



---

REV Demonstration Project:  
Connected Homes Platform

2018 Q2 Quarterly Progress Report

---

**Dated: July 26, 2018**

## Table of Contents

<b>1.0</b>	<b>EXECUTIVE SUMMARY .....</b>	<b>3</b>
1.1	Program Achievements .....	3
1.2	Cybersecurity and Personally-Identifiable Information Protection .....	4
1.3	Accounting Procedure Established .....	4
1.4	Costs, Benefits, and Operational Savings .....	4
1.5	Connected homes platform .....	5
<b>2.0</b>	<b>Connected homes – quarterly progress .....</b>	<b>5</b>
2.1	Demonstration Highlights .....	5
2.1.1	Since Previous Quarter – Major Tasks Completion .....	5
2.2	Activities Overview .....	5
2.2.1	Key Metrics.....	10
2.2.2	Next Quarter Forecast.....	12
2.2.3	Checkpoints/Milestone Progress.....	12
	On Schedule .....	13
	Delayed w/out Major Impact .....	13
	Delayed or Stopped – Project Goals Impacted.....	13
2.2.4	Planned Activities .....	13
2.2.4.1	DER Sales.....	13
2.2.4.2	Digital Engagement - Integrated Online Experience.....	13
2.2.4.3	Revenue Realization: New Business Models .....	14
2.2.4.4	Demand Side Management: Customer Co-Benefits.....	14
2.2.4.5	Referrals to Energy Efficiency Rebate Programs .....	14
2.2.5	Changes to Project Design .....	15
2.3	Work Plan & Budget Review .....	15
2.3.1	Phase Progress.....	15
2.3.1.1	Updated Work Plan .....	15
2.3.1.2	Updated Budget .....	16
2.4	Conclusion.....	16
2.4.1	Lessons Learned.....	16

2.4.2	Recommendations .....	17
2.5	Included Appendices .....	17

---

## 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 early 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.

In Q2 2017, the Project team developed new modules for the SunPower and Sealed campaigns creatives, expanded marketing efforts and added two new revenue streams on the Marketplace: third-party advertising and cost-per-click referrals.

In Q3 2017, the Project team conducted successful marketing and sweepstakes campaigns resulting in significant sales of energy efficient items and revenue generation. The team also launched a new solar experience within the Marketplace designed to increase customer engagement and create a new lead generation revenue stream. Negotiations with a new distributed energy resource (“DER”) partner, Mitsubishi Electric, were also finalized in the quarter, resulting in a new targeted campaign for heat pumps.

In Q4 2017, the Project team wrapped up the 2017 targeted offer campaigns for Sealed home services, smart thermostats, Marketplace products and Mitsubishi electric heat pumps. In addition, the team’s optimization of Marketplace digital engagement campaigns resulted in a 25 percent increase in energy efficient product sales (lighting and thermostats), combined with a 9 percent increase in revenue. These transactions also resulted in a greater than 50 percent increase in lifetime electricity saved quarter-over-quarter. The team also successfully began testing email campaigns to promote the new solar program, resulting in 15 contracts executed.

In Q1 2018, the Project team expanded and optimized email and digital engagement marketing programs for lighting, thermostats, and the solar program. Despite being a normally quiet quarter for e-commerce activity, these efforts led to revenues in Q1 2018 that were comparable to the very successful Q4 2017, and a 10x year-over-year increase for the quarter. The first solar program installations were also completed in Q1, and the team executed its first sponsored email campaigns, establishing a new source of revenue.

In Q2 2018, Con Edison filed an amendment to the Connected Homes REV demonstration project implementation plan on May 14, 2018. The main revisions to the plan include: promote Home Energy Reports to a full program within the Energy Efficiency Program portfolio; expand the Marketplace capabilities and extend the project timeframe through December 2019; and test two customer-centered concepts that will further customer engagement with the Con Edison Marketplace. The Marketplace team also implemented an expansion of the Solar experience to include Community Solar, providing renters and multi-family homes with options to participate.

## **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 governs how the Company categorizes and allocates the costs of the REV demonstration projects, and facilitates 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.

The program costs have been as planned and the program has driven increases in non-revenue generating benefits, exceeding targets for customer engagement and energy savings. Progress was made in Q1 to facilitate revenue generation from targeted offers and to increase the volume and revenue contribution of Marketplace e-commerce sales.

## **1.5 CONNECTED HOMES PLATFORM**

The Project seeks to provide residential customers of Con Edison's service territory a set of tools designed to proactively connect the customers 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 DERs and animate the DER market by using customer usage data and advanced data analytics to match customer needs with vetted DER products. Con Edison's partner in the Project, Enervee, is administering marketing campaigns promoting a set of products and services to participating customers to demonstrate and evaluate the proof of concept.

---

## **2.0 CONNECTED HOMES – QUARTERLY PROGRESS**

---

### **2.1 DEMONSTRATION HIGHLIGHTS**

#### **2.1.1 Since Previous Quarter – Major Tasks Completion**

- The Project Team established a partnership with Deloitte/Market Gravity to test two customer-centered concepts that will further customer engagement with Con Edison Marketplace.
- Optimized email and Marketplace advertising campaigns for lighting, thermostats and solar offerings.
- Launched Community Solar through our partnership with Pick My Solar application on Marketplace. Complementing the rooftop solar concierge service launched in Q4 2017, this application allows the project team to promote participation in off-site community solar projects, including to renters and residents in multi-family housing.
- The project team began offering paid advertising space on targeted emails, delivering relevant and compelling offers to customers. The result is a new source for driving revenue for the project.

### **2.2 ACTIVITIES OVERVIEW**

In Q2 2018, Con Edison, in partnership with Deloitte/Market Gravity, began plans to assess two new enhanced service concepts for the Project: 1) Connected Homes App will assess a service that allows approximately 120 participants access to app-based energy management tools, control of smart devices, and tracking of energy usage; 2)

Bright Futures will investigate how residential customers act on their eco values and whether they choose to interact with a network of sustainable small businesses through a reward mechanism. It will include 10-20 businesses and 100 customer interactions. Results of the assessment will be finalized and reported in Q1 2019.

The Project team continued to optimize Marketplace email and advertising campaigns, focusing on e-commerce promotions of lighting and solar lead generation, resulting in positive growth.

Overall revenue performance and customer engagement was also driven by sponsorship opportunities, such as Appliances Connection, which primarily focused on appliance initiatives.

Campaigns to promote partnership with Sealed for their HomeAdvance program were very successful and exceeded lead generation expectations. As a result, sponsored email campaigns were extended with monthly emails going through the end of 2018.

Participation in manufacturer promotions, such as Nest and Ecobee smart thermostats pushes and the offering of additional smart home assistant (Google Home Mini), resulted in a 309% increase in sales of thermostats vs. Q2 of 2017.

### Marketplace Marketing Initiatives:

#### Solar Email Campaigns:

Solar promotions continue through Q2 2018, with a dedicated email promotion in May, and the inclusion of solar cross-promotion modules in e-commerce and rebate related emails in 2018. Since launch of the solar promotion programs there have been 1,393 leads collected, with 277 proposals created, and 23 systems installed.

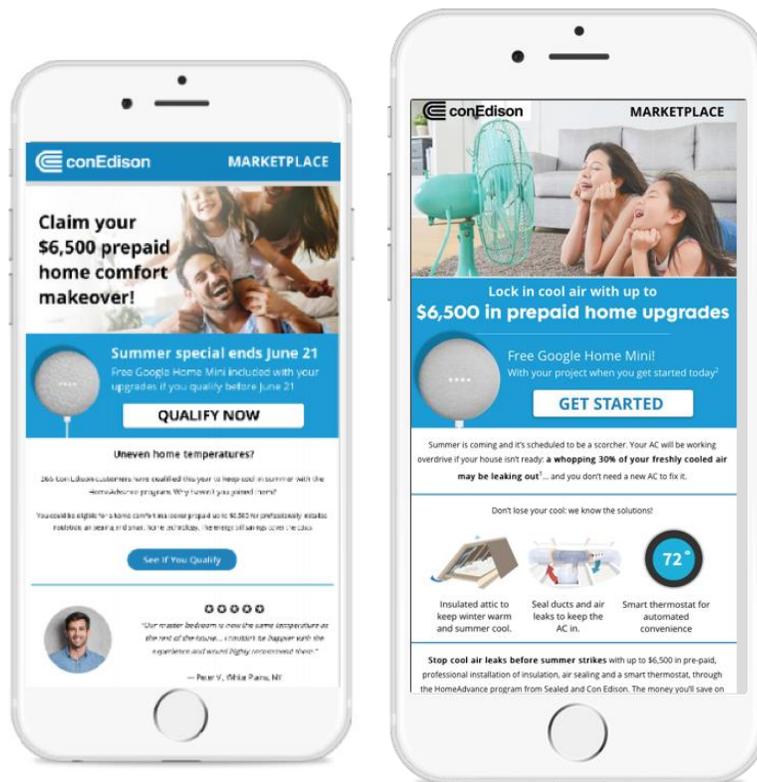


## April / May Lighting promotion:

The project team expanded the offerings on Marketplace and began promoting new LED lighting products and brands with a series of special sales. Two email initiatives and cross promotional digital advertising on other promotions drove the bulk of the sales. This marketing performance, along with direct traffic, resulted in 8,994 units sold and delivering an estimated lifetime energy savings of 7,375,080 kWh and helping to avoid 7,838,973 lb. CO<sub>2</sub>e of greenhouse gas emissions

## Sealed Email Promotion:

After the successful promotion of Con Edison partner, Sealed, the project team will continue to promote the program throughout 2018. In Q2 there were three promotional campaigns. All three campaigns maintained open rates over 20 percent and drove 514 leads. The performance of this suggests that customers are open to receiving offers on an ongoing basis. This seems to indicate that customers are open to receiving valuable offers on an ongoing basis.



Thermostat promotions:

The project team participated in four separate thermostat manufacturer promotions in Q2 2018.

These offers, in combination with strong performance from email and display promotion, sold 2,190 units of thermostats, reducing lifetime electricity consumption by 1,077,648 kWh and natural gas use by 864,864 therms, as well as avoiding 11,233,552 lb. CO<sub>2</sub>e of GHG emissions.

Nest Earth Day Promotion:

In April in celebration of Earth Day, Nest offered 10 percent of proceeds to organizations working across the US to bring energy efficiency to those who need it most. The project team participated by promoting the sale of Nest thermostats with email and display campaigns.

conEdison MARKETPLACE

**\$50 OFF**  
On Nest, Ecobee & other Smart Thermostats  
LIMIT 1 THERMOSTAT PER HOUSEHOLD. SEE SITE FOR DETAILS

Choose the NEST E or Ecobee3 Lite

\$169  
**\$119**  
SHOP NOW  
LIMIT 1 THERMOSTAT PER HOUSEHOLD

**+Get \$85 Back**  
on some models after you buy\*

SHOP NOW

**In honor of Earth Day**  
Do something good for the planet and yourself

- Save \$50 now on smart thermostats from Con Edison
- Get an additional \$85 rebate on some models after you buy\*
- Get a more comfortable home and save energy for the planet
- Plus, from April 16 to April 30, 2018, buy a Nest thermostat, and Nest will donate 10% of the proceeds (up to \$500,000) to organizations working across the U.S. to bring energy efficiency to those who need it most\*\*

**Solar For Your Home Made Simple**  
LEARN MORE

\*Get an additional \$85 dollars after you make your purchase and enroll an eligible thermostat with Con Edison. See details [here](#).  
\*\*See [nest.com](#) for details.  
Limit 1 thermostat per Con Edison billing account. Conditions may apply. see site for details. Offer good while supplies last.

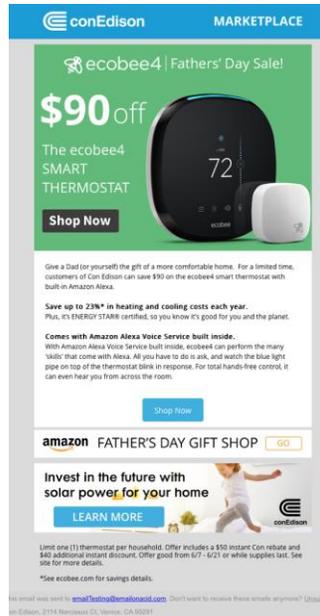
It was sent to [emailTesting@emailonacid.com](mailto:emailTesting@emailonacid.com). Don't want to receive these emails anymore? Unsubscribe at [Unsubscribe](#).  
© 2018 Con Edison. All rights reserved. Con Edison, 2114 Narcissus Ct, Venice, CA 90291

**Nest April thermostat promotion:**

At the end of April/early May, the Marketplace offered customers a \$50 limited time manufacturer discount and a free Google Home Mini in addition to the \$50 Con Edison rebate. Customers also had the opportunity to register with Con Edison's Smart Thermostat program and receive an additional \$85 rebate.

**Ecobee promotion:**

Focused around Father's Day, the Marketplace participated in manufacture sale with a \$40 manufacturer discount in addition to the \$50 Con Edison rebate. Sales were significantly slower than the Nest promotion due to a lesser discount amount and absence of a free promotional product.



## Nest June/July Promotion:

As part of the July 4<sup>th</sup> holiday campaign, at the end of June, the Marketplace offered customers a \$50 limited time manufacturer discount and a free Google Home Mini in addition to the \$50 Con Edison rebate. Customers also had the opportunity to register with Con Edison's Smart Thermostat program and receive an additional \$85 rebate. This promotion ended on July 8th.

### 2.2.1 Key Metrics

In Q2, the Project continued to see significant e-commerce Storefront sales. For additional details on program results to date, see Appendix A: List of Metrics and Results.

- Marketplace Storefront Sales:
  - In Q2, the team recorded 11,192 Storefront orders consisting of 8,894 light bulbs, 2,190 thermostats and 2 power strips. The continued use of targeted Storefront campaigns, combined with the optimized product and pricing mix, led to a 22 percent increase in revenue quarter-over-quarter.

### *Digital Customer Engagement:*

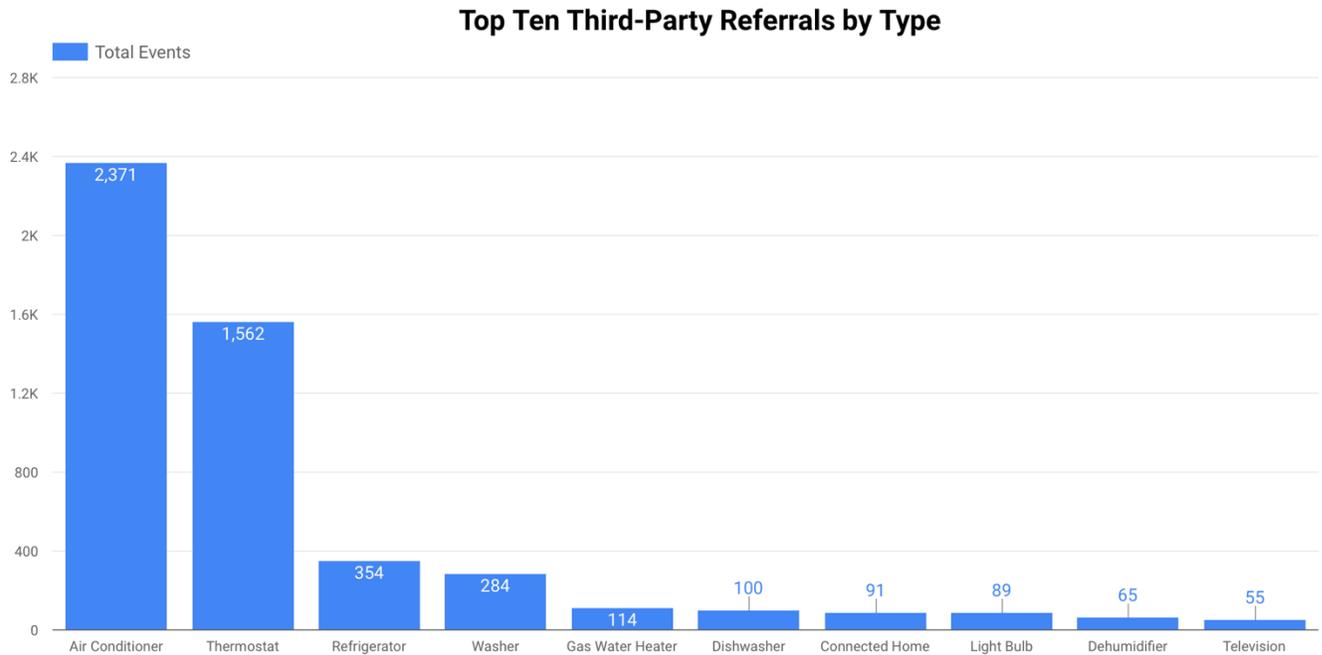
In Q2 2018, Con Edison's Marketplace attracted 195,208 unique visitors and 313,551 sessions, resulting in 734,291 corresponding page views.

The Marketplace was also effective at raising awareness of other Con Edison programs and tracking actions taken by visitors. Since inception through Q1 2018, 5,638

Marketplace visitors have clicked through to Con Edison’s large appliance rebate offers, and 6,110 smart thermostat shoppers on Con Edison’s Marketplace Storefront sought out information on the Smart Thermostat program.

*DER Market Activation:*

During Q2, Marketplace customers were directed to third-party appliance retail websites 5,287 times. The most popular Marketplace categories were air conditioners and thermostats.



*Energy Savings:*

Estimated energy savings associated with Marketplace Storefront sales in Q2 were 8,454 MWh and 8,64,864 Therms on a lifetime basis. As of the end of Q2, the End Goal for electricity savings had been exceeded by 1076%.

*Greenhouse Gas Emissions Reductions:*

The lifetime energy savings associated with Marketplace Storefront sales in Q2 2018 will avoid 19,063,254 pounds of carbon dioxide, 186.0 pounds of methane and 16.9 pounds of nitrous oxide emissions. Cumulatively, Storefront sales will cut greenhouse gas emissions by 134,600,489 lb. CO<sub>2</sub>e.

### **2.2.2 Next Quarter Forecast**

Q3 2018, the team will focus its efforts on channels that maximize energy savings while generating revenue.

Planned Q3 2018 activities for Marketplace include:

- Launch Con Edison Cars Marketplace, a choice engine to enable customers to compare internal combustion engines, hybrids and EVs on a cost of ownership basis, with information including manufacturer's suggested retail price, personal fuel cost, and available incentives, to nudge customers to consider the most efficient EV model.
- Upgrading Storefront to Enervee Checkout™ with lightbulbs.com. Checkout offers a co-branded online retail checkout experience and supports instant discounts, initially for thermostats and lightbulbs. Enervee's Checkout™ program seamlessly integrates direct sales capabilities, including incentivized sales, into the Marketplace user experience. Checkout serves as a direct substitute for Storefront, providing customers the same ability to purchase products directly through the Con Edison Marketplace while reducing logistical burden by leveraging retail partner expertise in order logistics and fulfillment.
- Continued optimization of paid search and display campaigns to drive rebates and energy savings, in addition to sales of appliances, products and services.
- Continued outreach to setup new sponsorship and advertising opportunities for Marketplace.
- Continued execution of price drop and flash sales, holiday promotions and cross promotions of products.
- Launch Contractor finder in partnership with Home Advisor.
- Assess potential for enabling customers get instant rebates across multiple categories of appliances for in-store and online purchases at select retailers by validating their eligibility on the Marketplace.

### **2.2.3 Checkpoints/Milestone Progress**

Checkpoint/Milestone	Timing*	Status
DER Sales	Phase 2 Midpoint / End	  
Digital Engagement: <i>Integrated Online Experience</i>	Phase 3 start + 6 months	  
Revenue Realization: <i>New Business Models</i>	Phase 2 Midpoint / End	  
Demand Side Management: <i>Customer Co-Benefits</i>	Phase 2 Midpoint / End	  
Referrals to Energy Efficiency Rebate Programs	Phase 2 Midpoint / End	  

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

**Legend**

 On Schedule	 Delayed w/out Major Impact	 Delayed or Stopped – Project Goals Impacted
---	--	---

**2.2.4 Planned Activities**

**2.2.4.1 DER Sales**

**Status:** Green

**Expected Target by Phase 2 End:** 43,500 purchases

**As of Q2:** DER sales have exceeded target by 232 percent.

**2.2.4.2 Digital Engagement - Integrated Online Experience**

**Status:** Green

**Expected Target by Phase 2 End:** 70,000 unique visitors each six-month period

**As of Q2:** Digital engagement exceeded expectations by 454 percent.

#### **2.2.4.3 Revenue Realization: New Business Models**

**Status:** Yellow

**Expected Target by Phase 2 End:** \$360,200

**As of Q2:** Revenue realization is *slightly below expectations*.

While Marketplace-generated revenue expanded in Q2 2018 with new sponsorship opportunities and the solar program, new restrictions on the number of thermostat rebates per customer are expected to result in a 30-40 percent decrease in the number of thermostat units sold. Additionally, at the beginning of 2018, a budget cap on the total amount of Energy Efficient instant rebates for LEDs and thermostats that can be claimed through the Marketplace will decrease forecasted revenue goals from the Storefront channel.

#### **2.2.4.4 Demand Side Management: Customer Co-Benefits**

**Status:** Green

**Expected Target by Phase 2 End:** 8,700 MWh (Marketplace Storefront);

**As of Q1:** Estimated electricity lifetime savings from sales of products in the marketplace exceeded expectations by 1,076 percent.

#### **2.2.4.5 Referrals to Energy Efficiency Rebate Programs**

**Status:** Yellow

**Expected Target by Phase 2 End:** 26,000 click-throughs from Marketplace to large appliance rebate applications

**As of Q1:** Referrals to energy efficiency rebate programs are *below expectations*.

For the majority of the project to date, marketing initiatives were dedicated to driving customers towards e-commerce sales (LEDs and smart thermostats). The team will continue to optimize a mix of marketing campaigns and allocate resources towards energy efficiency appliance rebates. In Q3 of 2017 the rebate capture method shifted from clicking on a simple link for a hosted PDF form, to an email opt-in that allowed the customer to receive the appropriate form by email and create a profile on Marketplace. The email opt-in, while initially affecting total opt-in volume,

contributed to a better customer experience and potential for deeper engagement with the interested consumer.

### **2.2.5 Changes to Project Design**

The project team will add Community Solar including tracking end-of-quarter incremental installed capacity and avoided GHG emissions (rooftop & solar). Additionally, the team launched the Cars Marketplace to drive up the adoption of EVs in Con Edison's territory.

## **2.3 WORK PLAN & BUDGET REVIEW**

### **2.3.1 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) and Phase 3 (Project Optimization).

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. In lieu of the Request for Information ("RFI") process included in the Phase 3 Work Plan tasks, Con Edison supported NYSERDA's development of the REV Connect online platform. This platform allows DER developers to read about and express interest in becoming involved with New York's demonstration projects. The team believes that at this stage in the Project, this level of effort in the DER recruitment process is suitable for potential third-party engagement. A full description of the major Project phases is set forth in Appendix B: Description of Phases.

#### **2.3.1.1 Updated Work Plan**

## Demonstration Project - Connected Homes Platform

Activity No.	Activity Description	Status	Lead	2017				2018	
				Q1	Q2	Q3	Q4	Q1	Q2
<b>3.0</b>	<b>Phase 2 - Demonstration Implementation</b>								
3.1	<b>Project Management</b>	IN PROGRESS	Con Edison						
3.1.1	<b>Track program metrics</b>	IN PROGRESS	Con Edison/partners						
3.1.1.1	Track digital and outbound engagement metrics	IN PROGRESS	Opower/Enverve						
3.1.1.2	Track energy efficiency savings	IN PROGRESS	Opower/Enverve						
3.1.1.3	Report on DER sales	IN PROGRESS	DER Partners						
3.1.1.4	Conduct customer survey	COMPLETE	Opower						
3.1.2	<b>Reporting and Evaluation</b>	IN PROGRESS	Con Edison						
3.1.2.1	Deliver Quarterly Reports	IN PROGRESS	All						
3.1.2.2	Annual workshop with stakeholders	IN PROGRESS	All						
3.2	<b>Delivery</b>	IN PROGRESS	Con Edison/Partners						
3.2.1	<b>Deliver core content to customers</b>	IN PROGRESS	Con Edison/Partners						
3.2.1.1	Maintain Marketplace and Web Portal	IN PROGRESS	Opower/Enverve						
3.2.1.2	Maintain contact center solutions	IN PROGRESS	Con Edison						
3.2.1.3	Deliver outbound content	COMPLETE	Opower						
3.2.2	<b>Phase in additional web functionality</b>	COMPLETE	Con Edison/partners						
3.2.2.1	Additional appliance categories integration for Marketplace	COMPLETE	Enverve						
3.2.2.2	Marketplace launch Storefront and retailer API functionalities	COMPLETE	Enverve						
3.2.2.3	Implement Single-Sign-On	COMPLETE	Opower						
3.2.3	<b>Launch DER targeted promotional messaging</b>	COMPLETE	Con Edison/Partners						
3.2.3.1	DER program design and configuration	COMPLETE	DER Partners/Opower						
3.2.3.2	Deploy web, print and email-based promotions	COMPLETE	Opower						
3.2.3.3	Maintain contact center solutions for new customers	COMPLETE	Con Edison						
3.3	<b>Ongoing Customer &amp; Community Outreach</b>	IN PROGRESS	Con Edison						
<b>4.0</b>	<b>Phase 3 - Project Optimization</b>								
4.1	<b>Project Management</b>	IN PROGRESS	Con Edison						
4.1.1	Evaluate project rollout	NOT STARTED	Con Edison						
4.2	<b>REV CONNECT PLATFORM - DER Online Resource</b>	IN PROGRESS	Con Edison/NYSERDA						
4.3	<b>Optimize Program</b>	IN PROGRESS	Con Edison/Partners						
4.3.1	<b>Refine Program Design</b>	IN PROGRESS	Con Edison/Partners						
4.3.1.1	Refine DER Categories and Pricing	IN PROGRESS	Con Edison/Partners						
4.3.1.2	Optimize Revenue/Benefit Opportunity	IN PROGRESS	Con Edison/Partners						
4.4	<b>Customer-Centered Applications: Meco &amp; Bright Futures</b>	IN PROGRESS	Con Edison/Deloitte						

	= Completed Task		= In Progress Task		= Not Started Task
--	------------------	--	--------------------	--	--------------------

### 2.3.1.2 Updated Budget

Budget information is being filed confidentially with the Commission.

## 2.4 CONCLUSION

### 2.4.1 Lessons Learned

Energy efficiency and connected appliances continue to resonate strongly with visitors to the Marketplace. Customers responded favorably to cross-promotional offers from Nest (free Google Home Mini with purchase of a thermostat). Buying guides are now available for light bulbs, thermostats, gas dryers and gas water heaters. This fortifies the marketplace as not only a choice engine to nudge consumers to buy more efficiently, but also an educational resource to help with the customer evaluation journey. The Marketplace team has developed a strategic partnership with Sealed, which helps customers with continuing to make more energy efficient choices for their home and work with trusted advisors.

### **2.4.2 Recommendations**

Despite the program overall engagement success, the Marketplace team has observed a slight downturn in direct sales across thermostats and LED lightbulbs. The Company will continue to diversity opportunities for Marketplace revenue and customer engagement. Going forward, the focus will be on adding more smart-home and energy savings offerings for customer, as well as continuing to expand revenue opportunities, such as Con Edison Cars Marketplace, Community and Residential Solar, Advertising/Sponsorships and Contractor Services.

## **2.5 INCLUDED APPENDICES**

Appendix A: List of Metrics and Results

Appendix B: Description of Phases

## Appendix A: List of Metrics and Results

Checkpoint	Category	Metric	Definition	Reporting Cadence	Results for Q2 2018 (not cumulative)
DER Sales: Market Animation and Customer Choice & Digital Engagement: Integrated Online Experience	Leads and Acquisitions	Qualified solar leads generated	Number of qualified leads from Marketplace	Cumulative	1,365 solar leads
		Solar sales reported	Number of solar systems sold	Cumulative	51 solar sales
		Solar installations	Number of solar systems installed	Cumulative	25 solar installations
Revenue Realization	Total Revenue	Total revenue to Con Edison	Revenue gained	Annually	Actual revenue through Q2 2018 is roughly 55 percent of the projected total Marketplace revenue through the Phase 2 endpoint (July 2018)
Demand Side Management: Customer Co-Benefits	Energy / Demand / Benefits	Energy savings (Marketplace Storefront sales)	Total kWh savings from product sales from the Marketplace Storefront	Quarterly	Electric savings: 8,454 MWh, Gas savings: 864,864,058 Therms: 2,058
		Reduction in greenhouse gas emissions	Greenhouse gas emissions reduction from product sales from Marketplace Storefront	Quarterly	19,063,254 lbs. CO2; 186.0 lbs. CH4; 16.9 lbs. N2O.

## Appendix B: Description of Phases

Phase	0. Product Management	1. Project Launch	2. Demonstration Implementation	3. Project Optimization
Milestone (Stage Gate to Next Phase)	<i>Negotiations Complete</i> <ul style="list-style-type: none"> <li>• Partner contracts signed</li> <li>• DPS approval</li> </ul>	<i>Successful Platform Build</i> <ul style="list-style-type: none"> <li>• Attract vendors in key categories</li> <li>• Successful data transfer</li> </ul>	<i>Platform Utilization</i> <ul style="list-style-type: none"> <li>• Click through rates</li> <li>• Qualified leads</li> <li>• Contact center volume</li> <li>• Vendor retention</li> <li>• Customer satisfaction</li> </ul>	<i>Revenue Realization</i> <ul style="list-style-type: none"> <li>• Revenue per source</li> <li>• Customer satisfaction</li> <li>• Vendor retention</li> </ul>
Key Elements	<ul style="list-style-type: none"> <li>• Platform provider contracted</li> <li>• DER providers signed-on</li> </ul>	<ul style="list-style-type: none"> <li>• Develop platform</li> <li>• End-to-end testing</li> <li>• Contact center training</li> <li>• Program go-live</li> </ul>	Evaluate response of specific audiences to <ul style="list-style-type: none"> <li>• DER combinations</li> <li>• Channels</li> <li>• Messages</li> </ul>	<ul style="list-style-type: none"> <li>• Learn how to leverage more granular customer data</li> <li>• Optimize profit by refining categories and pricing</li> <li>• Optimize for energy efficiency gains</li> </ul>
DER Categories	N/A	N/A	<ul style="list-style-type: none"> <li>• Rooftop solar</li> <li>• Home energy efficiency audits</li> <li>• Smart thermostats</li> </ul>	<ul style="list-style-type: none"> <li>• Further expansion of DER products and providers</li> <li>• Expand to ESCOs</li> </ul>