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National Grid Rhode Island System Reliability Procurement Pilot: 2013 Marketing Effectiveness Findings

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1. Executive Summary

This report presents the 2013 Marketing Effectiveness Analysis of the Rhode Island System Reliability Procurement (SRP) pilot in the towns of Tiverton and Little Compton. The SRP pilot was designed to determine whether demand-side management could be an effective method of reducing peak demand on the Tiverton substation, which serves over 5,000 customers in the pilot communities.¹ Starting in March 2012, National Grid increased marketing and outreach to encourage participation in select statewide energy efficiency programs, enrollment in SRP DemandLink offerings (WiFi programmable controllable thermostats and Smart Plug window AC control), and enrollment in SRP-specific energy efficiency offerings (Window AC Rebates and Recycling). This report presents research to determine how pilot marketing has contributed to participation goals over the duration of the pilot and examines the following outcomes:

- Program participation rates
- Inquiry rates (e.g., leads, marketing response)
- Marketing awareness and influence
- Participant and non-participant feedback on DemandLink offerings (from focus groups)

Findings in this report cover the period January 1, 2013 through December 31, 2013. Where possible, we also provide program-to-date values, starting in March 2012.

Key Findings and Recommendations

In its second year of implementation, participation in National Grid's EnergyWise program exceeded planning projections. The pilot also met residential WiFi thermostat planning projections and participation goals among participants with central air conditioning (CAC), even after a slow first year: While DemandLink participation did not meet 2012 goals, participation levels in 2013 brought cumulative participation from 2012-2013 in line with goals. However, participation among customers with window AC was generally lower than expected across all program components: The pilot did not meet participation goals or measure installation projections for DemandLink Smart Plug installations, nor did it meet planning projections for the window AC rebate and recycling efforts.

The pilot's success in reaching DemandLink WiFi programmable thermostat goals for CAC customers and exceeding EnergyWise participation goals suggests that the combination of ramp-up efforts in 2012 and direct marketing in 2013 were effective in 1) increasing awareness and knowledge of those program offerings and 2) encouraging participation. However, this was the first year that the program offered and marketed window air conditioning measures to customers. Based on the results for CAC-related DemandLink WiFi programmable thermostat over the past two years, some ramp-up period in measure adoption may be expected among window air conditioning customers.

Still, there is some evidence, based on focus groups, that some customers may not understand the program design or the benefits of the DemandLink WiFi programmable thermostat offerings (with and without Smart

¹ Not all customers in the towns of Tiverton and Little Compton are served by the two sub-feeders (33 and 34) that are the focus of demand reduction efforts. Therefore we make distinctions throughout this report between success metrics for the two towns overall, or specific to customers served by sub-feeders 33-34 (which we refer to as "the Tiverton substation" or "the substation").

Plugs). In addition, some customers with window AC appeared skeptical about how the Smart Plug technology would add value when coupled with their current usage behaviors, which they perceived as not requiring automation. Other customers appeared unsure if the time it takes to participate would outweigh the benefits. These customers may perceive the benefits as greater if they understand how the equipment may be used with other systems or appliances, including home heating. These findings suggest that efforts in the third program year should continue to streamline and clarify these offerings for customers, while maintaining transparency regarding the reason for conducting the pilot.

With respect to the lower-than-expected uptake of window air conditioning and recycling rebates, the program did not market or offer these rebates until the middle of 2013. Based on results from this first year of window AC offerings, it is too early to conclude whether these offerings will succeed in meeting longer-term participation objectives. Window AC penetration rates among program leads are in line with statewide averages, suggesting that the technical opportunity to participate may exist among customers in the pilot area (though the ability to realize expected savings through window AC measures is yet to be determined).

The dual-pronged direct marketing strategy that began in spring 2013 – a combination of direct mail and telemarketing – seems to have been effective in generating leads and increasing program participation in EnergyWise and DemandLink offerings. Leads increased dramatically during the telemarketing period, and the majority of these leads were among customers fed by the Tiverton substation, who were the target of telemarketing efforts. Nearly half (47%) of surveyed EnergyWise participants indicated that they first heard of the program through direct mail – a greater proportion than reported first learning about the program from an outbound phone call – suggesting that the mailings were effective in introducing customers to the program before they received a call.

2. Program and Marketing Overview

The pilot's second-year activities centered on enrolling residential and commercial customers in three programs that are offered exclusively to customers in the Tiverton and Little Compton pilot area:

- **DemandLink Programmable Controllable Thermostat Program.** Provides temperature control devices – WiFi Programmable Controllable Thermostat and Smart Plugs – to customers in Tiverton and Little Compton when they agree to participate in demand optimization events for two years. Customers receive an annual bill credit for participating in all demand optimization events. Customers must have a Wi-Fi internet connection and Window Air Conditioning or Central Air Conditioning to be eligible. For calendar year 2013, the pilot projected installing 50 programmable controllable thermostats in homes with central cooling, 200 Smart Plugs in homes with window or room air conditioning, and 10 thermostats in commercial facilities.
- **DemandLink Window Air Conditioner Rebate Program.** Between May 1 and September 1, 2013 National Grid offered customers in Tiverton and Little Compton a \$50 rebate for the purchase of qualifying new window air conditioning units. Equipment was required to have an EER greater than or equal to 10.8 EER to qualify. The pilot projected providing rebates for 250 new ENERGY STAR® rated air conditioning units.
- **DemandLink Window Air Conditioner Recycling Program.** Between May 1 and September 1, 2013 National Grid offered customers in Tiverton and Little Compton a \$25 rebate for each of up to four window air conditioners they recycled. The pilot projected providing rebates for 125 recycled units in 2013.

In addition to these SRP-specific offerings, the pilot encouraged participation in existing energy efficiency programs that may contribute to pilot savings: EnergyWise and Small Business Direct Install (SBDI). These two programs each perform two functions: 1) they are a platform for determining DemandLink eligibility and encouraging DemandLink participation and 2) they offer direct install energy efficiency measures that can help reduce peak load on the target substation. The pilot projected performing 200 EnergyWise Home Energy Assessments and performing direct installations in small businesses resulting in 258,563 kWh savings in 2013.²

To fulfill these planning projections, National Grid has increased marketing efforts for the above DemandLink programs and for the two statewide energy efficiency programs. Pilot marketing efforts in 2013 focused heavily on direct marketing to the entire eligible customer base (all residential and commercial customers served by the Tiverton substation). Between April and July of 2013, National Grid launched a series of direct mailings to eligible customers. Each wave of letters was followed immediately by telemarketing calls conducted by the telemarketing agency RAM. In addition, National Grid hosted a community event in July and dropped a postcard and email in September and November, which featured new, community-focused messaging.

² Based on communications from National Grid, these are 2013 planning assumptions. These assumptions may differ from the most recent participation goals, filed in November of 2012.

Figure 2-1. 2013 SRP Marketing Timeline

	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
Direct Mail				■	■	■						
Outbound Telemarketing				■	■	■	■					
Community Event							■					
Postcard Mailing									■			
Email											■	

The following is a summary of each of the outreach efforts made in 2013.

- **Direct Mail.** National Grid sent two rounds of direct mail to 4,790 residential customers and 340 commercial customers in Tiverton and Little Compton. Each customer received a packet containing an introductory letter, a pamphlet, and an application form for the DemandLink Window Air Condition Rebate and Recycling Program. The message of these materials centered on the DemandLink Programmable Controllable Thermostat Program, the DemandLink Air Conditioner Rebate and Recycling Program, and the EnergyWise Home Energy Assessment Program. National Grid sent two rounds of mailings to customers, both in five waves. They sent the first between April 19 and May 17, 2013 and the second between May 24 and June 21, 2013. These mailings included a phone number and email address directing customers to reach out to the telemarketing team for more information.

- **Outbound Telemarketing.** National Grid utilized a professional telemarketing team, RAM, to conduct two rounds of outbound telemarketing to all customers in the qualified areas of Little Compton and Tiverton following each of the direct mail waves. The RAM team utilized a call script to identify qualified leads for the DemandLink Programmable Controllable Thermostat Program and the Window AC Rebate and Recycling programs. Using the script, callers provided a brief overview of the DemandLink and EnergyWise programs, questioned customers on the presence of central AC, window AC and WiFi capabilities, walked customers through offers relevant to them, and collected contact information for interested parties. RAM then passed this information on to RISE Engineering to follow up and set up a time for an installation. Conversely, if the customer was not interested in any of the offerings, the script instructed the caller to obtain a reason for disinterest.

Beginning in April 2013, RAM made calls to 4,637 phone numbers. The team called each number one time in the first round. In July, the RAM team began a second round of follow up calls to 3,700 non-participants with working phone numbers.

- **Community Event.** National Grid hosted an Energy Awareness Day event at the Muddy Moose Café in Tiverton on July 16. A postcard mailing invited residents of Tiverton and Little Compton to attend the event to learn about how to save money by participating in DemandLink programs.
- **Postcard Mailing.** National Grid mailed a postcard to customers in Little Compton in Tiverton in late September. The postcard tested new messaging which positions the DemandLink programs as being beneficial to the local community in addition to the individual customer, “Good for you. Good for our community. Good for everyone.”
- **Email.** National Grid sent an e-mail blast to approximately 50% of the pilot target audience in early November. The email had a community focus that encouraged participants to sign up for the

DemandLink programs and join their neighbors who have already taken steps to reduce their electricity consumption.

These activities are in addition to ongoing statewide marketing that may advertise or market to customers in the pilot towns.

3. Summary of Program Leads and Participation

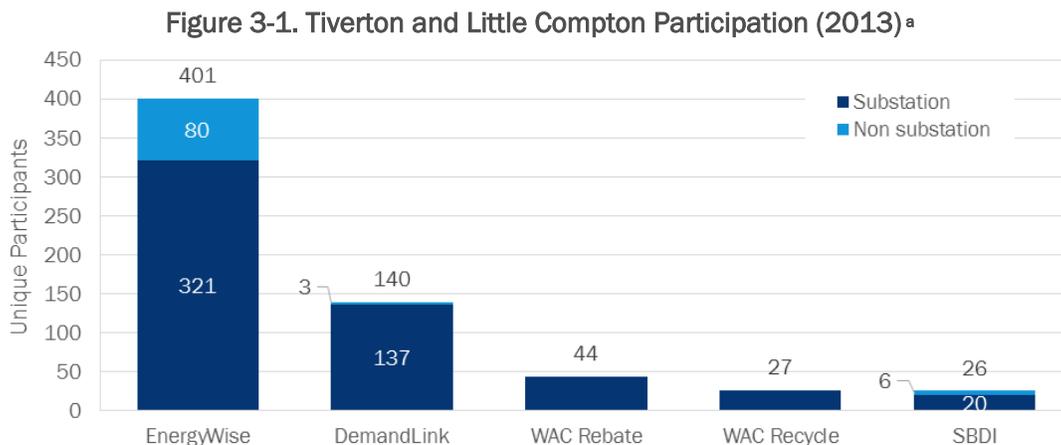
This section describes program participation and program leads (from inbound requests or outbound telemarketing) from the following perspectives:

1. Overall participation and leads summary, by program component. Leads are defined as requests to participate in a program, which could occur through an inbound channel (e.g., an EnergyWise audit request, or inbound call regarding DemandLink offers), or when a customer signs up for a program in response to telemarketing.
2. EnergyWise program participation rates and “pre-participation” success metrics (such as response rates to outbound calling and marketing, and inbound calls to the program implementer)
3. DemandLink WiFi Programmable Thermostat and Smart Plug participation rates and pre-participation success metrics
4. DemandLink Window AC Rebate and Recycling participation rates and pre-participation success metrics
5. Small Business Direct Install (SBDI) participation

3.1 Overall Participation and Leads Summary

3.1.1 Participation

The figure below summarizes 2013 participation in the five key pilot program components: EnergyWise Home Energy Audit Program, DemandLink Programmable Controllable Thermostat Program, DemandLink Window Air Conditioner Rebate and Recycle Programs, and SBDI Program.



^a EnergyWise and DemandLink counts include a minimal number of commercial customers. Based on rate code, four customers on the Tiverton substation participated in EnergyWise in 2013. Based on the program implementer’s customer classification, two commercial customers installed WiFi programmable thermostats.

Enhanced telemarketing efforts that began in April focused on a list of 4,637 residential and commercial customers served by the Tiverton substation. Outbound calling efforts succeeded in reaching 1,172 (75%) of these customers and generating 565 leads (12%). The RAM team used a call script to identify and pass along qualified leads to RISE who would then begin the participation process. The RAM callers recorded a disposition for each call that included the program – EnergyWise, DemandLink, or both – of interest to each customer. A summary of the response results is provided below.

Table 3-1. Summary of RAM Telemarketing Dispositions, 2013

	Residential (n=4,297)	Commercial (n=340)	Total (n=4,637)
No response	73%	87%	74%
Do Not Call/Hung Up	1%	1%	1%
Reached but Not a Lead	13%	7%	12%
EnergyWise Lead	5%	1%	4%
DemandLink Lead	3%	2%	3%
EnergyWise and DemandLink Lead	5%	1%	5%
Participant had already signed up	1%	1%	1%

The following sections present participation and lead information for the key program components.

3.2 EnergyWise Program

3.2.1 Participation

Participation in the EnergyWise Program is a key measure of the pilot’s success marketing EnergyWise and of the pilot’s potential to recruit DemandLink participants. For the purpose of this evaluation, we report findings for (a) the pilot communities overall and (b) the subset of Tiverton and Little Compton customers who are on substation feeders 33 and 34. The 2012-2013 impact analysis (forthcoming in 2014) will provide comparative analysis of EnergyWise participation rates in the SRP communities and similar, non-pilot towns in the same period.

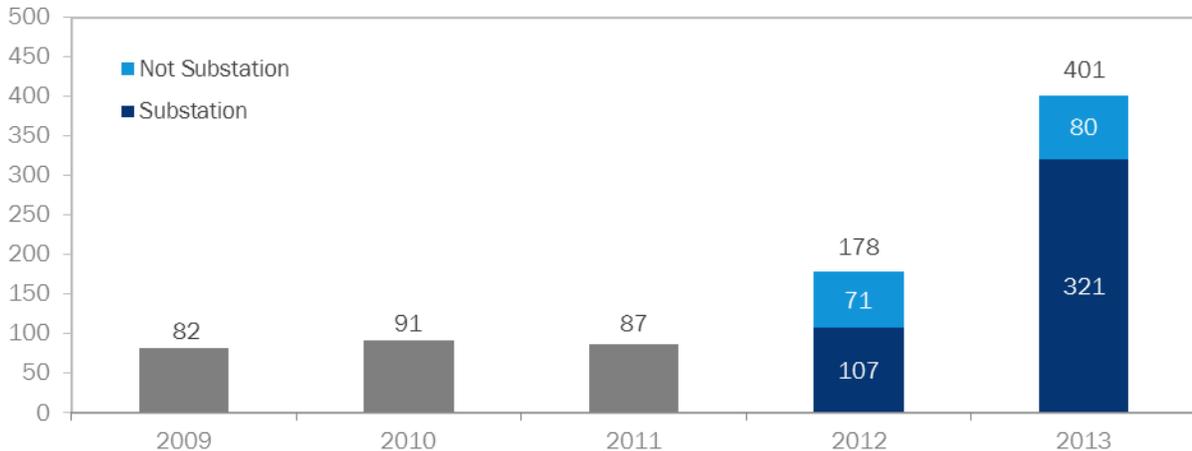
The figure below shows annual participation counts in the towns of Tiverton and Little Compton.⁴ Participation in the SRP communities was fairly stable in 2009-2011, with between 82-91 audits per year. In 2012, participation increased to 178 audits. Participation continued to increase in 2013, ending the year with 401 audits overall and 321 audits among Tiverton substation customers, putting the pilot ahead of its projection of 200 audits (among substation customers) for the year.

The total participation for 2013 represents a 125% increase over 2012 totals and 238% over the average participation for the previous three years (2010-2012). In addition, the proportion of audit participants who

⁴ Participation counts are based on the number of facilities with site visits in each year (based on Facility ID), where year is determined by the month in which the site visit occurred, and facilities could have had more than one electric account audited (if multifamily). Visits are assigned to a region based on the town name. A very small number of participants may have commercial rate codes.

are served by the substation increased significantly in 2013. In 2013, substation customers comprised 80% of the total participant pool compared to 60% in 2012.

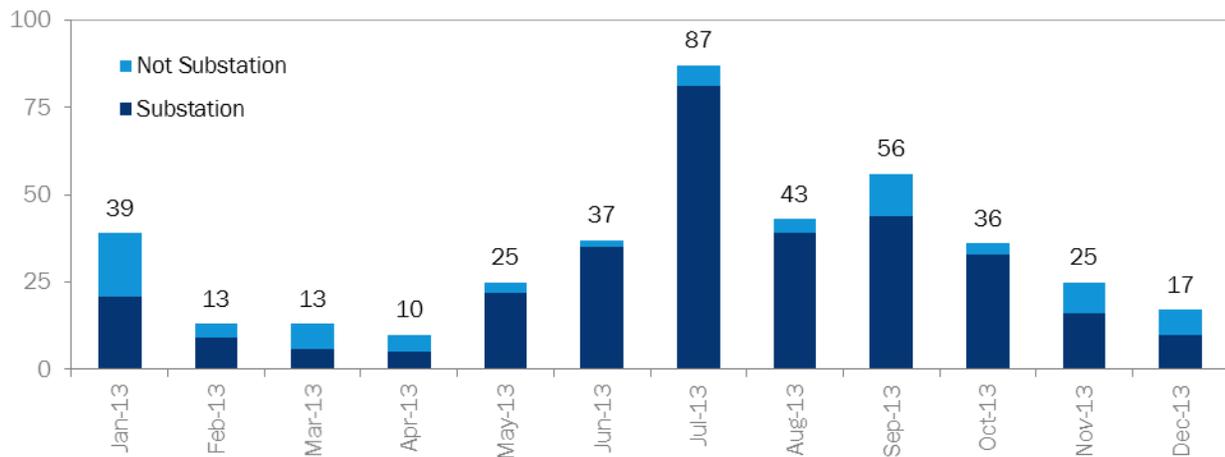
Figure 3-3. EnergyWise Audit Participants in SRP Pilot Communities (2009-2013)^a



^a Participant counts are based on the number of unique facilities that participated. More billing accounts may have participated if they were associated with a multifamily facility.

Of the 401 audits completed in 2013, 65% were completed between June and October. July was the busiest month for audits. This timing coincides with direct marketing activities (with some lag expected between scheduling and completing an audit).

Figure 3-4. EnergyWise Audits in SRP Pilot Communities by Month (2013)

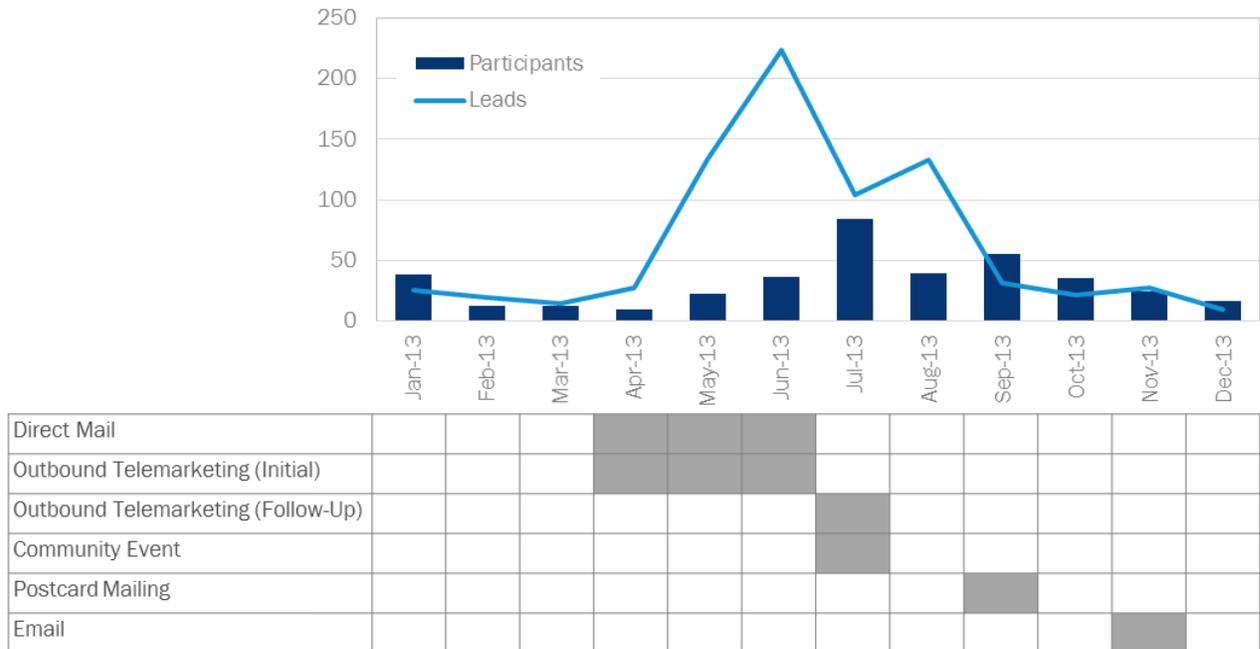


3.2.2 Leads and Inquiries

Audit requests of the program implementer are a potential leading indicator of program participation. Pilot-area customers could sign up for the program through statewide channels, or through telemarketing calls. In 2013, there were 776 leads for the EnergyWise program among Tiverton and Little Compton customers. The majority (80%) of EnergyWise leads came from customers on substation feeders.

May through August were the busiest months for leads, with 595 leads (71% of the annual total) occurring in that period. Lead activity peaked in June with 224 leads (27%) and was followed a month later by a peak in EnergyWise participation. The enhanced telemarketing and direct mail efforts, which coincided with the timing of this peak lead activity, appear to have driven the number of leads between May and August.

Figure 3-5. EnergyWise Leads in Tiverton and Little Compton (2013)



The conversion rate, the ratio of participants to leads, was 52% in 2013, compared to 61% in 2012. This finding may suggest that the increased telemarketing efforts may have elicited interest among customers who may have been slightly less likely to follow through with participation than leads in previous years (who may have learned of the program and proactively signed up). Even with this slight reduction in conversion, EnergyWise participation rates surpassed planning projections.

Table 3-2. EnergyWise Conversion Rate (2012-2013)

EnergyWise	2012	2013
Total Participants	178	401
Total Leads	290	776
Conversion Rate	61%	52%

3.3 DemandLink Programmable Controllable Thermostat Program

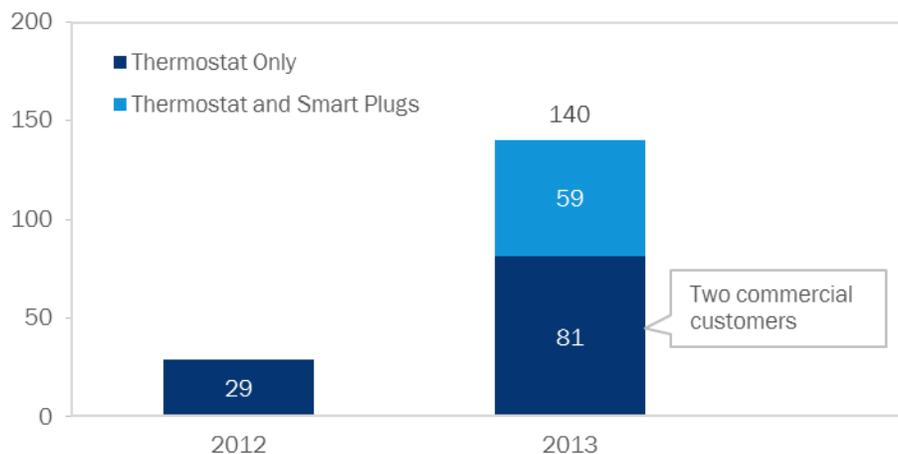
3.3.1 Participants

The figure below shows annual participation counts in the towns of Tiverton and Little Compton in the DemandLink Thermostat and Smart Plug program components. Participation in these program components increased from 29 homes in 2012 to 140 customers (138 homes and two businesses) in 2013. Nearly all participants (98%) had account numbers that link to substation feeders.⁵

In 2012, only customers with central air conditioning were eligible to participate in the program. Beginning in 2013, the pilot expanded the program’s equipment offerings to include Smart Plugs, which allow window air conditioning units to be controlled by the DemandLink programmable thermostat. This solution now enables customers with window air conditioning to participate in the demand response program. In 2013, 59 of the 140 participants (41%) installed Smart Plug technology. These customers were all residential.

The participation counts for WiFi programmable thermostat installations among customers with central cooling are in line with participation goals established in late 2012, but the Smart Plug component is slightly below participation goals (see Section 4). However, both components are above 2013 measure installation projections. The pilot established measure installation projections in terms of installed units rather than participants. For 2013, program staff projected installing 50 WiFi programmable thermostats that control central cooling as well as 200 Smart Plugs. The program surpassed measure installation projections of thermostats, installing 127 thermostats in homes or businesses of customers on substation feeders with Central AC. It ended the year below projected installations of Smart Plugs, installing 145 Smart Plugs in substation homes with window or room AC.

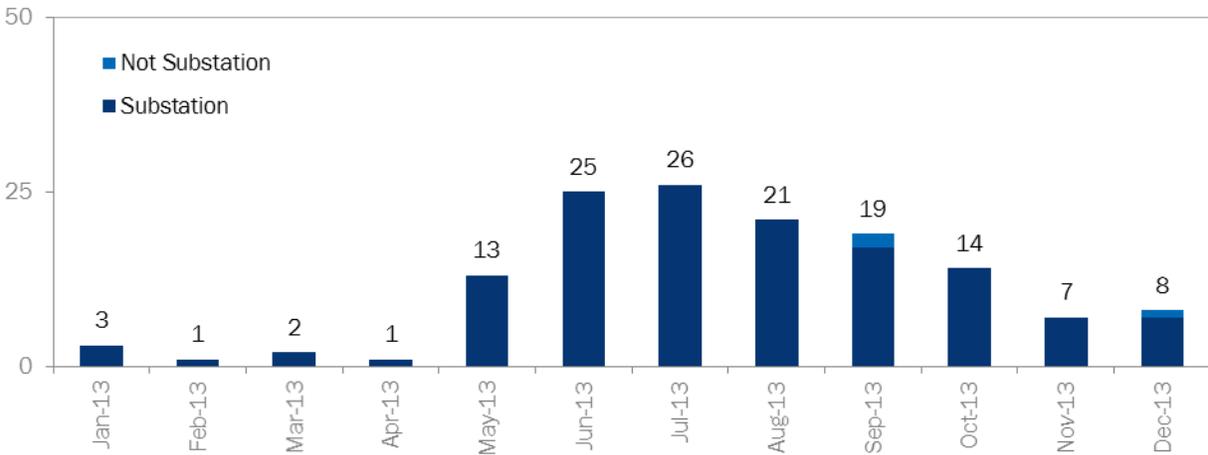
Figure 3-6. DemandLink Thermostat Program Participation in SRP Pilot Communities (2012 and 2013)



⁵ Two WiFi programmable thermostat participants (with CAC) and one smart plug participant do not have account numbers; therefore, we cannot positively link them to the Tiverton substation.

June through September were the busiest months for the program (see Figure 3-7 below). In this four-month period, 65% of 2013 participants (91 customers) entered the program. The months with the most participants were June and July.

Figure 3-7. DemandLink Thermostat Program Participation in SRP Pilot Communities (2013)

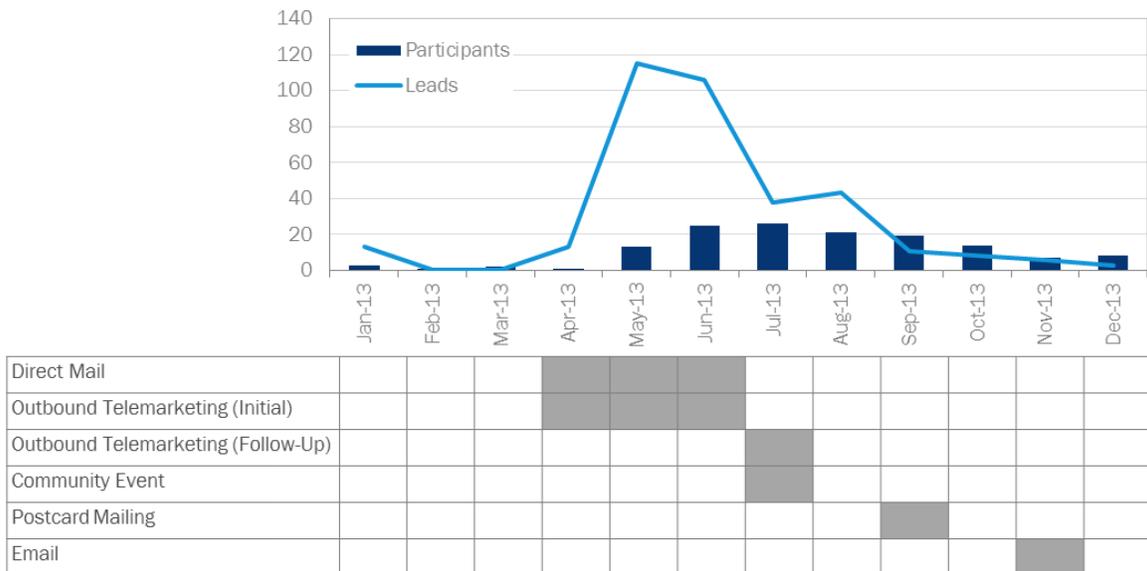


Participants with Central AC in SRP pilot communities each installed up to three thermostats in their homes, averaging 1.6 units per household. Participants with Window AC installed up to five Smart Plugs per household, averaging 2.5 plugs per home. While the pilot intends the plugs to be used with window and room air conditioning units, program tracking does not record whether they are (or will be) used in this manner. The DemandLink participant survey, planned for 2014, will explore which appliances customers are controlling with their Smart Plugs.

3.3.2 Leads

In 2013, 356 customers were classified as DemandLink Thermostat Program leads. Of these, nearly all (98%) were served by the substation. The program had a conversion of 39% of leads to participants in 2013 which is higher than the conversion rate in 2012 (18%). The busiest months for leads were May and June, which combined produced 221 leads (62% of the total). The enhanced telemarketing and direct mail efforts, which began in April and continued through June, coincided with the timing of this peak lead activity and appears to have had an influence on the number of leads. There was also a slight rise in leads again in August, a month after outbound follow-up calls were made.

Figure 3-8. DemandLink Programmable Controllable Thermostat Program Leads in Tiverton and Little Compton (2013)



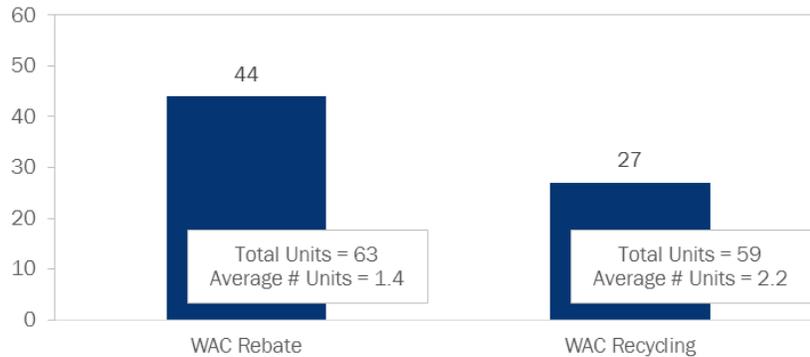
3.4 Window AC Rebate and Recycling

The DemandLink Window Air Conditioner Rebate and Recycling programs ran from May 1 to September 1, 2013. National Grid offered customers in Tiverton and Little Compton a \$50 rebate for the purchase of up to four qualifying new window air conditioning units (“WAC Rebate”) and a \$25 rebate for each of up to four window air conditioner they recycled (“WAC Recycling”). National Grid first introduced the Window AC Rebate and Recycling programs in marketing collateral in April 2013 and promoted the two programs in all SRP specific marketing efforts in 2013, except for the late September postcard.

3.4.1 Participants

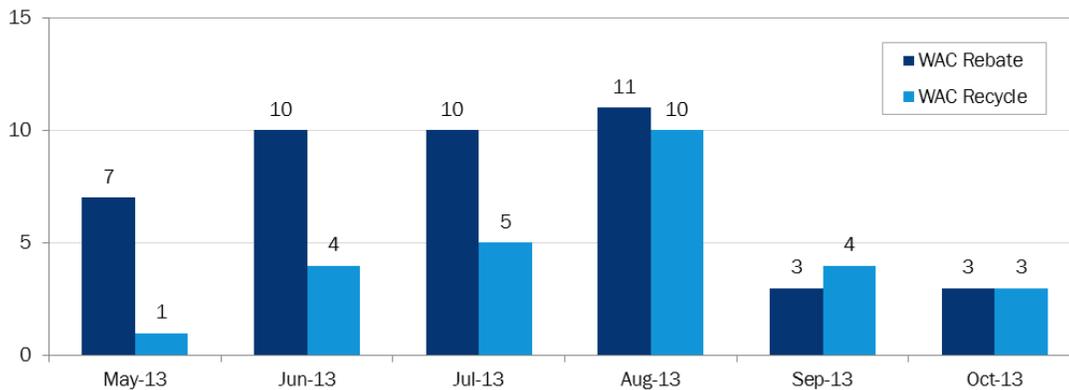
The figure below shows participation counts in the towns of Tiverton and Little Compton during the active program period. During this period 44 customers received rebates for purchasing 63 units while 27 received rebates for recycling 59 old units. Overall, 51 unique customers participated in either the WAC Rebate or WAC Recycling program components. All rebate and recycling program participants were residential customers on sub-feeders. The program fell short of 2013 projections to provide rebates for 250 new ENERGY STAR® rated units and 125 recycled units.

Figure 3-9. Window AC Rebate and Recycling Participation in SRP Pilot Communities (2013)



The majority (70%) of rebates for new ENERGY STAR® rated units were distributed between June and August 2013 (see Figure 3-10 below). August was the busiest month for the recycling component.

Figure 3-10. Window AC Rebate and Recycling Participation in SRP Pilot Communities, by Month (2013)



National Grid promotes these two programs in tandem, with one application for both rebates. Looking at the participation numbers differently, there were fifty-one unique participants between the two programs. As shown in Table 3-3, 39% took part in both programs while the majority (47%) took part only in the rebate for new ENERGY STAR® units. Fewer (14%) only recycled an old unit. On average, customers who participated in both programs recycled more units through the program than they purchased with the rebate. The DemandLink participant survey, planned for 2014, will explore customers' use of units before recycling them as well as their likely use, had they not recycled them through the program.

Table 3-3. Unique Participants, 2013

Program Component	Number of Participants	% Participants	Avg. # units rebated	Avg. # units recycled
ENERGY STAR® Rebate Only	24	47%	1.2	n/a
Recycle Only	7	14%	n/a	2.7
Both	20	39%	1.7	2.0
Total	51	100%	1.4	2.2

3.5 Small Business Direct Install Program

There are nearly 500 commercial accounts on sub-feeders 33 and 34 of the Tiverton substation.⁶ The majority of these customers (93%) are small commercial customers. SRP pilot efforts focus on these small commercial customers, with a goal of increasing participation in the Small Business Direct Install (SBDI) and DemandLink offerings.

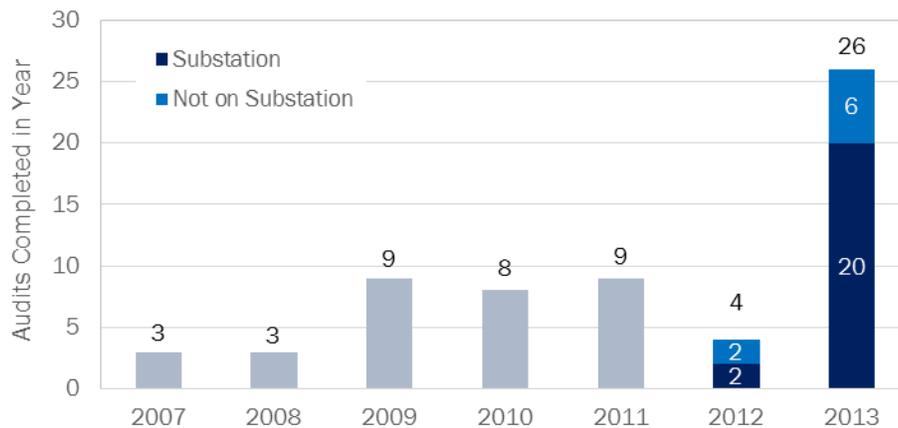
In 2013, outreach to commercial customers consisted of direct mail and direct outreach (via phone) initiated by the SBDI program implementer. Nearly all the 2013 SRP customer communications were identical for both residential and commercial customers.

In May 2013, nearly all 500 commercial addresses in the area received a mailing about DemandLink offerings. Over 300 customers with commercial rate codes were also part of 2013 RAM outbound marketing efforts. However, most commercial customers on the RAM marketing list were not reached through the phone effort: Eleven customers became DemandLink leads, and two installed WiFi programmable thermostats through the, including one customer served by the Tiverton substation.

Participation in the SBDI Program increased substantially in 2013 compared with previous years. There were 26 audit participants in 2013, compared with between four and nine in each of the previous four years. Of these 26 participants, 20 are served by the Tiverton substation that is the target of SRP demand reduction efforts.

⁶ For the purpose of this analysis, accounts are classified as commercial based on their rate code. Some of these accounts may not be customers who are capable of participating in programs or reducing load, such as cell phone towers.

Figure 3-11. Annual Small Business Direct Install Audits in SRP Pilot Communities



4. Comparison to Goals and Projections

National Grid’s original goals for the pilot (established in early 2012) focused on residential WiFi programmable thermostat installations. At the time that goals were established, the residential WiFi programmable thermostat offering was limited to customers with central air conditioning. When National Grid broadened their 2013 strategy to include customers with window air conditioning, they also revised their participation goals. The most recent residential goal of 96 WiFi programmable thermostat installations by year-end 2013 (among CAC customers) and 200 Smart Plug installations by year-end 2013 (among window/room AC customers) were filed in November 2012. National Grid met, and slightly exceeded, the WiFi programmable thermostat installation goal by installing 99 WiFi programmable thermostats in the homes of central AC customers served by the Tiverton substation through end of 2013. However, fewer customers than anticipated have installed demand reduction technology for use with window air conditioners: 60 customers served by the Tiverton substation installed window AC Smart Plugs through the end of 2013, compared with a goal of 200.

Table 4-1. Cumulative Participation Goals through 2013 for Demand Reduction Program Offerings

Participant Type	Technology	Cumulative Goal through 2013		Participant Counts	
		Original Participant Goal (February 2012 Plan)	Revised Participant Goal (November 2012 Plan)	Overall Participation Achieved through 2013	Substation Participation Achieved through 2013
Residential with Central AC	WiFi programmable thermostats	250	96	109	99
Residential with Window AC	Window AC Modlets (later known as Smart Plugs)	N/A ^a	200	61	60
	Window AC Rebate or Recycling	N/A ^a	N/A ^b	51	51
Commercial & Industrial	WiFi programmable thermostats	20	14	2	1

Total	All DemandLink	250	296	217 ^c	205 ^c
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^a National Grid did not establish goals for customers with Window AC in the original pilot plan.

^b National Grid did not establish demand reduction goals associated with Window AC Rebate or Recycling efforts.

^c The total reflects the count of unique participants who have participated in any Demand Link offering.

^d Source: Table S-6 of 2012 System Reliability Plan Report – Supplement. The Narragansett Electric Company. February 1, 2012. Docket number 4296.

^e Source: Table S-6 of 2013 System Reliability Procurement Report. The Narragansett Electric Company. November 2, 2012. Docket number 4367.

SRP pilot program staff also developed projections of 2013 measure installations for planning purposes. Since these projections are for measure installations, they are distinct from participation goals, as multiple measures could be installed in a single home. The table below outlines projected equipment installations for 2013 compared to reported installations among customers served by the Tiverton substation. Both the EnergyWise and DemandLink Programmable Controllable Thermostat Programs exceeded projections of installed units.

Table 4-2. 2013 Equipment Installations Compared to 2013 Pilot Planning Projections

Program	Measure	2013 Measure Installation Projections	2013 Measures Installed among Substation Customers
EnergyWise Home Energy Assessment	Energy Audit	200	321
DemandLink Programmable Controllable Thermostat Program	Thermostats for Central AC customers	50	127 ^a
	Smart Plugs for Window AC customers	200	145
DemandLink Window Air Conditioner Rebate and Recycling Program	New ENERGY STAR® Window AC Units	250	63
	Recycled Window AC Units	125	59

^a This count includes two thermostats installed by commercial customers.

At the outset of 2013, program staff knew that it may be harder to reach customers with central air conditioning, but did not have much information on the penetration of window and room air conditioning among pilot-area customers, nor the potential difficulty in reaching these customers. Information on the penetration of central and window/room air conditioning among 2013 leads in Appendix A shows that penetration rates among leads appears to be in line with statewide averages for both types of equipment.

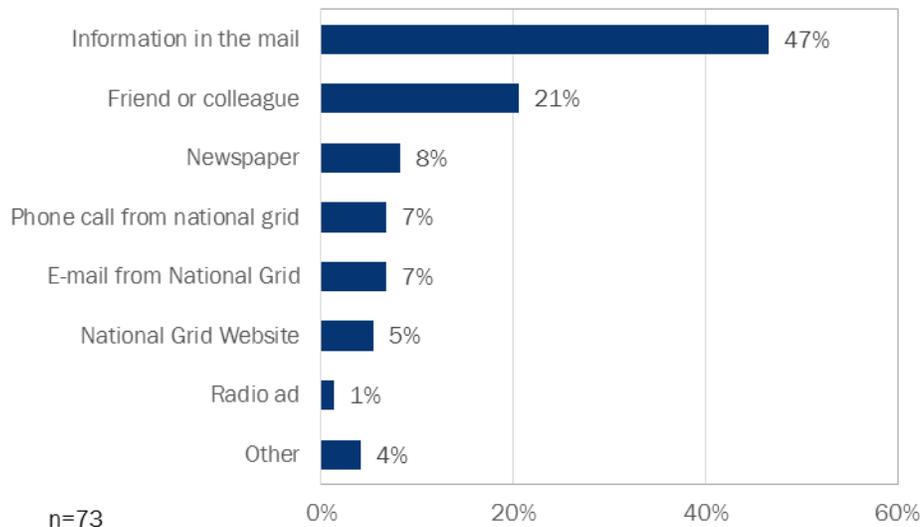
5. EnergyWise Survey Findings on Awareness and Influence

The EnergyWise participant survey is an ongoing evaluation effort that will provide both process and impact insights. The primary goal of the survey is to determine an SRP marketing influence rate or “take rate” that will be used to estimate incremental participation in the EnergyWise program. This rate will be calculated and reported for the first time in 2014 as part of the program year 2012-2013 Focused Energy Efficiency

impact evaluation.⁷ Below, we report on survey findings from a process evaluation perspective, to provide National Grid with initial feedback on marketing awareness, recall, and influence.

As shown in the figure below, respondents most commonly report they first became aware of the EnergyWise Program through information they received in the mail (47%) and via word-of-mouth from a friend or colleague (21%).

Figure 5-1. How did you first become aware of the EnergyWise Home Energy Assessment and the energy efficiency improvements available from National Grid?



Consistent with this finding, respondents' recall of direct mail was relatively high.⁸ In the two versions of the survey fielded to date, recall of the direct mail pieces associated with the DemandLink Program was the highest of all marketing materials about which we inquired (51% in Version 1 and 71% in Version 2). In contrast, recall of the direct mail pieces associated with the statewide programs was much lower (27% in Version 1 and 36% in Version 2).

The top four most memorable marketing materials among Version 1 survey respondents were the SRP-specific direct mail (51%), radio commercials (42%), phone calls from National Grid (41%), and the article in the Patch (35%). The most memorable marketing materials among Version 2 survey respondents were the DemandLink specific direct mail (71%), phone calls from National Grid (69%), and the EnergyWise specific direct mail (36%). Respondents to Version 1 of the survey recalled statewide banner ads, Twitter posts, and paid search least frequently. Respondents to Version 2 of the survey recalled Twitter posts, Facebook posts, and cinema ads least frequently.

⁷ This report will estimate impacts for the 2012-2013 program.

⁸ Each respondent was only asked about marketing efforts that took place in the six months prior to their becoming a lead.

Table 5-1. Summary of Recall and Influence of Marketing Materials: Survey Version 1

Marketing Effort	Campaign	Recall of Marketing Effort		Influence of 4 or 5 (of those who Recalled the Effort)	
		#	%	#	%
Direct Mail (n=35)	SRP	18	51%	11	61%
Radio (n=19)	Statewide	8	42%	2	25%
Phone Calls (n=37)	SRP	15	41%	5	33%
Article in Little Compton/ Tiverton Patch (n=37)	SRP	13	35%	6	46%
Direct Mail (n=37)	Statewide	10	27%	5	50%
Facebook Ads (n=24)	SRP	5	21%	5	40%
Email (n=24)	SRP	4	17%	2	50%
Email (n=37)	Statewide	4	11%	1	25%
Newspaper (n=37)	Statewide	4	11%	1	25%
Facebook Posts (n=37)	SRP	3	8%	1	33%
Paid Search Ads (n=19)	SRP	1	5%	0	0%
Twitter Posts (n=19)	SRP	-	0%	-	-
Online Banner Ads (n=33)	Statewide	-	0%	-	-

Table 5-2. Summary of Recall and Influence of Marketing Materials: Survey Version 2

Marketing Effort	Campaign	Recall of Marketing Effort		Influence of 4 or 5 (of those who Recalled the Effort)	
		#	Recall	#	Influence 4 or 5
Direct Mail (n=35)	SRP	25	71%	17	68%
Phone (n=36)	SRP	25	69%	18	72%
Direct Mail (n=37)	Statewide	13	36%	7	54%
Newspaper (n=36)	Statewide	9	25%	3	33%
Radio (n=36)	Statewide	9	25%	3	33%
Energy Awareness Day (n=28)	SRP	5	18%	4	80%
Paid Search Ads (n=36)	SRP	7	19%	3	43%
Facebook Ads (n=36)	SRP	6	17%	3	50%
Online Banner Ads (n=36)	Statewide	6	17%	2	33%
Email (n=36)	Statewide	3	8%	2	67%
Facebook Posts (n=36)	SRP	1	3%	0	0%
Twitter Posts (n=36)	SRP	0	0%	-	-
Cinema (n=36)	Statewide	0	0%	-	-

Detailed tables displaying the recall and influence of each marketing effort based on the EnergyWise survey are included in Appendix B.

6. Focus Group Findings

Opinion Dynamics conducted two focus groups on November 13, 2013 with residential customers in Tiverton and Little Compton. We selected participants who 1) have been the target of increased SRP marketing, 2) were eligible to participate in the DemandLink Programmable Controllable Thermostat program (they had wireless internet and either Window AC or Central AC and in their home), but 3) had not yet participated in a DemandLink program. The research team recruited a mix of participants based on their level of prior engagement with the program. The table below summarizes the level of program engagement of focus group participants.

Table 6-1 Summary of Focus Group Participants by Program Engagement Level

Level of Engagement	DemandLink Non-Participant Type	Number of Participants
Non-Engaged Customers	RAM did not reach	1
	RAM reached but did not convert to any program	4
Semi-Engaged Customers who have not participated in DemandLink	DemandLink Leads (DL or DL + EW) <i>before</i> Sept 1, but have not yet participated in DemandLink	4
	EnergyWise or Window AC participants during SRP period who have not participated nor become a lead for DL	2
	EW Only Leads during SRP period but <i>before</i> Sept 1 who may have WAC or CAC, but have not yet participated in anything	1
Total		12

Three-quarters of focus group participants had window air conditioning and about a third had central air conditioning. Additionally, participants represented Tiverton and Little Compton equally.

6.1 Key Findings

Clarity of Program Offerings

The focus groups revealed that marketing materials for the DemandLink Programmable Controllable Thermostat program did not provide customers with a clear understanding of the program. While participants generally understood that equipment would be provided to them through the program, the concept that they would have to participate in demand response events and that the equipment would facilitate participation in these events was lost almost completely.

Barriers to Participation

The discussions revealed a number of common barriers to participation in the DemandLink program. Initial hurdles include participants' general lack of understanding of how the program works, what the main benefits are, and how those benefits apply to them. In addition, participants voiced common technical concerns including how the equipment would interface with their existing HVAC systems and whether they use their window AC enough to qualify for the program or to justify the need of supplemental equipment to automate a cooling schedule. Participants were wary of losing their control over their cooling and perceived the incentive amount as low relative to the loss of control they may endure.

Drivers to Participation

Participants had mixed feedback on hypothetical reasons for participating in the DemandLink Program. A few participants asked about the possibility of using the thermostat to remotely control their heating. They seemed less interested in remotely controlling their cooling system, which many did not perceive to be a significant expense, and thought the equipment might be valuable if it could also control heating. Once the moderator gave the groups an explanation of why National Grid was offering the DemandLink program in their communities, they also appeared to be receptive to taking a proactive stance to improving grid reliability.

Messaging

While participants were mixed on the appeal of various messages, there was a clear interest in a more transparent message. National Grid should consider building a narrative around why they are offering this program, why Little Compton and Tiverton are being targeted, what the demand response component of the program entails, and how it relates to the provided equipment.

National Grid may want to consider highlighting the ability of the programmable controllable thermostat to control heat in addition to cooling remotely and the possibility of being able to save money on both.

Additionally, one of the main findings from both groups is that participants have many complex questions about how the DemandLink program and the related equipment work that may not all be possible to address in a single marketing piece. National Grid may want to consider putting together a "frequently asked questions" document or webpage to supplement the information they cannot fit into DemandLink marketing materials.

Detailed findings from the focus groups are included in Appendix C.

7. Discussion and Recommendations

In its second year of implementation, participation in National Grid's EnergyWise program exceeded planning projections. The pilot also met residential WiFi thermostat planning projections and participation goals among participants with central air conditioning (CAC), even after a slow first year: While DemandLink participation did not meet 2012 goals, participation levels in 2013 brought cumulative participation from 2012-2013 in line with goals. However, participation among customers with window AC was generally lower than expected across all program components: The pilot did not meet participation goals or measure installation projections for DemandLink Smart Plug installations, nor did it meet planning projections for the window AC rebate and recycling efforts.

The pilot's success in reaching DemandLink WiFi programmable thermostat goals for CAC customers and exceeding EnergyWise participation goals suggests that the combination of ramp-up efforts in 2012 and direct marketing in 2013 were effective in 1) increasing awareness and knowledge of those program offerings and 2) encouraging participation. However, this was the first year that the program offered and marketed window air conditioning measures to customers. Based on the results for CAC-related DemandLink WiFi programmable thermostat over the past two years, some ramp-up period in measure adoption may be expected among window air conditioning customers.

Still, there is some evidence, based on focus groups, that some customers may not understand the program design or the benefits of the DemandLink WiFi programmable thermostat offerings (with and without Smart Plugs). In addition, some customers with window AC appeared skeptical about how the Smart Plug technology would add value when coupled with their current usage behaviors, which they perceived as not requiring automation. Other customers appeared unsure if the time it takes to participate would outweigh the benefits. These customers may perceive the benefits as greater if they understand how the equipment may be used with other systems or appliances, including home heating. These findings suggest that efforts in the third program year should continue to streamline and clarify these offerings for customers, while maintaining transparency regarding the reason for conducting the pilot.

With respect to the lower-than-expected uptake of window air conditioning and recycling rebates, the program did not market or offer these rebates until the middle of 2013. Based on results from this first year of window AC offerings, it is too early to conclude whether these offerings will succeed in meeting longer-term participation objectives. Window AC penetration rates among program leads are in line with statewide averages, suggesting that the technical opportunity to participate may exist among customers in the pilot area (though the ability to realize expected savings through window AC measures is yet to be determined).

The dual-pronged direct marketing strategy that began in spring 2013 – a combination of direct mail and telemarketing – seems to have been effective in generating leads and increasing program participation in EnergyWise and DemandLink offerings. Leads increased dramatically during the telemarketing period, and the majority of these leads were among customers fed by the Tiverton substation, who were the target of telemarketing efforts. Nearly half (47%) of surveyed EnergyWise participants indicated that they first heard of the program through direct mail – a greater proportion than reported first learning about the program from an outbound phone call – suggesting that the mailings were effective in introducing customers to the program before they received a call.

Appendix A: Cooling Equipment Penetration Rates

The original SRP pilot plan established relatively high goals for WiFi programmable thermostat installations, originally planned for homes with Central AC. Based on 2012 success metrics and evaluation findings regarding Central AC penetration, National Grid expanded its offerings for customers without Central Air Conditioning, including Smart Plugs, window air conditioning rebates, and window air conditioning recycling.

In this appendix, we present an update on central AC penetration rate estimates in the pilot area. Since WiFi Programmable Controllable Thermostat installation among customers with central AC is still a key component of National Grid’s load reduction strategy, it is instructive to look at the incidence of central air conditioning in the pilot area to understand the future potential of WiFi thermostat participation. A single, definitive source of this information is not available, but based on updated data for EnergyWise and DemandLink program leads, the penetration of central air conditioning appears similar in the pilot towns and Rhode Island overall.

- For the state of Rhode Island, National Grid estimates a central air conditioning penetration rate of 32% and window air penetration rate of 53%.⁹
- The CAC penetration rate among all leads (31%; for EnergyWise and DemandLink) is in line with the statewide average (Table A-1).
 - Central air conditioning penetration rates among customers who have expressed interest in demand-side management offerings are slightly higher.
- The Window AC penetration rate among all leads (56%; for EnergyWise and Demand Link) is slightly higher than the statewide average (Table A-2).

Though we do not know if these rates are representative of the overall Tiverton and Little Compton population, these findings indicate that the program is succeeding in reaching customers with relevant cooling equipment. Note that the central AC penetration rate among EnergyWise leads was lower during 2010-2012 (23%).

Table A-1. Central AC Penetration Rates among Tiverton and Little Compton Leads (2012-2013)

Success Metrics	Leads	Leads Asked about CAC ^a	By Location		By Year		Overall Penetration
			Not Served by Substation	Served by Substation	2012	2013	
All Leads	1,105	877	16%	34%	30%	31%	31%
EnergyWise Leads	1,066	838	15%	34%	29%	32%	31%
DemandLink Leads	520	520	23%	39%	38%	37%	37%
Leads from RAM effort	565	565	n/a	33%	n/a	33%	33%

^a Not all leads were asked whether their home had Central AC in 2012-2013, therefore the overall N does not equal the n asked. Though questions about air conditioning were part of the RAM script, customers who inquired through statewide program channels (i.e., the EnergyWise program implementer) may not have been asked the same questions.

⁹ Page 8 of SRP proposal to RIPUC

The DemandLink program implementer, RISE Engineering, began collecting information on the penetration of window or room air conditioning in 2012. The marketing partner, RAM, also collected information on the penetration of window or room air conditioning throughout 2013. Because RAM marketing activities focused on customers served by the Tiverton substation, window/room AC penetration rates shown below (Table A-2) reflect penetration rates among Tiverton substation leads.

Table A-2. Window/Room AC Penetration Rates among Tiverton and Little Compton Leads (2012-2013)

Success Metrics	Leads	Leads Asked about WAC ^a	By Year		Overall Penetration ^c
			2012 ^b	2013	
All Leads	1,105	567	45%	56%	56%
EnergyWise Leads	1,066	528	47%	54%	54%
DemandLink Leads	520	364	35%	63%	61%
Leads from RAM effort	565	565	n/a	56%	56%

^a Not all leads were asked whether their home had Window AC in 2012-2013, therefore the overall N does not equal the n asked.

^b Sample sizes in 2012 are very small (30 or fewer customers per row)

^c The overall percentage applies primarily to customers on the Tiverton substation, as RAM marketing activities focused on Tiverton substation customers, and window AC information was collected primarily through RAM activities.

Appendix B: EnergyWise Survey Marketing Awareness & Influence Details

To date, the Evaluation Team has fielded two versions of an online survey among EnergyWise participants in Tiverton and Little Compton. Both versions of the survey explored recall and influence of statewide and pilot-specific marketing and outreach efforts; drivers for participation in the EnergyWise and DemandLink programs; and levels of satisfaction with DemandLink thermostat equipment. The second version also included questions about usage patterns and levels of satisfaction with DemandLink thermostat and Smart Plug equipment.

We fielded the first version of the survey among 196 participants who 1) participated in the EnergyWise program between January 1, 2012 and April 16, 2013 and 2) had a valid email address. We fielded the second version of the survey, which included updated marketing materials, in October 2013 and again in March 2014, among 147 customers who participated between April 16, 2013 and December 17, 2013. Across both survey versions, a total of 77 participants completed the survey.

7.1.1 Recall and Influence of DemandLink Specific Marketing

We provided survey respondents with images and descriptions of various marketing efforts they had been exposed to and asked them if they recalled seeing, hearing or receiving each item.¹⁰ If respondents could recall a marketing piece, we asked them to rate the level of influence it had on their decision to complete the home energy assessment. The following tables describe recall and influence of marketing specific to the DemandLink campaign. The next section describes recall and influence of statewide marketing efforts.

¹⁰ Each respondent was only asked about marketing efforts that took place in the six months prior to their becoming a lead.

Direct Mail

Version 1	Version 2
<p>Version 1</p> <p>Energy-saving opportunities that will help you save money and put a smile on your face.</p> <p>Receive a no-cost Home Energy Assessment and WiFi programmable controllable thermostat.</p> <p>Dear Sample,</p> <p>National Grid is committed to helping you save energy all year long through the EnergyWise Home Energy Assessment and an opportunity to receive a WiFi programmable controllable thermostat at no cost to you.</p> <p>Take advantage of an EnergyWise assessment. Receive a no-cost energy audit to identify smart changes and improvements to help you save energy, money, and the environment. You could be eligible for:</p> <ul style="list-style-type: none"> No-cost compact fluorescent lights 75% off energy-saving improvements (up to \$2,750) 95% Heat Loss Generous rebates <p>Receive a WiFi programmable controllable thermostat at no cost and get money back. National Grid provides the energy kit to keep our community comfortable all year round. With our new Demand Link™ program, we can help you control your heating and cooling demand. Demand Link features a no-cost, fully installed WiFi thermostat (\$500 value), which saves you on your gas and electric bills by approximately 7%. You'll earn another \$500 toward bill credit (\$500 over a two-year period) when you participate in all heat, audit, and demand optimization events. With a WiFi thermostat, the benefits are significant:</p> <ul style="list-style-type: none"> It follows a custom heating and cooling schedule for your home, ensuring optimal comfort with minimal energy use. Controls heating and cooling systems remotely from a computer or smartphone. Reports how your heating and cooling equipment are performing, reminds you when it's time for maintenance, and alerts you if there's a problem. <p>To take advantage of our Demand Link program you must first sign up for the EnergyWise Home Energy Assessment and consent to provide periodic feedback.</p> <p>With energy-saving opportunities like these, National Grid is making it easier than ever to put more money back in your pocket. Now that should make you very happy.</p> <p>Sincerely, Christine M. Sturdy Product Energy Services, National Grid</p> <p>1.866.835.7947 www.mygrid.com/energywise</p>	<p>Version 2</p> <p>Put your home in the savings zone with a no-cost WiFi programmable controllable thermostat.</p> <p>Dear Albert (John),</p> <p>Having your family comfortable throughout the year often means cooling and heating your home, which can increase your energy use. National Grid wants to help by providing energy-saving programs just for you personally. By participating in these programs, you can control your energy use, cut your utility bills, and help the environment.</p> <p>Demand Link™ WiFi Programmable Controllable Thermostat Program* Receive a no-cost, fully installed WiFi thermostat that can let you adjust and return gas bills by approximately 7%. You'll also receive:</p> <ul style="list-style-type: none"> \$50 annual bill credit if you have central air conditioning \$50 annual bill credit if you have window air conditioning and a no-cost Smart Plug to control your units. <p>Demand Link™ Window Air Conditioner Rebate and Recycling Program We also want to make it easy for you to upgrade to energy-efficient window air conditioner units. Receive:</p> <ul style="list-style-type: none"> \$50 for each new ENERGY STAR window air conditioner up to the purchase limits per account \$50 for each existing unit that you replace (up to four existing units per account) <p>Take control of your energy use with a no-cost WiFi programmable controllable thermostat. National Grid provides the energy kit to keep our community comfortable all year round. With our new Demand Link™ program, we can help you control your heating and cooling demand. Demand Link features a no-cost, fully installed WiFi thermostat (\$500 value), which saves you on your gas and electric bills by approximately 7%. You'll earn another \$500 toward bill credit (\$500 over a two-year period) when you participate in all heat, audit, and demand optimization events. With a WiFi thermostat, the benefits are significant:</p> <ul style="list-style-type: none"> It follows a custom heating and cooling schedule for your home, ensuring optimal comfort with minimal energy use. Controls heating and cooling systems remotely from a computer or smartphone. Reports how your heating and cooling equipment are performing, reminds you when it's time for maintenance, and alerts you if there's a problem. <p>To take advantage of our Demand Link program you must first sign up for the EnergyWise Home Energy Assessment and consent to provide periodic feedback.</p> <p>With energy-saving opportunities like these, National Grid is making it easier than ever to put more money back in your pocket. Now that should make you very happy.</p> <p>Sincerely, Christine M. Sturdy Product Energy Services, National Grid</p> <p>1.866.835.7947 www.mygrid.com/energywise</p>
<p>June 2012</p>	<p>Late April - June 2013</p>

	Version 1	Version 2	Total
Recall			
Yes, I recall receiving this	51%	71%	61%
n	35	35	70
Influence			
Not Influential (1-2)	22%	8%	14%
Moderately Influential (3)	17%	24%	21%
Very Influential (4-5)	61%	68%	65%
n	18	25	43

Email Outreach

Version 1



The image shows a promotional email for National Grid's DemandLink program. The email features the National Grid logo at the top right. The main headline reads: "An energy-saving opportunity that will help you save money and put a smile on your face." Below this, it states: "Get a WiFi programmable controllable thermostat at no cost and get money back*." The email describes the DemandLink program, which offers a no-cost, fully-installed WiFi thermostat (\$500 value) that can reduce gas and electric bills by approximately 7%. Participants also receive a \$40 annual bill credit (\$80 over a two-year period). The email lists three benefits of the WiFi thermostat: following a custom heating and cooling schedule, providing remote control via computer or smartphone, and receiving reports, reminders, and alerts. A call to action asks recipients to get started today by calling 1-888-633-7947 or visiting www.myngrid.com/demandlink. The email includes a photo of a family and a photo of a woman and a man. At the bottom, there is a small image of the thermostat and a link to "LINK TO GREATER SAVINGS TODAY WITH DEMANDLINK™".

September 2012

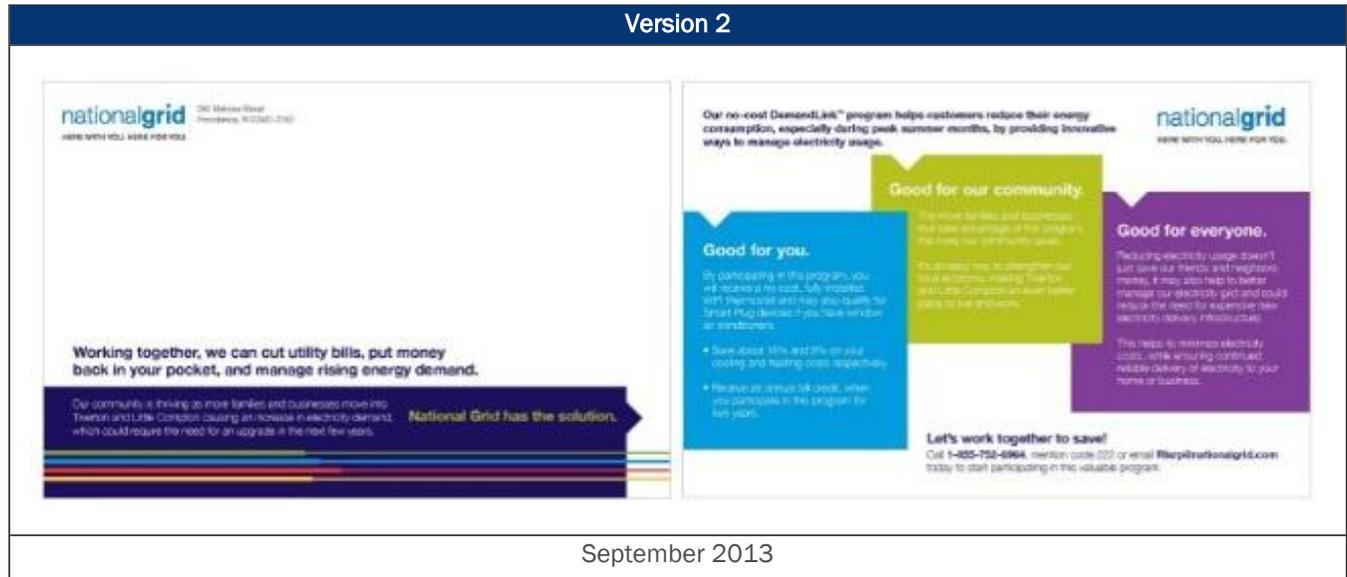
	Version 1
Recall	
Yes, I recall receiving this	17%
n	24
Influence	
Not Influential (1-2)	25%
Moderately Influential (3)	25%
Very Influential (4-5)	50%
n	4

Newspaper Article

Version 1
Article in the Tiverton-Little Compton Patch. This article described how National Grid customers in Little Compton and Tiverton would be the first in the state getting the option to participate in a pilot program where participants get a WiFi programmable controllable thermostat and receive a credit for participating in demand response events.
May 2012

	Version 1
Recall	
Yes, I recall seeing this	35%
n	37
Influence	
Not Influential (1-2)	31%
Moderately Influential (3)	23%
Very Influential (4-5)	46%
n	13

Postcard



September 2013

		Version 2
Recall		
Yes, I recall receiving this		50%
n		2
Influence		
Not Influential (1-2)		0%
Moderately Influential (3)		100%
Very Influential (4-5)		0%
n		1

Phone

Version 1	Version 2
Do you recall being contacted by phone by National Grid about the opportunity to sign up for a free Home Energy Assessment and receive a no-cost, fully installed WiFi Programmable thermostat?	Do you recall being contacted by phone by a National Grid representative about opportunities for reducing energy costs in your home?
August-September 2012	Late April-August 2013

	Version 1	Version 2	Total
Recall			
Yes, I recall receiving this	41%	69%	55%
n	37	36	73
Influence			
Not Influential (1-2)	47%	8%	23%
Moderately Influential (3)	20%	20%	20%
Very Influential (4-5)	33%	72%	58%
n	15	25	40

Community Event

Version 2
National Grid hosted an Energy Awareness Day at Muddy Moose Café in Tiverton on July 16 th 2013. This event featured energy experts who were available to discuss ways to save money by participating in National Grid's DemandLink programs. Did you attend this event?
July 2013

	Version 2
Recall	
Yes	18%
n	28
Influence	
Not Influential (1-2)	20%
Moderately Influential (3)	80%
Very Influential (4-5)	0%
n	5

Facebook Ads

Versions 1 & 2	
	
September-December 2012	

	Version 1	Version 2	Total
Recall			
Yes	21%	17%	18%
n	24	36	60
Influence			
Not Influential (1-2)	40%	17%	27%
Moderately Influential (3)	20%	33%	27%
Very Influential (4-5)	40%	50%	45%
n	5	6	11

Paid Search

Versions 1 & 2	
<p>Tiverton & Little Compton Get comfort year round. Save 7% on heating & cooling with DemandLink™. www.mygrid.com/demandlink</p>	
October-November 2012	

	Version 1	Version 2	Total
Recall			
Yes	5%	19%	15%
n	19	36	55
Influence			
Not Influential (1-2)	100%	0%	13%
Moderately Influential (3)	0%	57%	50%
Very Influential (4-5)	0%	43%	38%
n	1	7	8

Facebook Posts

Versions 1 & 2	
May-December 2012	

	Version 1	Version 2	Total
Recall			
Yes	8%	3%	5%
n	37	36	73
Influence			
Not Influential (1-2)	0%	0%	0%
Moderately Influential (3)	67%	100%	75%
Very Influential (4-5)	33%	0%	25%
n	3	1	4

Twitter Posts

Versions 1 & 2	
October-November 2012	

	Version 1	Version 2	Total
Recall			
Yes	0%	0%	0%
n	19	36	55
Influence			
Not Influential (1-2)	-	-	-
Moderately Influential (3)	-	-	-
Very Influential (4-5)	-	-	-
n	-	-	-

7.1.2 Recall and Influence of Statewide Marketing

The following tables describe recall and influence of marketing specific to statewide marketing efforts.

Direct Mail

Version 1	Version 2
	
May-October 2012	April 2013

	Version 1	Version 2	Total
Recall			
Yes, I recall receiving this	27%	36%	32%
n	37	36	73
Influence			
Not Influential (1-2)	50%	8%	26%
Moderately Influential (3)	0%	38%	22%
Very Influential (4-5)	50%	54%	52%
n	10	13	23

Email

Version 1	Version 2
	
April 2013	

	Version 1	Version 2	Total
Recall			
Yes, I recall receiving this	11%	8%	10%
n	37	36	73
Influence			
Not Influential (1-2)	50%	0%	29%
Moderately Influential (3)	25%	33%	29%
Very Influential (4-5)	25%	67%	14%
n	4	3	7

Radio

Version 1	Version 2
Between October and December of 2012, National Grid aired a series of radio spots promoting the availability of energy savings programs for every person in Rhode Island. These spots featured various groups of Rhode Islanders – for example, hockey players, dog owners, gardeners, sports fans, and grill masters – visiting National Grid’s offices.	In April, National Grid began airing a series of radio spots promoting the 24 ways National Grid can help Rhode Islanders save energy and money on energy bills. These spots featured National Grid asking Rhode Islanders questions about the state– for example, “Can you name Rhode Island’s state tree”, “Can you name the states that border Rhode Island” and “Can you name the company that has 24 ways Rhode Islanders can save money?”
October-December 2012	April-September 2013

	Version 1	Version 2	Total
Recall			
Yes, I recall receiving this	42%	25%	31%
n	19	36	55
Influence			
Not Influential (1-2)	38%	33%	35%
Moderately Influential (3)	38%	33%	35%
Very Influential (4-5)	25%	33%	29%
n	8	9	17

Newspaper Ads

Version 1	Version 2
	
Winter/Spring 2012	April-September 2013

	Version 1	Version 2	Total
Recall			
Yes, I recall receiving this	11%	25%	18%
n	37	36	73
Influence			
Not Influential (1-2)	50%	56%	54%
Moderately Influential (3)	25%	11%	15%
Very Influential (4-5)	25%	33%	31%
n	4	9	13

Cinema

Version 2
<p>Ads at the cinema before a movie featuring trivia questions– for example, “Do you know how many islands are in Rhode Island” and “How many ways can Rhode Islanders save energy with National Grid?”</p>
<p>May-August 2013</p>

	Version 2
Recall	
Yes	0%
n	36
Influence	
Not Influential (1-2)	0
Moderately Influential (3)	0
Very Influential (4-5)	0
n	0

Appendix C: Focus Group Findings Details

7.1.3 DemandLink Programmable Controllable Thermostat Program

This section provides findings and example of participant questions and comments for each component of the conversation, organized around the focus group discussion guide.

Top of Mind Awareness of “DemandLink”

We asked participants to provide top-of-the mind associations with the term DemandLink.

- Top-of-mind awareness of the DemandLink Program is low - none of the participants recalled hearing the term DemandLink prior to the focus groups.
- At the same time, none of the participants had any negative connotations with the term “DemandLink”

The moderator provided focus group participants with marketing materials describing the DemandLink Programmable Controllable Thermostat Program – materials that they should have received in the mail between April and June 2013. The moderator asked the participants to look over the materials, rate them based on the level of clarity of the description of equipment, how to receive the bill credit, who is eligible to participate and how to sign up or learn more, and share any outstanding questions. The moderator then provided participants with a thorough explanation of the program and fielded a second round of questions. Participants discussed a number of questions and areas of uncertainty regarding these materials, summarized below.

Clarity of Concepts: Program Equipment

- Participants thought the explanation of the DemandLink Thermostat and Smart Plug provided in the DemandLink marketing materials were either clear (5 participants) or somewhat unclear (7).
- Participants questioned how the individual pieces of DemandLink equipment relate to one another and other HVAC systems in their home. Some of their questions included:
 - *Will a participant be able to control their heat using the DemandLink thermostat?*
 - *Will a participant be able to control their heat using the DemandLink thermostat if they have window AC?*
 - *How does the Smart Plug relate to the thermostat?*
 - *Is the Smart Plug intended to work with window units, Central AC or both?*
 - *What is the maximum functional distance between the thermostat and Smart Plug?*
- Participants were unclear about value added by the DemandLink equipment. For example:
 - *How is the program thermostat different from other programmable thermostats people already have in their homes? Does it have an additional benefit?*

- *How does the Smart Plug make controlling the temperature easier than just turning the A/C unit on or off or using automatic temperature controls on the unit?*
- Once the moderator clarified the Demand Optimization aspect of the program, participants wondered how the program works if there are multiple thermostats in the home. For example:
 - *Will the program thermostats replace all of the existing thermostats in the home? If National Grid calls a demand optimization event, can I turn the other non-DemandLink controlled AC zones or units on?*

Clarity of concepts: What you need to do to receive the annual bill credit

- When we asked participants about the level of clarity of what they would need to do to receive the annual bill credit, all but two claimed that it was clear. Upon further probing, it became apparent that participants' narrative of "participation" differed from actual participation activities. Participants loosely described participation as receiving equipment to control their air conditioning system and did not mention agreeing to allow National Grid access the equipment for Demand Optimization events.
- Further discussion uncovered uncertainty among focus group participants about their understanding of "participation":
 - How does the thermostat cut costs?
 - What are the benefits to the customer for participating?
 - How does National Grid benefit from participation?
- A few customers questioned if anyone else has control over the thermostat. These participants tended to be more knowledgeable about the energy industry.
- There was a noticeable lack of awareness and understanding of the program's demand optimization component and technical terminology.

Clarity of concepts: Demand Response Component

- The moderator fielded questions from focus group participants after providing them with a detailed description of the DemandLink Programmable Controllable Thermostat Program. Questions included:
 - *How long would an event last?*
 - *Will National Grid stagger the events across participants?*
 - *Will National Grid have control over my heat too?*
 - *How will I know when an optimization event has been called? (Is there an indicator on the Smart Plug that identifies when an event is occurring?)*
 - *How difficult is it to opt out?*
 - *If a participant opts out are they required to return the equipment?*

Clarity of concepts: Eligibility and How to Sign Up

- Participants reported a full understanding of who is eligible for the program (all 12 said it was clear). However, some questions and concerns did come up in the discussion.
- Some expressed uncertainty regarding whether their limited use of their air conditioner would affect their eligibility for the program.
- Participants in both groups expressed confusion about why Little Compton and Tiverton were the program's target, believing these areas do not use much energy.
- After receiving a full program description from the moderator, a handful of participants in the groups voiced concern about National Grid's action of targeting their community for a program that would require participants to compromise comfort. They cite other businesses treating Little Compton and Tiverton as "expendable" in the past.
- Participants did not have questions about how to sign up for DemandLink.
- There was some interest in a website with more information about the program.

Barriers to Participation

- Once they had received a detailed description of the DemandLink Programmable Controllable Thermostat Program, the moderator asked participants to discuss the concerns they might have about participating. Concerns included:
 - Loss of control over cooling.
 - Length of a time a demand optimization event lasts. For example:
 - *"Well, I think if you get one of these demand optimization events how long might they power you down? I mean it's one thing if they power you down for a short period of time, but if you're in the middle of a two to three day humid event and they're going to be shutting you down for a long period of time, that's another matter."*
 - Length of time a demand optimization event lasts relative to the amount of space being cooled:
 - *"...We just have these two small window units...They're not powerful it's just enough to take the real - the heat out. So, a half hour of that being off might be a lot more than a whole house that's already cooled with the central air being off for a half an hour."*
- Participants also expressed concern about the ability to opt out and potential level of involvement that would be required to do so. Concerns included:
 - *Would a customer need to return the thermostat?*
 - *If so, would customer need to pay someone to swap out the program thermostat for the original thermostat?)*

- Participants perceived the incentive amount as low relative to the loss of temperature control they may endure.
- There was also some uncertainty among participants about whether or not the program would be compatible with the home’s heating and cooling setup.

Benefits of Participation

The moderator asked participants to discuss the benefits and other aspects of the program they found appealing. Participants expressed mixed thoughts on the benefits.

- Participants found the following to be appealing:
 - Equipment’s (potential) ability to control heating: A few participants asked about the possibility of using the thermostat to remotely control their heating, and thought the equipment might be valuable if it could also control heating. They seemed less interested in remotely controlling their cooling system.
 - Some participants also mentioned the appeal of avoiding brownouts and other peak load problems by allowing National Grid to manage loads in the community.

Messaging

- There is an interest in messaging with more transparency. Once the focus group participants were made aware of the Demand Optimization Event aspect of the program and had an understanding of why their communities were selected as the target of the program they identified the two as a critical pieces of the program’s narrative that should be more apparent in the program’s informational materials.

Motivators to Participation

We presented focus group participants with a list of arguments for why someone might choose to participate in the DemandLink programs. We asked them to list the top two that resonated most with them and with what they thought would resonate with people in in their community. Responses were mixed:

Table C-1. Motivators to Participation

Hypothetical Reason for Participating in DemandLink	Ranked as First Motivator	Ranked as Second Motivator	Total n
Lower energy bill for you	4	3	7
Lower greenhouse gas emissions	3	5	8
Improved grid reliability	3	3	6
Free equipment	2	0	2
Good for local economy through lowering energy bills	0	1	1
Total Responses	12	12	24

7.1.4 DemandLink Window Air Conditioner Rebate and Recycling Programs

The moderation provided focus group participants in the second session with marketing materials describing the DemandLink Air Conditioner Rebate and Recycling Programs – materials that they should have received in the mail between April and June 2013. They looked the materials over and shared initial questions or concerns, such as:

- Customer Eligibility - *Do we have to participate in the DemandLink Programmable Controllable Thermostat Program to be eligible for the Rebate and Recycling programs?*
- Equipment Eligibility - *Do EnergyStar units qualify? Is there a size requirement?*
- Technical terms - *What is EER? Is that something that is on the equipment's label?*
- Recycling logistics - *Where can the equipment be recycled?*

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