

Matt Perry
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April 18, 2018
Revised April 26, 2018

CPUC Energy Division
Attention: Tariff Unit
505 Van Ness Avenue
San Francisco, CA 94102

Re: Substitute Sheet for Submission of DDB's RRR/TOU ME&O Blueprint Update - Advice Letter DDB-4

Enclosed is a substitute sheet for page three and slide 170 of Attachment A for Advice Letter DDB-4, DDB's RRR/TOU ME&O Blueprint Update, filed on April 16, 2018.

On page 3, we revised "Independent Operator Utilities" to read "Investor Owned Utilities" in the first sentence as well as corrected "Southern California Gas & Electric (SDG&E)" to "San Diego Gas & Electric (SDG&E)".

On slide 170 of Attachment A, we removed the Expected Score Column in the Vision Metrics charts.

We apologize for the inconvenience.

Sincerely,

A handwritten signature in dark ink, appearing to be "Matt Perry", with a large, loopy flourish at the end.

MATT PERRY
Business Lead at DDB

Attachment
cc: All recipients of DDB-4

CONTEXT

The CPUC and three Investor Owned Utilities (IOUs) – PG&E, San Diego Gas & Electricity (SDG&E) and Southern California Edison (SCE) – are in the process of introducing a new TOU rate design for electricity for residential customers. This is recognized to be an important transformation for both the IOUs and California’s residential electricity customers requiring both local and statewide communication efforts to explain the changes that will take place as well as potential benefits to consumers.

The Decision outlines the following approach:

“In a low-engagement category such as electricity, providing customers with context and a reason to care is essential to motivate change... Therefore, the Blueprint’s strategy starts with an emphasis on the statewide campaign to provide context and develop customer engagement with the brand (EUC) and the purpose of rate change. Over time, the emphasis will shift to IOU-specific outreach and billing details.”

The Decision identifies that there are a number of key challenges inherent in communicating RRR to the California energy consumer, including:

- *Existing marketing campaigns for Commission programs lack context and coordination. A unifying vision for the Commission’s programs is needed.*
- *Customers are cynical about electric programs and lack brand trust with respect to the IOUs and government agencies such as the Commission.*
- *IOU and Commission marketing tends to be focused exclusively on Intellectual Quotient (IQ) strategies that emphasize price signals and lack customer focus.*
- *Customers have a limited window of attention for energy. ‘In a low engagement category, repeated, unsynchronized messages cause confusion.’*


STRATEGIC APPROACH


The Decision outlined a “two-track,” go-to-market approach to ensure the campaign’s relevance and credibility. First a statewide communications “track” would be developed to educate all Californians on the benefits of load-shifting and to engage energy customers who may be skeptical or dismissive of communications from their energy providers. This track aims to be complementary to and supportive of an IOU communications track, which aims to engage individual consumers directly about TOU default, their rate options and billing impacts. The role for each communication track is as follows:

- **Statewide Track:**
 1. Communicate California’s energy vision and provide context for rate change
 2. Educate all Californians on the benefits of and ways to shift their energy usage away from peak usage times

Preliminary Benchmark Study

The preliminary benchmark study explored alternative articulations of the “personal connection” “peak-load shifting” metrics and found consistent responses across Engagement and Action metrics — a strong sign of question clarity.

 Energy Upgrade California Rate Reform Benchmark - Vision Metrics		Benchmark
Base		203
Engagement		
I care about my daily electricity usage		
Strongly agree		61%
Somewhat agree		30%
It is important to find new ways to manage my electricity usage at home		
Strongly agree		54%
Somewhat agree		33%
The amount of electricity I use at certain times of the day matters		
Strongly agree		46%
Somewhat agree		33%
The certain times of the day I use electricity matters		
Strongly agree		44%
Somewhat agree		33%

 Energy Upgrade California Rate Reform Benchmark - Vision Metrics		Benchmark
Base		203
Action		
I understand the benefits of reducing or shifting my electricity usage from late afternoon and evening to other times of day		
Strongly agree		43%
Somewhat agree		32%
I am interested in reducing or shifting my electricity usage from late afternoon and evening to other times of day		
Strongly agree		40%
Somewhat agree		32%
I intend to reduce or shift my electricity usage from the late afternoon and evening to other times of day		
Strongly agree		35%
Somewhat agree		30%
I have taken actions to reduce or shift my electricity usage from the late afternoon and evening to other times of day		
Strongly agree		36%
Somewhat agree		33%

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April 16, 2018

ADVICE LETTER DDB-4

PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

SUBJECT

Submission of DDB's RRR/TOU ME&O Blueprint Update

PURPOSE

DDB is submitting Tier 1 Advice Letter DDB-4 in relation to the Blueprint update fulfilling Deliverable 1 of the Residential Rate Reform (RRR) Statewide (SW) Marketing, Education & Outreach (ME&O) Scope of Work on behalf of the California Public Utilities Commission (CPUC).

The purpose for the Blueprint update is to comply with Decision (D.) 17-12-023 in Rulemaking (R.) 12-06-013). DDB requests that this Advice Letter should be effective from April 16th, 2018. The Blueprint updates include both a high level strategic communications approach as well as a prototypical media plan and can be found in attachment A to this advice letter.

The ME&O Strategic Blueprint update aims to incorporate all CPUC, EUC and IOU research and insights developed before and since the Decision (D.) 17-12-023 filing and provide rationale for messaging and media recommendations. The update aligns with agreed upon campaign measurement metrics provided by the CPUC to ensure accountability. Finally, the Blueprint update will integrate the plans for the Statewide Energy Upgrade California (EUC) campaign as outlined in DDB Advice Letter DDB-3 (Year Two JCAP) as well as the individual IOU ME&O RRR rollout plans.

BACKGROUND

RRR, Time of Use (TOU) default and the Statewide communications mandate is a result of decisions dating back to 2001 that aim to eliminate demand peaks on the energy system and to

encourage Californians to make greater use of underutilized renewable energy. The background to RRR is described on the CPUC website as follows:

“In 2001, manipulation of energy markets led to a [shortage in energy supply](#) and resulted in rolling blackouts across California. Since wholesale electricity prices rose in response to a reduced energy supply, California lifted the existing cap on retail rates. As a result, customers experienced significant electric bill impacts. To minimize these impacts, California passed legislation that froze residential electric rates at low (Tier 1) and mid-range (Tier 2) levels of consumption.

Consequently, customers that consumed energy at higher levels (Tiers 3 and 4) were burdened with paying for electricity at prices that were above cost of service. Resulting in 2013 Assembly Bill 327 (AB 327) which enacted into law to reform residential rates (among other things). The CPUC implemented this law through rulemaking, R.12-06-013, the Residential Rate Reform Order Instituting Rulemaking, which established a regulatory pathway for realigning rates to reflect a number of guiding principles.

In July 2015, Decision D.15.07-001 provided direction to the IOUs regarding specific steps that must be taken to reform the residential rate design structure resulting in an envisioned end-state of default TOU rates and an optional two-tier rate.”

RRR and TOU default aims to dissuade energy usage during high demand, or early evening “peak times”, while incentivizing “off peak” usage, during midday and overnight, with discounted rates when renewable resources are most available.

The Decision also identifies the transition to TOU as a larger opportunity for California to reinvigorate the energy conservation. Beyond the simple need to communicate the coming change to consumers, the Decision outlines the vision for the SW ME&O as “a rare opportunity to set the groundwork for changing Californians’ relationship with electricity.”

Previously an ME&O Blueprint document was developed by Greenberg Inc. with a detailed approach to the marketing communication requirements to support the rollout of TOU. It was subsequently decided that updates to this document were required to address comments submitted by the Independent Operator Utilities (IOUs) as well as to implement the findings of multiple related research studies and workshops. This led to the following ruling instructing Pacific Gas & Electricity (PG&E), the holder of the EUC contract to:

“Immediately contract with DDB for an incremental expansion of DDB’s role as EUC implementer to provide more of an emphasis on rate reform issues. This work would constitute the Strategy and Content Development Work and would be limited to strategy updates and development based on the ME&O Blueprint and current EUC campaign, content development and creative design, and content development surveys and testing”.

CONTEXT

The CPUC and three Independent Operator Utilities (IOUs) - PG&E, Southern California Gas & Electricity (SDG&E), and Southern California Edison (SCE) - are in the process of introducing a new TOU rate design for electricity for residential customers. This is recognized to be an important transformation for both the IOUs and California's residential electricity customers requiring both local and Statewide communication efforts to explain the changes that will take place as well as potential benefits to consumers.

The Decision outlines the following approach:

"In a low-engagement category such as electricity, providing customers with context and a reason to care is essential to motivate change. Therefore, the Blueprint's strategy starts with an emphasis on the statewide campaign to provide context and develop customer engagement with the brand (EUC) and the purpose of rate change. Over time, the emphasis will shift to IOU-specific outreach and billing details."

The Decision identifies that there are a number of key challenges inherent in communicating RRR to the California energy consumer, including:

- *Existing marketing campaigns for Commission programs lack context and coordination. A unifying vision for the Commission's programs is needed.*
- *Customers are cynical about electric programs and lack brand trust with respect to the IOUs and government agencies such as the Commission.*
- *IOU and Commission marketing tends to be focused exclusively on Intellectual Quotient (IQ) strategies that emphasize price signals and lack customer focus.*
- *Customers have a limited window of attention for energy. 'In a low engagement category, repeated, unsynchronized messages cause confusion.'"*

STRATEGIC APPROACH

The Decision outlined a "two-track" go-to-market approach to ensure the campaign's relevance and credibility. First a Statewide communications "track" would be developed to educate all Californians on the benefits of load-shifting and to engage energy customers who may be skeptical or dismissive of communications from their energy providers. This track aims to be complementary and supportive of a IOU communications track, which aims to engage individual consumers directly about TOU default, their rate options and billing impacts. The role for each communication track is as follows:

- **Statewide Track:**
 1. Communicate California's energy vision and provide context to rate change
 2. Educate all Californians on the benefits of and ways to shift their energy usage away from peak usage times

- **IOU Track:**

1. Customer outreach within their service regions and for education on upcoming rate changes and choices

The Decision outlined *the purpose of the Statewide campaign* as the following:

“distinct from the goals of the IOU-specific programs; this purpose could not be achieved through the IOU campaigns. The statewide campaign is intended to provide the foundational message that will prepare customers for the detailed information provided by local IOU messaging.

One track at the statewide level will be high-level, emotion-based, and provide Californians with the context for the changing rate structure and a vision to rally around. The other track at the IOU level will focus on fact-based, rate-specific, personalized messages and education.”

Following development and submission of the initial ME&O Strategic Blueprint by Greenberg inc., additional research was conducted including, but not limited to, campaign positioning and messaging research, Default pilot studies, consumer behavioral surveys, and a design thinking workshop. These research studies aimed to understand the value propositions for RRR that would most resonate across the state, as well as explore ways in which consumers would be most open to, understand and adopt TOU rates. Among the key findings, included:

- While many consumers meet rate related news with concern and skepticism, research found that emphasizing that RRR is good for the state, and that each Californian had a role to play in the long-term health and wellness of Californian’s energy system, increased overall openness and acceptance of the message.
- While many consumers were resistant to changes in their bill, research found framing the addition of TOU rates plans as new choice/option made consumers feel more in control of their rates and empowered in their energy decisions.
- Research found most consumers saw greater understanding and openness to TOU plans and peak-shifting behaviors when framed as a new way to use energy, rather than an additional energy saving action.

These learnings were further substantiated and tested with subsequent research conducted by the DDB group, in which consumer understanding of California’s energy system and the impact of TOU were explored. This additional research built on and augmented the existing customer segmentation and brand tracking studies commissioned for the EUC campaign by adding specific understanding of the following factors:

- A TOU specific augment was added to the ongoing Brand Tracking Study to address the need for a deeper understanding of the Statewide energy customer audience’s attitudes

and behaviors. Specifically, in relation to their perspectives on the Statewide vision for energy and specific peak-shifting messaging. This bi-annual study has surveyed over 10,000 Californians and has adopted a methodology that respects the broad geographic, economic, and cultural diversity across the State.

- An additional face-to-face fielding of the Brand Tracking research specifically engaged Hard-To-Reach (HTR) audiences (People with Disabilities, Low Income, Un-aculturated Hispanic) to understand the key themes, needs and unique perspectives of these audiences.
- A qualitative research tool using a community of 300 Californians reflective of the States economic, geographic and cultural diversity was leveraged to gain a perspective and understanding of consumers knowledge and attitude towards the energy system. Further, this community continues to explore how Statewide communications will most effectively deliver key vision and peak shifting messaging.
- Qualitative Research/In-Person Interviews with 339 California Community-Based Organizations to understand their awareness, understanding on TOU and willingness to participate in a Statewide campaign to deliver key messages to audiences they represent.

The high level findings from this research found that:

- Many Californians take pride in their state's efforts to better leverage renewable resources, and demonstrate a preference towards renewable energies that both responsibly sourced from and have limited environmental impact on California.
- Due to some consumer confusion relating to how green energy sourcing impacts TOU, research found that communicating the opportunity to use cleaner energy during off peak times was more clearly understood than messaging related to demand response needs in peak usage periods.
- Many Californians feel uniquely in control of their energy usage, and a sense of responsibility for their wastage and impact.

These findings have been adopted and informed the Blueprint update to ensure communications are primed to deliver effective messaging and language to meet the objectives and metrics of the SW ME&O campaign. The research findings will continue to act as a guideline for creative messaging development, with the aim to ensure all Californians understand that RRR will bring both greater choice and control of their energy usage, as well as provide opportunities to take greater advantage of Californian's green energy infrastructure.

In addition to this commissioned research, DDB has worked collaboratively with the IOUs to understand and adopt their individual research findings, communication strategies, and local ME&O rollout plans. The result of this collaborative process is the development of a Statewide

strategic approach to messaging and media, reflecting individual local communication needs, while providing the Statewide air cover to the IOUs.

STRATEGIC ROLL OUT

While the original Greenberg Blueprint submission planned for a single “big bang” default for all Californian’s, RRR will now be rolled out independently by IOU region in a phased approach. While specific rollout timing is yet to be determined, the updated ME&O Strategic Blueprint synchronizes current IOU customer outreach plans, existing EUC energy efficiency efforts and the Statewide RRR campaign into a revised communications approach. The approach integrates paid media, public relations, community outreach, social, digital and multicultural marketing into a new consolidated communications plan.

The updated Blueprint document outlines Statewide and regionalized plans for pre, during and post default periods within each region. These plans provide a preliminary view of proposed paid media investments, regionalized engagement initiatives and localized community outreach, aimed to reach our general market, multicultural and hard-to-reach audience campaign goals.

As final dates for regional defaults are still undefined, the high level strategic approach and prototypical media plans, provided in the attached Blueprint update, are based on anticipated RRR default timing. The strategic approach and media plans will go through a further process of refinement and completion as part of Deliverable 2 outlined in the RRR SW ME&O Scope of Work. This work will commence April 17th, 2018. Once RRR rollout dates for each of the IOUs are finalized, detailed media plans will be completed.

MEASUREMENT

In alignment with the CPUC and IOU, the included Blueprint update outlines an agreed measurement plan that includes key metrics and submetrics. It also defines clear roles and responsibilities for the Statewide and IOU efforts, and assigns independent (i.e. Engagement and Rate Choice metrics) and shared measured (i.e. Action) measures of success for each campaign track.

A benchmarking study has been commissioned to understand current levels of engagement, understanding and intent to take action prior to campaign launch. These benchmarks will be leveraged, in collaboration with the IOU, to set target goals for the Statewide campaign. These goals can be better set as launch timing and media plans become more finalized.

CONCLUSION

In fulfillment of Decision (D.) 17-12-023 in Rulemaking (R.) 12-06-013, the included ME&O Strategic Blueprint updated provides a high level strategic overview of the DDB Group’s approach to the RRR/TOU communications. This document outlines how DDB Group will align with the individual IOU RRR rollout efforts, provide a high level prototypical media plan, and demonstrate alignment with the agreed CPUC measurement plan.

The included documents represents Deliverable 1 campaign recommendations for the RRR SW ME&O campaign. This recommendation will be further developed and optimized in Deliverable 2 as final regional RRR default timing is confirmed.

EFFECTIVE DATE

DDB believes that this filing is subject to Energy Division disposition and should be classified as Tier 1 pursuant to (D.) 17-12-023. DDB respectfully requests that this filing become effective on April 16, 2018.

PROTEST

Anyone may protest this Advice Letter to the California Public Utilities Commission. The protest must state the grounds upon which it is based, including such items as financial and service impact, and should be submitted expeditiously. The protest must be made in writing and must be received no later than May 6, 2018, which is 20 days of the date this Advice Letter was filed with the Commission. There is no restriction on who may file a protest. The address for mailing or delivering a protest to the Commission is:

CPUC Energy Division
Attention: Tariff Unit
505 Van Ness Avenue
San Francisco, CA 94102

Copies of the protest should also be sent via e-mail to the attention of the Energy Division at EDTariffUnit@cpuc.ca.gov. A copy of the protest should also be sent via e-mail to the addresses shown below on the same date it is mailed or delivered to the Commission.

Attn: Matt Perry
DDB
600 California Street
San Francisco, CA 94108
E-mail: matt.perry@sf.ddb.com

Attn: Michael Shue
DDB
600 California Street
San Francisco, CA 94108
E-mail: mshue@ddcpublicaffairs.com

NOTICE

A copy of this filing has been served on the utilities and interested parties shown on the attached list, including interested parties in (D.) 17-12-023, by providing them a copy hereof, either electronically or via the U.S. mail, properly stamped and addressed. Address changes should be directed to the email above.

See Appendix A: Updated Blueprint incorporating a high level strategic communications approach and prototypical media plan.

A handwritten signature in dark ink, appearing to be 'MP' with a large loop and a horizontal line extending to the right.

MATT PERRY
Business Lead at DDB

A handwritten signature in dark ink, appearing to be 'MS' with a large loop and a horizontal line extending to the right.

MICHAEL SHUE
Executive Vice President at DDC

CALIFORNIA PUBLIC UTILITIES COMMISSION

ADVICE LETTER FILING SUMMARY ENERGY UTILITY

MUST BE COMPLETED BY UTILITY (Attach additional pages as needed)

Company name/CPUC Utility No. DDB / ID no: 788

Utility type:

☒ ELC

☐ GAS

☐ PLC

☐ HEAT

☐ WATER

Contact Person: __Matt Perry__

Phone #: _415.629.4458__

E-mail: _matt.perry@sف.ddb.com__

EXPLANATION OF UTILITY TYPE

ELC = Electric

GAS = Gas

PLC = Pipeline

HEAT = Heat

WATER = Water

Tier: ☒1 ☐2 ☐3

Advice Letter (AL) #: __DDB-4__

Subject of AL: __ RRR/TOU ME&O Blueprint Update__

Keywords (choose from CPUC listing): _Residential Rate Reform__

AL filing type: ☐ Monthly ☐ Quarterly ☐ Annual ☒ One-Time ☐ Other _____

If AL filed in compliance with a Commission order, indicate relevant Decision/Resolution #: __D.17-12-023__

Does AL replace a withdrawn or rejected AL? If so, identify the prior AL n/a

Summarize differences between the AL and the prior withdrawn or rejected AL¹: __n/a__

Resolution Required? ☐ Yes ☒ No

Requested effective date: _April 16, 2018__

No. of Tariff Sheets: _0__

Estimated system annual revenue effect (%): __ n/a __

Estimated system average rate effect (%): __ n/a __

When rates are affected by AL, include attachment in AL showing average rate effects on customer classes (residential, small commercial, large C/I, agricultural, lighting).

Tariff schedules affected: __ n/a __

Service affected and changes proposed¹: __ n/a __

Pending advice letters that revise the same tariff sheets: __ n/a __

Protests and all other correspondence regarding this AL are due no later than 20 days after the date of this filing, unless otherwise authorized by the Commission, and shall be sent to:

CPUC, Energy Division

Attention: Tariff Unit

505 Van Ness Ave., 4th Flr.

San Francisco, CA 94102

EDTariffUnit@cpuc.ca.gov

Attn: Matt Perry

DDB

600 California St,

San Francisco, CA 94108

E-mail: Matt.Perry@sف.ddb.com

Attn: Michael Shue

DDC

805 15th St NW #300

Washington, DC 20005

E-mail: MShue@ddcpublicaffairs.com

¹ Discuss in AL if more space is needed.

ATTACHMENT A:

**DDB's RRR/TOU ME&O
Blueprint Update**

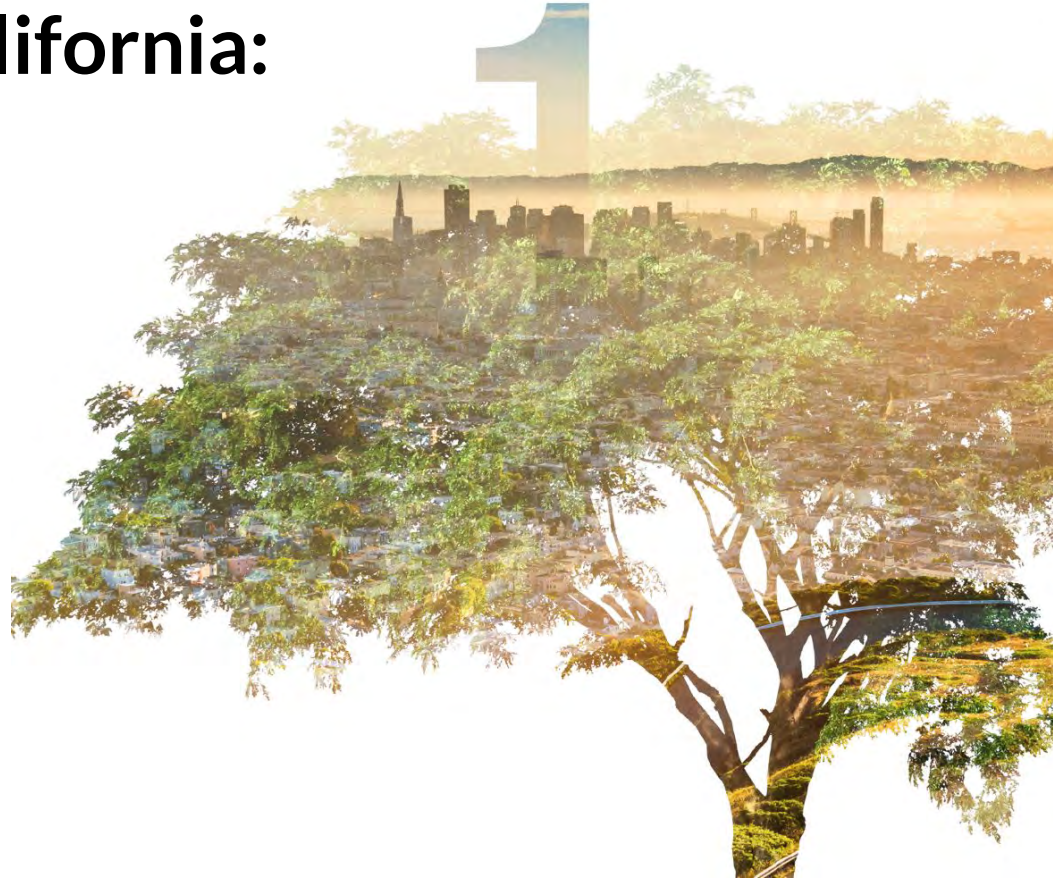
Energy Upgrade California:

*Residential Rate Reform
Marketing, Education and Outreach
Strategic Blueprint Update
4.16.18*



&

DDB°



Blueprint Update Background

The Marketing Education & Outreach (ME&O) Strategic Blueprint update aims to integrate the individual time of use (TOU) marketing plans of the investor-owned utilities (IOUs), the statewide Residential Rate Reform (RRR) communications and the planned Energy Upgrade California (EUC) campaign as outlined in DDB Advice Letter DDB-3 (Year II JCAP) , providing rationale for their respective roles and responsibilities.

The Blueprint update incorporates all California Public Utilities Commission (CPUC), EUC and IOU research and insights developed before and since the Decision (D.) 17-12-023 filing. The Blueprint update will align with agreed-upon metrics provided by the CPUC to ensure accountability and efficacy.

Executive Summary

RRR is recognized to be an important transformation for both the IOUs and California's residential electricity customers, requiring both local and statewide communication efforts to explain the changes that will take place as well as potential benefits to consumers.

As the CPUC and three IOUs – Pacific Gas & Electricity (PG&E), San Diego Gas & Electricity (SDG&E) and Southern California Edison (SCE) – begin introducing a new TOU rate design for electricity for residential customers, a Statewide ME&O communications strategy has been mandated to provide needed context and prime consumer acceptance of the transition.

There are strong parallels between the goals and objectives of the RRR/TOU mandate and the ongoing EUC initiative. EUC is a Statewide ME&O campaign currently focused on energy efficiency and energy management communications. Since its refresh and relaunch in 2016, EUC has evidenced success at establishing awareness and understanding of everyday energy-efficient actions while driving consumer intention to take action.

Executive Summary (Cont.)

Additionally, the EUC marketing platform has been designed to accommodate a multitude of energy-related communication requirements. The Blueprint update highlights how the EUC campaign will be used to deliver on the statewide vision and metrics required for the TOU rollout.

The strategy aims to build an emotional connection between Californians and their energy use, help them understand that when and how they use energy are important, and provide education on how changes to their energy behavior may benefit them.

The Blueprint update provides both a high-level strategic communications approach as well as a prototypical media plan that will underpin and support the ambitions for the TOU rollout and the IOU marketing efforts. There has been strong collaboration and information sharing among DDB, the IOUs, the CPUC and key stakeholders throughout this process.

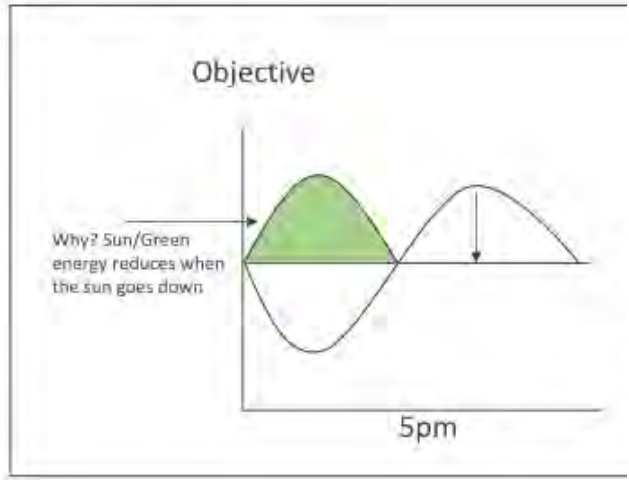
Contents

1. Campaign Objectives
2. Strategic Approach
3. Statewide Audience
4. Existing EUC Equity
5. Communication Architecture
6. Messaging Strategy
7. Statewide Media Strategy
8. Community-Based Organizations
9. Public Relations
10. Measurement Plan
11. Monthly Budget Forecast, Timeline, Deliverables
12. Appendix

One: Campaign Objectives

Campaign Objectives

California's Energy Context



- California has led the way in adopting renewable energy technologies and supporting energy-efficiency strategies.
- However, renewable energy production doesn't yet align with times of peak energy usage, causing much of our available clean energy supply to be underutilized.
- RRR aims to align Californians' energy usage and the state's green energy production by introducing new TOU rate plans.
- These TOU plans aim to dissuade customers from using energy at peak usage times while encouraging them to take advantage of California's renewable resources when they are most available.

Campaign Objectives

The Decision outlines an opportunity for TOU default to start a statewide energy conversation.

Assignment: *As defined by the Decision*

Vision:

“ The transition to default TOU rates (is a) ***a rare opportunity to set the groundwork for changing Californians’ relationship with electricity.****”

Approach:

“In a low-engagement category such as electricity, ***providing customers with context and a reason to care is essential to motivate change***. Therefore, the Blueprint’s strategy starts with an emphasis on the statewide campaign to provide context and develop customer engagement with the brand (EUC) and the purpose of rate change. Over time, the emphasis will shift to IOU-specific outreach and billing details.*”

Campaign Objectives

The Decision identified low involvement and message skepticism as key campaign challenges.

Challenge: *As defined by the Decision*

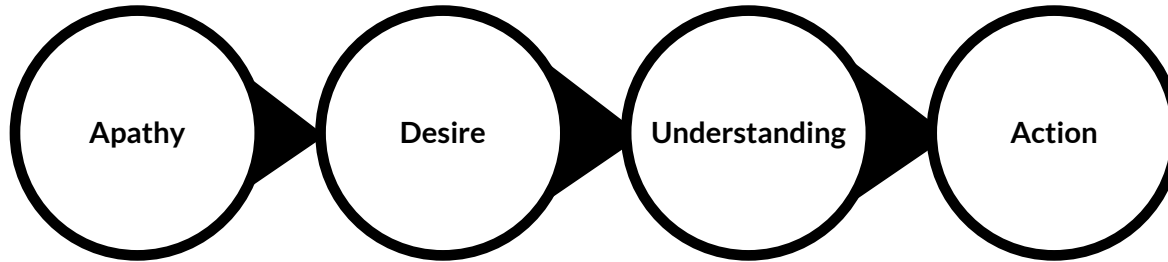
“Greenberg identified the following barriers to an effective ME&O campaign:

- *Existing marketing campaigns for Commission programs lack context and coordination. A unifying vision for the Commission's programs is needed.*
- *Customers are cynical about electric programs and lack brand trust with respect to the IOUs and government agencies such as the Commission.*
- *IOU and Commission marketing tends to be focused exclusively on Intellectual Quotient (IQ) strategies that emphasize price signals and lack customer focus.*
- *Customers have a limited window of attention for energy. “In a low engagement category, repeated, unsynchronized messages cause confusion.”**

Campaign Objectives

Collectively, the aim of the statewide and IOU RRR campaigns is to move unengaged Californians from apathy to action.

Give Californians context and a reason to care about TOU in order to move them from apathy to meaningful long-term action.



Campaign Objectives

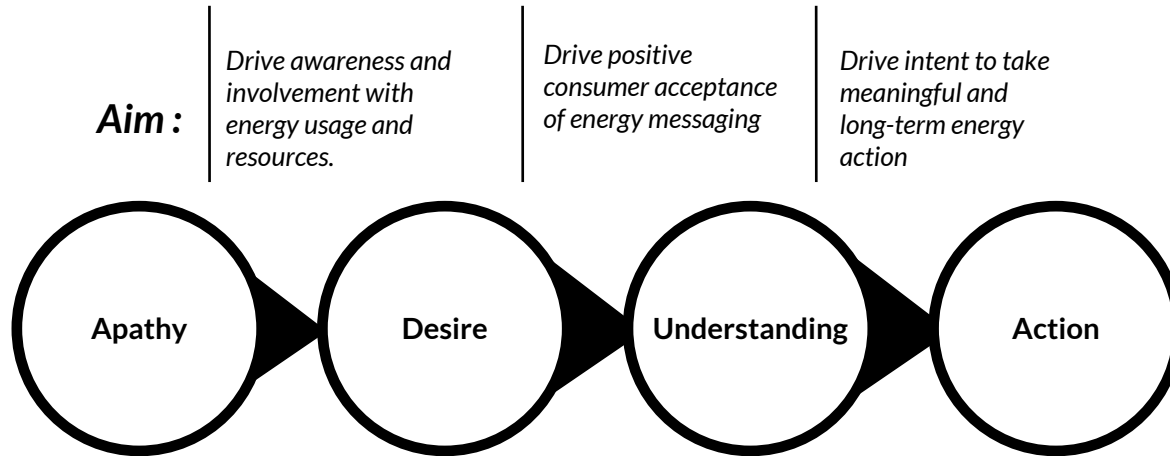
Each track will be responsible for unique submetrics, in addition to shared action-based metrics.

Focus	Vision Metrics	Responsible Party	Submetrics That Contribute to the Vision Metrics
Engagement	% of Californians feel a personal connection to electricity and feel strongly that it is important to be thoughtful about when and how much they use	Statewide	% of customers who strongly agree that they have a personal connection with their electricity use
		Statewide	% of customers who agree that it is important to thoughtfully manage their electricity use
		Statewide	% of customers who strongly agree that how much electrify they use at certain times of day matters
Rate Choice	% of IOU customers who are the “right rate” for them	IOUs	% of customers who are aware that they have rate choices
		IOUs	% of nonexempt customers (as defined by Commission Decision) who remain on the TOU rate 15 months after default (3 months after bill protection ends)
		IOUs	% of customers who are satisfied with their rate
Action	% of IOU customers on TOU rates who sustain at least one significant peak reduction action for 12 months after defaulting to the TOU rate	IOUs/ Statewide	% of customers who are motivated to reduce peak-load use
		IOUs/ Statewide	% of customers who indicated they will take peak-load reduction actions in the future
		IOUs/ Statewide	% of customers who cite significant peak-load-reducing behaviors

Campaign Objectives

Campaign Summary:

Give Californians context and a reason to care about TOU in order to move them from apathy to meaningful, long-term action.



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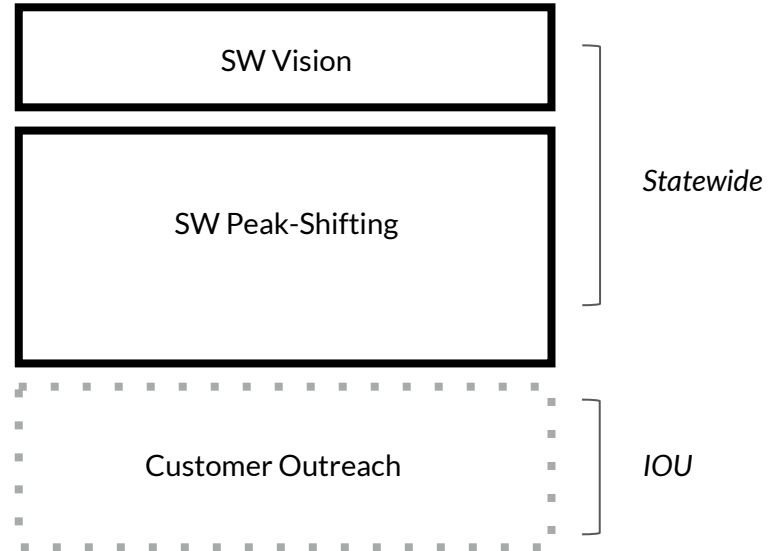
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12. Appendix

Two: Strategic Approach

Strategic Approach

The Decision outlined a “two track” approach to ensure the campaign’s relevance and credibility.

- Establishes a statewide (SW) communications “track” to educate Californians about the benefits of load-shifting and engage energy customers who may be skeptical or inattentive to communications from their energy providers.
- **Statewide Track:**
 1. Communicate California’s energy vision and provide context to rate change
 2. Educate all Californians on the benefits of and ways to shift their energy usage away from peak usage times.
- **IOU Track:**
 1. Customer outreach within their service regions and for education on upcoming rate changes and choices



Strategic Approach

The SW tracks provide “air coverage” to the IOUs by engaging all Californians about energy.

Campaign Purpose:

“The purpose of the statewide campaign is distinct from the goals of the IOU-specific programs; this purpose could not be achieved through the IOU campaigns...”

*“The statewide campaign is intended to **provide the foundational message that will prepare customers for the detailed information provided by local IOU messaging...***

*“One track at **the statewide level will be high-level, emotion-based, and provide Californians with the context for the changing rate structure and a vision to rally around.** The other track at **the IOU level will focus on fact-based, rate-specific, personalized messages and education.**”**

Strategic Approach

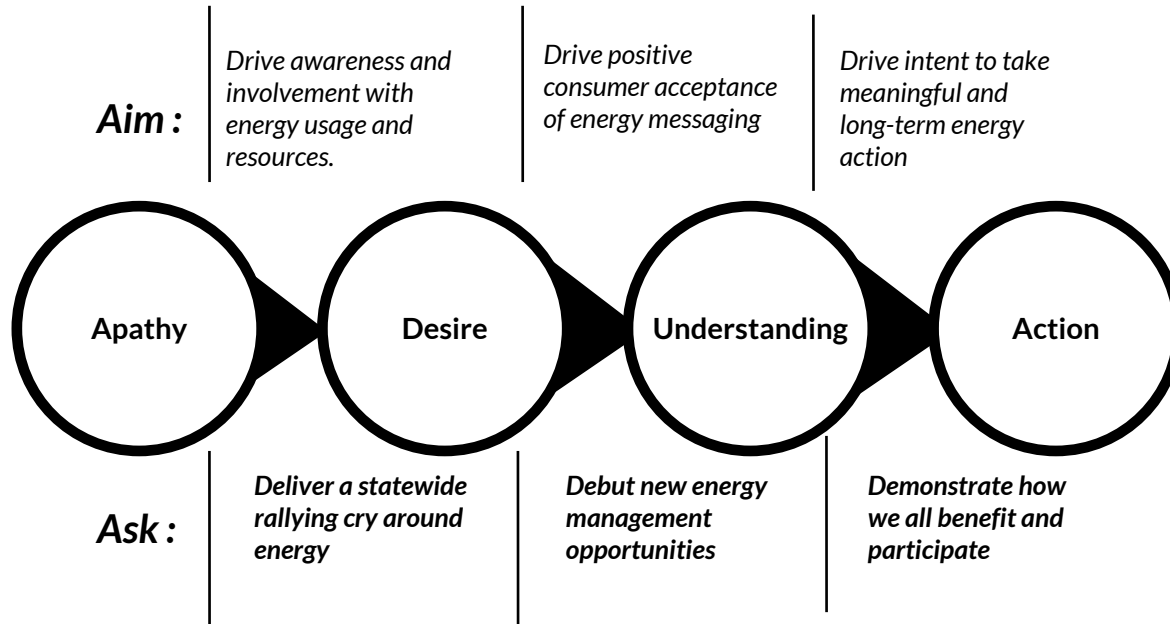
Discrete messaging paths will work collectively to build emotional connection and change behavior.

	Activities	Purpose	How Is It Different?
Statewide – Foundational	<ul style="list-style-type: none">State that energy stewardship is a California valueProvide emotional examples of how energy is a part of customers' lives	Engage customers on energy and provide a reason to care	Builds new and neutral/positive relationship with customer around energy
Statewide – Explanation of TOU	<ul style="list-style-type: none">Explain that TOU is a California-wide programExplain how time is an important aspect of energy usage	Contribute to sense that everyone is in it together; provide some education as to what TOU is	Provides a neutral explanation of TOU divorced from the utility and its perceived potential profit motive
IOU	<ul style="list-style-type: none">Communicate the actual details of the TOU transitionProvide rate comparison tools/support to help all customers adjustProvide information that will help potential benefitters opt in to TOU rates ahead of default and enroll said customersProvide timely information on opting out and other rate options to potential non-benefitters	Educate/inform customers on how to act and sustain customer relationships through transition	Provides information on transition and rates specific to the customers' preferences, their usage, and status as structural benefitters or non-benefitters through tools and knowledge only utilities have

Strategic Approach

Campaign Summary:

Give Californians context and a reason to care about TOU in order to move them from apathy to meaningful, long-term action.



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Three:

Statewide Audience

Statewide Audience

Summary

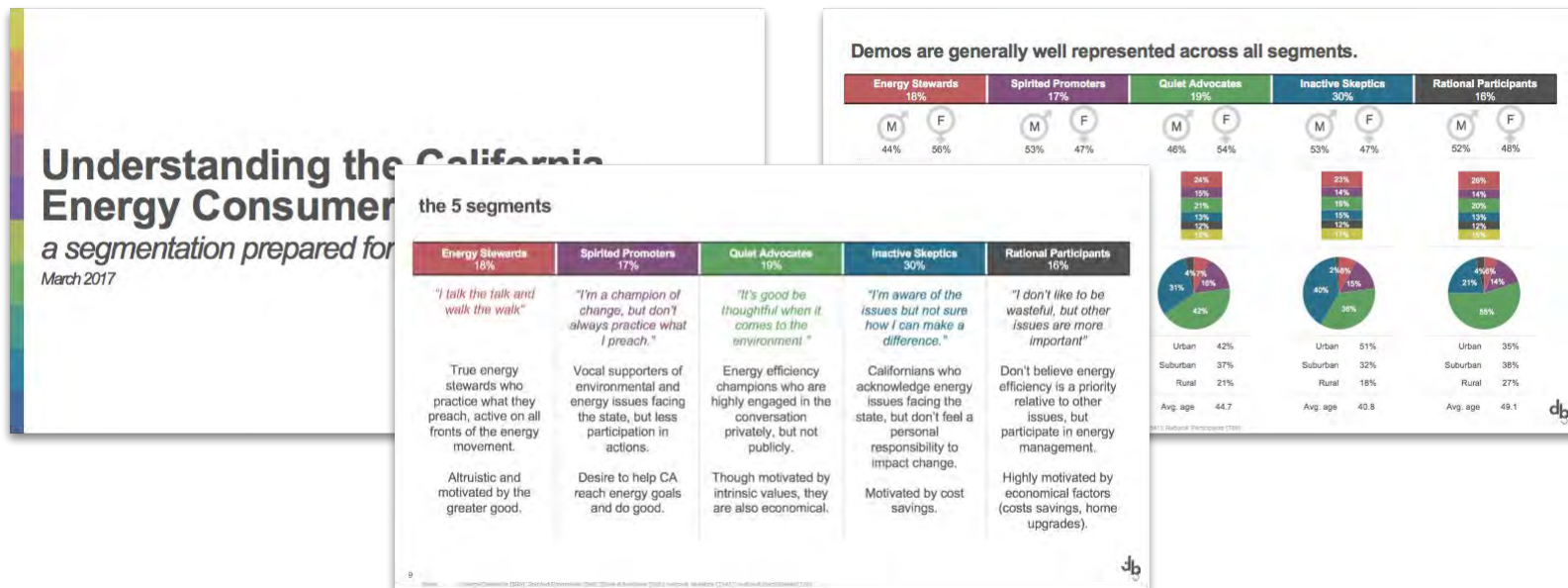
Collectively, the work already developed to understand, segment and build insight into the California energy consumer via IOU - and EUC-related research is extensive. Our approach is to adopt the current EUC audience research and segmentation as the foundation for the Blueprint update and subsequent RRR communications campaign.

The EUC segmentation research and brand-tracking studies have guided EUC over the last 18 months and continue to underpin the performance of the EUC campaign. By leveraging this existing asset, we have been able to save significant time and money by not developing an alternative.

Additionally, we have validated the segmentation research and its related consumer insights against the individual IOU audience research. As a result, we have identified strong overlaps and consistency in the various findings.

Statewide Audience

We have leveraged the EUC statewide audience study, exploring Californians' energy involvement and participation, to inform our strategic approach.*



* Source: Understanding the California Energy Consumer : A Segmentation Prepared for Energy Upgrade California

Statewide Audience

The study was fielded among a statistically significant sample of 2,500–5,000 Californians per wave.



target audience

January 2017: N=5,000

June 2017: N=2,500*

- CA residents
- Ages 18+
- Demographics representative of CA (within +/-5%): ethnicity, gender, income, age, county population
- Survey offered in English or Spanish

methodology



Field Dates:

January 2017: January 19 – February 17

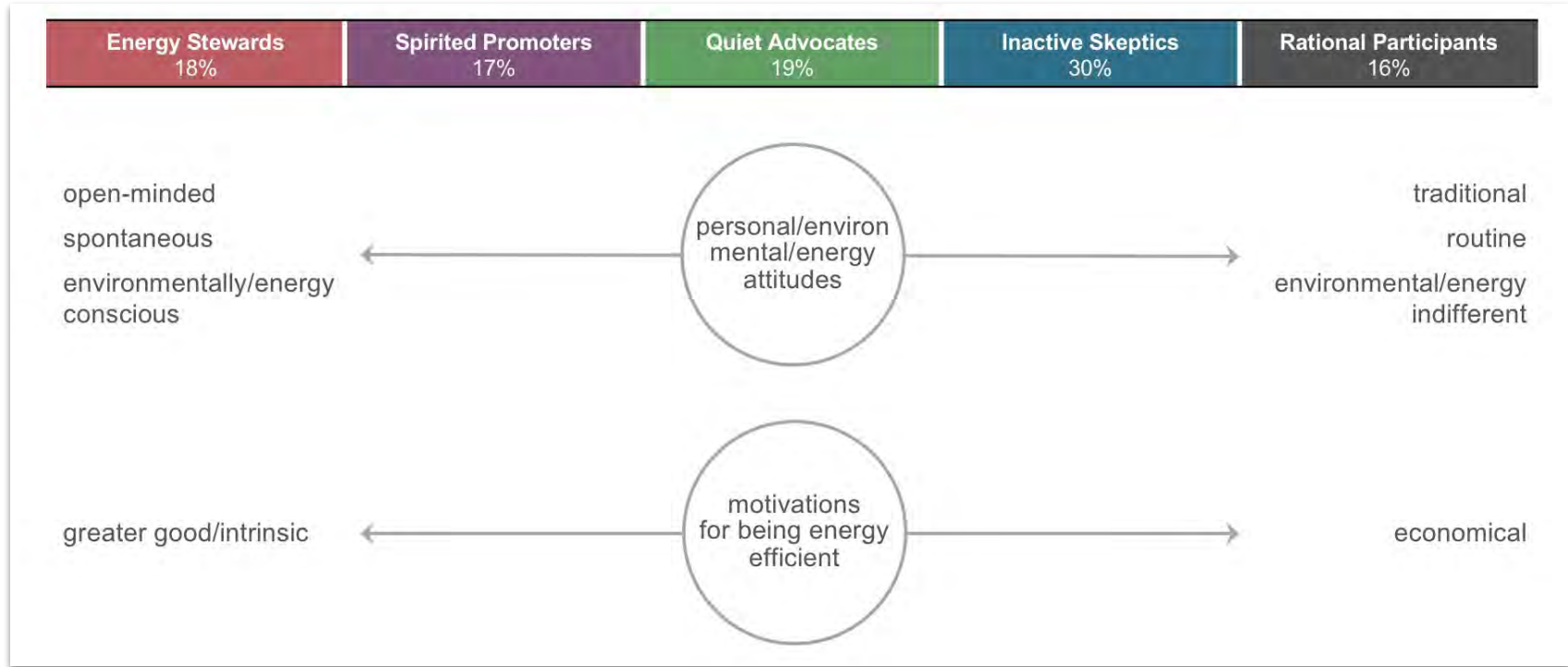
June 2017: July 21 – August 13



~20-min online survey

Statewide Audience

The segments largely fell into a spectrum defined by their views and motivations.



Statewide Audience

It explored energy management participation among a range of involved/uninvolved Californians.

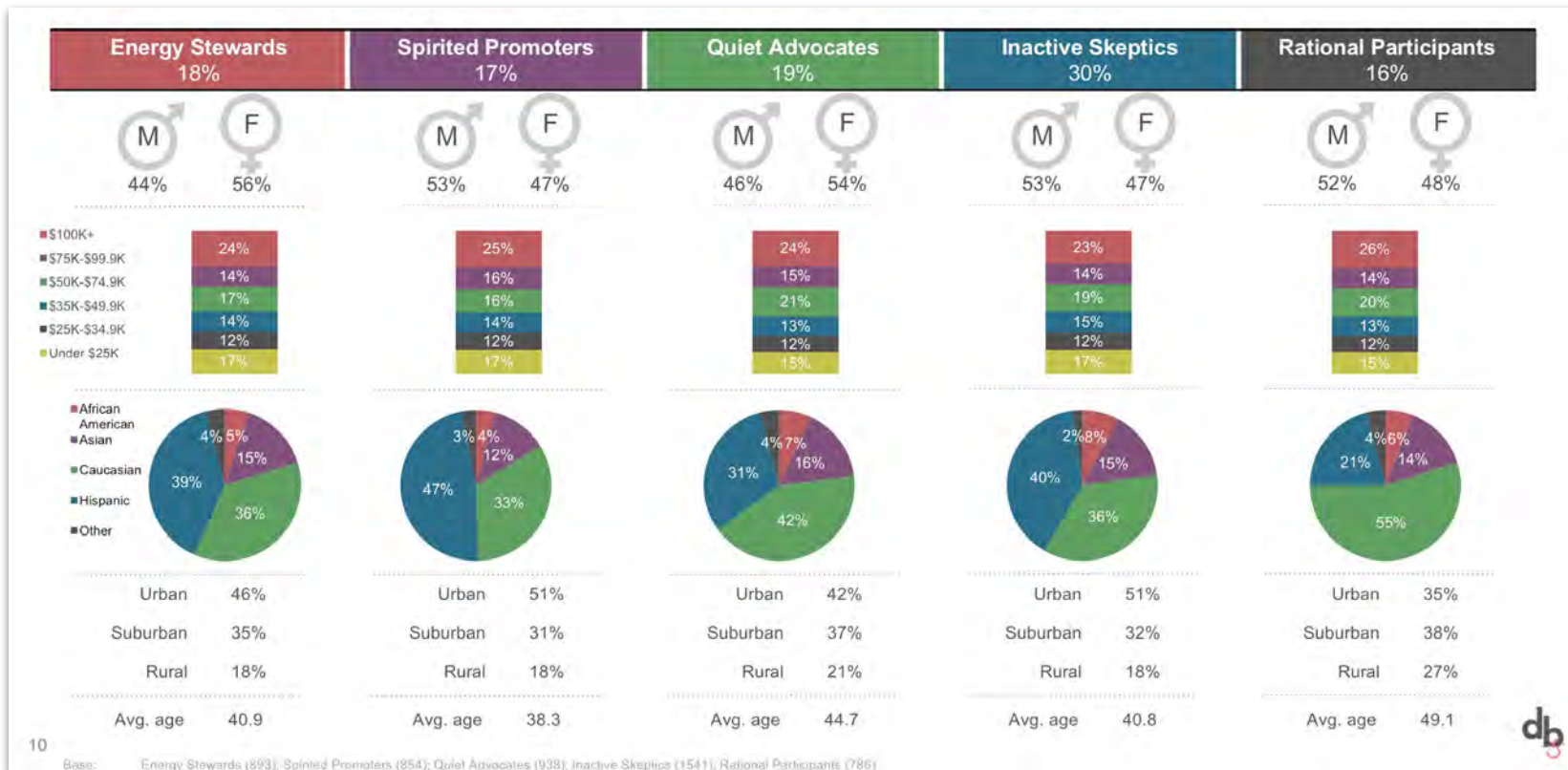
Energy Stewards 18%	Spirited Promoters 17%	Quiet Advocates 19%	Inactive Skeptics 30%	Rational Participants 16%
<i>"I talk the talk and walk the walk"</i>	<i>"I'm a champion of change, but don't always practice what I preach."</i>	<i>"It's good be thoughtful when it comes to the environment"</i>	<i>"I'm aware of the issues but not sure how I can make a difference."</i>	<i>"I don't like to be wasteful, but other issues are more important"</i>
True energy stewards who practice what they preach, active on all fronts of the energy movement.	Vocal supporters of environmental and energy issues facing the state, but less participation in actions.	Energy efficiency champions who are highly engaged in the conversation privately, but not publicly.	Californians who acknowledge energy issues facing the state, but don't feel a personal responsibility to impact change.	Don't believe energy efficiency is a priority relative to other issues, but participate in energy management.
Altruistic and motivated by the greater good.	Desire to help CA reach energy goals and do good.	Though motivated by intrinsic values, they are also economical.	Motivated by cost savings.	Highly motivated by economical factors (costs savings, home upgrades).

Base: Energy Stewards (893), Spirited Promoters (894), Quiet Advocates (938), Inactive Skeptics (1541), Rational Participants (786)



Statewide Audience

It was representative of California from a geographic, income, ethnicity and gender perspective.



Statewide Audience

The following demonstrates the breakdown of audience segments/cohorts by California region, where we can see a general consistency of attitudes and behaviors across the state.

	Energy Stewards	Spirited Promoters	Quiet Advocates	Inactive Skeptics	Rational Participants
Northern	17%	16%	18%	31%	18%
Central	16%	16%	19%	31%	18%
Southern	18%	18%	19%	31%	15%

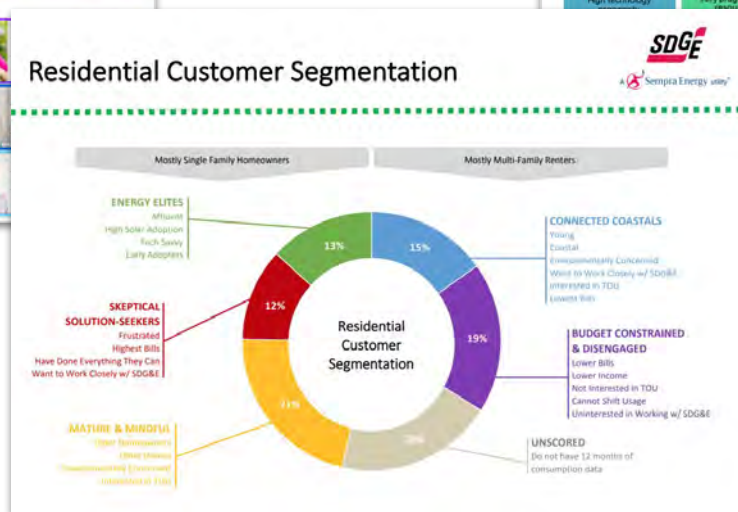
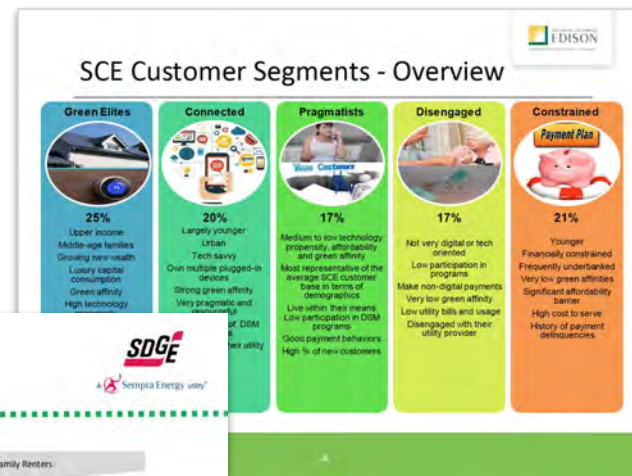
Statewide Audience

Our research has indicated that the RRR campaign should continue to focus on the current EUC target audience of *Spirited Promoters*, *Quiet Advocates* and *Rational Participants*, as they have the greatest potential for engagement and behavior change.

	Energy Stewards	Spirited Promoters	Quiet Advocates	Inactive Skeptics	Rational Participants
Northern	17%	16%	18%	31%	18%
Central	16%	16%	19%	31%	18%
Southern	18%	18%	19%	31%	15%

Statewide Audience

The research findings were substantiated and validated by comparison with regional IOU segmentation data.



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Four:

Existing EUC Equity

Existing EUC Equity

While currently focused primarily on delivering an energy management message, the EUC campaign is built on a communications architecture designed to have the elasticity to deliver a broad range of statewide energy-related communication objectives.



Existing EUC Equity

The EUC strategy developed for the SW ME&O RFP (2016) is designed to recognize the good energy habits of Californians, to position EUC as a partner in their energy management actions and to encourage them to find one more thing they can fit into their day to save energy.



The Issue

People do not feel they can do any more than they already are.



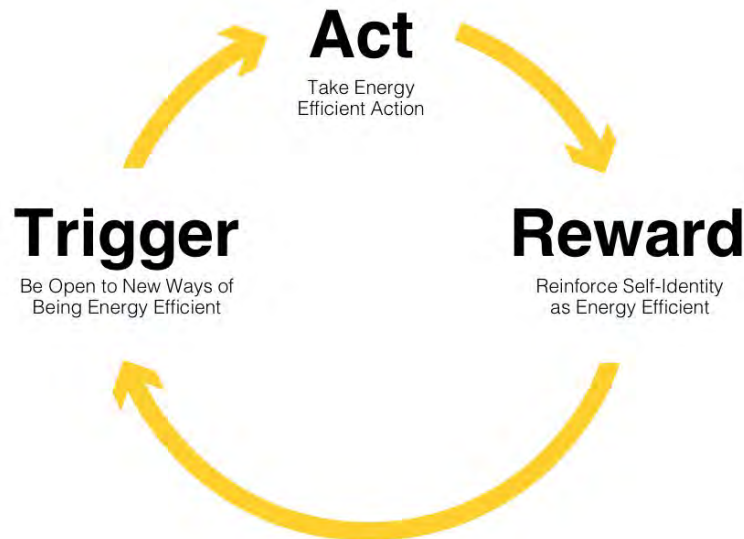
The Fight

Energy Upgrade
California fights for the power of you.



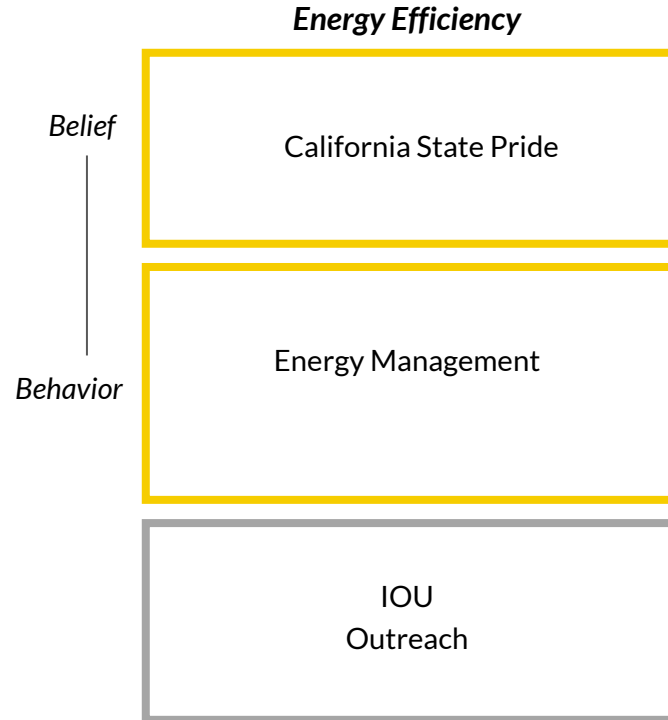
The Strategy

Imbed energy efficiency in Californians' self-identities.



Existing EUC Equity

EUC's communications architecture supports energy-management-related communications by leveraging the state pride Californians already have, further building their personal responsibility for keeping California beautiful as well as introducing everyday behaviors Californians can take to save energy.



Existing EUC Equity

Because state pride, and the feeling of responsibility to keep California beautiful, is already a strong sentiment among Californians, much of EUC's energy-efficiency work emphasizes responsible energy behaviors.



Anthem TV

The 30-second Anthem TV commercial launched the new EUC campaign. It aimed to both reward Californians for their current energy-efficiency behaviors and at the same time ask them to continue this good work by doing one more energy-saving thing.



You Could Do This TV

This series of 30-second and 15-second TV executions focused on providing Californians with simple energy-saving actions they can take. This series uses levity and humor to dramatize the message and emotionally connect with consumers.



Existing EUC Equity

The EUC campaign is fully integrated across multiple communication touchpoints to ensure it connects with and engages the broad range of economically, geographically and culturally diverse audiences across the state.

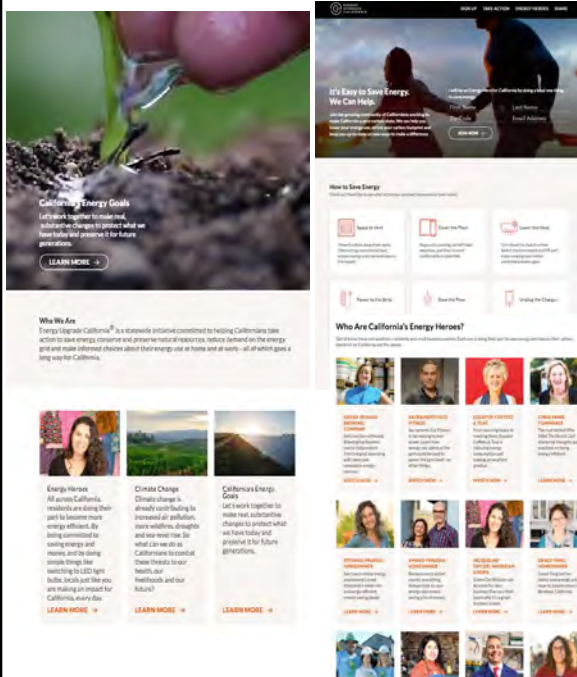
15s Video
Broadcast/Digital Video



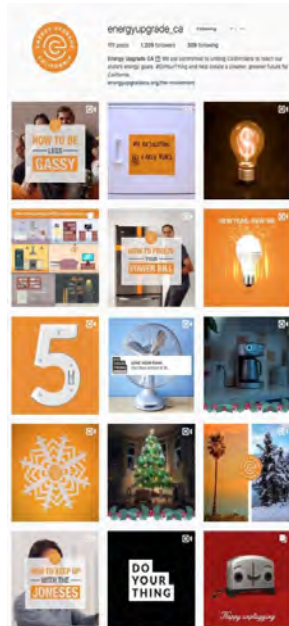
Digital Display



Website
Refreshed February 2018



Social Series



Existing EUC Equity

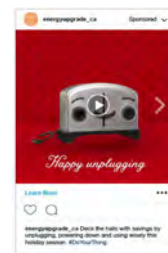
In addition to multichannel paid media communications, EUC has leveraged culturally relevant moments to engage Californians at events, in editorial and within social media.



Climate March



Eclipse



Holiday

Existing EUC Equity

EUC seasonal and cultural activations have delivered earned media coverage and significant media impressions.

Solar Eclipse

- Facilitated press conference and consumer viewing events
- Integrated media approach via press attendance and outreach
 - Total impressions: 327 M

Holiday Tree Lighting

- Hosted LED light exchange from event booth
- Raised event awareness via press outreach and social media support
 - Total impressions: 1.2 M

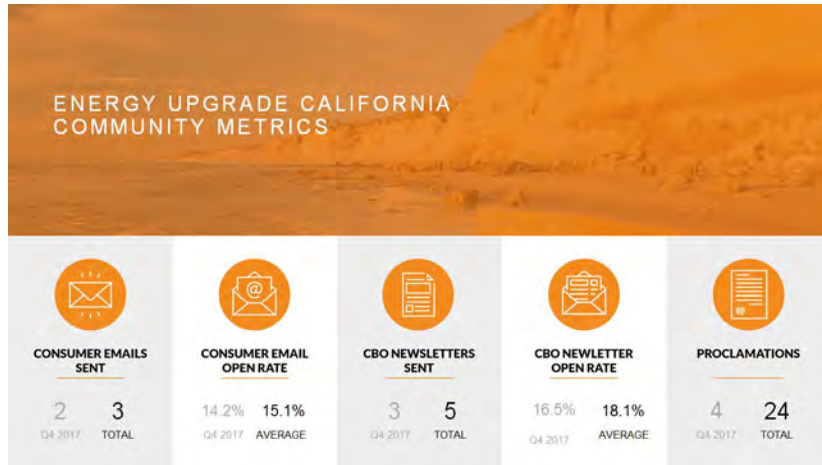
Seasonal Press Content

- Developed original content leveraging seasonal news hooks for energy savings
- Distributed content via statewide news service and organic press outreach
 - Total impressions: 67.4 M



Existing EUC Equity

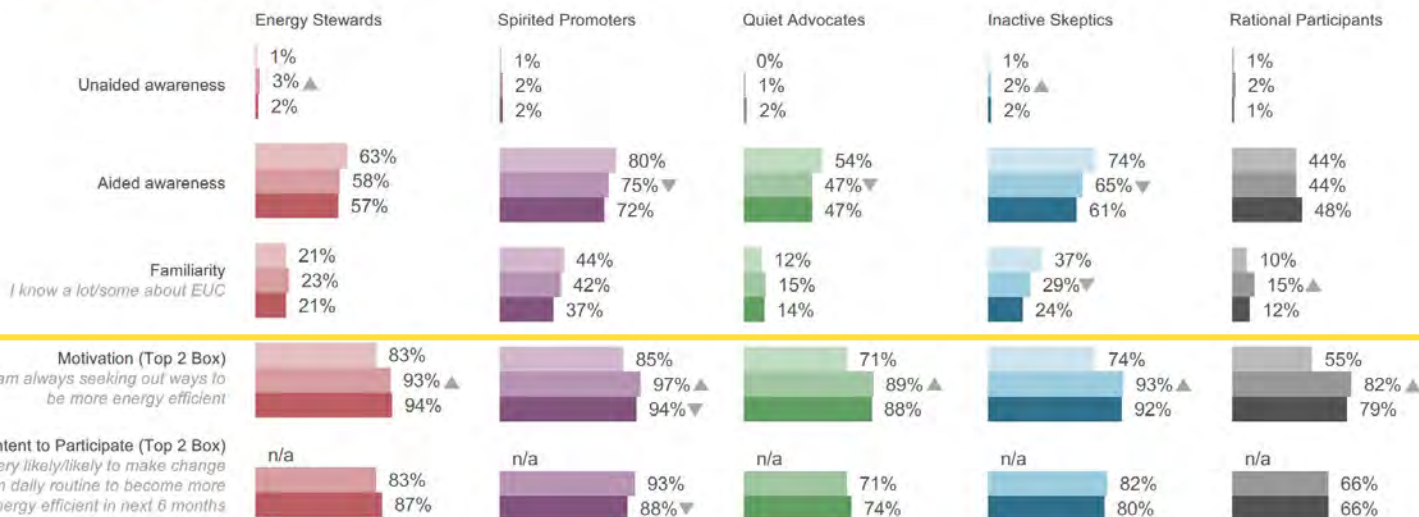
EUC has established significant impact in activating local communities and hard-to-reach audiences via its community-based organization outreach and community partnership activity.



Existing EUC Equity

EUC has been successful at maintaining awareness and driving meaningful intentions to take energy actions among the primary audiences of Spirited Promoters, Quiet Advocates and Rational Participants.

kpi summary - segments



Jan '17 Jul '17 Jan '18

Base: Total: Jan '17/Jul '17/Jan '18: Energy Stewards (693/520/510); Spirited Promoters (854/646/634); Quiet Advocates (936/588/346); Inactive Skeptics (1541/477/503); Rational Participants (786/506/507)
39 Multiple Qs
▲ / ▼ Significantly higher/lower than previous wave at 95% level of confidence



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Five: Communication Architecture

Communication Architecture

Summary

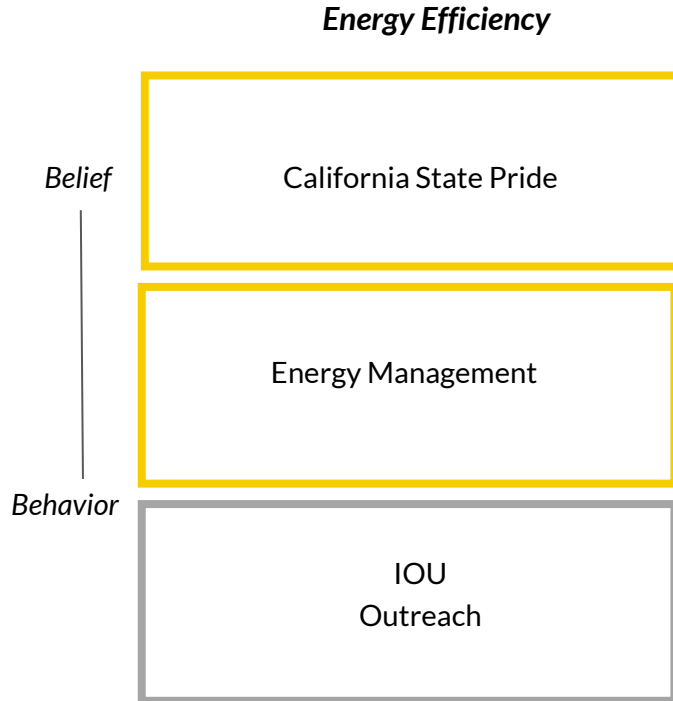
EUC's energy-efficiency communication efforts have tapped into the emotional values many Californians already believe in. In doing so, the campaign has demonstrated significant success at driving intention to take energy-efficient actions.

Research shows us that RRR is a topic consumers have less understanding of, and there are more barriers in the way of them taking energy actions. The RRR-related communications will require a more motivating/inspiring and visionary message to effectively communicate the *reason why* Californians should take notice and consider changing their behavior.

Additionally, because TOU is less understood among Californians, RRR-related communications will be required to deliver a significant level of education to further encourage consideration of new energy behaviors.

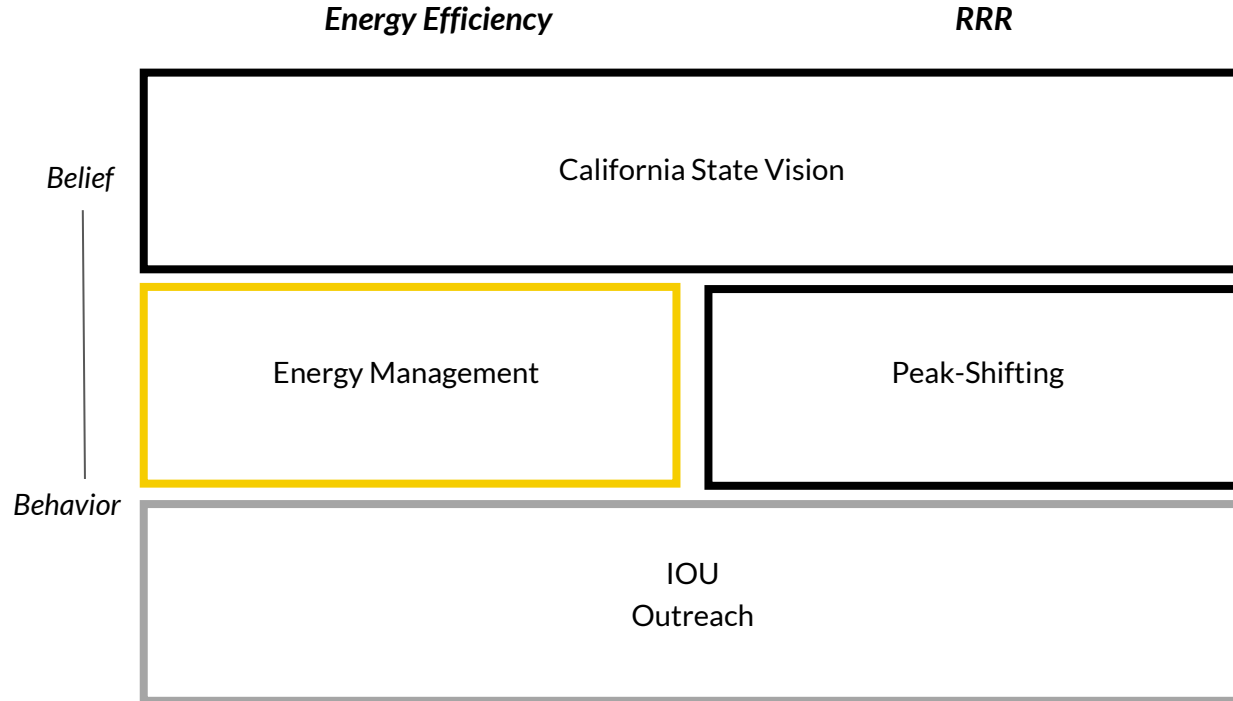
Communication Architecture

The RRR task provides an opportunity to build on the success of the current EUC energy management campaign by adopting key learnings and leveraging existing assets that are already established.



Communication Architecture

IOU and EUC research has identified that a vision message will be critical to successfully engage Californians in an energy behavior message. EUC's existing equity provides a strong platform from which to not only drive behavior change but also deliver RRR's statewide vision message in a way that taps into state pride and rallies all Californians to participate.



Communication Architecture

Broadening the EUC vision to encompass RRR and energy management communications will deepen Californians' general understanding of the need for energy management and peak-shifting actions. At the same time, the statewide campaign will work collaboratively with IOU efforts at a local level to maximize consumer awareness and understanding.

A broadened vision unifies efforts, increasing the frequency of and exposure to conversation.

California State Vision

SW EE efforts will sustain brand familiarity and prime recognition.

Energy Management

Peak-Shifting

Vision will help introduce behaviors, a new consideration for many.

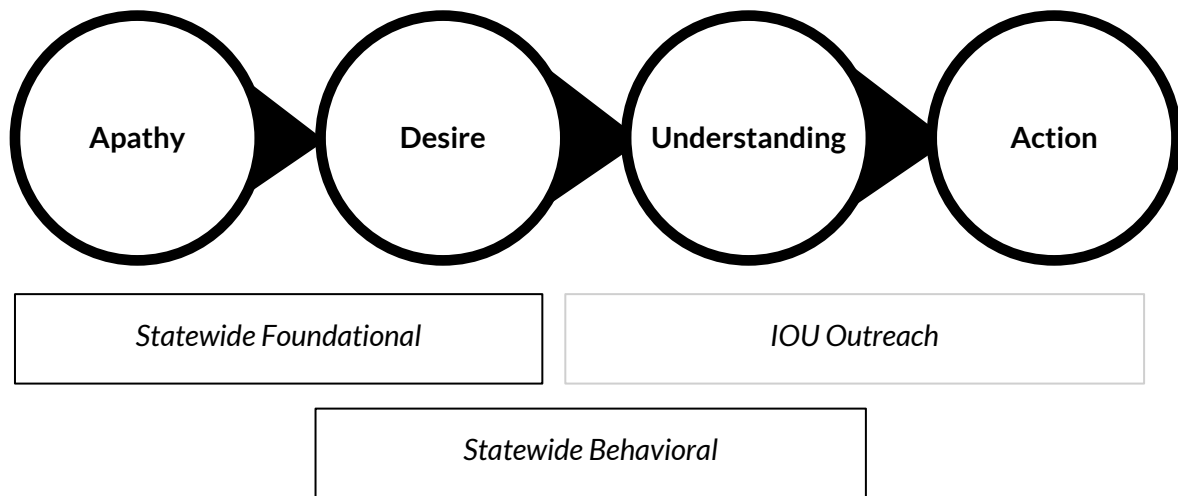
IOU
Outreach

Aligned behavioral messages will broaden conservation opportunities on and off peak.

Communication Architecture

Collectively the statewide and IOU will be more effective by working together to fulfill overall RRR campaign objectives.

Give Californians context and a reason to care about TOU in order to move them from apathy to meaningful, long-term action.



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Six:

Messaging Strategy

Messaging Strategy

Summary

The revised strategic messaging approach is built on some of the philosophies agreed upon within the initial Blueprint submission: specifically that the statewide campaign will provide context to, and outline the “why” behind, RRR. The validity of this approach has been further supported by subsequent EUC and IOU research learnings, e.g., IOU positioning and messaging testing, TOU pilot learnings as well as qualitative deep-dive research.

Messaging Strategy

Research Inputs:

- EUC Learnings and Consumer Segmentation (DDB/DB5)
- Brand Tracking Research and Hard-to-Reach Augmentation (DB5)
- IOU Customer Research, Design Thinking and Default Pilot
- Qualitative Research Community (C Space)

Messaging Strategy: Inputs – EUC Learnings

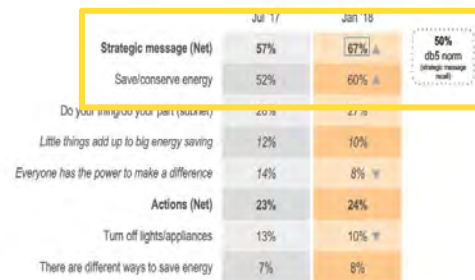
The current EUC energy-efficiency campaign has demonstrated success in inspiring Californians to conserve in new ways and driving behavioral change.

Energy Upgrade California Tracking prepared for March 2018



Among those who recall seeing/hearing the ads, Californians are increasingly able to playback the strategic message...

main message & impressions

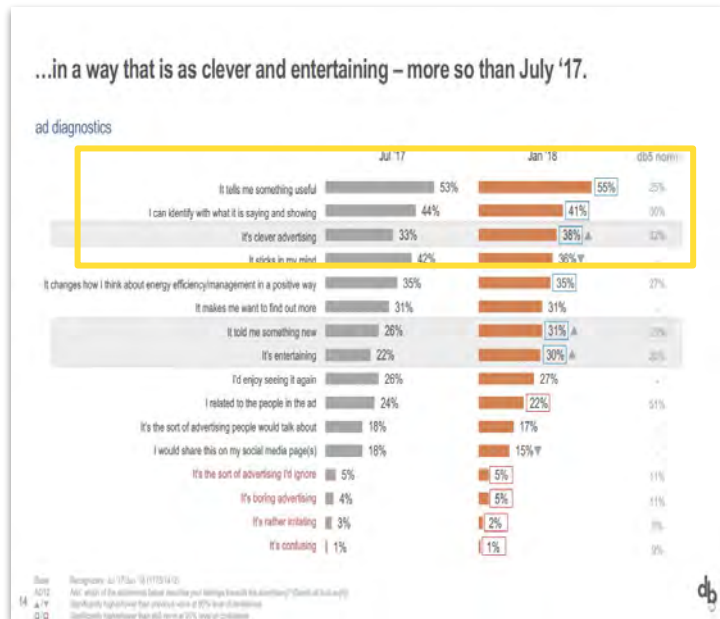


BASE: Respondents, Jul '17/Jun '18 (17729410)
ADN: We'll let you to think back to when you saw the advertising, what did the main message you got about it?
ACMA: What happened did it give you about the technology—meaning time savings, savings or thought and I guess?
A/T/P: Significantly higher/lower than db5 norm at 95% level of confidence
Q1/Q2: Significantly higher/lower than db5 norm at 95% level of confidence

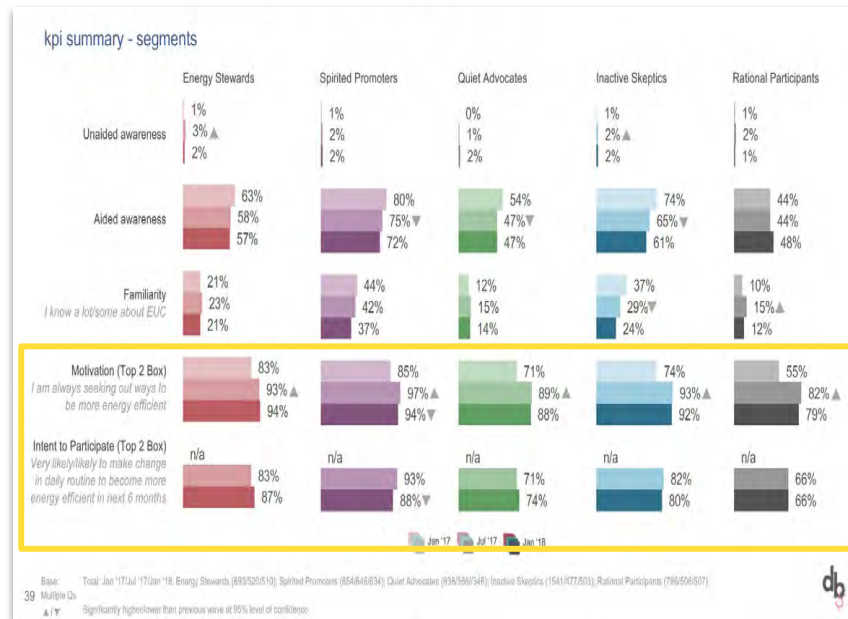
EUC communications have shown significant growth year-over-year in their ability to communicate the net strategic message of saving/conserving energy, as well as exceeding the industry norm.

Messaging Strategy: Inputs – EUC Learnings

The current EUC energy-efficiency campaign has demonstrated success in inspiring Californians to conserve in new ways and driving behavioral change.



The campaign, which promoted everyday ways to save, broke through as significantly above average on “told me something new” and “clever.”



It has also seen a significant lift since launch in “motivation” and “intent to participate” in energy efficiency — across the range of high- and low- involvement audiences.

Messaging Strategy: Research Summary

EUC Tracking:

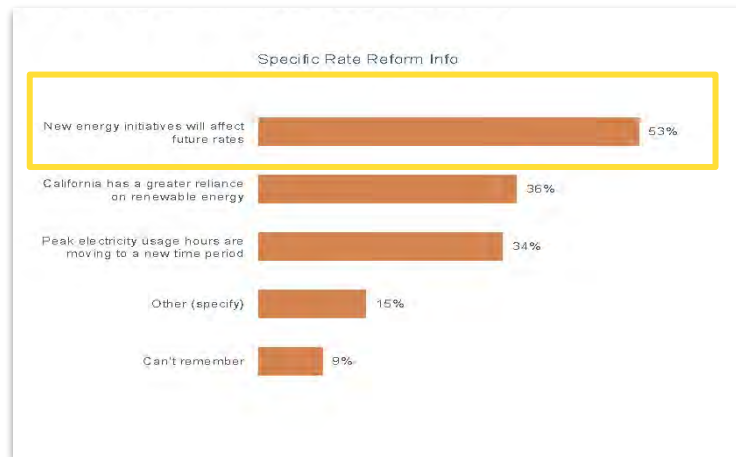
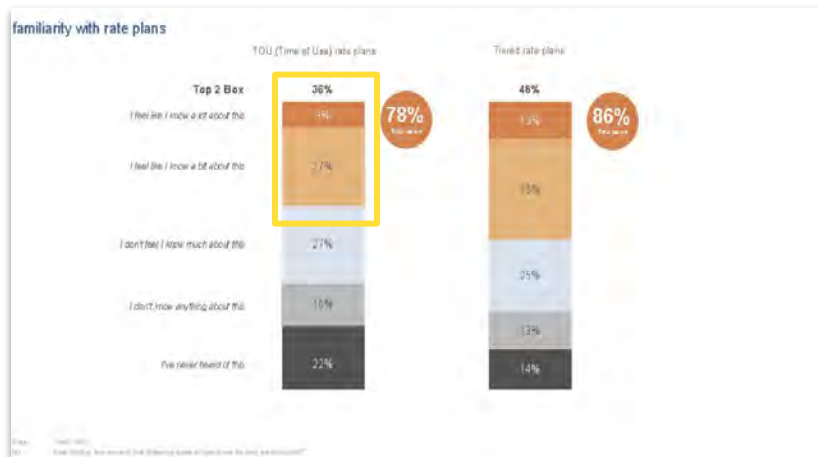
- *Celebrate the power of individuals' impacts (small actions add up).*
- *Encourage contribution to something bigger/ participation in a movement.*
- *Help find ways to make energy management actions fit their lifestyle.*

Messaging Strategy: Inputs – Tracking Study

The Wave 3 brand tracker included questions exploring the social understanding of the RRR conversation.

January 2018 Wave: Learnings

- Nearly half are familiar with tiered rate plans, though familiarity with TOU rate plans is softer.
- About a quarter are aware of energy rate news with *most believing that new energy initiatives will affect future rates*.

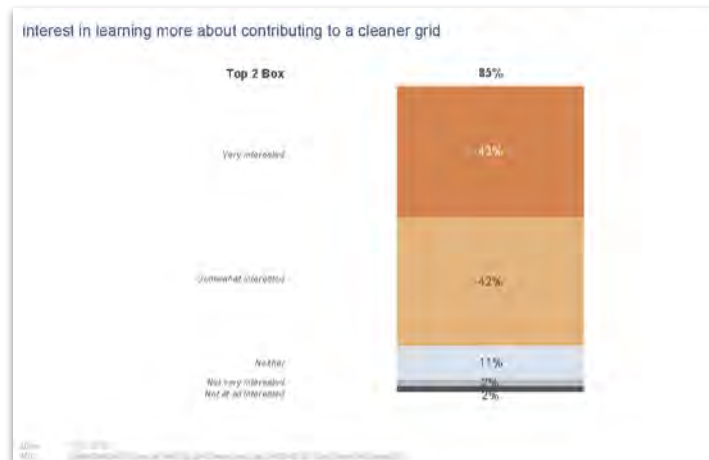
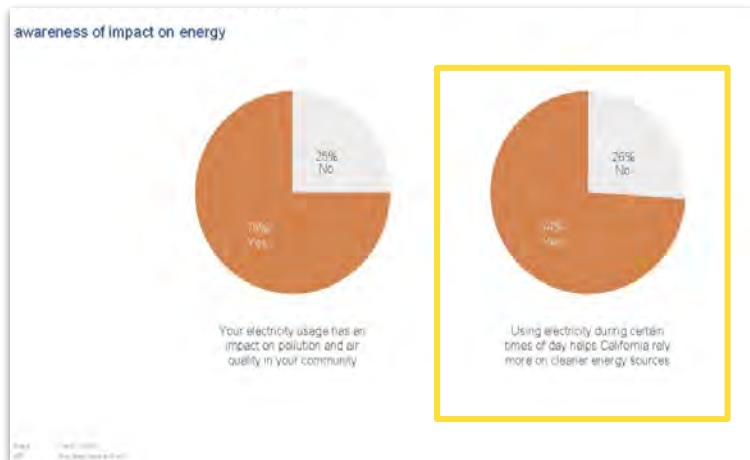


Messaging Strategy: Inputs – Tracking Study

The Wave 3 brand tracker included questions exploring the social understanding of the RRR conversation.

January 2018 Wave: Learnings

- A majority understand that their personal electricity usage directly impacts California and their communities, thus generating high interest in learning about ways to contribute.

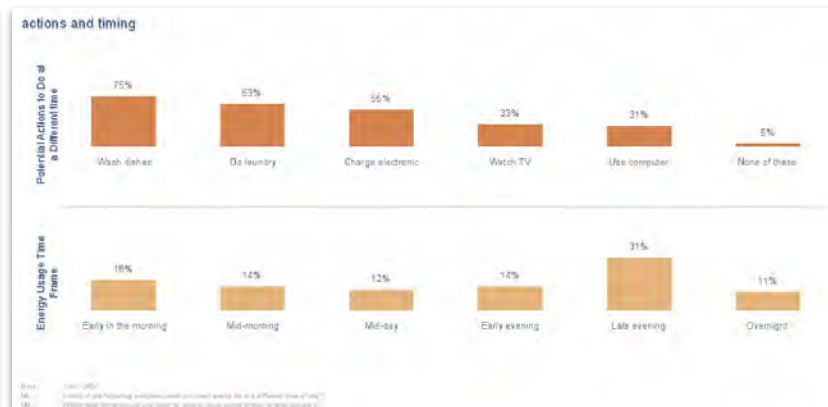
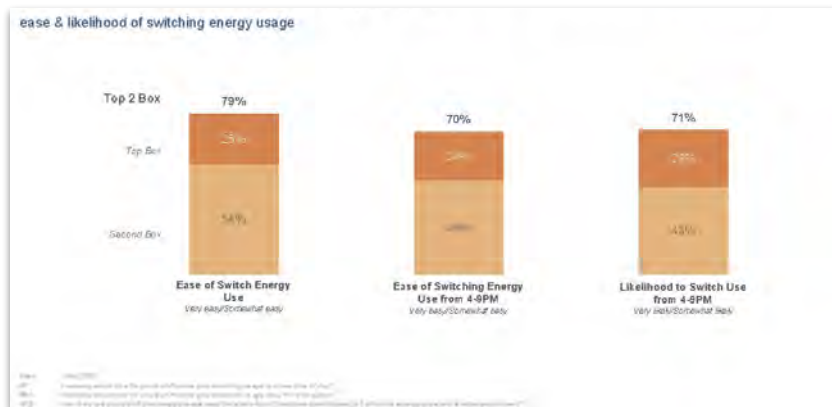


Messaging Strategy: Inputs – Tracking Study

The Wave 3 brand tracker included questions exploring the social understanding of the RRR conversation.

January 2018 Wave: Learnings

- There is a strong willingness to switch usage away from 4-9 pm.
- Laundry, dishes and charging electronics are easiest actions to do at a different time of day.



Messaging Strategy: Inputs – Tracking Augment

Additionally, the Wave 3 brand tracker was augmented with specialized hard-to-reach audience research.

methodology

target audience

Jan '18: N=483 in Hard to Reach audiences

- CA residents
- Even mix of regions (Northern/Central/Southern)
- Ages 18+
- Survey offered in English or Spanish
- Minimum of N=100 from the following groups:
 1. Low Income (annual HHI under \$35K)
 2. Disabled (those who have a condition/impairment related to mobility, vision/hearing/speech, age, etc.)
 3. Unacculturated Hispanic (Hispanic/Latino, born outside of the US, speak only or mostly Spanish, consumes 8+ hours of Spanish language media a week)

methodology

Recruiting:
F2F recruit to self-administered
online survey

Field Dates:
Jan'18: February 2– March 6

~20 min
online survey

Messaging Strategy: Inputs – Tracking Augment

Additionally, the Wave 3 brand tracker was augmented with specialized hard-to-reach audience research.

Hard-to-Reach Audience: Learnings

- Unacculturated Hispanics (UAH) have the strongest familiarity with rate plans, though at a total level, about one-third of hard-to-reach audiences are familiar with them.
- More than half understand the importance of managing energy usage, though that trait is stronger for Low-Income/People with Disabilities.
- However, UAH are most interested in learning more and switching energy usage, while the Disabled are least likely to switch.

	Low Income (a)	Disabled (b)	Unacculturated Hispanic (c)
Familiarity with Rate Plans			
TOU	18%	26%	31% a
Tiered	20%	31% a	30% a
Energy Rate News Awareness			
Yes	11%	21% a	15%
Yes	36% c	51% ac	19%
Awareness of Impact of Energy Usage (Yes)			
Your electricity usage has an impact on pollution and air quality in your community	57%	75% ac	50%
Using electricity during certain times of day helps California rely more on cleaner energy sources	57%	69% ac	57%
Interest in Learning More about Contributing to a Cleaner Grid			
Somewhat/very interested	69%	66%	75%
Ease of Switching Energy Use			
Somewhat/very easy	68% b	53%	70% b
Ease of Switching Energy Use Away from 4-9PM			
Somewhat/very easy	60% b	47%	64% b
Likelihood to Switch Use Away from 4-9PM			
Somewhat/very likely	53%	46%	58% b

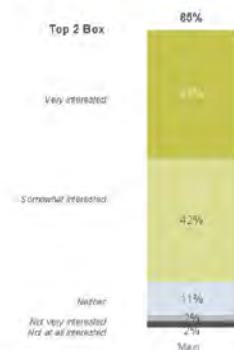
Messaging Strategy: Inputs – Tracking Augment

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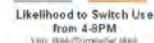
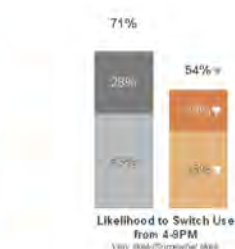
Hard-to-Reach Audience: Learnings

- While hard-to-reach audiences have an interest in learning more and switching energy usage away from 4-9 pm, levels are softer than for the broader California audience.

interest in learning more about contributing to a cleaner grid



switching use



Messaging Strategy: Research Summary

EUC Tracking:

- *Celebrate the power of individuals' impacts (small actions add up).*
- *Encourage contribution to something bigger/ participation in a movement.*
- *Help find ways to make energy management actions fit their lifestyle.*

TOU and HTR Augment:

- *Californians understand that their usage, their bills and their impact are linked.*
- *Most expect state energy initiatives to have an impact on their bills/rates.*
- *UAH are most aware of their plan and open to finding new ways to save.*

Messaging Strategy: Inputs – IOU Research

A range of existing IOU research explored consumer openness and understanding of TOU rates.



Messaging Strategy: Inputs – IOU Research

Behavioral studies have identified the most likely peak-shifting actions and barriers to TOU participation.

Ease of Taking Actions and Barriers

- More TOU customers reported knowing what actions to take to save electricity
- Higher percentages of CARE/FERA customers reported most barriers in taking action
- Most common barriers are (6%-54%):
 - The respondent doing all they can, the household already using very little electricity, someone being home most of the day, and the home getting uncomfortable if less electricity is used
- Least common barriers are (6%-25%):
 - Having old appliances, not knowing what actions to take, their schedule not allowing them to reduce usage, and having children, elderly, or disabled member(s) in the household

Energy for What's Ahead

GENERAL FINDINGS: PARTICIPATION

- **Most common barriers:** the respondents already doing all they can, their household already using very little electricity, someone being home most of the day, and the home getting uncomfortable if less electricity is used.
- **Most common conservation actions:** easy, simple actions such as turning off lights and avoiding or moving laundry and dishwashing.

Messaging Strategy: Inputs – IOU Research

Consumer perception studies identified key challenges and opportunities for TOU acceptance.



12 Shared Key Themes Emerged

1. **Choice:** Agency and Options
2. **Greater Good:** Beyond money
3. **Focus on Gains:** Wins not losses
4. **Fairness:** We're all in this together—right?
5. **Feedback:** Am I doing this right?
6. **Credit "good behavior":** Recognize/reward my effort
7. **Focus Ask/Action:** Simple steps to do
8. **Educate Me and My Family:** I need them!
9. **Don't Know How To Manage my Bill:** Don't know what works
10. **Unengaged with Utility:** Don't pay attention unless something is wrong
11. **Distrust Utility:** You don't have my best interest in mind
12. **Keep Messaging Simple:** Clear, easy to digest



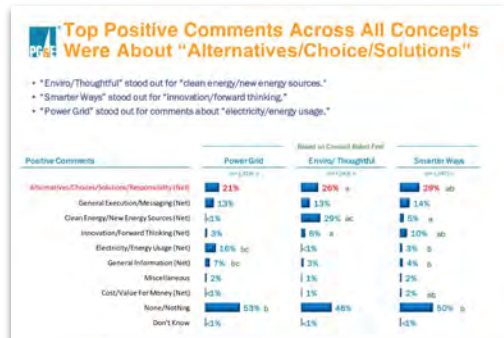
Source: "Measuring Energy Expectations" (January 2015)

GENERAL FINDINGS: PERCEPTION

- **Want it within their control:** Consumers prefer TOU rates when framed as a choice they can make for themselves and TOU actions when they seem achievable to them.
- **Worth the greater good:** While consumers would prefer no change, if they're in it together and it's for the greater good, then they are willing to do their part.

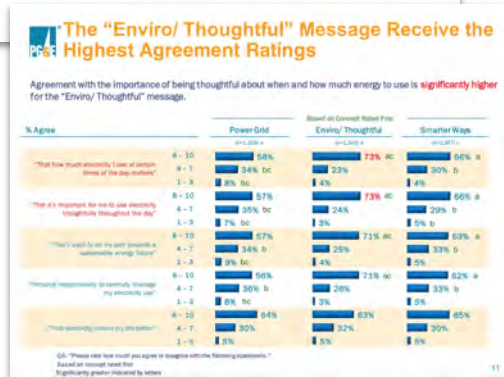
Messaging Strategy: Inputs – IOU Research

Positioning studies explored *responsibility* and *control* as key themes for RRR/TOU communications.



GENERAL FINDINGS: COMMUNICATIONS

- Emphasize being more thoughtful about usage during peak times to ensure a cleaner environment for all Californians.
- Demonstrate how TOU empowers Californians with more choice and control over their electricity bill.



Messaging Strategy: Inputs – IOU Research

Messaging pilots provided specific language recommendations for greatest consumer relevance.



GENERAL FINDINGS: MESSAGING

- TOU communications should be about achieving **fairness, choice and control**.
- TOU communications should demonstrate the ease of shifting use, framing TOU as **a second way to save**.
- TOU communications should **emphasize that everyone will be transitioning** to a TOU plan rather than referencing the statewide *mandate*.

Messaging Strategy: Research Summary

EUC Tracking:

- *Celebrate the power of individuals' impacts (small actions add up).*
- *Encourage contribution to something bigger/ participation in a movement.*
- *Help find ways to make energy management actions fit their lifestyle.*

TOU and HTR Augment:

- *Californians understand that their usage, their bills and their impact are linked.*
- *Most expect state energy initiatives to have an impact on their bills/rates.*
- *UAH are most aware of their plan and open to finding new ways to save.*

IOU Research:

- *A shared sense of responsibility makes change more worthwhile.*
- *With options/choices, consumers feel in charge of energy use and bills.*
- *TOU appears more approachable with easy-to-do behavioral tips.*

Messaging Strategy: Qualitative Community

To more deeply understand and provide cultural context to the existing research, a qualitative community was established to explore consumers' understanding of California's energy system and the role TOU plays in their energy usage and environmental impact. Our "Power Advisors," a group comprised of 300 Californians, reflect California's regional, socioeconomic and cultural diversity.



A snapshot of a few tools that will be used to conduct studies with the Power Advisors



Discussion



Brainstorm



Survey

Live text
chatsPhoto
gallery

Diary

Card
sortingVideo
chatInteractive
collagingMind
mappingImage
annotation

Interactive Collaging

PURPOSE:

Allows one to create media-rich collages and stories, individually or in groups, in real time.



Mind mapping

PURPOSE:

Visualizes free associations or brainstorm of an individual or group.



Video chat

PURPOSE

Conduct online one-on-one interviews or focus groups where it's important to see members' reactions and/or desktops in real time.



Image Annotation

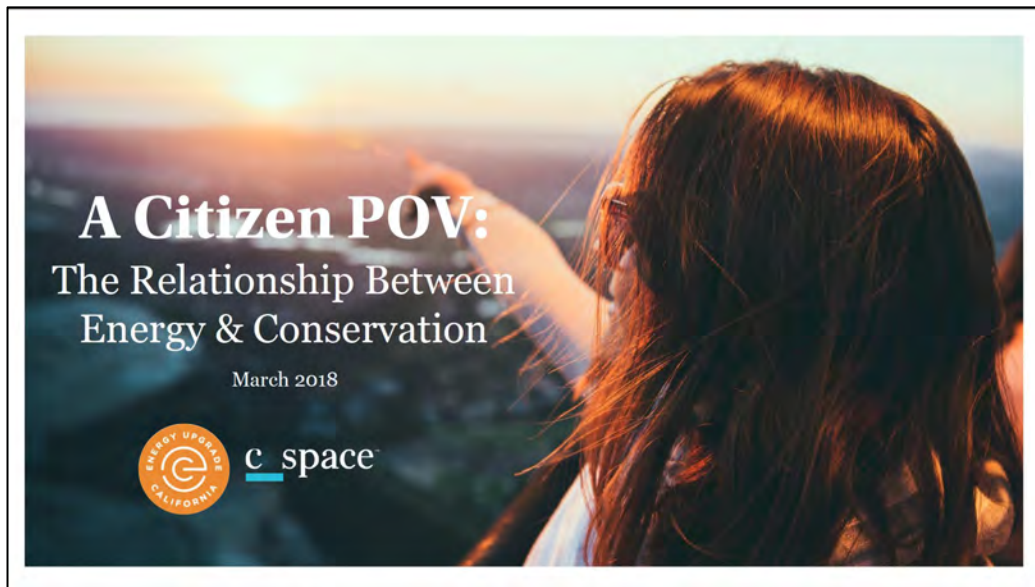
PURPOSE

Understand consumers' impressions and reactions to a broad range of marketing materials.



Messaging Strategy: Qualitative Community

Through engaging in a variety of online studies, we explored three key topics: (1) their energy management habits, (2) California's energy system and (3) the impacts of peak-shifting.



Because energy is everywhere, our opportunity to save energy is everywhere.

Despite energy being intangible, Californians feel its real impact every day and recognize that energy saving is an easy, achievable and rewarding way to do their part.

*"It's the one that is the **most visible** and the most expensive item. It **affects every aspect of our lives** via personal, business and social aspects."*

*"Energy/power is something **our household must use every day**, and it can add up quickly if we aren't watchful."*

"It's something my household can have an influence on, and there is an immediate result of a lower bill."



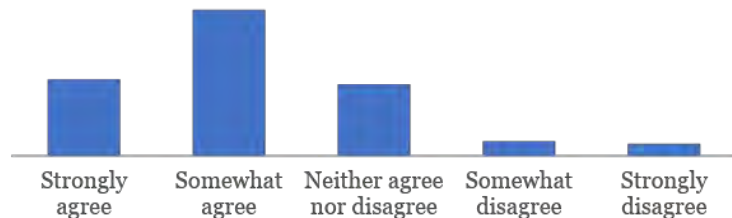
As such, Californians take responsibility for **their usage and wastage** — they feel they're doing a lot; however, some feel they are not being consistent with their efforts while others aren't sure what else they can do.

*"I am already consciously aware of what I use and do all I can, but there still **may be ways to conserve that I am not aware of.**"*

*"I am pretty good, but there are times when I **forget or get sidetracked.**"*

*"I do the little things to conserve, but **more is always possible.**"*

Q: How much do you agree or disagree with this statement?
"I feel I have an opportunity to improve upon my current levels of energy & power conservation."



Energy conservation is personally motivated but socially beneficial.

While Californians identify both rational and emotional reasons for conservation, they identify more personal reasons for what would motivate them to save (money/family) and more global reasons for why they should save (environment).

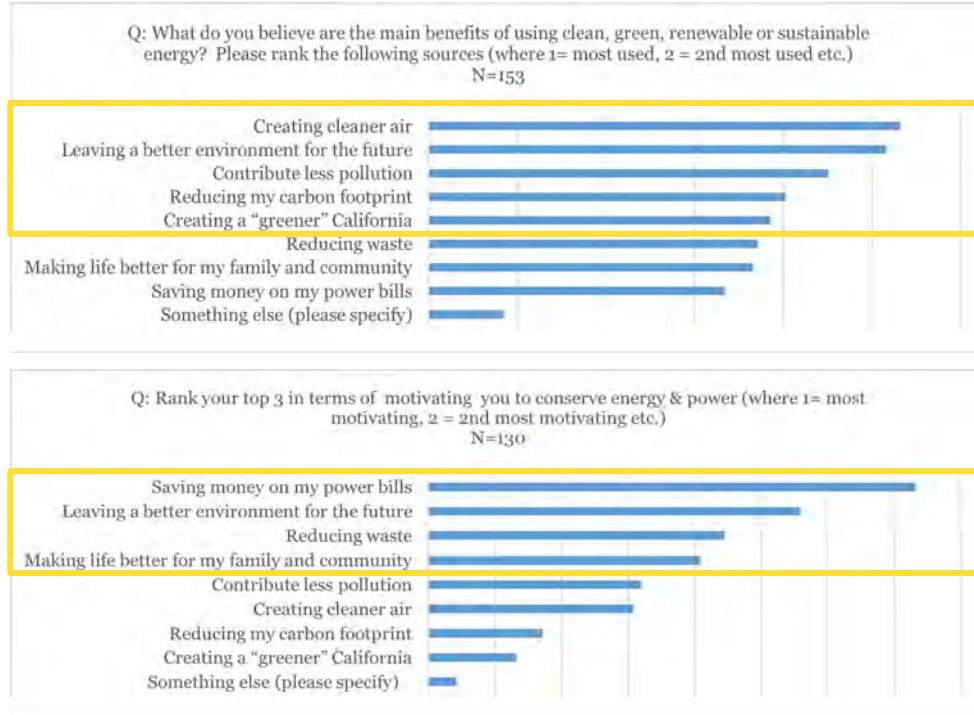
"I conserve for future generations. I want my grandchildren to live in a world we have had the benefit of living in."

"If we don't work to save Mother Earth, who will?"

"...the desire to serve not only myself and my family... but the greater one family that we all are."



When comparing the reasons our Power Advisors believe energy management is worthwhile (e.g., what is the benefit) and what would motivate them to use energy more responsibly, it can be seen that they appreciate the macro-benefits of conservation but need a personal reason to participate.



Californians are proud of their state as a sustainable/renewable energy role model.

Californians are proud of and recognize that their state is unique in relying on a wide array of sustainable energy sources.

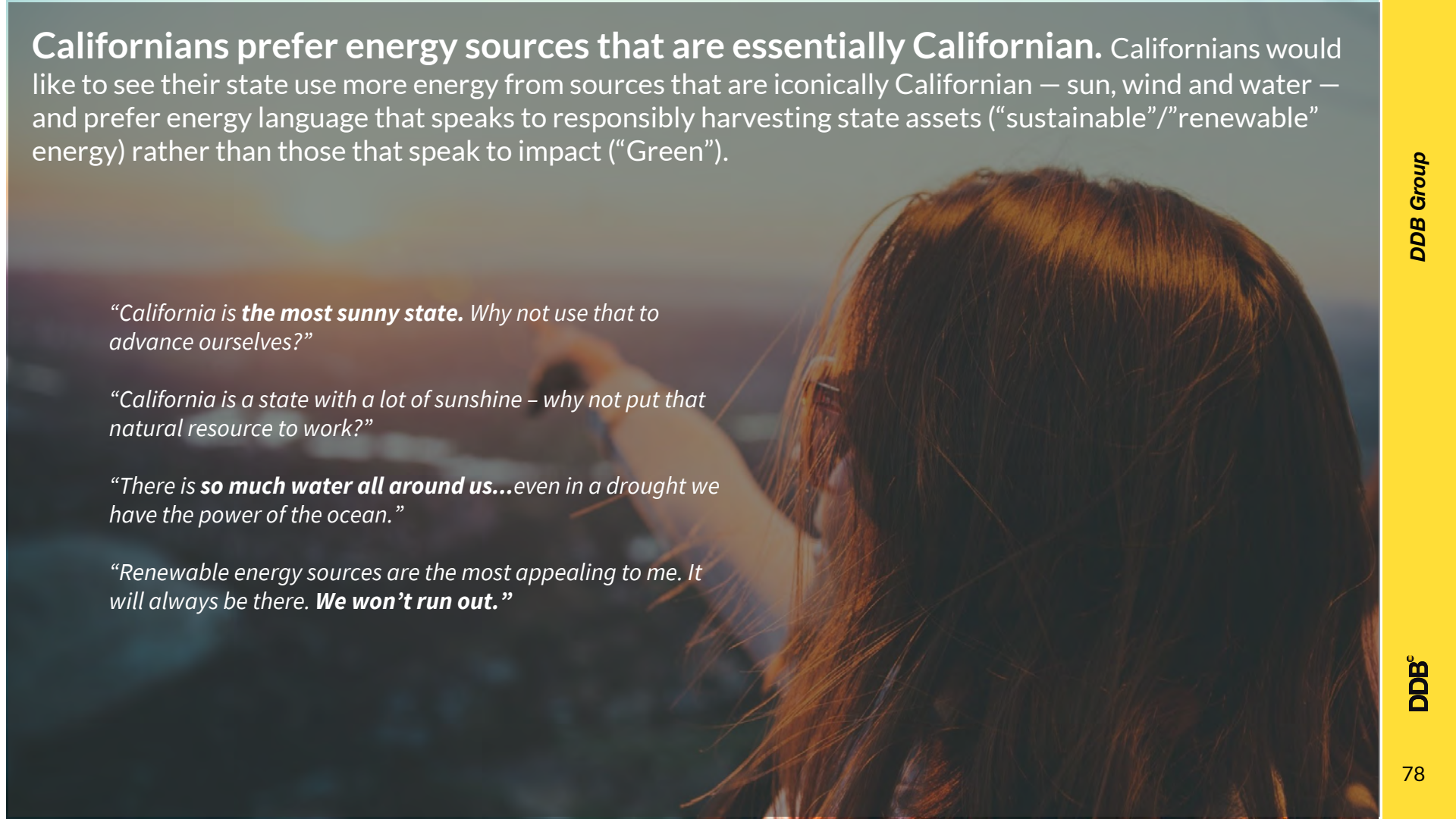
*“I think **Californians are more committed** to [conservation] than people in other states.”*

*“When it comes to the energy network, California is **an example to follow in green energy.**”*

*“California is **always at the forefront** of coming up with ways to conserve.”*

*“California uses more environmentally friendly power sources than some other states. I know **we have access to more natural resources** than many states do.”*





Californians prefer energy sources that are essentially Californian. Californians would like to see their state use more energy from sources that are iconically Californian — sun, wind and water — and prefer energy language that speaks to responsibly harvesting state assets (“sustainable”/“renewable” energy) rather than those that speak to impact (“Green”).

*“California is **the most sunny state**. Why not use that to advance ourselves?”*

“California is a state with a lot of sunshine – why not put that natural resource to work?”

*“There is **so much water all around us**...even in a drought we have the power of the ocean.”*

*“Renewable energy sources are the most appealing to me. It will always be there. **We won’t run out.**”*

Californians understand TOU relative to energy sourcing but less so relative to energy demand.

Californians appreciate that energy at different times of the day may be more or less “green” because more or less renewable resources may be providing energy to the grid.

*“[California] **does not rely on any one particular method** of creating electricity – it comes from different sources throughout the state.”*

*“**Evening hours tend to draw from the grid less**, I thought, therefore allowing the use of more sustainable resources.”*

*“Different sources are **used based on the amount of energy needed** at different times throughout the day.”*

*“Natural gas power plants provide reliable power and **backup power to wind and solar units.**”*



They don't, however, understand that the power from renewable sources cannot be stored for long periods to be used during times of high demand.

"I don't know what would make [renewable energy] any more difficult to store."

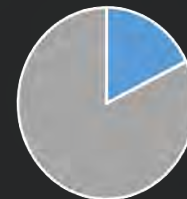
"[Solar] can only be created during the day but can be used at all times of day."

"Solar energy is only created during daylight hours, but the power it creates is available for use at any time 24/7."

Solar energy is only available during the day



Renewable, clean, green and sustainable energy cannot be stored N=154



This could be in part due to a growing cultural awareness/adoption of large-scale consumer batteries.

“Energy can be stored in batteries when a home has solar power. I’d like to think this is true of our state resources as well.”

“There are an increasing number of ways to save/bank power, e.g., Tesla Powerwall.”

“You can store energy. A battery is used to store energy. But don’t ask me how it all works!”



Messaging Strategy: Research Summary

EUC Tracking:

- Celebrate the power of individuals' impacts (small actions add up).
- Encourage contribution to something bigger/ participation in a movement.
- Help find ways to make energy management actions fit their lifestyle.

TOU and HTR Augment:

- Californians understand that their usage, their bills and their impact are linked.
- Most expect state energy initiatives to have an impact on their bills/rates.
- UAH are most aware of their plan and open to finding new ways to save.

IOU Research:

- A shared sense of responsibility makes change more worthwhile.
- With options/choices, consumers feel in charge of energy use and bills.
- TOU appears more approachable with easy-to-do behavioral tips.

Qualitative Community:

- They find energy saving a uniquely rewarding way of doing their part.
- Their energy usage and conservation uniquely impact California.
- They understand the impact of time on energy sourcing but not usage.

Messaging Strategy

A range of existing, provided and commissioned research allowed us to gain a comprehensive perspective on consumers' understanding of energy conservation and the role time plays in energy management.

- ***EUC Tracking:*** Understand consumer motivations to conserve energy.
- ***TOU and HTR Augment:*** Understand consumer awareness of the TOU/RRR conversation.
- ***IOU Research:*** Understand consumer openness to TOU/RRR.
- ***Qualitative Community:*** Understand consumer perception of TOU as part of conservation.

In developing strategic guidelines, we considered learnings that overlapped the most between research sources.

Messaging Implications

1. Change is concerning, while choice is empowering.
2. Promote moving toward renewables rather than away from high demand.
3. Demonstrate a different/additional way to save, rather than a new energy task/habit.
4. Show that everyday actions have everyday impacts.
5. Provoke Californians personally and celebrate the social benefits.
6. Make it uniquely Californian.

Messaging Summaries

Our campaign positioning will inform how we frame both our vision and behavioral change efforts.

Demonstrate that every Californian now has the opportunity to take greater control of their everyday energy usage and impact and contribute to our state's clean energy future.

California State Vision

Peak-Shifting

Energy Management

Customer Outreach

Theme: Collective responsibility

Benefit: Cleaner air, less pollution, lower carbon emissions, a greener state

CTA: e.g., "Let's go even further"

Theme: Individual contributions

Motivation: Reducing waste, better future for family/community

CTA: e.g., "How you can participate"

Theme: Making the right choice for you

RTB: Rate options, rate comparisons, etc.

CTA: e.g., "Find what fits"

Messaging Examples

Our campaign positioning will inform how we frame both our vision and behavioral change efforts.

Demonstrate that every Californian now has the opportunity to take greater control of their everyday energy usage and impact and contribute to our state's clean energy future.

Example Messages:

"All Californians are now empowered to shape our state's green energy future."

California State Vision

"Time is now a new way to manage your energy usage and impact."

Peak-Shifting

Energy Management

"There are more easy, everyday ways to save energy than you expect."

"Energy consumers now have new rate options that reward them however they save."

Customer Outreach

Next Steps (Deliverable 2)

1. DDB to confirm campaign goals with CPUC
2. DDB to collaborate with CPUC, IOUs and stakeholders to refine positioning language for Vision, Peak-Shifting and energy management communications
3. DDB to confirm specific peak-shifting actions/messaging to align with IOUs' marketing efforts
4. DDB to develop communications briefs for each communications channel (e.g., Advertising, PR, CBO Outreach, Social Media, Digital/Web) in order to inspire and guide creative communications ideas
5. DDB to test creative ideas for effectiveness and to inform further optimization
6. DDB to develop creative communications ideas and messaging to support the statewide vision and local market TOU rollouts
7. DDB to produce approved/selected creative communications ideas to be available for launch in 2018

Contents

1. Campaign Objectives
2. Strategic Approach
3. Statewide Audience
4. Existing EUC Equity
5. Communication Architecture
6. Messaging Strategy
7. Statewide Media Strategy
8. Community-Based Organizations
9. Public Relations
10. Measurement Plan
11. Monthly Budget Forecast, Timeline, Deliverables
12. Appendix

Seven:

Statewide Media Strategy

Content

- Background
- Foundational Learning
- Market Nuances
- Target Nuances
- Strategies & Prototypical Plans
- A Robust Learning Calendar
- Next Steps



Background

Role of Media



Media serves as the primary communication vehicle to reach all Californians and thereby drive overall awareness of the Residential Rate Reform message. Messaging will address both the personal connection to energy and awareness that TOU is important as well as encourage consumers to take action to reduce usage during peak loads.

Media plans will be designed to provide considerable reach with a higher level of frequency in order to drive behavioral change. A broad mix of media channels will be considered to ensure the delivery of an efficient plan to maximize reach across markets, recognize media consumption differences among target groups as well as intercept consumers when they are most receptive to our messages.

Integration and coordination with DDB, the IOUs and the EUC campaign will be critical to ensure we are leveraging all efforts in the most effective manner possible, putting forth more synergistic and holistic communications into the market.



Recap of Media Deliverables

Deliverable	#1 Blueprint Update	#2 Objectives & Strategies	#3 Media Plan Recommendation
Description of Work	<ul style="list-style-type: none"> • Contribution to DDB Communication Planning and Strategy Development • Competitive Intel • Target Analysis • Market Nuances • Guidance on Media Channels to Consider 	<ul style="list-style-type: none"> • Media Objectives • Strategic Approach • Timing Considerations • Channel Roles • Partners to Consider • Budget Considerations • Prototypical Plan 	<ul style="list-style-type: none"> • Market Priorities • Recommended Media Channels and Partners • Budget Rollup • Media Flowcharts by IOUs • Media Flowcharts by Messaging (Vision + TOU)
Timing			<ul style="list-style-type: none"> • Mid-June 2018
Comments	<ul style="list-style-type: none"> • Serves as the foundation for developing Deliverable 2 	<ul style="list-style-type: none"> • Serves as the foundation for developing Deliverable 3 	<ul style="list-style-type: none"> • The Media Plan Recommendation will include a highly customized approach to align with our 3 IOUs and their efforts within 12 California DMA's • Campaign Launch: October 2018



Background

Dual-Track Messaging



 Background

VISION

PEAK-SHIFTING

Out of market 

Reaching All Californians

Our campaign goal is to reach **all Californians**.

As part of that goal, we have **several Key Audiences** that will guide our planning approach.



Key Audience	Rationale
Rational Participants Spirited Promoters Quiet Advocates	Creates synergy and efficiencies between RRR and EUC EE Year II campaigns Acknowledges sizable gap between actions aware and actions taken , even with these more energy-conscious Californians who are vital to gaining acceptance around the shift to TOU
Disadvantaged / Hard to Reach / Multicultural	Among the most affected by the billing change Additional layer of synergy and efficiencies



Background

Our Key Audiences

We have **three key consumer segments**, who are primarily defined by their views and motivations, and who total **52%** of California's adult population.

Rational Participants 16%

This segment tends to have less state pride and lower involvement in their communities.

Cost-savings and home improvements are their key motivators.

53% are age 50+



Spirited Promoters 17%

Proud Californians and active in their communities, this segment is highly motivated by the state's energy goals.

They prefer higher-visibility conservation practices (e.g., installing solar panels)

61% are age 25-49



Quiet Advocates 19%

Proactive on environmental and energy issues, this segment is more introverted.

Intrinsic values, cost-savings and a desire to be conscientious motivate them.

55% are age 35-64



Background

Other Key Priorities

Low-Income

Customers enrolled in the CARE program, who receive a 30% to 35% discount on electric bills.

People with Disabilities

Roughly 20% of the U.S. population have disabilities, and nearly one-third of U.S. households include a resident with disabilities.

Multicultural

Because they make up about 50% of California's population, successfully reaching Hispanic, Asian and African American communities has never been more important.



Casting a Broader Net

With mass-media channels like television and outdoor advertising, our campaign will achieve coverage against **all Californians.**

However, the Key Audiences will guide **our media strategy and channel priorities.**



Key Considerations

Plan Parameter	Description
Timing	October 2018 is the desired launch time frame, varying by IOU and geography within California
Budget	To task, but not to exceed \$100M for the 2018–2021 campaigns
DMA Geography (Northern CA)	Chico/Redding, Eureka, Monterey/Salinas, Sacramento/Stockton/Modesto, San Francisco/Oakland/San Jose
DMA Geography (Southern CA)	Bakersfield, Fresno-Visalia, Los Angeles, Palm Springs, San Diego, Santa Barbara/Santa Maria/San Luis Obispo, Yuma El Centro
Communication Goals	85% to 90% reach / 10+ frequency



Background

Foundational Learning

EUC Key Findings

Our Year I Measurement Plan for EUC delivered **key learnings**, which we will leverage for the RRR campaign.

Exposure to 2+ media channels delivered the strongest lift in awareness



Strongest engagement levels were seen with **specific targeting / messaging**

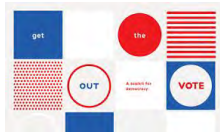


Paid search successfully drove website traffic



EUC Key Findings

Competitive analysis showed a tremendous amount of spend needed to change behavior



Complementing and Competing for Consumers Attention



Lots of brands compete for attention in California,
including big spenders shown here:



Foundational Learning

Market Nuances

IOU Rollout Schedule

In addition to target dynamics,
our strategic approach will
align with rollout schedules by
individual IOUs.

Our goal will be to offset
consumer confusion and
pinpoint our air cover.

Timing is yet to be finalized.



IOU Heat Maps

IOU Heat Maps will be key to guide our timing around both Vision and Peak-Shifting messaging.

Example

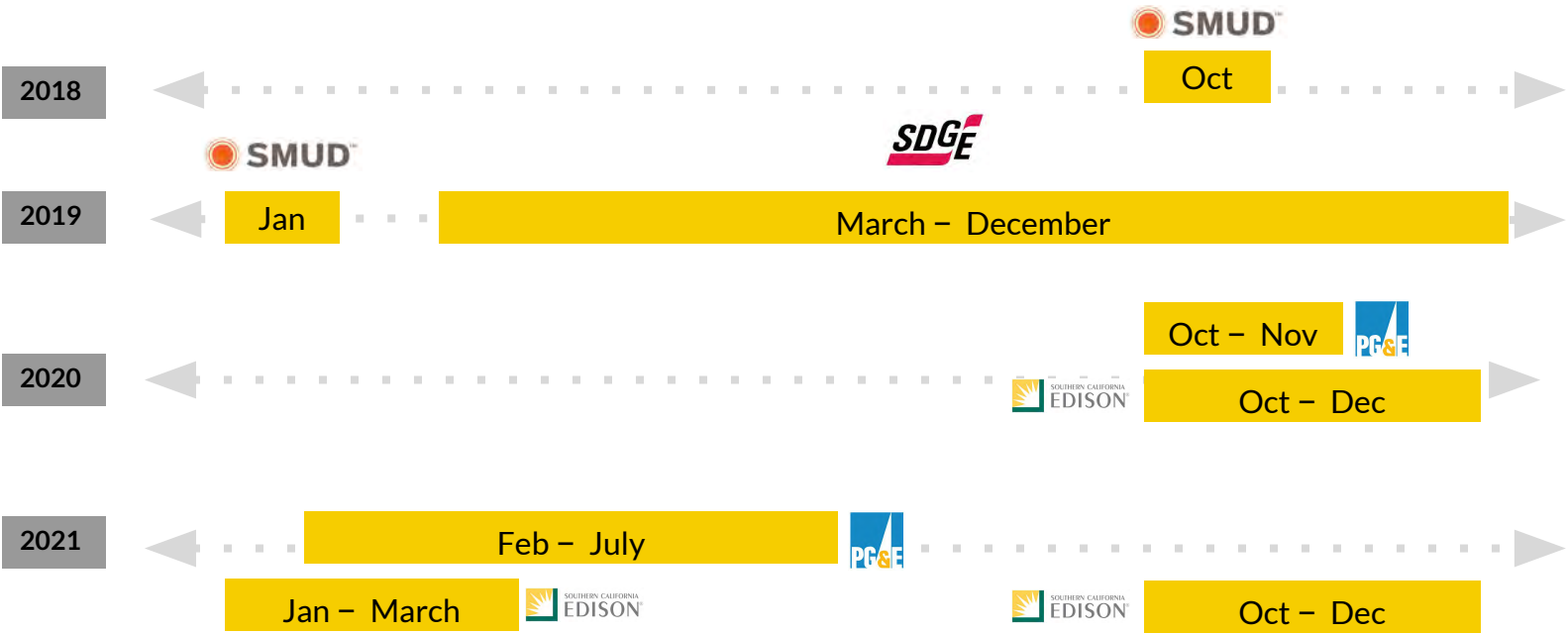


	Months Acceptable for Transition by Baseline Territory										
	Hot				Moderate			Cool			
	P	S	R	W	Q	X	Y	T	V	Z	
Sep	Y	N	N	N	Y	Y	Y	Y	Y	Y	Y
Oct	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y
Nov	N	Y	Y	Y	N	N	Y	Y	Y	Y	Y
Dec	N	Y	Y	Y	N	N	Y	Y	Y	Y	Y
Jan	N	Y	Y	Y	N	N	Y	Y	Y	Y	Y
Feb	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y
Mar	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y
Apr	Y	Y	Y	Y	N	Y	Y	Y	Y	Y	Y
May	Y	N	N	N	N	Y	Y	Y	Y	Y	Y
Jun	N	N	N	N	N	N	Y	Y	Y	Y	Y
Jul	N	N	N	N	Y	N	Y	Y	Y	Y	Y
Aug	N	N	N	N	Y	N	Y	Y	Y	Y	Y



Market Nuances

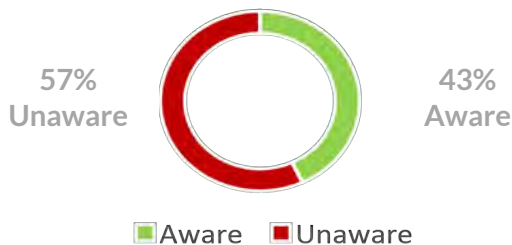
Potential IOU Rollout Schedule



Target Nuances

Deep Dive – Rational Participants

EUC Total Awareness



This segment has **the lowest EUC awareness** of our 3 key audiences.

Energy Stats

Monthly utility cost: \$119
PG&E: 38%
SCE: 34%
SDGE: 9%

Key Demographics

53% are age 50+
60% are HHI \$75,000 or less
52% male / 48% female
67% own their residence and 83% plan to stay (next 6 months)
60% live in Southern CA counties

Key Traits

Rational Participants are **cost-driven and well informed**, though less engaged with technology. They also have lower state pride and involvement in their communities.

They are mindful of energy-efficient actions and participate in low-effort practices like turning off the TV, computer or lights.

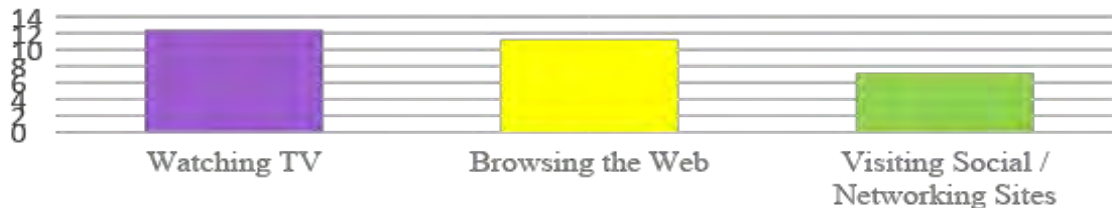
20

Average
actions
aware

10

Average
actions
done

Media Usage Average Hours (Top 3)



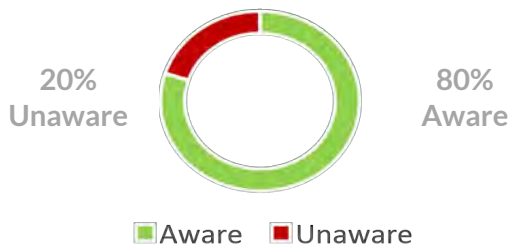
Source: EUC Segment Deep Dive (March 2017)



Target Nuances

Deep Dive – Spirited Promoters

EUC Total Awareness



This segment has **the highest EUC awareness** of our 3 key audiences.

Energy Stats

Monthly utility cost: \$130
PG&E: 31%
SCE: 43%
SDGE: 9%

Source: EUC Segment Deep Dive (March 2017)



Target Nuances

Key Demographics

61% are age 25-49
59% are HHI \$75,000 or less
53% male / 47% female
56% own their residence and 74% plan to stay (next 6 months)
66% live in Southern CA counties

16

Average
actions
aware

10

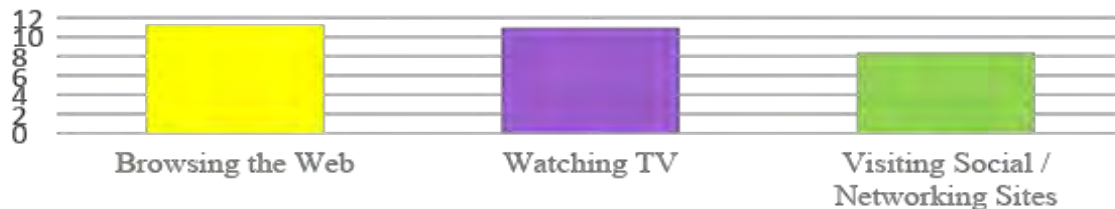
Average
actions
done

Key Traits

Spirited Promoters are proud Californians and active in the community. It's important for them to be seen as trailblazers, and they believe their activism makes a big difference.

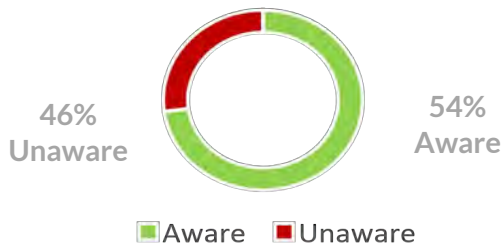
Because of their desire to be viewed as role models, they are more willing to adopt higher-visibility practices (e.g., installing solar panels).

Media Usage Average Hours (Top 3)



Deep Dive – Quiet Advocates

EUC Total Awareness



This segment is in the midrange on **EUC awareness** of our 3 key audiences.

Energy Stats

Monthly utility cost: \$111
PG&E: 33%
SCE: 37%
SDGE: 10%

Source: EUC Segment Deep Dive (March 2017)

Key Demographics

52% are age 25-49
62% are HHI \$75,000 or less
54% male / 46% female
57% own their residence and 78% plan to stay (next 6 months)
65% live in Southern CA counties

20

Average
actions
aware

11

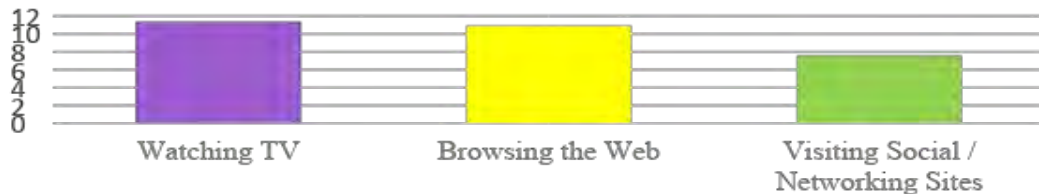
Average
actions
done

Key Traits

Quiet Advocates take a proactive stance on environmental and energy issues, though they tend to be more introverted.

Intrinsic values, cost-savings and a desire to be conscientious are top motivators for this audience segment.

Media Usage Average Hours (Top 3)



Target Nuances

Common Ground

Our Key Audiences spend most of their media time
watching television, browsing the web and visiting
social/networking sites
about 30 hours each week.

These platforms are crucial to reinforce our campaigns
for Vision and Peak-Shifting messaging.



People with Disabilities

- According to Gateway, roughly 20% of the U.S. population has a disability of some form or another, and our data find that nearly one-third of U.S. households include an occupant with a disability.
- According to a University of Denver study, people with disabilities **spend twice as much time on the Internet** as their nondisabled counterparts.
- Largely, people with disabilities want brands to understand the difficulties they face, and to offer solutions. “Convenience is an important brand differentiator—40% [of people with disabilities] said a brand won their affections by making things easy for them (significantly more than the rest of the population).”

\$360B

Annual consumer spend from people with disabilities

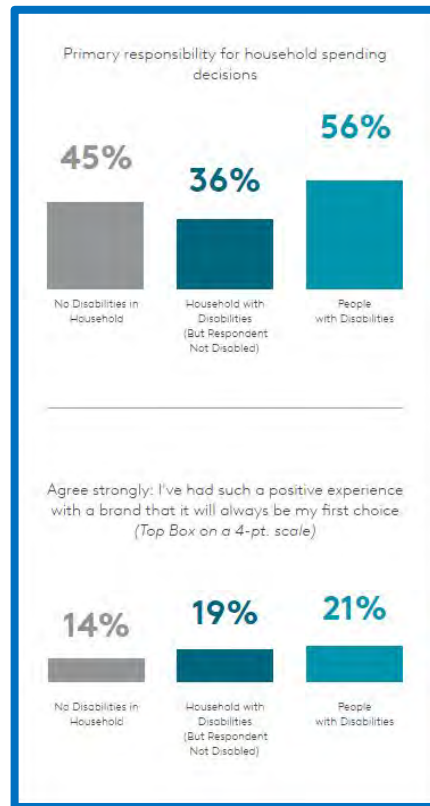
\$184B

Spend from those who share homes with them



Target Nuances

Sources: Gateway Strategic U.S. Briefing 2017; Nielsen Insights: Understanding the Shopping Habits of the Disabled Consumer (Oct. 2016); Kantar Futures 2017: Access Ability – The Business Case for Supporting People with Disabilities.



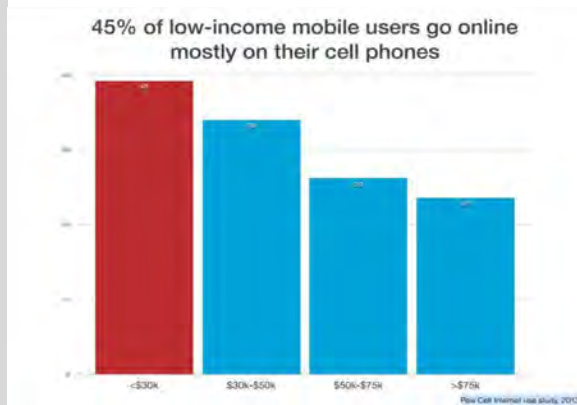
People with Disabilities (cont'd)

- According to a 2016 study cosponsored by SafePlace and Disability Rights Texas, **social media habits for those with disabilities aren't unlike the rest of the general population.**
- The most common social media platforms were Facebook (76%), Twitter (18%), LinkedIn (16%), blogs (11%), Google+ (4%) and other (14%).
- Participants reported using **social media to keep up with friends and family (59%)**, to follow issues (38%), to find out about events (34%) and to learn about things (31%).
- The majority of participants **use social media multiple times a day.**
- Most users visit more than one social networking site. More than half of the social media users (Pew Research Center, 2016) log onto more than 1 out of the 5 predominant social media platforms.



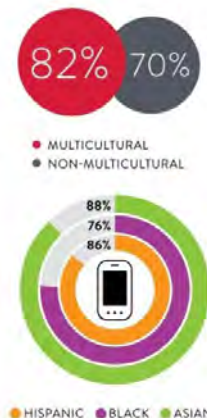
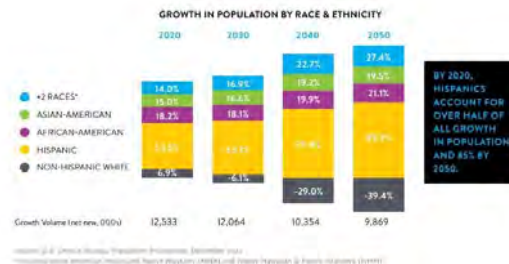
Low-Income

- According to Forbes, low-income Americans are much more likely to **rely on their mobile device** as their main or only method of going online.
- A 2013 Pew research survey also showed that 45% of users living in households with an annual income of less than \$30,000 mostly use their phone to go online, compared with 27% of those living in households with an annual income of \$75,000 or more.
- The communication tools low-income Americans use most are also different from those of the population at large. **“Text and Facebook dominate, email much less so,”** says Jimmy Chen, a Significance Labs Fellow.
- According to CaliforniaKids.org, trust can be earned from low-income families and individuals by building a local presence in low-income neighborhoods, establishing relationships with other already trusted organizations and implementing a successful outreach plan.



Multicultural

- According to Forbes, six in ten Hispanics and 43% of African Americans in the lowest income bracket are mostly cell-phone Internet users, compared with 27% of whites.
- Insights from Nielsen AdIntel include:
 - Multicultural consumers are digitally savvy;** 60% of Asian-Americans, 57% of Hispanics and 55% of African Americans said going online is one of their favorite things to do in their free time.
 - The majority use smartphones to stay connected;** 82% of multicultural consumers actively use smartphones, compared with 70% of their non-Hispanic white counterparts.
 - They care about social causes;** 43% of Hispanics, 39% of African Americans and 38% of Asian Americans expect the brands they buy to support these causes.
 - Asian Americans are the most likely to buy organic food;** nearly 30% said they do, compared with 18% of Hispanics and whites and 14% of African Americans.



Sources: Nielsen IMM and Nielsen Hispanic CPG for the period of May 1-15, 2014



Target Nuances

Sources: Language Line Solutions: Multicultural 'Super' Consumers (November 2017)
Nielsen Insights: A Fresh Look at Multicultural Consumers (March 2017)

Strategies & Prototypical Plans

Be Nimble

We recommend a phased approach to planning, beginning with prototypical plans.

- ✓ Vision / Peak-Shifting Strategy
- ✓ Vision / Peak-Shifting Creative
- ✓ Annual IOU media plans
- ✓ Learning from SDG&E Rollout
- ✓ Learning from EUC EE Year II Campaign
- ✓ PR Learnings / Press Coverage
- ✓ Opportunities
- ✓ Cost-Efficiencies with EUC EE
- ✓ RRR Campaign Optimizations



Customized Market Plans
that reflect all
available learnings
and opportunities



Strategies & Prototypical Plans

Prototypical Plans

Deliverable	Included in Prototypical Plan	Included in Final Media Recommendation
4.16.18		
Competitive Intel / Target Analysis / Market Nuances	X	
Media Strategy	X	
Budget Guidance	X	
Prototypical Plans	X	
Mid-June 2018		
Recommended Media Channels and Individual Partners		X
Individual Market Priorities		X
Individualized Market Media Recommendations and Market Spend		X
Sync Details with EUC Year II and IOU Media Plans		X
Media Flowcharts by IOU		X
Budget Rollup		X



Overall Approach

Launch with **high-impact, highly visible media** in Q4 to break through the clutter with our key audiences.



Sync RRR efforts with EUC Year II and individual IOU plans so media channels work together holistically and efficiently.

Deliver staying power across our campaign, especially with Vision messaging.



Channel Roles

Television +

RATIONALE

Along with digital, a **top-consumed media platform** among our Key Audience segments

Provides quick, mass reach to all Californians with ability to segment messaging by day part and program environment

Provides storytelling opportunity, especially with :60s spots, and alignment with credible and must-watch favorites

Includes linear (traditional TV) as well as OTT / Streaming to reach cord cutters and cord-nevers

 Strategies & Prototypical Plans

Campaign	Overall Approach	Buying Targets
Residential Rate Reform	PROTOTYPICAL PLAN Largely “Evergreen” strategy leveraging :60s spots at Launch and mix of :60s spots and :30s spots thereafter	General Market + Spanish Language as needed
EUC Year II	APPROVED PLAN Mass reach across California, leveraging mostly :15s spots	General Market + Spanish Language as needed

SAMPLE MEDIA PARTNERS



Channel Roles

Digital / Search

RATIONALE

Along with television, a **top-consumed media platform** among our Key Audience Segments

Provides opportunity for **cross-screen exposure and targeting around micro moments** (e.g., appliance shopping, home shelter, local news)

Especially important to reach younger California residents (digital everything)

Search delivers a consumer hungry for information and primed to take action.

Campaign	Overall Approach	Buying Targets
Residential Rate Reform	PROTOTYPICAL PLAN Videocentric approach to extend the footprint of our TV campaign, especially against light TV viewers Includes mix of :30s spots and :15s spots	General Market + Key Audiences
EUC Year II	APPROVED PLAN Extend the reach of TV through digital video, rich media placements; drive participation through retargeting and dynamic display; and ensure efficient frequency through streaming audio	General Market + Spanish Language + Asian Language

SAMPLE MEDIA PARTNERS



Strategies & Prototypical Plans

Channel Roles

Social

RATIONALE

A huge reach extender, and like Digital, offers extensive targeting opportunities

Adds a **peer-to-peer and shareable component** to our campaign

Key to reaching younger California residents (digital everything)

Campaign	Overall Approach	Buying Targets
Residential Rate Reform	PROTOTYPICAL PLAN Videocentric approach to extend the footprint of our TV campaign, with an audience looking for “snackable” and shareable media content :15s spots and :60s spots	General Market + Spanish Language as needed
EUC Year II	APPROVED PLAN Generate awareness and drive advocacy across social platforms through targeted video that’s easy to digest	General Market + Spanish Language as needed

SAMPLE MEDIA PARTNERS



Strategies & Prototypical Plans

Channel Roles

Out-of-Home

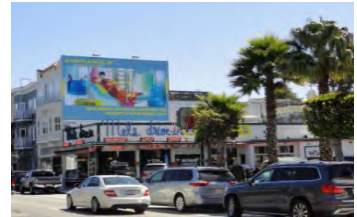
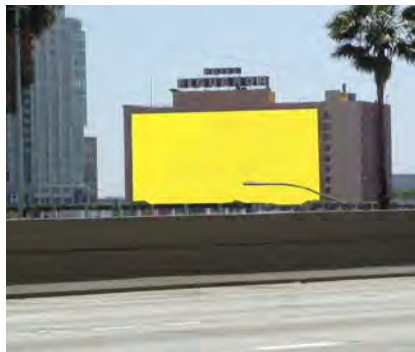
RATIONALE

Outdoor serves as a **reminder and reinforcement** media channel, with its “out and about” presence a strong alignment with the attitudes and behaviors we want to shape

Placement opportunities include cinema, iconic / high-impact, bulletins, transit and wallscapes in high-traffic locations

Campaign	Overall Approach	Buying Targets
Residential Rate Reform	PROTOTYPICAL PLAN High-impact / iconic at launch and TOU rollout Sustaining during peak-shifting	General Market
EUC Year II	APPROVED PLAN Motivate Californians while they're commuting through transit outdoor formats with a longer dwell time, and in theatres	General Market

MEDIA EXAMPLES



Strategies & Prototypical Plans

Channel Roles

Print

RATIONALE

An important vehicle to **strengthen campaign coverage of our hard-to-reach audiences**, including Multicultural, Low-Income and People with Disabilities.

Adds a strong community component to our messaging and air cover for grassroots efforts.

Campaign	Overall Approach	Buying Targets
Residential Rate Reform	PROTOTYPICAL PLAN Timed to overlap with TOU rollouts in all geographies as needed, with additional Vision support pre/post-TOU	Spanish Language Asian Low Income Disabled
EUC Year II	APPROVED PLAN Reach multiple segments with in-language messaging in a contextual environment that resonates with multicultural and small-business audiences	Small Business Spanish Language Asian

SAMPLE MEDIA PARTNERS



Strategies & Prototypical Plans

Channel Roles

Custom Programs / Influencers

RATIONALE

Adding a “surprise and delight” component to our campaign, custom programs and influencers will be deployed at launch and during TOU rollouts

Media channels may include out-of-home, experiential, digital, event activation and social

Example:
Influencer Instagram Stories



Example:
Sunset Magazine Idea House



Example:
Community Mural + Traveling
Installation

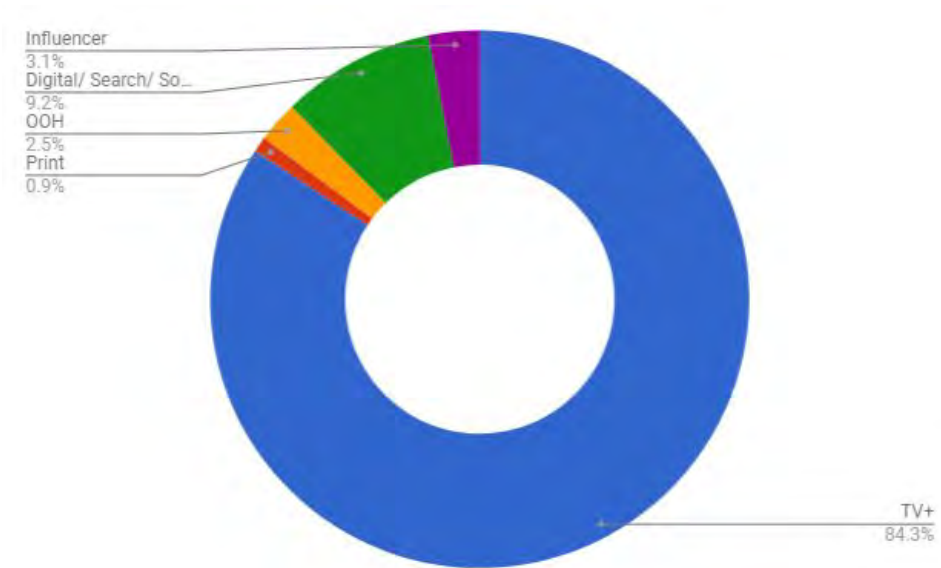


Prototypical Assumptions

Prototypical Plan Assumptions	Description
TV+	UNIT MIX <ul style="list-style-type: none"> Q4 Launch: 70% :60s / 30% :30s 2019 – 2021 : 70% 30s / 30% :60s DAY PART MIX <ul style="list-style-type: none"> 40% Prime and Sports / 20% Early Morning News / 20% Daytime / 20% Early Evening News WEIGHT LEVELS <ul style="list-style-type: none"> Approx 90 GRPs/Week
Out-of-Home	FORMATS <ul style="list-style-type: none"> Varies by market Including bulletins / wallscapes / murals / bus wraps / station domination
Digital/Social/Search	FORMATS <ul style="list-style-type: none"> 100% video for digital and social Text ads for search
Custom/Influencer	FORMATS <ul style="list-style-type: none"> Custom content Social amplification Event activation
Print	FORMATS <ul style="list-style-type: none"> Half-page 4-color



Prototypical Plan Summary



Reach and Frequency

Adults age 25-54
(Avg 4-week)

78%
15.9x

TV+	Print	OOH	Digital / Social / Search	Influencer	Total
\$54,800,000	\$600,000	\$1,600,000	\$6,000,000	\$2,000,000	\$65,000,000*



Budgets may fluctuate based on priorities and market conditions.

*Reflects net working media only; doesn't include any agency commission.

Prototypical Plan Summary (by Market)

Bakersfield	\$1,700,000
Chico / Redding	\$1,000,000
Eureka	\$1,000,000
Fresno / Visalia	\$2,500,000
Los Angeles	\$25,500,000
Monterey / Salinas	\$1,900,000
Palm Springs	\$1,200,000
Sacramento / Stockton / Modesto	\$5,900,000
San Diego	\$8,200,000
San Francisco / Oakland / San Jose	\$13,400,000
Santa Barbara / Santa Maria / San Luis Obispo	\$1,700,000
Yuma / El Centro	\$1,000,000
Total	\$65,000,000*

Market costs are by Nielsen DMA for 2018 — 2021; spend will be finalized as each market is individually planned after prototypical plans are implemented. Budgets may fluctuate based on priorities and market conditions.



Prototypical Flowchart

2018

2019

2020

2021

	Q1			Q2			Q3			Q4			Yearly Spend	Campaign Spend
	JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEP	OCT	NOV	DEC		
EUC Y2				EUC Y2										
Vision Statewide										Vision Statewide				
TV+										SMUD	---	---	\$6.1M	
Digital/ Search/ Social													\$4.6M	
Custom/ Influencer													\$515k	
Print													\$667k	
OOH													\$110k	
													\$200k	
EUC Y2 Y3	EUC Y2			EUC Y3										
Vision Statewide										Vision Statewide				
Peak Shifting	SMUD							SDG&E	SDG&E	SDG&E	SDG&E	SDG&E		
								Includes Vision + Peak Shifting						\$22.1M
TV+													\$18.9M	
Digital/ Search/ Social													\$2.3M	
Custom/ Influencer													\$667k	
Print													\$220k	
OOH								SDG&E					\$60k	
Vision Statewide										Vision Statewide				
Peak Shifting										SCE	SCE	SCE		
Peak Shifting										PG&E	PG&E	PG&E		
										Includes Vision + Peak Shifting			\$24.6M	
TV+													\$20.1M	
Digital/ Search/ Social													\$2.3M	
Custom/ Influencer													\$667k	
Print													\$160k	
OOH										SCE PG&E			1.4M	
Vision Statewide										Vision Statewide				
Peak Shifting										Statewide				
										SCE	SCE			
										PG&E	PG&E	PG&E		
										Includes Vision + Peak Shifting			\$12.2M	
TV+													\$11.1M	
Digital/ Search/ Social													\$1.0M	
Print													\$55k	

Media channel mix / weight levels / individual market timing will be planned for each market individually after prototypical plans. Budgets may fluctuate based on priorities and market conditions.

DDB Group

DDB[®]



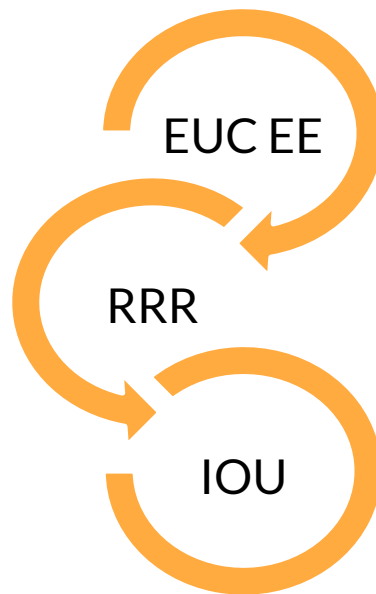
A Robust Learning Calendar

Our “Always On” Approach to Learning

Our robust learning platform

will inform ongoing optimizations and updates to the media recommendation.

Optimizations will include performance as well as efficiency-based updates.



Defining Success

We'll align our final media recommendation to deliver against **specific success metrics**.

We will then work with Marketing Sciences to track our progress and make any necessary course corrections.



EXAMPLE – Q4 2018

Timing	Component
October	Statewide Vision Messaging Launches Preliminary campaign insights Monthly digital reporting*
November	Statewide Vision Messaging Continues Monthly digital reporting* Campaign optimizations
December	Statewide Vision Messaging Continues Monthly digital reporting* Campaign optimizations Q4 learnings for Q1 2019

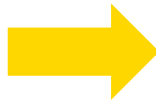
*Audience Insights, Media Partner and Tactics Performance



A Robust Learning Calendar

Efficiency Synergies

Our combined EUC/RRR media approach results in significant savings in both resourcing and brand/category knowledge



- ✓ Same team driving the work
- ✓ Greater agility for speed to market
- ✓ Builds on EUC learnings across several dimensions: campaigns, targets, market dynamics, clients, category
- ✓ Holistic campaign learning



Next Steps

Provide finalized media recommendations by individual market mid-June 2018.



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12. Appendix

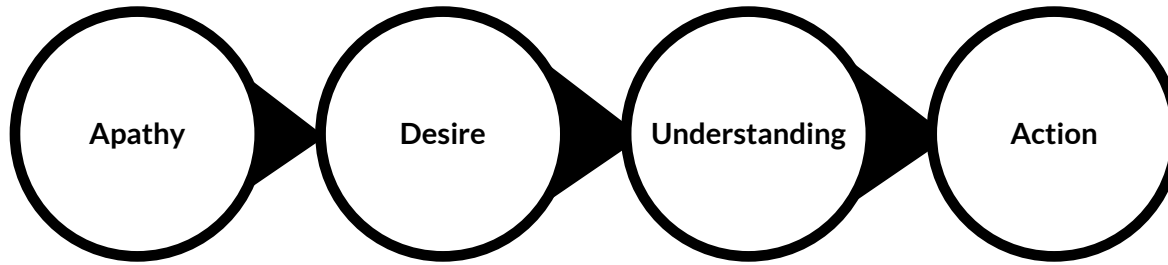
Eight:

Community-Based Organizations

Campaign Objectives

Our collective ask is to move unengaged Californians from apathy to action.

Give Californians context and a reason to care about TOU in order to move them from apathy to meaningful long-term action.



Partnering with CBOs

Community-based organizations (CBOs) are the lifeblood of any community.

- CBOs (from local churches to youth organizations to environmental groups) serve as the connectors within every geography to provide the public with valuable information and services.
- Not only do they act as a conduit to the public writ large, but specialized CBOs are able to reach niche audiences who are otherwise hard to reach
- Statewide program is focusing on the following hard-to-reach populations:
 - Low-Income
 - People with Disabilities
 - Multicultural
 - Seniors
- “Network of Networks” (Greenberg 267) plays an important role in creating an ongoing dialogue with the community and serves to provide informal, real-time information regarding default TOU.

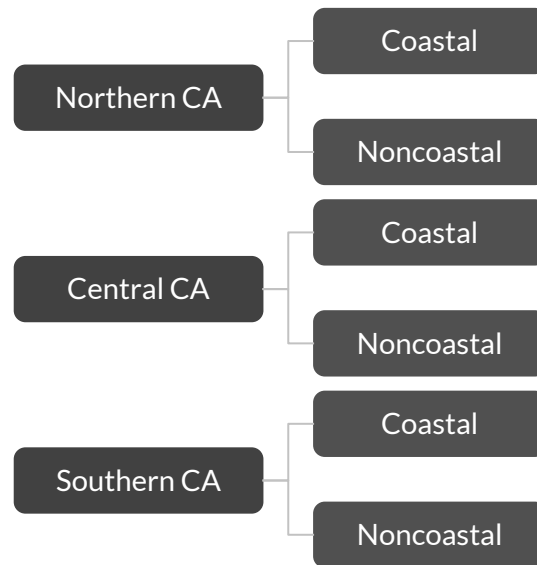
DDB’s goal is to optimally balance available state resources with the priorities and abilities of each CBO in order to operationalize how to work together and effectively educate hard-to-reach audiences.

Non-SW Tactics: Interview CBOs

(Deliverable 1)

Interview CBOs (environmental, culturally influenced, low-income, minority outreach and faith-based communities) to understand their alignment with the mission of the statewide TOU program and determine if they (as a representative class) have the profile to work with the statewide program.

- Through DDB's previous EUC work, DDB knows there is a gap in understanding and misconceptions surrounding TOU.
- Other studies have provided contradictory findings (e.g., statewide vs. regional vs. local); therefore, DDB has conducted research to develop a point of view.
- DDB has divided the state into three regions: Northern, Southern and Central California, which are then divided into coastal and noncoastal sections. As TOU has a greater effect on hot climate regions, the noncoastal areas of the state will likely be a priority for CBO outreach.



Non-SW Tactics: Interview CBOs (cont'd)

(Deliverable 1)

Conduct outreach to determine CBOs whose mission and outreach capabilities align with the state's program.

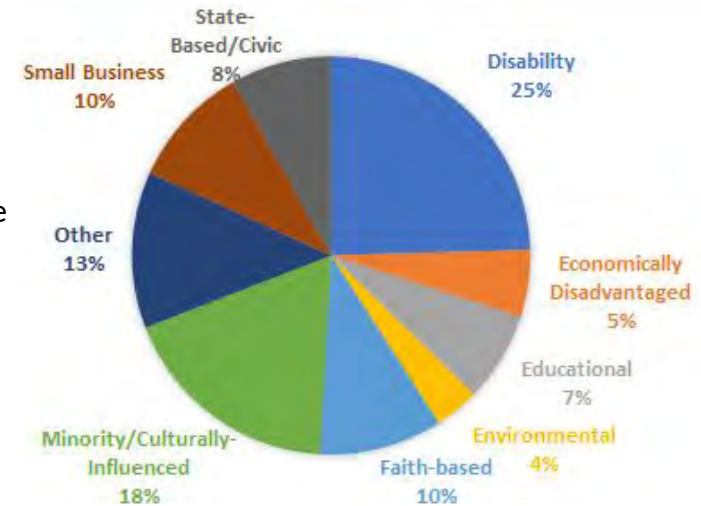
- DDB compiled a list of CBOs that serve local populations in these regions and engaged them in a survey to test the best way to serve the statewide program's needs.
- DDB gauged their level of:
 - Awareness of TOU
 - Understanding of TOU
 - Education of their membership about energy issues
 - Education (or planned education) about TOU
 - Educational communications methods and frequency

Non-SW Tactics: Assess Hyperlocal Outreach Approach

(Deliverable 1)

Based on these survey findings, DDB found that:

- 2,886 = Universe of CBOs
- 339 = Engaged with effort
- 105 = Completed full survey
- 79 = Have potential to engage on TOU
- Out of the 339 CBOs who engaged with us but did not complete the survey:
 - 86 = CBOs will not share energy information because:
 - *"It is far removed from our primary mission"*
 - *"Lack of resources and funding"*
 - *"Competing resources"*
 - *"Out of scope with what we do; we focus on feeding economically disadvantaged people"*
 - *"Unrelated to what we do; we work with water issues only"*
 - 178 = did not complete survey, but indicated interest in our issue



Non-SW Tactics: Assess Outreach Approach

(Deliverable 1)

01	Do you know about TOU?	<ul style="list-style-type: none">• Nearly 62% of regional CBOs had some knowledge of TOU• Only 30% of statewide CBOs had some knowledge of TOU
02	How did you hear about TOU?	<ul style="list-style-type: none">• 53% of CBOs indicated they couldn't recall how they heard about TOU
03	Do you communicate or have you communicated with your members about energy topics?	<ul style="list-style-type: none">• 67% of regional CBOs have/do• 51% of local CBOs have/do• 21% of statewide CBOs have/do

Non-SW Tactics: Assess Outreach Approach (cont'd)

(Deliverable 1)

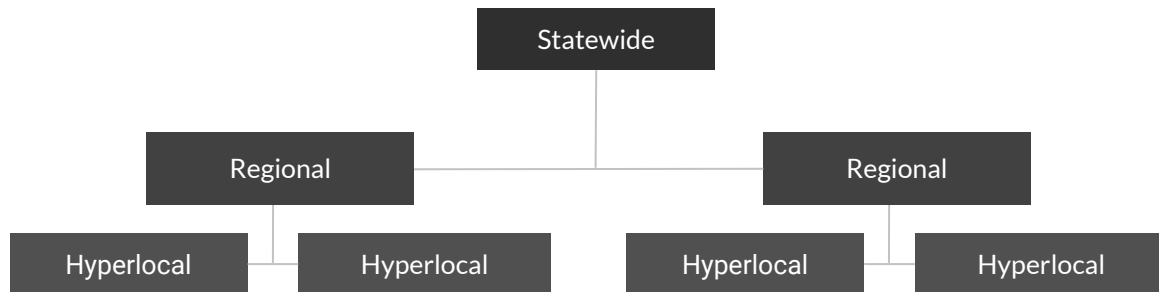
04	What are the main channels used to share information?	<ul style="list-style-type: none">• #1 Channel: email• #2 Channel: in-person• #3 Channel: social media
05	Are you currently a member of Energy Upgrade California?	<ul style="list-style-type: none">• 50% of regional CBOs are EUC members• Only 36% of statewide CBOs are EUC members• 2% of local CBOs are EUC members
06	Are you willing to engage your network on TOU?	<ul style="list-style-type: none">• 82% of regional and statewide CBOs were willing to engage their networks about TOU• 58% of local CBOs were willing to engage their networks

Non-SW Tactics: Initial Findings

(Deliverable 1)

- Statewide groups provide credibility / air cover to the campaign.
- Hyperlocal groups have such defined priorities and are stretched so thin for resources, it's hard for them to engage in a meaningful way on the campaign.
- Regional groups have a broad enough mission and a robust enough infrastructure to be the most effective partners for the campaign.

Therefore, most of DDB's work will be done at the regional level.



Non-SW Tactics: Align Resources with Needs

(Deliverable 2)

Development of In-Kind Resources:

Create materials that will be most useful for DDB to facilitate regional engagements and in turn have CBOs share information with their members and local groups/constituents:

- Fact sheet
- Slide deck
- Talking points
- Door hangers
- Social media
- Mobile CBO tactic
- Languages (Spanish, English, Chinese, Vietnamese and Korean)

Non-SW Tactics: Align Resources with Needs (cont'd)

(Deliverable 2)

Funding

- The statewide campaign has \$2M earmarked to deliver to CBOs to assist them in effectively/efficiently reach the state's TOU hard-to-reach audiences
- Our recommendation is to develop an RFP process that will encourage CBOs who engage with our key populations to participate in the statewide campaign.
- The ideal CBO would have the following profile:
 - Reach a broad geographic and regional market footprint
 - Serve at least one of our CBO audiences
 - Reach, at minimum, 5,000 Californians over a 6-month period*
 - Track and provide reports on their work

*8 Million Californians fall within the People with Disabilities/Low Income "Hard to Reach" subsection

Non-SW Tactics: Ground-Level Plan

(Deliverable 2)

DDB will have:

- Identified all of the regional CBOs that the statewide campaign will partner with
- Secured commitments from statewide groups
- Deconflicted with IOUs on a regional basis
- Developed materials to go into market
- Coordinated with marketing and public relations channels to ensure lockstep of message
- Built a campaign cadence

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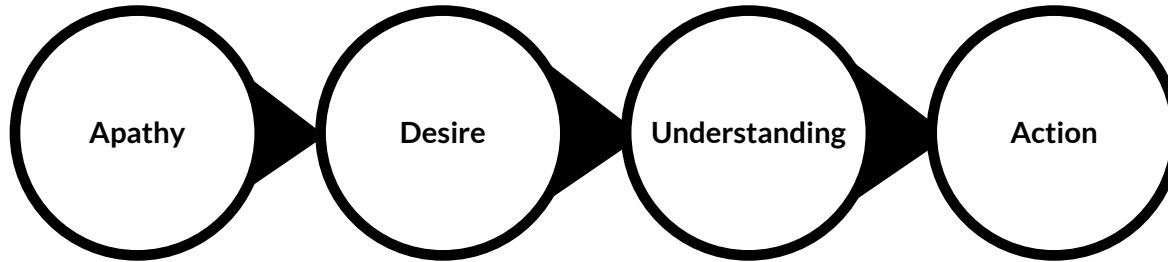
Nine:

Public Relations

Campaign Objectives

Our collective ask is to move unengaged Californians from apathy to action.

Give Californians context and a reason to care about TOU in order to move them from apathy to meaningful long-term action.



Role of PR

- Expands on overall EUC messaging and paid media to deepen understanding of how peak-shifting helps Californians increase their use of renewable energy
- Drives earned media coverage by increasing relevance of EUC to broader conversations in the news and the creation of specific moments-in-time to spotlight campaign events and milestones
- Provides the opportunity to tailor EUC messaging for specific regions and segments of the EUC target audience through the deployment of a range of story angles, voices and communication touchpoints

PR Snapshot of Market Rollout

Vision (Major Media Markets in California)									
Earned Media: Editorial Board Meetings ♦ Meteorologist Roundtable ♦ Ongoing News Bureau									
Events: Annual EUC Event									
Thought Leadership: Speaking Opportunities ♦ EUC Report Card									
90 Days	60 Days	30 Days	D E F A U L T	30 Days	60 Days	90 Days	6 Months	12 Months	
Behavioral Pre-Default (Regional Media Markets in California)				Behavioral Post-Default (Regional Media Markets in California)					
Earned Media • Regional deskside meetings	Earned Media • Regional op-eds by CBOs Events • Community events (toolkit)	Earned Media • Regional news bureau Influencer • Micro-influencer program Events • Community events (toolkit)		Earned Media • Regional op-eds by CBOs • Regional news bureau	Earned Media • Regional news bureau Influencer • Micro-influencer program Events • Community events (toolkit) Thought Leadership • Speaking opportunities	Earned Media • Regional news bureau Thought Leadership • Speaking opportunities	Earned Media • Regional news bureau Thought Leadership • Speaking opportunities	Earned Media • Regional news bureau Thought Leadership • Speaking opportunities	Earned Media • Regional news bureau Events • Community events (toolkit) Thought Leadership • Speaking opportunities

PR Strategies

Earned Media

- Ongoing media relations to educate and secure coverage for the campaign
- Proactive monitoring and coordination of responses to public questions and concerns raised on traditional and social media

Events

- Direct engagement and touchpoint with consumers to educate and raise awareness about campaign

Influencer

- Engage with micro-influencers to tailor campaign messages and events for specific regions and audience segments

Thought Leadership

- Leverage CPUC spokespeople and partners as the voices of the campaign in speaking engagements and with media



Earned Media Targets

Statewide PR Efforts

Print, broadcast and online media outlets in California's Major Media Markets.

- Los Angeles
- Sacramento
- San Diego
- San Francisco

Los Angeles Times

104.3MYfm

San Francisco Chronicle



THE SACRAMENTO BEE



The San Diego
Union-Tribune

760 KFMF
TALK RADIO

Regional PR Efforts

Print, broadcast and online media outlets in California's Regional Media Markets.

- *Markets covering PG&E territories:* Bakersfield, Chico/Redding, Eureka, Fresno/Visalia, Monterey/Salinas, Sacramento/Stockton/Modesto, San Francisco/Oakland/San Jose
- *Markets covering SCE territories:* Los Angeles, Santa Barbara/Santa Maria/San Luis Obispo
- *Market covering SDG&E territories:* San Diego



San Jose
Mercury News

The Fresno Bee

ORANGE COUNTY
REGISTER



K-LOVE
107.5



PR Vision Overview

90 Days	60 Days	30 Days	DEFAULT	30 Days	60 Days	90 Days	6 Months	12 Months
Vision (Major Media Markets in California)								
Earned Media: Editorial Board Meetings ♦ Meteorologist Roundtable ♦ Ongoing News Bureau Events: Annual EUC Event Thought Leadership: Speaking Opportunities ♦ EUC Report Card								



PR Vision Strategies & Tactics

Earned Media

Editorial Board Meetings

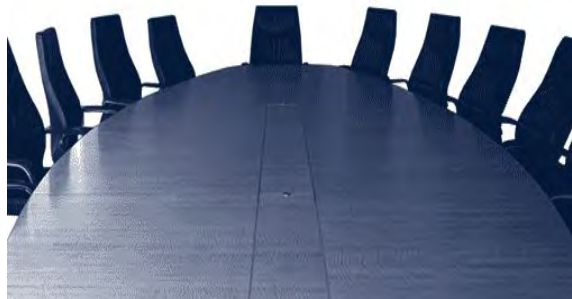
- Brief media editorial boards in CA major markets on EUC mission, goals and activities.
- Build media relationships to generate interest and identify EUC story opportunities.

Meteorologist Roundtable

- Brief meteorologists in CA major media markets on benefits of peak-shifting on use of renewable energy.
- Encourage sharing of EUC behavior tips relevant to topics covered in weather reporting (e.g., tips related to seasonal changes or moments when energy use is top-of-mind).

Ongoing News Bureau

- Conduct proactive and opportunistic media outreach in CA major markets to drive EUC coverage.
- Develop broad range of EUC story angles to increase relevance for multiple news subjects (energy, environment, home improvement, lifestyle, etc.).
- Position EUC as the go-to resource for media outlets on thoughtful energy management and energy-efficient behaviors, with a focus on peak-shifting behaviors to use renewable energy.



PR Vision Strategies & Tactics (cont'd)

Events

Annual EUC Event

- Rally Californians across the state through a unifying EUC event.
- Develop annual themes to evolve the public's understanding and participation in behaviors and choices available to help Californians use renewable energy.
- Engage influential and diverse voices to share stories of campaign progress, milestones and benefits experienced by Californians as a result of peak-shifting behaviors.
- Provide a toolkit to help regional IOU and CBO partners extend the event's footprint in their communities.

Thought Leadership

Speaking Opportunities

- Position CPUC spokespeople and partners as EUC voices at statewide and regional events to shape dialogue about California energy leadership and thoughtful energy management behaviors.
- Events may include panel discussions at industry conferences, influencer salons, speaking opportunities at relevant lifestyle and small-business events, etc.



PR Behavioral Overview

90 Days	60 Days	30 Days	D E F A U L T	30 Days	60 Days	90 Days	6 Months	12 Months	
Behavioral Pre-Default (Regional Media Markets in California)				Behavioral Post-Default (Regional Media Markets in California)					
Earned Media <ul style="list-style-type: none">Regional deskside meetings	Earned Media <ul style="list-style-type: none">Regional op-eds by CBOs Events <ul style="list-style-type: none">Community events (toolkit)	Earned Media <ul style="list-style-type: none">Regional news bureau Influencer <ul style="list-style-type: none">Micro-influencer program Events <ul style="list-style-type: none">Community events (toolkit)		Earned Media <ul style="list-style-type: none">Regional op-eds by CBOsRegional news bureau	Earned Media <ul style="list-style-type: none">Regional news bureau Influencer <ul style="list-style-type: none">Micro-influencer program Events <ul style="list-style-type: none">Community events (toolkit) Thought Leadership <ul style="list-style-type: none">Speaking opportunities	Earned Media <ul style="list-style-type: none">Regional news bureau Thought Leadership <ul style="list-style-type: none">Speaking opportunities	Earned Media <ul style="list-style-type: none">Regional news bureau Thought Leadership <ul style="list-style-type: none">Speaking opportunities	Earned Media <ul style="list-style-type: none">Regional news bureau Events <ul style="list-style-type: none">Community events (toolkit) Thought Leadership <ul style="list-style-type: none">Speaking opportunities	

PR Behavioral Strategies & Tactics

Earned Media

Regional Deskside Meetings

- Brief key reporters at regional media outlets on the EUC campaign to shape editorial development and potential story opportunities.



Regional Op-Eds by CBOs

- Leverage CBO partner voices with regional media outlets to enhance EUC connection with local regions or specific audience segments.



Regional Ongoing News Bureau

- Conduct proactive and opportunistic outreach to print, broadcast and online outlets in regional media markets to create a steady drumbeat of EUC story opportunities that focus on adoption of and sustained participation in peak-shifting energy behaviors.



PR Behavioral Strategies & Tactics (cont'd)

Influencer Outreach

Micro-Influencer Program

- Engage influencers with active followings in regions or among specific audience segments to connect these communities with the statewide energy vision.
- Tap niche focus areas of influencers to tailor and vary messaging about peak-shifting behaviors and thoughtful energy management.



Events

Community Event Toolkit

- Create digital, turnkey EUC-branded toolkit that allows for partners to co-brand and customize content to educate and engage Californians at community events (e.g., community days, holiday celebrations, etc.)



Thought Leadership

Speaking Opportunities

- Place EUC spokespeople and partners at regional events and gatherings (e.g., town halls) to shape dialogue about energy leadership and thoughtful energy management behaviors.



PR Snapshot of Market Rollout

Vision (Major Media Markets in California)

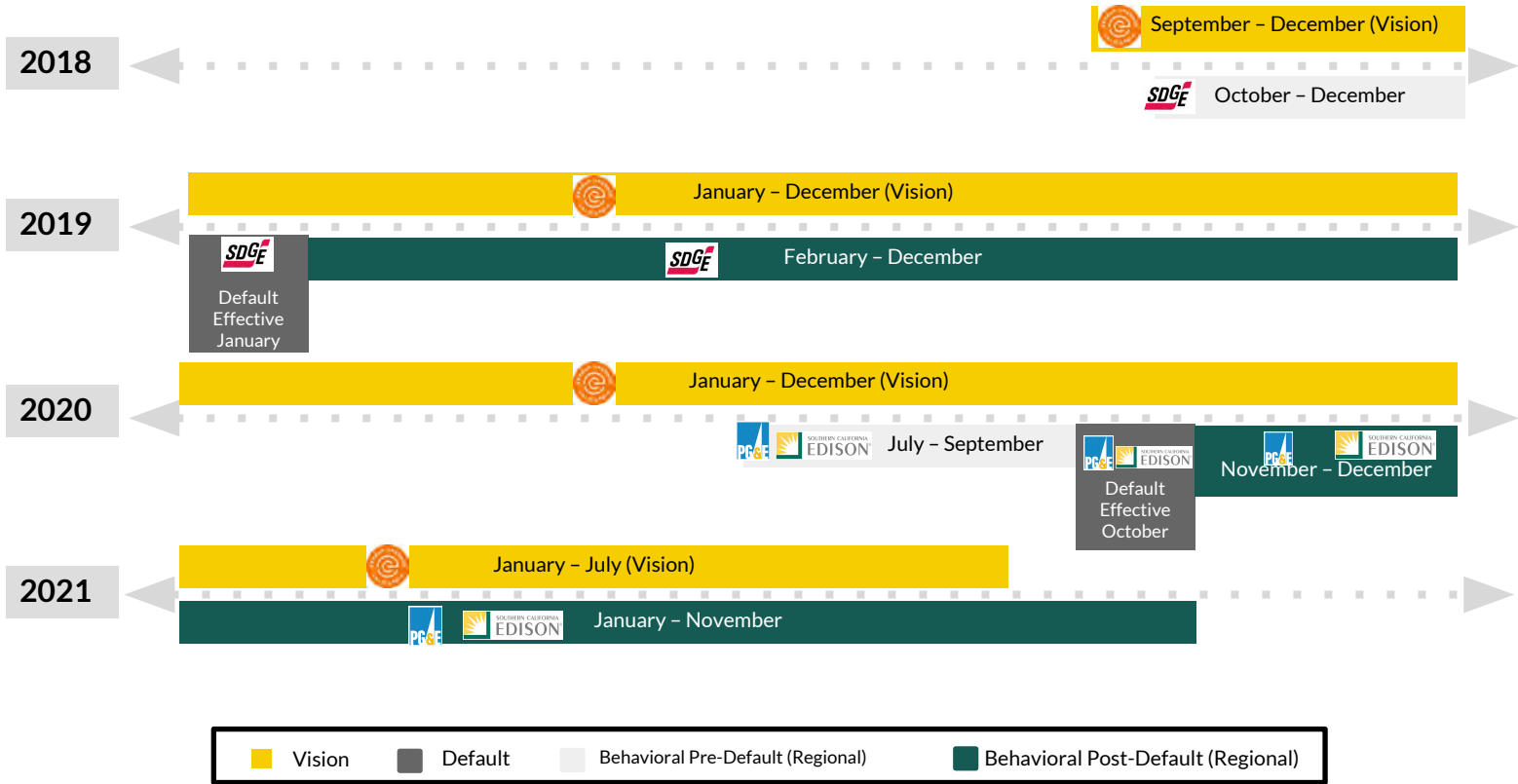
Earned Media: Editorial Board Meetings ♦ Meteorologist Roundtable ♦ Ongoing News Bureau

Events: Annual EUC Event

Thought Leadership: Speaking Opportunities ♦ EUC Report Card

90 Days	60 Days	30 Days		30 Days	60 Days	90 Days	6 Months	12 Months
Behavioral Pre-Default (Regional Media Markets in California)			D E F A U L T	Behavioral Post-Default (Regional Media Markets in California)				
Earned Media <ul style="list-style-type: none"> Regional deskside meetings 	Earned Media <ul style="list-style-type: none"> Regional op-eds by CBOs Events <ul style="list-style-type: none"> Community events (toolkit) 	Earned Media <ul style="list-style-type: none"> Regional news bureau Influencer <ul style="list-style-type: none"> Micro-influencer program Events <ul style="list-style-type: none"> Community events (toolkit) 		Earned Media <ul style="list-style-type: none"> Regional op-eds by CBOs Regional news bureau 	Earned Media <ul style="list-style-type: none"> Regional news bureau Influencer <ul style="list-style-type: none"> Micro-influencer program Events <ul style="list-style-type: none"> Community events (toolkit) Thought Leadership <ul style="list-style-type: none"> Speaking opportunities 	Earned Media <ul style="list-style-type: none"> Regional news bureau Thought Leadership <ul style="list-style-type: none"> Speaking opportunities 	Earned Media <ul style="list-style-type: none"> Regional news bureau Thought Leadership <ul style="list-style-type: none"> Speaking opportunities 	Earned Media <ul style="list-style-type: none"> Regional news bureau Events <ul style="list-style-type: none"> Community events (toolkit) Thought Leadership <ul style="list-style-type: none"> Speaking opportunities

PR Overview of IOU Rollout



Next Steps

- EUC will conduct meetings with IOUs to coordinate earned media, events, influencer and thought leadership tactics to identify areas of potential overlap and opportunities to collaborate.
- EUC and IOUs will develop a joint response process to manage potential questions and concerns from the media and the public that are identified through monitoring conducted by EUC.

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1. Campaign Objectives
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Ten: Measurement Plan

Measurement Approach

Summary

An existing ME&O measurement plan of shared and independent vision metrics has been defined and aligned upon. Derived from these measures, a pre-campaign benchmark study has been fielded to provide a preliminary view of current consumer perceptions and test “consumer friendly” interpretations of the outlined metrics.

This study — surveying a sample of +200 Californians representing our state’s socio-economic, cultural and regional diversity — aims to provide the to-be-determined campaign evaluator, an initial understanding of Californians’ involvement with the energy system and understanding of TOU.

Subsequently, the assigned campaign evaluator will be tasked with executing a more robust benchmarking and goal setting study to set efficacy goals for the statewide RRR/TOU campaign — targets of which will gain greater clarity as the default rollout timing is decided and the subsequent media plan is developed.


Measurement Plan


Benchmarks and target goals will derive from the agreed-upon vision metrics.

Focus	Vision Metrics	Responsible Party	Submetrics That Contribute to the Vision Metrics
Engagement	% of Californians who feel a personal connection to electricity and feel strongly that it is important to be thoughtful about when and how much they use	Statewide	% of customers who strongly agree that they have a personal connection with their electricity use
		Statewide	% of customers who agree that it is important to thoughtfully manage their electricity use
		Statewide	% of customers who strongly agree that how much electricity they use at certain times of day matters
Rate Choice	% of IOU customers who are at the “right rate” for them	IOUs	% of customers who are aware that they have rate choices
		IOUs	% of nonexempt customers (as defined by Commission Decision) who remain on the TOU rate 15 months after default (3 months after bill protection ends)
		IOUs	% of customers who are satisfied with their rate
Action	% of IOU customers on TOU rates who sustain at least one significant peak-load reduction action for 12 months after defaulting to the TOU rate	IOUs/ Statewide	% of customers who are motivated to reduce peak-load use
		IOUs/ Statewide	% of customers who indicated they will take peak-load reduction actions in the future
		IOUs/ Statewide	% of customers who cite significant peak-load — reducing behaviors

Preliminary Benchmark Study

The preliminary benchmark study explored alternative articulations of the “personal connection” “peak-load shifting” metrics and found consistent responses across Engagement and Action metrics — a strong sign of question clarity.

 Energy Upgrade California Rate Reform Benchmark - Vision Metrics		Benchmark
Base		203
Engagement		
I care about my daily electricity usage		
Strongly agree		61%
Somewhat agree		30%
It is important to find new ways to manage my electricity usage at home		
Strongly agree		54%
Somewhat agree		33%
The amount of electricity I use at certain times of the day matters		
Strongly agree		46%
Somewhat agree		33%
The certain times of the day I use electricity matters		
Strongly agree		44%
Somewhat agree		33%

 Energy Upgrade California Rate Reform Benchmark - Vision Metrics		Benchmark
Base		203
Action		
I understand the benefits of reducing or shifting my electricity usage from late afternoon and evening to other times of day		
Strongly agree		43%
Somewhat agree		32%
I am interested in reducing or shifting my electricity usage from late afternoon and evening to other times of day		
Strongly agree		40%
Somewhat agree		32%
I intend to reduce or shift my electricity usage from the late afternoon and evening to other times of day		
Strongly agree		35%
Somewhat agree		30%
I have taken actions to reduce or shift my electricity usage from the late afternoon and evening to other times of day		
Strongly agree		36%
Somewhat agree		33%

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Eleven:

Monthly Budget Forecast

Timeline

Deliverables

Monthly Budget Forecast

High-level Breakout of Agency Fee vs. Out-of-Pocket Hard Costs for 2018

DDB - Rate Reform forecast as of 4/16/2018

PO Number	PO Type	Jan-18	Feb-18	Mar-18	Apr-18	May-18	Jun-18	Jul-18	Aug-18	Sep-18	Oct-18	Nov-18	Dec-18	2018 Total
2501482836	Fee	44,675	8,340	377,245	1,015,992	583,364	583,364	650,789	625,919	625,919	375,919	691,279	691,279	6,274,084
2501488400	OOP	189,688	0	7,000	178,229	241,274	266,274	1,479,949	1,286,274	1,341,274	359,949	666,479	666,479	6,682,870
total		234,363	8,340	384,245	1,194,221	824,638	849,638	2,130,738	1,912,193	1,967,193	735,868	1,357,758	1,357,758	12,956,954

PO Number	PO Type	Jan-19	Feb-19	Mar-19	Apr-19	May-19	Jun-19	Jul-19	Aug-19	Sep-19	Oct-19	Nov-19	Dec-19	2019 Total
2501482836	Fee	691,279	691,279	691,279	691,279	691,279	691,279	691,279	691,279	691,279	601,343	601,343	601,343	8,025,540
2501488400	OOP	855,154	666,479	666,479	760,154	666,479	666,479	760,154	666,479	666,479	760,154	666,479	666,479	8,467,443
total		1,546,433	1,357,758	1,357,758	1,451,433	1,357,758	1,357,758	1,451,433	1,357,758	1,357,758	1,361,497	1,267,822	1,267,822	16,492,983

PO Type	Approved total budget	Projected total budget	Projected savings
fee	14,296,843	14,299,624	-2,781
OOP	17,397,400	15,150,313	2,247,087
total	31,694,243	29,449,937	2,244,306

Savings are based on current knowledge. Circumstances may change and impact the overall budget. We recommend retaining/tracking savings in escrow until we have additional clarity later in the project.

High-Level 2018 Timeline – Launch Phase

	Apr	May	Jun	Jul	Aug	Sept	Oct	Nov	Dec
Strategy	Blueprint Due			Concept Testing + Optimizations					
Creative Development		Year 1 Vision / Peak-Shifting Creative Development + Approval							
Media	Prototypical Plan + Proposed Budgets Due		Final Plan + Flowcharts						
Production					Pre / Shoot / Post			LIVE	

Estimated Deliverables (Vision, 1/2)

VISION				
Deliverable	Region(s)	Language(s)	Total	Notes
TVC :60	N/A	English; Spanish	2 x language (2) x year (3) Total = 12	**Will also be used for cinema
TV :30	N/A	English; Spanish	2 x language (2) x year (3) Total = 12	
Terrestrial Radio :60	N/A	English; Spanish	1 x language (2) x year (3) Total = 6	
Terrestrial Radio :30	N/A	English; Spanish	1 x language (2) x year (3) Total = 6	
Pandora Radio :30	N/A	English; Spanish	1 x language (2) x year (3) Total = 6	
Pandora Radio :15	N/A	English; Spanish	1 x language (2) x year (3) Total = 6	
Out of Home	N/A	English	8 - 12 x year (3) Low Total = 24 High Total = 36	Assets include: full bus wraps; freeway bulletins; custom-painted mural (could be influencer tie-in); cable car exteriors (SF only); station domination (SF only); wallscapes/spectaculars

Estimated Deliverables (Vision, 2/2)

VISION				
Deliverable	Region(s)	Language(s)	Total	Notes
Mobile Display	N/A	English; Spanish	3 x language (2) x year (3) x dimensions (2) Total = 36	300 x 250 and 300 x 50
Digital :15 Video	N/A	English; Spanish; Vietnamese; Korean; traditional Chinese	5 x language (5) x year (3) Total = 75	
Digital :06 Video	N/A	English; Spanish; Vietnamese; Korean; traditional Chinese	5 x language (5) x year (3) Total = 75	
Social Organic	N/A	English	60 x year (3) Total = 180	
Social Paid: :06 Cutdown	N/A	English; Spanish	1 x language (2) x year (3) Total = 6	
Search		N/A	Text ads to support the keyword list purchased	
Custom/Influencer	N/A	N/A	4 x year (3) Total = 12	
Event Collateral	N/A	N/A	Will include branded giveaways, signage, collateral, etc.	
Print	N/A	English; Spanish; Vietnamese; Korean; traditional Chinese	8 - 12 x language (5) x year (3) Low Total = 120 High Total = 180	

Estimated Deliverables (TOU, 1/3)

TOU				
Deliverable	Region(s)	Language(s)	Total	Notes
TV :60	Northern CA Coastal; Northern CA Non-Coastal Southern CA Coastal; Southern CA Non-Coastal Central CA Coastal; Central CA Non-Coastal	English; Spanish	2 x language (2) x region (6) Total = 24	
TV :30	Northern CA Coastal; Northern CA Non-Coastal Southern CA Coastal; Southern CA Non-Coastal Central CA Coastal; Central CA Non-Coastal	English; Spanish	2 x language (2) x region (6) Total = 24	
Terrestrial Radio :60	Northern CA Coastal; Northern CA Non-Coastal Southern CA Coastal; Southern CA Non-Coastal Central CA Coastal; Central CA Non-Coastal	English; Spanish	1 x language (2) x region (6) Total = 12	
Terrestrial Radio :30	Northern CA Coastal; Northern CA Non-Coastal Southern CA Coastal; Southern CA Non-Coastal Central CA Coastal; Central CA Non-Coastal	English; Spanish	1 x language (2) x region (6) Total = 12	
Pandora Radio :30	Northern CA Coastal; Northern CA Non-Coastal Southern CA Coastal; Southern CA Non-Coastal Central CA Coastal; Central CA Non-Coastal	English; Spanish	1 x language (2) x region (6) Total = 12	
Pandora Radio :15	Northern CA Coastal; Northern CA Non-Coastal Southern CA Coastal; Southern CA Non-Coastal Central CA Coastal; Central CA Non-Coastal	English; Spanish	1 x language (2) x region (6) Total = 12	

Estimated Deliverables (TOU, 2/3)

TOU				
Deliverable	Region(s)	Language(s)	Total	Notes
Mobile Display	Northern CA Coastal; Northern CA Non-Coastal Southern CA Coastal; Southern CA Non-Coastal Central CA Coastal; Central CA Non-Coastal	English; Spanish	3 x language (2) x region (6) x dimension (2) Total = 72	300 x 250 and 300 x 50
Out of Home	Northern CA Coastal; Northern CA Non-Coastal Southern CA Coastal; Southern CA Non-Coastal Central CA Coastal; Central CA Non-Coastal	English	4 x region (6) x year (3) Total = 72	Assets include: full bus wraps; freeway bulletins; custom painted mural (could be influencer tie-in); cable car exteriors (SF only); station domination (SF only); wallscapes/spectaculars
Digital :15 Video	Northern CA Coastal; Northern CA Non-Coastal Southern CA Coastal; Southern CA Non-Coastal Central CA Coastal; Central CA Non-Coastal	English; Spanish; Vietnamese; Korean; traditional Chinese	5 x language (5) x region (6) Total = 150	
Digital :06 Video	Northern CA Coastal; Northern CA Non-Coastal Southern CA Coastal; Southern CA Non-Coastal Central CA Coastal; Central CA Non-Coastal	English; Spanish; Vietnamese; Korean; traditional Chinese	5 x language (5) x region (6) Total = 150	
Social Organic	Northern CA Coastal; Northern CA Non-Coastal Southern CA Coastal; Southern CA Non-Coastal Central CA Coastal; Central CA Non-Coastal	English	60 x year (3) Total = 180	
Social Paid: :06 Cutdown	Northern CA Coastal; Northern CA Non-Coastal Southern CA Coastal; Southern CA Non-Coastal Central CA Coastal; Central CA Non-Coastal	English; Spanish	2 x language (2) x region (6) Total = 24	
Search	Northern CA Coastal; Northern CA Non-Coastal Southern CA Coastal; Southern CA Non-Coastal Central CA Coastal; Central CA Non-Coastal	N/A	Text ads to support the keyword list purchased	

Estimated Deliverables (TOU, 3/3)

TOU				
Deliverable	Region(s)	Language(s)	Total	Notes
Custom/Influencer	Northern CA Coastal; Northern CA Non-Coastal Southern CA Coastal; Southern CA Non-Coastal Central CA Coastal; Central CA Non-Coastal	N/A	2 x region (6) x year (3) Total = 36	
Event Collateral	N/A	N/A	Will include informational pieces to support TOU events	
Print	Northern CA Coastal; Northern CA Non-Coastal Southern CA Coastal; Southern CA Non-Coastal Central CA Coastal; Central CA Non-Coastal	English; Spanish; Vietnamese; Korean; traditional Chinese	4 x language (5) x region (6) x year (3) Total = 360	
Print CBO	Specific communities	English; Spanish	15 x year (3) Total = 45	

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Appendix:

Media + CBOs

Case Study #1 – Dual-Track Campaigns



THE CHALLENGE

In fall 2017, shortly before open enrollment for individuals and families, Anthem Blue Cross announced they were pulling out of many California markets, leaving consumers angry and scrambling for 2018 health insurance coverage.

Blue Shield of California needed to reassure consumers and quickly educate them about Blue Shield's long-standing commitment to provide health coverage in every county in California. The open enrollment campaign also launched their latest HMO offering, Trio, whose primary competition is Kaiser Permanente.



THE STRATEGIC SOLUTION

The campaign leveraged two distinct tracks:

Statewide: Preference for Blue Shield

Hyperlocalized: Health insurance options

Social, Streaming Audio, Connected TV, Influencer, Custom Content, Programmatic Digital and Search were the media pillars.

REPORTED MEDIA SPEND: \$1.0M



Foundational Learning

Case Study #2 – Statewide Air Cover



THE CHALLENGE

As California markets were roiled with the loss of Anthem Blue Cross and uncertainty around the future of the Affordable Care Act, Covered California continued its efforts to educate consumers about the state's insurance platform.

The campaign provided statewide air cover to amplify efforts for insurance companies, including Blue Shield of California and Kaiser Permanente, the two biggest remaining insurers in the state.



THE STRATEGIC SOLUTION

Spend was focused on Q4, to support open enrollment for 2018 healthcare plans.

Spot TV accounted for 92% of spend, with over half of TV dollars focused in Q4.

Supported markets included Bakersfield, Chico, Eureka, Fresno, Los Angeles, Monterey/Salinas, Palm Springs, Sacramento, San Diego, San Francisco, Santa Barbara and Yuma/El Centro.

REPORTED MEDIA SPEND: \$33.1M



Case Study #3 – Dual-Track Campaigns



THE CHALLENGE

Authorized by the California Public Utilities Commission, Flex Alert is an education and emergency alert program that keeps Californians informed of how and when to conserve energy when needed.

Flex Alerts are sourced from the California Independent System Operator run by the Federal Energy Regulatory Commission to assist in educating the residents about energy-saving actions they should take to help the state when power use outstrips electricity supply and other challenging grid conditions occur.



THE STRATEGIC SOLUTION

The campaign informs Californians through broad-reaching TV in specific seasons of the year (summer and winter) when energy consumption is top of mind.

REPORTED MEDIA SPEND: \$11.3M
(2014 - 2017)



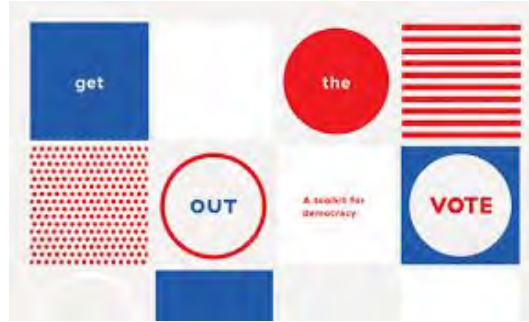
Foundational Learning

Source: Nielsen Ad Intel (September – December 2017)

Case Study #4 – Motivational Campaigns

We also looked at a variety of motivational campaigns, presented as part of EUC Year II planning.

Spend focused on TV also, with the exception of the UNICEF Tap Project.



Case Study #4 – Motivational Campaigns



THE CHALLENGE

The challenge was twofold: to get people to donate to UNICEF in the hopes of providing drinkable water worldwide, and to garner brand awareness for continuing support.

UNICEF's Tap Project was the springboard to become recognizable as a brand to a new, younger generation of donors.



THE STRATEGIC SOLUTION

Aligned with World Water Day to launch their challenge on social media in 2014.
15 minutes without checking your phone =
1 day of water sponsored by corporate partners/donors.

Audiences were urged to share their contribution on social media and challenge friends to donate and volunteer as well.

Used targeted tactics across social media and digital creative spots and a unique web competition page.
Used self-promotion as a tool.

RAISED \$1.6M, 2.6M PARTICIPANTS



Foundational Learning



All Markets Aren't the Same

Two DMAs in Northern California show significant skews in target groups vs. statewide populations.

These target skews will inform our approach to media channels as well as market-specific messaging opportunities.

DMAs with Index of (125)+ vs. Statewide

Total State	California Statewide	Chico	Eureka	Monterey / Salinas	Reno	Sacramento / Stockton	San Francisco
Rational Participants (Segment #1)	16%	(175)	—	—	—	(125)	—
Quiet Advocates (Segment #3)	19%	(126)	—	—	—	—	—
Spirited Promoters (Segment #4)	17%	—	—	—	—	—	—



All Markets Aren't the Same (cont'd)

Southern California also has two DMAs that show significant skews in target groups vs. statewide populations.

Like their Northern California counterparts, these target skews will inform our approach to media channels as well as market-specific messaging opportunities.

DMAs with Index of (125)+ vs. Statewide

Total State	California Statewide	Bakersfield	Fresno	Los Angeles	Palm Springs	San Diego	Santa Barbara / SM / SLO	Yuma / El Centro
Rational Participants (Segment #1)	16%	—	—	—	—	—	(138)	—
Quiet Advocates (Segment #3)	19%	—	—	—	(147)	—	(137)	—
Spirited Promoters (Segment #4)	17%	—	—	—	—	—	—	—



Multicultural GAP Analysis

Market	Total TV HH (General Market)	Hispanic	Asian	African American	Caucasian/Other	Market	Hispanic	Asian	African American	Caucasian/Other
Chico / Redding	188,010	21,940	4,980	2,920	158,170	Chico / Redding	12%	3%	2%	84%
Eureka	58,640	5,030	1,360	910	51,340	Eureka	9%	2%	2%	88%
Yuma / El Centro	109,930	69,050	2,050	2,770	36,060	Yuma / El Centro	63%	2%	3%	33%
Monterey / Salinas	226,630	81,360	12,980	6,010	126,280	Monterey / Salinas	36%	6%	3%	56%
Santa Barbara / Santa Maria / San Luis Obispo	226,940	58,350	10,160	4,790	153,640	Santa Barbara / Santa Maria / San Luis Obispo	26%	4%	2%	68%
San Diego	1,065,700	268,410	113,060	65,600	618,630	San Diego	25%	11%	6%	58%
Fresno / Visalia	573,180	267,430	35,620	27,180	242,950	Fresno / Visalia	47%	6%	5%	42%
Sacramento / Stockton / Modesto	1,379,770	291,950	137,140	105,610	845,070	Sacramento / Stockton / Modesto	21%	10%	8%	61%
San Francisco / Oakland / San Jose	2,488,090	427,430	555,210	185,750	1,319,700	San Francisco / Oakland / San Jose	17%	22%	7%	53%
Bakersfield	223,250	99,740	10,790	13,140	99,580	Bakersfield	45%	5%	6%	45%
Los Angeles	5,476,830	1,933,480	729,850	485,820	2,327,680	Los Angeles	35%	13%	9%	43%
Palm Springs	158,010	56,820	4,230	4,890	92,070	Palm Springs	36%	3%	3%	58%
California	12,174,980	3,580,990	1,617,430	905,390	6,071,170	California	29%	13%	7%	50%



Dialing Up Relevance

Parameter	Target Opportunity	Media and Message Implications
Northern CA	<p>Chico: Strong presence of Rational Participants (175 Index) and Quiet Advocates (126 Index)</p> <p>Sacramento / Stockton: Strong presence of Rational Participants (125 Index)</p>	<p>Channel Mix: Heavier TV (as affordable) Messaging: Step up from actions aware to actions taken</p> <p>Rational Participants: Conservative mindset / risk averse / interested in saving money Quiet Advocates: Motivated by doing good / altruistic / community focused</p>
Southern CA	<p>Palm Springs: Strong presence of Quiet Advocates (147 Index)</p> <p>Santa Barbara / Santa Maria / San Luis Obispo Strong presence of Rational Participants (138 Index) and Quiet Advocates (137 Index)</p>	<p>Channel Mix: Heavier TV (as affordable) Messaging: Step up from actions aware to actions taken</p> <p>Rational Participants: Conservative mindset / risk averse / interested in saving money Quiet Advocates: Motivated by doing good / altruistic / community focused</p>



CBO Audiences: Hard-to-Reach

Low-Income

- Focus on middle-income customers or those who will see the biggest change or burden in their bills.
- Low-income customers and those deemed to experience hardship specific to TOU may not be interchangeable. As a campaign, we need to define and differentiate.

Seniors

- Use partnerships/networks to go to market or engage for events and other face-to-face meetups.
- Access to GIS maps showing coverage areas for populations most impacted and vulnerable to default TOU. Network partner can then use the maps to aid in their targeting and determine how to compensate for gaps.
- The group will identify 3-5 statewide/national nonprofits to be approached to participate in the Network of Networks. These may include the Red Cross, AARP, AAA, Congress of California Seniors, etc.
- Partnerships with healthcare providers and faith-based groups will both allow for greater access to seniors.

People with Disabilities

- Focus on Independent Living Centers and engage people with disabilities through existing programs and training.
- Reach people with disabilities through disability-focused conventions throughout the state.
- The limited resources of disability groups require one-on-one engagement as well.

CBO Audiences: Hard-to-Reach Minorities

Urban Areas

- 91% of the state's households, 91% of Hispanic households, and 97% of both African American and Asian-Pacific Islander households are concentrated in the top five markets: Los Angeles, San Francisco, Sacramento, San Diego and Fresno (Greenberg 769).

Hispanic + Mobile

- Mobile serves as a key source of connectivity within the Hispanic community.
- More likely than average household to have cell phones with Internet (55%) and video (40%) capabilities, and text more than any other race or ethnicity.
- Smartphone penetration of 45%, matches Asian population.
- 3X more likely to have Internet access via mobile device but not have Internet at home (Greenberg 752).

Hot Climates

- PG&E's Central Valley Spanish speakers may be disproportionately impacted by hot weather during the summer months and may generate higher demand. (Greenberg 393).

Greater San Diego

- Has large concentrations of linguistically isolated Spanish speakers.
- Common languages spoken at home other than English and areas with isolated populations of limited-English speakers (Greenberg 392).

CBO Audiences: Hard-to-Reach Renters

Bay Area

- Renters' housing costs and poverty follow similar patterns to homeowners in the Bay Area, indicating an opportunity for regional targeting (Greenberg 400).

Central Valley

- High concentrations of above average cost-of-living in Fresno indicate a need for targeted outreach in this area as well as select rural communities in the Central Valley (Greenberg 402).
- Large transient labor force indicates a need for seasonal outreach.
- There is an emerging technology sector in the northern part of the valley, which has created a new millennial consumer who will need to be addressed.

LA Area

- Greater Los Angeles area has the greatest density of poverty and high housing costs in the state. While much of this occurs in Los Angeles Department of Water and Power's territory, there is significant need in SCE's territory (Greenberg 404).
- As you move farther east toward Inland Empire, faith-based groups, community colleges, and homeowners associations will be increasingly important vehicles for outreach.

Greater San Diego

- San Diego has clear regions where cost of housing is significant relative to income. These select communities should be carefully targeted with outreach (Greenberg 406).