REV Demonstration Project:  
Connected Homes Platform  

2017 1Q Quarterly Progress Report  

Dated: April 28, 2017
**Table of Contents**

1.0 **Executive Summary** ......................................................................................................................... 2

1.1 Program Achievements ............................................................................................................................ 2

1.2 Cybersecurity And Personally-Identifiable Information Protection .......................................................... 2

1.3 Accounting Procedure Established ......................................................................................................... 2

1.4 Costs, Benefits, And Operational Savings .............................................................................................. 3

1.5 Connected Homes Platform .................................................................................................................... 3

2.0 **Connected Homes – Quarterly Progress** .......................................................................................... 4

2.1 Demonstration Highlights ....................................................................................................................... 4

2.1.1 Since Previous Quarter – Major Tasks Completion ............................................................................... 4

2.1.2 Activities Overview ............................................................................................................................. 4

2.1.3 Key Metrics ........................................................................................................................................ 6

2.1.4 Next Quarter Forecast ......................................................................................................................... 8

2.1.5 Checkpoints/Milestone Progress ........................................................................................................... 9

2.1.6 Planned Activities ............................................................................................................................... 10

2.1.6.1 DER Sales: Market Animation And Customer Choice ....................................................................... 10

2.1.6.2 Channel And Messaging Effectiveness: Customer Motivation ......................................................... 10

2.1.6.3 Digital Engagement - Integrated Online Experience ......................................................................... 11

2.1.6.4 Revenue Realization: New Business Models .................................................................................. 11

2.1.6.5 Demand Side Management: Customer Co-Benefits ...................................................................... 11

2.1.7 Changes To Project Design .................................................................................................................. 9

2.2 Work Plan & Budget Review .................................................................................................................... 12

2.2.1 Phase Progress ................................................................................................................................. 12

2.2.1.1 Updated Work Plan ........................................................................................................................ 13

2.2.1.2 Updated Budget ............................................................................................................................. 13

2.3 Conclusion ............................................................................................................................................... 13

2.3.1 Lessons Learned ................................................................................................................................ 13

2.3.2 Recommendations ............................................................................................................................. 14
1.0 EXECUTIVE SUMMARY

Consolidated Edison Company of New York, Inc. (“Con Edison” or the “Company”) submits this quarterly report on the progress of the Connected Homes Platform REV demonstration project (“Project”) it is implementing as part of the Reforming the Energy Vision (“REV”) proceeding, as required by the Order Adopting Regulatory Policy Framework and Implementation Plan, issued by the New York State Public Service Commission (“Commission”) on February 26, 2015.

1.1 PROGRAM ACHIEVEMENTS

On July 1, 2015, Con Edison submitted the Project for approval by Department of Public Service Staff (“DPS Staff”); on January 8, 2016, DPS Staff approved the Project. Con Edison filed an implementation plan for the Project with the Commission on January 29, 2016. The Project launched in Q2 2016 to approximately 275,000 customers in Con Edison’s Brooklyn and Westchester territories. Customers have access to detailed energy insights online and have received targeted offers in their Home Energy Reports and High Usage Alerts for solar panels, Wi-Fi thermostats, Sealed home services, and the Con Edison Marketplace, as eligible.

In Q1 2017, the Project successfully upgraded to the second version of the Con Edison Marketplace (Marketplace 2.0), the second version of the printed Home Energy Reports (HER 2.0), and launched the second round of targeted offerings for Sealed home services, Wi-Fi thermostats, and Marketplace.

1.2 CYBERSECURITY AND PERSONALLY-IDENTIFIABLE INFORMATION PROTECTION

Consistent with corporate instructions and Commission policy related to cybersecurity and the protection of personally-identifiable information (“PII”), each partner agreement executed for the implementation of the Project includes specific protections related to cybersecurity and PII. Assurance of this protection is critical in encouraging customers to sign up with new and innovative services offered by utilities.

1.3 ACCOUNTING PROCEDURE ESTABLISHED

On February 16, 2016, in Case 15-E-0229, Con Edison filed an accounting procedure for the accounting and recovery of all REV demonstration project costs. This accounting procedure establishes a standardized framework that will govern how the Company categorizes and allocates the costs of the REV demonstration projects, and will facilitate analyzing each project to determine the overall financial benefits of the program to customers.
1.4 COSTS, BENEFITS, AND OPERATIONAL SAVINGS

Budget information for all of the Company's REV demonstration projects is being filed confidentially with the Commission, concurrently with the filing of this document. All costs filed are incremental costs needed to implement the projects. To date, no tax credits or grants have been available to reduce the net costs of the projects, but Con Edison will take advantage of such offsetting benefits when they are available. Due to the early stage of implementation for the Project, there are no operational savings to report at this time.

1.5 CONNECTED HOMES PLATFORM

The Project seeks to provide targeted residential customers in selected areas of Con Edison’s service territory with a set of tools designed to proactively connect them with cost-effective energy efficiency products and services and distributed generation offerings that will be most relevant to them. The Project is designed to remove barriers to residential adoption of distributed energy resources (“DERs”) and animate the DER market by using customer usage data and advanced data analytics to match customer needs with vetted DER products. A set of pre-qualified vendors are being promoted to participating customers through targeted marketing campaigns to demonstrate and evaluate the proof of concept. The targeted marketing campaigns utilize various channels to communicate with customers, including direct and digital, and are administered by Con Edison’s partner in the Project, Opower.
2.0 CONNECTED HOMES – QUARTERLY PROGRESS

2.1 DEMONSTRATION HIGHLIGHTS

2.1.1 Since Previous Quarter – Major Tasks Completion

- Launched the 2.0 version of the Marketplace which provides an updated, mobile-first design with a more intuitive and seamless user experience that encourages customers to establish shopper profiles which increase user engagement with the platform.
- Upgraded to the paper Home Energy Report 2.0 which, among other enhancements, has a revamped design that strategically displays information in a way that is digestible and useful for customers.
- Distributed the second round of targeted offerings for Sealed home services, Wi-Fi thermostats and the Marketplace (see Appendix A and B for sample reports).
- Added the Connected Home product categories to the Marketplace to expand the number of energy efficient offerings available to customers.
- Added the “Wi-Fi enabled” filter attribute to the Marketplace, which allows customers to easily search for Wi-Fi enabled washers, dryers and refrigerators.
- Modified the Marketplace Storefront to better highlight the platform as an e-commerce opportunity for shoppers and to increase sales volumes.
- Aligned the Marketplace marketing campaigns, adjusted the marketing budget allocation, and initiated new channels focused on driving Marketplace Storefront purchases.
- Promoted additional Con Edison energy efficiency programs through the Home Energy Reports (furnace/boiler rebates and appliance recycling).

2.1.2 Activities Overview

In Q1 2017, the Con Edison Marketplace was upgraded to the second generation of the webpage. This upgrade included a number of enhancements such as providing customers with the ability to create accounts on the Marketplace, favorite certain items, and sign up for promotional emails related to a search.

The Project also began sending out the second version of the paper Home Energy Reports in February 2017. This new report has a fresh, modern design and doubles down on behavioral science to make the report even more user-friendly. The second round of targeted offerings for Sealed home services, Wi-Fi thermostats, and the Con Edison Marketplace were also sent out in February. These modules were updated from the 2016 campaigns to maintain consistency with the look and style of the new report as well as adapted based on learnings from various messaging strategies tested previously.

Marketing Initiatives:

Email - At the end of Q1, the first of a series of weekly emails that promote the Marketplace Storefront products was sent to a list of 1.6 million Con Edison
customers. The initial segment of 400,000+ customers received an email on March 31, which drove 6,800 visitors to the Marketplace. This led to the sale of 262 units of LED lighting in a single day. In total, the campaign, which continued to April 5, delivered 17,990 sessions, with sales of 807 units. This new strategy will continue to be optimized throughout 2017.
Expanded geography - Starting in early March, all Enervee-led marketing efforts were expanded to reach all of Con Edison’s service territory. This includes paid search, Facebook, display ads\(^1\) and email campaigns.

Resources allocated to display and Facebook advertisement were scaled back during Q1 based on results from Q4 2016, while new targeting and creatives were prepared to launch in Q2. At the end of Q1, Con Edison and Enervee began creating new campaigns that are targeted to customers by their email address, with messaging and creatives complementing the weekly email campaigns. These have shown promise and will continue to be developed in Q2.

---

2.1.3 Key Metrics

In Q1, the Project continued to see increasing product leads and purchases as a result of the DER marketing campaigns. For additional details on program results to date, see Appendix D: Full list of metrics and results.

\(^1\) A display ad is a form of online advertising that is typically designed as an image with copy language alongside websites. When customers click on the digital advertisement, they are taken to the corresponding website (e.g. the Marketplace).
Targeted Offering Communications:

The following communications were sent to customers in Q1:

- Over 853,000 Home Energy Reports: 389,129 print and 464,466 digital
- Over 25,000 digital High Usage Alerts
- Over 49,000 customers received targeted offerings for Sealed home services
- Over 38,000 customers received targeted offerings for Wi-Fi thermostats
- Over 145,000 customers received targeted offerings for the Marketplace
- On average, customers opened eHERs (the digital version of Home Energy Reports) at a rate of 43 percent
- High Usage Alerts had a 29 percent open rate

Purchases and Leads:

- Solar Panels:
  - In Q1, the project team recorded 1 qualified solar lead and 1 solar appointment. Note that no solar targeted offerings were sent to customers in Q1.
- Sealed Home Services:
  - In Q1, the project team recorded 123 qualified Sealed leads, 84 assessments, and seven upgrade project purchase and installations.
- Marketplace Storefront Sales:
  - In Q1, the team recorded 549 orders for 453 light bulbs, 83 thermostats and 13 power strips. All purchases were made directly on the Marketplace Storefront. The Marketplace also generated 44 leads to Con Edison’s Smart Thermostat program.

Digital Customer Engagement:

The number of visitors and page views on Con Edison’s Marketplace decreased due to holiday seasonality, from 126,282 last quarter to 45,186 customers in Q1 and total page views from 218,047 last quarter to 106,359. Marketing techniques have since been re-evaluated and traffic levels are expected to rise in Q2 as the new channels are leveraged further.

Con Edison’s Marketplace also raises awareness of other Con Edison programs and track actions taken by visitors. Since inception through Q1 2017, 2,116 Marketplace visitors have clicked through to Con Edison’s large appliance rebate offers, and 1,745 smart thermostat shoppers on Con Edison’s Marketplace Storefront sought out information on the Smart Thermostat program.

Customers are continuing to explore their energy use trends online: 33 new users logged in this quarter and a total of 897 customers have logged in since the start of the program. Over 72 percent of customers who log into the website take an action (e.g., check off a tip or make a savings commitment). Thirty percent of customers who log in check off a tip, and 55 percent of customers who log in start the online
This user-friendly audit helps customers understand what’s using the most energy in their home so that they can focus their actions on behavior changes that will have the greatest impact.

**DER Market Activation:**

During Q1, Con Edison’s Marketplace channeled customers nearly 69,000 times to third-party retail websites. The most popular Marketplace categories were light bulbs, clothes washers and dishwashers.

**Energy Savings:**

Since the launch of the behavioral Home Energy Report program, customers have saved over 17,700 MWh of electricity (June 2016 through March 2017). In Q1 alone, customers have saved over 5,502 MWh with a 1.22 percent average savings rate.

Estimated indirect energy savings associated with Marketplace Storefront sales in Q1 are 272 MWh and 80,443 Therms on a lifetime basis.

**Greenhouse Gas Emissions Reductions:**

The behavioral and indirect energy savings through the Marketplace Storefront are estimated to have avoided 8,106,969 pounds of carbon dioxide, 142 pounds of methane and 16 pounds of nitrous oxide emissions in Q1. The behavioral program generated 6,874,759 pounds of carbon dioxide, 135.9 pounds of methane and 15.4 pounds of nitrous oxide emissions. The Marketplace Storefront contributed 1,232,210 pounds of carbon dioxide, 6.1 pounds of methane and 0.6 pounds of nitrous oxide emissions.

**2.1.4 Next Quarter Forecast**

In Q2 2017, the Project will continue to send targeted offers for Sealed home services, Wi-Fi thermostats, the Marketplace. The Project team is currently updating the Solar targeted offerings creatives for 2017, which will be sent out to customers beginning in June. The team will be experimenting with new designs and behavioral science techniques in order to maximize results.

Planned Q2 2017 activities for the Marketplace/Storefront include:

- Weekly / bi-weekly email campaigns focused primarily on promoting specific products and deals sold on Storefront will continue.
- Third-party marketing will begin on the Marketplace
- Improved Facebook advertising where customers will be targeted on Facebook through their email address with imagery and offers complementing the email campaigns, and remarketing that will show
products Marketplace customers have previously viewed on Marketplace in advertising.

- New display advertising methods, including delivering display ads to customers who have viewed Enervee’s Charge™ widget on third party sites such as Digital Trends and Appliance Connections, and targeting in-market shoppers. Optimization and improvement of the display creatives is also planned.

- Ongoing improvements to the Marketplace Storefront user experience.

- Technical and process implementation efforts are underway to ensure a smooth integration between Marketplace and Con Edison’s third-party rebate processing partner, with a Q2 target launch which will streamline the customer experience.

- Final planning is being conducted to establish special offers starting in Q2 for small businesses customers and new residential homeowner customers.

<table>
<thead>
<tr>
<th>Checkpoint/Milestone</th>
<th>Timing*</th>
<th>Status</th>
</tr>
</thead>
<tbody>
<tr>
<td>DER Sales</td>
<td>Phase 2 Midpoint / End</td>
<td></td>
</tr>
<tr>
<td>Channel and Messaging Effectiveness:</td>
<td>Phase 2 Midpoint / End</td>
<td></td>
</tr>
<tr>
<td>Customer Motivation</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Digital Engagement: Integrated Online</td>
<td>Phase 3 start + 6 months</td>
<td></td>
</tr>
<tr>
<td>Experience</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Revenue Realization: New Business Models</td>
<td>Phase 2 Midpoint / End</td>
<td></td>
</tr>
<tr>
<td>Demand Side Management: Customer Co-Benefits</td>
<td>Phase 2 Midpoint / End</td>
<td></td>
</tr>
</tbody>
</table>

2 Through Enervee Charge, customers who are “in-market shoppers” and have reviewed an appliance on one of our third-party partner sites (Digital Trends, TopTenReviews, Goedeker’s) are then displayed Marketplace-oriented ads on other sites they may be browsing.
<table>
<thead>
<tr>
<th>Checkpoint/Milestone</th>
<th>Timing*</th>
<th>Status</th>
</tr>
</thead>
<tbody>
<tr>
<td>Referrals to Energy Efficiency Rebate Programs</td>
<td>Phase 2 Midpoint / End</td>
<td>Green 0 0 0</td>
</tr>
</tbody>
</table>

*Detailed descriptions of the Phases can be found in the Appendix C: Description of Phases.

**Legend**

- **Green**: On Schedule
- **Yellow**: Delayed w/out Major Impact
- **Red**: Delayed or Stopped – Project Goals Impacted

### 2.1.5 Planned Activities

#### 2.1.5.1 DER Sales

**Status:** Green

**Expected Target by Phase 2 Midpoint:** 18,500 purchases

**Solutions/strategies in case of results below expectations:** First, review overall DER sales by channel and product category to identify over- or under-performing products and services. Examine the possibility of changing the mix of DERs offered through each channel based on this review. Second, review “Channel and Messaging” effectiveness (below) to identify strategies for engaging customers at a higher rate. If the expected target is missed, the Project team will evaluate the larger impact to the overarching goals of the Project.

#### 2.1.5.2 Channel and Messaging Effectiveness: Customer Motivation

**Status:** Green

**Expected Target by Phase 2 Midpoint:** 50 percent recall rates; 16 percent open rates; 2.5 percent click through rates

**Solutions/strategies in case of results below expectations:** Evaluate results of the content and messaging effectiveness. First, evaluate potential changes in content or layout informed by A/B, or split testing. A/B testing compares two versions of a communication to see which one performs better. Second, evaluate responses by customer segment and assess possibility of customizing content by unique customer segment. Third, evaluate channel effectiveness and assess resource allocation between channels. If the expected target is missed, the Project team will evaluate the larger impact to the overarching goals of the Project.
2.1.5.3  Digital Engagement - Integrated Online Experience

Status: Green

Expected Target by Phase 2 Midpoint: 70,000 unique visitors each 6-month period

Solutions/strategies in case of results below expectations: Evaluate strategies for generating traffic to online tools. Shift investment between strategies if optimization is needed, add incremental investment to the most effective strategies or develop additional strategies for lead generation if needed. If the expected target is missed, the Project team will evaluate the larger impact to the overarching goals of the Project.

2.1.5.4  Revenue Realization: New Business Models

Status: Green

Expected Target by Phase 2 Midpoint: $484,000

Solutions/strategies in case of results below expectations: Evaluate the effectiveness of all messaging strategies (A/B tests, digital and paper channels) and shift communications towards the most effective means to maximize DER sales. Establish a mechanism for competition between DER vendors who wish to feature their products through the Connected Homes Platform in order to identify vendors who can benefit the most from participation in the Project and who are willing to offer the most competitive terms. If the expected target is missed, the Project team will evaluate the larger impact to the overarching goals of the Project.

2.1.5.5  Demand Side Management: Customer Co-Benefits

Status: Green

Expected Target by Phase 2 Midpoint: 500 MWh (Marketplace Storefront); 10,300 MWh (behavioral energy efficiency); 2.74 MW (behavioral energy efficiency); 5 percent lift in program participation

Solutions/strategies in case of results below expectations: Review balance of energy insights versus promotional content included in outbound content and optimize as needed. If the expected target is missed, the Project team will evaluate the larger impact to the overarching goals of the Project.

2.1.5.6  Referrals to Energy Efficiency Rebate Programs
**Status:** Green

**Expected Target by Phase 2 Midpoint:** 10,300 click-throughs from Marketplace to large appliance rebate applications

**Solutions/strategies in case of results below expectations:** Evaluate the mix of marketing channels and shift strategies if optimization is needed. Add additional resources to the most effective channels or develop new marketing strategies.

### 2.1.6 Changes to Project Design

Upgrades to the Marketplace will be made to integrate rebate processing capabilities to architect an improved end-to-end customer experience throughout the research, shopping and rebate process.

### 2.2 WORK PLAN & BUDGET REVIEW

#### 2.2.1 Phase Progress

The team successfully worked through Phase 0 (Project Development) and Phase 1 (Project Launch), and is now working through Phase 2 (Demonstration Implementation). Phase 0 consisted of submitting the Implementation Plan and completing partner negotiations. Phase 1 consisted of all the activities required to launch the Project: data acquisition, program design and configuration, implementation of the web/Marketplace and call center tools, quality assurance testing and go-live, as well as initial customer community outreach efforts. Phase 2 (Demonstration Implementation) tasks focus on overall maintenance and reporting for the Project. A full description of the major Project phases is set forth in Appendix C: Description of Phases.
### 2.2.1.1 Updated Work Plan

<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>2.3 Phase 3 - Project Launch</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>3.1 Define Marketplace</td>
<td>COMPLETE</td>
<td>Con Edison</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>3.2 Configure Platform</td>
<td>COMPLETE</td>
<td>Con Edison</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>3.3 Quality assurance testing and go live</td>
<td>COMPLETE</td>
<td>Con Edison</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>3.4 Onboard new partners</td>
<td>COMPLETE</td>
<td>Con Edison</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>3.5 Digital commerce &amp; community outreach</td>
<td>COMPLETE</td>
<td>Con Edison</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

### 2.2.1.2 Updated Budget

Budget information is being filed confidentially with the Commission.

### 2.3 CONCLUSION

#### 2.3.1 Lessons Learned

Q1 Marketplace traffic declined as expected to just over 45,000 visits (equating to 106,000 page views), following the seasonally strong Q4 holiday period. However, the initial positive results from the refocused Storefront e-commerce-oriented marketing and email campaigns indicate the team is on track to continue to meet traffic targets and reoriented to better meet the Storefront sales targets.
2.3.2 Recommendations

The Project team will continue to adjust the marketing campaigns to find the optimal mix resulting in increased traffic volumes and strong Storefront sales. Finalizing the streamlined online rebate application process in Q2 will be the key next step to build on the improved user experience of the upgraded 2.0 Marketplace platform.

The team is also closely monitoring the performance of individual communications and will be adjusting future creatives and targeted offering campaigns to reflect these learnings.
2.4 INCLUDED APPENDICES

Appendix A: Sample Targeted Offering Paper Report for Wi-Fi Thermostats

Home Energy Report
March 31, 2017
Reference number
Account number

We’ve put together this report to help you understand your energy use and what you can do to save. To view more of your energy insights, visit energyreports.conEd.com. If you have any questions about these reports you can contact us at 1-212-460-4738 or energyreports@conEd.com.

Find a list of rebates and energy-saving products and services you can buy.
marketplace.conEd.com

Here’s how you compare to neighbors

<table>
<thead>
<tr>
<th>Efficient Neighbors</th>
<th>266 kWh</th>
</tr>
</thead>
<tbody>
<tr>
<td>You</td>
<td>414 kWh</td>
</tr>
<tr>
<td>Average Neighbors</td>
<td>515 kWh</td>
</tr>
</tbody>
</table>

Mar 3, 2017 - Mar 31, 2017
This is based on 100 similar homes within approximately 1 mile. Efficient neighbors are the 20% who use the least amount of energy. See back for details.

Enjoy the convenience of a smart thermostat

Get ideal home temperatures anytime
A smart thermostat is a user-friendly, WiFi-enabled device that observes your energy usage, learns your preferences, and programs itself in days. It can help you:

- Maintain comfortable temperatures all day long.
- Save money on your monthly bills.
- Use energy efficiently as the seasons change.

Choose your smart thermostat today at marketplace.conEd.com/mytemp.

Tips from efficient neighbors

- Wash clothes with cold water
  Save up to $10 per year

- Check your air filters every month
  Save up to $105 per year

Turn over ➡️
Appendix B: Sample Targeted Offering Paper Report for Sealed Home Services

Home Energy Report
February 1, 2017
Reference number
Account number

We’ve put together this report to help you understand your energy use and what you can do to save. To view more of your energy insights, visit energymetrics.coned.com. If you have any questions about these reports you can contact us at 1-212-460-4738 or energymetrics@coned.com.

Find a list of rebates and energy-saving products and services you can buy.
» marketplace.coned.com

Here's how you compare to neighbors

- Efficient Neighbors: 423 kWh
- Average Neighbors: 727 kWh
- You: 1,089 kWh

Dec 31, 2016 - Feb 1, 2017
This is based on 100 similar homes within approximately 3 miles. Efficient neighbors are the 20% who use the least amount of energy. See back for details.

You’re using more than your neighbors.

50% more energy than average neighbors

Make your home more comfortable

Sealed can solve your home comfort problems

Whether your house is drafty, dusty, stuffy, too hot, or too cold, you shouldn’t have to live with it. Con Edison’s partner Sealed—a home energy services company—can identify the home improvements you need most, and have them completed in days.

Enjoy your home even more.
Call 888-985-7481 or visit sealed.com/ConEdison to schedule a no-cost consultation with Sealed today.

Tips from efficient neighbors

- Turn down your thermostat when using your fireplace
  Save up to $35 per year

- Program your thermostat
  Save up to $210 per year
## Appendix C: Description of Phases

<table>
<thead>
<tr>
<th>Phase</th>
<th>0. Product Management</th>
<th>1. Project Launch</th>
<th>2. Demonstration Implementation</th>
<th>3. Project Optimization</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Milestone (Stage Gate to Next Phase)</strong></td>
<td>Negotiations Complete</td>
<td>Successful Platform Build</td>
<td>Platform Utilization</td>
<td>Revenue Realization</td>
</tr>
<tr>
<td></td>
<td>• Partner contracts signed</td>
<td>• Attract vendors in key categories</td>
<td>• Click through rates</td>
<td>• Revenue per source</td>
</tr>
<tr>
<td></td>
<td>• DPS approval</td>
<td>• Successful data transfer</td>
<td>• Qualified leads</td>
<td>• Customer satisfaction</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>• Contact center volume</td>
<td>• Vendor retention</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>• Vendor satisfaction</td>
<td></td>
</tr>
<tr>
<td><strong>Key Elements</strong></td>
<td>Platform provider contracted</td>
<td>Develop platform</td>
<td>Evaluate response of specific audiences to</td>
<td>Learn how to leverage more granular customer data</td>
</tr>
<tr>
<td></td>
<td>• DER providers signed-on</td>
<td>End-to-end testing</td>
<td>DER combinations</td>
<td>Optimize profit by refining categories and pricing</td>
</tr>
<tr>
<td></td>
<td></td>
<td>• Contact center training</td>
<td>Channels</td>
<td>Optimize for energy efficiency gains</td>
</tr>
<tr>
<td></td>
<td></td>
<td>• Program go-live</td>
<td>Messages</td>
<td></td>
</tr>
<tr>
<td><strong>DER Categories</strong></td>
<td>N/A</td>
<td>N/A</td>
<td>Rooftop solar</td>
<td>Further expansion of DER products and providers</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>Home energy efficiency audits</td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>Smart thermostats</td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>
## Appendix D: List of Metrics and Results

<table>
<thead>
<tr>
<th>Checkpoint</th>
<th>Category</th>
<th>Metric</th>
<th>Definition</th>
<th>Reporting Cadence</th>
<th>Results for Q1 2017 (not cumulative)</th>
</tr>
</thead>
<tbody>
<tr>
<td>DER Sales: Market Animation and Customer Choice &amp; Digital Engagement: Integrated Online Experience</td>
<td>Awareness</td>
<td>Customers aware of DER partners</td>
<td>Response to customer survey questions about awareness of DER offerings in Con Edison's territory</td>
<td>Annually</td>
<td>To be reported in Q3 2017.</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Total number of impressions</td>
<td>Total number of paper and digital communications sent to customers</td>
<td>Quarterly</td>
<td>878,938 total print and digital communications were sent to customers in Q1 2017. 389,129 of those communications were printed, and 489,809 were emailed.</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Open rates (Email Home Energy Reports)</td>
<td>Percent of customers who open email Home Energy Reports (eHERs)</td>
<td>Quarterly</td>
<td>On average, customers opened eHERs at a rate of 43.39 percent.</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Open rates (High Usage Alerts)</td>
<td>Percent of customers who open High Usage Alerts (HUAs)</td>
<td>Quarterly</td>
<td>On average, customers opened HUAs at a rate of 29.3 percent.</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Click through rates (eHERs)</td>
<td>Percent of customers who click on the link/s included in eHERs</td>
<td>Quarterly</td>
<td>On average, customers clicked-through from eHERs at a rate of 1.2 percent.</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Click through rates (HUAs)</td>
<td>Percent of customers who click on the link/s included in HUAs</td>
<td>Quarterly</td>
<td>On average, the click-through rate was 0.67 percent.</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Unique web visits</td>
<td>Number of unique customers who visit the web portal</td>
<td>Quarterly</td>
<td>33 authenticated, first time users visited the web portal in Q1. The Marketplace had 33,807 unique visits.</td>
</tr>
<tr>
<td>Leads and Acquisitions</td>
<td></td>
<td>Qualified solar leads generated</td>
<td>Number of qualified leads from the targeted offerings</td>
<td>Quarterly</td>
<td>1 qualified solar lead.</td>
</tr>
<tr>
<td>Checkpoint</td>
<td>Category</td>
<td>Metric</td>
<td>Definition</td>
<td>Reporting Cadence</td>
<td>Results for Q1 2017 (not cumulative)</td>
</tr>
<tr>
<td>------------</td>
<td>----------</td>
<td>--------</td>
<td>------------</td>
<td>------------------</td>
<td>-------------------------------------</td>
</tr>
<tr>
<td>Solar installations reported</td>
<td>Metric</td>
<td>Number of installations</td>
<td>Quarterly</td>
<td>0 solar installations.</td>
<td></td>
</tr>
<tr>
<td>Thermostats sold</td>
<td>Metric</td>
<td>Number of thermostats sold through the targeted offerings</td>
<td>Quarterly</td>
<td>83 thermostats sold.</td>
<td></td>
</tr>
<tr>
<td>Recipients and controls</td>
<td>Metric</td>
<td>Number of leads and acquisitions among recipient customers and control customers</td>
<td>Quarterly</td>
<td>To be reported in Q4 2017.</td>
<td></td>
</tr>
<tr>
<td>Channel and Messaging Effectiveness: Customer Motivation</td>
<td>Partners</td>
<td>DER partners retained</td>
<td>Annually</td>
<td>To be reported in Q3 2017.</td>
<td></td>
</tr>
<tr>
<td>Channel and Messaging Effectiveness: Customer Motivation</td>
<td>Customers</td>
<td>Positive customer experience</td>
<td>Annually</td>
<td>To be reported in Q3 2017.</td>
<td></td>
</tr>
<tr>
<td>Revenue Realization</td>
<td>Total Revenue</td>
<td>Total revenue to Con Edison</td>
<td>Annually</td>
<td>To be reported in Q3 2017.</td>
<td></td>
</tr>
<tr>
<td>Demand Side Management: Customer Co-Benefits</td>
<td>Energy / Demand / Benefits</td>
<td>Energy efficiency savings</td>
<td>Monthly</td>
<td>5,502 MWh total in Q1: 1,854 MWh in January, 1,742 MWh in February, 1,906 MWh in March.</td>
<td></td>
</tr>
<tr>
<td>Demand Side Management: Customer Co-Benefits</td>
<td>Energy / Demand / Benefits</td>
<td>Demand savings (MW)</td>
<td>Monthly</td>
<td>7.64 total MW in Q1: 2.49 MW in January, 2.59 MW in February, and 2.56 MW in March.</td>
<td></td>
</tr>
<tr>
<td>Checkpoint</td>
<td>Category</td>
<td>Metric</td>
<td>Definition</td>
<td>Reporting Cadence</td>
<td>Results for Q1 2017 (not cumulative)</td>
</tr>
<tr>
<td>--------------------------------</td>
<td>-------------------------------</td>
<td>---------------------------------------------</td>
<td>---------------------------------------------------------------------------</td>
<td>-------------------</td>
<td>-------------------------------------------------------------------------------------------------------</td>
</tr>
<tr>
<td>Indirect energy savings</td>
<td>Category</td>
<td>Metric</td>
<td>Total kWh savings from product sales from the Marketplace Storefront</td>
<td>Quarterly</td>
<td>Electric savings: 271,842 kWh, Gas savings: 80,443 therms.</td>
</tr>
<tr>
<td>Marketplace Storefront sales</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Reduction in greenhouse gas</td>
<td></td>
<td></td>
<td>Greenhouse gas emissions reduction from product sales from Marketplace</td>
<td>Quarterly</td>
<td>8,106,969 lbs total CO₂, 142 lbs total CH₄, 16 lbs total N₂O from both the Marketplace Storefront and Behavioral Program:</td>
</tr>
<tr>
<td>emissions</td>
<td></td>
<td></td>
<td>Storefront and the Behavioral Program</td>
<td></td>
<td>Behavioral: 6,874,759 lbs CO₂; 135.9 lbs CH₄; 15.4 lbs N₂O.</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>Marketplace Storefront: 1,232,210 lbs CO₂; 6.1 lbs CH₄; 0.6 lbs N₂O.</td>
</tr>
</tbody>
</table>