



POWERCOST MONITOR™

Deployment Strategy



Overview

Investment in demand side management (DSM) programs by utilities is increasing. The increase is driven by regulatory requirements, rate increases influenced by rising fossil fuel costs, aging generation facilities and the associated high replacement cost as well as environmental concerns. While many utilities once maintained in-house experts to design and administer energy efficiency programs for their customers, much of that capacity has long since been dismantled as utilities slimmed down and redeployed resources in anticipation of industry restructuring

Working with a number of utilities, Blue Line Innovations has developed a business process model that helps utilities put effective DSM programs into practice, minimizing time and money invested and lessening the impact on their core utility business while improving the success of the conservation initiative.

Blue Line is committed to being an active partner in initiatives that will help position the PowerCost Monitor as an important tool within DSM programs. Our support will be headlined by the provision of an innovative, quality product with excellent technical and after sales support services. Further to that, we are prepared to help in the development and execution of the overall initiative to ensure a high degree of success.

Blue Line Innovations has created marketing and program awareness materials as well as the backbone required for the delivery of the program. Not only will we provide dynamic communications counsel to help deliver public relations and marketing solutions, but we will also support the distribution of the product direct to the end user through our order placement and fulfillment program eliminating the need for the utility to be involved on a order by order tactical basis.

Marketing & Awareness

Consumer awareness and education on the benefits of innovative technology establish the groundwork for gaining customer acceptance. Often, the number one barrier to market transformation is a lack of information and conviction by consumers about the technology's benefits.

A study conducted by the National Renewable Energy Laboratory in Colorado (2004) examined customer responses to a variety of different marketing techniques used by utilities to market new residential energy efficiency technologies. The most successful campaigns were more likely to use bill inserts, direct mail, publicity, events, and utility newsletters.



Marketing & Communications Campaign

The PowerCost Monitor™ can be jointly promoted by Blue Line Innovations and the partnering utility. Based on their knowledge acquired through involvement in similar product deployments, our Sales and Marketing team can assist with program development and rollout tailored to meet the diverse requirements of various utilities. The marketing communications campaign can involve the following formats:



1. Public Relations

- a. Print
- b. Radio
- c. Television

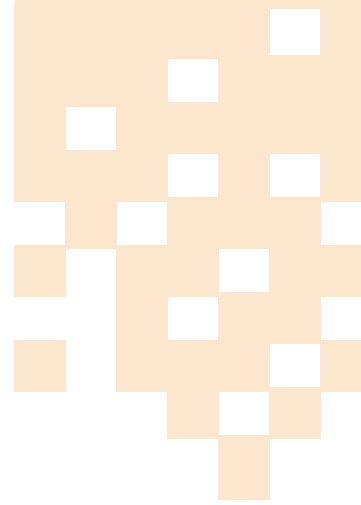
3. Advertising and Promotion

- a. Website
- b. Events
- c. Kiosks

2. Direct Marketing

- a. Bill Inserts
- b. Direct Mail Drop
- c. Utility Newsletter
"Community Update"

4. Campaign Monitoring and Evaluation



1.

Public Relations

Through joint press announcements in radio, television, and newspaper, publicity coverage in the early stages of a project is anticipated to generate awareness amongst the utilities customers, particularly the early adopters. A concerted effort should be made to involve government departments and agencies either state, provincial or federal, responsible for the energy portfolio to help promote the product by supporting and endorsing the technology in press releases as well as other communication mediums.

The publicity campaign begins prior to the direct marketing campaign with the intent of ensuring a high recall rate upon exposure to the various media such as bill stuffers and print advertising



2.

Direct Marketing

► *Bill Inserts*

Blue Line Innovations can aid in the development of a bill inserts. Previously developed inserts have consisted of one page, double-sided, single fold (four effective pages) promotion of the PowerCost Monitor™.



The information displayed will should highlight the PowerCost Monitor's™ features, indicate how the homeowner can save on the electric bill by using this product, advocate the environmental benefits of saving electricity, and indicate the pricing strategy. Contact information on how to order and purchase the product will also be listed on the insert.

► See Next page



Think Green Act Smart Save Electricity

The **PowerCost Monitor™** gives you real-time information about your electricity use and your costs, allowing you to see:

- How much electricity you are using moment-to-moment
- The cost of turning on or off various electrical appliances in the home
- The amount of money you are spending on electricity as you spend it!

The **PowerCost Monitor™** takes only minutes to install. You simply attach the sensor unit to the outside of your hydro meter which then transmits your electricity information to a display unit placed inside your home.

Studies have shown that people who can see and understand their electricity usage by using a device like the **PowerCost Monitor™** were able to reduce consumption by up to 15%! This means:



- **Real savings on electricity bills**
- **Reduced demand on the power system**
- **Reduced greenhouse gas emissions**

visit: www.save-electricity.ca



For a limited time only

Hydro One Networks is **giving away** these units to the first 30,000 residential customers to qualify. The **PowerCost Monitor™** retails for \$150, but qualified customers can **receive the product free of charge*** as part of Hydro One's initial offering.

Hydro One is giving you the tools and the information you need to help you save electricity and reduce your hydro bill. Together, we can lead the way to building a conservation culture in Ontario.

To see if your home qualifies, check out Blue Line's website at: www.save-electricity.ca or call **1-866-607-2583**.

*This does not include the cost of shipping and handling (\$8.99) and any associated costs that exist outside of the warranty from Blue Line Innovations Inc.

4 easy steps to order

- Step 1** Check to ensure that your hydro meter is located within 30 meters (100ft) of your home.
- Step 2** Make sure that your hydro meter has a spinning disk as shown here. For other meter types, visit www.save-electricity.ca
- Step 3** Get your Hydro One Networks account number and credit card ready – qualified customers will need to pay \$8.99 for shipping and handling.
- Step 4** Order your unit from Blue Line's website at: www.save-electricity.ca or call **1-866-607-2583**.



The PowerCost Monitor™ puts the power in your hands...

Free* for first 30,000 residential customers to qualify



Please visit www.save-electricity.ca

Knowing how you spend, shows you where to save.



Bringing Power to the People of Ontario™

The **PowerCost Monitor™** is brought to you by:



► *Direct Mail Drop*

A targeted flyer program can be developed with resources from Blue Line utilized in other utility company campaigns. In an attempt to gauge the success of the program and to take advantage of market intelligence, flyers can be sent to homes within defined annual kWh consumption ranges. Market research conducted by Blue Line indicates that when electricity use is stratified, homes with mid-range consumption annually are most likely to fully utilize real-time feedback technology. This consumption range is usually an indicator of middle and upper middle income earners. The flyers will follow the format of the bill inserts in regards to the content provided, but will be targeted more specifically towards families and working professionals.

► *Utility Newsletter*

Within the utility's community newsletter, conservation/environmental sections are quite prominent and can be used to feature the PowerCost Monitor. The article can bring to life the importance of energy conservation, educating homeowners on the benefits of real-time feedback and the associated savings achieved through the use of PowerCost Monitors. This article will coincide with other direct marketing efforts. Blue Line can provide all necessary information for the content of the article.

3.

Advertising & Promotion

Various ways and means of advertising and promotion consistent with the utilities standard protocol can be integrated into the awareness program. Blue Line can provide a variety of images, and text to support all efforts. The following provides an example of the content and messaging that can be created.

► See Next page



To our Customers



PowerCost Monitor™ **Free*** for first 30,000 Northern Ontario residential customers who qualify.



Save up to \$1 out of every \$6 you are spending on electricity right now with a **PowerCost Monitor™**



For a limited time only

Hydro One Networks is giving away these units to the first 30,000 residential customers who qualify. The **PowerCost Monitor™** retails for \$150, but qualified customers can receive the product free of charge*.

The **PowerCost Monitor™** shows you:

- How much electricity you are using moment-to-moment
- The cost of turning on or off various electrical appliances in the home
- The amount of money you are spending on electricity as you spend it!

To see if your home qualifies, check out Blue Line's website at:

www.save-electricity.ca

or call **1-866-607-2583**.

Meet us at Club de L'amitié this Wednesday and Thursday, October 25th and 26th to pick up your **FREE PowerCost Monitor™!***

Club de L'amitié

11790 Highway 64, Verner

Wednesday, October 25th
and Thursday, October 26th
Noon-7pm

* Does not include \$8.99 administration charge. Offer available only to Hydro One residential customers who qualify. Limited one per customer. Alternatively, customers can visit www.save-electricity.ca or call 1-866-607-2583 to see if they qualify and place an order for a free PowerCost Monitor™. Offer available while quantities last.

Fill out this coupon and bring it down to collect your free PowerCost Monitor™

West Nipissing - PowerCost Monitor™ Giveaway: Wednesday, October 25th and Thursday, October 26th.

Name: _____ Hydro One Account Number: _____

The **PowerCost Monitor™** is brought to you by:



4.

Campaign Monitoring & Evaluation

To ensure that campaign is producing the desired results, it is necessary to examine the marketing and communications program. This evaluation will be conducted at predetermined intervals of the program.

The popular and effective Integrated Marketing and Communications (IMC) Mini Audit developed by Tom Duncan, can be used to monitor the campaign at each interval. This method emphasizes some of the key issues in monitoring a new campaign. In addition to this audit, sales tracking will also be used to ensure that you are meeting your targets.

Blue Line Innovations will provide detailed reporting of call volumes including orders places service levels and wait times. The following is only a small sample of the type of reporting provided.



Microsoft Excel - Blue Line Summary Sept 25 (Read-Only)

ACD Executive Summary
Data is cumulative through report date
September, 2006

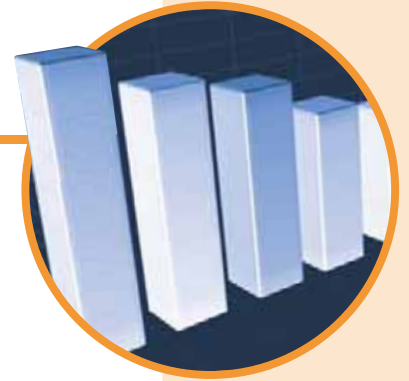
Function	Date	Calls Offered	Calls Answered	Req. Time of Answer	% Answer	Req. Time on Call (Sec)	Min/Sec Ratio	Queue Length
Customer Service	Mon-25	1,791	1,470	12	1.5%	7.0	5.647	95%
Tech Support	Mon-25	701	607	12	1.1%	4.0	3.254	95%
Blue Line Campaign	Mon-25	1,092	1,077	12	1.6%	2.8	7.141	98%

Order	Date	Order Total	Revenue	Advised	Revenue	Order	Revenue	Min/Sec Ratio	Queue Length
	Jan-06	975	388	391	411,9912	411,9912	411,9912	411,9912	411,9912
	Feb-06	381	28	198					
	Aug-06	2024	34	470					
Phone	Mon-25	1,216	30	5	287	528		5.87	18
Web	Mon-25	1,274	47	82	313	417		4.17	18
Sept Combined Order	Mon-25	2,490	77	87	600	945		6.68	33
YTD		18,257	1,253	1,240	4.81	6.55		8	15,803

Order	Date	Order Total	Revenue	Advised	Revenue
	Jan-06	778	198	198	388
	Jul-06	343	294	294	34
	Aug-06	381	28	198	31
Phone	Mon-25	481	438	13	
Web	Mon-25	471	435	10	
Sept Combined Order	Mon-25	952	873	23	
YTD		14,629	12,448	280	

Order	Date	Order Total	Revenue	Advised	Revenue
	Jan-06	24	24	24	24
	Jul-06	24	24	24	24
	Aug-06	24	24	24	24
Blue Line		72	72	72	72

Logistics & Distribution



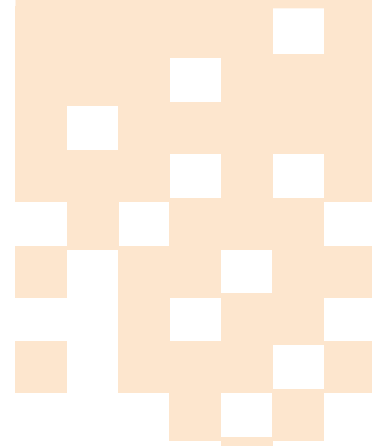
Blue Line can provide fulfillment services for DSM initiatives utilizing the PowerCost Monitor™. We have a broad base of experience and extensive resources that enable us to provide our clients with service packages customized to their specific needs. From program development through order processing and shipping, our unique ability to integrate all key functional solution components in a flexible operating environment consistently delivers service excellence.

Every interaction between you and your customers is critical to strengthening customer relationships, and the effectiveness of any conservation initiative. Our multi-channel approach to customer care reflects a balance of people and technology to ensure that every customer interaction is positive.

Our capabilities include multi-channel integration (web, e-mail, phone, mail); customer order interface including product information and selection, order placement, order pricing including shipping and taxes, order delivery date, order payment and order confirmation and tracking number assignment; customer service and after sales support including installation assistance, technical support, warranty claims, product return and replacement.

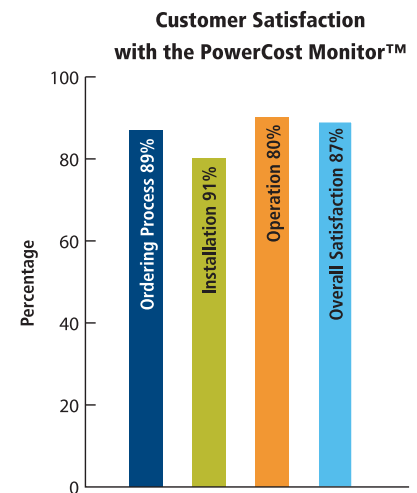
Through economies of scale and utilization of best practices, we can provide quality, cost-effective solutions without the capital investment and long term commitments associated with in-house programs to ensure a high degree of success of a DSM initiative utilizing the PowerCost Monitor™. Our solutions are customized to meet the specific requirements of each client and are designed to provide:

- Enhanced Service Levels
- Scalability and Customization
- Seamless Execution
- Comprehensive Reporting/Metrics
- Cost Reduction through Economies of Scale
- Advanced Customer Relationship Management (CRM) tools
- Focus on Quality
- Commitment to Continuous Improvement



Customer Satisfaction

Consumer empowerment through real-time energy feedback technology helps utility companies and homeowners alike meet their conservation objectives in a simplified and consumer friendly manner. The PowerCost Monitor™ (PCM) provides utilities with an easily deployed demand side management tool with sustainable conservation results. In addition, it arms homeowners with a measurement tool to help better understand and effectively manage their energy consumption. Deployment of PCM technology in both utility subsidized and non-subsidized programs have yielded an eighty-seven (87%) percent overall level of satisfaction amongst residential customers.



Over one thousand three hundred (1300) end users of the PCM were surveyed to measure overall level of satisfaction on a number of measures. The surveys were completed by customers who paid full retail price for the device as well as participants of utility sponsored conservation programs that paid a nominal shipping and handling fee. The combined results are noted in the chart above and further details below.

- ▶ 91% were satisfied with the ease of installation. The results of the Hydro One deployment have seen the successful customer installation of over twenty six thousand (26,000) units with no requirement to provide additional onsite support service from the utility or Blue Line Innovations.
- ▶ 90% of those surveyed did not require any follow up services.
- ▶ 87% of individuals said that they have taught all the members of their family how to read and use the PCM to ensure the entire family is conscious of electricity usage.
- ▶ 92% of those surveyed said that they were so satisfied with the PCM that they would recommend it to family and friends.
- ▶ 60% of respondents indicated an increase in the level of satisfaction with their utility company as a result of the provision of the conservation program employing the PCM.



INNOVATIVE
ENERGY
SOLUTIONS

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