

BALTIMORE GAS AND ELECTRIC COMPANY (BGE)  
IMPLEMENTATION - PHASE 4  
SPRING 2013 – SPRING 2014  
SMART ENERGY REWARDS PROGRAM AND OTHER SMART METER FUNCTIONS INTRODUCED

**BACKGROUND:**

**Educating and Communicating About Smart Meters in Phases.**

BGE's smart meter education and communication effort encompasses four phases:

- *Phase 1 (Winter 2011 – Spring 2012):* Designed to educate BGE employees and inform customers about the new smart meter system and the meter installation process.
- *Phase 2 (Spring - Summer 2012):* Targeted customer communications by installation community that focus on the actual installation of the new meters. In this plan, Phase 2 was targeted to customers who would receive the new metering system prior to the availability of the online energy manager portal. Phase 2 took place between Fall/Winter 2011 and Spring/Summer 2012.
- *Phase 3 (Fall 2012 - Spring 2013):* Expanding as additional communities are installed to an increasingly robust information and education campaign around the online energy manager portal launch and home energy reports, which use the data generated by the meters to help customers understand and modify their energy consumption. Phase 3 includes the customer communication targeted by installation community identified in Phase 2, but adds new messages associated with the new online energy manager portal called the BGE Smart Energy Manager. Phase 3 also targets educational materials to customers about the online energy manager web portal to those customers who have had the new meter installed in Phase 2. Phase 3 takes place between Spring/Summer 2012 and Spring 2013.
- *Phase 4 (Spring 2013 - Spring 2014):* Smart Energy Rewards (dynamic pricing) bill credit program and other meter-enabled features that were not available in Phase 3 and not reflected in the communications plan for previous phases.

The first three phases were addressed in BGE's customer education and communication plan that was approved by the Maryland Public Service Commission (PSC) on June 15, 2011. Phase 4 of the plan, outlined in this document, serves as a continuation and complement to the original plan and calls upon some of the same references and research.

BGE is currently in Phase 3 of implementing the customer education plan. As of mid-February 2013, BGE has installed more than 230,000 electric smart meters and performed approximately 55,000 gas meter upgrades (customers for whom BGE delivers both electricity and gas typically receive both upgrades at the same time). This represents approximately 20 percent of the total installations that will be required.

Installation has taken place in Anne Arundel, Calvert, Prince George's and Montgomery counties and BGE is preparing to install meters in Baltimore and Howard counties in the first half of 2013. By Spring 2013, BGE expects to have installed smart meters in 400,000 homes and small businesses, approximately 30 percent of total installations. (Installation map and schedule included in the appendix. Note the time periods indicated on the schedule, e.g. May - October 2013, refer to the time period within which BGE expects to **start** installing meters in a particular segment of the service territory. As the dates are subject to

change based on certain business decisions as well as unforeseen situations, BGE cannot provide a definite start or end time for installations in a specific area. This schedule, currently available on BGE.com, is updated when any changes are made).

## Customer Research

In early December 2012, BGE conducted preliminary research with customers who have smart meters by means of focus groups. The objective was to gather overall feedback on the first phases of the plan and gather useful insight and customer preferences for upcoming phases. The focus groups included current PeakRewards<sup>SM</sup> customers as well as customers who do not participate in PeakRewards<sup>SM</sup>. PeakRewards<sup>SM</sup> is a voluntary program in which participants help offset electricity demand during periods of "peak" electricity use, by allowing BGE to temporarily modify the settings on their air conditioner or water heater.

The focus groups included customers from diverse income and age groups. Three focus groups were held with PeakRewards<sup>SM</sup> customers and three groups with non-participants. Groups in each of these two categories were further broken down as follows:

- Customers age 65 and older
- Customers with a household income of less than \$50,000
- Customers with a household income of more than 75,000 (these groups included a cross section of middle and upper income participants)

As installations had primarily been in Anne Arundel County at the time of recruitment, the participants all came from that area. To test the upcoming phase, customers were shown draft BGE Smart Energy Rewards (dynamic pricing bill credit program) communications materials. This BGE communication and education plan reflects the insights and preferences gleaned from that research. Focus group feedback included the following main themes:

- Keep information brief, bulleted and to-the-point
- Clarify the differences between BGE Smart Energy Rewards and PeakRewards<sup>SM</sup>, particularly the savings customers can achieve through Energy Savings Days that do not require cycling or enrollment in the direct load control program
- Emphasize money savings over other benefits, including energy conservation or other potential benefits to the environment
- Give customers specific ways they can reduce energy and save through SER, and help them quantify the savings they can expect to achieve by reducing energy usage during these periods
- Emphasize the *additional savings* that PeakRewards<sup>SM</sup> customers can expect with SER, for those customers who may be reluctant to pursue savings beyond their PeakRewards<sup>SM</sup> incentives
- Reassure customers that they are in control of their own savings, and no enrollment is required to participate

A complete report of the focus group results is included in the appendix.

## Meter Opt-Out/Deferrals

The PSC's decision on January 7, 2013, to initiate additional proceedings to determine whether to allow customers to retain their existing analog meter, or to receive an alternatively-installed AMI meter, is expected to result in a decision later in 2013. Until that time, customers are able to exercise their options under the Commission's orders of May 2012 and notify BGE if they do not want a new smart meter installed at this time. BGE has been using the term "deferral" when removing these customer's meters, and not "opt out," to differentiate and emphasize to customers that this is not a permanent opt out and that they will need to take some additional action if there is a future opt-out option.

As the PSC has determined that customers will need to pay the related costs of any opt-out provision, BGE will not automatically opt out the customers who have previously requested not to have a meter restored. Customers will need to contact BGE again to let the utility know that they are choosing to opt out based on the PSC-determined terms and costs. From customer activities in other states such as California, BGE anticipates that a portion of customers who have deferred meter installation may change their minds if there is a cost involved.

BGE will broadly communicate the PSC opt-out decision and related steps to all customers, both those who currently have meters and those scheduled to receive a meter. In preparation for the PSC announcement, BGE has crafted messages reflecting the two possible scenarios being reviewed by the PSC:

- Option for customers to retain their existing analog meter, and the additional cost associated with that option
- Option for customers to have a new meter installed to "operate in an RF-free or near RF-free manner," and the additional cost associated with that option

When the final decision is announced, we will update messaging in all communications including postcard mailings, website, fact sheets and direct mail letters. These materials will be distributed among the PSC Working Group for fast-track review prior to distribution.

In the interim, we are following the order to allow customers to defer their meter installation. Customers deferring under the order prior to installation simply do not receive a new meter. For those who defer after a new meter has been installed, BGE swaps the new meter for a traditional meter similar to the one the customer had previously. While these are digital meters that are very similar in appearance to smart meters, they do not have two-way communication capabilities. Many customers currently have these digital meters, as analog meters are an older model that have not been used for some time when utilities need to install or replace meters.

BGE provides deferral information on our website, and BGE representatives who attend community meetings are briefed on the process so they can respond to customers. Installers also carry copies of a letter outlining the information customers need if they would like to defer installation. This information has been updated to acknowledge the PSC January order. (A copy of this letter is included in the appendix). At the time of the deferral order in May 2012, there was also substantial media coverage publicizing BGE's deferral process, and local news articles on meter installation continue to reference this information.

Approximately 11,000 BGE customers have requested that BGE not install a meter at their home. This includes customers who contacted BGE prior to the May PSC hearing and deferral order, as well as those who deferred after the order. These customers are from all areas of BGE's territory, including areas where the utility has not started installing smart meters. In areas where installation is underway, approximately 2.5 percent of customers have deferred meter installation. Customers who have contacted BGE with concerns about the meters cite health and privacy concerns as the main drivers for deferring installation, along with the belief that BGE will be able to control their appliances with the meter without their consent.

There are several instances where customers have called with questions or misinformation, when customer representatives have been able to provide accurate information to address these concerns. These customers are satisfied and do not defer their installation. There have also been cases where customers who have deferred meter installation have called to say they have changed their minds. In those cases, BGE sends them a letter to acknowledge their requested change and our understanding that they do, in fact, wish to have a smart meter installed. There have been approximately 100 of these cases so far.

Installers also carry smart meter fact sheets that they provide to customers who are present at the time of installation and have questions. There is anecdotal evidence from installers that some customers who are initially reluctant to go through with the installation change their minds after viewing some of the information on the fact sheet that addresses their concerns.

Current messages:

- On January 7, 2013, the PSC issued an order that Maryland utilities should provide customers with an additional option related to the installation of smart meters in their homes. The PSC will conduct additional proceedings to determine whether the preferred course is to allow customers the option of retaining their current meter or to require all customers to receive a smart meter with the option to have that meter installed to operate in an "RF-free" or near RF-free manner. The PSC will require that customers who select the ultimately approved option pay the related costs.
- As the PSC continues proceedings to determine opt-out specifics, BGE customers who wish to defer meter installation can continue to do so by contacting BGE via email or letter. Customers who have already requested a meter deferral do not have to take further action at this time. BGE will communicate any next steps when the PSC makes a final determination.
- BGE customers who wish to defer installation, or customers requesting removal of meters already installed, should provide the following information via letter or email:
  1. *Name(s)*
  2. *Address*
  3. *Account Number*
  4. *Phone Number*
  5. *Email Address*
- Emailed deferrals should be sent to [smartmeterdeferral@bge.com](mailto:smartmeterdeferral@bge.com).
- Letters should be sent to:

Smart Meter Deferral  
BGE  
P.O. Box 1475  
Baltimore, MD 21203

- For more information on the PSC's order on the opt-out issue, visit the PSC website at [www.psc.state.md.us](http://www.psc.state.md.us) and access Order Nos. 84926 and 85294, and Case Nos. 9208 and 9294.

**PSC Smart Grid Work Group.** As directed, BGE is participating in the Smart Grid Implementation Work Group composed of BGE, Maryland Public Service Commission Staff, Maryland Office of People's Counsel, Maryland Energy Administration, AARP, Montgomery County Office of Consumer Protection and Department of Environmental Protection and Pepco to develop this additional component of the Advanced Metering Infrastructure Customer Education Plan for BGE's Maryland service territory. The proposed plan is being submitted for review and approval by the Commission.

## **I. PHASE 4 OBJECTIVES**

- Educate customers who already have smart meters about the availability and benefits of the BGE Smart Energy Rewards customer credit program, under which customers may receive bill credits for voluntarily reducing their usage below baseline levels during critical peak periods that BGE will call Energy Savings Days. BGE Smart Energy Rewards is the official name of the program and will be referred to as such in customer communications. We will abbreviate the name as "SER" in this report but this acronym will not be used in customer materials.
- Link the installation of smart meters to the now-available benefits including SER, service restoration confirmation and remote turn on/turn off. These features are all part of what BGE refers to as a "release," a technical milestone when all necessary systems are ready to broadly support and process specific activities.
- Using customer input gathered in BGE's previous pilot program and from focus groups conducted by BGE in December 2012, encourage customers to participate in "Energy Savings Days" (the name preferred by focus group participants to describe peak events) to receive credits and reduce peak load (consistent with health and safety).
- Gather and note customers' preferences for notification about peak events and savings feedback.
- Integrate customers enrolled in the PeakRewards<sup>SM</sup> demand response program into the broader SER credit program while maintaining their original enrollment incentives. (PeakRewards<sup>SM</sup> is BGE's direct load control program, in which customers give BGE the authority to reduce the peak-time usage of central air conditioning and hot water heaters by 50, 75, or 100 percent in return for bill credits).
- Educate customers on new smart meter functions and features, including remote turn-on and turn-off of service and remote confirmation of service restoration after power outages in cases where BGE would previously have attempted to call customers, such as customers whose homes are on small feeders.

## II. KEY MESSAGES

### **SER**

#### ***(Customer communications begin Spring 2013, program begins Summer 2013)***

- BGE SER is a voluntary new program that can help you earn credits on your BGE bill, helping you reduce your summer energy bills.
- By reducing the electricity use in your household during specific times of high electricity demand, known as “Energy Savings Days,” you can receive a bill credit that will lower your bill that month. (Bill samples included in the appendix).
- You always have the choice of whether or not to reduce usage on an Energy Savings Day, and you will never be penalized for not reducing on those days.
- If you are currently enrolled in BGE’s PeakRewards<sup>SM</sup> program, you will remain enrolled in that program and you can continue to participate in PeakRewards<sup>SM</sup> as you have before. You will retain your bill credits and smart thermostat/outdoor switch. In addition, you can potentially earn additional credits for additional usage savings on Energy Savings Days.
- If you are a PeakRewards<sup>SM</sup> customer, you will be cycled at 50 percent on Energy Savings Days. You will have unlimited overrides for Energy Savings Days cycling during non-emergency events, but you will be cycled at your chosen level (50%, 75%, 100%) during emergency cycling events when BGE and utilities in the region have been asked to reduce usage across the system as there is danger of the type of strain on the system that could lead to brownouts and blackouts.
- You can choose how we notify you about Energy Savings Days (opportunities to earn a bill credit) including email, text messages, and phone messages. If you do not tell us how you prefer to be notified, we will provide you with notification by phone and also by email if we have your email contact on file. You may also easily opt-out of receiving these messages altogether.
- Your BGE SER credit will be shown both on your normal monthly bill and online on your “My Account” page. You can also choose how we give you immediate feedback about your savings, including email, text and phone messages. In addition to these feedback methods, we will also periodically mail you a hard copy report outlining your overall savings through BGE SER.

#### ***Additional meter features***

#### ***(Features available Summer 2013, customer communications begin at the time of feature availability)***

- When you move in or out of a home with a smart meter, BGE will no longer have to come to your home to start or stop electric service. This new service will ensure accurate billing for you and the previous and future occupants of your home.
- In the event of an outage, smart meters may assist BGE with customer communication during service restoration because we can communicate directly with your meter to confirm that your service has been restored. In cases where BGE would typically have to call customers on the phone to confirm restoration of power, this feature could be particularly helpful.
- All customers will still need to call BGE to report an outage and to provide any additional information that might be helpful, such as reports on downed wires.

BGE will use the following communication channels to provide these messages:

**For SER:** bge.com, *Connections* (BGE's bill insert newsletter), direct communications (brochure, email), paid media and earned media coverage in specific areas where the majority of customers are able to participate in the program (e.g. Anne Arundel County). This information will also be included in smart meter presentations given to community groups.

**For remote turn on/turn off:** bge.com, new service applications, materials for new customers, annual BGE consumer reference guide

**For service restoration confirmation (meter "pinging"):** storm and outage related communications including press releases, bge.com messages and customer contact center talking points. This information will also be included in smart meter presentations given to community groups.

### III. CHALLENGES

- Customer awareness of the SER credit program, why they should participate, and how to participate.
- Potential confusion on relationship between the SER credit program and their PeakRewards<sup>SM</sup> optional enrollment in load control program.
- Convincing both PeakRewards<sup>SM</sup> and non-PeakRewards<sup>SM</sup> customers that they are in total control of their SER participation, and will not be penalized for non-participation, an issue that BGE determined was a high priority for our customers based on the December 2012 focus groups.
- Reaching non-English-speaking customers.
- Reaching vulnerable customer populations, including seniors, disabled, and limited-income.
- Educating customers about how to reduce electricity usage and still be comfortable in their homes and businesses; along with clarifying that customers who depend on electricity for medical reasons should carefully consider participation in the program and ensure that they do not attempt to reduce usage of any equipment necessary to maintaining their health, including air conditioning and fans. Tips will be provided on other ways to reduce overall electricity use to earn a bill credit, e.g. reducing lighting, not turning on dishwashers, washing machines and dryers during Energy Savings Days.
- Potential customer perception that added smart meter capabilities may increase the risk of privacy and data security breaches.
- Customer concerns about cost of smart meters.

When BGE SER becomes available in Summer 2013, approximately 400,000 customers with activated smart meters will be able to participate in the program. (In this case, "activated" is used to mean that the meter is communicating through the new network and the information used for billing. Internally, BGE uses the term "certified" to describe this status, but will use activated in this plan and with customers for ease of customer understanding and consistency with neighboring utilities).

Multiple communication channels will be needed to reach segmented audiences, including PeakRewards<sup>SM</sup> customers, who now have smart meters. To help ensure retention in the PeakRewards<sup>SM</sup> program, it will be emphasized to those particular customers that they will continue to receive at least their minimum PeakRewards<sup>SM</sup> credit, plus have the opportunity to earn credits through additional voluntary peak period load reduction efforts that do not require cycling. All customer communications will seek to simplify

program features and benefits descriptions. Recently conducted focus group testing (December 2012) of SER communications materials has yielded valuable feedback and customer preferences that will be reflected in the customer communications currently in production.

In Spring 2014, BGE plans to repeat these communications tactics for the customers who are newly able to participate in the program in Summer 2014. Materials will be revised and overall changes made to reflect insights and customer feedback from the Summer 2013 activities. Ongoing research and the potential for revised communication materials will be shared with the working group for their review and input.

#### **IV. APPROACH**

##### **Customer Awareness / Community Outreach and Education**

**Installation Communications.** Customers whose meters are installed during Phase 4 will receive a postcard two to four weeks prior to their meter installation, and a door hanger and welcome kit when installation is complete that includes information about the online Smart Energy Manager. In addition, they will receive a variety of communications, outlined below under “Communications Channels,” on the BGE SER program, how it works and what they need to do in order to participate.

##### **Communications Channels**

**BGE.com.** The BGE website will be augmented with additional information about BGE SER and details about the bill credits. When they are introduced in Summer 2013, descriptions of the additional smart meter features that are pertinent to the customer will also be incorporated into the website content. In addition to the smart grid page on the BGE website, which is directly accessible through [bge.com/smartgrid](http://bge.com/smartgrid), the remote turn-on and turn-off capability will be included in [bge.com](http://bge.com) general information on setting up a new BGE account and moving service. The ability to determine whether restoration of service has occurred after power outages will be included on [bge.com/smartgrid](http://bge.com/smartgrid) when discussing smart meter-related features. Through the BGE.com “My Account” feature, customers will be able to select their notification preferences for Energy Savings Days and related information. If a customer does not select a notification preference, BGE plans to notify customers of Energy Savings Days through the phone number and via email information already captured in BGE’s database. Efforts will be made prior to the launch of SER to get current contact information for customers, including an outbound call campaign taking place in February and March 2013. When customers call the contact center, reps are also updating their contact information. Customers will be informed in the BGE SER “Get Started Kit” and in periodic emails that these will be their default communications options. Customers can update their notification preferences at any time or they can opt-out of receiving any messages about the Energy Savings Days.

**Digital/Social Media/Content Syndication.** Additional content will be prepared and disseminated via social media channels including Facebook, Twitter and YouTube to highlight the new SER rebate program and encourage customers to participate. Customer testimonials and video clips will be incorporated and distributed, providing opportunities for online discussions, posts and feedback from customers as they access the new features. In order to access this information, customers would have to “follow” or “friend” BGE, or specifically search for BGE information on YouTube or other social media channels. Customers who are not following BGE on social media can also read related information on BGE’s topical blog, posted

on BGE.com and promoted through banner ads and in BGE's *Connections* newsletter. Information will also be disseminated by non-electronic methods outlined in this plan. BGE will track the volume of activity on these social media channels.

**Email Blast.** Customers with an activated meter will be sent a graphically-enhanced email with web links containing high level features and benefits of the SER program. Emails will be customized to PeakRewards<sup>SM</sup> customers and to those not enrolled in PeakRewards<sup>SM</sup>. Based on the feedback from our December 2012 focus group research, the content of these messages will be brief and emphasize customer control over their decision to participate in these programs. A call to action will provide customers with a link to the video and more details on the website.

**Awareness Direct Mailer.** Customers with an activated smart meter will receive an awareness mailer (bifold, card-stock mailer with easy-open seal, as opposed to envelope-style mailer, as focus group participants indicated this was their preference). It will highlight SER program benefits, and provide a link to bge.com. The email will also invite customers with smart phones to scan a special code, called a QR code, for more information they can view on their iPhone.

**Preview Postcard.** Shortly after receiving the email and the awareness mailer, customers will receive a postcard to remind them that they are eligible for SER and alert them to look out for a Get Started Kit with more information. They will also be provided with a QR code so smart phone users can scan it to view the video on their iPhone and a link to the specific section of bge.com devoted to smart grid and SER.

**Telephone Campaign.** Customers with activated smart meters will receive a live phone call to draw their attention to the SER Get Started Kit they are about to receive and answer any questions they might have about SER. Callers will leave a voicemail after the first attempt at contacting customers live, including a call-back number if the customer would like to follow up for more information on the program.

**Get Started Kit.** After the awareness mailer and preview postcard, customers will receive SER materials through the mail, customized for current PeakRewards<sup>SM</sup> customers and customers who are not enrolled in PeakRewards<sup>SM</sup>. PeakRewards<sup>SM</sup> customers will receive additional information on the combined savings from both programs and how the savings will be presented on their bill. Customers not enrolled in PeakRewards<sup>SM</sup> will receive information encouraging them to participate in SER along with some general information or FAQs on how BGE SER differs from PeakRewards<sup>SM</sup>, as they may have some familiarity with that program.

While the initial communications are intended to inform customers that the program is coming and get them interested, The Get Started Kit will include a more thorough explanation of how the program works and how customer bill credits are calculated and displayed on the bill. This information will also be available on BGE.com in the section on SER, with a link to BGE's tariff information. BGE's tariffs, the regulations regarding BGE's service and rates, are currently posted on bge.com.

**Mail, Phone, Email and Text Notifications and Updates.** If customers have provided contact preferences, they will receive a reminder through those channels to get ready to participate in the first Energy Savings Day. As this is a new program, we want to ensure that customers understand what to look out for and what to do when it is an Energy Savings Day, so they are ready to act when they receive the Energy Savings Day notice. In ongoing program communications and other customer communications, including contact center interaction, customers will be given the opportunity to sign up for emails so they

can continue to be notified of Energy Savings Days by email, and also receive ongoing communications from BGE about SER. Paper reports, phone messages, email and text messages also will be used to notify customers of the credit they have earned by participating in the program. If a customer does not earn any credits during an Energy Savings Day, they will still receive a notification letting them know this and providing them with tips on ways to save during the next opportunity.

**Online Smart Energy Manager.** The online BGE Smart Energy Manager (detailed in Phase 3 of BGE's Smart Meter Communication Plan, pages 32-41) will include a new feature linked to the SER program, which will allow customers to view how much money they saved by reducing their energy use during peak events.

The online BGE Smart Energy Manager is expected to evolve over time as more features are added. When the Energy Savings Days credit program is introduced in Summer 2013, customers can log on to the Smart Energy Manager for the following:

- Usage and "Bill" Data Presentment – presentation of hourly consumption data from the previous day.
- Energy Budget Tracking – a tool that allows customers to set a budget for their energy costs and track performance against it throughout the month.
- Savings Summaries – feedback on the amount of money that a customer has saved through BGE SER.
- Comparison to Others – feedback on how a customer's usage compares with similar households. Social norms have been shown to significantly change consumer behavior.
- Tips on how to increase credits and safely reduce energy use.

**BGE Smart Energy Rewards Introductory Video.** A short video (three to five minutes) will feature a step-by-step explanation of how the Energy Savings Day credit program works and how customers can take advantage of the benefits. Based on focus group feedback (December 2012), the video will be short and fact-based, given that customers did not favor a testimonial approach. There will also be a short version (less than 1 minute) of this video created for promotion purposes as well. Both will be available on YouTube and downloadable from [BGE.com/smartgrid](http://BGE.com/smartgrid). This video will be referenced in the SER email updates that customers receive and shown at community presentations and open houses.

**Outreach to PeakRewards<sup>SM</sup> Customers.** To alleviate any confusion on the part of customers enrolled in the PeakRewards<sup>SM</sup> direct load control program, those with new smart meters will receive direct communication, including letters and email messages about the how the PeakRewards<sup>SM</sup> program will function in relation to BGE SER, in addition to the PeakRewards<sup>SM</sup> version of the Get Started Kit. Information about how PeakRewards<sup>SM</sup> integrates with SER will also be included on the Peak Rewards website. Customers who do not currently have activated smart meters but who hear about SER and would like to learn more can also find information on the PeakRewards<sup>SM</sup> website, and on [bge.com/smartgrid](http://bge.com/smartgrid). PeakRewards<sup>SM</sup> enrollees who have not yet had smart meters installed will also be kept aware through emails about the upcoming transition and what to expect when they get their smart meters.

The communications will stress that PeakRewards<sup>SM</sup> customers can retain their bill and thermostat and/or outdoor switch, plus they will have additional ways to save during Energy Savings Days. The communications will let customers know that they have the choice of whether or not to seek additional credits through SER any time an Energy Savings Day is called.

The main message points to these customers is that the PeakRewards<sup>SM</sup> A/C program helps make saving energy easy since BGE will automatically reduce your air conditioning use on Energy Savings Days. In addition to this automatic cycling as part of the PeakRewards<sup>SM</sup> program, you can save energy in other ways to earn additional summer bill credits. We will provide specific examples of savings as a guide for customers. If they participate in both programs (BGE SER + PeakRewards<sup>SM</sup>), the summer bill credits applied to their BGE bill could be even larger. The communications will also inform customers that they will be automatically cycled at 50 percent during non-emergency events.

Customers who participate in both PeakRewards<sup>SM</sup> and BGE SER will see the credits they have earned from both programs on their bill.

### **Media Outreach**

The launch of BGE SER will mark an important milestone in the functionality and interactivity of customers with the emerging smart meter infrastructure. Media activities will include:

- Additional talking points, FAQs, fact sheets and key messages about the program and how it works
- Preparation of BGE spokespeople for potential interviews on TV, radio, print and online publications about BGE SER and its functionality and significance to consumers. (While we plan to primarily promote the program in areas where customers can participate, we are often contacted by the general media with questions about smart meters and related benefits).
- Messaging about additional smart meter capabilities, including remote turn on and turn off and service restoration confirmation.
- Supporting messages on BGE's continued commitment to security and customer data privacy as we introduce more meter-related features. Spokespeople will reinforce current messages, including:

*BGE is taking every precaution to protect your data. Our activities include:*

- *Hiring 3rd party security audit firms to review our policies, procedures and technology and recommend improvements*
- *Using good "hackers" to attempt to break into our systems so that we can correct any potential issues identified*
- *BGE has implemented cyber-security programs to address cyber-security threats and risks that are intended to be up-to-date and flexible, now and in the future.*

### **Advertising**

**Community-specific advertising** will be placed in areas **where installations have already taken place or will happen shortly** during Phase 4, and will be augmented to include the features and benefits now available to the majority of customers in that particular area. BGE will continue along the current plan, which includes community newspapers, billboards, radio stations where appropriate and local access cable advertising.

While advertising in 2013 will continue to focus on meter installation and the BGE Smart Energy Manager - the online tool customers can use to better understand and manage their energy use - there will also be some SER-specific advertising in communities where meters have been installed to the majority of residents, to encourage customers to participate in the program. When meter installations are complete in

2014, BGE will have the opportunity to promote SER more broadly, including advertising on radio, television and newspapers, across BGE's entire central Maryland service area. BGE will also pursue partnerships with public service broadcasts to inform customers about Energy Savings Days.

Ongoing advertising evaluation will measure the number of households potentially exposed to the ad campaign in its various forms (print, outdoor, and cable) and the number of times each household may have seen the ads. Evaluation will include a detailed breakout within the service territory to ensure optimum coverage of customers with the appropriate levels of advertising, based on whether they had earlier installations or are receiving them during the final phase. Evaluation will include focus groups and phone surveys. Program effectiveness will also be measured using metrics jointly developed by BGE and Pepco in conjunction with the PSC working group, and approved by the Commission.

BGE's ongoing customer communications campaigns will be adjusted to incorporate mentions of SER benefits introduced during Phase 4.

BGE will also start referencing smart meters and the related programs (BGE Smart Energy Manager as well as SER) in other communications about the ways BGE customers can manage their energy and save money, including the "BGE Smart Energy Savers Program" (a group of energy efficiency programs BGE offers including the Home Energy Check Up and Energy Star appliance rebates).

### **Engagement with Community Organizations**

Community engagement will continue to closely follow BGE's installation map, with events concentrated in areas that will shortly receive meters or where meter installation is currently under way. At this point in the installation (Spring - Summer 2013) materials for community events will now include information on the SER program and new meter capabilities relating to remote turn on and turn off, and determining whether service has been restored following power outages.

BGE will continue to contact organizations that serve vulnerable customer populations, including limited-income, senior and non-English-speaking customers, to make sure these customers have access to information on smart meters and related features. (A representative list of organizations BGE has contacted or will contact throughout deployment was included in the plan appendix. Examples include Meals on Wheels Anne Arundel County, an organization that home-delivers food to seniors in need, Korean Community Service Center, an organization providing social services and programs to community members of Korean descent, including recent immigrants, and the Maryland Hispanic Chamber of Commerce, an advocacy organization for Hispanic-owned businesses and business owners.)

When open house events are scheduled for a particular community, BGE emails an event invitation to several community and civic organizations in the area. The event is also sent to the community calendar for local news services (*Patch*) and BGE promotes the events through its social media channels, Facebook and Twitter.

BGE also receives requests from organizations across the service territory to speak to their members about smart meters. BGE attempts to respond to all such requests and works with the organizations to align their timing with availability of BGE staff to support. We have fulfilled requests from a variety of organizations, including the Bowie Senior Computer Club, Green Haven Improvement Association, Ferndale Senior

Center and the Greater Severna Park Council. We have received very positive feedback from these presentations, where in addition to common questions such as how the smart meter will affect their bill, and will the meter control their appliances, attendees often pose new questions that are then added to our Frequently Asked Questions handouts and online “Common Questions.” Recent examples include:

**Q: *How will the smart meter rollout affect customers with solar panels (photo-voltaic cells)?***

*A: Customers with solar panels will receive their smart meters at the same time as all other customers in their neighborhoods, consistent with the deployment schedule available on BGE.com.*

**Q: *I have a surge protector attached to my current meter; what will happen when the smart meter is installed?***

*A: Installers will re-attach your surge protector to the smart meter, and it will function as it did with your previous meter.*

All outreach and materials on SER will include messaging for customers who depend on electricity for medical equipment or the stability of their health. Customers should ensure that all of their medical and health needs are being met. If curtailing electricity, in whatever capacity, compromises their health, these customers should carefully consider not reducing their usage on Energy Savings Days. Tips will be provided on ways these customers can earn SER bill credits without jeopardizing their health, such as, waiting until after the savings period to run the dishwasher or washing machine. These messages will be incorporated into general materials and outreach on this program, including the Get Started Kit, and stressed in events with community organizations that support special needs audiences.

The fact that SER usage reduction is voluntary and not mandatory for BGE customers will also be stressed. Per the focus group (December 2012) preference, these issues will be addressed in all program communications, including the FAQs of the Get Started Kit, in program fact sheets and in community presentation speaker materials.

The following are supplemental tactics in addition to those outlined in Phase 3 (Phase 3 tactics attached for reference).

<b>Details on Campaign Tactics for Phase 4 Deployment</b>			
<b>Tool</b>	<b>What</b>	<b>Why</b>	<b>When</b>
<b>BGE Smart Energy Rewards (SER) Email</b>	Introduce high level benefits of SER	Generate initial interest in program	Beginning Spring 2013
<b>BGE Smart Energy Rewards (SER) mailer</b>	General awareness mailer to reinforce Smart Meter communications and explain the SER program that will be available starting Summer 2013	Provide program details and encourage customers to participate	Beginning Spring 2013
<b>BGE Smart Energy Rewards (SER) postcard</b>	Confirmation of eligibility for SER and encouragement to look out for Get Started Kit		Beginning Spring 2013
<b>BGE Smart Energy Rewards (SER) Get Started Kit</b>	Materials introducing SER, its features and benefits, and instructions for accessing credit information	Fully equip customers to maximize the benefits of the SER program and earn credits, in addition to managing their electricity costs to a greater degree than before	Beginning Spring 2013

<b>BGE.com</b>	SER write up on the smart grid page, specific SER page, new info on additional smart meter functions, including remote turn on/turn off on the “new service” page	Provide information on new BGE programs and offerings related to smart meters. Allow customers to update notification preferences for upcoming Energy Savings Days and savings feedback	Beginning Spring 2013
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<b>Telephone campaign</b>	Automated message to customers by phone	Phone call to all eligible customers prior to the Energy Savings Day, informing them of their eligibility for SER and reminding them to read their Get Started Kit	Spring 2013
<b>Mail/Phone/email/text notifications and updates</b>	Based on customer contact preferences, periodic program information, including reminders about Energy Savings Days and Savings Days credit summaries	Make sure customers are aware of program and have opportunity to participate in Energy Savings Days; encourage future participation by providing participation results	Beginning Spring 2013
<b>Email to community organizations</b>	Program announcement, invitation to visit BGE.com	Encourage orgs to encourage members to participate	Beginning Spring 2013
<b>Connections</b>	Newsletter included in bill insert and sent via email to online bill pay customers. Program announcement, reminder to review Get Started Kit and visit BGE.com	Increase readership of welcome packet and encourage customers to participate	Spring 2013
<b>Bill message</b>	Reminder message on eligible customers' bills	Encourage customers to review Get Started Kit or visit BGE.com for program information	Beginning Spring 2013
<b>Bill message</b>	Reminder message on eligible customers' bills	Encourage customers to review Get Started Kit or visit BGE.com for program information	Beginning Spring 2013

<b>BGE Smart Energy Rewards (SER) outreach materials</b>	-Video with “how to” information on SER  -Fact sheet  Speaker presentation slides	Provide customers with opportunities to learn about SER and ask questions of BGE experts at events, meetings and community venues.	2013 –2014
<b>Media materials</b>	Expanded talking points, key messages and FAQs focusing on SER and increased meter functionality	Media venues will provide increased opportunities for educating customers and providing a forum for questions and in depth information sharing through media channels	2013 - 2014
<b>PeakRewards<sup>SM</sup> enrollee notifications and materials</b>	Notifications to enrollees in demand response (who have smart meters) to explain the transition to SER and underscore benefits to remaining enrolled and active	PeakRewards <sup>SM</sup> enrollees will have questions about continuation of bill credits, and reasons for continuing their participation in cycling and demand response efforts	2013 - 2014
<b>Advanced Metering Capabilities communications</b>	Updates to the BGE Consumer Reference Guide and to service applications; messages in storm and outage communications	New smart meter functionality will produce added benefits to customers, including remote turn on/turn off for customers who move and service restoration confirmation in specific situations (when BGE would typically call customers)	Summer 2013

## V. RESEARCH AND EVALUATION

BGE’s ongoing measurement and evaluation of the customer education and outreach program will continue through this phase, using metrics coordinated and established with Pepco and the PSC working group, and approved by the Commission. Metrics from the previous phase of the plan which will also be included in this section include customer awareness and customer satisfaction.

The metrics from the previous phase of the plan were recently approved and are included in the appendix. Based on that approved submission, the metrics are broken down as follows:

*“Phase II A metrics are designed to measure the realization of projected benefits associated with implementation of new AMI functionalities, such as continued implementation of operational efficiencies relating to remote connection and disconnection of meters and meter reading, customer service, customer interaction with web-based tools and the results of those interactions, as well as customer responses to and participation in dynamic pricing activities. Phase II B metrics are under further development by the Utilities and will be proposed at a later date after review and input with the Working Group. These Phase II B metrics will focus on capacity and energy benefits due to web-based energy management tools, dynamic pricing events, and conservation voltage reduction. Also, additional financial impacts may be included. The instant filing is comprised of Phase II A metrics. The Plan provides an introduction to the Phase II A metrics that were developed by the Working Group.”*

#### **VI. PHASE 4 SER BUDGET (PENDING APPROVAL)**

The funds outlined on the following page will cover the period when BGE will develop and deploy materials focused on BGE SER. This budget does not include funds directed to the communication of additional meter capabilities such as remote turn on/turn off, as those messages will be incorporated into regular BGE communications and materials including information on bge.com, service applications and the annual Consumer Reference Guide.

Given BGE’s installation schedule, approximately 70 percent of customers will not yet have meters when some of these features are introduced in 2013. Therefore, there will also be a need for updated communications materials that cover meter installation as well as the program that will be available to these customers, the BGE Smart Energy Manager. **The funds for these materials are not included in this budget as they were a part of the previous budget included with BGE’s approved communications plan covering Phases 1-3.** The budget below focuses **specifically on materials that highlight SER** for customers who are able to participate in that program. This budget is incremental to the previously approved Phase 1-3 budget.

All figures in \$1,000s

<b>Communications Vehicle</b>	<b>2013</b>	<b>2014</b>
Telephone Campaign	400,000	1,200,000
E-Mail Blast	3,000	12,000
Awareness Mailer (includes production and mailing)	57,000	170,000
Postcard (includes production and mailing)	31,000	110,000
Get Started Kit – Peak Rewards and non-Peak Rewards (includes production and mailing)	850,000	2,275,000
Advertising in areas where customers are able to participate in SER, encouraging them to look out for and participate in Energy Savings Days. Broken down as follows:  Print – 15% TV/Cable – 25% (zone-specific cable buys) Outdoor – 30% Digital/Web – 30%	400,000	750,000
Videos (one long format for community meetings and presentations, one short format for link from program materials)	34,000	10,000
Customer Notifications (Energy Savings Days alerts and savings reports, sent via mail, email and text)	1,500,000	2,000,000
Program Management and Staffing  (Agency administrative fees, program contract staff to assist with customer notifications, etc.)	200,000	200,000
Annual Totals	<b>3,475,000</b>	<b>6,727,000</b>
<b>BGE Smart Energy Rewards Communications Total</b>	<b>10,202,000</b>	

## **Appendix (Separate Document)**

- I. BGE Smart Meter Installation Map and Schedule
- II. BGE Customer Focus Group Report December 2012
- III. Bill Samples for SER and SER-Peak Rewards Customers
- IV. Smart Energy Manager (SEM) Overview and Screenshots
- V. Community Organizations
- VI. BGE Communications Plan Phase 3 Tactics
- VII. BGE/Pepco Phase II A Metrics
- VIII. Letter to Customers on Meter Deferral Option (Carried and Hand Delivered by Meter Installers)

## **BGE Smart Meter Communications Plan Phase 4 Appendix**

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