

Coming Into the Spotlight: Finding a Starring Role for Community-based Initiatives

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ABSTRACT

Community-based initiatives utilize many strategies and tactics. These include community-led outreach that is coordinated with local utilities, as well as targeted traditional marketing efforts (e.g., bill inserts, mass media targeted to the community) and increased incentives and support. Information is limited on which specific elements are successful because tracking is generally done for the community-based initiative as a whole, not the specific strategies or tactics. Because there is not a lot of information on the specific aspects of the efforts, it is difficult to refine a model to improve its cost-effectiveness. Based on an exploration of several case studies, it appears that community-based initiatives, if done well, can be very effective from the utility-perspective. Specifically, they are effective in that these efforts can raise awareness of, and channel customers into, standard utility programs. They also do a good job of going deeper into the population and reaching “harder-to-reach” segments who might not otherwise have taken action on their own. These populations, however, can have other challenges such as pre-weatherization barriers, or structural issues that lead to additional “costs.” As such, if not implemented well, community-based initiatives can be resource draining and/or less cost-effective than standard programs. The authors offer insights on where these efforts are most successful, and suggest additional tracking of the various strategies and tactics to provide more information on how to improve community-based models.

Introduction

Community-based energy efficiency initiatives and utility partnerships are becoming a more common tactic among energy efficiency program designers. These geographically-focused efforts, often targeting a specific customer group, have been deployed across the United States as pilot programs, to fulfill multiple objectives. However, limited impact results are available from community-based initiatives, and it is unclear when and where they are most effective. Should community-based initiatives be: a) awareness-building activities, b) a method for channeling customers into existing energy efficiency programs, or c) a potential strategy for reducing demand in capacity-constrained areas?

This paper starts with a discussion of the various elements that make up the structure of a community-based initiative, followed by a description of what community-based initiatives try to achieve and how they seek to intervene. Next, we provide an in-depth look at one community-based initiative in the Northeast, and the successes and challenges it has encountered, while offering insights on where these community-based initiatives are most impactful and how community-based initiatives should be used in the future. Finally, we conclude with a note on the difficulties in determining success for these efforts. Ultimately, the goal of this paper is to further the discussion about the role of community-based initiatives, and provide suggestions for data collection efforts that can help program implementers understand the most valuable roles for the future.

What is a Community-based Initiative¹?

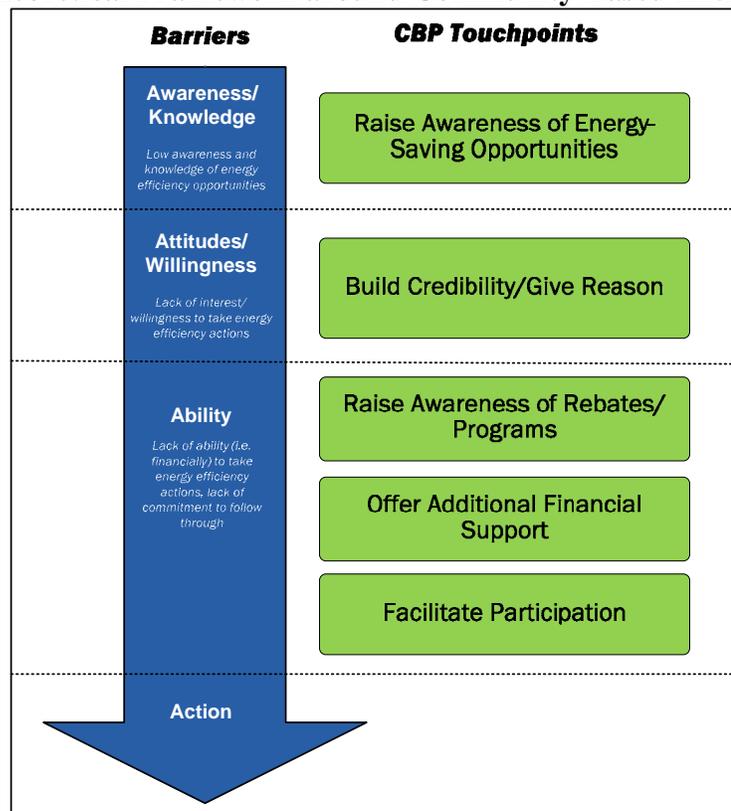
To understand where and how community-based initiatives might be effective, we must first define a community-based initiative. This is not a simple task since these initiatives are often customized efforts pursuing different goals, targeting distinct customer segments, and employing a variety of outreach and engagement tactics.

Marketing and outreach tactics at the community level can include door-to-door outreach efforts, door hangers, school or neighborhood presentations, setting up a booth at local events, or finding local champions to promote the initiative. While community-based initiatives across the country draw on these community-focused marketing and outreach efforts, for energy efficiency programs, community-based initiatives are much broader. Community-based initiatives are generally coupled with an increase in traditional marketing in the targeted geographic area, such as direct outreach through bill inserts, mailers, radio, newspaper, television (i.e., local ads), or websites.

In addition to the onslaught of both community-led and traditional marketing and outreach tactics targeted to the community, many community-based initiatives are also paired with existing program infrastructure. Some may even include additional incentives and services, such as increased rebates or free services, bundling of services, energy-saving contests with large-scale prizes (such as a PV system for the community), or personalized support through the standard participation process.

In reviewing the myriad tactics and goals, it appears that community-based initiatives address three broad barriers in the marketplace: (1) awareness, (2) attitudes or willingness to act, and (3) ability to take action (Figure 1).

Figure 1. Theoretical Framework around Community-Based Initiatives



¹ This paper deals strictly with residential efforts. The findings in this paper do not necessarily apply to commercial efforts (which often address different barriers through different outreach tactics)

1. Awareness/Knowledge Barrier

To address lack of awareness/knowledge of energy efficiency opportunities, programs seek to **raise awareness of energy efficiency opportunities** (e.g., turning off lights, installing new equipment) within the home. Some community-based initiatives seek to educate customers about direct energy savings in their homes through conservation behaviors or low-cost actions. One way that they may do this is through passing out CFLs or low-flow aerators.

2. Attitudes/Willingness Barrier

Community-based initiatives sometimes build on the reputation of community organizations, early adopters, and other community champions, collaborating with these groups to **increase pro-efficiency attitudes and raise willingness to take action**. Program administrators often partner with a local organization to serve as the on-the-ground “face” of the program. The theory is that customers are more likely to trust messages coming from a local community group or a person of high social status.

Similarly, to spur the desire to participate, some community-based initiatives mobilize customers by giving them a socially desirable reason to participate (e.g., creating a feeling that all residents are working together for the future welfare of the community, or offering gifts that would benefit the entire community). Others may use local champions to serve as a “model” – for example, sharing the results of their home audit so residents can see how it might work for them. Others might distribute or promote similar information as the Program Administrator, but use their own name, brand voice, and local twist on the information.

3. Ability Barrier

There are three ways that programs can address the ability barrier. First, they can **increase knowledge of rebates/programs**. Some community-based initiatives seek to increase customer awareness of available financial assistance, such as program rebates or financing opportunities. This message can help increase program participation, as well as the number of energy efficiency actions participants take.

Second, programs can **offer additional financial support or incentives** beyond existing PA rebates to address financial hurdles. For many community-based initiatives, rebates within the community are no different from the PAs’ rebates in other areas. However, some efforts may waive audit fees or leverage additional funds (e.g., from ARRA) to cover incremental costs associated with the energy efficient improvements, or highlight additional ways to secure funding for remaining incremental costs (e.g., no-interest or low-interest bank loans).² Thus, community-based initiatives may increase a customer’s ability to take action.

Finally, some community-based initiatives (e.g., a PA and non-profit partnership) may bundle various measures and services to offer “one-stop-shop” programs that **streamline the participation process**. The community groups involved in partnership delivery may provide ongoing support for participants. This support eases participation, and may make customers who are otherwise informed, willing, and able to take energy efficient action more likely to participate in the effort. In-language support and/or one-on-one assistance help facilitate participation, but other efforts may be needed to overcome technical barriers.

² In some cases, the fact that marketing is targeted to a specific community is the only reason that additional funds can be used (e.g., ARRA or city-based funding).

Ultimately, community-based initiatives serve many purposes, some of which go beyond energy savings goals. Program administrators (PAs) may use these efforts to do the following:³

- **Raise awareness of energy efficiency actions:** Build awareness of impactful conservation behaviors or measure installations that customers within a target population or region can take. Promoted actions may be within or outside of traditional utility programs.
- **Channel customers into existing energy efficiency programs:** Use a targeted community-based initiative – from partnerships to marketing and outreach – to increase participation in existing utility energy efficiency programs.
- **Defer additional transmission and distribution (T&D) needs:** Stimulate uptake of energy efficiency actions to reduce demand and capacity needs, thereby deferring investment in infrastructure.
- **Create green jobs or other economic benefits:** Use a community-based network of energy services professionals to offer consultation and upgrades to residents.
- **Increase their reach or touch within a specific region for general satisfaction or other non-energy needs:** These efforts may target specific populations, or have non-energy benefits such as meeting the needs of a targeted segment.

As we look across the goals, tactics and strategies to try to define community-based initiatives, there are two elements that appear to exist for all community-based initiatives. First, they all target a defined geographic area, and significantly increase the amount of focus and attention given to energy efficiency in the local area. Second, they almost all enlist the help or support of local community members, although the degree to which they rely on community-level partners varies. Beyond these common elements, they generally employ a mixture of grassroots community marketing, targeted marketing, standard services, and enhanced services.

The unique mixture of goals, marketing and services is what makes it difficult to truly define these initiatives - and to fully understand their success. Because each element of these initiatives is not tracked separately, it is difficult to know what effects would have occurred if the utility (or other program administrator) had just targeted the area more intensely, and what effects are due to the elements that draw on community-based resources. Additionally, it is difficult to judge them against each other since they are used for different purposes. We explore these issues further in the sections below.

A Community-Based Case Study

In this section we discuss one pilot program that sought to raise awareness of the community initiative and channel customers into existing utility programs. This case study discusses the program goals, its implementation strategies, the barriers it sought to overcome, and the results it has achieved (or not) to date. The authors have also reviewed additional community-based initiatives and will share two

³ We recognize that there are many other roles that community-based initiatives can play, both for the Program Administrator and for the community. For the purposes of this paper, we focus on general roles that programs can play within the framework of Program Administrators' energy efficiency portfolios and system reliability plans.

additional case studies at the AESP presentation in February. As of the writing of this paper, these other case studies are not publically available.

Energy Action: Aquidneck and Jamestown

Primary Goal(s) of the Initiative: Raising Awareness and Channeling Customers to Existing Programs

Program Description: The Energy Action pilot was a community-based energy efficiency pilot implemented by National Grid in Rhode Island between January 2008 and December 2010. The primary goal was to increase savings through existing utility energy efficiency programs. The pilot's specific goals were to triple 2008 electric and gas savings among residential customers by the end of 2010.

The target audience included residents of Jamestown, Middletown, Newport, and Portsmouth, Rhode Island. The utility, National Grid, designed *Energy Action: Aquidneck & Jamestown* to package and market existing National Grid residential, municipal, and commercial efficiency programs to customers through community outreach channels. Residential energy efficiency program offerings during the pilot were based on standard National Grid programs and incentives in Rhode Island, and relied on the same implementation staff.

National Grid provided direct funding to two primary community groups to organize, promote, and implement community events and outreach: the Aquidneck Island Planning Commission (AIPC) and Neighborhood Energy Challenge (NEC). The utility also worked with the local Chamber of Commerce to design events that might attract local business leaders. These community groups, in turn, could partner with other local groups to reach even more residents (e.g., through an email list).

Community-based partners hosted energy-related events throughout the pilot period. One partner created a community-based energy-saving contest to encourage residents to track their energy use and find ways to reduce consumption. Community partners also coordinated press releases and editorials in local papers that highlighted upcoming *Energy Action* events and energy efficiency opportunities.

The PA developed a unique brand for the pilot – *Energy Action* – that associated National Grid energy efficiency programs with the community. National Grid used the Energy Action brand on program marketing materials, direct outreach collateral, newspaper advertisements, and bill inserts. Notably, PA staff were also involved on the ground, sharing information about Energy Action and energy-saving opportunities at local events.

Community-based partners were also encouraged to use the Energy Action brand and logo. However, not all of the marketing efforts conducted by community initiatives focused on the National Grid or Energy Action brand. Community partners used their own branding and logos to promote energy efficiency opportunities, resulting in varied messages. For example, while program messages focused on saving energy and money on utility bills, some messages from community groups took a broad approach to energy and environmental issues, highlighting CO₂ emissions, rising sea levels, and transportation energy costs as reasons to save energy. Other messages gave people specific actions to take (like refrigerator recycling or purchasing a power strip).

Program marketing originating from the PA often focused on money-saving opportunities available through existing rebate programs, such as appliance recycling and the home audit program. These messages publicized the steps to get started (e.g., calling the 800 number, go online). Many messages encouraged home audit participation, which is a gateway to other rebate programs. One contest, where customers could win local baseball tickets, required signing up for an audit.

Results. The pilot was successful in channeling customers to existing programs. It delivered incremental savings from residential programs (based on a difference of difference analysis of program savings between Aquidneck and a matched group of comparison towns). Specifically, during the pilot period, residential programs in Aquidneck achieved:

- 12.8% incremental electric savings, and
- 15.2% incremental gas savings

The program was cost-effective in terms of increasing electric savings. Note that the cost-effectiveness calculation included residential and commercial efforts – the evaluation did not calculate cost-effectiveness among residential programs only. Incremental savings as well as a relatively low implementation cost contributed to cost-effectiveness.

- **Awareness of Initiative:** Participant survey results suggest that even though messages varied, the Energy Action message had an impact. Energy Action messages and information likely influenced up to one-quarter of residential households that participated in a PA energy efficiency program during the Aquidneck pilot time-frame.

More than two-thirds (69%) of program participants with Energy Action awareness recalled seeing or hearing about Energy Action in a newspaper or magazine. Using all marketing channels – including newspaper (stories, press releases, ads) and radio – provided the most effective outreach for generating awareness of Energy Action activities. Program staff and community partners also felt that media for the pilot – particularly press releases and ads in local media outlets – was effective in driving awareness of the pilot. Fewer customers learned about National Grid programs through community-based events. Still, there could have been an indirect effect of events and activities on program participation, especially if events or contests are well promoted.

- **Attitudes/Willingness:** From the program stakeholders’ perspective, the use of multiple brands and voices for energy efficiency messages was an effective strategy for increasing awareness of energy-saving opportunities. Having the same message coming from multiple brands – including trusted local organizations – may have helped the Energy Action message to reach more households and businesses than if program messages had originated solely from National Grid materials.

National Grid’s on-the-ground presence throughout the program may have contributed to the program’s success. Program administrators made an early effort to engage local officials and business leaders. Additionally, the PA’s marketing efforts were not limited to “traditional” channels – PA staff attended local events and conducted a contest to win local baseball tickets. While program stakeholders felt that this approach helped garner support for the pilot, program administrators questioned whether providing additional staff resources may be feasible if they try to replicate or scale this approach.

- **Ability to Take Action:** The program did not offer additional services or financing outside of existing programs to ease participation.

Looking Across Today’s Community-Based Initiatives

As we look across various community-based initiatives, we see that community-based initiatives serve different goals with different degrees of effectiveness.

Community-based initiatives have demonstrated that they can successfully drive increased participation and programs through existing program infrastructure – i.e., channeling customers into existing programs. In fact, based on our review, it seems that community-based initiatives may work best if coupled with existing programs.

Interestingly, while the initiatives that we examined appear to have been successful in raising awareness of programs, the primary ways of learning about the program are through traditional energy efficiency outreach channels such as newspapers, radio, television, and bill inserts. (In some cases, however, these were earned media through local efforts.)

While the case study described above was purely a targeted marketing effort, as we look across the community-based initiatives in use, one of the things that community-based initiatives are able to do is leverage other local, state, and federal funds that would not otherwise be accessible. That is, the fact that the marketing is targeted to a specific community is the only reason that those funds can be used (e.g., ARRA or city-based funding).

Finally, it appears that what community-based initiatives do, and do well, is reach different populations than those that might be reached with a standard program campaign. Community initiatives provide an opportunity to focus on a specific geographic area and “go deeper” within that area or audience. By sharing messages about saving energy through local voices, organizations, and channels, they can also reach customers for whom a utility-branded message may not resonate. One drawback, however, is that this also has the potential to increase the costs of participation if these customers need additional assistance (such as overcoming pre-weatherization barriers) before they can participate.

Table 1 provides an overview of the estimated effectiveness of community-based initiatives in achieving specific outcomes. Notably, in this table we focus specifically on the community component.

Table 1. Effectiveness of Community-Based Initiatives in Achieving Goals

Outcome	Estimated Effectiveness	Discussion
Increasing Awareness of Community-Led Efforts and Programs	High	Community-led initiatives can be a great tool to deliver energy efficiency messages to a specific audience in a specific community. (Note, however, that they are generally less successful at educating people about what actions to take in their home, discussed below.)
Channeling to Traditional Energy Saving Programs (e.g. rebate programs)	High	Community-based initiatives can be a useful tool in increasing participation in existing energy efficiency programs in three ways: <ol style="list-style-type: none"> 1. They raise awareness of these programs (mentioned above) 2. They can facilitate participation (through bundling or completing paperwork) 3. They often add additional incentives to make it easier to overcome barriers of initial cost However, some target audiences require additional assistance to commit to participating in the program (e.g., handholding through the process, language assistance, increased incentives), and those factors can drive up costs of participation in the rebate or audit program. Therefore, careful coordination is needed before using community-based initiatives for channeling.
Demand Response/T&D Deferral	Limited	Community-based initiatives have been used to encourage people to participate and save energy, which does result in demand savings. However, direct load control is not necessarily better instituted through community-based initiatives, groups, or messaging. People trust the PAs, and energy-saving actions in response to a blackout-threatening event are more a reaction to the emergency nature of DR events. The target does not necessarily have to be a community.
Providing Education to Help Change Behaviors	Limited	Community-based initiatives can provide basic information and tips such as recommendations about turning off lights or installing CFLs. However, providing a deeper level of knowledge of how to save in the home is often achieved through well-trained program professionals such as those that conduct home-energy audits – not by community members.

Green Job Creation	Limited	Community-based programs have been used as a conduit to gaining a commitment from the implementation partners to only hire local employees of the company to perform jobs; however, the amount of resources needed to coordinate and facilitate training and education for local employees can be resource-draining. In addition, whether these efforts are sustainable has not been determined.
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The framework and case study described here are intended to aid in the design of community-based initiatives by understanding underlying barriers to action, designing an effort that considers those barriers, selecting appropriate tactical approaches to “touch” customers, and measuring success.

Of course, the selection of specific tactics to induce positive change (as defined by the program) among the target audience depends on the type of community, target audience, and available funding and staffing. At the core of effective program design is identifying – and addressing – situational constraints that might limit the effectiveness of a community-based initiative. After determining the intended program role and unique community barriers, program designers can then develop tactics that specifically address situational constraint. The strength of the community-based initiative model is that it enables (and empowers) organizations who are uniquely positioned to understand and reach target customers to help achieve program goals.

The PA and community group partnership represents a new kind of partnership that requires some capacity building as partners work to identify community leaders, form working groups, establish responsibilities, etc. It takes time and commitment to work with stakeholders from the outset to develop a community-based outreach approach that fits the strengths and needs of a particular region, and to build support for the approach. In the case study above, PA staff felt that all community partners required more interaction and contact with the utility than anticipated during program planning. As such, it is important that program administrators understand the resources required to implement these efforts.

The Difficulties of Determining Whether To Continue to Invest In Community-Based Initiatives

Given the myriad options for designing and implementing community-based initiatives, program administrators face unique challenges determining which approach or combination of approaches will be most effective in achieving goals. They also face uncertainty around the potential success of community-based initiatives. For example, the industry lacks a framework for planning, design, and tracking; community-based initiatives may need considerable customization; and budgets and staff resources are often limited. All of these factors contribute to the perspective that community-based initiatives may be resource-draining or less cost-effective than standard programs. Still, if implemented well, community-based initiatives can be very effective in a targeted area, and potentially more cost-effective than traditional program marketing.

The biggest limitation for planning, replicating, or scaling community-based initiatives is lack of information on which components will be successful. Generally, tracking and evaluation are performed for a community-based initiative as a whole, and not the specific strategies or tactics. Notably, since community-based initiatives tend to build on existing infrastructure just in a much more concentrated and targeted way – it is difficult to know whether any “successes” are due to the community-based elements (such as local advocates, door-to-door efforts, or events) or whether the successes are primarily due to the increased efforts and targeted nature of the existing programs.

Limited information on which tactics work, and at what cost, has implications for what the overall effort might cost in terms of money, time and resources. Program administrators need to assess

the cost-effectiveness of using a community-based initiative or another program intervention (e.g., segmented marketing). However, estimating costs may be difficult, because the total resources invested (and the full costs and benefits) are not wholly tracked for most community-based initiatives... Utilities track dollars that go directly to the community, but there are several costs that generally remain untracked, such as the following:

- Utilities or program administrator resources that go into coordination and training of the community groups – for example, staff time engaging community members in the planning process, hosting or attending local events
- Additional administrative costs that arise with implementing the standard program with the broader targeted group (e.g., customers with weatherization barriers that would not generally have been approached and require extra effort and handholding by vendors)
- Leveraged funding (such as ARRA funds) or resources that are being used by community organizations to implement the community-based outreach effort

To date, there is little to no research examining whether working with the community actually results in more savings than if the utility were to put the same resources into the community, or whether targeting a different segment would have led to the same increases in participation. To help program designers and policymakers assess the effectiveness of these programs and the trade-off with other program interventions, community-based initiatives should follow several guidelines:

- Clearly state their goals – increased awareness, increased participation, “cost-effective” participation, jobs, increased program satisfaction, reaching hard-to-reach populations, etc. – and attach relevant metrics to each of the goals
- Determine the “perspective” for assessing success – utility-only perspective or full community perspective when viewing cost-effectiveness
- Determine if other non-energy benefits (such as development of workforce) are important, and if so, determine how to track prior to program launch
- Track total expenditures, including non-incentive utility investments
 - Determine methods for tracking non-incentive utility resources (including, staff time, marketing resources, etc.)
- Track expenditures by outreach tactic and channel, to make sure that only the valuable efforts continue
- Where desired, ask community groups to track expenditures and resources.

This tracking will provide more information on how to improve community-based models for the future.