



The Edison Foundation

**INSTITUTE for
ELECTRIC INNOVATION**

IEI National Dialogue

Residential Customer Energy Solutions

Key Takeaways
April 2018

IEI National Dialogue: Residential Customer Energy Solutions

April 17, 2018 | Chicago, IL

Hosted by Commonwealth Edison

KEY TAKEAWAYS

Twenty senior leaders from seven electric companies and 11 technology companies, gathered in Chicago to discuss emerging topics in customer energy solutions, including (1) next generation energy efficiency; (2) integrated energy solutions; and (3) the distribution grid as an energy services platform. The following takeaways are the result of these discussions.

Next Generation Energy Efficiency Issues

This discussion focused on the next steps needed to make EE more targeted and to take advantage of a digital grid and a digital customer. A pivot in strategy is needed to develop programs that are locational, time-based, and data driven and that yield greater customer engagement and satisfaction.

- Industry must articulate and execute a vision for transitioning the current siloed energy efficiency (EE) programs over time to integrate with other distributed energy resources (DERs) in a way that adds value for the electric company and the customer.
- Electric companies have to make complex things simple. Customers (on average) aren't interested in complex. Flipping the light switch is simple.
- Energy efficiency is the fastest resource to procure and deploy on the grid. Yet, distribution system operators prefer other options because of certainty.
- How do we ensure that EE is a "usable resource" and a relevant part of a DER-centric future?
- Debate remains around what will drive the future of EE. Is it data-driven behavioral EE or automated connected devices and programs? Is it important to agree on a standard definition of the "connected home"?
- Measurement and evaluation of EE programs must also change and evolve with the pace of technology, and utilize data analytics to determine savings.
- Most agree that energy efficiency programs need to change, but a clear model to follow has yet to emerge.
- Best practices for third-party-provided services are still being developed. Pay for performance contracting in CA is one example of how third-party programs and services might be managed.

Low-Income Customers and Disadvantaged Community Issues

This discussion focused on how the electric power sector can do a better job serving disadvantaged communities, the benefits of keeping the electric company involved in the delivery of EE services to low-income customers, and how that might help overall customer engagement.

- Serving low-income customers pushes the customer engagement envelope because an electric company absolutely must have a relationship with the customer because of frequent moves and less focus on the home itself. If engagement is successful with low-income customers, companies can use that same approach for other population segments. There is untapped opportunity in addressing the low-income population successfully.
- Many low-income communities are highly internet-connected so there may be an opportunity to leap frog into new and innovative technology and solutions approaches.
- The pre-payment option for electricity has shown very promising results among low-income customers in several states.

Innovative Solutions for Customers

This discussion addressed how electric companies can continue to deliver on the fundamentals (reliable and affordable electricity) and also make customer solutions personalized and integrated.

- Xcel Energy's **Partners in Energy** program is a cross functional "swat team" that works with state and local partners to develop customized energy solutions. Participating communities "vote" to be part of an initiative and both the community and Xcel "invest" to co-develop a solution.
- ConEd is successfully engaging some large customers that historically purchased electricity elsewhere to return as full-requirement customers because these customers can benefit by bidding underutilized resources into the wholesale market. This is a good example of making the "value proposition" clear to customers.
- Cities and developers of planned communities represent an enormous opportunity for electric companies to tailor solutions for these large customers. Bringing stakeholders together early in the planning process can save time and costs. Having a dedicated team within an electric company is a good way to take advantage of this growing opportunity.

Roles for Electric Companies

- It is important to be intentional & proactive to shape the future of electricity for customers and ourselves.
- Electric companies are the channel to demystifying the smart and connected home.
- Electric companies are the integrators/coordinators of different resources today and have a key role to play in piecing together what is needed and works well today and in the future.
- There is an important distinction between brand loyalty and brand recognition. The electric company as the trusted energy advisor is an example of brand recognition. This does not imply loyalty. How do we build loyalty with our customers?

Meeting Participants	
<p><i>Electric Companies</i></p> <ul style="list-style-type: none"> Ameren Corporation Baltimore Gas & Electric CenterPoint Energy Commonwealth Edison Consolidated Edison Pacific Gas & Electric Xcel Energy 	<p><i>Technology Companies</i></p> <ul style="list-style-type: none"> Arcadia Power Clean Energy Collective CLEAResult Nest Opus One Solutions Oracle Utilities Powerley Simple Energy Sensus Tendril <hr/> <p>Institute for Electric Innovation</p>

Next IEI Dialogue: C&I Customer Solutions. November 2018
<p>IEI's next National Dialogue Series meeting will be held during the first week of November, and is hosted by Xcel Energy in Denver Colorado. This dialogue will focus on how electric companies and technology companies are partnering to meet C&I customers' increasingly sophisticated needs for customized and integrated energy solutions, including 100 percent renewable energy products, energy management tools, enhanced resiliency, and other solutions.</p>

About the Institute for Electric Innovation

The Institute for Electric Innovation focuses on advancing the adoption and application of new technologies that will strengthen and transform the energy grid. IEI's members are the investor-owned electric companies that represent about 70 percent of the U.S. electric power industry. The membership is committed to an affordable, reliable, secure, and clean energy future.

IEI promotes the sharing of information, ideas, and experiences among regulators, policy makers, technology companies, thought leaders, and the electric power industry. IEI also identifies policies that support the business case for the adoption of cost-effective technologies.

IEI is governed by a Management Committee of electric industry Chief Executive Officers. In addition, IEI has a Strategy Committee made up of senior electric industry executives and a select group of technology companies on its Technology Partner Roundtable.

About the Edison Foundation

The Edison Foundation is a 501(c)(3) charitable organization dedicated to bringing the benefits of electricity to families, businesses, and industries worldwide. Furthering Thomas Alva Edison's spirit of invention, the Foundation works to encourage a greater understanding of the production, delivery, and use of electric power to foster economic progress; to ensure a safe and clean environment; and to improve the quality of life for all people. The Edison Foundation provides knowledge, insight, and leadership to achieve its goals through research, conferences, grants, and other outreach activities.



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