

NYSERDA

Consumer Education and Awareness in Westchester

Case 19-M-0265 In the Matter of a Program to Encourage Clean Energy in Westchester County

Background

On April 1, 2019 the New York State Public Service Law (PSL) was amended by adding a new section to support a Westchester County Consumer Awareness Program (Awareness Program). In accordance with §74-a of PSL, the Awareness Program shall specifically encourage the installation of renewable energy and energy efficiency resources in the county of Westchester. In addition, the Awareness Program will help respond to Consolidated Edison Company of New York's (Con Edison) moratorium that was instituted on new firm service connection for natural gas in parts of Westchester County, while also supporting the State's energy and economic development objectives. The State and its partners are already taking action to respond to these interconnected issues through a Clean Energy Action Plan (Action Plan) that was launched on March 14, 2019 to support energy consumers in the affected areas of Westchester.

On April 25, the Public Service Commission (Commission) issued Case 19-M-0265 In the Matter of a Program to Encourage Clean Energy in Westchester County Pursuant to Public Service Law Section 74-a., which directed the New York State Energy Research and Development Authority (NYSERDA) to establish an Awareness Program in coordination with Con Edison and Westchester County. The Commission further directed NYSERDA to develop the Awareness Program to work in concert with the Action Plan announced on March 14, 2019 in case 19-G-0080.

This filing responds to the Commission's directive to file a description of a proposed Awareness Program within 30 days of issuance of the Notice. This filing identifies a strategic approach and specific tactics for the design of the Awareness Program.

NYSERDA has collaborated with Con Edison on the development of this recommendation, including the strategic approach and potential tactics of the Awareness Program. Westchester County leaders have also been consulted on the outreach approach, overall direction, and available media resources to support the Awareness Program. NYSERDA will work with these entities as well as the New York Power Authority (NYPA) to effectively design and roll out the Awareness Program in the affected area.

Westchester County Clean Energy Action Plan

As directed by the Commission and pursuant to PSL §74-a, the Awareness Program shall work in concert with the Action Plan that is currently being implemented in Westchester County. This Action Plan was established to provide guidance and options to businesses and residents that are impacted by Con Edison's gas moratorium on new firm service connection for natural gas. Through this Action Plan, the State is helping:

- Lower energy costs for consumers
- Support ongoing economic development
- Increase community awareness and action on clean energy
- Advance the State's clean energy and economic objectives

Generally, the State is offering enhanced programs and increased incentives to help communities, businesses, and residents access reliable clean energy alternatives to natural gas and become more energy efficient.

Specific efforts to implement the Action Plan, offered by NYSERDA, Con Edison, and NYPA, include:

- NYSERDA is offering \$28 million in new construction incentives and services for new customers, including low- to moderate-income residential development and waitlisted natural gas customers, to access alternative heating and cooling systems and energy efficiency services.
- NYSERDA is offering \$25 million in investments to implement energy efficiency measures for existing customers to reduce overall peak demand constraints.
- NYSERDA is offering additional incentives for residential and commercial customers in the moratorium areas to install clean heating and cooling systems.
- NYSERDA will sponsor sustainable and clean energy community workshops.
- Con Edison is deploying significant funds toward heat pumps and increasing gas efficiency as part of the \$222.6 million the Commission approved for the company's Non-pipelines Solution solicitation and their existing Gas Energy Efficiency programs; this will include initiatives in the Westchester area to support residential, multifamily, and commercial and industrial customers.¹
- NYPA is offering an additional \$32 million in low-cost financing services to its Westchester customers.
- Other available offerings from NYSERDA, NYPA, and Con Edison will be promoted to relevant audiences at appropriate points.

Awareness Program

As the Action Plan is being delivered through a collaborative of NYSERDA, Con Edison, and NYPA, so too will the Awareness Program. In preparing and planning for this effort, NYSERDA has received and incorporated input from Con Edison on an outline of the Awareness Program. Westchester County leaders have also been consulted on the outreach approach, overall direction, and available media resources to support the Awareness Program. NYSERDA will work with these entities and NYPA to effectively design and roll out the Awareness Program in the affected area. Specifically, NYSERDA will work closely with Con Edison, NYPA, and Westchester County to ensure integration of all relevant messages and available programs, including targeting of customers, leveraging available media assets, and distribution channels. We have identified key personnel from each entity and will strive to establish a regular working group and business process around key milestones.

In addition to Action Plan activities, increasing consumer awareness and understanding of these solutions is a core component for driving results and uptake at the earliest stages of a customer purchase cycle. Greater consumer awareness and understanding will also help to lower the cost of customer acquisition for the technology and service providers. Given the useful life of heating

¹ The Action Plan estimated approximately \$165 million may be invested in the Westchester County area.

and cooling equipment, it is important to enable informed purchasing decisions in order to maximize potential value for consumers, the energy system, and the environment.

The Awareness Program will complement the Action Plan with the shared objective to increase consumer investment in clean energy alternatives such as electric heat pumps, high-efficiency appliances, equipment and building materials as well as energy efficiency. This investment will help to lower costs of efficient energy alternatives for consumers and reduce demand for natural gas while simultaneously pursuing the State's energy and economic development goals.

Objective

The primary objective of the Awareness Program will be to deliver broad-based information that will educate Westchester residents and businesses about the clean, renewable and energy efficient options available in their area. This Awareness Program aims to ensure that energy consumers in Westchester are supported with the necessary information and awareness about new technologies, energy efficiency, and renewable energy options that create more efficient homes and businesses. These more efficient spaces provide a higher quality of life, as well as more energy efficient commercial space, both of which will make Westchester a more attractive place to live and work.

This Awareness Program will be coordinated with other program-specific marketing and communications planned and already operating in the affected area. Awareness tactics will be delivered via broad-based media to reach to largest affected population. Specific program messages will complement these but be delivered via direct media channels to populations with the highest propensity to take action.

Goals

The primary goals of the proposed Awareness Program are:

- Increase awareness of the benefits and values associated with clean energy solutions and energy efficient products and services in the Westchester market as measured against a baseline survey and market research
- Increase consumer and service provider understanding and adoption of clean energy solutions to help lower the cost of customer acquisition for service providers, and to drive tenant and owner interest in energy efficient and clean energy buildings
- Segment the market based on the unique needs of various energy consumers and building stocks in order to appropriately and effectively spur the adoption of new clean energy products
- Ease the consumer experience and mitigate any confusion or barriers by coordinating efforts across all organizations delivering solutions to the market including Con Edison, NYSERDA, NYPA, and Westchester County

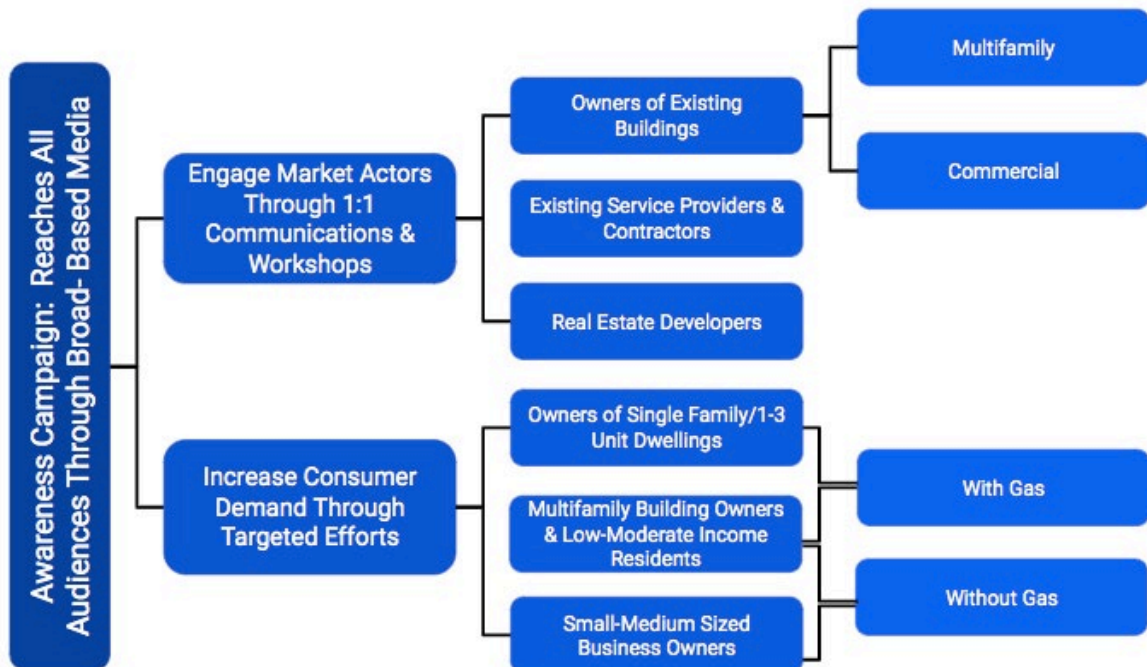
Marketing Approach

In order to effectively design a marketing approach for the Awareness Program, baseline research conducted in Westchester County will gauge awareness and perceptions around Con Edison's temporary moratorium and understanding of awareness and interest in clean heating and cooling technologies and energy efficiency measures.

Building from this baseline research, a tiered marketing approach will be designed to support the goals of the Awareness Program.

Based on market segmentation, information will be provided to those making energy purchasing decisions for homes and businesses, so they are not only aware of, but are actively considering, new heating and cooling technologies, energy efficiency, and renewable energy alternatives as viable options for meeting their energy needs. This approach will be designed to reach as many of these individuals as practical through awareness-building channels, such as print, on-line, cable TV, and outdoor advertising, among others to be identified during media planning.

- Establish the conditions to drive increased technology adoptions/conversions by reaching residential sub-segments that are likely to replace existing systems or take on an energy performance project in the near term. The use of channels -- such as on-line, search, and email, among others -- that can be tailored to feature specific products and programs offer maximum benefit for specific audience sub-segments including residential, low-to moderate-income, and multifamily affordable buildings based on energy consumption, fuel-type, and building characteristics.
- Engage the high-value market actors (e.g., building developers and owners, service providers, contractors, and distributed energy resources developers) through 1:1 communications, educational outreach, workshops, and targeted media efforts. Help make contractors and service providers delivering the programs aware and prepared to adequately serve the market.
- Prioritize opportunities to educate all residents on the options available to reduce their energy use, reduce carbon footprint, and/or heat and cool their spaces without the use of fossil fuels.



Based on the baseline market research, NYSERDA proposes to develop strategies by market segment and to prioritize Awareness Program actions to accelerate customer awareness and understanding of clean energy solutions with the most relevant offers based on energy consumption, fuel-type, and building characteristics:

| Audience Segment | Primary Offer(s)* |
|---|---|
| All residents in affected area | Information on the value and benefits of new heating and cooling technologies, energy efficiency, and renewable energy alternatives available in the region; outreach campaigns will be tailored to the diverse communities and diverse housing situations located within the affected area |
| Owners of single-family or 2-3 unit multifamily properties with existing access to natural gas | Energy efficiency measures including building envelope upgrades such as air sealing and insulation as well as high efficiency heating, domestic hot water, and solar hot water |
| Owners of single-family or 2-3 unit multifamily properties with existing access to oil and no expectation of near-term natural gas conversion | Clean heating and cooling (air source and ground source heat pumps) in combination with energy efficiency measures |
| Small business owners that either own or rent the building in which their business operates with or without access to natural gas | Clean heating and cooling (air source heat pumps) in combination with energy efficiency or energy efficiency as a standalone offer |
| Owners/managers of existing commercial and multifamily buildings, including affordable properties | Energy efficiency measures, clean heating and cooling, and energy management options in combination with workforce training for building operation and maintenance staff |
| New building owners and developers, clean energy technology companies, and clean energy service providers | Customized, high-touch communications and opportunities tailored to their project-specific needs |

*Secondary offers will be promoted (i.e., clean heating and cooling will be promoted to owners of single-family or 2-3 unit multifamily properties with access to natural gas, and financing solutions will be promoted to residents and small businesses.)

Messaging Approach

Based upon NYSERDA's baseline research, to gauge customer awareness and perceptions of both the temporary moratorium and available clean energy solutions, NYSERDA proposes to design and craft messaging tailored to individual market segments. These messages will be delivered consistently across all market channels to best reflect the current needs, barriers, and

awareness levels. Development of a messaging framework will help to map messages to the broader market in the affected area, while tailoring messages to individual market segments based on unique characteristics.

Communications for an awareness campaign will be developed in consultation with Con Edison, NYPA, and Westchester County to maintain message and brand consistency across all materials (e.g., collateral, web, advertising, etc.). This consistency of messages focused on awareness of clean energy options is important for consumers and businesses that have the potential to receive multiple messages from a variety of sources. Messaging will be developed and regularly tested to ensure that it is both resonating with the market and being disseminated in an efficient and effective manner.

Strategies and Tactics

NYSERDA proposes the following strategies and tactics to increase the effectiveness and impact of the Awareness Program:

- Co-brand with NYSERDA, Con Edison, Westchester County, and NYPA where complementary efforts exist to mitigate possible consumer confusion and ensure a seamless customer experience across multiple entities, ensuring consumers can easily access the information, products, and incentives that meet their needs
- Concentrate communications during the months leading up to the heating and cooling seasons (September-November and April-June) to maximize awareness and education investments
- Size and segment the market to identify consumers who are likely to adopt clean energy options
- Use digital and address-based targeting to reach specific audiences and segments with unique offers. Identify media opportunities that reach the broader community to increase awareness and preference for clean and renewable products.
- Develop an on-line landing environment that enables consumers to easily research and access the information and opportunities most relevant to them
- Align and concentrate other relevant program marketing initiatives (for example, NYSERDA's Multifamily Program opportunities for low-to moderate-income building owners) in the affected area as appropriate
- Proactively engage existing contractors and suppliers so they are informed and prepared to respond to consumer interest. It is critical that all options are considered when homeowners and building owners are faced with equipment failure.
- Leverage stakeholder partnerships to reach prioritized residential and business consumers:
 - Leverage NYSERDA's local community resources, government officials, and organizations to provide on-the-ground support
 - Leverage Westchester County media assets (e.g., outdoor, airport signage, newsletter, etc.) in partnership with the County Executive Office

Workshops, Events, and Curriculum

NYSERDA proposes to leverage diverse outreach channels to reach various audiences in familiar forums and settings, for example:

- Promote clean energy and energy efficiency through workshops for existing and new construction buildings in the Commercial and Multifamily sectors, primarily through trade associations and professional organizations such as the Business Council of Westchester County, the Westchester County Association, the American Institute of Architects, and the American Society of Heating, Refrigeration and Air-Conditioning Engineers. Large project proposals will be identified through Westchester County, local municipal governments, and industrial development authorities. Collaboration will also be pursued among NYSERDA, Con Edison, NYPA and the Hudson Valley Regional Economic Development Council.
- Pursue expanded partnership with Con Edison's Regional Community Affairs Group, an existing forum to engage residential consumers.
- Expand support for Sustainable Westchester's successful Clean Heating and Cooling Communities campaign. NYSERDA will deliver information sessions at scheduled high-turnout events and through local organizations.
- Build clean heating and cooling technologies into the curriculum at the Westchester Boards of Cooperative Educational Services (BOCES) and Westchester College to prepare for increased new technology demands and emerging new job opportunities. In addition, a strategic plan to develop and grow the delivery network of providers and engage newly trained contractors will be developed and rolled out as appropriate.

Measurement/Outcomes

NYSERDA proposes to develop a multi-pronged measurement plan, in support of the Awareness Program:

- Where possible, measure media performance and evaluate which media channels are driving interest and intent, including Google search, digital ad placements, referring sites, etc.
- Evaluate website traffic and actions taken by visitors to the landing environment and other appropriate program specific websites including on-site actions/metrics (e.g. find a provider/contractor, and initial applications)
- Scheduled tracking of awareness and perception over time as measured against baseline studies
- Monitor rebate submissions and program participation, taking purchase cycle into account
- Review and analysis of these metrics will inform a test, measure, and adjust approach to optimize this campaign

To measure and track the effectiveness of the various campaigns in the Awareness Program, NYSERDA will need to collaborate with Con Edison, NYPA and others on key program elements, including changes in Con Edison program interest/participation and website activity.

In addition, the insights and impact from this Awareness Program will inform the development of a framework to improve effectiveness and lower the costs of reaching additional areas in New York State that face gas constraints in the future.

Development Timeline

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| Develop Campaign Briefs for Creative and Media Teams | 2 – 3 weeks |
| Awareness Plan Development <ul style="list-style-type: none"> Inclusive of creative concept/messaging development and media plan recommendations Alignment with Con Edison, NYPA and Westchester County on resources and programs | 4 weeks |
| Creative and Message Testing of Concepts | 2 weeks |
| Revisions and Approvals to Creative Concepts and Media Plan | 2 weeks |
| Creative Production, Media Planning, and Buying | 2 – 4 weeks |
| Asset Delivery and Publisher Lead Time | Based on tactic and due date Minimum 1 week |

Estimated campaign launch 13 – 16 weeks from Awareness Program approval.

Awareness Program Budget

NYSERDA anticipates an average annual budget of approximately \$920,000 to be funded from NYSERDA's Clean Energy Fund which would support workshops, collateral, print, media and a web-based landing environment. The Awareness Program will also seek to leverage resources available from Con Edison and Westchester County. The Awareness Program is expected to last up to three years and may be expanded, in part or in whole, as the Clean Energy Action plan evolves to meet future areas affected by gas system constraints in New York State.