



Consumers Energy

Count on Us

Energy Optimization Pilot Development Process

April 19, 2011

Consumers Energy Saving Solutions
Everyone has the power to save.



Consumers Energy

Count on Us

EO Pilot Development Process

Purpose

The Energy Optimization Pilot Development Process identifies best practices and establishes consistency in the way Consumers Energy develops new energy efficiency programs, thereby increasing their potential to contribute to EO savings goals.

EO Pilot Development Process - Strategies

Within the Energy Optimization arena:

- Develop new “strategic” programs to round out the existing EO portfolio, and support entry into new program opportunities as they are developed
- Leverage existing CE Brand, EO Program equity, and infrastructure via program extensions.
- Strengthen base programs via consumer relevant improvements.
- Establish expertise and experience via effective process governance.

Attachment #5

EO Pilot Development Process -Activities

Attachment #2



- Idea Generation
 - Concept Description
Attachment #3
- Initial Validation
 - Strategic Fit
 - Business Model
 - Target Market
 - Competitive Landscape

- Business Case
Attachment #4
 - Market Potential
 - Cost/Benefit via DSM *More*
 - Ops Assessment & Process
 - IT Assessment & Process
 - Competitive Assessment
 - Legal Assessment
 - Develop Marketing Plan
 - Metrics

- Policy & Procedure Manual
 - ID Ops
 - Plan Marketing/Promo
 - Develop Processes
 - ID IT systems
 - ID Staffing/Training
 - Conduct Simulations
- Forward to Pilot
- Back to Business Case

- Limited Scope Test
 - Implement Ops
 - Conduct Marketing/Promo
 - Implement Processes
 - Build IT systems
 - Staffing/Training
 - Conduct Lab Tests
- Incorporate Learnings
- Forward to Launch
- Back to Business Case

- Pilot Launch
- Pilot Management

- Management while "Infant" Program
- Refine the Business Proposition

- "Running Rate" Program Mgmt

Fundamental Questions:

Do we have a viable idea?

Is it doable?
Do we have a viable pilot proposition?

Is it still doable?
Do we still have a viable pilot proposition?

Do we "go forward or kill"?
Can we modify the pilot proposition to be more successful?

Do we "go forward or kill"?
Can we modify the pilot proposition to be more successful?

Research Methodologies

- Ideation
- Focus Groups
- Acupoll
- Competitive Intelligence

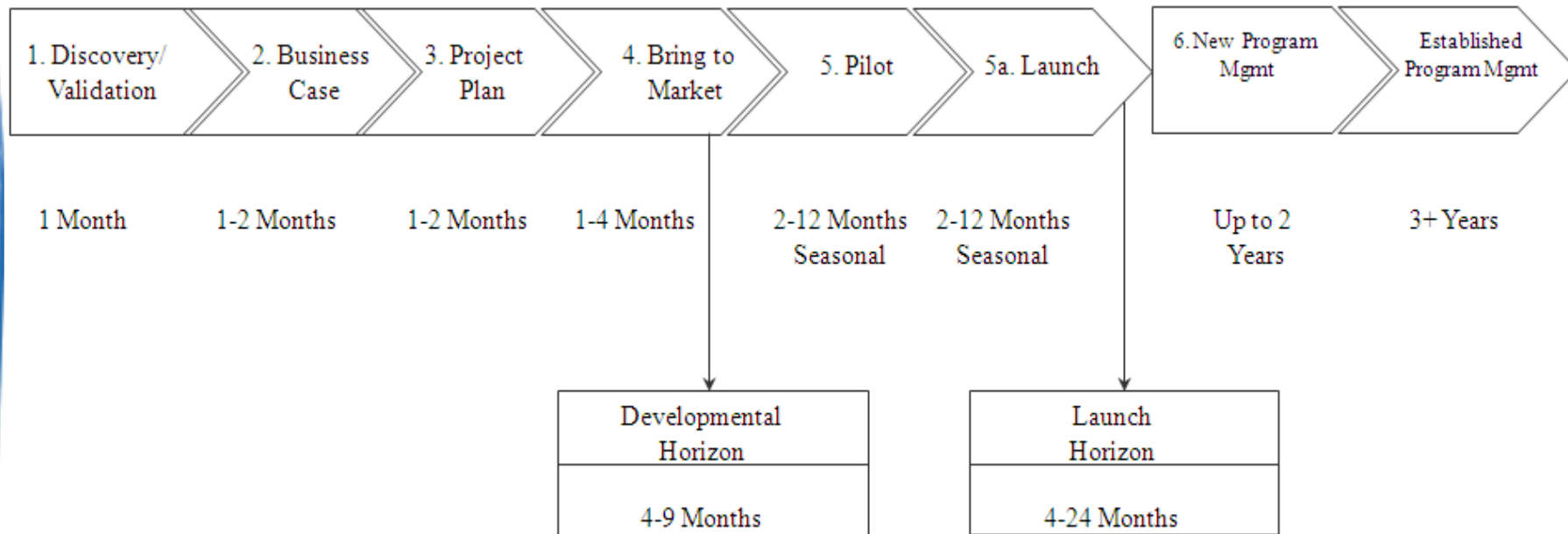
- Market Analysis

- Benchmarking

- Phone/Mail Survey
- Customer Interviews

- Phone/Mail Survey
- Pilot QA/QC
- EM&V

EO Pilot Development Process - Timeframes



OPOWER Pilot

Program Goals

- Reduce energy consumption
- Increase EE program participation
- Learn what motivates customers

Target Customers

- 50K report recipients in program year 1
 - Combination electric and gas users
 - Representative sample of customers
- 50K customer control

Customer Engagement

- Multi-Channel strategy
 - Printed Reports (50,000 recipients)
 - Email Reports (customer option)
 - Customer Portal
- Season appropriate messaging
- Continued innovation and enhancements to increase performance



OPOWER Pilot – 2011 Progress to date

Action Item	Due Date	Status
IT Milestones		
Deliver initial sample historical data file	1/12/11	Completed
Deliver full historical data file	2/09/11	Completed
Full historical file finalized	2/16/11	Completed
Iterative file finalized by	3/4/11	Completed
Marketing Milestones		
Marketing materials approved	2/10	Completed
Tip approval	4/14	Completed
Production Readiness		
QA testing	4/22/11	
Signoff for launch	4/28/11	
Generate reports	5/06/11	
Reports arrive in mailboxes	5/17/11	

OPOWER Pilot -Timeline

