

Reforming the Energy Vision

Demonstration Project Q3 2017 Report

Community Energy Coordination



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1.0 Executive Summary

New York State Electric and Gas (“NYSEG” or “the Company”) submits this quarterly report on the progress of the Community Energy Coordination (CEC) demonstration project. The CEC demonstration project is attempting to reduce customer barriers to the adoption of distributed energy resources (DER).

Through the CEC project NYSEG is marketing three different DER’s; residential solar, community shared solar, and energy efficiency services, directly to its customers. Customers are encouraged to go to an online services marketplace, called NYSEG YES Home Solutions, where they are able to gather information and connect with participating energy efficiency and community shared solar service providers, and receive competitive quotes from residential solar service providers.

At the end of Q3, on October 1, 2017 the project transitioned from being a REV demonstration to being part of the NYSEG Energy Smart Community with a new URL and additional project scope. This new iteration of the website, now called NYSEG Smart Solutions, includes an energy products marketplace along with the energy services that were offered through the CEC demonstration project. Future performance of NYSEG Smart Solutions will be reported through the quarterly Energy Smart Community status reports. Final results and overall analysis of the CEC demonstration project will be reported at the end of Q4 2017.

Milestones that were met during Q3 2017 included:

- Completed project marketing
- Analysis of results

Plans for Q4 2017 include:

- Customer satisfaction surveys and analysis
- Community stakeholder satisfaction discussion and analysis
- Service provider satisfaction discussion and analysis
- Additional results analysis
- Lessons learned and recommendations

2.0 Demonstration Highlights since the Previous Quarter

2.1 Activity Overview

Major accomplishments during Q3 2017 included:

- Completion of project marketing
- Project goal of >500 leads achieved
- 13 services contracts signed

2.1.1 Activity: Marketing

The residential solar, community solar, and energy efficiency service offerings for the CEC demonstration project were marketed extensively in Tompkins County. Marketing began in late March 2017 and ended in September 2017. The primary means of communication was through email with additional marketing by using mailed postcards and in person community engagement.

Total Marketing Quantity included:

- Emails sent: 294,611
- Postcards mailed: 20,000
- Events attended: 7

Below are examples of marketing messages that have been sent as part of this demonstration project.

Figure 1: Solar Has Never Been Easier email



Solar Has Never Been Easier

Many renters and homeowners wish they could have the clean, low-cost benefits of solar, but don't have the sunny roof needed to make solar panels effective. That's not an issue anymore.

Now, with [Community Shared Solar](#), anyone can enjoy clean energy by purchasing a share of a solar farm.

It's easy to get started. Just fill out a simple information request form to find out about community shared solar projects in Tompkins County.

[Request More Information](#)

Figure 2: Solar Built for You email



Solar Built for You

NYSEG knows there are many types of families and homes. For this reason, [YES Home Solutions](#) gives you a few options for going solar - community solar or residential solar. Both options offer bill savings, but each features distinct benefits.

[Compare Now](#)



Community Solar

- Purchase a share of a larger solar farm located in Tompkins County.
- This option is great for both renters and home owners.

[Learn More](#)



Residential Solar

- Solar panels can be mounted to your rooftop or transmit energy via a ground mount on your property.
- Since most solar panels have a 25-year power production warranty, this option is great for home owners.

[Learn More](#)

Figure 3: Make Your Home More Efficient email



Make Your Home More Efficient.

Discover what improvements are right for your home with a **no-cost energy assessment**.^{*} Like a doctor's check-up, a home energy assessment determines if your house is working at its best to keep you safe, comfortable and energy efficient.



A local contractor will:

- Identify air leakages
- Inspect heating and cooling systems and other appliances
- Check for safety concerns

Come away with a tailored report for your home and recommended next steps.

[Learn More](#)

Most common benefits include:

- Better Indoor Air Quality
- Reduced Energy Bills
- Enhanced Home Comfort
- An Increase in Home Performance
- Safety and Peace of Mind



[Get Started](#)

Figure 4: Have a Pro Check Your Home email



Have a Pro Check Your Home

It's tough to know where your coveted cool air is leaking. We can help you find out by connecting you to certified, high-quality local contractors who have the tools and expertise to assess your home.

Schedule a [no-cost home energy assessment](#) from YES Home Solutions to learn how to make your home more efficient. Increase your comfort while reducing your air conditioning costs.

[Get Your No-Cost Assessment](#)



What to Expect:


- Locate the sources of energy loss and safety risks in your home
- Receive a tailored report outlining the findings and suggested next steps
- Partner on a plan that is right for your home and family

[Learn More](#)

Figure 5: Go Solar postcard front



Figure 6: Go Solar postcard back



Now is the time to go **SOLAR!**
Generate your own electricity, lower your home energy costs and reduce your carbon footprint.


You now have multiple ways to go solar! With a traditional **Residential Solar** installation, you can power your home with electricity generated by solar panels mounted on your rooftop or property.

Alternatively, you can participate in a **Community Shared Solar** farm and power your home with low-cost solar energy generated from a local solar array. Both of these clean, renewable energy options have the benefit of saving you money on your monthly electricity costs.





150,000+
New Yorkers have gone solar.

 Sign up today at Solar.YESHomeSolutions.com.



YES Home Solutions
P.O. Box 5224, Binghamton, NY 13902-5224

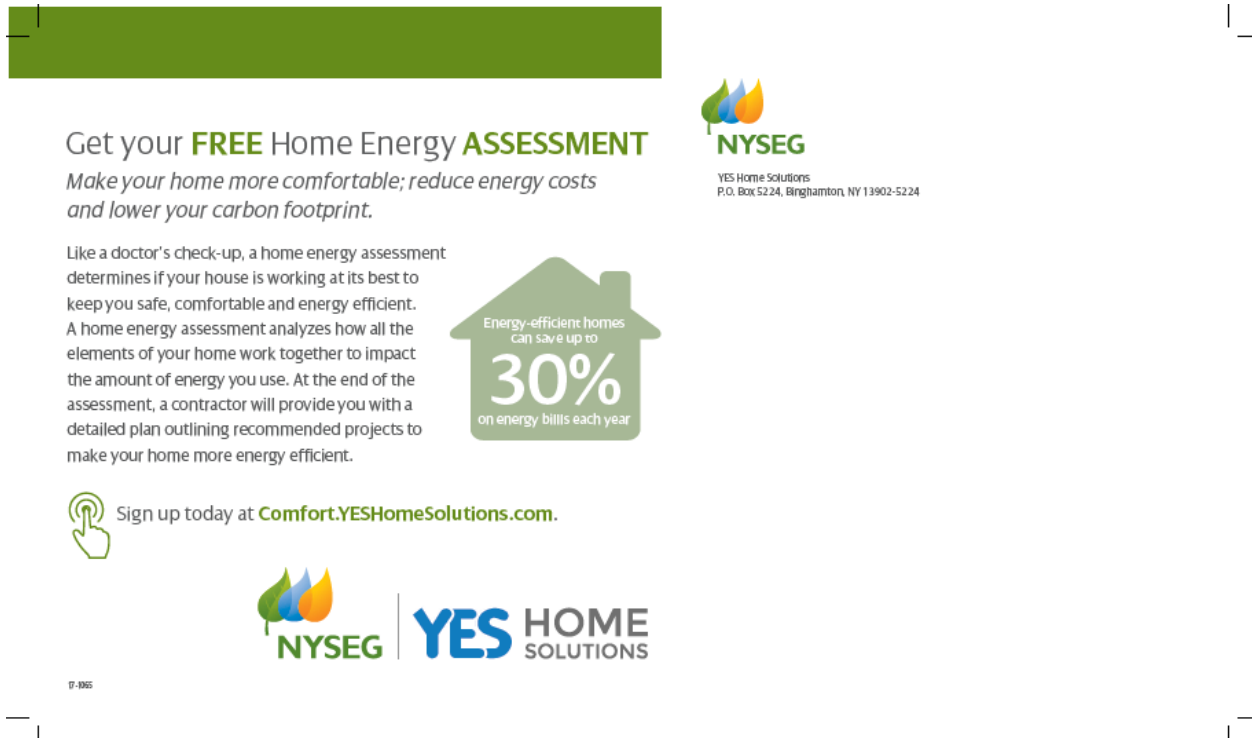


07-1065

Figure 7: Assessment postcard front



Figure 8: Assessment postcard back



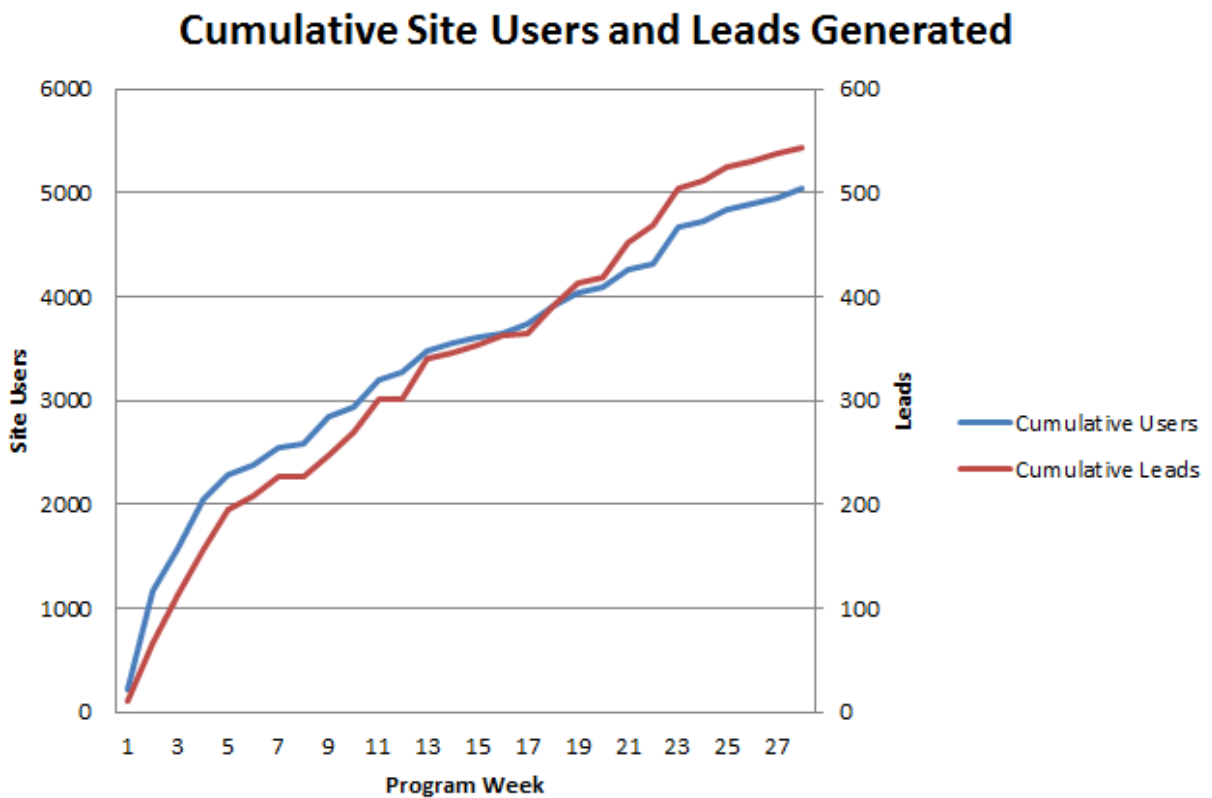
2.1.2 Activity: Project Results

Customer marketing has been focused on driving traffic to the YES Home Solutions website and encouraging customers to connect with participating service providers. The project goal is to generate 500 leads during the six-month period of April through September with an estimate of 250 leads being for home assessments and 250 leads being for solar.

Through the end of Q3 a total of 543 leads were generated, which is 108% of the project goal.

There were a total of 5,047 unique site users through the end of Q3 which gives a user to lead conversion rate of 10.8%.

Figure 9: Cumulative Site Users and Leads Generated



The tables below include key project statistics.

Table 1: Marketing

Email Marketing	
# of email recipients	294,611
# of emails opened	71,960
% open rate from emails	24%
# who clicked	3,911
% clicked from those who opened	5%
Post card Marketing	
# of postal mail recipients	20,000

Table 2: Website Usage

Website Statistics	
# of sessions	6,346
# of users	5,047
# of page views landing page	2,817
# of page views home assessment page	2,487
# of page views solar page	2,306
# of page views residential solar page	1,477
# of page views community solar page	1,272

Table 3: Project Performance

Project Performance	
# of home assessment leads	258
# of community solar leads	114
# of residential solar leads	171
# of total leads	543
User to lead conversion rate	10.8%

Table 4: Contracts

Completed Project / Contracts	
# of energy efficiency projects	8
# of community solar projects	0
# of residential solar projects	5

2.2 Metrics and Checkpoints

Table 5: Completed Checkpoints

Check Point	Completed
Defined Product Offering	Included in Q1 2016 status report
Identify Target Customers	Q4 2016
Program Design	Completed with signed contractor agreements and launch of site.

Table 6: Check Points

Check Point	Description
Community Stakeholder Support of Project	Measure: Community stakeholders support the project How: Community Advisory Board expresses satisfaction with the project When: Ongoing Results: Community Advisory Board has expressed satisfaction through qualitative surveys. Additional surveys will be conducted during Q3 with results available Q4
Customer Response	Measure: Eligible customers response to project communications How: Customer contact tracking Target: 500 leads Actual: 543 % of Target Achieved: 108% When: Ongoing
Customer Adoption	Measure: Eligible customers commitment to project offerings How: Customer sales Target: 100 projects Actual: 13 % of Target Achieved: 13% When: Q4 2017
Revenue Generation	Measure: Lead fees generated How: Documented total lead fees paid by participating service providers Target: \$240 per lead Actual: \$310 When: Q4 2017
Program Efficiency	Measure: Customer acquisition costs are lower than business as usual How: Documented CEC acquisition cost per # of enrolled customer Target: =< participating service provider benchmark When: Q4: 2017
Service Provider Satisfaction	Measure: Participating service providers are satisfied with the CEC project How: Survey of participating service providers Target: >85% satisfaction with the project When: Q4 2017 Results: Initial satisfaction has been expressed

3.0 Work Plan

3.1 Budget Review

[Redacted text]

[Redacted text]

	[Redacted]	[Redacted]	[Redacted]	[Redacted]	[Redacted]	[Redacted]
[Redacted]	[Redacted]	[Redacted]	[Redacted]	[Redacted]	[Redacted]	[Redacted]
[Redacted]	[Redacted]	[Redacted]	[Redacted]	[Redacted]	[Redacted]	[Redacted]
[Redacted]	[Redacted]	[Redacted]	[Redacted]	[Redacted]	[Redacted]	[Redacted]

[Redacted text]

3.2 Updated Work Plan

Table 8: Work Plan

	Ownership	2015		2016				2017			
		Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4
Phase 0: Project Development											
Activity 0.1: Regulatory Implementation Plan	NYSEG										
Milestone : Regulatory Approval											
Activity 0.2: Service Agreement and Contract with Partner	NYSEG										
Milestone: Contract Signed											
Phase 1: Planning & Community Engagement											
Activity 1.1: Community Stakeholder Engagement	NYSEG / Taitem										
Establish Community Advisory Board & Socialize Project Goals	NYSEG / Taitem										
Identify key community stakeholders (approx 5 to 7 groups)	NYSEG / Taitem										
Hold introductory meetings with key stakeholder groups	Taitem										
Hold follow up meetings to gather key interested stakeholder input	Taitem										
Hold information gathering meetings with various potential service providers	Taitem										
Milestone: Key lessons learned from community stakeholder engagement											
Activity 1.2: Create Updated Project Scope	NYSEG / Taitem										
Identify project scope based on stakeholder input	NYSEG / Taitem										
Communicate project scope to stakeholders (iterate where needed)	NYSEG / Taitem										
Engage with potential service providers	NYSEG / Taitem										
Create updated product / service scope	NYSEG										
Milestone: Updated Scope Filed in Quarterly Report											
Phase 2: Project Planning and Market Solicitation											
Activity 2.1: Service Provider Engagement	NYSEG / Taitem										
Issue service provider RFI's	NYSEG										
Benchmark two successful community-based programs to ID best practices	Taitem										
Identify and engage with potential residential solar service providers	Taitem										
Identify and engage with potential sponsors of Community Solar arrays	Taitem										
Identify and engage with potential energy efficiency service providers	Taitem										
Milestone: Issue Service Provider RFP											
Review proposals and develop terms	NYSEG / Taitem										
Provide offers to service providers for participation	NYSEG										
Collaborate with selected service providers on program details	NYSEG / Taitem										
Milestone: Contracts With Service Providers											
Activity 2.2: Platform Development	NYSEG / Simple										
Define initial platform scope and specifications	NYSEG										
Milestone: Begin Platform Development											
Facilitate service provider requirements workshop	NYSEG / Simple										
Build platform	Simple Energy										
Test platform	NYSEG / Simple										
Milestone: Platform Ready for Go-Live											
Activity 2.3 Refine Project Metrics	NYSEG / Taitem										
Draft Business Models for each DER	NYSEG / Taitem										
Milestone: Update Business Models with revenue projections											
Phase 3: Customer Solicitation											
Activity 3.1: Marketing Plan Development	NYSEG / Taitem										
Market research	NYSEG / Taitem										
Create Marketing Materials	NYSEG / Taitem										
Establish co-marketing with stakeholders	NYSEG / Taitem										
Milestone: Marketing Plan Completed											
Activity 3.2: Active Marketing	NYSEG / Taitem										
Targeted marketing	NYSEG										
Public awareness campaign through multiple channels	NYSEG / Taitem										
Milestone: Awareness and Response Targets Met											
Phase 4: Market Animation											
Activity 4.1: Sales Completion	NYSEG / Taitem										
Work with DER service providers to optimize results	Taitem										
Work with NYSEERDA to share data	NYSEG / Taitem										
Measure customer satisfaction	NYSEG / Taitem										
Milestone: Sales Target Met											
Phase 5: Evaluation											
Activity 5.1: Project Evaluation	NYSEG / Taitem										
Evaluation, measurement, and verification of results	NYSEG / Taitem										
Milestone 1: Revenue Targets Met											
Milestone 2: Stakeholder Satisfaction Targets Met											

3.3 Next Quarter Planned Activities

Activity in the fourth quarter of 2017 will focus on four areas:

1. Customer satisfaction surveys and analysis
2. Community stakeholder satisfaction discussion and analysis
3. Service provider satisfaction discussion and analysis
4. Additional results analysis, lessons learned, and recommendations

Customer satisfaction surveys and analysis

Online customer surveys were distributed during Q3 2017 and results will be collected and interpreted in Q4 2017. The first survey strives to measure customers experience with receiving program marketing and utilizing the program website. The second survey strives to measure customers experience with their interaction and service from the participating service providers.

Community stakeholder satisfaction discussion and analysis

A final community advisory board meeting will be held in the beginning of Q4 2017 and during that meeting information will be gathered regarding board members overall satisfaction with the project, input on what could have been done differently, input on future program implementation, and an opportunity for general comments.

Service provider satisfaction discussion and analysis

During Q4 2017 a meeting will be held with each of the participating service providers to further gauge their feedback on how the project created value for them. That feedback will be shared in the final report.

Additional results analysis, lessons learned, and recommendations

All quantitative and qualitative program results will be assessed and analyzed in a final report that will be completed at the end of Q4 2017. Included in the final report will be an assessment of customer, community, and service provider satisfaction. Based on the program results, recommendations will be made regarding how to leverage the demonstration project experience and insights to inform future iterations of the program and considerations for scaling this service offering.

The platform, functionality, and services that were developed by the Community Energy Coordination REV demonstration project will continue to be offered to customer in Tompkins County as part of the ongoing Energy Smart Community initiative. As part of the Energy Smart Community, additional offerings and functionality have been added to the platform which will eventually leverage the data produced by the local smart meter deployment. Initially, energy efficiency product offerings such as

LED's and smart thermostats have been made available. The website has been rebranded as NYSEG Smart Solutions to further leverage the NYSEG brand.

4.0 Conclusion

The CEC project has demonstrated a new role for NYSEG that leverages customer reach and brand value to help animate the market for solar PV and energy efficiency. NYSEG has successfully transitioned the platform, functionality, and services that were developed by the Community Energy Coordination REV demonstration project to continue as part of the Energy Smart Community / NYSEG Smart Solutions initiative. Additional energy products offerings have been added with additional smart meter data integration coming in 2018. The results of the CEC demonstration project will continue to be analyzed to inform NYSEG Smart Solutions and any other future iterations of the program. Final results will be reported at the end of Q4 2017.