Agenda

- Serving Low Income
- Program Design
- Results
Challenges to serving the low income segment

- Hard to reach
- Hard to engage
- Programs not cost-effective
- Lifestyle barriers
- Less disposable income
- Saving energy is not a priority
Always considering ways to target underserved communities

- Duquesne has robust low income programs
  - Customer Assistance Program (CAP)
  - Universal Services
  - CARES
  - LIHEAP
  - Act 129
  - Whole House Audit Retrofit

- Bring programs to the low income population by engaging in their community
  - Outreach through neighborhood centers and religious centers
  - Advertise in local community newspapers and public transportation
  - Community events that bring face to face interaction
Best assistance programs provide financial assistance

- Programs that directly reduce bills deliver the most benefit to low income customers
  - Customer Assistance Program (CAP)

- Need to tie financial reductions to energy consumption reduction
  - Different tools you can offer to produce energy savings
  - Reducing energy usage benefits low income sector as well as the entire ratepayer population
  - Empowers the low income community to break a cycle of misuse and misinformation

- Low income populations want to contribute to helping the environment by participating in energy savings programs
In response to new mandate, added an Opower program that opened a new low income opportunity

- Required utilities to meet new reduction targets
  - Created a need to invest in new EE programs
  - Phase II included a 4.5% low income consumption reduction requirement

- Presented another opportunity to target low income
  - Launched a low income pilot
  - Track their experience
  - See how they respond

<table>
<thead>
<tr>
<th>ACT 129</th>
<th>Phase I</th>
<th>Phase I</th>
<th>Phase II</th>
</tr>
</thead>
<tbody>
<tr>
<td>Consumption reduction</td>
<td>1%</td>
<td>3%</td>
<td>2%</td>
</tr>
<tr>
<td>Energy savings (GWh)</td>
<td>141</td>
<td>423</td>
<td>277</td>
</tr>
<tr>
<td>Timeline</td>
<td>May 2011</td>
<td>May 2013</td>
<td>May 2016</td>
</tr>
</tbody>
</table>
Low income segment performed particularly well from the program start.

Savings per Household (Percent of Monthly Energy Use)

Strong low income savings rate was sustained throughout the whole first year of the program.
Agenda

- Serving Low Income
- Program Design
- Results
Low income pilot program

<table>
<thead>
<tr>
<th>Jul</th>
<th>Aug</th>
<th>Sep</th>
<th>Oct</th>
<th>Nov</th>
<th>Dec</th>
<th>Jan</th>
<th>Feb</th>
<th>Mar</th>
<th>Apr</th>
<th>May</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

4,200 recipients

Print reports: Low income

Rebate coupon and CAP promo with report

Email reports ~Monthly emails to eligible customers

Web portal ~Available throughout the program
Driving awareness of the Customer Assistance Program

- Initial test run of the potential to raise awareness of non-EE related services
- Sent promotion to ~4,300 customers in September 2012
Promoting a dehumidifier rebate to all recipients last spring

- Rebate sent with home energy report in Spring 2013
- Coupon valid at PA Home Depots
Due to phase I success, phase II low income has expanded to 14k households

<table>
<thead>
<tr>
<th></th>
<th>PY5 (June ‘13 - May ‘14)</th>
<th>PY6 (June ‘14 - May ‘15)</th>
<th>PY7 (June 15 - May 16)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Low income reports</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Enhancements</td>
<td></td>
<td>Program promotions for CAP, Smart Comfort, Whole House program, Crisis Grants, CARES program, Dollar Energy Fund</td>
<td></td>
</tr>
<tr>
<td>Email reports</td>
<td></td>
<td>~Opt-out monthly emails for eligible customers</td>
<td></td>
</tr>
<tr>
<td>Web portal</td>
<td></td>
<td>Available throughout program</td>
<td></td>
</tr>
</tbody>
</table>

14,200 recipients, 10k expansion to begin Sept 2014

Email reports

Web portal

Available throughout program
Agenda

- Serving Low Income
- Program Design
- Results
Low income segment delivers the same savings rate and a lower opt-out rate

**Savings per Household**
(Percent of Monthly Energy Use)

- **Standard program**: 0.9%
- **Low income program**: 0.9%

**Cumulative Attrition Rate**

- **Standard program**
  - Move out rate: 0.2%
  - Opt-out rate: 3.1%
- **Low income program**
  - Move out rate: 7.9%
  - Opt-out rate: 0.1%
This led to a total savings of 466 MWh
Steps in the right direction but barriers remain

- Always more to do but need to balance the costs and benefits
  - Program offering is rich but still need outreach to get to the customers
  - Communication barriers
  - But because we integrate with the community so well, don’t feel like lacking a program/tool

- “You can lead a horse to water but can’t force it to drink”
  - Offering a wide variety of tools
  - Make sure the community is aware of your offerings

- Issues of life support are first priority

- Barriers will remain beyond the utility but as the utility, must provide the appropriate level of support to ease the energy burden
Looking forward – plans and priorities

- Roll all low income offerings in to one touchpoint
  - Creating an accessible “one-stop shop” by integrating program with other multi-faceted services
  - Working with gas utilities as well as United Way 211

- Expand customer offering while delivering pinpointed messages
  - Expanding to a multi-year behavioral program
  - Giving customers what they want e.g. adding more rebates

- Track customer activity and movement
  - Gain customer and program insights
**Electric Bill That’s Too Small**

With the Watt Choices programs from Duquesne Light, residential and business customers can get cash rebates for using energy-efficient products. Visit wattchoices.com for rebates right on your website.

WATTCHOICES.COM | 1-866-WATTLEY (9283)

---

**Your Future Doesn’t Look Very Bright.**

Nobody wants me anymore.

WATTCHOICES.com | 1-888-WATTLEY (928-6539)
Commercial: Bright Tips

WATTCHOICES.COM
1-888-WATTLEY

WATT CHOICES
OUR ENERGY...YOUR POWER TO SAVE

Duquesne Light
Our Energy...Your Power
Commercial: Let’s All Follow Wattley