Energy Efficiency Can Be Fun

Case Study: How One Utility Finds New Ways to Encourage Customers to Conserve Energy

No one likes to live on a tight budget. Limiting your purchases or habits can be restrictive and it can often be difficult to curb your free-spending ways. When it comes to limiting energy usage, American utilities like Dayton Power and Light (DP&L) understand all too well that this is something that will be beneficial to the environment and the customer. But how does a utility make limiting energy usage something that customers want to do? DP&L is using a number of programs that are fun, participatory, and not-at-all the traditional budgeting straitjacket that people dread. Using ideas that are “thinking outside the breaker box,” DP&L’s Energy Efficiency Team is helping encourage both residential and business customers to conserve energy and cut their costs.
DP&L, a subsidiary of The AES Corporation, is a Midwestern electric utility based in Dayton, OH, with about 515,000 customers in a 24-county service territory. Founded in 1911, the utility is more than 100 years old.

**Encouraging Energy Conservation**

Since 2009, DP&L has marketed energy efficiency programs to help customers save energy as a part of the utility’s overall compliance efforts with Ohio’s energy reduction mandates. Each year, programs must be marketed to residential and business customers to encourage participation, and in turn, help DP&L to achieve its reduction targets. DP&L encourages customers to participate using a variety of programs, rebates, and discounts.

In addition to the usual mail-in rebates and in-store discounts for purchasing high-efficiency compact fluorescent light bulbs, DP&L has tried injecting humor and fun into some innovative methods to help its customers save energy.

In 2014, DP&L and its advertising agency Chernoff Newman developed a new branded campaign with the theme Savings Champions utilizing sports analogies, such as caricature sports announcers doing play-by-play as they invaded customers’ lives to describe their energy saving efforts as if it were a sporting event. The campaign reached customers through the most innovative range of communications the utility has ever used, including television, print, social media, radio, Pandora, online, and in-person events.

This effort marked a dramatic departure from the usual advertising campaigns that emphasized a steady, serious utility image. But it was effective. The DP&L Savings Champion campaign was honored in 2014 as the Best Overall Campaign in the E Source Utility Ad Awards Contest. The contest is conducted by E Source, which has provided unbiased, objective research and advisory services to more than 300 utilities and large energy users for more than 25 years.

**Recycling Is Important**

DP&L has also encouraged customers to recycle their old energy-guzzling refrigerators and freezers by offering rebates of $50. The idea is to make it easy for customers to recycle by picking up the old appliance without charge and paying the customer to allow DP&L to do it. A recent campaign doubled the rebate amount if they also purchased an ENERGY STAR-rated appliance to replace the one they recycled.

In 2013, DP&L took the refrigerator recycling concept one step further by encouraging customers to participate in a statewide contest—sponsored by the company that recycles the appliances—to find the oldest working refrigerator in Ohio.

While a DP&L customer did not win that contest—the most ancient appliance using power was a 1920s General Electric refrigerator—customers enjoyed the contest and learned more about recycling programs through the resulting publicity and news articles.

**Engaging Young People**

While the refrigerator contest may have been of interest to older customers in DP&L’s service territory, the utility’s energy efficiency programs also concentrate on making energy and the idea of saving energy appealing to its younger customers too.

Each year, DP&L sponsors events such as the Activating and Energizing Girls in Science (AEGIS) aimed at encouraging young people, and especially girls, to learn about energy concepts.
about energy concepts, and take part in hands-on experiments that help them learn about electricity, science, and engineering. The goal is that they develop a love for learning as well as an interest in being energy-conscious consumers as adults.

**It’s Not Difficult Being Green**

Though residential customers outnumber businesses in DP&L’s electric distribution service, the utility also recognizes the need to engage and encourage business customers to save on their energy costs and make upgrades and changes that will improve their energy usage. Like residential customers, business, commercial, and industrial customers must watch their bottom line when it comes to saving money.

This year, DP&L is sponsoring a free program aimed at local businesses called Bring Your Green. It’s a fun, but competitive, year-long program to encourage local businesses and government agencies to reduce energy, water, and waste, while engaging their employees in the idea of helping the environment.

DP&L and other sponsors will reward participants with their share of a total of $80,000 in cash prizes for energy efficiency improvements. And the improvements don’t have to be expensive or dramatic projects either. Suggestions include simple ideas, such as switching to CFL or LED lighting, printing fewer paper copies, recycling more, turning down the thermostat in winter and up in summer, reducing the number of appliances and equipment plugged in continuously, installing motion-sensor lights or lighting controls, and encouraging employees to take the stairs instead of the elevator.

The Bring Your Green program rewards even the simplest changes with the idea that people need to be rewarded for changes in their behavior because those small steps often lead to even larger movements toward energy savings and reduction in energy usage.

**Rewarding Energy Conservation**

When a business or a school district makes significant upgrades in lighting, HVAC, or uses energy efficient construction methods to build a new structure, DP&L has programs to reward them through rebates amounting to thousands of dollars.

The business submits an application to DP&L detailing the types of energy conservation it has made. These improvements may include the following:

- **Energy Efficiency Rebates:** Rebates for installing energy-efficient devices such as LED lighting, programmable thermostats, and smart controls.
- **Demand-Side Management Programs:** Programs designed to reduce peak energy demand by consumers during peak times.
- **Energy Performance Contracts (EPCs):** Contracts that allow businesses to finance energy efficiency projects without using their own capital.
- **Energy Performance Agreements (EPAs):** Long-term agreements between DP&L and businesses to achieve energy savings.

Ohio’s Energy Efficiency Mandate

Beginning in 2009, Ohio required each electric utility to implement energy efficiency programs to achieve energy savings equaling at least 3/10 of 1% of the total annual average and normalized kilowatt-hour sales to customers during the three previous calendar years.

The required savings figure increases each year, for example to 1% in 2014. By the end of 2027, the cumulative energy savings for an Ohio electric utility must be more than 22%.

The energy efficiency programs may be demand-side management programs, demand-response, smart grid investment, customer-sited programs, like waste energy recovery and combined heat and power systems, or transmission and distribution infrastructure improvements.

Ohio electric utilities must produce and file annual reports with the Public Utilities Commission of Ohio showing the results of its verification of energy efficiency and peak demand reductions.
An audit is conducted to determine if what the business claims it is doing has made a difference in its energy consumption. If the business has successfully made the energy efficiency improvements, DP&L then provides a rebate.

To encourage other businesses in the service territory, DP&L often holds media events to announce the energy efficiency improvements specific businesses have made and to spread the word about the programs that are available to other businesses.

In the past two years, there have been at least seven media events in which hospitals, universities, school districts, and arts organizations have qualified for the energy efficiency rebates.

**Encouraging Businesses to Conserve**

On DP&L’s Web site, www.dpandl.com, case studies showcase area businesses that have taken advantage of energy efficiency programs. The case studies are collected through interviews with the companies and our energy efficiency managers.

DP&L also uses “Channel Partners” (some utilities call them trade allies) to help reach our business customers. These Channel Partners are local businesses that are listed on DP&L’s Web site and come to annual meetings to hear about new programs, rebates, and upcoming changes. The Channel Partners also receive individual advice about driving their own sales.

The savvy Channel Partner applies for DP&L rebates on the customer’s behalf and takes care of all the paperwork for the customer. The customer receives the rebate, but the Channel Partner becomes eligible for a financial incentive reward by providing more than $10,000 in rebates.

Some businesses may not fit the usual mold of a utility rebate program. That’s why DP&L offers customized rebates that examine the metering before installation and after installation of the project to determine if energy is being saved. Larger customers find this program exactly what they need for larger projects or projects that are on-going, such as multi-air compressor systems or aeration at waste water treatment facilities. Those projects involve various systems that interact with each other in a plant and require sophisticated analysis to determine energy savings.

**Creatively Meeting Customer Needs**

When you are providing a service, one of the most important goals is to ensure that the customer is happy. For a utility like DP&L, electricity is more than a service. In today’s charged-up, smart phone-toting, shop-online world, it’s difficult to imagine getting through the day without electricity. But in order to be environmentally friendly and cost-effective for its customers, a utility needs to be creative and engaging, when it comes to informing, educating, and helping customers be smart about their energy use.

To see how to improve the energy efficiency of your home or business, visit www.energy.gov and check with your local electric utility for rebates on high-efficiency appliances or heating/cooling systems. Heating and cooling typically accounts for 50% of your energy bill, so becoming energy efficient can pay off.