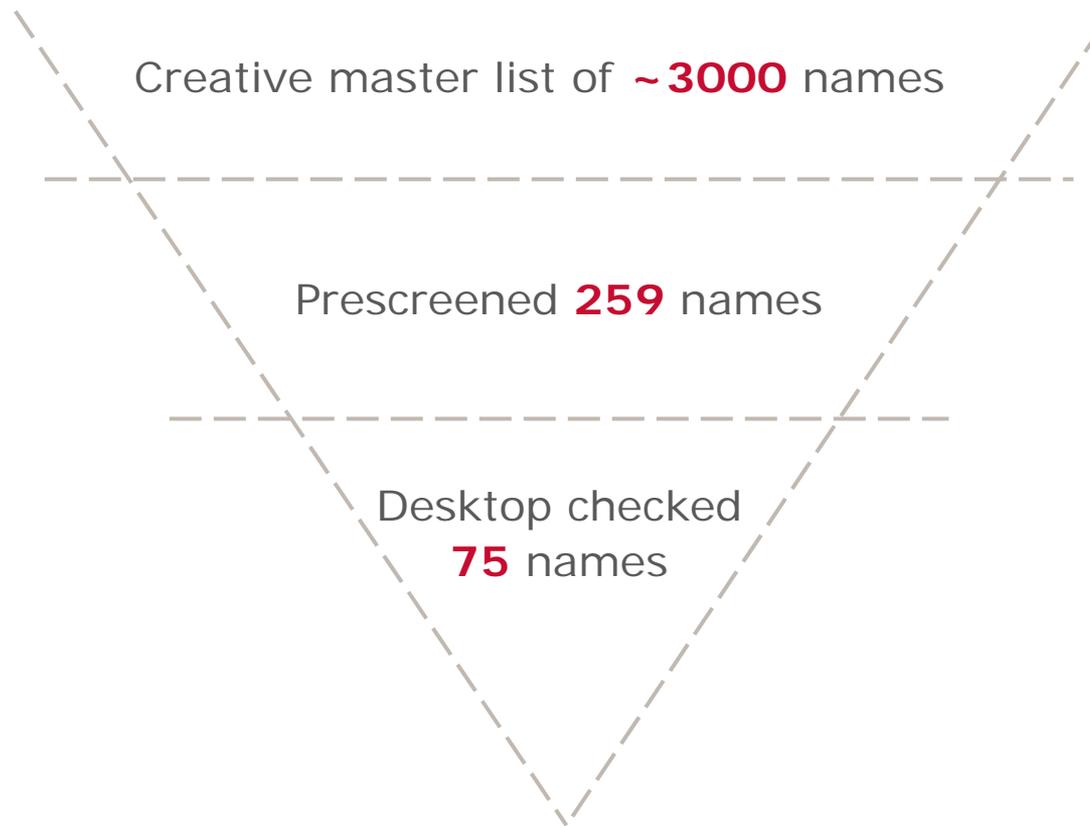
We will lead the US in smart, responsible energy use.

It won't be easy, and it won't be quick. Together, step by step, we will make a difference, today and every day.

Our path is clear: We must

Know more, care more, do more, be more

The Prescreening Process



9 names approved by legal



The Name: Engage 360

All-encompassing. 360 is a full circle – whole, entire. The name refers to all aspects of energy and your life.

Action-oriented. In an “energy” context, it asks you to be more connected with how you use energy, and more mentally engaged with energy as a whole. There is an implied invitation to change your behavior, using both your head and your heart.

Positive and optimistic. This is not a doom-and-gloom message. There is no “wrong” answer.

Open. It doesn't matter who you are or where you are in your energy-use awareness. Whatever you do, you can do something more. The first step is for you to see what can be done.

No end date. The smart energy movement is an ongoing, long-term process for the state of California, and will be for some time to come

Purposefully broad. This name can be used in conjunction with a wide array of energy programs, from electricity to gas to solar.

Of the people. It doesn't sound like a government program or a private company's pet project.

Branding partners



Color radiant backgrounds



Engage 360 Radiant Red Orange



Engage 360 Radiant Gold



Engage 360 Radiant Teal



Engage 360 Radiant Blue

Engage 360

SDGE
San Diego Gas & Electric

PG&E

EDISON

EDISON



This concert is energy smart.

Yeah!

Just look around.

Yeah!

Engage 360

engage360.info

Engage 360

engage360.info

Engage 360



Summary



Engage 360



Web Portal—The Online Brand Experience

Illustrative Beta Site

beta portal

Discover Connect Post

Home > Discover Search Content:

TOPICS PEOPLE GROUPS CONTENT

Welcome

Join our network of energy expertise. This portal is a home for collaboration and best practice sharing for policymakers, practitioners, utilities, environmentalists and the private sector to work towards a bright green future.

Latest Members	Latest Groups	Latest Content
	<p>Marketing & Outreach Best Practices 10 Members</p>	<p>Using Earned Media for Energy Efficiency Education</p>
	<p>EE Program Best Practices 7 Members</p>	<p>Light-Emitting Wallpaper</p>
	<p>Local Government 2 Members</p>	<p>U.S. Dept. of Energy Website for Energy Efficiency & Buildings</p>
	<p>EE Strategy Implementors 7 Members</p>	<p>Computer Data Centers & the need for increased energy efficiency</p>
<p>Show All</p>	<p>EE Portal Beta Group 22 Members</p>	<p>Social Norms and Energy Conservation</p>
		<p>CPUC sponsored research on behavior and energy efficiency</p>
		<p>NYSERDA energy efficiency "how to save energy" videos</p>
		<p>NYSERDA Energy Efficiency TV Ads</p>

Thank you!



Summary of IOU Whole House Retrofit Incentive Packages

“Energy Upgrade California”

Prescriptive Whole House Retrofits:

- Target of 20% savings/home across IOU service territories
- \$1,000 incentive
- Required homeowner installation of comprehensive set of measures: air sealing, attic insulation, duct sealing, wrap hot water pipes, combustion safety test
- BPI certification likely required for combustion safety test; otherwise, valid contractors licenses
- Available in all IOU service territories by September 1, 2010
- Target: Available in PG&E territory where SEP retrofit programs available in summer, 2010

Summary of IOU Whole House Retrofit Incentive Packages

"Energy Upgrade California"

Performance Whole House Retrofits:

Required 20% savings/home across IOU service territories

\$3,500 incentive

Prescriptive measures installed if not already and: wall insulation, distribution system, heating and cooling equipment installation, variable speed motor air handler, pool pump and motor

Additional measures recommended as needed: appliances, visual in-home displays, room air conditioners, shower heads, thermostatic low flow restrictive valve; faucet aerators

HERs II test in and test out required

Contractor BPI accreditation and 2 BPI certified technicians on contractor team

Follows energy efficiency loading order

Available in all IOU service territories by September 1, 2010

Initial Allocated Funding from CPUC/IOUs (2010-2012): “ Energy Upgrade California”

- \$115 million for combined prescriptive and performance packages (2010-2012)
- Target of 42,000- 54,000 homes in 2010 - 2012
- Will feature as major component of \$30 million/year Engage 360 marketing campaign
- IOU participation in CEC-organized Clean Energy Workforce Training Summits
- Collaboration on Energy Upgrade California brand development and marketing

Brand Architecture Considerations

Tier 1
Communicative
Brand

Engage 360

"Offer"
Categories

*Free
Equipment and
Services*

*One-off
Incentives &
Rebates*

*Retrofit
Incentives /
Certification*

*Audits /
Assessments*

*Demand
Response
Requests*

Tier 2
Family brands

(Low Income EE)

n/a

Energy Upgrade
California

(TBD)

(TBD)

Tier 3
Offerings/
Programs

Weatherization
Energy efficient
appliances
Energy education
services

Home Energy
Efficiency Rebate
Program (HEER)
Residential
Lighting Incentive
Program for Basic
CFLs
Advanced
Consumer
Lighting Program
Appliance
Recycling Program
Business and
Consumer
Electronics
Program
Solar/Wind
self-generation

SEP, ARRA and
"Home Star"
Retrofit Funding
Prescriptive Whole
House Retrofit
Program
Savings by Design
California
Advanced Homes
Energy Star
Manufactured
Homes

Home Energy
Efficiency Survey
Program (HEES)

Regional + Local
"Power Save Days"
or
"Power Save Times"

Engage 360 can help Energy Upgrade California:

Inspire people to take action

Bolster awareness and visibility – “air cover” and amplification

Radio, TV ads, statewide campaign

Reduce attitudinal barriers

Leverage grassroots

Reduce confusion

Energy Upgrade California can benefit the Engage 360

Provides clear gateway to engagement;

Provides strong connection to taking action

Highly visible and backed by significant investment

Will make a big, tangible difference in people's lives – comfort, health, jobs, energy savings

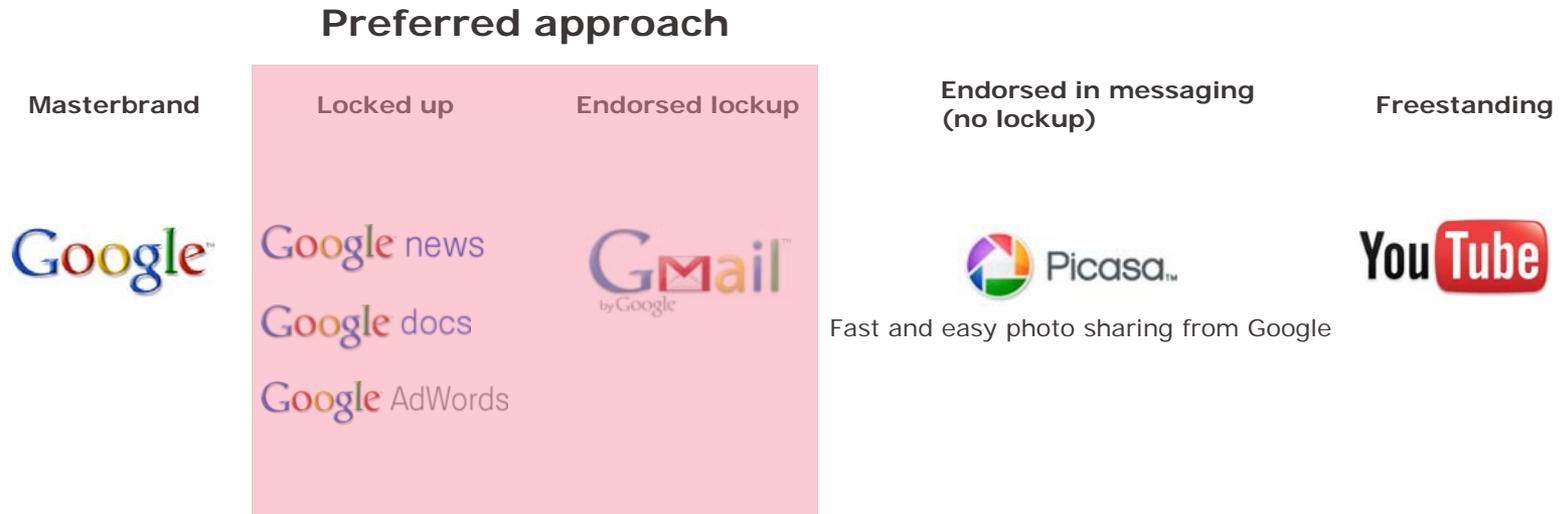
Risks

Any scams or scandals affecting one brand can affect the other (e.g. BP and Arco)

Lack of control of communications – limited visibility, brand could get diluted or off-strategy

Engage 360 becomes “the brand that gives you rebates”

Preferred approach: a close relationship with the Statewide brand (Engage 360)



Is it clear that Energy Upgrade California is an important program?
Is it clear that Engage 360 is the “parent” brand?