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UTILITY 2.0
WINNING OVER THE NEXT GENERATION OF UTILITY CUSTOMERS

DIGITAL TRENDS

Devices
The number of smartphones in the U.S. has more than tripled between 2010 and 2016.

Big Data
2.7 zettabytes of data exist in the digital universe today. One zettabyte is equivalent to about 250 billion DVDs. This abundance of data is radically changing customer behavior and the way businesses operate.

INDUSTRY TRENDS

Storage
Lithium ion battery costs have dropped 65% from 2000 to 2015.

Solar
The cost of solar PV has dropped 19 percent in the past year (2015 to 2016) and 63 percent over the last five years (2011 to 2016).

CUSTOMER PREFERENCES

Consumer to Prosumer
Ease of access to information has changed customers from passive recipients to active participants in the creation, marketing, and selling of products.

Push to Pull Model
In response to increased customer knowledge, companies are shifting to the "Pull Model" in which customers "pull" businesses to act according to their desired experiences.

RISING CUSTOMER EXPECTATIONS

INTEREST IN TRANSACTIVE PLATFORMS

50 percent of residential respondents were interested in purchasing solar + storage.

Commercial respondents were interested in chiller & load management services, with 78 percent already participating in EE lighting.

CARE ABOUT COST & SUSTAINABILITY

52 percent of residential customers were primarily motivated by reducing costs.

50 percent of commercial customers were primarily motivated by preserving the environment.

DIFFERENTIATED COMMUNICATION

57 percent of residential respondents were most interested in interacting with their utilities provider via the company website

52 percent of commercial respondents were most interested in interacting with their utilities provider via phone call.

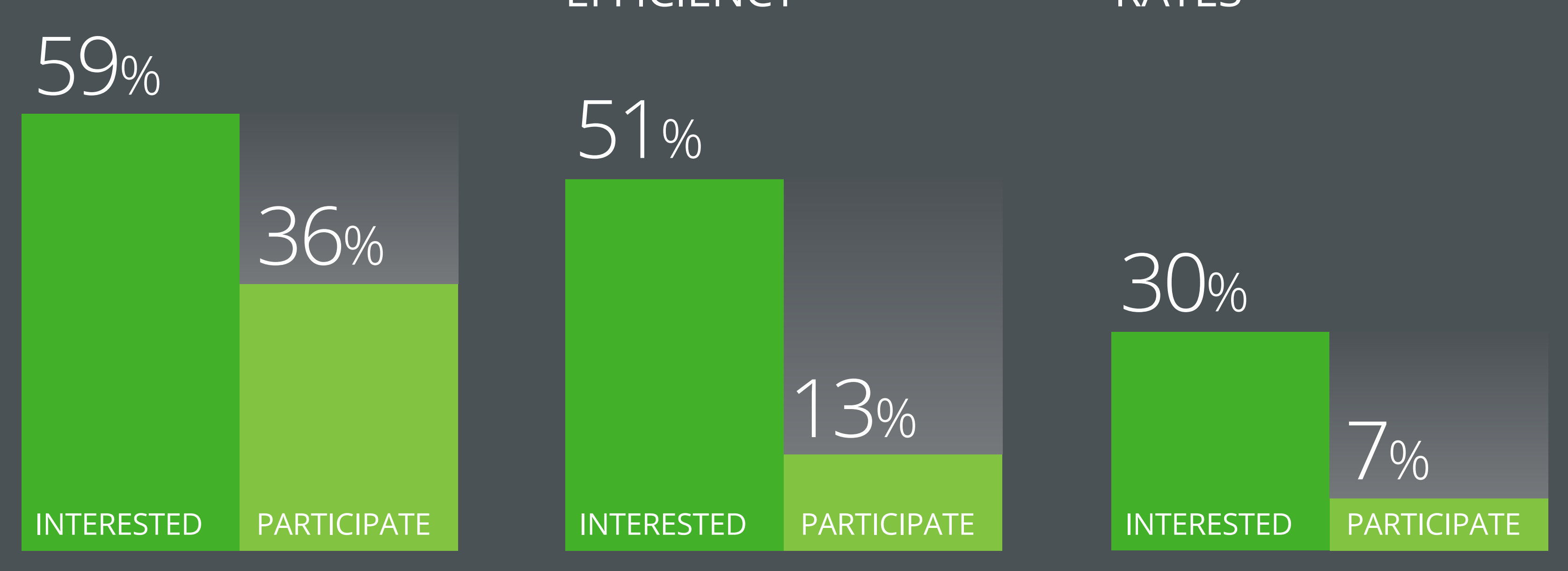
"A lot of consumers are content with the traditional, affordable, reliable power model; however, growing numbers of consumers have higher expectations which present utilities with opportunities."

OPPORTUNITIES TO STAY AHEAD OF THE CURVE

PARTICIPATION GAP

Does my provider have EE Programs?

LED LIGHTING | ENERGY EFFICIENCY | TIME-OF-USE RATES



USE OMNICHANNEL STRATEGY AND PARTNERSHIPS TO DECREASE PARTICIPATION GAP

ADDITIONAL SERVICES

71%

Residential customers
71 percent of residential respondents were at least somewhat interested in bundling services such as: electricity, natural gas, waste removal, HVAC, and cable.

ELECTRICITY | WATER | NATURAL GAS | HVAC | RECYCLING | WASTE | CABLE/INTERNET

Commercial customers
58 percent of commercial respondents were "extremely willing" to pay more for additional services from their electricity provider.

58%

BRAND PERMISSION

57%

Residential customers
57 percent of residential respondents would be willing to consider their utility company as a provider of solar.

90%

Commercial customers
90 percent of commercial respondents view their utility as a trusted advisor.

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