

Thought Leaders Speak Out 2022

ENGAGING CUSTOMERS WITH TECHNOLOGY

Key Takeaways: Lessons from California: The Role of Rate Analytics and Customer-Centric Approach to Drive TOU Participation

Fireside Chat with SCE and GridX (September 2022)

The Institute for Electric Innovation's *Thought Leaders Speak Out 2022: Engaging Customers with Technology* series brings electric company executives with customer responsibilities to share lessons learned and the results of successful customer engagement strategies.

The ninth dialogue of the series focused on Southern California Edison's (SCE's) analytics-driven and customer-centric journey to transition customers to time-of-use (TOU) rates and featured a discussion between Katie Sloan of Southern California Edison and Scott Engstrom of GridX. More than 600,000 commercial customers and 2.6 million of SCE's 4.5 million residential customers are now on a TOU rate.

Adam Cooper of IEI provided welcome and closing remarks, and Bob Rowe of NorthWestern Energy moderated the discussion. Key takeaways are summarized and highlighted below.

[Click Here for the Agenda and Speaker Bios](#)

[Watch IEI's Opening Remarks Here](#)

SCE is leveraging a customer-centric approach to achieve climate goals and TOU rates play an integral role.

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SCE explains how TOU rates are an integral part of SCE's Pathway 2045 strategy to support the state goal of carbon neutrality by 2045. TOU provides an important price signal to customers to use energy during the times of day when renewable supply is the most abundant.

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GridX discusses the importance of customer engagement to meet climate goals and how personalized analysis of new rates and programs in terms of dollars and cents is an effective way to drive customers to adopt new products and ultimately change their behaviors.

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SCE explains that low-income customers in hot climate zones were not defaulted to TOU rates. Recognizing low-income customers could still benefit from TOU, SCE launched a Benefiter Acquisition campaign, which resulted in low-income customers opting into TOU rates.

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GridX explains how its technology works parallel to electric companies' existing billing systems to provide customers accurate billing insights and help electric companies develop more tailored messaging to drive actions from customers.

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SCE details the value of TOU rates to optimize the experience of EV owners and load shifting benefits for the electric company. On average, customers with an EV on SCE's TOU Prime rate shifted 20% of their load out of peak periods

Lessons learned from California's TOU transition

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SCE explains the importance of the test and learn approach when going through a large-scale TOU transition. Conducting pilots and experimenting different communication approaches with customers was the key to making it successful.

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SCE details how they addressed customer concerns over switching to new rates, including one year of bill protection to motivate customers to try the new rate. So far, only about 22% of default TOU customers have opted out of TOU rates.

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SCE discusses its internal team structure to ensure the success of TOU rollouts. SCE formed cross-organizational teams encompassing regulatory, customer service, billing, and IT to tackle the complex project. Up to 100 SCE staff were working on TOU transition at the height of TOU default.

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GridX emphasizes the importance of finetuned outreach and a continued education strategy (e.g., providing a welcome package, personalized billing impacts, and tips to lower bills) to set customers on a good path to understand TOU rates and how they can better manage their bills.

Closing Remarks

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IEI summarizes the lessons learned from SCE's journey to transition its customers to TOU rates highlighting the learnings from pilots and the use of data and personalized messaging to explain to customers how they can benefit from TOU rates.