



Smart Homes, Smart Customers: A Solid Case Study and Further Thoughts

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Smart Homes, Smart Customers: A Solid Case Study and Further Thoughts

The marriage of information technology and consumer education is enabling a new, wholesome relationship between utilities and customers. Customers – and society as a whole – will benefit if we get it right.

Moderator: **Michael Yackira**, President and CEO, NV Energy;

Panelists: **Peter Delaney**, Chairman and CEO, OGE Energy Corp.;

Scott Lang, Chairman, President and CEO, Silver Spring Networks; and

Ron Binz, Chairman, Colorado Public Utilities Commission.

Yackira: We're going to be exploring what's changing with respect to technology in our industry and I thought it might be good to talk about an

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analogy. The way we sell electricity today is kind of like driving up to a gasoline station but without knowing how much gasoline you put into the tank or how much it cost: You fill up your car, you pay with a credit card, and at the end of the month you get a bill. You wonder how you could have spent \$250 on fuel that month, but it's too late to do anything but pay it.

In the electric power industry we also have monthly billing cycles. At the end of the month the customer may have no idea which of his electricity uses are most costly, or why. We're about to change all that. The technology we're talking about today – the



Michael Yackira

“smart grid,” “smart meters” and the platforms and applications that will make them possible— will fundamentally change the way we interact with our customers, and how they consume electricity.

We’re going to talk about strategic partnerships between utilities and their technology counterparts – partnerships focused on making a transition to a more interactive, more transparent experience for our customers and maximizing benefits to them. We’ll first focus on a very promising approach in Oklahoma. We’ll hear from Peter Delaney, Chairman and CEO of OG&E Energy, and from Scott Lang, Chairman, President and CEO of Silver Spring Networks. After that, Ron Binz, the very knowledgeable Chairman of the Colorado Public Service Commission, will comment on the promises and potential pitfalls we face. He can even talk about some of his own experiences in that respect.

Delaney: I’m going to talk about customer engagement, and about AMI, the Advanced Metering Infrastructure deployment we are doing in Oklahoma. We’re about one year into a three-year period deploying the hardware. But the crucial work, laying the foundation, goes back to 2007. One of our

partners since 2007 has been Silver Spring Networks, and Silver Spring’s CEO Scott Lang is with me here today to talk about what’s happened so far and the results we’re seeing. We’ll also offer the perspective of some of our customers in a few videos that we have today.

Lang: Thank you, Pete. Being a networking company, we think about how to connect all of the devices that generate, consume, manage, or monitor the flow of power. We’re going to enable utilities to cross a bridge that has never been crossed – sending signals back and forth to devices making them “intelligent” – enabling utilities to interact with their customers in a whole new way. Pete will lead off with some customer stories.

Delaney: There are a lot of media stories – you hear about push-back from customers on smart meter deployments. But they’re not all going that way. Our surveys indicate we have a high level of customer and community support. Customer satisfaction from those customers who have actually participated in our pilots are really off-the-charts positive, and demonstrate how it’s going to change our relationship with our customers. I have a video we are going to roll. It’s the Assistant Superintendent of schools for Norman (Okla.) Public Schools. They were in our pilot and actually saved \$15,000 over four months.

[Video begins]

Dr. Roger Brown, Assistant Superintendent, Norman Public Schools: “It’s very beneficial to be a part of a pilot like this, because we’re being part of something that might really change the behavior of people throughout the state. Plus, it’s a great

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