**Project Summary:** The RG&E Energy Marketplace demonstration project was an e-commerce site to test energy related online transactions, customer satisfaction, and the delivery of comprehensive energy solutions for customers. The Marketplace further tested methods to customize, engage, and grow the market for energy related products and services by connecting with customers on a range of distributed energy resource (DER) offerings through targeted marketing and tailored content. Products included LED lighting, advanced power strips, wifi-enabled thermostats, and integration with demand response program enrollment.

**Lessons learned:**

- Feedback shows that customers are satisfied with their marketplace experience or even being loyal enthusiasts.
- Customers considered the RG&E Marketplace to be comparable to larger vendors like Amazon; the product pricing on the marketplace was ranked at around average, or sometimes higher, than other retailers.
- Feedback also showed that competitive pricing for non-subsidized products was likely not an area the store could compete in. This suggests that the marketplace could be more effective by focusing on energy efficiency products with rebates, and if non-rebated products are added, to promote them as bundle deals with other rebated products.
- Overall, the RG&E Energy Marketplace project has proven to be effective in offering customers more choices in purchasing energy related products and promoting market enablement.
- The Marketplace revenue stream is not suited for a new business model, however it is useful to fund various programing, such as energy efficiency initiatives.

**Application of lessons learned:**

- The RG&E Energy marketplace transitioned to an Energy Efficiency program in Q3, 2018 and expanded to the NYSEG service territory in Q4, 2018.

**Explanation for over budget:**

- Budget overage was due to the addition of the direct enrollment in the Smart Savings Rewards, Demand Response program which was not in the original scope and monthly contract extensions for the licensing fees while the marketplace transitioned to an Energy Efficiency program.

**Issues Identified:**

- *No major issues.*

**Solutions Identified:**

- *No major issues.*

**Recent Milestones/Targets Met:**

- Integration with the Smart Savings Rewards, Demand Response program allowing customers to directly enroll in the Demand Response program when purchasing an eligible smart thermostat on the marketplace.
The RG&E Energy Marketplace expanded to all of NYSEG service territory in Q4, 2018 branded as the NYSEG Smart Solutions, following the Energy Smart Community Marketplace brand.

Upcoming Milestones/Targets:

- The demonstration project officially ended 12/31/2017.
- A close out report for this demonstration was filed Q1, 2019.
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1.0 Summary

Rochester Gas and Electric (RG&E) Corporation submits this quarterly report to reflect the project expenditures for the RG&E Energy Marketplace REV demonstration project which officially ended December 31, 2017. The online marketplace, branded the RG&E YES Store, fully transitioned to an EE program effective August, 2018. Expansion of the marketplace to NYSEG service territory was completed in Q4, 2018 under the brand name of NYSEG Smart Solutions.

This report reflects expenditures for the RG&E YES Store REV demonstration project through August, 2018 when it transitioned to an EE program. There are no expenditures to report for the REV demonstration project after August, 2018. The RG&E Energy Marketplace REV Demonstration Project final report was filed on January 31, 2019.

2.0 Budget Review