

PGE FLEX Pilot Review

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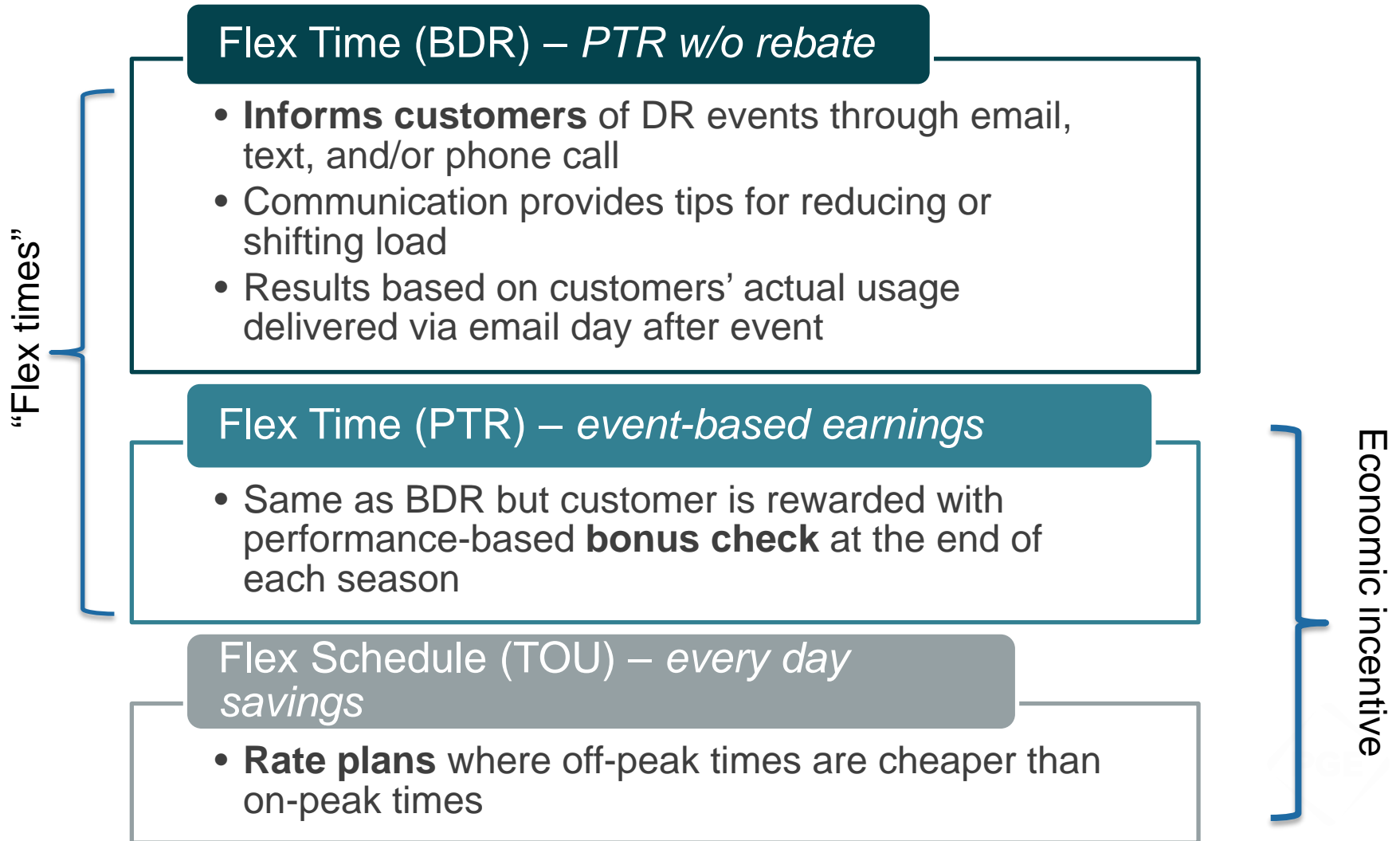


Agenda

- Pilot Overview
- Key Findings to Date
 - Recruitment
 - Website/Customer Portal
 - Performance Results to Date
- Looking Forward



Pilot Overview



Key Findings To Date



Pilot Overview

- Original premise – revised assumptions
 - Assumed conversion rate: 15%
 - Marketing themes: control, community, gain. Focused on feel.
 - Initial real conversion rate: 0.65%. Considered low
 - Revised marketing: scrapped separate marketing themes
 - New focus: customer bill, pricing plan, ability to save, opportunity to earn.
 - 1st customer touch is the most important one

- Recruitment tactics and their effectiveness
 - Direct mail improvement: from 0.5% to 2.5+% conversion rate.
 - Cost for direct mail recruitment ~\$39 per customer
 - Trial messaging leads to focus on the customer's specific bill
 - Initial emails: Saving energy is as easy as telling time. **0.35% CR**
 - Late email: Take control of your PGE bill with our new pricing plan. **1.78% CR**
 - Rapid improvement cycles. 9x customer touches.

Recruitment – Email Design #1

Soft subject lines and themes don't work


- New Pricing Plan
- Take Control
- May Be Better For You

Recruitment – Email Design #3

Focus on monetary benefits


- You could save/earn \$X this year

Save up to \$30 this year.



Based on your energy use, you could save up to \$30* this year.

Say hello to Flex, a new pricing plan from PGE.



During certain times of the day — like first thing in the morning or after work — we all use more electricity.

That's why we're offering Flex — an easy new program where you can save money simply by shifting your electricity use to lower-demand times such as nights and weekends.

Here's how it works:

- We give you a personal Flex schedule that shows you when energy costs are lower throughout the week.
- We'll show you how to save with simple tips, such as waiting to do your laundry until lower-demand times.
- The more you Flex, the more you save — as much as **\$30*** per year — on your PGE bill!


It's that easy.

Hurry, space is limited.
Learn more and [apply online](#) using your **activation code ABCD** by 05/01/2017 for your chance to participate in this exclusive program.

[GET FLEX](#)


*Based on your account history if you shift 15% of your energy use to lower-demand times.

Earn up to \$30 this year.



Based on your energy use, you could earn up to \$30* this year.

Say hello to Flex, a new pricing plan from PGE.



Flex is an exciting, easy opportunity to earn money simply by reducing your energy use during times when there's high demand for electricity. We call these "Flex times." Use less during these times, and we'll send you a check at the end of the season based on how much you reduce. It's that simple.

When you enroll in Flex:

- PGE will notify you of a Flex time by text, email or phone call (your choice).
- You'll get tips on simple ways to use less energy during Flex times.
- Each winter and summer, you will have six to 10 opportunities to Flex, each lasting between two and five hours.

Flex is completely voluntary, but the more you shift your energy use from Flex times, the **more you get paid!**

Hurry, space is limited.
Learn more and [apply online](#) using your **activation code ABCD** by 05/01/2017 for your chance to participate in this exclusive program.

[GET FLEX](#)

*Based on your account history if you shift or reduce 30% of your energy use during Flex times.

Recruitment – Direct Mail



Based on your energy use, you could save \$X,XXX this year!



*Based on your account history if you shift 15% of your energy use to low-demand times.

control of my energy use.

Say hello to Flex



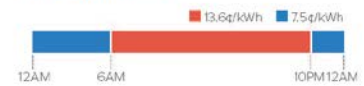
A new way to take control of your energy costs and save money this year. **With Flex, timing is everything.**

Here's how it works:

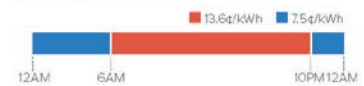
- ▶ Check out your Flex schedule on the back of this card that shows you when energy costs are lower throughout the week.
- ▶ We'll provide tips on simple ways to use less energy during high-demand times.
- ▶ The less you use during high-demand times, the more you'll save on your PGE bill.
- ▶ If you end up spending 10% more on the Flex plan than on your regular pricing plan after your first year, PGE will send you a check for the difference.
- ▶ Flex is completely voluntary — you can opt out at any time.

Your Flex schedule

May – October (M-F)



November – April (M-F)



Weekends & Holidays



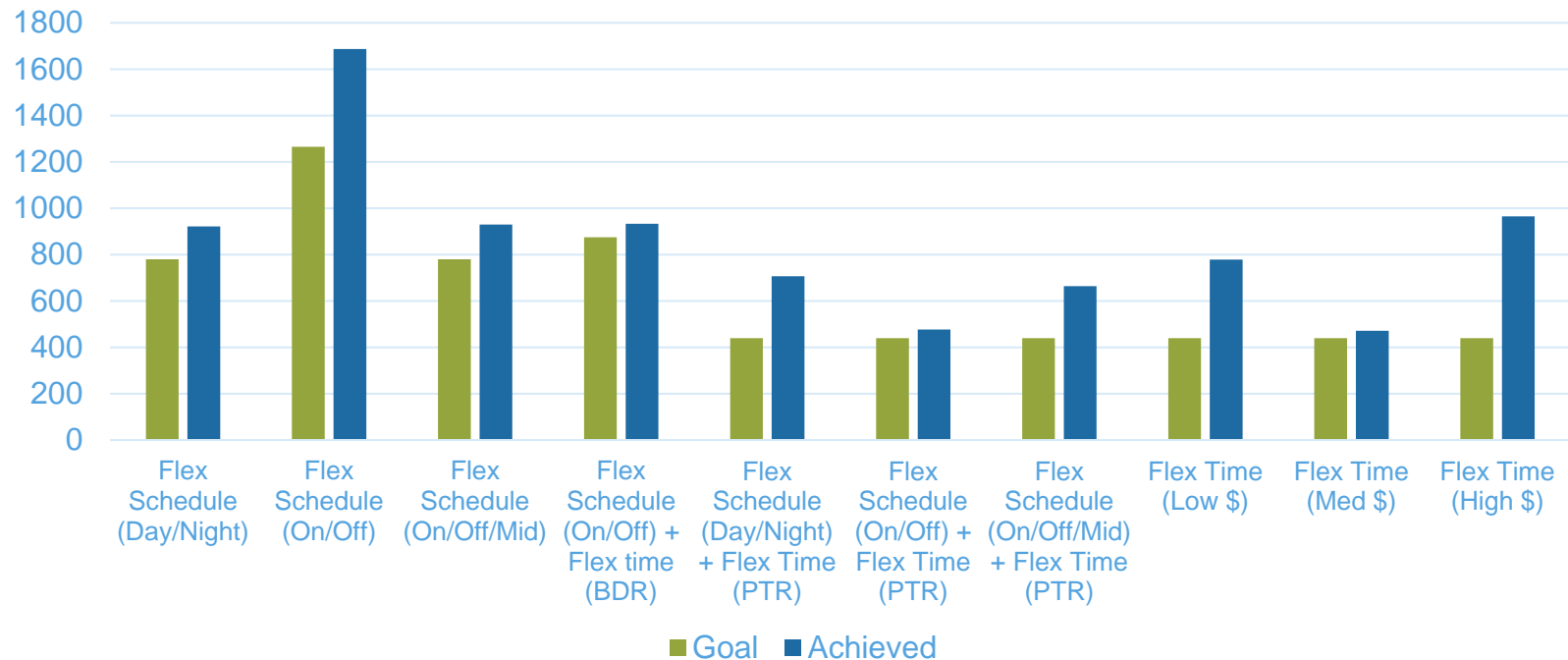
The cost of electricity on PGE's basic service is 10.6¢/kWh, no matter what time of day, day of week, or time of year it is. If you use more than 1,000 kWh per month, the cost is 11.3¢/kWh.

The charges for PGE's basic service and the Flex schedule don't include other charges — like our basic service charge, taxes and other adjustments — and don't reflect your total bill.



PortlandGeneral.com/Flex

Recruitment – Opt-in Programs



- Recruitment goal of 6,340 customer households exceeded by 35%
- Additional 8,350 customer households participating in Flex Time (BDR)

Flex Website – Rate Comparison

Your personalized Flex plan

Flex gives you two easy ways to put cash in your pocket simply by reducing your energy use during times when there's high demand for electricity.

First, through the Flex schedule you can lower your monthly PGE bill simply by shifting your energy use to times when there's less demand for electricity and prices are lower, like on nights and weekends.

We'll also invite you to participate in Flex times when energy demand is especially high. Shift your energy use away from these times and we'll send you a check at the end of the season based on how much you shifted. It's that simple.

You could save*:
\$125/yr.

[Enroll in Flex](#)

Your bill is currently **\$810/yr.** Here's how much you could save with Flex:

\$65/yr.*

Make simple changes

If you shift 5% of your use to off-peak times and reduce or shift your energy use by 10% during Flex times.

\$125/yr.*

Make more changes

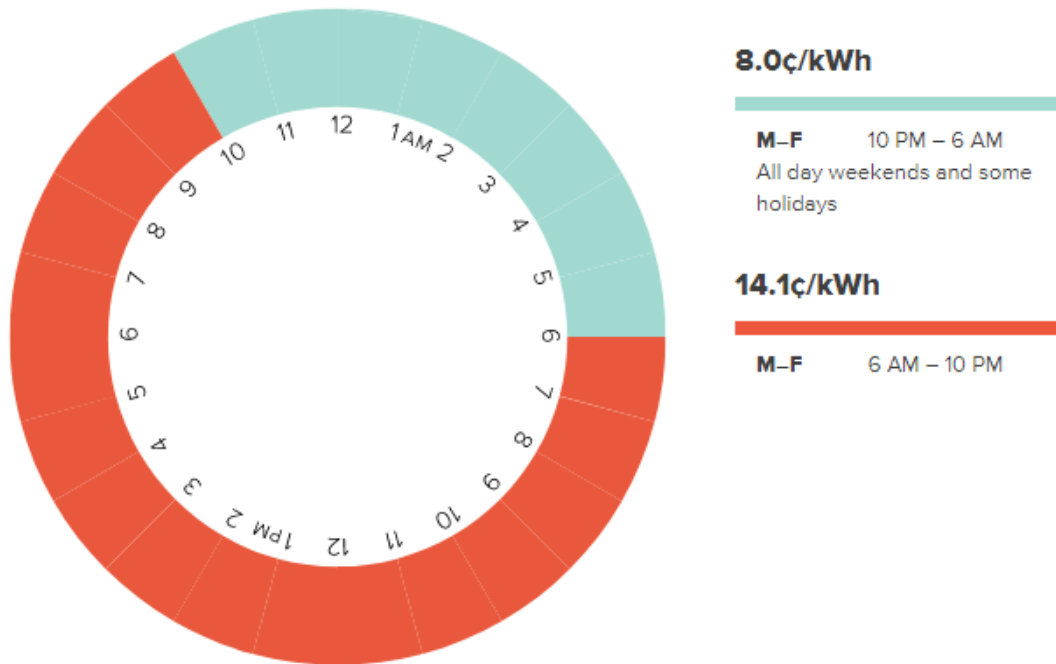
If you shift 10% of your use to off-peak times and reduce or shift your energy use by 20% during Flex times.

Flex Website: Explain Rate Plans

Here's how it works:

Flex Schedule

- Check out your Flex schedule below that shows you when peak times occur throughout the week
- The less you use during peak times, the more you'll save on your PGE bill
- If you end up spending 10% more on the Flex plan than on PGE's basic service after your first year, we will send you a check for the difference

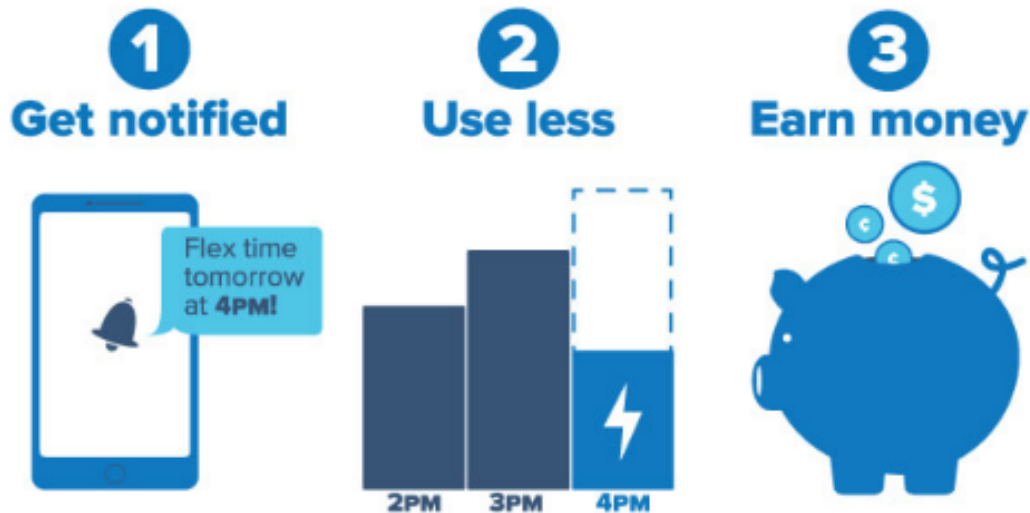


Flex Website: Explain Flex Time

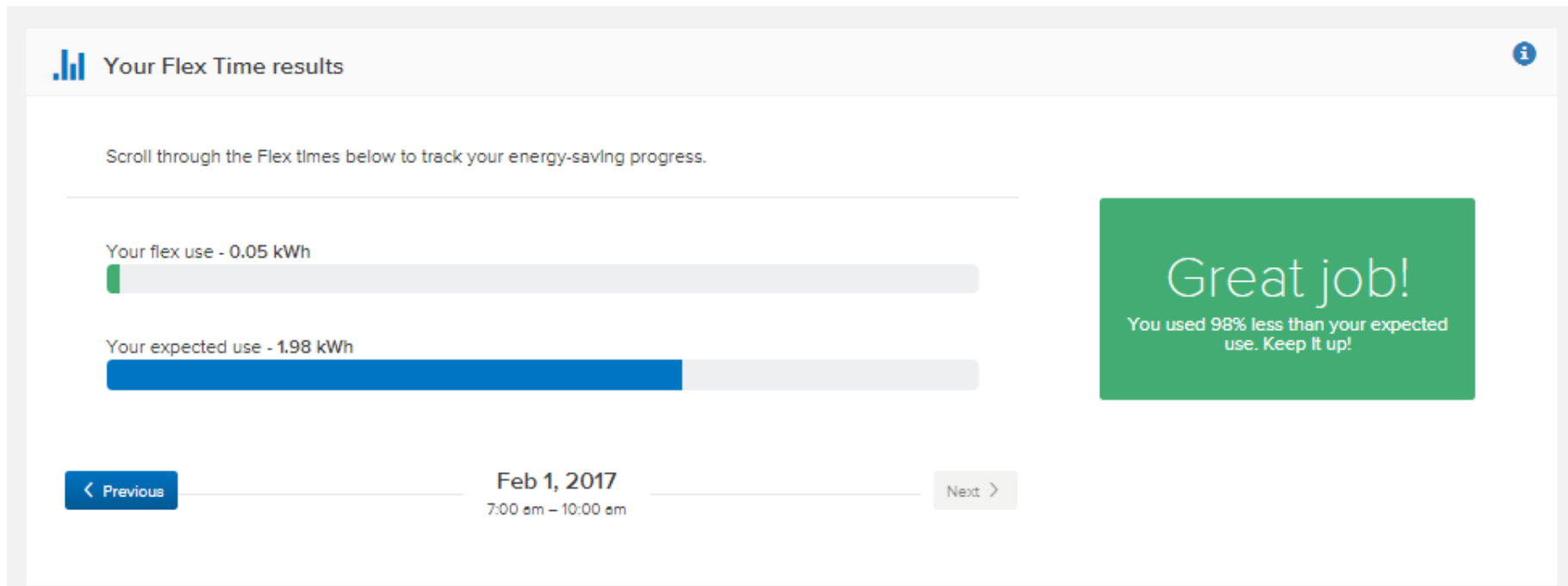
Flex Time

- For special Flex times, we'll notify you by text, email or phone (*your choice*) the day before the Flex time occurs
- Each summer and winter there will be 6-10 Flex times, each lasting 2-5 hours
- Shift the energy use you can to before the Flex time begins or after it ends
- At the end of the season, you'll get a check based on how much you shifted


You can earn **\$1.55** for every kilowatt hour you reduce during a Flex time



Flex Website: Flex Event Results



Flex Website: Time of Use

 Your Energy Usage

DAY MONTH YEAR

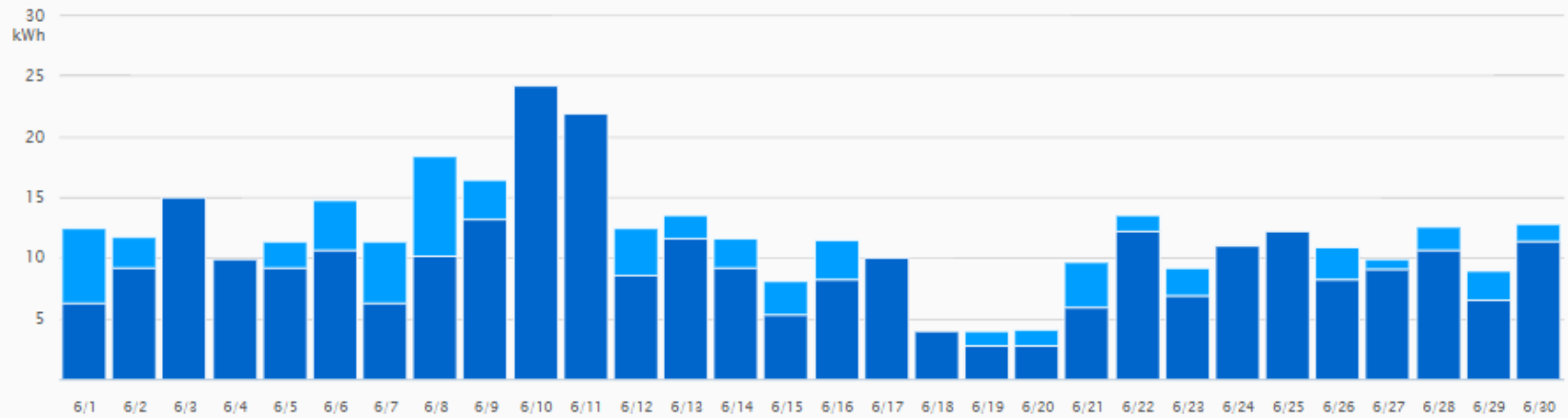
JUNE 2017



VIEW BY

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KWH



Colors show price per kWh

● 8.8¢/kWh ● 18.1¢/kWh

[View more information about the rates included in Your Flex Plan here.](#)

Preliminary Results

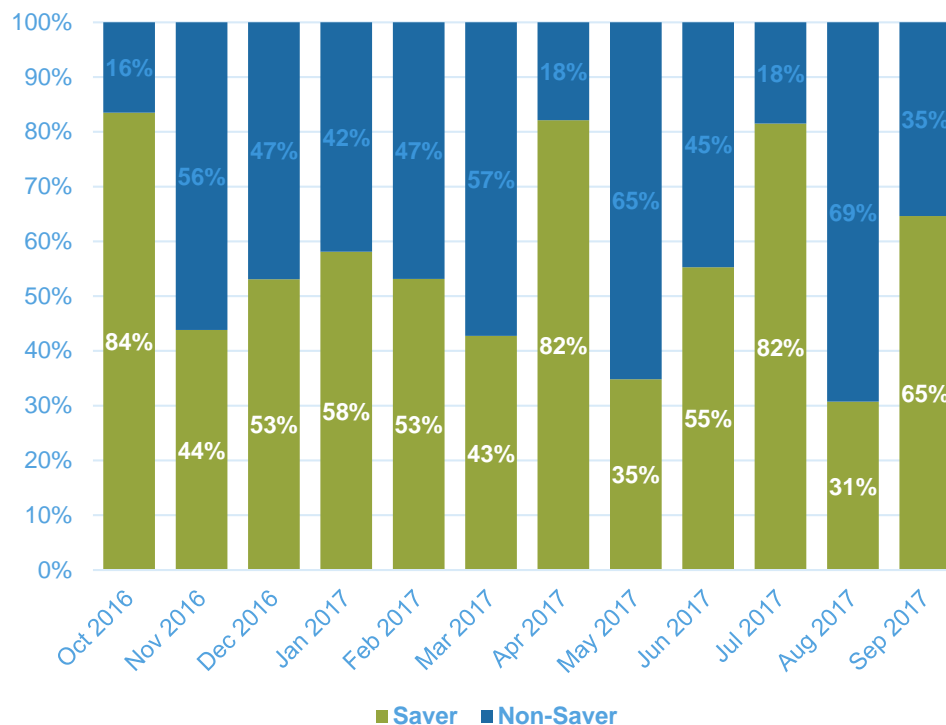
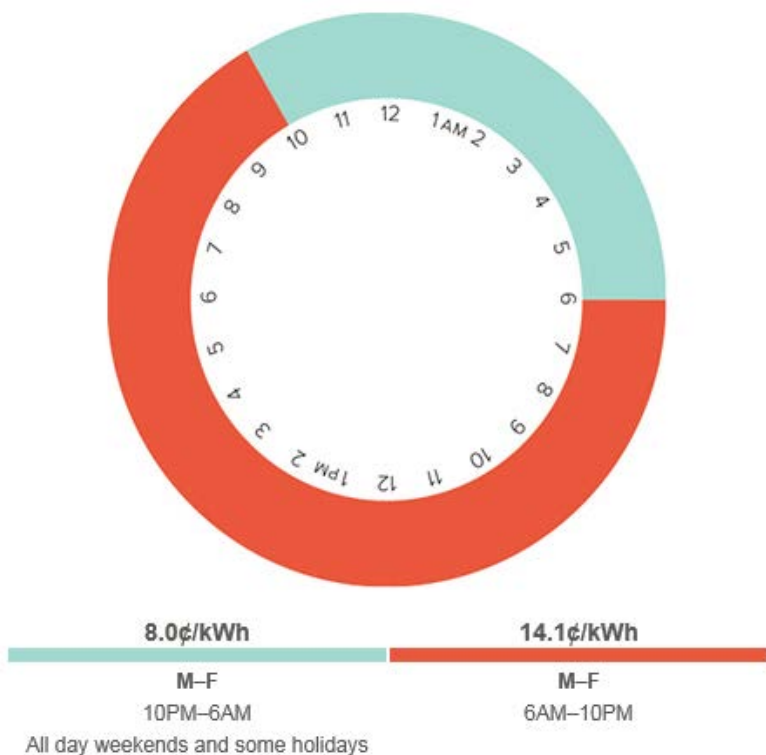
Flex Schedule – Time of Use Rates



Flex Schedule – Day/Night Rate

Results After 12-months

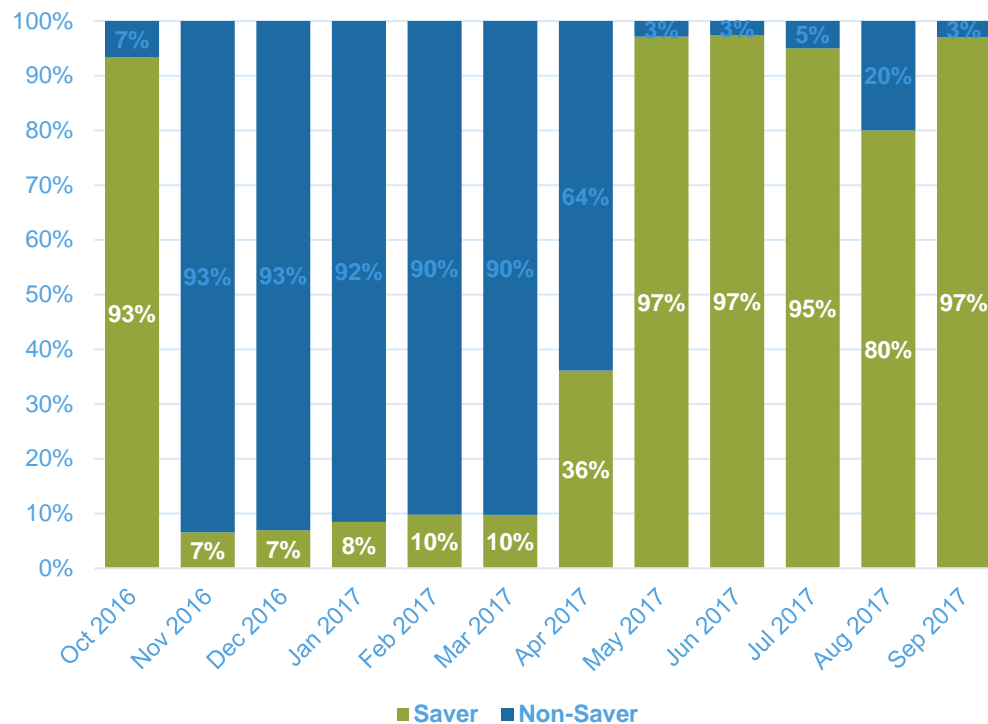
- 53% of all customers saved money
- 50% of low-income customers saved money.



Flex Schedule – On/Off Peak Rate

Results After 12-months

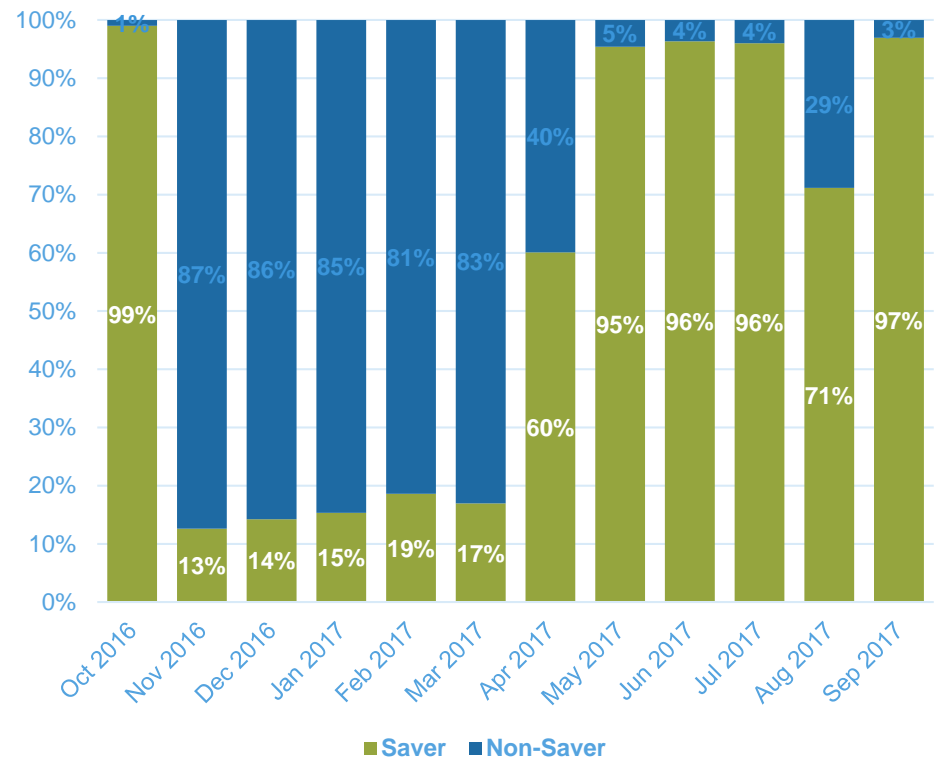
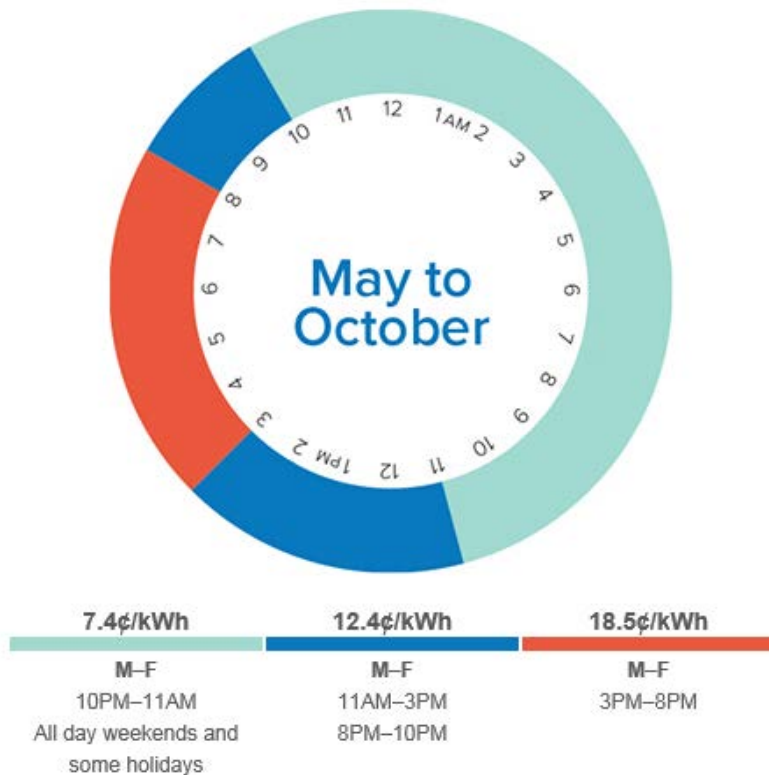
- 57% of all customers saved money
- 64% of low-income customers saved money.



Flex Schedule – On/Off/Mid Peak

Results After 12-months

- 65% of all customers saved money
- 70% of low-income customers saved money.



Flex – TOU, TOU+PTR, BDR

Preliminary Evaluation Results Summer Season 2017

PTR (opt-in): 0.45-0.70KW per customer

TOU (opt-in): 0.25-0.49KW per customer

TOU+PTR Hybrids:

BDR (opt-out): 0.03KW per customer

Looking Forward

Education, retention, evaluation, scaling

