



CPS Energy My Thermostat Rewards At A Glance

Capitalizing on both Black Friday and the approaching holiday season, CPS Energy employed a multi-pronged marketing campaign to increase enrollment in their BYOT (bring your own thermostat) demand response program.

Program Statistics

- 1,745 new customers enrolled in just 6 weeks, an 8X increase over the previous year
- Increased total enrollment in their BYOT program by 40%
- 17% of CPS Energy customers are now on a smart thermostat program

Unique for their ability to adopt common retailing principles to engage consumers, CPS Energy's grassroots approach included print, radio, television, digital, social, in-store, and direct to consumer marketing efforts.

My Thermostat Rewards

Capturing the Excitement & Holiday Savings

Background

Headquartered in San Antonio, Texas CPS Energy is the nation's largest natural gas and electric municipally owned energy provider, serving more than 786,000 electric and 339,000 natural gas customers across a 1,566 square-mile service area which encompasses parts of eight separate counties. CPS Energy maintains a diversified generation portfolio that supplies their customers with affordable and reliable electricity while maintaining their commitment to environmental stewardship. Working to optimize their grid infrastructure from every angle, CPS Energy is helping customers increase their energy efficiency through their **My Thermostat Rewards** program.

My Thermostat Rewards

Through the **My Thermostat Rewards** program, CPS Energy enrolls customers with a smart thermostat for a demand response program centered on the cycling of residential central HVAC system. Enrolled participants agree to allow CPS Energy to make adjustments to their thermostat during "conservation events" when CPS Energy's system reaches peak demand. Conservation events take place during the summer months and typically occur between the hours of 3 p.m. and 7 p.m., Monday through Friday. During conservation events, customers can opt out through their thermostat or smart phone app at any time and return to their normal settings. CPS Energy maintains that conservation events don't occur very often, but they are crucial in managing the energy needs of their community.

Program Nuts & Bolts

All CPS Energy residential customers with central air conditioning or heat pumps are eligible. Customers can elect to receive a free Honeywell programmable thermostat, installed for free by CPS Energy, or customers can elect to buy a qualified device to participate through CPS Energy's Bring Your Own Thermostat (BYOT) program.



Customers who elect to have CPS Energy install the free Wi-Fi Honeywell programmable thermostat in their home receive a device with a \$300 value, as well as the ancillary benefits of smart energy management. Customers who elect the BYOT option receive a one-time bill credit of \$85. All participating customers also receive a \$30 bill credit at the end of each peak demand season.

An Innovative Holiday Savings Promotion

Employing a multi-pronged marketing strategy, CPS Energy set out to capitalize on both Black Friday (the day after Thanksgiving) and holiday sales to increase participation in their BYOT **My Thermostat Rewards** program through their Holiday Splash effort.

Attempting to enroll 1,000 new households throughout the holidays, CPS Energy increased their one-time bill credit from \$85 to \$150, **partnered with local retailers, and implemented a multi-channel marketing campaign** to increase awareness. Through their efforts, they were able to grow their BYOT program 40% over a six week period, enrolling 1,745 new households.

Eligible Devices & Retail Partnerships

Through Holiday Splash promotions and the help of CPS Energy's one-time bill credit, consumers were able to purchase top of the line smart thermostats at a fraction of their original price.

- With an additional \$50 Home Depot mail-in rebate, the cost of a Nest Learning Thermostat dropped from \$249.99 to \$19.99
- A Honeywell 9000 Series Wi-Fi Programmable Thermostat fell to \$19.99 from \$199.99
- The EcoBee3 Smart Wi-Fi Thermostat fell to \$69.99 from \$249.99

(Final prices listed above reflect the inclusion of CPS Energy bill credits)

CPS Energy partnered with local retailers such as Home Depot in an effort to make eligible thermostats more clearly identifiable within the store through assisted sales, end cap signs, aisle violators, and bag stuffers.





CONNECT AND COLLECT A \$150 REBATE.



Connect your qualified Wi-Fi thermostat to **My Thermostat Rewards** and connect to savings. Take control of your energy costs with My Thermostat Rewards. Install a qualified Wi-Fi thermostat yourself and receive a \$150 bill credit, plus an additional \$30 bill credit each year. Connect today for a better way to save.

See if you qualify and learn more at cpsenergy.com/mythermostatrewards 

RESTRICTIONS APPLY: The \$150 dollar bill credit is a limited time offer. To qualify for the \$150 bill credit, customers must install a Wi-Fi thermostat approved by CPS Energy, enroll in My Thermostat Rewards between November 27, 2015 through January 31, 2016 (the "Special Enrollment Period"), and allow CPS Energy to periodically control and interrupt service to manage peak energy periods. Each year, following the end of September, a \$30 bill credit will be applied to an enrolled customer's bill.



Multi-Channel Marketing Campaign

Digital Media

Utilizing digital media, CPS Energy wanted to make sure that they were reaching all of their customer segments. CPS Energy purchased advertising on Twitter, Facebook, and Pandora—an online radio service—in addition to advertising on the local ABC affiliate news station's website, KSAT Online. Additionally, CPS Energy purchased online advertising through search engines to boost program notoriety among energy efficiency and home improvement search results in their geographic area.

Community Outreach

CPS Energy representatives took to the local airwaves to make sure that the community was aware of the ongoing promotions, and opportunities to enroll in the BYOT **My Thermostat Rewards** program. Additionally, CPS Energy held three live Nest Learning Thermostat giveaways, increasing community awareness.



Throughout the promotional period, CPS Energy representatives appeared on San Antonio Live and Great Day San Antonio — two daytime, lifestyle TV programs

Direct to Consumer & Print Advertising

CPS Energy reached out directly to their customers to make sure they were informed of the ongoing holiday promotions through monthly bill inserts and e-mail messages. Additionally, CPS Energy purchased print ads in the local paper and while billboards highlighted the promotion along highways and busy intersections.

Summary

Through a multi-pronged marketing approach, CPS Energy capitalized on the holiday season and was able to increase enrollment in their BYOT **My Thermostat Rewards** program by 40% in just six weeks, enrolling 1,745 new customers — an eight-fold increase over the previous holiday season. CPS Energy successfully leveraged their partnerships with their thermostat partners (Nest, Honeywell, EnergyHub) and developed a unique grassroots promotional effort that netted a positive benefit for their community and the more than 4,200 **My Thermostat Rewards** program participants. SGCC looks forward to seeing how CPS Energy will continue to engage customers throughout 2016!