



Customer Acceptance of Smart Grid

Angela Nichols

Agenda

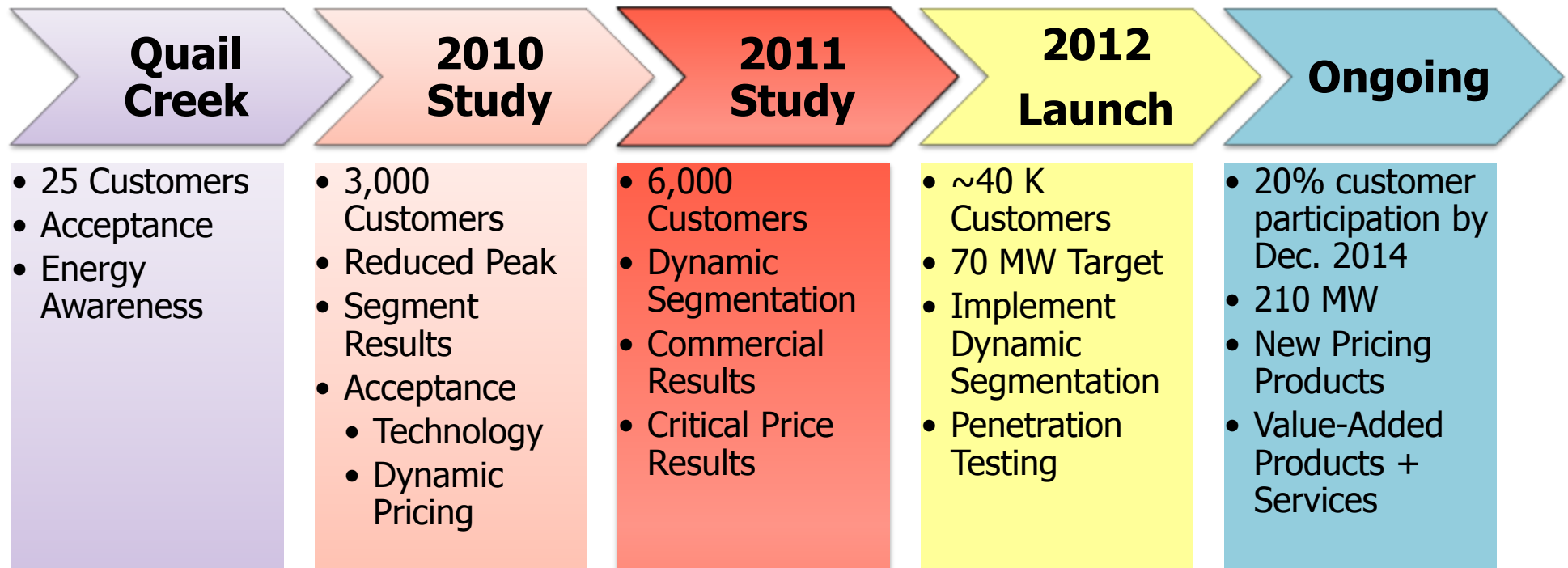
- OG&E background
- Smart-grid-enabled program design
- Customer education and engagement
- Program results
- Lessons learned

Disclaimer

- This material is based upon work supported by the Department of Energy under Award Number DE-OE0000206 and Project Number – 09-0111.
- This report was prepared as an account of work sponsored by an agency of the United States Government. Neither the United States Government nor any agency thereof, nor any of their employees, makes any warranty, express or implied, or assumes legal liability or responsibility for the accuracy, completeness, or usefulness of any information, apparatus, product, or process disclosed, or to any specific commercial product, process, or service by trade name, trademark, manufacturer, or otherwise does not necessarily constitute or imply its endorsement, recommendation, or favoring by the United States Government or any agency thereof. The views and opinions of authors expressed herein do not necessarily state or reflect those of the United States Government or agency thereof.

OG&E Roadmap

From a 25-Customer Pilot to a 120,000 Customer Deployment



OG&E Program Goals

- Delay construction of generation
- Customer Participation Goals:
 - 20% penetration
 - 1.3 kW per customer
- Demand Reduction: 298 MW
 - DR: 223 MW; VVO: 75 MW
- Continued High Customer Satisfaction Marks
- Sustainability

Smart Grid Research

Research Conducted

- Focus groups
- Web panels
- Baseline surveys
- Participant feedback
- Conjoint pricing studies

OG&E's Demand Response Guiding Principles

- Demand Response (DR) results will be obtained through customer empowerment.
- OG&E will not directly control customer equipment or appliances.
- Customers will be provided time differentiated pricing and be allowed to choose their balance between cost and comfort.
- All customer participation will be voluntary.
- Enabling technology will be provided to customers at no cost.



- Consumer-Centric Approach to DR

SmartHours: Key Messages

- Saving Money
 - Most Compelling Reason
- Customer control
 - OG&E provides info & tech to make managing energy & saving money easier
 - OG&E doesn't control anything in your home
 - First year best bill guarantee
- Customer choice
 - Offer price plan options
 - Customers choose what works best for them
- Delay new power plant construction

Pricing Overview - VPP

VPP

Residential

5¢/kWh

9¢/kWh

20¢/kWh

44¢/kWh

Off-Peak/Low

Standard

Medium

High/Critical

Commercial

5¢/kWh

10¢/kWh

29¢/kWh

49¢/kWh

Technology Overview

Programmable Communicating Thermostat

Web Portal



Customer Education and Engagement

Customer Education

- Primary Education Mechanisms
 - Email
 - Direct Mail
 - Mass Media (TV, Radio)
 - Digital Media
 - Social Media



Educate and Enroll



TV & online videos

Print Ad



Targeted Email



Targeted Direct Mail



Online Display Ads



News Media Outreach

Many local news outlets ran stories about our SmartHours program and customer benefits

The screenshot shows a NewsOK article from April 18, 2012, by Paul Monies. The article discusses the SmartHours program at Oklahoma Gas and Electric Co. (OG&E). It includes a video player for 'Smart Thermostat Saves' and a photo of Pete Delaney, president of OG&E's parent company, with two other individuals at an energy conference.

TODAY'S WEATHER FORECAST
Friday, March 1, 2013
H: 44° L: 27°, Partly cloudy

NEWSOK
POWERED BY THE OKLAHOMAN + THE STATE'S MOST TRUSTED NEWS

HOME NEWS SPORTS BUSINESS LIFE A&E MULTIMEDIA WEATHER OPINION BLOGS CLASSIFIEDS JOBSOK CARSOK HOMESOK

Log In Print Replica Oklahoman.com Subscribe Archives ClubOK Coupons Obits

Utility's SmartHours program gives flexibility to customers, official says

The next phase of smart meter technology will save customers money and delay the new power plant, Oklahoma Gas and Electric Co. chief says at energy conference.

By [Paul Monies](#) | Published: April 18, 2012

Smart meters need smart customers for real savings on electricity. That's why Oklahoma Gas and Electric Co. has embarked on a consumer education campaign that will benefit both the utility and customer's bills.

Pete Delaney, president and CEO of OG&E's parent company OG&E Corp., said the utility's new SmartHours program allows customers to save money by using electricity at off-peak hours.

"We have the opportunity to continue the legacy of Oklahoma as it relates to innovation in energy," Delaney said at an Oklahoma State University's energy conference Tuesday in Stillwater, Okla. "Smart customers are paying less for their electricity."

Smart Thermostat Saves

Adam Mertz reports on an OG&E Smart Thermo program.

YUKON, Okla. — With the summer heat, many people across the metro are trying to stay cool. OG&E is encouraging customers to sign up for the SmartHours program. Officials say it could save customers up to \$200 on their electric bills this summer.

"They said you'd save a pretty good amount and you just need to lower your usage between two and seven the peak hours," said Kristen Olney, SmartHours customer. Olney signed up for the program for the first time this summer.

Program Results

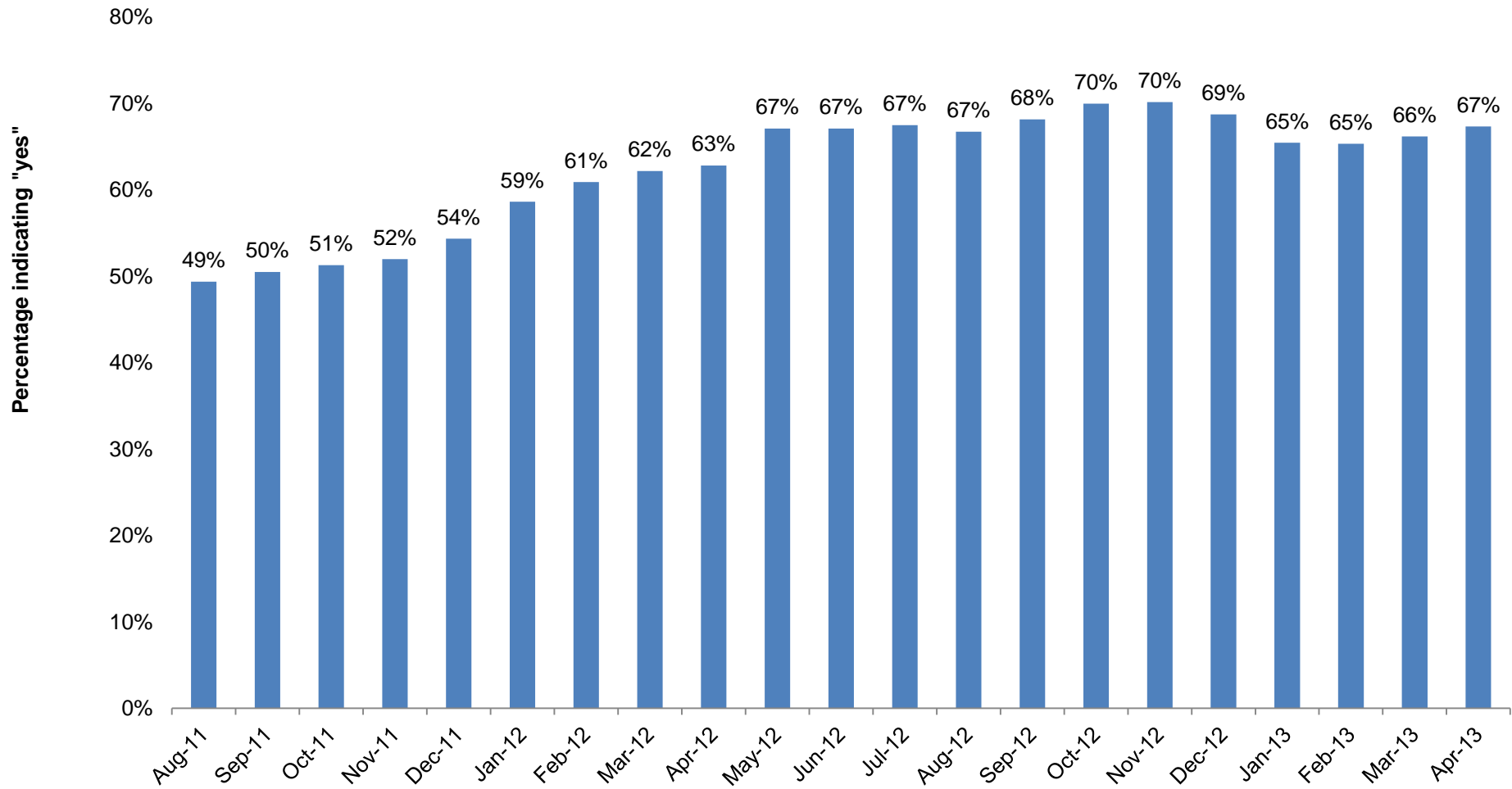
SmartHours - Program Status

	Program To Date Customers*	YTD 2013 Customers*
SmartHours/VPP	23,571	9,632
SmartHours Plus	29,915	7,137
SmartHours/TOU	4,112	653
TOU/CP (Rate Only)	828	0
TOU/CP (with PCT)	603	7
Total	59,029	17,429

*Program and YTD 2013 numbers include customers on the SmartHours rates through 5/31/2013

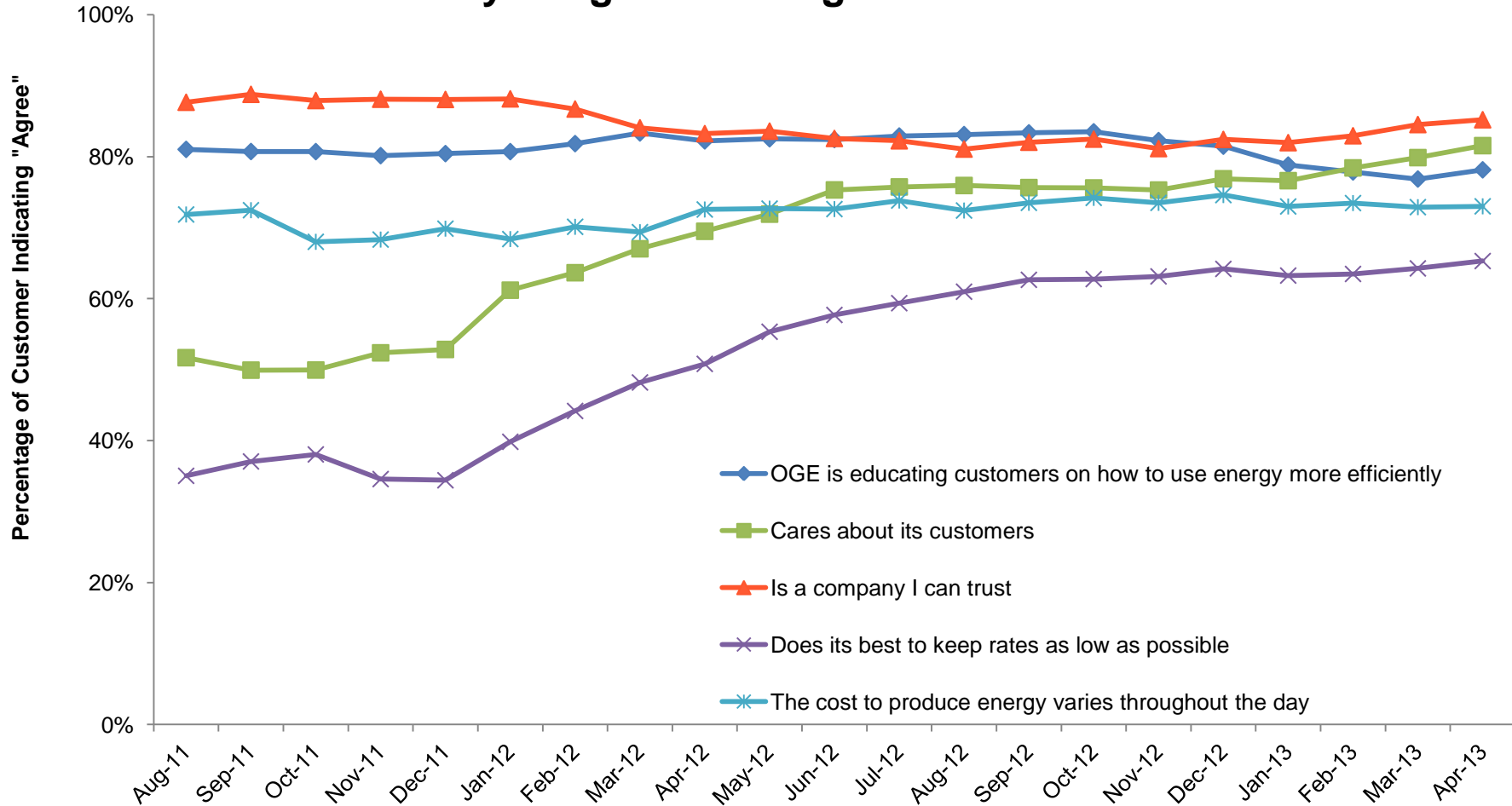
OG&E Smart Grid Awareness

Have you heard the term Smart Grid?



OG&E Customers Impressions

Here are a few statements. For each item, please indicate whether you agree or disagree that OG&E . . .



Key Challenges & Lessons Learned

- Technology and savings create sustainability
 - Primary customer driver is savings, technology only matters if it facilitates customer savings
 - Automation is key to sustainability, “set it and forget it”
- Pricing is critical to success
 - Must have a fairly significant differential between on-peak and off-peak prices to create demand shifting
 - Sending high prices and requiring customers to respond every day creates fatigue (as well as lost revenue)
 - Communicating daily prices creates awareness and focus
- Employees must be involved and engaged
 - Conducted internal member engagement campaign and contest for who could enroll the most friends and family

Key Challenges & Lessons Learned (cont'd)

- Customer enrollment must be easy
 - Provide online enrollment and dedicated call center
 - Created automated tools for enrollment, order fulfillment, and scheduling
- Customer education and engagement is key
 - Use multiple channels: TV, radio, print, earned media, website, social media
 - Extensive use of customer testimonials and educational videos
- IT, effective processes (QA, SDLC), and trusted partners and “Regulators” will be your best friends!