

C&I Finance Update to the EERMC

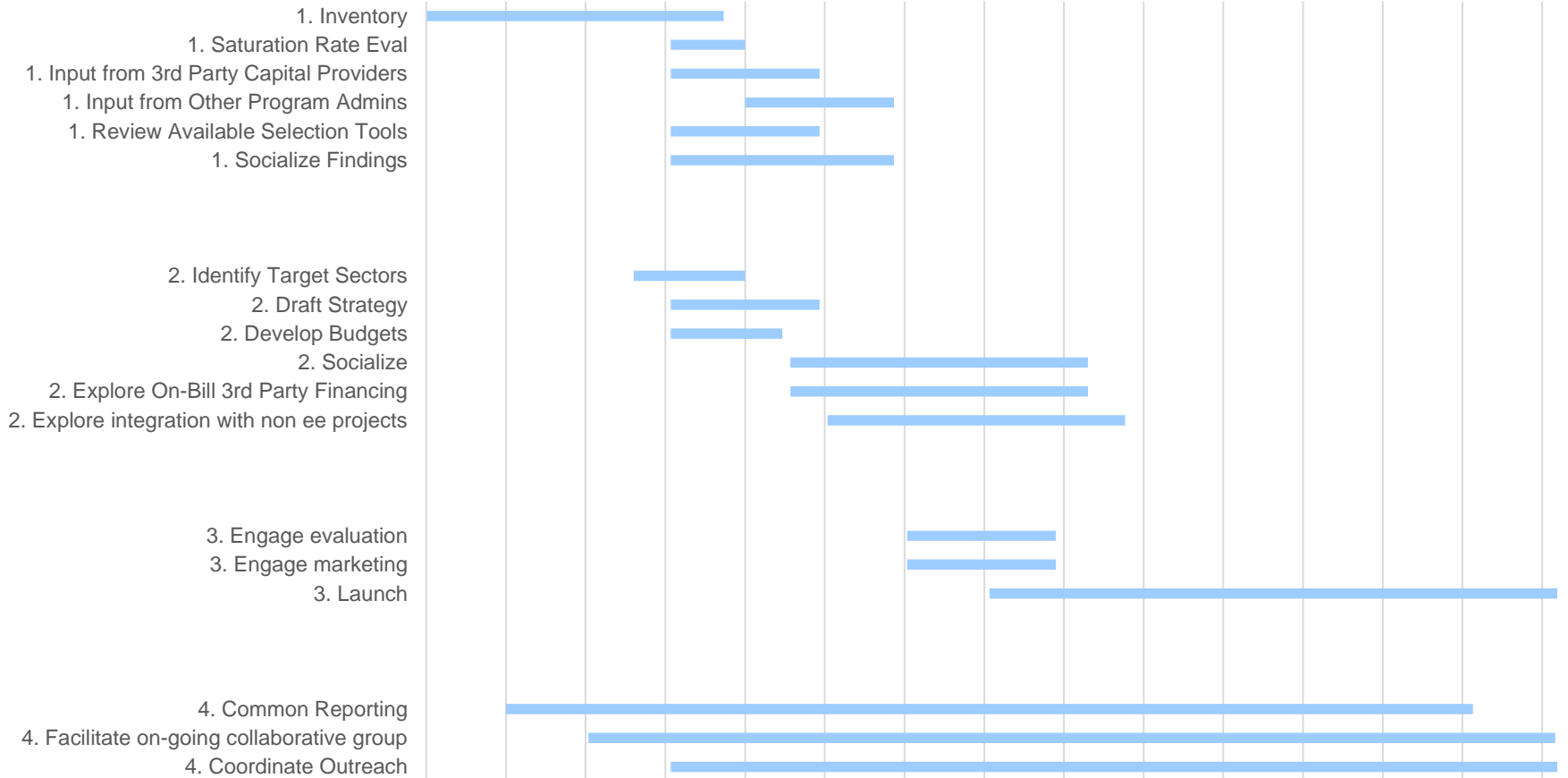
March 15th, 2018





- Primary areas of focus in 2018
 - Confirm market coverage of current finance offerings
 - RIIB Collaboration
 - Begin to test enhancements to current finance offerings
- Enhancing and improving financing options is expected to be an on-going, multi-year effort.

2018 Work Plan

11/1/17 12/1/17 12/31/17 1/30/18 3/1/18 3/31/18 4/30/18 5/30/18 6/29/18 7/29/18 8/28/18 9/27/18 10/27/18 11/26/18 12/26/18



- Regularly scheduled meetings to foster closer collaboration
 - Focus on how/where can we be successful together?
 - Priorities
 - Importance of market awareness
 - Current go-to-market strategies for retrofit and new construction
 - Learning from CPACE in other states
 - Deep bench discussions
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- Terminology Clarification – Test vs. Pilot
 - Process
 - Information gathering
 - External stakeholders
 - Internal stakeholders
 - Strategy development
 - Changes in OBR spending – fund balance
 - Robust testing to generate meaningful results
 - Consistent with meeting annual savings goals
 - Deliverable
 - Consistent language and messaging
 - Monitoring and updates to key partners
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C&I Finance Testing

- Potential reduction in incentive amounts
- Motivating comprehensive projects

Hypothesis: Incentives can be reduced if financing is provided.

- Goals
 - Reduce one-time program costs
 - Gain a better understanding of customer preferences
- Test structure based on customer choice, not comparison of one group to another.
- Used OBR because we wanted to test this concept with a product that is perceived as a low friction transaction.
- Can be tested with single measure or multi-measure projects.
- Does not interfere with other financing mechanisms.

- Finalized with Sales end of February
- Robust commitment of OBR funds

Test Option	Incentive Offer	OBR Offer
1	Standard Incentive	none
2	70% of Standard Incentive	50% of customer balance after incentive
3	50% of Standard Incentive	100% of customer balance after incentive

Hypothesis – Customers are willing to implement more comprehensive projects if financing is easily available.

Next Steps

- Information gathering
- Clarify the hypothesis
- Refine strategy

Questions or comments?