

Smart meter rollouts recently have seen a wave of controversy—witness how customers in California and Texas, upset at new costs, dispute the accuracy of their new meters. Electric utilities, especially those with smart meter rollouts planned or in progress, are taking notice. By positioning themselves ahead of the issue and engaging customers in new ways, utilities can spread the message that smart meters deliver immediate and quantifiable benefits that outweigh the up-front costs.

In addition to operational benefits—such as automatic outage detection and automated meter reading—smart meters deliver at least three other kinds of benefits to customers: ability to respond to time-varying price signals; easier energy management, and the potential of smart meters to act as a platform for future clean energy technologies, including plug-in electric vehicles and distributed generation.

To communicate those benefits, utilities are developing innovative education strategies, community partnerships, and customer-centered program designs. Commonwealth Edison's collaborative, community-oriented approach to its 131,000-meter pilot in the Chicago area is a good example.

### The Partnerships

ComEd, aware of smart meter controversies occurring elsewhere, designed a pilot that focuses on the role of customers as co-creators of value within smart meter systems.

One feature of that design is a grassroots customer education program. To manage broad community outreach for the rollout, ComEd contracted with the Center for Neighborhood Technology (CNT), a nonprofit organization dedicated to promoting urban sustainability. CNT engages and works with local leaders and consumers, educating them about the direct and immediate benefits their communities can realize from smart meter technology.

CNT enlisted the Citizens' Utility Board (CUB) to help connect with local community leaders and social organizations. CUB's support for ComEd's rollout is a noteworthy departure from an often adversarial relationship with the utility. As Illinois' legally mandated consumer advocate, CUB has frequently represented consumers by opposing ComEd projects that require significant upfront ratepayer funding. "CUB will still be a watchdog of ComEd on general rate cases, but we share an understanding of the potential of smart meters to deliver benefits," explained Ross Hemphill, ComEd's director of rates and regulatory strategy. By working with CUB, ComEd has expanded its audience, significantly increasing both the credibility of its pilot and the likelihood of engagement with the customer groups most likely to oppose its efforts.

### The Customers

The collaborative approach, with its focus on education and information, ensures customers will be able to use the

## CREATING VALUE THROUGH PARTNERSHIPS

By Lisa V. Wood,  
executive director of the Institute  
for Electric Efficiency.

new meter technology. "Providing useful, consumer-oriented information—that's what we're here for," said CNT's Greg Busch. "Information to customers is worthless unless it's presented in an actionable way." Through ComEd's partnership with OPower, participating customers will receive individualized home energy reports and have access to an online portal (scheduled to launch

June 1) where they can analyze their energy use over time, compare their bill under various pricing models and their usage to similar households, receive personalized energy efficiency recommendations, and engage with other customers interested in efficiency.

Most important for ComEd, the OPower platform is scalable and customizable. "We have a pilot within a pilot," explains Val Jensen, ComEd's vice president of marketing and environmental programs. "Not only will we be trying to engage all 131,000 customers participating in the pilot via the general OPower site, but for up to 8,000 of those customers we will provide a sophisticated version of the tool that can provide hourly usage and billing information along with customized ways to manage energy use under five different rate structures." This will serve to extend the co-creation of value idea under conditions in which customers face dynamic prices and have access to a range of feedback devices, including OPower.

CUB, in collaboration with Efficiency 2.0 (a social media software firm), has launched another online resource for ComEd's customers—CUB Energy Saver (cubenergysaver.com)—which provides efficiency tips and individual and community-based energy efficiency comparisons. Both the CUB Energy Saver and ComEd's platform are easily accessible sources of information that educate customers and motivate behavior change through comparing their usage with their neighbors'.

The variety of stakeholder groups involved in ComEd's project demonstrates growing markets for smart grid services, with organizations performing specialized roles and collaborating to capture the full potential of new technologies by engaging the customer. Part of the value of smart meters derives from customers' actions. Whatever the benefits to the utility, meter rollouts cannot be treated like traditional infrastructure investments where customers have little interaction. Engaging customers, obtaining their buy-in, and motivating their behavior change are critical steps in realizing the full value of smart meter investments. ♦



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