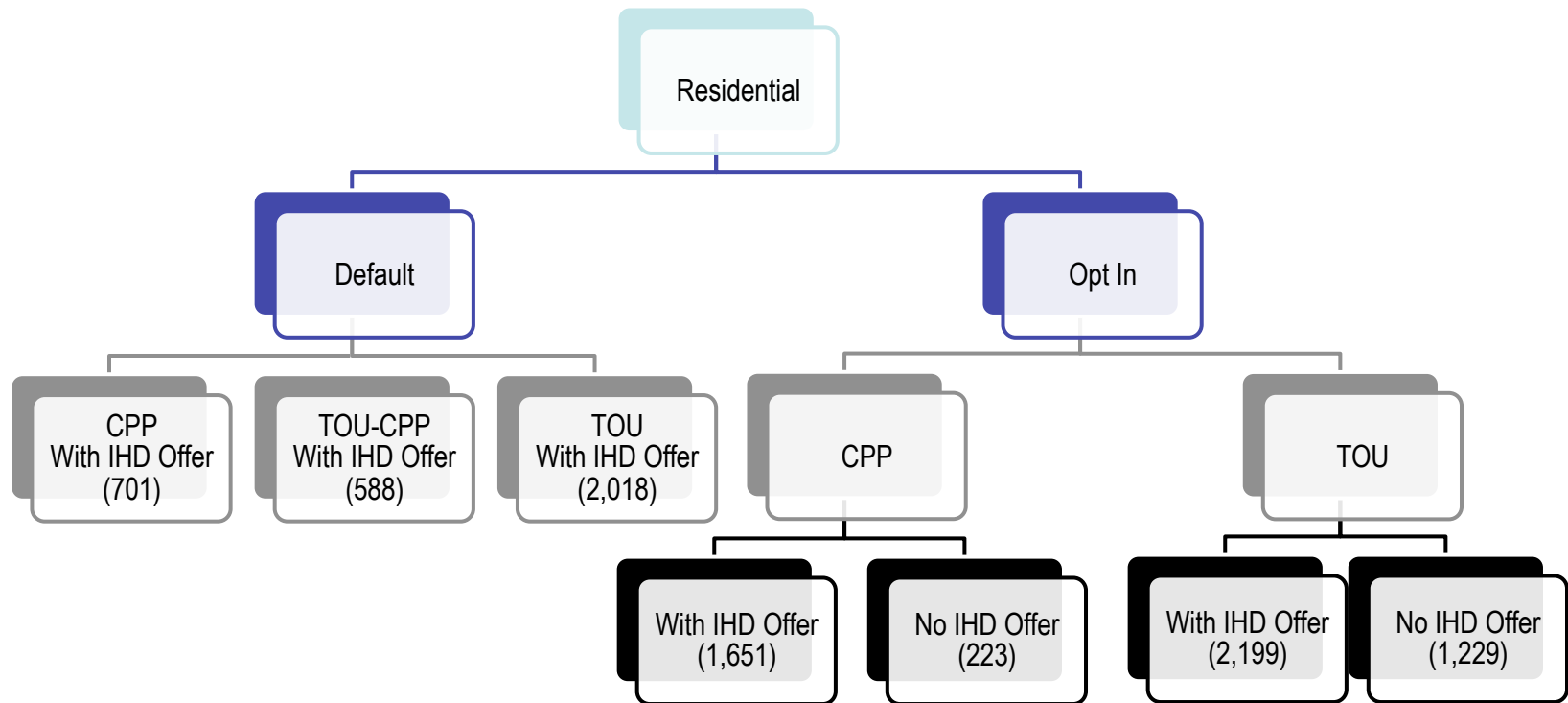


# U.S. Department of Energy Disclaimer

- **Acknowledgement: “This material is based upon work supported by the Department of Energy under Award Number OE000214.”**
- **Disclaimer: “This report was prepared as an account of work sponsored by an agency of the United States Government. Neither the United States Government nor any agency thereof, nor any of their employees, makes any warranty, express or implied, or assumes any legal liability or responsibility for the accuracy, completeness, or usefulness of any information, apparatus, product, or process disclosed, or represents that its use would not infringe privately owned rights. Reference herein to any specific commercial product, process, or service by trade name, trademark, manufacturer, or otherwise does not necessarily constitute or imply its endorsement, recommendation, or favoring by the United States Government or any agency thereof. The views and opinions of authors expressed herein do not necessarily state or reflect those of the United States Government or any agency thereof.”**

# Key features of SPO pilot & enrollment



Total enrollment, including deferred groups = 12,027;

Total # of customers receiving offers, including deferred groups = 53,798

Total # of customers in SPO, including controls = 99,661

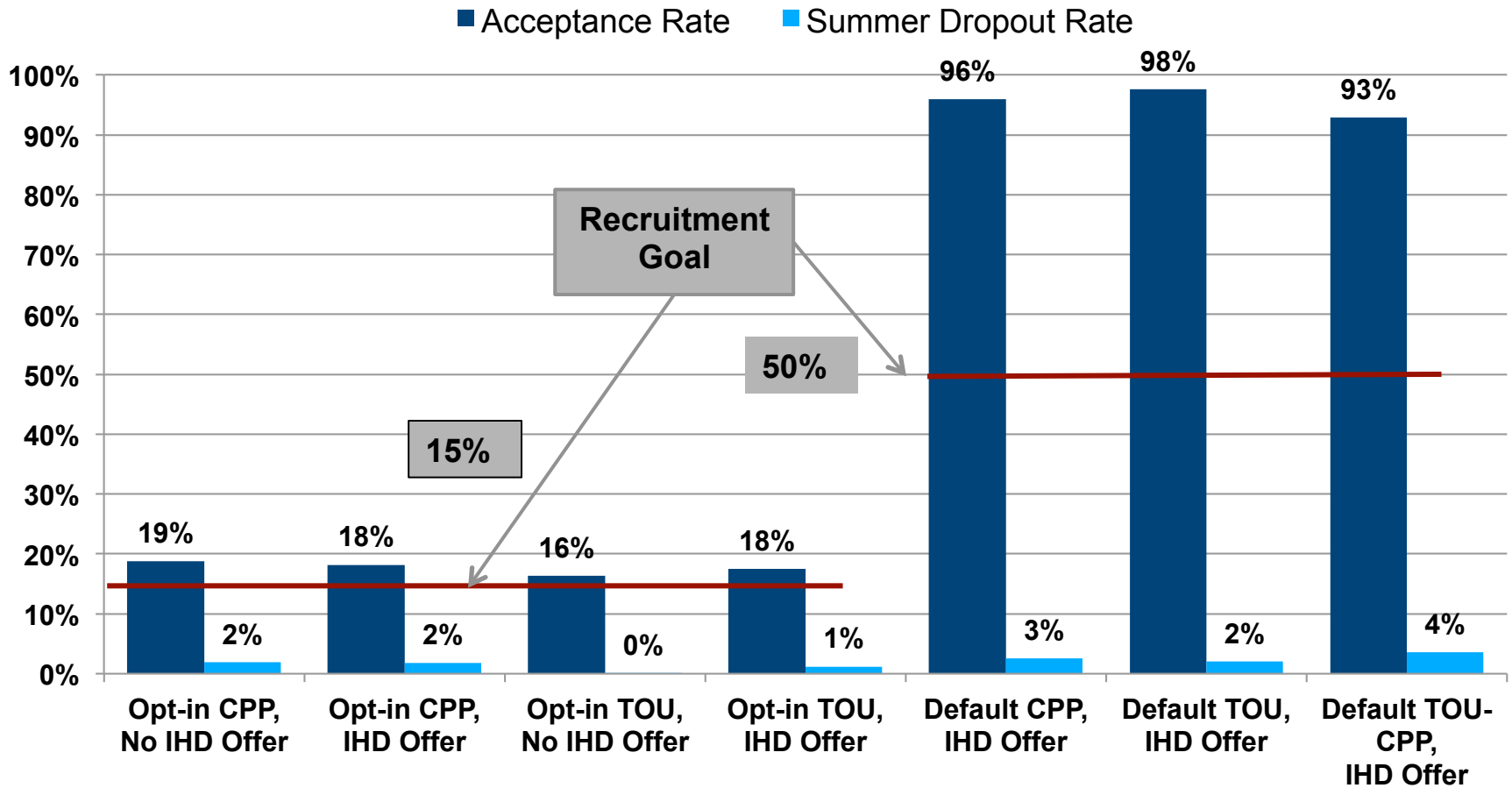
# The SPO was well designed & implemented

- **Rigorous adherence to sound experimental design principles**
  - SMUD used the “gold standard” for experimental design, a randomized control trial (and equivalent designs)
- **Implementation meets high research standards**
  - Detailed validation analysis shows SMUD did an excellent job adhering to design
  - All marketing materials were identical except for treatment differences
  - Extensive market research as input to development of marketing and educational material
  - Effective tracking of offers, enrollment and attrition
- **Addressed many of the most important policy issues of interest to the industry**
  - Side-by-side comparison of opt-in and default enrollment and load impacts for same rate plans
  - Comparison of customer acceptance rates for different time-varying rate plans
  - Examination of the impact of the offer of information feedback technology on customer acceptance of opt-in rates and load impacts

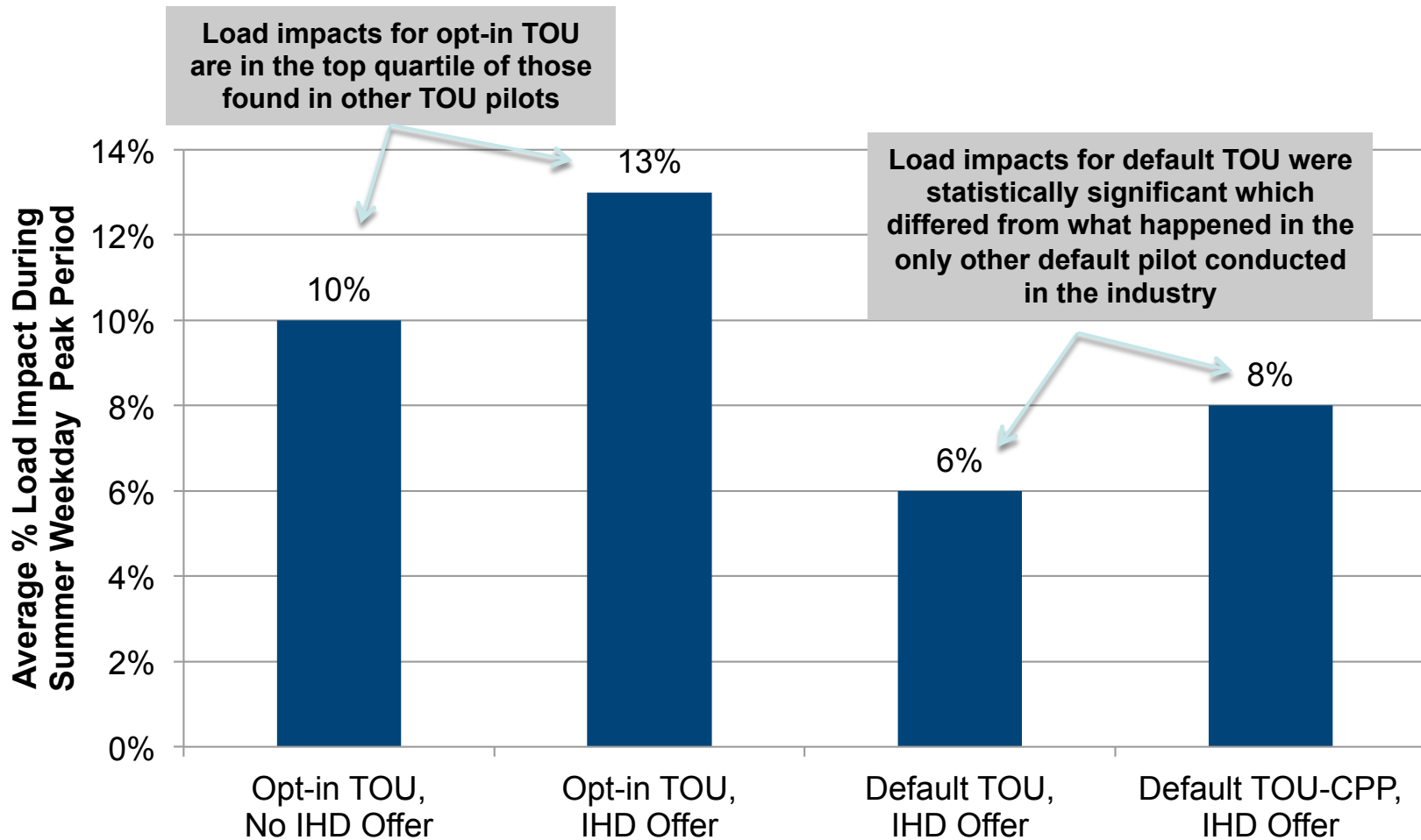
# Key findings on customer acceptance

- **SMUD's multi-faceted marketing strategy produced opt-in rates that exceeded the target of 15% and were quite high by industry standards**
  - Acceptance rates ranged from 16.4% to 18.8% across four opt-in treatments
- **Acceptance rates were very similar for CPP and TOU pricing plans**
- **Offer of enabling technology in the form of a free IHD did not materially increase customer acceptance of the opt-in CPP or TOU pricing plans**
- **Default treatment groups displayed extremely high enrollment rates, ranging from almost 93% to 98% and significantly exceeded 50% target**
- **Once enrolled, less than 2% of opt-in customers and 4% of default customers chose to drop rate over the course of the 2012 summer**
  - A greater number of customers left the rate because of account closures due to customer relocation (in actual program, customer could take rate with them)

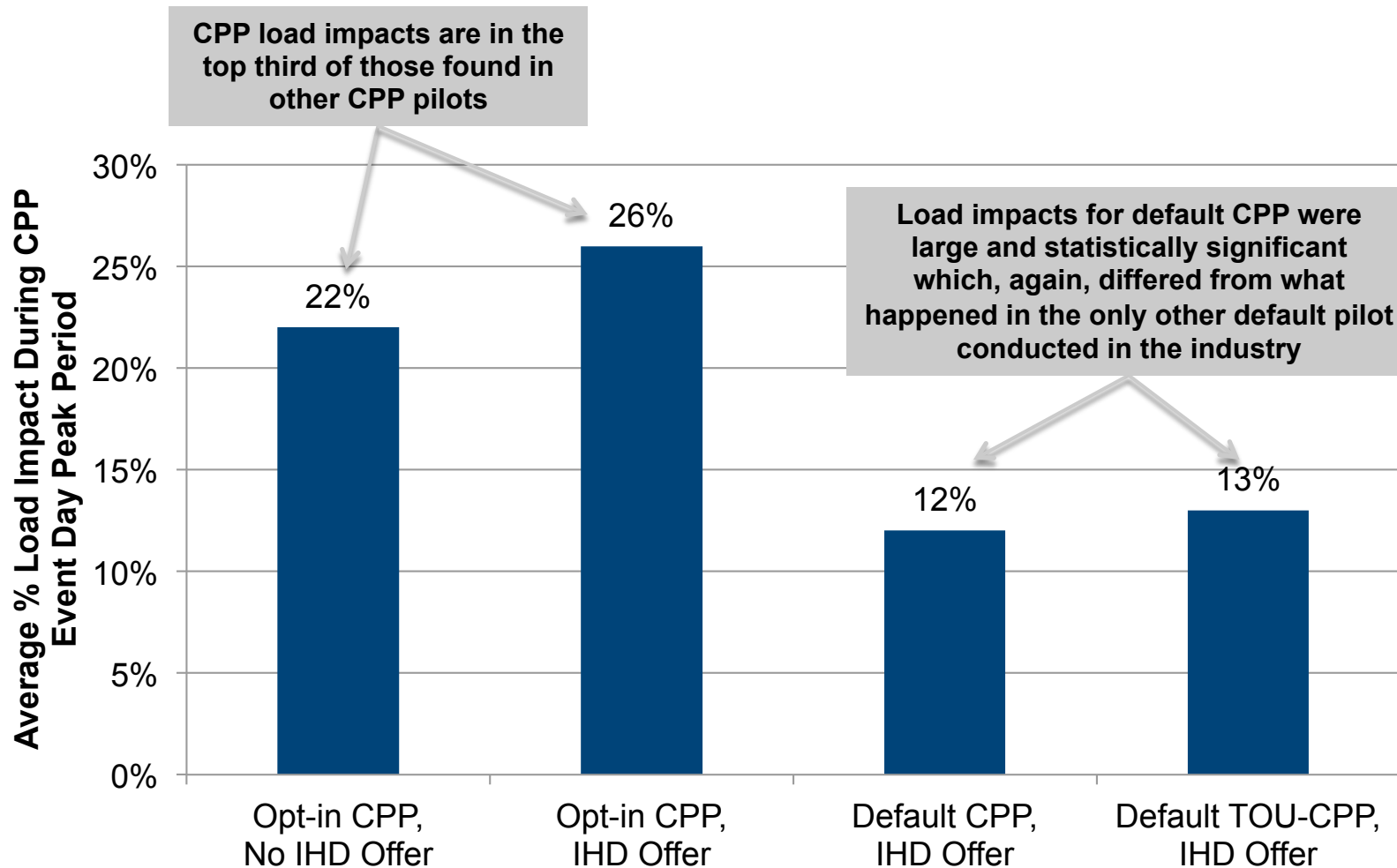
# Acceptance rates for different pricing plans were very similar within each recruitment strategy (opt-in vs. default), but very different across strategies



# % load reductions for TOU pricing plans were significant for both opt-in and default participants



# % peak load reductions for CPP pricing plans were significant for both opt-in and default participants



# Based on SPO acceptance rates and average load impacts per customer, **aggregate** load impacts are much larger for default enrollment than for opt-in enrollment

Estimated **Aggregate** Demand Reduction (MW) During Peak Period  
If Pricing Plans (With IHD Offer) Were Offered to **100,000** SMUD Customers

