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Partnering with Wisconsin utilities

# Rural Broadband

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# Engaging Rural Customers

## Fall 2016 PSC Issues Notice of Investigation (NOI)

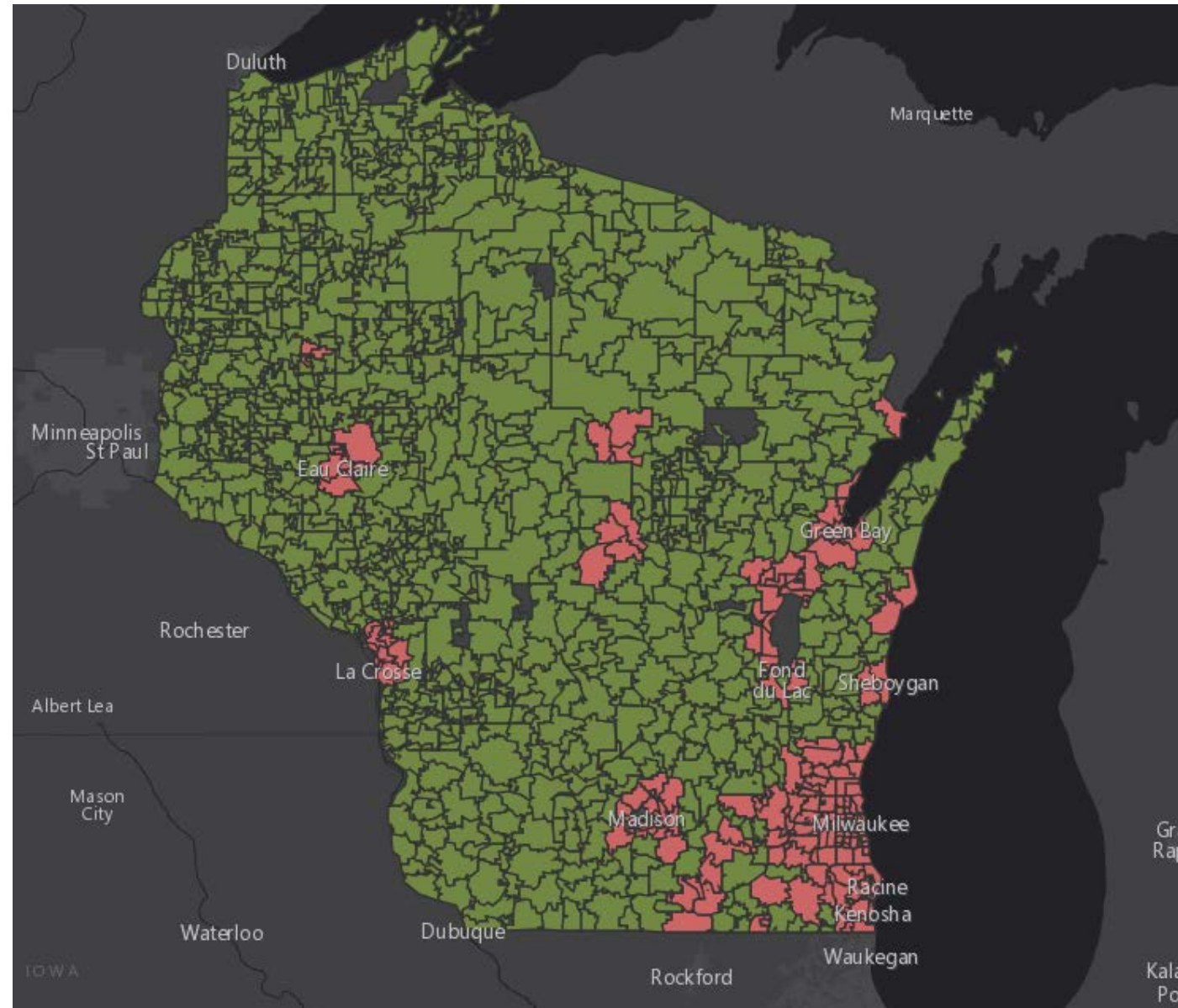
- Rural vs. Urban
- What role does broadband play?



## December 2016 PSC approves \$26 Million

- 2017-2018
- Deliver benefits to rural customers
- Encourage broadband expansion

# Rural Wisconsin



# Rural Program Design Objectives – per PSC Order

1. First and foremost, the goal of these programs is to offer rural customers in the 582 zip codes new or revised programs that will increase their participating in EE programs.
2. Additional objective of these programs is to create market strategies and increase access to EE markets for these customer through the use of broadband by partnering with internet service providers (ISPs) on some packages, and promoting other packages that offer energy efficient products or services that are broadband dependent.

# Programmatic Variables

- Programs should also be designed to seek additional benefits through increased access to broadband services by:
  - Tying increased use of the internet to energy efficiency measures
  - Incentivizing broadband providers to market Focus on Energy along with new or upgraded service
  - Cost-effectiveness concessions

# 2017-2018 Rural/Broadband Initiatives & Budgets

## Connected Device Kits

- Focus is partnering with Internet Service Providers to offer customers enrolling in new service or upgrading service their choice of 5 energy savings kits and an incentive off service

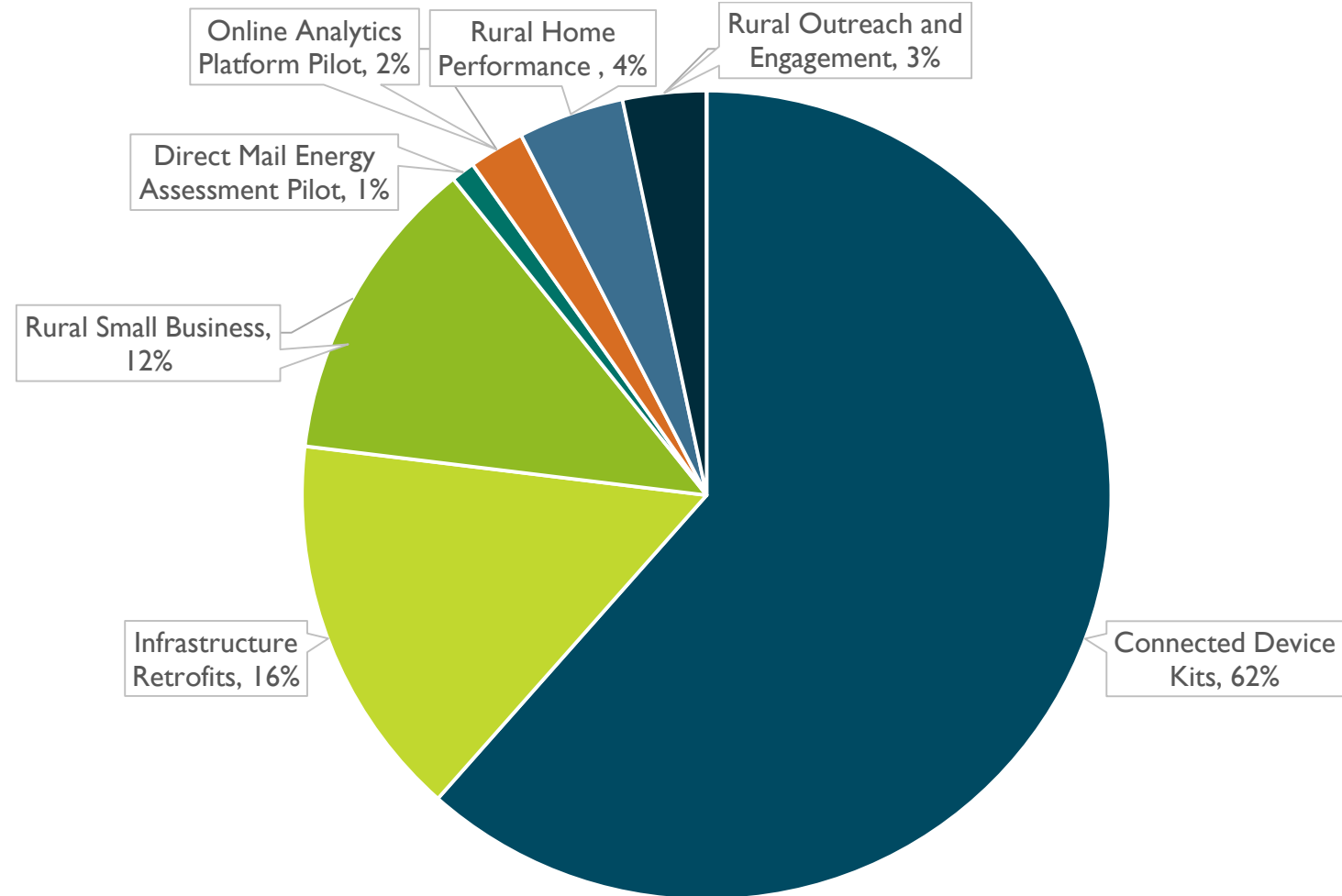
## Communication Provider Initiative

- Dedicated funding and technical support for energy related projects: lighting, heating and cooling equipment, UPS Systems/Rectifiers, and Soft switch retrofits
- Increased incentives for custom projects

## Rural Homeowners & Small Businesses

- Direct Mail Energy Assessment Surveys
- Rural Home Performance: Includes incentive towards assessment and bonuses for Trade Allies
- Increased incentives for Small Businesses located in targeted communities
- Increased mass media engagement and community based outreach

# \$26 Million Rural Portfolio Allocation



# Connected Device Kits – Where we were

- Efforts in 2017 focused on engaging Internet Service Providers (ISPs) to offer kits to their customers with qualifying internet speed
  - Primary channel for recruitment was the Wisconsin State Telecommunications Association (WSTA)
  - Kits could recruit new/upgrading customers or reward existing
  - Nine rural ISPs enrolled in the Program in 2017
  - Focus on Energy provided technical/financial support for marketing
  - Only one ISP aggressively used the Program to expand service
- Progress to the 2017/2018 kit goal was relatively low through 2017



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Focus on Energy has partnered with **Lakeland Communications** to offer you FREE connected devices & help you save energy in your home!

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Focus on Energy & Lynxx Networks have partnered to offer you connected devices & help you save energy in your home!

Add or upgrade your broadband service with **Lynxx Networks**, and you can qualify for your choice of the latest energy saving devices! (a \$150 value).\*

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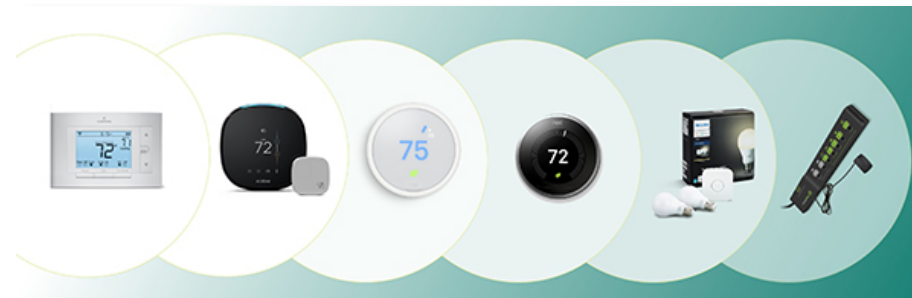
**LYNXX NETWORKS**

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# Connected Device Kits – Where we are

- Achieve necessary scale to meet goal, pivoted from the ISP channel to partner directly with utilities
  - Utility engagement has occurred in three waves:
    - Cooperative and municipal utilities where entire territories aligned with rural qualified ZIP codes
    - Coops/munis with rural/non-rural overlap
    - Investor-Owned Utilities (IOUs), with Alliant Energy aggressively marketing the Program
- Through 6/9/18...
  - Customers from 92 utilities have participated in the Program
  - 20,933 kits have been ordered (22.9% to kit goal)
- The Program continues to be offered through ISPs, with four additional ISPs launching the Program in 2018



# Communications Provider Initiative – Early Trends

## Telecoms and Internet Service Providers

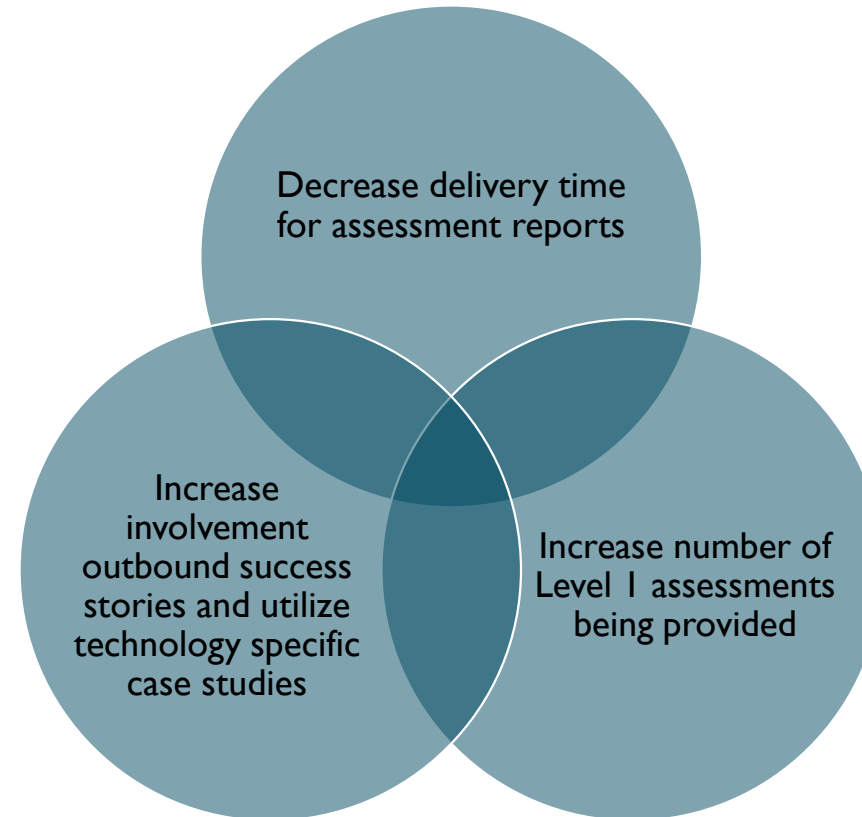
- Two distinct (yet connected) segments

Building rapport

Understanding customer priorities

Very limited uptake

# Communications Provider Initiative – Modifications



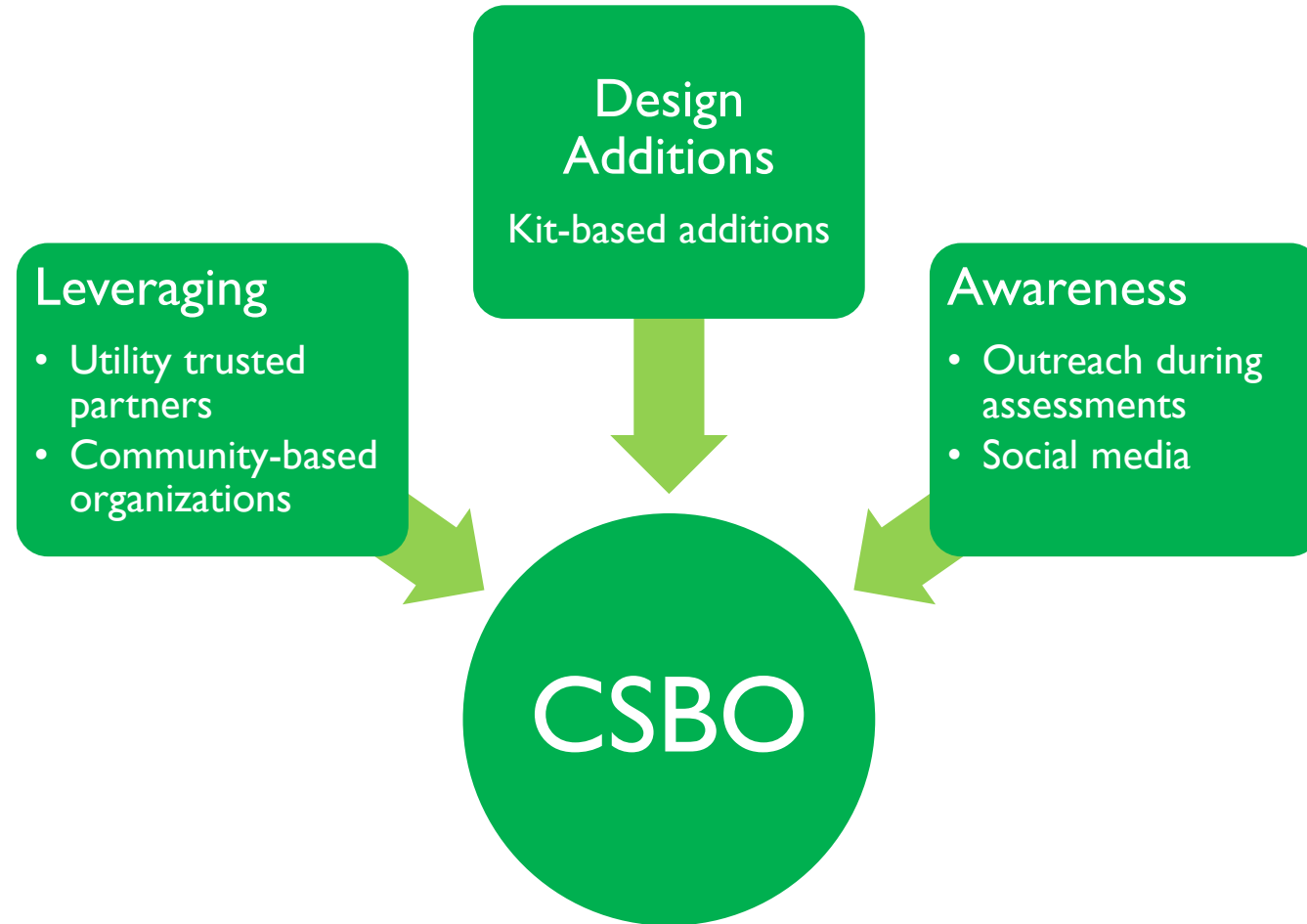
# Communications Provider Initiative – Transitioning

- Industry is seeing large surge of territory expansion, joint partnerships, and acquisitions by existing Providers.
- Improved digital platforms are providing increased services for customers which further promote the need/use of data centers and colocation sites.
- Providers need to support demand for internet bandwidth due to technology trends:
  - 4K-TV broadcasting, smart-city/autonomous vehicle projections, smart grid/ home components, and the Internet of Things (IOT).

# Community Small Business Outreach Initiative – Early Trends

- 30% of small business owners cite lack of capital as the reason for not doing energy efficiency; Easy and accessible financing is one solution for this market.
- 39% of small business owners do not own the building; Engaging property owners is crucial to upgrading technologies in these buildings.
- Targeting residential Trade Allies to engage with small to medium size businesses because they often need the same HVAC equipment and controls

# Community Small Business Outreach Initiative – Turning the Corner



# Future “rural” planning

## Quad III Planning (CY'19 – CY'22)

Rural  
defined as  
Ag or  
customer  
sites in rural  
zip codes

Offerings to  
drive  
engagement  
5 themes

Ag,  
industrials,  
and small  
business,  
broadband,  
and LEAN

Dedicated  
budget

Utilizes  
surplus  
from Quad  
II Rural  
Broadband  
initiative

Thank You

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