

**Southern California Gas Company**

**Advanced Meter Project**

**Customer Outreach and Conservation Support Plan**

**December 3, 2010**

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## 1.0 Executive Summary

Decision 10-04-027 (The Decision) approved by the California Public Utilities Commission (CPUC) on April 8, 2010 enabled Southern California Gas Company (SoCalGas) to begin the implementation of the advanced meter infrastructure (AMI) project based on its business case. SoCalGas will be the fourth California Investor Owned Utility (IOU) to implement a smart/advanced meter project. From 2013 through 2017, SoCalGas will install approximately six million wireless communication devices, including approximately two million new natural gas meters (collectively known as “advanced meters”) and 4,000 data collection units, used to collect individual advanced meter signals to send to SoCalGas.

The Decision outlined the following outreach and reporting requirements<sup>1</sup>:

- Hold a public outreach meeting within 180 days of the Decision
- Convene and establish a Technical Advisory Panel (TAP) to assist in planning and implementing the advanced meter project
- Develop an advanced meter draft outreach plan and submit a report to the CPUC’s Energy Division within 60 days after the workshop
- Establish a system to track, attribute and report the conservation impact of the advanced meter project every six months
- Describe and report every six months the marketing, education, outreach and customer support activities undertaken in support the advanced meter project.

The public outreach meeting was held on October 4, 2010 with TAP meetings held on September 9, 2010 and November 1, 2010. This document represents SoCalGas’ Customer Outreach and Conservation Support Plan (Plan) which was developed from the draft outreach Plan prepared and presented by SoCalGas for the October 4 public workshop. This Plan incorporates the feedback from the public workshop, in addition to TAP meetings, meeting with other California IOU smart/advanced meter teams, market research performed in 2010, customer experience and utilities leading practices and energy efficiency academic literature reviews.

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<sup>1</sup> D.10-07-048, Ordering Paragraphs 4 and 5.

During 2011 and 2012, the advanced meter team will be coordinating the project's software and technology infrastructure, installation process and resources and the outreach plan represented by this document. Near the end of 2012, the advanced meter team will install about 10,000 advanced meters to conduct an end-to-end field test of the technology, software, installation process and outreach communications and feedback approaches.

The Plan represents a customer strategy which addresses the scale, diversity, timing, advanced meter team knowledge and anticipated future customer experience and external outreach given the formative status of the advanced meter project. The geographical sequencing of the installation of advanced meters, and the demographic make up of each installation area will drive the tactical aspects of the outreach Plan. At this early stage of the project, this installation strategy and schedule have not yet been finalized. SoCalGas expects that the Plan will further evolve and be adapted to support the advanced meter project's installation schedule.

The three overarching objectives of the Plan are:

- **To increase awareness about the advanced meter project and prepare customers and stakeholders for installation** of advanced meters and the communication network (data collection units)
- **To educate customers about the benefits** and how the advanced meter project can help them save money, energy, help the environment and potentially enable future technology advancements
- To engage customers to use the information to **conserve natural gas**

Approximately, 54% of California's population will be affected by this project. The scope of the Plan includes:

- Residential customers (about 95% of the six million meters with 64% being single family residences and 31% being multifamily residences)
- Small and medium businesses (about 4% of the six million meters)

- Industrial/other (about 1% of the six million meters)<sup>2</sup>

The Plan does not outline a “one size fits all” approach. It has taken into account the various audiences and customers that must be addressed by the Plan. It has outlined approaches for the Plan’s primary audiences:

- 1) Mass market (residential and small/medium businesses) and
- 2) Sensitive communities/customers, these are communities and customers that are hard-to-reach or have special needs including: disabled, various cultural groups including groups with limited English proficiency, low income, rural, seniors and small business.

SoCalGas identified several enablers, in addition to marketing channels (e.g., print media, broadcast media, and web), to assist with the achievement of the Plan including:

- Coordination of customer services
- Incorporation of customer, employee and stakeholder feedback
- Ongoing customer research
- Customer tools such as natural gas usage information presentation options
- Use of community- and faith-based organizations (CBOs, FBOs) and disability agencies to conduct outreach to sensitive communities/customers
- Leveraging the CPUC Business and Community Outreach (BCO) capabilities
- Collaborating with SoCalGas customer assistance and energy efficiency (EE) programs to educate customers on advanced meter
- Ongoing customer campaigns and pilots, and
- Use of customer metrics

The advanced meter customer journey is a three phased approach: pre-installation, installation and post-installation. The following table outlines the key elements of each phase.

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<sup>2</sup> SoCalGas, September Year 2010 Residential Market Summary

Phase	Pre-Installation	Installation	Post-Installation
<b>Objective</b>	<b>Awareness of advanced meter project</b>	<b>Prepare for advanced meter installation and benefits education</b>	<b>Motivate to conserve natural gas</b>
<b>Key Stakeholder/ Community Activities</b>	<ul style="list-style-type: none"> <li>• Communication, education and outreach</li> <li>• Siting of approximately 4,000 data collection units (<i>outreach to local cities/communities only</i>)</li> </ul>	<ul style="list-style-type: none"> <li>• Community meetings &amp; events</li> <li>• Individual customer communication</li> <li>• Advanced meter install &amp; data validation</li> </ul>	<ul style="list-style-type: none"> <li>• Invitation to view natural gas information online &amp; via other channels</li> <li>• Motivate to conserve natural gas via individual and community outreach</li> </ul>
<b>Mass Market Outreach Approach</b>	<ul style="list-style-type: none"> <li>• Meetings with elected officials, local leaders and regulators</li> <li>• SoCalGas media including bill package, email, social media</li> <li>• Regional media (broadcast, print, interviews)</li> <li>• Coordinate w/ SoCalGas events</li> </ul>	<ul style="list-style-type: none"> <li>• Community &amp; business meetings, presentations and events</li> <li>• Direct communications (e.g., letter, outbound call, flyer, door hanger, email)</li> <li>• Regional media (broadcast, print, interviews)</li> </ul>	<ul style="list-style-type: none"> <li>• Invitation to online presentment of natural gas usage</li> <li>• Targeted conservation campaigns</li> <li>• Collaborate with SoCalGas programs (e.g., EE and customer assistance)</li> <li>• Innovate with behavioral change campaigns</li> </ul>
<b>Sensitive Communities/ Customers Outreach Approach</b>	<b>Incremental to outreach above:</b> <ul style="list-style-type: none"> <li>• Regional ethnic media (broadcast, print, interviews)</li> <li>• Regional CBOs/FBOs/Disability and Business associations</li> <li>• Target specific SoCalGas customer assistance and energy efficiency programs for sensitive communities / customers</li> </ul>	<b>Incremental to outreach above:</b> <ul style="list-style-type: none"> <li>• Local ethnic media (broadcast, print, interviews)</li> <li>• Local CBOs/FBOs/Disability and Business associations (as needed)</li> <li>• Sensitive communities/ customers outreach mtgs./ events; coordinate with CPUC BCO</li> </ul>	<b>Incremental to outreach above:</b> <ul style="list-style-type: none"> <li>• CBOs/FBOs/Disability associations hold events &amp; meetings to motivate conservation behavior</li> <li>• Integration with SoCalGas EE and customer assistance programs</li> <li>• Coordinate with CPUC BCO</li> </ul>
<b>Potential Customer Feedback Channels</b>	Focus groups, online panels, public outreach meetings, event comment cards, SoCalGas advanced meter mail box, TAP, local leaders, operations and external relations feedback loops		

Each phase in the Plan outlines its:

- 1) Key activities
- 2) Messaging themes
- 3) Mass market outreach approach
- 4) Sensitive communities/customers outreach approach
- 5) Potential customer feedback channels

In addition, the Plan lays out a sample tactical outreach plan framework, outlines what SoCalGas is currently doing to develop the research strategy for determining the conservation effects resulting from information programs, identifies a preliminary list of risks and contingencies and provides an overview of the outreach budget for the advanced meter project.

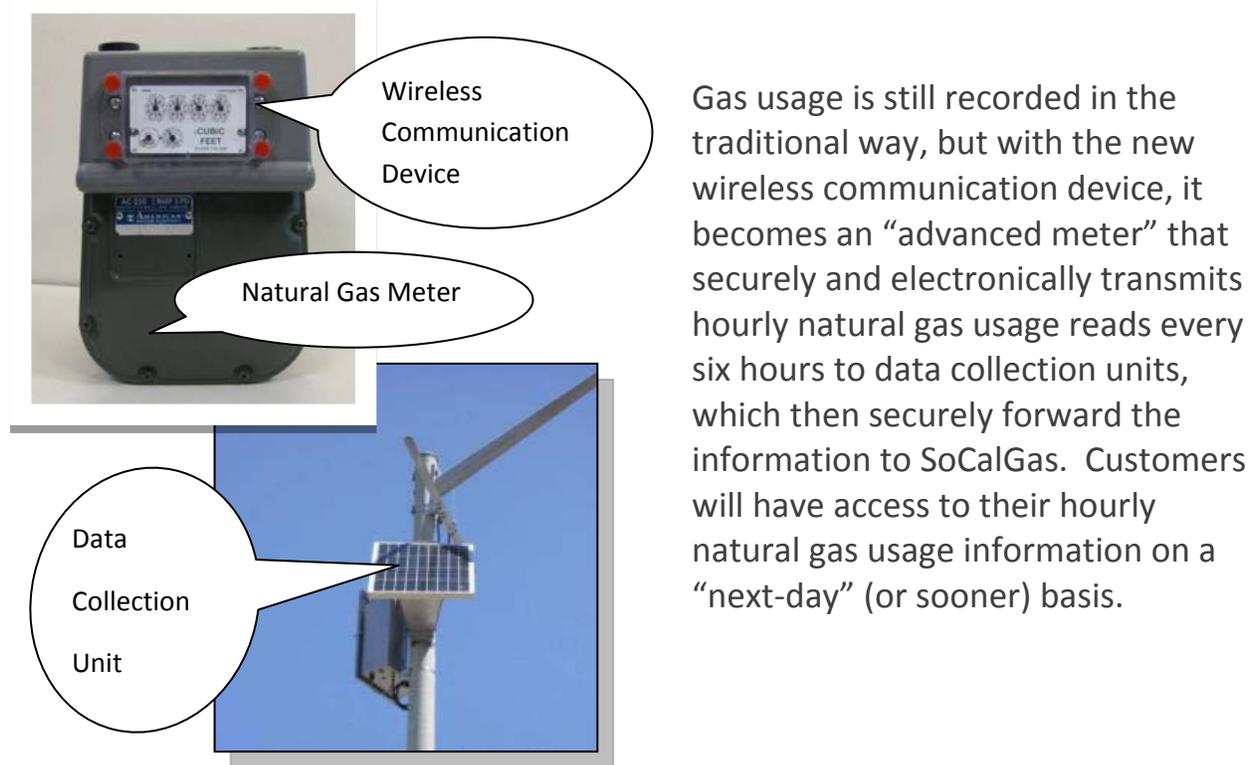
While the Plan will continue to evolve and change as various inputs are finalized and/or determined, this Plan lays out the overall strategy and tactics to support the customer experience and external outreach of the advanced meter project. SoCalGas would like to extend its appreciation for the feedback received via the public outreach and TAP meetings in developing this Plan.

## **2.0 Background**

### **2.1 SoCalGas Advanced Meter Infrastructure (AMI) Project**

On April 8, 2010 the California Public Utilities Commission (CPUC) issued the Decision which approved the application of SoCalGas for the implementation of an AMI project. SoCalGas will be installing a wireless communication device on approximately four million existing and two million new natural gas meters (collectively referred to as “advanced meters”) for residential and business customers. The device fits on a traditional natural gas meter and will read and securely transmit natural gas usage information, electronically, to various data collection units (approximately 4,000 across SoCalGas’ service territory). The natural gas usage information is compiled by SoCalGas and presented to customers via online or other access options. Customers will have access to their hourly natural gas usage information on a next-

day (or sooner) basis, along with energy comparison information and tools that can help them better manage their natural gas use and costs. The advanced meter hardware is further identified and discussed below.



Gas usage is still recorded in the traditional way, but with the new wireless communication device, it becomes an “advanced meter” that securely and electronically transmits hourly natural gas usage reads every six hours to data collection units, which then securely forward the information to SoCalGas. Customers will have access to their hourly natural gas usage information on a “next-day” (or sooner) basis.

The Decision specified that SoCalGas will host a public workshop within 180 days of the Decision issuance to present a draft plan for the advanced meter project outreach and conservation support. The plan will include marketing and education elements to prepare customers for the advanced meter project roll-out, include sample versions of web-based energy management feedback to encourage conservation and outline the planned marketing efforts to channel customers towards energy efficiency offerings.<sup>3</sup> In order to support the development of this Plan, SoCalGas was requested to convene a Technical Advisory Panel (TAP) to assist in planning and implementation of the advanced meter project. In addition, SoCalGas was directed to submit a written plan to the director of the Commission’s Energy Division and

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<sup>3</sup> D.10-04-027, Ordering Paragraph (OP) 4.

serve notice to the most recent service list within 60 days after the workshop.<sup>4</sup> This document is the compilation of information and planning with review and feedback by the TAP and the participants of the public outreach meeting that outlines SoCalGas' initial effort to describe the Plan for the advanced meter project.

The advanced meter project team will be performing planning and development activities in 2010-2012, such as:

- Designing, developing and testing the software and technology necessary for the advanced meter project
- Designing and developing the installation strategy and schedule
- Identifying and scheduling applicable resources
- Designing and developing specific communications and outreach plans, as strategized and represented in this document

SoCalGas will begin test installation of advanced meters in 2012 with mass installation starting in 2013 and completion within five years.

The benefits of the SoCalGas advanced meter project (2010 through 2017) as outlined in the Decision business case was \$1.0669 billion with costs of \$1.0507 billion and a benefit-to-cost ratio of 1.02. The operating and environmental benefits over the 25 year life of the advanced meter project are estimated to be \$3.7 billion.

As stated in the Decision, this Plan is not a one-size-fits-all approach to marketing, education, outreach and customer support, but a document designed to outline outreach strategies that address the mass market and sensitive communities/customers who are hard-to-reach or have special needs.

The Plan is a key step, but only a first step in providing effective outreach and conservation planning for the 6 million customers of SoCalGas impacted by the advanced meter project. Customer outreach and conservation support outlined in this Plan will continue to evolve as team members conduct additional customer research, continue to gather advanced

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<sup>4</sup> D.10-04-027, OP 4.

meter lessons learned from other California Investor Owned Utilities (IOUs), review and keep updated on academic studies, and monitor and incorporate customer, employee and stakeholder feedback from; 1) the installation process; 2) customer usage presentation tools; and 3) advanced meter project outreach and education activities.

The Plan highlights how customers will become aware of the advanced meter project, informed about the project's impacts and benefits to their homes, businesses and communities and educated about their ability to conserve natural gas. The customer's journey is laid out in three phases:

- **Pre-installation** – promoting awareness of the advanced meter project (2010-2017)
- **Installation** - preparing for the advanced meter installation and the education about its benefits (2013 -2017)
- **Post-Installation** - communicating and educating about energy conservation (2013 and forward).

Each of these phases will be discussed in further detail in this Plan.

## **2.2 Technical Advisory Panel (TAP)**

On September 9, 2010 the first meeting of the SoCalGas TAP was convened at the Gas Company Tower in Los Angeles. The meeting served two main objectives: to address the duties and responsibilities required of the panel, and to discuss and review a draft of the customer outreach and conservation Plan planned to be presented at the public outreach meeting as ordered by D.10-04-027 and scheduled for October 4, 2010.

The roles and responsibilities outlined for the TAP were defined as:

- Support the ongoing development and evolution of the SoCalGas outreach Plan
- Provide advice and input to SoCalGas in regards to customer needs around the advanced meter project
- Provide guidance on strategies or best practices to encourage customer acceptance of new services enabled by the advanced meter project

- Meet bi-annually and around major project milestones as well as in the event of major developments
- In the event of significant issues, TAP members will be collaborated with to discuss and identify the best possible solutions
- The TAP will stay intact during the entire advanced meter project
- Facilitate connectivity between the advanced meter project and other such efforts taking place in the state and nation

Please see Appendix A for a copy of SoCalGas' presentation at the first TAP meeting which includes an overview presentation of the draft Plan. Appendix B contains the Meeting Summary (minutes and attendee list) from the September 9, 2010 TAP meeting. At the TAP's September 9 and November 1 meetings a draft of the Plan was reviewed and their feedback has been incorporated into this Plan.

### **2.3 Public Outreach Meeting**

In accordance with D.10-04-027, the community outreach meeting was held on October 4, 2010 at SoCalGas' Energy Resource Center in Downey, California with about 50 external participants. SoCalGas notified the workshop in several ways including:

- A notification to the California Public Utilities Commission service list for Application 08-09-023
- Posting on socalgas.com
- Email invites to SoCalGas' Community-Based Organizations and also its Food Service email lists
- Invites through the CPUC Business and Community Outreach (BCO) contacts and through the SoCalGas Community Advisory Council
- Personal invites by SoCalGas' Public Affairs, Energy Efficiency, Customer Assistance, Diverse Business Enterprise and Community Relations Managers

The meeting was held to obtain feedback on the draft outreach Plan. The participant group included residential customers, business customers, community-based organizations, city/county employees and energy professionals. In addition to providing comments, the

participants were encouraged to participate in future research efforts (27 participants indicated their interest) and to opt-in to receive ongoing advanced meter project information (37 participants requested ongoing information about the advanced meter project.)

The meeting served to introduce the SoCalGas advanced meter project to the public and share project objectives, scope, strategies, approaches, advanced meter infrastructure examples (advanced meter wireless communication device, meter, and data collection unit), examples of online natural gas information and other customer information about the advanced meter project. Specifically, the public meeting had three key components:

- 1) Public presentation of the draft Plan
- 2) Interactive booths staffed by the SoCalGas advanced meter team providing the public an overview of the research, communications, outreach and conservation approaches, technology infrastructure and natural gas usage presentment options
- 3) Break-out sessions for residential, business and community-based organizations; each group provided feedback about what they like, concerns and what might be missing in the Plan as well as providing feedback on the marketing collateral samples provided to each group

These three components of the public meeting were designed to help SoCalGas' customers understand and provide feedback around the following aspects of the advanced meter project as outlined by the Decision and planned for by SoCalGas:

- Online natural gas usage information options including examples of customer natural gas feedback information to encourage conservation
- Samples of customer hard-copy marketing collateral for communication, education and conservation
- Approach to market energy efficiency to customers (integration with other programs as well as conservation messages)
- Outreach and communication strategies for mass market and sensitive communities/customers (hard-to-reach/special needs customers)

- How community- and faith-based organizations will be leveraged via a competitive solicitation process (i.e., request for information) to select organizations to assist with outreach to sensitive communities/customers

The presentation from the public workshop can be found in Appendix C.1, copies of the marketing collateral samples are presented in Appendix C.2 and feedback from the three breakout sessions (Residential, Commercial, Community-Based Organizations) in Appendix C.3. Public workshop participant organizations can be found in Appendix D.1 and participants' comments made via comment cards can be found in Appendix D.2.

## **2.4 Customer Research (Work-to-Date)**

To prepare for the customer outreach meeting and the development of the Plan, SoCalGas conducted extensive research over the summer of 2010. Twenty-two customer focus groups were held to gather information about the population to be affected by the advanced meter project to gather information from about 175 customers. The focus groups included:

- Residential limited-income, web savvy and non-web savvy, renters, homeowners, environmentally conscious
- In-language groups: Spanish, Cantonese, Mandarin, Korean and Vietnamese
- Small & medium businesses: retail, property managers, food services, laundromats and others

In addition in 2010, online surveys of 262 businesses and 253 residential customers were conducted. The market research highlights included the following:

- About 70% of residential and business customers said having detailed natural gas information would help answer questions about their bill
- About 65% of residential and 45% of business customers said having detailed natural gas information would influence their use of natural gas
- 93% of residential and 81% of business customers prefer to access their information online at [socialgas.com](http://socialgas.com)
- About 75% of both groups would prefer email alerts (over other types of alerts)
- Business segments with high gas usage like large property owners, restaurants and laundry/dry cleaners were more likely to be the ones most interested in learning how the new technology will benefit them

- The Spanish segment identified benefits from the advanced meter to include: 1) could be used as a teaching and education opportunity for their children and 2) would help manage and monitor household energy

Additional phone surveys were conducted in November 2010 with residential and business customers and the results will be presented in the first TAP meeting of 2011 and used to further update this Plan.

Future customer research will continue to be performed to inform and update SoCalGas throughout the AMI project. Please see Section 5.3, Customer Research (future) for customer market research SoCalGas is considering as the advanced meter project evolves.

## **2.5 Academic Literature Review**

To round out its research efforts, SoCalGas conducted a review of recent studies and reports by the academic and policy communities on the topics of outreach and energy efficiency. The use of energy tools to enable behavioral change including information feedback as well as consideration of social norming and goal setting, among others provided a foundation for development of the draft Plan. This literature review outlined that SoCalGas will need to go beyond customer awareness and outreach to achieve conservation. An overview of potential key enablers (generally tools enabling behavioral change) that can help customers' conserve are discussed below:

- Tailor customer information – energy information that is unique to the customer is more effective than general messages
- Energy usage feedback for a particular residence or business
- Bill-to-date information for a particular residence or business (available on a daily basis)
- Energy usage comparisons by day, week, month, year for a particular residence or business
- Energy/bill alerts sent to customer/consumer when their bill-to-date exceeds a certain dollar amount or other triggers (e.g., their bill-to-date amount is 90% of previous month's amount)
- Energy usage for a customer's appliance or equipment; ability to be informed of the efficiency of the appliance or equipment being used

- Goal setting and monitoring – utilizes tools to establish and provide feedback on achieving cost or environmental savings with your family, roommates, tenants or business
- Social norming – customers will norm to the “average” energy usage/cost for their peer group
- Modeling – the ability to understand the financial and environmental impact of a change to a customer’s energy situation (e.g., buying a new appliance or piece of equipment)
- Non-monetary incentives – ability to reward customers for energy conservation actions that are not price driven (e.g., *“SoCalGas will plant a tree if you reduce your annual usage by 10%”*)
- Commitments – uses tools to have members of groups (e.g., cities, communities, virtual groups commit individually with the ability to generate a group report summarizing these commitments)
- Trusted messengers/influencers – recognizing that the source of the message is as important as the message
- Education
  - Use of community-based organizations to help their members interpret and transform their behavior changes and enabling tools to their unique situations
  - Tailored tips (small actionable steps) that specifically apply to a customer’s energy situation
  - Energy audit via self-service or 3<sup>rd</sup> party resources that highlight problems, provide recommendations with estimated costs and estimated payback period
  - Educational materials and programs to help children and young adults understand the uses and effects (cost, environmental) of natural gas usage
- Environmental – using tools or calculators to enable measurement of greenhouse gases from energy usage and impact of reduced energy usage
- Energy devices – use of tools such as home energy management systems, programmable thermostats and other tools that help customers “set and forget” around energy efficiency efforts

A summary of the literature review is included in Appendix E.

Below we highlight quotes from the research review which support some of the enablers discussed above.

Conservation Enabler	Quote	Source
Energy Usage Feedback	<p>“Domestic energy consumption is still largely invisible to millions of users and this is a prime cause of much wastage. Feedback on consumption is necessary for energy savings. It is not always sufficient – sometimes people need help in interpreting their feedback and in deciding what courses of action to take – but without feedback it is impossible to learn effectively.”</p>	<p>Darby, Sarah (April 2006), The Effectiveness of Feedback on Energy Consumptions, Environmental Change Institute, University of Oxford, page 17</p>
Community Based Groups & Web Tools	<p>“Due to their localized and tailored content, grassroots and community-based groups, as well as information-driven web formats, have a strong role in helping to mobilize segments to action and to generate a behavior change above and beyond the limited, awareness-generating capacity of mass media.”</p>	<p>Opinion Dynamic Corporation (December 10, 2009), Market Segment Findings, Memorandum to California Public Utilities Commission, Executive Summary</p>
Social Norming	<p>“A second important implication of this analysis is that it adds to recently-growing appreciation of how non-price interventions can affect consumer behavior. Economists in general, and energy efficiency program managers in particular, have historically focused on how prices and subsidies affect demand. The idea that simply being sent a letter in the mail could result in measurable changes in demand is remarkable, especially given that the letters may not have improved consumers information sets in a relevant way.”</p>	<p>Alcott, Hunt (August 4, 2009), Social Norms and Energy Conservation, Abstract</p>
Goal Setting	<p>Can achieve up to 15% energy savings through goal setting as a behavior change strategy.</p>	<p>CPUC 2009 Presentation by Karen Ehrhardt-Martinez, Research Associate, ACEEE</p>

## 2.6 Utility Leading Practices

In addition to the previous sources, SoCalGas conducted a review of the best practices and lessons learned of other California investor-owned utilities in their smart/advanced meter programs, as well as others across the United States around customer experience. Also, the SoCalGas advanced meter customer experience and external outreach team has attended and will continue to attend ongoing informal meetings of the California IOU smart meter communications teams in which advanced/smart meter projects' lessons learned are discussed and shared. In addition to these ongoing meetings, SoCalGas has reviewed the Structure Report regarding the PG&E smart meter effort as well as working closely with SDG&E to understand the outreach approach taken during its smart meter implementation which will be completed in 2011.

The table below summarizes our findings regarding popular communications and outreach practices of leading utilities that have deployed smart/advanced meters. Appendix F includes sample communications materials from some of these programs.

Communications/ Outreach Practices	PG&E	SDG&E	Edison	Center- Point	Hydro- One	FP&L	Duke
Unique program brand identity	✓	✓	✓	✓	✓	✓	✓
Compelling graphical look/feel to support program brand	✓	✓	✓	✓	✓	✓	✓
Multi-channel communications for mass market	✓	✓	✓	✓	✓	✓	✓
Community outreach	✓	✓	✓	✓	✓	✓	✓
Online tools and widgets (installation counter, zip code/ deployment date calculator, etc)	✓	✓	✓	✓	✓	✓	✓
Communications integration with other EE or DR (electric) programs	✓	✓	✓	✓	✓	✓	✓
Multi-media and videos to support message	✓	✓	✓	✓	✓	✓	✓
Social media	✓	✓	✓	✓	✓	✓	✓

## 2.7 Customer Experience Leading Practices

In addition to incorporating communications and customer service lessons learned from other utilities' meter deployments, and leveraging conservation strategies identified by academic studies of consumer energy use behavior change, SoCalGas considered customer experience practices from non-utilities in development of the Plan. Specifically, SoCalGas intended to gain the following from its industry review:

- Lessons learned that may help SoCalGas enhance its customers' experience. Other industries are experienced in deploying new technologies to its consumer base, from airlines (self-service kiosks) to telecommunications (smart phones) to financial services (online trading) to entertainment (Hulu.com), among others. They may offer key lessons learned relevant to SoCalGas' advanced meter project
- Definition of key customer experience practices. While each industry is unique, they often share a common player, the consumer – who, in many cases, is also a SoCalGas customer. Non-utilities play a role in setting SoCalGas customers' expectations about what constitutes satisfactory customer experience, so popular practices were also considered in development of the SoCalGas Plan

Representative, relevant non-utility customer experience practices are outlined below:

### **Think in terms of a series of customer interactions, not just singular communications.**

In other words, customer experience is a journey, not a single event. Brands spend years building awareness, understanding, consideration, trial, usage, repeat usage and preference of new technologies and products/services.

**Implication for SoCalGas' Plan:** A single deployment communication is likely insufficient to drive customers' engagement with energy. Instead, a phased education approach that spans multiple touch points over a period of time is more aligned with non-utility practices.

### **Capture – and act on – customer insights and feedback (“voice of the customer”).**

Uni-directional customer research may be valuable in measuring performance over time or in defining new products and services, but a robust customer experience often requires an ongoing discussion with customers. This conversation is characterized by a variety of “listening posts” available to customers at key interactions; an internal process mechanism for the

organization to address customer feedback; and accountability by all team members for delivering a positive customer experience.

**Implication for SoCalGas' advanced meter project Plan:** Consider customer research as an ongoing investment through the lifecycle of the deployment, and consider a variety of research methods to capture feedback when customers are most ready to talk.

**Coordinate the customer conversation, both internally and externally.**

Many large organizations can quickly fall into the trap of silos, resulting in uncoordinated product/service launches that are aimed at the same customers at the same point in time. A better approach, one that is more likely to support customer adoption and engagement, is to coordinate complementary offerings, both internally (e.g. launch timelines) and externally (e.g. shared marketing investments, joint messaging).

**Implication for SoCalGas' Plan:** Where it makes sense, strive to coordinate project messages with those of other relevant SoCalGas efforts, such as training and coordination with customer-facing employees, integration with other campaigns or outreach efforts (e.g., customer assistance, energy efficiency, My Account ,etc.)

**Define a new technology in terms of what is already familiar.**

The annals of new technology are fraught with examples of how human nature prefers the familiar over the innovative, and how companies have therefore sought to customize their products to meet the expectations of customers rather than to demonstrate the full-blown technological possibilities. Helping customers understand the ways in which a technology is similar to one they already use is important to paving the way for seamless adoption and engagement.

**Implication for SoCalGas' Plan:** In messaging, consider using comparisons to technologies customers may already be experienced with, such as cell phone (wireless technology) or online financial services (online presentment of data and analytics). Additionally, ease the way by providing integrated education at key interactions to help customers ease into the benefits of the advanced meter.

Appendix G includes a bibliography of key articles that were referenced, in addition to the SoCalGas team's experience with non-utilities, along with that of their consultants.

## **2.8 TAP and Public Outreach Feedback**

SoCalGas has incorporated into this Plan feedback that was received from the September 9 and November 1 TAP meetings and the October 4 Public Outreach meeting. Below are highlights of common themes and suggestions that were received from these meetings:

- Ensure that the advanced meter project information is integrated and coordinated with other SoCalGas information to understand how SoCalGas (as a company) is impacting the customer
- Leverage other SoCalGas programs/resources (e.g., regional public affairs) to assist in achieving awareness, education and conservation support for the customer through the advanced meter project
- Be specific about details, for example how the manual read will be compared to the electronic read to make sure it is accurate; also make sure these type of communications are customer focused
- Be more clear about the costs of the advanced meter project and how the costs and benefits will impact individuals and businesses
- Provide more education about the information customers can get via the portal and provide a better definition of what a "therm" means to a customer
- Continue to identify groups to facilitate outreach, including trade associations, chambers of commerce, community- and faith-based organizations, homeowner and property management associations, ethnic community leaders and special needs/disability groups
- Specifically address concerns such as safety, radio frequency (RF) and security
- Disclose that the advanced meter wireless communication device cannot turn the meter (gas service) on or off, and communicate that the advanced meter would not cause an interruption in natural service
- Expand on specifics about how the new usage information can benefit customers (e.g., monitor for unexpected natural gas spikes, such as a pool/spa heater/barbeque left on)
- Utilize SoCalGas retiree groups and employees as ambassadors for the advanced meter project

- Continue to solicit community feedback

## **2.9 Advanced Meter Impact**

The advanced meter project will have an impact on individual customers and communities in the SoCalGas service territory as it moves through its multi-year installation period. Customers could be impacted by the project primarily in two ways: 1) having advanced meters installed at their home and/or business and, 2) potentially having advanced meter infrastructure (i.e., data collection units) installed in their community. The project's outreach will focus on communicating and educating customers and key stakeholders on the following potential changes and impacts that could occur during installation and how best to prepare for them.

- Advanced meter wireless communication devices will be added to all natural gas meters at customers' homes and/or businesses through a visit by a SoCalGas installer
- Possibility of a natural gas meter being replaced (1 out of 3 meters estimated to be replaced) without natural gas service being interrupted in an estimated 90% of these transactions
- If the installer is unable to change out the meter without interrupting service then the customer will be asked to contact the installation appointment center to schedule an appointment to have the meter replaced and pilot lights relit
- A customer's neighborhood/community may need to have a data collection unit (approximately 4,000 units across SoCalGas service territory) installed; these units will electronically collect the individual advanced meter reads and send wirelessly to SoCalGas
- After an advanced meter is installed, a meter reader will still manually read the meter until SoCalGas has validated the electronic meter is correct; meters will then be read electronically going forward; however SoCalGas will still require safe access to the meter for periodic maintenance and safety inspections

- Advanced meters will electronically read the customers' hourly natural gas usage and transmit this information to SoCalGas approximately four times a day; the overall time these devices will transmit natural gas usage information will be less than two and half minutes a year

Customer participation and experience is an important aspect of the advanced meter project. Overall awareness of the advanced meter project, and preparing for the installation of the advanced meter will be one of the first key outreach aspect of the project.

## **2.10 Plan Reporting and Ongoing Improvements**

As outlined in D.10-04-027, SoCalGas was directed to establish a system to track and attribute, and report the conservation impacts of the advanced meter project every six months.<sup>5</sup> Section 8, Conservation Measurement outlines the approach that SoCalGas is considering to define and formulate the "track and attribute" conservation metric. In addition, these reports will describe marketing, education, outreach and customer support activities undertaken during the six month period. These reports are expected to serve as check points to determine if adjustments are needed to the Plan in order to achieve project objectives including awareness, participation and durability of conservation among customers. SoCalGas considers this Plan to be a living document which will guide the customer experience actions of SoCalGas by obtaining and incorporating feedback to evolve the Plan and improve customers' awareness, participation and durability of conservation. SoCalGas will also continue to obtain and incorporate input from the following sources:

- Advanced Meter Technical Advisory Panel
- SoCalGas' Community Advisory Council
- Investor Owned Utilities (California, national and world wide) smart/advanced meter best practices
- Relevant academic papers on energy efficiency and behavior change

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<sup>5</sup> D.10-04-027, OP 5.

- On-going customer market research
- Customer feedback
- Employee feedback
- Vendor/partner feedback
- Stakeholders' feedback

With the beginning of mass installation of meters in 2013, SoCalGas will report every six months to the CPUC the advanced meter project's conservation measurement and customer support activities.

### **3.0 Outreach Plan Objectives, Scope and Guiding Principles**

The Plan is based on key inputs that were outlined above:

- Customer and stakeholder input, feedback and research
- Advanced/smart meter projects' leading practices
- Customer experience leading practices
- Academic research in the field of customer behavior and change

This information has been utilized to develop the overall strategy and approach for the Plan, and below are three key components: objectives, scope and guiding principles, on which the framework of the Plan was built.

#### **3.1 Objectives**

Overall the objectives of the Plan are to:

- **To increase awareness about the advanced meter project and prepare customers and stakeholders for installation** of advanced meters and the communication network (data collection units)

- **To educate customers about the benefits** and how advanced meter project can help them save money, energy, help the environment and potentially enable future technology advancements
- To engage customers to use the information to **conserve natural gas**

### 3.2 Scope

The scope of the advanced meter project and Plan includes approximately six million customers of SoCalGas and approximately 20 million consumers of natural gas at these customers' residences and businesses. Overall, about 54% of California's population will be affected by this project through the impact on consumers. Approximately 5.8 million of the customers are residential households with the remaining 200,000 representing small and medium businesses of SoCalGas.

The timing scope of the advanced meter project is to start test installations in late 2012 with mass installation starting in 2013 and completion within five years.

### 3.3 Guiding Principles

The customer experience and outreach team developed the following guiding principles to be used in developing our outreach and conservation support strategy.

- **Create a positive customer experience** – Always adopt a customer-centric view across the entire SoCalGas advanced meter project
- **Be collaborative** – Work with stakeholders to design, respond to and improve the customer experience, products and services
- **Promote all relevant services** - Coordinate with all relevant SoCalGas programs to deliver a cohesive customer experience and leverage existing relationships
- **Learn from others & incorporate feedback** – Leverage utility proven practices and academic research as well as integrating customer and stakeholder feedback
- **Be inclusive** – Tailor outreach, communication and education for sensitive communities / customers
- **Be transparent** – Respond promptly and transparently to all inquiries; make materials readily available to the public via the website

## 4.0 Key Considerations

In the pursuit of the above objectives, SoCalGas faces a variety of opportunities and potential hurdles, which are discussed in this section.

### 4.1 External Context

A report filed by Pike Research projects that installation of advanced/smart natural gas meters will amount to 36 million worldwide by 2016, with a projected 12.2 million advanced/smart natural gas meters in North America.<sup>6</sup> By these projections, the SoCalGas advanced meter project to be implemented would account for approximately half of the advanced natural gas meter installations in North America.

#### a. Advanced Meter Project Scale

SoCalGas' advanced meter project stands as one of the largest natural gas advanced/smart meter projects in the United States. While other utilities have implemented advanced/smart meter projects, their focus has been primarily on the electric side of the meter installation. Therefore, while SoCalGas can incorporate lessons learned and best practices in its advanced meter project; few utilities have completed natural gas advanced/smart meter installations at the scale of this project.

#### b. Natural Gas Conservation Goal

SoCalGas has a natural gas conservation element in its business case that will be a long-term focus of this project and will be measured on an ongoing basis to accomplish an objective of the advanced meter project. The Decision outlined an approximate 1% natural gas conservation benefit that was included as part of the business case analysis. SoCalGas is the first utility in California to have such a natural gas conservation goal identified as an advanced/smart meter objective. As SoCalGas develops and implements the measurement approach for the proposed conservation benefits, it will address the three customer issues

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<sup>6</sup> <http://www.pikeresearch.com/newsroom/smart-gas-meters-to-reach-36-million-installations-worldwide-by-2016>

identified in the Decision: participation rates, conservation rates for participating customers and attribution of potential savings to the SoCalGas advanced meter investment.

### **c. Customer Utility Confusion**

SoCalGas is the fourth California IOU to implement advanced/smart meters in California. The advanced/smart meter implementations at San Diego Gas & Electric (SDG&E), Pacific Gas & Electric (PG&E) and Southern California Edison (SCE) are in progress. The existence of smart electric meter implementations that have, or are occurring in SoCalGas' territory, include SCE, and the municipal utilities in the cities of Pasadena, Burbank, Glendale and Anaheim.<sup>7</sup> This overlap of meter installations could create an environment where customers believe their smart/advanced meter has already been installed. SoCalGas will analyze the demographics of the SoCalGas advanced meter installation areas to identify the electric utilities' smart meter efforts and include this information in determining the outreach tactics.

SCE, PG&E, SDG&E and municipal utilities that provide electricity will be implementing dynamic rates (i.e., various rates selected by customers that vary and could be based on time of use, demand event or real time pricing) over the next few years. While this does not directly impact SoCalGas, customers of SoCalGas and one of these other utilities could become confused about the pricing policies of the electric utility versus that of SoCalGas (which will not have dynamic rates) and ongoing outreach may need to address this scenario. There also will be areas (e.g., the City of Long Beach) where the local municipal utility provides natural gas, and residents and businesses may become confused about why some friends in neighboring communities are receiving advanced meters but they are not or vice versa.

### **d. Other External Impacts**

In addition to the external factors identified above, SoCalGas will need to consider as part of the ongoing nature of this Plan the potential impact of weather, geography (climate zones), seasonality and commodity price changes that could impact the customers' bill during

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<sup>7</sup> It is possible that other municipal utilities could consider electric smart meter projects during SoCalGas' advanced meter project.

and after the customer's advanced meter installation and the customer could attribute this change solely to the installation.

#### **e. Managing External Factors**

The scale of the advanced meter project, customers' inability to differentiate between utilities and who provides what services, weather, geography and seasonal impacts, and commodity impacts increases the complexity of the outreach needed. The SoCalGas advanced meter project team will need to identify and develop action plans for these specific, special circumstances. We begin to address these challenges in Section 9.0 – Risks and Contingencies.

### **4.2 Internal Context**

#### **a. Geographic and Customer Diversity**

The size, geographical diversity, community diversity, business diversity, desire to make aware, prepare and educate sensitive communities/customers across the SoCalGas' service territory presents significant challenges for the advanced meter project during the multi-year installation period. As noted above, SoCalGas currently provides natural gas services to approximately 20 million consumers through approximately six million meters across 12 counties; potentially impacting about 54% of California's population. The customer base is a large and diverse group with approximately 45% of SoCalGas' customers speaking a language other than English including Spanish, Chinese, Korean, Vietnamese, Tagalog and others. SoCalGas customers include small farms, some of the world's leading brands, world class restaurants, restaurant chains, hospitals, retail chains, a naval air base, diverse cultural groups and sensitive customers such as the disabled, seniors, small businesses, and rural communities. As SoCalGas plans and delivers the installation plan, we will identify the needs of the diverse communities served and roll our appropriate communication to educate, prepare and enable customers to conserve.

#### **b. Outreach Experience**

Installation of a customer's advanced meter wireless communication device will create a new dynamic for SoCalGas to communicate with its customers. The detailed and more

frequent natural gas usage information provided by the advanced meter empowers customers to better control and manage their energy use. Additionally, the advanced meter project may enable future technology enhancements, services and programs that could benefit customers. Accordingly, all successes and setbacks alike must be closely monitored, documented and integrated into the advanced meter project, so SoCalGas can capitalize on any new information resulting from this feedback and continuously improve and leverage its processes, technology and services around the advanced meter project.

### **c. In-Sourcing Advanced Meter Installation**

On November 3, 2010, SoCalGas announced that the Company will in-source installation of the advanced meter wireless communication devices and associated natural gas meters. This means that SoCalGas employees, rather than contractors will be performing the advanced meter installation work. SoCalGas is the only California utility that will use its own employees to do the advanced meter installations. The agreement outlined agreed-upon performance standards including safety, quality, productivity, customer satisfaction and attendance.

### **d. Managing Internal Factors**

The geographical and customer diversity of SoCalGas' service territory, a new channel of customer dialogue, new customer facing technology and labor impacts need to be identified and action plans developed to address them. We begin to address these challenges in Section 9.0 – Risks and Contingencies.

## **4.3 Audiences**

The audiences of the advanced meter project communication, education and outreach include customers and stakeholders. We have identified the primary audience as the customers and the secondary audience as key stakeholders.

### **a. Primary Audience - Customers**

Customers for the advanced meter project are proposed to be segmented initially as follows:

- Mass Market – Residential
- Mass Market – Small/Medium Business
- Large Commercial and Industrial
- Sensitive Communities/Customers

The mass market segment includes the residential and small/medium business customers throughout the SoCalGas service territory. Based on projected number of residential and small/medium businesses it is expected that 95% of the advanced meters installed will be for residential (approximately 64% single family residences and 31% multifamily residences) and 4% will be for small/medium businesses. The remaining 1% is for large/other meters. Sensitive communities/customers are comprised of those groups that are hard-to-reach or have special needs. Below, SoCalGas outlines its mass market (residential, small/medium business), large commercial and industrial segment and the sensitive communities/customers (hard-to-reach and special needs) within its service territory.

**i. Mass Market – Residential**

The table below highlights the residential segment of SoCalGas. This information is from the 2000 census and provides an overview of race and Hispanic origin and the language spoken at home (for population five years and over). Residential markets include single family homeowners, mobile home parks, multi-family property owners, and renters.

<b>Race and Hispanic Origin</b>	<b>% of SoCalGas Service Territory Population</b>
White	56.1%
Some other Race	21.3%
Asian	9.6%
Black or African American	7.1%
American Indian and Alaska Native	1%
Native Hawaiian & Other Pacific Islander	.3%
Total	95.4%
Hispanic or Latino Origin Overlay	40.4%

Language Spoken at Home	% of SoCalGas Service Territory Population
English only	54.6%
Spanish	32.8%
Chinese	2.1%
Vietnamese	1.2%
Korean	1.3%
Tagalog	1.6%
Armenian	.8%
Persian	.6%
All others	6.0%
Total	100%

## ii. Mass Market – Small/Medium Business

The table below highlights the number of accounts and percentage (%) of natural gas usage for the small and medium business segment for 2006. This provides an overview of the make-up of the approximately 200,000 small and medium businesses in SoCalGas' service territory.

Group	Sub-group	# of	% of natural gas	
<b>Manufacturing</b>	Food & Beverage	2,254	10.2%	
	Metals	2,712	10%	
	Refineries	51	5.8%	
	Stone, Ceramics &	652	4.5%	
	Chemical	1,616	2.7%	
	Textiles	1,524	2.5%	
	Misc.	16,438	5.2%	
	<b>Total</b>	<b>25,247</b>	<b>40.9%</b>	
	<b>Services</b>	Restaurant	33,428	11.2%
		Lodging	4,736	3.5%
Laundry		4,497	3.3%	
Amusement		9,108	3.2%	
Transportation		1,544	2%	
Misc.		31,758	2.7%	
<b>Total</b>		<b>85,071</b>	<b>25.8%</b>	
<b>Institutional</b>	Universities	2,264	6.7%	
	Health	18,417	4.7%	
	Government	3,701	2.4%	
	Schools	6,229	2.1%	
	<b>Total</b>	<b>30,611</b>	<b>15.9%</b>	
	Mining & Extraction	282	7.1%	
Agriculture	2,334	3.6%		
Construction	4,840	.2%		

Group	Sub-group	# of	% of natural gas
<b>Agriculture</b>	<b>Total</b>	<b>7,456</b>	<b>10.9%</b>
	Office	27,536	2.9%
	Retail	22,810	2.2%
	Misc.	1,568	.2%
<b>Retail/Offices</b>	<b>Total</b>	<b>51,914</b>	<b>5.3%</b>
	Water	695	1%
	Natural Gas	40	0%
	Electric	2	0%
	Unknown	857	.2%
<b>Utilities</b>	<b>Total</b>	<b>1,594</b>	<b>1.2%</b>
<b>Total All Groups</b>	<b>Total</b>	<b>201,893</b>	<b>100%</b>

### iii. Large Commercial and Industrial

SoCalGas account executives currently work with this group of customers to handle customer service. During the advanced meter project, account executives will be coordinated with to provide outreach to this segment as required.

### iv. Sensitive Communities/Customers

In addition to the residential and small and medium business segments, SoCalGas will tailor its outreach to sensitive communities/customers that will generally be accessed and addressed through non-conventional means. The sensitive communities/customers segment includes the hard-to-reach and special needs customers. During the past six months, SoCalGas has conducted further research to expand our insights about the needs of these groups. An initial analysis has been performed with respect to these sensitive communities/customers and proposed outreach approaches are outlined in this Plan. These are SoCalGas' initial thoughts about outreach for this segment but further analysis and targeting will be conducted in 2011 and 2012. The customer groups in this segment have been initially identified below:

- Cultural groups including those with limited English proficiency
- Disabled (such as sight- or hearing-impaired)
- Low income
- Rural

- Seniors
- Small business

As SoCalGas identifies the installation schedule, a cross analysis of correlating geographies and demographics will be conducted to further define the communications and outreach tactical plans for each community.

#### **v. Preliminary Analysis of Sensitive Communities/Customers by County**

From the 2000 census data, it is possible to begin outlining a picture of the sensitive communities/customers by geography and start developing an understanding of the hard-to-reach and special needs populations requiring education and outreach via community-based organizations (CBOs), organizations specializing in outreach to the disabled, faith-based organizations (FBOs), coordination with the CPUC's Business and Community Outreach (BCO) group and other methods of community engagement. See Appendix H for preliminary analysis of population totals of sensitive communities/customers by county within the SoCalGas service territory.

#### **b. Secondary Audience - Key Stakeholders**

SoCalGas will focus on the primary audience groups as it continues to develop and evolve the Plan but will also develop strategies and approaches for the secondary audience groups below:

- CBO/FBOs/Disability Agencies
- Consumer Advocates
- Elected & Safety Officials
- Media
- Regulators

#### **4.4 Current State Customer Service Model**

SoCalGas' current customer service model has many communication, outreach and education capabilities. These current mechanisms and channels will be leveraged and utilized

during the advanced meter project as well as augmented with additional customer service capabilities.

#### **a. Call Center & Interactive Voice Response (IVR)**

The Customer Contact Center (CCC) is currently a key channel with which SoCalGas customers interact to perform transactions (e.g., check amount due, start/stop/move natural gas service, schedule appliance service, request payment arrangements, report natural gas leaks and request information about saving energy and money). The CCC serves residential and small and medium business calls and provides the backbone of customer service at SoCalGas. The CCC provides 24/7 emergency service in English and Spanish and access to an interpreter service (AT&T Language Line Service) as well. In addition, Monday through Friday from 8 a.m.-5 p.m., the CCC offers dedicated staffs who speak: Cantonese, Mandarin, Korean and Vietnamese as well as a dedicated business call center, from 7 a.m.-6 p.m.

SoCalGas' IVR allows customers to check their account status, pay bills and schedule appliance services with just using their phone to provide the needed information to obtain those services.

#### **b. SoCalGas Website**

SoCalGas offers extensive information and numerous customer self-service options via its socialgas.com Website and My Account secured portal. While the socialgas.com website can be accessed by anyone online, My Account is a secured, personalized portal for which customers' must enroll to obtain access to view their personalized account information. The following is a sample of the services and information currently available to My Account customers online:

- View bill online
- Pay bill online
- Request payment arrangements
- Start/stop/move natural gas service

- Schedule appliance services
- Obtain help conserving energy and saving money
- Obtain Information on customer programs

Outside of My Account (i.e., socialgas.com), customers can find detailed information about natural gas safety, money- and energy-saving programs and can request some services without being enrolled in My Account. Many sections of socialgas.com are translated into Spanish, such as the “safety”, “customer assistance”, “rebates” and other sections. In addition, an “other languages” section of the Website features information about natural gas safety and the California Alternate Rates for Energy (CARE) 20% discount program in 11 different languages.

### **c. Marketing and Communications**

SoCalGas marketing and communications to the mass market has primarily been via: bill messaging, bill inserts/onserts, emails, social media, socialgas.com, event sponsorship and account executive and regional public affairs outreach and limited mass advertising. Targeted marketing campaigns have been implemented to raise awareness and increase enrollment into customer programs’ such as the California Alternate Rates for Energy (CARE) and other customer programs. CARE provides a specific example of how a strong marketing plan that is well executed can be highly effective. The current SoCalGas CARE enrollment of approximately 1.7 million low income customers is the highest of all the California IOUs with the lowest cost per program participant and a 93.8% penetration rate as of October, 2010. The marketing approach this program has used to achieve these results includes a mix of: direct mail, automated voice and text messaging, mass media (radio traffic reports, TV sponsorships, out-of-home and print media), bill inserts, email campaigns, events, door-to-door canvassing, etc.

The CARE program has developed dynamic customer segment methodology to target specific markets and specific channels. Overall, the SoCalGas CARE program has a customer satisfaction rating of 90%.

### **d. Customer Facing Functions**

The SoCalGas functions that interact with customers or support customer outreach include:

- Customer Contact Center
- Field operations staff (i.e. customer service field)
- Branch payment offices
- Account executives
- External relations (regional public affairs, community relations and media relations)
- Residential customer programs (CARE, Direct Assistance Program/Low Income Energy Efficiency, Medical Baseline Allowance, other programs) and energy efficiency programs
- Business customer programs (foodservice center, training and education at the Energy Resource Center, etc)

## **5.0 Outreach and Conservation Support Enablers**

The strategic enablers identified by SoCalGas below can help assist with awareness, preparedness, education and conservation support. These enablers will be leveraged throughout the project to help communicate and educate about the advanced meter project and support and motivate natural gas conservation by customers.

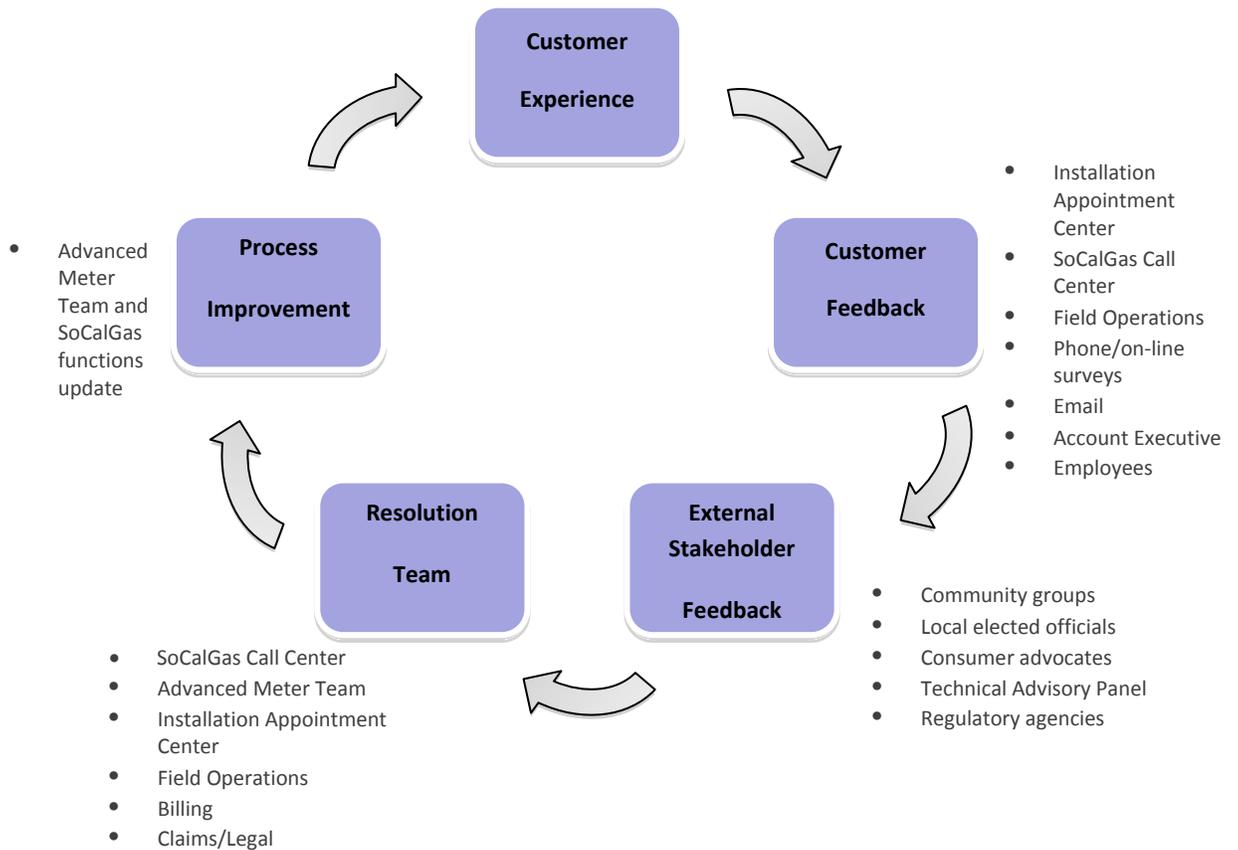
### **5.1 Customer Service**

The quality of customer service during the advanced meter project will be an important success factor. SoCalGas will continue to integrate relevant internal or external factors (extreme weather, commodity prices, rates, regulatory, policy changes, etc) and address how they may impact the customer in relation to the advanced meter project. A coordinated approach to communicating with and educating the customers on these various impacts will be important for the success of the project. Overall the customer experience and outreach team will continue to use its guiding principles identified in Section 3.3 to guide its customer service efforts.

### **5.2 Customer and Stakeholder Feedback**

The creation of a robust feedback loop will also be important to the success of the advanced meter project. This customer and stakeholder feedback loop must ensure that feedback (positive, negative, problem/concern identification, request for information) will be

coordinated across existing SoCalGas functions such as the Customer Contact Center and the advanced meter project team. The development of accurate, timely and integrated customer and stakeholder feedback loop will be a key step for the overall success of the project. During 2011, the customer experience and external outreach team will define, design and develop the advanced meter customer and stakeholder feedback process. This effort will identify the SoCalGas functions, elements of the advanced meter team and customer touch points to identify, document and develop policies and procedures to determine how customer and stakeholder feedback will be received, analyzed, responded to and integrated into the advanced meter project. The diagram below highlights how the customer and stakeholder feedback loop may function.



### 5.3 Employee Feedback

The need for a robust employee feedback loop will be necessary and should be integrated with the customer and stakeholder feedback loop. As employees and management

identify issues, trends, areas for improvement and current/future risks in a highly dynamic project, their input should be incorporated and integrated into the information being provided to the customer and stakeholder feedback process.

#### **5.4 Customer Research (Future)**

The need for ongoing customer research during the advanced meter project will be important to understand customers' awareness of the installation, awareness of available information and benefits, participation by engaging with the available information, preferences and trends, as well as triggers for conservation. The ability to incorporate this customer research into the advanced meter project and ongoing conservation effort will be an ongoing enabler and a success factor for the overall project.

#### **5.5 Natural Gas Usage Information Presentment Options**

After the advanced meter has been installed and validated, the customer will be invited to view his/her natural gas usage information. This information will be a key component of the conservation strategy to educate customers about their hourly usage and enable and motivate them through behavioral change strategies. Currently, the advanced meter team is working to select the online presentment tool to be offered via the [socialgas.com](http://socialgas.com) My Account Website. The tool will include the following key functionality: 1) ability to view hourly natural gas usage on a next-day basis, and 2) ability to see natural gas usage comparisons by day, week, month and year. Other possible functionality could include providing related analysis tools, such as showing how the customer's natural gas usage compares to similar homes or businesses and/or providing an estimated breakdown of appliance/equipment usage.

SoCalGas is also studying opportunities to have current customers' enroll in My Account prior or during the installation of their advanced meter to simplify access to their natural gas usage information and enable communication with these customers via the My Account Website. Several options to increase My Account enrollment are being investigated including potentially inviting customers to enroll when they receive their personalized installation letter or when they receive their door hanger.

In addition to online presentation of natural gas information through the socialgas.com My Account Website, the advanced meter team is investigating the effectiveness of developing the following potential channels:

- Bill/Energy alerts; ability for customers to sign-up via socialgas.com My Account Website receive bill/energy alert sent to via email, phone or SMS text. These alerts would identify a key event for which they have requested notification (e.g., usage amount is at X% of previous month, bill-to-date amount has reached or exceeded \$Y, etc.)
- Mobile application; ability for customers to access their usage and other natural gas information via a mobile application developed specifically for viewing on a mobile device
- Third-parties; SoCalGas would enable customers to request their natural gas usage data be sent to a third-party for presentment via a web portal<sup>8</sup>
- Interactive Voice Response (IVR) / Phone; ability for customers to contact SoCalGas by phone and get their natural gas usage and other information (to be determined) via this channel
- Home Area Network (HAN); ability for customers to purchase and install devices such as In Home Displays (IHD), Energy Management Systems (EMS) and other equipment that will provide natural gas information via these devices
- Paper; ability for customers to receive their natural gas usage information via a paper format

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<sup>8</sup> The issue of third party access as they relate to utility Smart Grid systems is being more directly considered by the Commission in Rulemaking 08-12-009 (Smart Grid OIR), which may ultimately provide further structure to the access of third parties to utility smart grid or advanced meter data.

## **5.6 Request for Information (RFI) for Community- and Faith- Based Organizations and Disability Agencies**

A key strategy of the Plan is to utilize community-based organizations (CBOs), faith-based organizations (FBOs) and disability agencies to utilize their knowledge, relationships and affinities with the sensitive communities/customers to assist SoCalGas with its outreach during the advanced meter project. As the outreach team further analyzes and finalizes the key sensitive communities/customers needs by region and local areas, as well as analyzing the greatest need to supplement internal resources, it will conduct an RFI process in the later part of 2011. This RFI process will: 1) identify the regional and local needs for outreach support for sensitive communities/customers 2) identify qualified CBOs, FBOs and/or disability agencies 3) develop appropriate RFIs for SoCalGas' identified needs including: a scope of work, roles and responsibilities of SoCalGas, roles and responsibilities of the CBO, FBO and/or disability agency and evaluation criteria. SoCalGas will then solicit, receive and evaluate proposals from qualified organizations and/or agencies. Due to the length of time of the advanced meter installation, some geography's CBOs, FBOs and/or disability agencies may not be solicited through the RFI in 2011 and will be requested to solicit proposals closer to the date of their geography's advanced meter installation roll-out.

## **5.7 CPUC Business and Community Outreach (BCO)**

SoCalGas will continue to work with the CPUC's BCO as a member of the TAP. In addition, the outreach team will work them directly to: 1) obtain guidance, feedback and identification of opportunities for outreach to residential and business communities 2) identification of CBOs and FBOs to solicit during the RFI process 3) overall strategy discussions about the options to best reach to customers, mass market and sensitive communities/customers, in SoCalGas service territory

## **5.8 Customer Conservation Campaigns and Pilots**

SoCalGas will identify, segment and create campaigns for customers with potential to support natural gas conservation efforts. These campaigns will need to research and focus on

customers who have a high probability to conserve (e.g., customers who have already engaged with SoCalGas in use of another customer program and/or who demonstrate other characteristics indicative of a higher propensity to conserve). In addition, pilot campaigns may be utilized to test options that support or motivate customers to conserve energy. An example could be the use of goal setting (i.e., setting conservation goals as a household, business or as part of a community). This information, based on behavioral science, would theoretically move customers via their family, roommates, business colleagues or a community they align with to reduce their energy usage. These campaigns, in addition to other innovative approaches, are potential enablers in helping SoCalGas achieve its 1% conservation target.

## **5.9 Advanced Meter and Customer Metrics**

The advanced meter project is a complex, multi-year project that involves a significant number of customers as well as a large number of stakeholders. The Decision has clearly outlined the requirement to report measured savings on a semi-annual basis as well as describe marketing, education, outreach and customer support activities undertaken during that period. This information will be sent to the Energy Division as a report from SoCalGas starting after the launch of mass installation efforts expected to begin in early 2013.

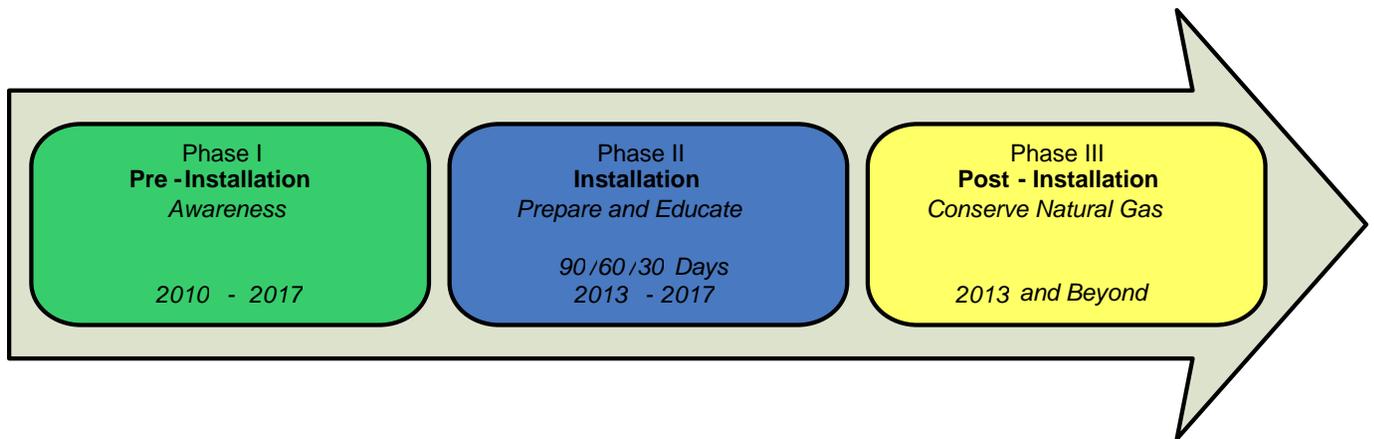
SoCalGas proposes to provide metric status on such elements as shown below on a semi-annual basis:

- Customer Awareness
  - Customer aware of advanced meter project in installation areas
  - Customers aware of advanced meter project in not-yet-installed areas
- Customer Participation
  - Customer in deployed areas who at a minimum review their gas usage on monthly basis

- Customers in deployed areas who have established an alert (e.g., text me when my bill exceeds \$X)
  - Customers in installed area who have established a commitment or goal
- Customer Complaints
  - Report by channel, categorize customer complaint and track and report through resolution; identify resolutions (e.g., claim submitted and approved/denied)
- Advanced Meter Project
  - Report metrics, such as the following:
    - Installation volume
    - Timely or estimated bills (if applicable)
    - Web Hits (socialgas.com advanced meter web site)
    - Bill/Energy Alert sign ups
    - Operational benefits
    - Conservation benefits
    - Marketing, education, outreach and customer support activities

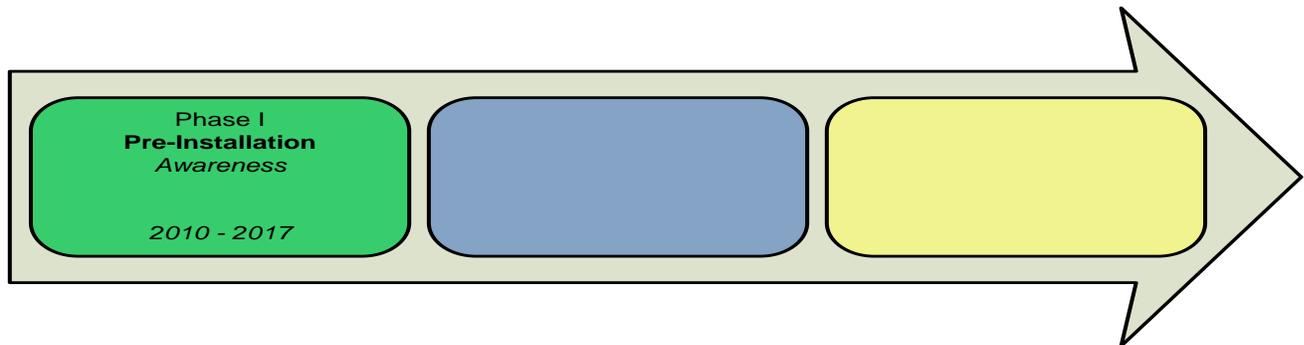
## 6.0 Customer Journey: Three Phased Approach

The advanced meter customer journey is a three phased approach: Pre-Installation, Installation and Post-Installation. The overview of the customer journey and the associated objectives, activities, mass market and sensitive community outreach and feedback approaches are highlighted in the chart below. It should be noted that after Q1 2013, various customers will be in various phases: pre-installation, installation and post-installation based on the geography of the advanced meter installs through 2017.



Phase	Pre-Installation	Installation	Post-Installation
<b>Objective</b>	<b>Awareness of advanced meter project</b>	<b>Prepare for advanced meter installation and benefits education</b>	<b>Motivate to conserve natural gas</b>
<b>Key Stakeholder/Community Activities</b>	<ul style="list-style-type: none"> <li>• Communication, education and outreach</li> <li>• Siting of approximately 4,000 data collectors (outreach to local cities/communities only)</li> </ul>	<ul style="list-style-type: none"> <li>• Community meetings &amp; events</li> <li>• Individual customer communication</li> <li>• Advanced meter install &amp; data validation</li> </ul>	<ul style="list-style-type: none"> <li>• Invitation to view natural gas information online &amp; via other channels</li> <li>• Motivate to conserve natural gas via individual and community outreach</li> </ul>
<b>Mass Market Outreach Approach</b>	<ul style="list-style-type: none"> <li>• Meetings with elected officials, local leaders and regulators</li> <li>• SoCalGas media including bill package, email, social media</li> <li>• Regional media (broadcast, print, interviews)</li> <li>• Coordinate w/ SoCalGas events</li> </ul>	<ul style="list-style-type: none"> <li>• Community &amp; business meetings, presentations and events</li> <li>• Direct communications e.g., letter, outbound call, flyer, door hanger, email</li> <li>• Regional media (broadcast, print, interviews)</li> </ul>	<ul style="list-style-type: none"> <li>• Invitation to online presentment of natural gas usage</li> <li>• Targeted conservation campaigns</li> <li>• Collaborate with SoCalGas programs (e.g., EE and customer assistance)</li> <li>• Innovate with behavioral change campaigns</li> </ul>
<b>Sensitive Communities/Customers Outreach Approach</b>	<p><b>Incremental to outreach above:</b></p> <ul style="list-style-type: none"> <li>• Regional ethnic media (broadcast, print, interviews)</li> <li>• Regional CBOs/FBOs/Disability agencies and Business associations</li> <li>• Target specific SoCalGas customer assistance and EE programs for sensitive communities/customers</li> </ul>	<p><b>Incremental to outreach above:</b></p> <ul style="list-style-type: none"> <li>• Local ethnic media (broadcast, print, interviews)</li> <li>• Local CBOs/FBOs/Disability agencies and Business associations (as needed)</li> <li>• Sensitive communities/customers outreach mtgs./events; coordinate with CPUC BCO</li> </ul>	<p><b>Incremental to outreach above:</b></p> <ul style="list-style-type: none"> <li>• CBOs/FBOs/Disability agencies and Business associations hold events &amp; meetings to motivate conservation behavior</li> <li>• Integration with SoCalGas customer assistance and EE programs</li> <li>• Coordinate with CPUC BCO</li> </ul>
<b>Potential Customer Feedback Channels</b>	Focus groups, online panels, public outreach meetings, event comment cards, SoCalGas advanced meter mail box, TAP, local leaders, operational and external feedback		

## 6.1 Customer Journey - Pre-Installation Phase



The customer will start their journey on the advanced meter project by becoming aware of the SoCalGas effort. The following approach discusses how outreach will be further conducted during the pre-installation phase.

### a. Key Activities

The pre-installation phase of the advanced meter project includes the time period up to 90 days before a customer has the advanced meter installed by SoCalGas. The focus of this phase is to bring awareness of the advanced meter project to the mass market and sensitive communities/customers. For some customers, this phase could last close to 4-5 years if a customer's advanced meter isn't installed until 2017. The key activities of this phase are to:

- Use low and no-cost ways to raise awareness of the advanced meter project by the mass market leveraging SoCalGas existing outreach channels and a regional media focus
- Analyze the sensitive communities/customers to determine the most effective outreach and tailored treatments to start to engage this segment with a focus on leveraging SoCalGas' existing outreach channels, ethnic regional media (earned, paid) and regional groups e.g., CBOs, FBOs, disability agencies, BCO, others

- SoCalGas to work with cities and communities to plan and deploy approximately 4,000 data collector units needed for the advanced meter project

## **b. Messaging Themes**

The messaging themes that have been identified for the pre-installation phase include the following:

- What are advanced meters?
- Why is SoCalGas installing advanced meters?
- What are the benefits of advanced meters for customers
- How customers can access usage information and use it to help save money and conserve natural gas
- Installation timing/expectations
- Where to go if customers have question or want to learn more

## **c. Mass Market and Sensitive Communities/Customers Outreach**

During the pre-installation phase of the advanced meter project the following touch points may be used to perform mass market outreach:

- Information in/on the SoCalGas bill package
- Effective use of earned regional/ethnic media (print, radio, TV, online)
- Email outreach to SoCalGas My Account participants
- Advanced meter information, frequently asked questions, installation schedule on advanced meter micro site on SoCalGas Website and via SoCalGas' social media sites
- Advanced meter messaging and information via SoCalGas customer assistance and energy efficiency programs
- Advanced meter information/booth at SoCalGas and regional community events
- Employee ambassadors and SoCalGas retirees to conduct outreach

Additional outreach efforts have been outlined below for sensitive communities/ customers (hard-to-reach and special needs). These efforts are incremental and are in addition

to the outreach efforts identified for the mass market above. Sensitive communities/customers' outreach efforts could include:

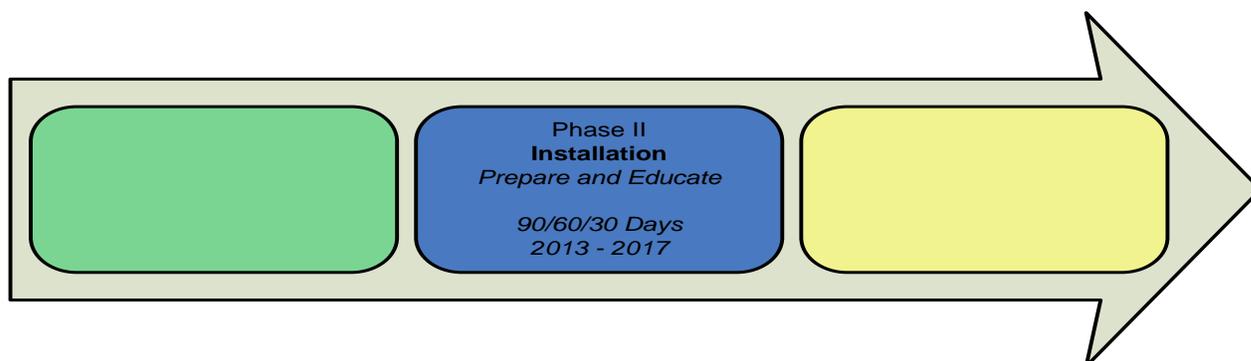
- Leverage SoCalGas customer assistance and energy efficiency outreach to target sensitive communities/customers
- Identify and utilize community- and faith-based and disability organizations to reach out to sensitive communities/customers
- Use earned/paid ethnic media outreach (print, radio, TV, interviews, online)

#### **d. Customer Feedback**

Research methods or feedback channels, such as the following, may be used to obtain customer feedback during the pre-installation phase of the project.

- Focus groups as needed (residential and business)
- Online residential/business panels
- Public outreach meetings
- SoCalGas advanced meter email box
- Technical Advisory Panel
- SoCalGas Community Advisory Council
- Meeting with regulators, advocates and elected officials

## 6.2 Customer Journey - Installation Phase



### a. Key Activities

The key activities of the installation phase focus on educating customers and communities about the upcoming installation of the advanced meters in their area. This phase will start 90 days prior to the community having the advanced meters installed. The key activities for this phase (briefly described below) are presented in greater detail in the following section. The key activities of the installation phase include:

- Meet with community and elected leaders (90 days out)
- Hold community events (60 days out)
- Send notification letter to residential and business customers (30 days out)
- Send customer reminder of installation five to three days prior to advanced meter installation
- Leave door hanger (successful installation, not-successful – please call installation appointment center)

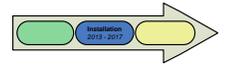
### b. Messaging Themes

The messaging themes identified for the installation phase include the following:

- Every customer will have a new wireless communication device added to the natural gas meter
- One out of three customers will also have their meter replaced as part of the natural gas meter upgrade, in addition to receiving the wireless communication device
- Differences/similarities to customer's electricity smart meter installation (occurred, planned for future)
- Who, what, when of installation
- How to identify and verify SoCalGas installers
  - SoCalGas installers will be SoCalGas employees; they will be driving SoCalGas badged vehicles, wearing SoCalGas uniforms and have SoCalGas ID badges
- What you need to do to prepare
- Installation timing
- Set expectations regarding installation process and 10% or less possibility of potential service interruptions if your natural gas meter is being replaced
- Communicate quality assurance process for data being read automatically by the advanced meter including need for manual reads by meter reader as part of validation process
- Set expectations on how/when you can view your natural gas usage information
- Where to go if you have questions or want to learn more about the advanced meters

### **c. Mass Market and Sensitive Communities/Customers Outreach**

During the installation phase of the advanced meter project the following 90-60-30 day approach will be used to perform customer outreach. Mass market (residential and small/medium business) is outlined first for each activity of the installation phase. Then, the



incremental efforts to sensitive communities/customers (hard-to-reach and special needs) are outlined for that activity as well.

**i. Community Presentations (90 days out from advanced meter installation in the community)**

Mass Market

- SoCalGas will make presentations to town councils, business associations and community groups prior to installation in impacted areas
- Opportunity for SoCalGas to learn and understand community concerns
- Provides opportunity for SoCalGas to discuss various topics that have been identified as important to customers including:
  - Information security of advanced meter
  - How accuracy of the advanced meter will be validated
  - That the natural gas meter cannot be turned on/off remotely; natural gas will continue to flow even if the advanced meter wireless communication device becomes inoperable
  - Cost/benefit discussion
  - Safety of advanced meter

Sensitive Communities/Customers

- Key ethnic stakeholders and community-based organizations are briefed based on the relevant community installation timing
- Key residential community, faith-based and disability groups are coordinated with to provide outreach to their members
- Coordinate with CPUC's BCO to provide outreach

- Leverage ethnic media channels to help educate customers (stories/features/interviews)
- Relevant SoCalGas programs are collaborated with and advanced meter outreach efforts developed
- Utilize “in-language” speakers bureau to speak at community meetings
- From analysis of installation geography, determine appropriate approaches for “geography” sensitive communities/customers (e.g., Armenian, Tagalog, etc.)

## **ii. Community Events (60 days out from advanced meter installation in your community)**

### Mass Market

- SoCalGas will sponsor and/or participate in regional and community-wide events including festivals, fairs and trade events that will be scheduled or are occurring already in impacted areas
  - Educational materials such as videos, fact sheets, displays, etc. will be used to promote the advanced meter effort
- Advanced meter team will leverage and coordinate outreach efforts as appropriate to deliver advanced meter communication with SoCalGas’ community relations and regional public affairs and the CPUC’s Business Community Outreach (BCO) group

### Sensitive Communities/Customers

- SoCalGas sponsors and staffs key cultural and community events in the communities identified for installation
- Coordinate community- and faith-based organizations, disability agencies and SoCalGas programs’ with the advanced meter outreach
- Coordinate outreach with SoCalGas’ customer assistance and energy efficiency programs

### **iii. Notification Letter (30 days out from advanced meter installation in the community)**

#### Mass Market

- SoCalGas will mail notification letters to residential and small/medium business customers
- Letters may be fully translated in English and Spanish, with further testing conducted to consider translating key information for cultural groups with limited English proficiency. Regional media (print, broadcast, online) may be used to report installation by key geographies and potentially provide actual customer scenarios and experiences

#### Sensitive Communities/Customers

- Continue to meet with community, business and disability groups, coordinate community-faith-based members and SoCalGas customer assistance and energy efficiency programs' outreach
- Leverage ethnic media
  - Report installation by key geographies
  - Use media to further educate cultural groups communities (e.g., earning an educational segment/interview on television)
  - Provide actual customer scenarios and experiences
  - Use trusted messengers to provide advanced meter installation information (e.g., journalists, show hosts and community leaders to provide education and confidence about the SoCalGas advanced meter project)

#### **iv. Customer Reminder (5-3 days ahead of installation)**

##### Mass Market

- SoCalGas is currently analyzing the options with respect to customer reminders prior to the actual installation day. Options include potentially using an outbound-dialer to call customers and remind them of the upcoming installation, sending email reminders or having flyers or door hangers distributed in neighborhoods just prior to installation. In any case, the reminder could drive customer to sign up for My Account for future advanced meter updates.

##### Sensitive Communities/Customers

- Coordinate with hard-to-reach and special needs groups in local community to coordinate messaging around advanced meter installation with potential additional outreach for customer reminder being:
  - Local community- and faith-based organizations and disability agencies provide local meetings, banners, newsletter notification, in-house outreach (DVD playing on loop describing installation process at community) or train-the-trainer for outreach
  - Ethnic media (broadcast, print, online) to specific communities
  - Business association meetings, events and newsletters

#### **v. Installation Day**

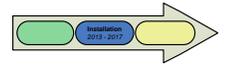
##### Mass Market

- SoCalGas installers will be employees and will display appropriate SoCalGas ID and can provide the customer information as requested/questioned
- An option that SoCalGas is evaluating is using retirees/contractors to act as SoCalGas information representatives. These representatives could be available to accompany SoCalGas installers in targeted areas to help answer questions, inform

- customers about the advanced meter project, address issues that are raised and provide information /fact sheets as appropriate
- At most homes and businesses, the SoCalGas installer will leave a door hanger to indicate that the work has been done successfully or if it cannot be accomplished, then a door hanger will be placed requesting the customer to contact the installation appointment center to schedule time to have their advanced meter installed and if the natural gas supply must be interrupted, their pilot lights relit
  - Door hanger will have contact phone number, web address and possibly a URL to complete an online install survey and how to access their online information (pre-validated information)

#### Sensitive Communities/Customers

- Continue to meet with community business groups, coordinate community- faith-based members and SoCalGas programs' outreach
- Leverage ethnic media
  - Report installation by key geographies
  - Use media to further educate cultural groups communities (e.g., earning an educational segment/interview on television)
  - Provide actual customer scenarios and experiences
  - Use trusted messengers to provide advanced meter installation information (e.g., journalists, show hosts and community leaders to provide education and insight about the SoCalGas advanced meter project)



## **vi. Customer Installation Survey**

### Mass Market

- SoCalGas will obtain a sampling of customer feedback regarding their advanced meter installation experience
- Results will be compiled and coordinated with the installation team to incorporate changes, feedback and improvements into their process

### Sensitive Communities/Customers

- A research sampling of hard-to-reach and under-served customers would be conducted (potentially by CBO and FBO outreach or other external channels) and feedback incorporated into the Plan

## **vii. Meter Reading Validation (30 to 90 days from meter installation)**

### Mass Market

- Meter readers will manually read the customer's meter and compare to the electronic read to ensure that the electronic meter is working accurately

### Sensitive Communities/Customers

- Continue to meet with community, business and disability groups, coordinate community-faith-based member outreach and SoCalGas programs' advanced meter outreach
- Leverage ethnic media (print, broadcast)
  - Report installation by key geographies
  - Use media to further educate cultural groups communities (e.g., earning an educational segment/interview on television)
  - Provide actual customer scenarios and experiences



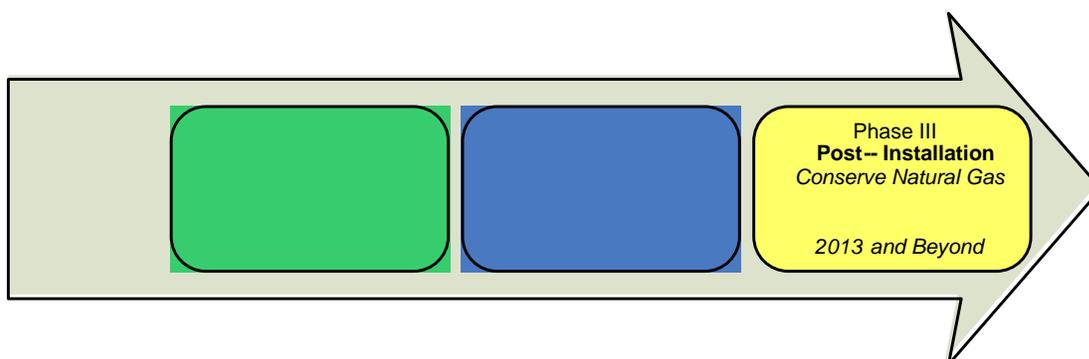
- Use trusted messengers to provide advanced meter installation information (e.g., journalists, show hosts and community leaders to provide education and insight about the SoCalGas advanced meter project)

#### **d. Customer Feedback**

Research methods and feedback channels, such as those listed below, may be used to obtain customer feedback during the installation phase of the project.

- Comment cards at community and business presentations
- Gather on-going customer feedback from installation appointment center, installer and other customer touch points (including community, faith-based, disability partners) and work to integrate feedback into advanced meter project operations
- SoCalGas visits to recently installed customer sites
- Surveys of randomly selected customers regarding installation satisfaction

## 6.3 Customer Journey - Post-Installation Phase



### a. Key Activities

The key activities of the post-installation phase focus on motivating the customer to use the natural gas usage information provided via the advanced meter to start conserving. This phase begins with the customer being able to view their natural gas usage information and working with customers to conserve natural gas. This phase will be an ongoing effort for SoCalGas.

The key activities of this phase include:

- Invite the customer to view their natural gas usage information online as well as via other channels that SoCalGas is currently investigating
- Validate and confirm manual to electronic read
- Identify and run campaigns that focus on customers that have potential to conserve natural gas (e.g., have signed up for SoCalGas programs before, high usage users)
- Collaborate with SoCalGas customer assistance and energy efficiency programs to conduct outreach and promote conservation
- Innovate with social norming, goal setting, virtual community commitments and other campaigns

## b. Messaging Themes

The messaging themes identified for the post-installation phase include the following:

- Confirmation of installation
- Announcement and invitation to view natural gas usage information
- Where and how to view and use natural gas usage information
- Education about how to use information to better manage and conserve natural gas
- Conservation messages
- Cross promote relevant program message (e.g., customer assistance and energy efficiency programs)

## c. Mass Market and Sensitive Communities/Customers Outreach

During the post-installation phase of the advanced meter project the following approaches may be used to promote conservation among all customers to help achieve the 1% conservation goal outlined in the Decision:

### Invitation to View Natural Gas Usage Information

- Customers will be sent an invitation to view their natural gas usage online via My Account and other available channels

### Focus on Segments that are Likely to Respond to Targeted Campaigns to Conserve Natural Gas

- Identify and focus on “likely to save” customers looking at the **following drivers**:
  - Behavioral and psychographic drivers, such as customers who have interacted with other SoCalGas demand side management programs
  - Usage drivers, such as top quartile usage in small/medium business segments
  - Psychographic, skill-based drivers, such as industry segments with decision makers who are knowledgeable about and committed to conservation, such

as facilities managers for school districts, cities and counties; or those who are committed to the environment

- Demographic drivers, such as climate zones or premise size
- Energy device owners (e.g., residences or businesses that have Programmable Communicating Thermostats (PCTs), In-Home/Business Display (IHDs) or Energy Management Systems (EMS))
- Third-party partnerships
- Customers enrolled in My Account will be encouraged to view their natural gas usage information online and to sign up for bill/energy alerts based on the criteria they select (e.g., >\$X, Y% higher than last month's bill, Z% of prior year, current month's usage, etc)

#### **Collaborate with Other SoCalGas Programs to Deliver “conserve natural gas” Message**

- Leverage successful SoCalGas programs to accelerate energy engagement with these customers (e.g. SoCalGas My Account, California Alternate Rates for Energy)
- Integrate with SoCalGas Energy Efficiency programs; provide savings options throughout programs

#### **Innovate to Create a Conservation Environment**

- Investigate potential campaigns to test tools and approaches that utilize principles of customer behavior change to motivate and encourage conservation
  - Test customer specific feedback
  - Test goal setting at the household, business and community levels
  - Test social norming on weekly data for residential and business
  - Test using non-financial rewards

- Investigate opportunities for virtual communities to establish community goals and allow individuals to connect their own goals toward a community goal
- Create social online forum to utilize customer content to identify energy savings tips, information, education and suggestions to conserve natural gas
- Customers may receive conservation tips via channels they have signed up for including, Twitter, Facebook, and My Account
- Support the development of future products/services that foster customer energy engagement

Additional outreach efforts have been outlined below for sensitive communities/customers (hard-to-reach and special needs). These efforts are incremental and in addition to the outreach efforts identified for the mass market above. Outreach efforts to these sensitive communities/customers' could include:

#### **Invitation to View Natural Gas Usage Information**

- Ensure that invitation is relevant and readable for sensitive communities/customers

#### **Customer Conservation Strategies**

- Customers may be contacted by a community, faith-based or disability organization and encouraged to:
  - Utilize the internet or other access option to understand their natural gas usage information and identify opportunities to save money and conserve natural gas
  - Sign up for bill/energy alerts on SoCalGas' My Account
- SoCalGas will work to identify and work with sensitive communities/customers' affinity groups to have them contact their members to recommend setting goals and/or making a commitment to conserve

- Non-English speaking customers may have access to their natural gas usage information by calling a SoCalGas call center representative and/or a specialized technical support team or they may use the IVR
- SoCalGas call center representatives and/or a specialized technical support team of representatives may assist customers with their new advanced meters. SoCalGas expects that these representatives will have access to the same information customers may view online and will be able to guide them through the information

#### **d. Customer Feedback**

Research methods and feedback channels, such as those listed below, may be used to obtain customer feedback during the post-installation phase of the project.

- Surveys or focus groups
- SoCalGas Community Advisory Council
- CPUC Business & Community Outreach Group
- Advanced Meter Technical Advisory Panel

## 7.0 Tactical Outreach Plan

### 7.1 Overview

The Plan includes a framework of SoCalGas' tactical outreach plan (See Appendix I). This tactical outreach plan framework (tactical framework) arrays by advanced meter phase (pre-installation, installation, post-installation) the customer segments to be reached out to: 1) mass market (residential and small/medium business customers) and 2) sensitive communities/customers (cultural groups, rural, low income, small business, disabled and seniors). Outreach to these segments will vary based on their respective phase in the advanced meter project. This tactical framework is a starting point and will continue to be evolved. As SoCalGas outlines the installation schedule of the six million meters across SoCalGas' twelve county service territory, analysis will identify six months before these installations the "tactical" outreach efforts that will be performed during each of the three phases.

This tactical framework outlines, from initial analysis and information gathered during the TAP sessions and the public workshop, the potential channels that could be used to reach each customer group within the two key customer segments. The actual specific outreach delivery channels (e.g., specific regional paper or a specific community- or faith-based organization) will be fleshed out in late 2011-2012, once the installation schedule and further analysis on corresponding regional demographics can be completed. SoCalGas will continually update this analysis with information from the IOU smart/advanced meter communications meetings, CPUC BCO, TAP, relevant county Community Action Partnerships dialogues, appropriate SoCalGas departments such as regional public affairs and other consultations as necessary. In addition, it will reach out to community- and faith-based organizations with RFIs to assist in identifying the appropriate organizations to assist with outreach to various sensitive communities/customers.

This tactical framework is only a presentation sample of what the advanced meter tactical plan could be after further information gathering and analysis is completed in the next two years. The tactical framework is the start of the tactical plan to array, identify, finalize

media and vehicles, establish metrics as well as coordinate the communication, education, outreach and conservation support of the outreach plan.

## 8.0 Conservation Measurement

SoCalGas is currently working on the approach to develop a research strategy for determining the conservation effects resulting from information feedback programs and options that will be made available with the advanced meter project. The Decision has outlined that SoCalGas must “establish a system to track and attribute the conservation impacts of its AMI roll out”<sup>9</sup> and must file a report every six months showing, among other things, “measured savings”<sup>10</sup> resulting from the information programs. The Decision also acknowledges that customer outreach, education and communications plans are likely to evolve and improve over the deployment period. Lastly, the Decision also indicated that, if these efforts fall short of SoCalGas’ projections presented in the application (an overall savings of 1% annual natural gas use), SoCalGas “must submit revisions to its outreach Plan to increase awareness, participation and durability of conservation actions among customers.”<sup>11</sup>

Estimating the usage impacts associated with information feedback and other conservation options enabled by advanced meters will be challenging for several reasons:

- Isolating the influence of these new options from other factors that influence energy use (e.g., conservation programs not driven by advanced meters, changes in economic conditions, changes in weather, etc.) will be difficult outside the context of a controlled experiment
- A classic approach to estimating such impacts is to compare usage for customers who take advantage of new offerings before and after they accept them with the

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<sup>9</sup> CPUC Decision 10-04-027, p. 45

<sup>10</sup> CPUC Decision 10-04-027, p. 45

<sup>11</sup> CPUC Decision 10-04-027, p. 46

usage of a suitable control group over the same time period. However, developing a suitable control group is difficult, especially when the CPUC decision requires that customers have access to hourly usage data concurrent with meter installation

- The conservation target savings of 1% is large in aggregate, but small in percentage terms. Developing statistically rigorous estimates of small percentage impacts will be difficult, as it will be hard to isolate the effect from normal variation in usage due to other factors

In light of these challenges, SoCalGas is investigating several options for developing rigorous estimates of conservation savings, including:

- Conduct a scientific experiment (pilot campaign) before deployment starts; use these estimates to develop savings projections that could then be applied to future program participants.
- Conduct ex post evaluations in conjunction with meter deployment and program implementation using randomized trials, quasi-experimental designs and/or statistical methods to isolate the impact of information programs from other factors that influence energy use
- Some combination of the above options

SoCalGas is currently discussing and analyzing these options and will provide feedback to the Energy Division and TAP regarding the approach that will be taken with respect to conservation measurement.

## **9.0 Risks and Contingencies**

The table below is the start of an ongoing risk analysis that the outreach team will continually review, analyze, discuss and update throughout the advanced meter project.

Risk	Contingency
<p>Southern California Edison (SCE) and other electric utilities in SoCalGas’ service territory are implementing smart meters. SoCalGas customers may think they have already received a meter and will ignore SoCalGas outreach efforts.</p>	<p>Continue to work to find ways to differentiate the SoCalGas message from SCE; SoCalGas outreach team is currently working with SCE to understand their outreach approach</p>
<p>SCE and other electric utilities in SoCalGas’ service territory will be using dynamic pricing to promote demand response in the next few years. SoCalGas does not use dynamic pricing and customers could become confused about this pricing mechanism and misinterpret that it applies to SoCalGas customers too.</p>	<p>SoCalGas’ outreach team will continue to work with SCE to understand when these rates will be communicated and implemented and to what customer segments. As part of the SoCalGas awareness outreach, the option exists to discuss why price changes occur at SoCalGas (e.g., seasonality, changes in fuel costs, etc.) but that dynamic pricing is not a pricing mechanism that will be implemented at SoCalGas</p>
<p>While SDG&amp;E and SCE have had limited customer service issues with their smart/advanced meter projects the PG&amp;E project has come under some scrutiny. As a result, the CPUC had a study conducted by The Structure Group to identify the observations, findings and recommendations with respect to the PG&amp;E smart meter project and customer complaints of high bills as well as other issues.</p>	<p>The SoCalGas advanced meter team has reviewed and worked to incorporate the customer experience issues and recommendations from the Structure Report.<sup>12</sup> The following quote by Structure Principal Stacey Wood provides an overview of the report’s findings:</p> <p>“While Structure was able to verify the accuracy of the meters and flow of meter data to downstream billing systems, Structure did uncover issues that negatively impacted the customer experience, further complicating an already complex undertaking. Ultimately, the success of advanced metering programs like PG&amp;E’s – where improved energy efficiency and demand response are major drivers – will depend on an active dialogue and engagement with customers. We hope that our findings in this effort can be utilized to help PG&amp;E, the CPUC, and other industry stakeholders develop improved practices around advanced metering deployments with an increased focus on appropriately engaging customers.”</p>

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<sup>12</sup> PG&E Advanced Metering Assessment Report, Structure Consulting Group LLC, September 2, 2010

## **10.0 Budget**

The original business case adopted in D.10-04-027 reflected a budget of approximately \$5.5 million for customer research and communications (such as direct mail letters, emails, door hangers and limited advertising). D.10-04-027 further directed SoCalGas to provide specific strategies to reach all market segments, including hard-to-reach, cultural groups, small businesses, etc. In addition, D.10-04-027 stated that SoCalGas shall participate in outreach events, and conduct a competitive solicitation process for the selection of Community-Based Organizations to assist with outreach efforts. As SoCalGas further refines tactical and segment specific plans, there will be ongoing evaluation of the project and budget needs for customer education and outreach efforts to raise customer awareness and adequately prepare customers for the advanced meter installation, educate on customer benefits, and implement strategies to drive conservation behaviors consistent with D.10-04-027. SoCalGas has not yet finalized the detailed project budget with costs broken out by function, but anticipates having that determined in 2011.

## **11.0 Conclusion**

The SoCalGas Customer Outreach and Conservation Support Plan provides an overview of the customer experience and outreach that is planned for the advanced meter project. This project will start test installation of advanced meters at the end of 2012 and mass installation in 2013. To date, SoCalGas has reviewed the research, leading practices, academic research and existing and planned SoCalGas capabilities to determine what enablers and resources are available to provide content and guidance on the layout of the Plan. In essence, this Plan is a strategy to go to the next step in the outreach process. With this Plan, SoCalGas will work with its advisory groups, including the TAP and the CPUC BCO, to develop and execute on the implementation approaches and tactical plans needed to achieve the objectives, scope and outreach approaches outlined in this Plan.

**Appendix A – TAP Presentation (9/9/2010)**

**Appendix B – TAP Minutes (9/9/2010)**

**Appendix C – Public Outreach Materials (C.1-Presentation, C.2-Hardcopy Marketing Collateral, C.3-Breakout Session Feedback) (10/4/2010)**

**Appendix D – Public Outreach Participants (D.1-Participant Groups, D.2-Participants' Comments) (10/4/2010)**

**Appendix E – Academic Bibliography**

**Appendix F – Sample Advanced Meter Communication Approaches/Materials**

**Appendix G – Customer Experience Articles**

**Appendix H – Preliminary Community Analysis (by County)**

**Appendix I – Advanced Meter Tactical Framework**