



Small Commercial Program Insights



Ed Schmidt, MCR
Cape Light Compact Board Meeting
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Why This Project

- The CLC Board wanted to know more
 - About our C&I customers
 - About their perceptions of CLC and our programs
- Our research question:

What should CLC do to increase engagement of the small C&I sector, given the specifics of the population on Cape Cod and Martha's Vineyard?

- Our primary solution: **Focus Groups**



Project Plan



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|---|--|---|--|---|--|
| <ul style="list-style-type: none"> • Kick-off meeting • Work plan • Communications protocols | <ul style="list-style-type: none"> • CLC structure, market • MA energy efficiency landscape • Staff and vendor interviews | <ul style="list-style-type: none"> • Focus groups • Follow-up • Analysis | <ul style="list-style-type: none"> • Similar programs, geographic areas • ACEEE scorecard • NAPEE | <ul style="list-style-type: none"> • Policy & regulation • CLC data and markets • Focus groups | <ul style="list-style-type: none"> • Process • Analysis • Recommendations |
|---|--|---|--|---|--|



Background Research – The CLC Market

Type of Business	Barnstable Cty. Employment	CLC Participant kWh	Statewide kWh Potential
Hospitality	18%	26%	3%
Retail	20%	31%	13%
Office	18%	14%	38%
Healthcare	19%	2%	16%
Government	N/A	14%	N/A
Other	25%	13%	30%

21,000 commercial/industrial (CI) accounts

60% use the same or less than a large residential account

Only 225 accounts using over 500,000 kWh/year

Key industries: Retail, Hospitality, Healthcare, Government

Government/military generates 14% of CLC claimed savings

Remainder of state dominated by office building spaces



Focus Groups: Approach

- Three focus groups
 - Yarmouthport: focus → mid-size customers
 - Eastham: focus → small customers
 - Sandwich: focus → larger customers

- Mix of participants, non-participants, stakeholders/trade allies



Focus Groups: Guided Discussion

1. Equipment-related purchases and decision-making
2. Sources of funds for customer contribution
3. Other, non-monetary barriers
4. Operations and maintenance of equipment
5. Perception of what CLC offers
6. CLC outreach, communications, marketing



Focus Groups: Summary Results

Uniqueness

- Cape Cod is seasonal
- Cape Cod businesses are small
- Cape Cod businesses are of a different sectoral mix than the rest of Massachusetts

Economic Development

- Energy efficiency as a cost-cutter is recognized
- CLC programs are an opportunity to create jobs locally
- CLC programs could be a source of work for local trades

Accessibility/Complexity

- Perception of direct install vendor as the only path
- Some confusion about eligibility other than lighting and direct install
- Some lack of understanding of how to participate

Communication

- Some expressions of being "all alone"
- Observations of ongoing "language barrier" of energy efficiency jargon
- Perception of lack of coordination of programs



Focus Groups: Cape is Unique

Seasonality

- *“Cape Cod seasonality is the issue; it affects all businesses with sort of a rotational trickle effect.”*

Community

- *“The Cape is a tight community; we help each other; we like to work with local people.”*



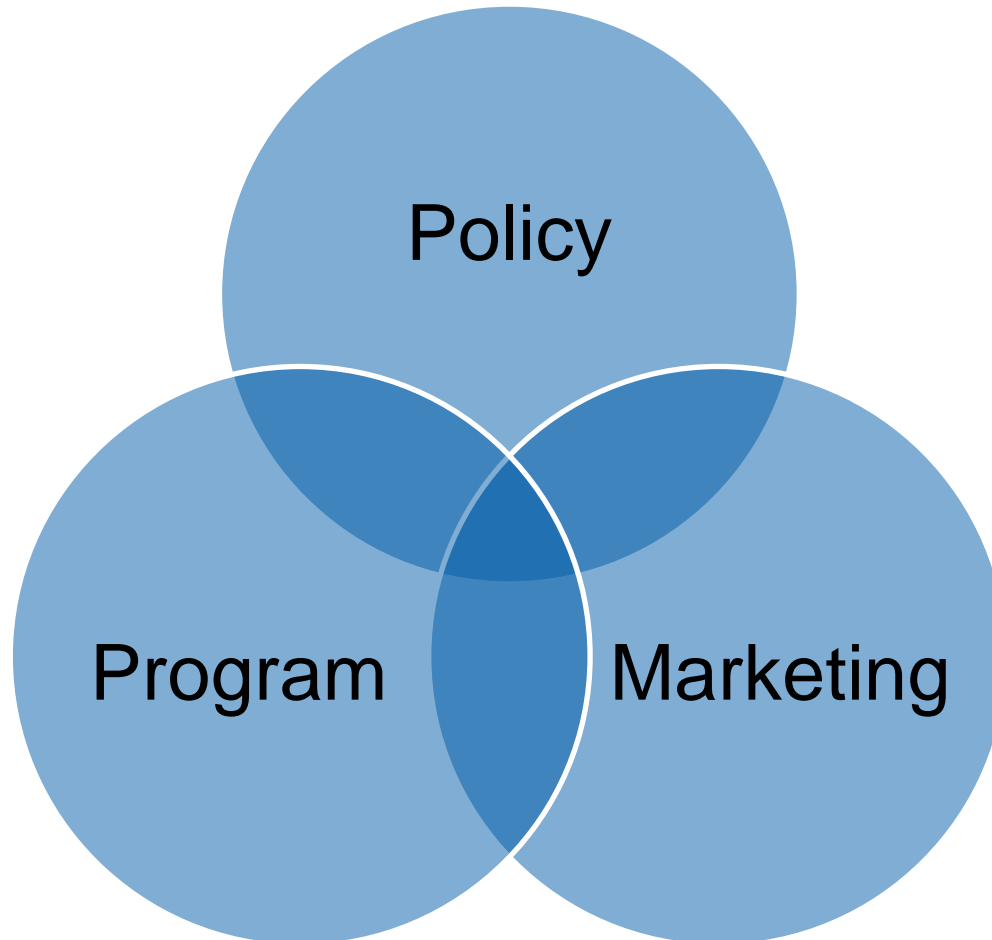
Focus Groups: Communication and Outreach

- *“(You) need to get the word out about the programs.”*
- *“The name tends to make people think of lighting, hence Cape ‘Light.’”*
- *“I went to website and couldn’t understand all the materials.”*
- *“Make it simple: we’ll help you pay for it, you’ll save money.”*



Conclusions/Recommendations

Customers and research point to a well-run portfolio with good levels of satisfaction, however there are always risks and opportunities.



Conclusions/Recommendations

■ Policy

- Undertake further study of possible need/desire to seek specific policy/regulatory accommodations given CLC's unique market

■ Program

- Package and market direct install by industry segment
- Repackage and emphasize the custom path as an option
- Develop an “express lighting” offering within direct install
- Review internal data analysis and reporting capabilities

■ Marketing

- Invest in a CLC-specific strategic marketing plan
- Continue enhancing the CLC web site
- Increase engagement of trade, business and civic allies



Suggested Next Steps

- Initiate enhanced outreach and engagement of trade, business and civic allies
- Plan and execute development of a strategic marketing plan
- Prioritize other conclusions, recommendations and areas suggested for further study
- Establish timeline and plan for action



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APPENDIX

Supplemental Material/ Further Reading



Focus Groups: Economic Development

“Keep the money on the Cape. You should let the local trade allies become your sales team and spread the word about the programs.”



Focus Groups: Access and Complexity

“You should have information about what to expect when going through the programs with things like timelines, conditions processes and even who will come to the door.”

“It comes down to money, time, aesthetics, complexity (of the work) and disruption of my business.”

“The programs should do better job of referring to other programs to get full spectrum of offerings.”



Best Practices

- Basis: National Action Plan for Energy Efficiency
 - Focus on Markets
 - Leverage
 - Don't "reinvent the wheel"

