

## **Introduction to Focus Group Research on Attitudes Toward Residential Utility-Sponsored Energy Efficiency Programs in Kansas**

### **Development and Purpose of the Focus Group Research**

The Kansas Corporation Commission's (KCC) Energy Division and Utilities Division (Staff) worked together to develop a request for proposal to hire a consultant with expertise in focus group facilitation to conduct research on energy efficiency. The Research Partnership at Wichita State University (WSU) was ultimately selected to conduct the focus group research. The overall goal of the research was to obtain unbiased information regarding the awareness and perceptions of energy efficiency among Kansas residential electric customers. More specifically, the focus group questions were designed to determine how much interest or support residential customers have for energy efficiency, how aware these customers are of who pays for utility energy efficiency programs, what types of energy efficiency programs they are interested in, and how much they are willing to pay for energy efficiency programs.

Based on the results of WSU's focus group research, Staff intends to evaluate the KCC's current approach to residential energy efficiency program policies and guidelines. Additionally, Staff wanted a better understanding of residential customer's attitudes in order to better represent them when taking a position on annual legislative proposals to modify the Kansas Energy Efficiency Investment Act (KEEIA).<sup>1</sup>

### **Conclusions and Recommendations**

Following the WSU Report, Staff provides our response to the report, which includes a selective summary of the findings in the report as well as an explanation of how the report led to our conclusions and recommendations. Staff has two basic conclusions: Residential energy efficiency education should be emphasized, and priority should be given to low income energy efficiency programs.

---

<sup>1</sup> It is Staff's intent to continue our evaluation of utility sponsored energy efficiency programs by next conducting research into small and large commercial programs. We hope to initiate the evaluation this year.

**Residential attitudes toward utility-sponsored  
energy efficiency programs in Kansas**

**October 2020**

Research conducted by

Jeffrey W. Jarman, Ph.D.  
Lisa M. Parcell, Ph.D.



WICHITA STATE  
UNIVERSITY

*THE RESEARCH PARTNERSHIP*

# Table of Contents

<b>KEY FINDINGS / EXECUTIVE SUMMARY</b>	<b>3</b>
<b>METHODOLOGY</b>	<b>6</b>
<b>FINDINGS</b>	<b>9</b>
<b>What Kansas residents currently think of energy efficiency</b>	<b>9</b>
<b>Kansas residents' understanding of their payment for energy efficiency programs including the payment by non-participants</b>	<b>11</b>
<b>Reactions to various types of proposed energy efficiency programs</b>	<b>12</b>
<b>The value Kansas residents place on energy efficiency and the pricing residents would be willing to pay for energy efficiency programs</b>	<b>13</b>
<b>Best way to communicate energy efficiency programs to residents</b>	<b>14</b>
<b>Preferred organization to administer an energy efficiency program in Kansas</b>	<b>15</b>
<b>Key differences between the Every and Non-Every groups</b>	<b>15</b>
<b>CONCLUSIONS</b>	<b>17</b>
<b>APPENDIX 1. FOCUS GROUP SCREENER</b>	<b>18</b>
<b>APPENDIX 2. FOCUS GROUP QUESTION GUIDE</b>	<b>19</b>

## Key Findings / Executive Summary

### Energy efficiency was widely believed to be valuable

The overwhelming majority of all participants, across all of the groups, held attitudes that were favorable toward energy efficiency. Even when prompted to give first reactions to the word “energy,” many participants referenced energy efficiency, renewable energy and conservation. For most participants, the attitude was driven by self-interest. Participants regularly expressed the opinion that energy efficiency would be good for them since it would result in a lower utility bill. This opinion was shared by participants in both the Energy groups and the non-Energy groups. For instance, one participant noted that energy efficiency was related to “saving money.” Another participant in another group argued that efficiency was valuable because it would reduce their bill. Most other participants in the group nodded in support. While there was strong support for the concept of energy efficiency, the overall importance of the value must be tempered by other findings.

### The short-term economic benefits of energy efficiency to consumers were more important than any long-term economic benefits

Consistent with the self-interest motivation to engage in energy efficiency, participants mostly were driven by the immediate desire to lower their utility bill. While some participants did comment on the long-term economic benefit, this was much less common than the short-term economic benefit to a consumer. Moreover, the long-term economic benefit (preventing rate increases in the future by engaging in energy efficiency now), was not well-understood and was not a significant reason for participants to want to participate in a program (or to support other energy efficiency programs). In this regard, short-term economic benefits associated with energy efficiency were more influential than long-term economic benefits.

### Energy efficiency was not the primary factor driving energy choices

Many participants understood that energy efficiency was economically valuable to them, but it was not a primary factor motivating their efforts at energy efficiency. Large appliance purchases, for example, were almost always delayed until they had to be replaced. One participant made this point clearly when he stated, “I doubt seriously that anyone will buy a new AC system because of a small reduction in their bill.” He went on to add that he would delay making the purchase until it was necessary *even if he had unlimited disposable income*. The desire to switch to an energy efficient appliance was not the primary factor, but rather an “added benefit” when compelled to make a major purchase. Light bulbs, representing a small purchase, also were not driven by the desire to be efficient, but often by the market (it is very hard to buy a non-efficient bulb now) or by convenience (the desire to change the bulb less frequently).

## **Passing the cost of the program on to all consumers was troubling**

Many participants expressed negative reactions when they learned that utility companies pass the cost of the programs back on to consumers. Increasing the cost on consumers in order to fund the energy efficiency program seemed like a pernicious outcome and one that was inconsistent with the intended effect (which for most was reducing their bill).

## **Higher costs for non-participants was even more troubling**

Many focus group participants thought it was incredibly unfair that consumers who did not participate in an energy efficiency program had larger utility bills. Participants across the groups noted it was “lousy” and “unfair.” This concern was more pronounced when the focus group participants learned that there could be limits on the total number of customers who could take advantage of a utility-sponsored energy efficiency program. As one participant argued, “If you cannot offer it to everybody, don’t offer it at all.” While not universal, many participants believed that the cost for an energy efficiency program should be borne by those who participated in the program, not by those who chose not to participate.

## **Individual efforts for efficiency were more desirable than utility-sponsored efforts**

Many participants in all of the groups had engaged in at least one type of energy efficiency effort (ranging from the use of low energy light bulbs, installation of efficient appliances, home improvements to reduce energy usage, and switching to smart thermostats). The vast majority of participants engaged in these activities on their own initiative and not in connection to a utility-sponsored program. Upon reflection, many participants believed that individuals who wanted to engage in energy efficiency should take the initiative and should bear the cost of that decision rather than utility companies sponsoring the programs where the cost was spread across all consumers in a service area.

## **The economic considerations around investor-owned utility energy efficiency programs were not well understood**

Each focus group devoted a significant amount of time to explaining the basic economic considerations behind the financing of energy efficiency programs proposed by investor-owned utilities in Kansas. But, even with the explanation, and the information provided in a non-confrontational setting, the material was too complicated for most participants to fully comprehend. There were moments in each group where basic inaccuracies had to be corrected. Even then, it was not clear that all participants understood every facet of the economic considerations that are relevant to the decision to pursue an energy efficiency program. It should be underscored that the attempt to explain these issues was at a basic level and not one that attempted to fully explicate all of the relevant considerations. This finding was not surprising given the low level of engagement most people have with public utility financing in general, the challenge posed by numeracy (the general difficulty the public has processing numerical and statistical information), and the depth and complexity of the issue.

## **Participants held no strong opinions about the Kansas Corporation Commission**

Nearly every participant was unaware of the KCC and its role in regulating investor-owned utilities in Kansas. When asked to rate the KCC on a scale from 0-10 (where 5 was neutral with no opinion), most participants selected the midpoint and noted it was because they were unfamiliar. As a result, there were no strong opinions (positive or negative) about the KCC. While there has been media coverage of the KCC in recent months (particularly as it relates to a Supreme Court decision regarding fees for solar energy), participants were either unaware or did not make the connection. While participants across the board lamented their monthly utility costs, these groups did not tie any decision by the KCC to a higher rate.

## Methodology

Six online focus groups were conducted between September 29, 2020, and October 17, 2020. Three groups consisted of Evergy customers segmented by the Evergy South, Evergy Central and Evergy Metro areas. The remaining 3 groups were of participants from various (non-Evergy) utilities and various locations across Kansas. A total of 53 individuals participated in the groups, 28 Evergy customers and 25 from the non-Evergy utility groups. Participants in the non-Evergy utility groups were serviced by Butler Rural Electric Coop, City of Holyrood, City of Wellington, Empire Electric, Freestate Electric Coop, Heartland Electric Coop, Kansas City Board of Public Utilities, Midwest Energy, Sedgwick County Electric Coop, Victory Electric Coop and Wheatland Electric Coop.

Participants were recruited using both pre-existing databases and random digit dialing and screened to make sure they were eligible to participate in the groups. Participants were excluded if they were not responsible for the payment of their utility bill (those with sole responsibility and shared responsibility were included) and/or if they worked for a utility company or in market research or advertising. Participant attitudes toward energy efficiency, renewable energy and environmentalism were measured with eight questions (four key indicators and four filler topics) on a scale from 1 to 7 (full question wording available in the appendix). Participants who answered 1 (very important) or 7 (not at all important) to all four of the key questions were excluded. (See Appendix 1)

The focus groups were conducted online. Participants were screened to ensure they had a reliable Internet connection and a home computer/laptop with a microphone and camera. Those who could not meet this technical requirement were excluded from the research project.

The project was balanced between women ( $n = 27$ ) and men ( $n = 26$ ). There also was an even split between those who were solely responsible for paying their energy bill ( $n = 28$ ) and those who shared responsibility for paying their energy bill ( $n = 25$ ). There were a variety of income levels represented in the groups. A few participants made less than \$30,000 ( $n = 8$ ) or between \$30,000 and \$50,000 ( $n = 6$ ). A larger group made between \$50,000 and \$70,000 ( $n = 10$ ) or between \$70,000 and \$100,000 ( $n = 11$ ). The remaining participants ( $n = 17$ ) made more than \$100,000.

The participants reported pro-environmental attitudes. Participants were asked eight questions to assess their opinion on a range of environmental issues. Participants reported their answers on a scale from 1 (very important) to 7 (not at all important). Participants reported pro-environmental attitudes on all eight topics. Table 1 reports the mean, median and mode for each topic.

Table 1. Mean, median and mode for eight environmental attitudes

Topic	Mean	Median	Mode
Fight climate change	2.85	2	1
Invest in renewable energy	2.32	2	1
*Reduce energy consumption	2.60	3	1
Easier recycling options	2.53	2	1
*Moderating utility bills	2.57	2	2
Improving air quality	2.15	2	1
*Investing in energy efficiency	2.13	2	1
*Shifting energy use time period	3.21	3	3

Note: Starred items were used as exclusion items when screening potential participants.

The overall goal of the research was to obtain the awareness and perceptions of energy efficiency among Kansas residents. All six groups followed the same question guide. (See Appendix 2) The question guide was broken into four major areas. The first few questions focused on immediate reactions to words and phrases such as energy, energy efficiency, and energy efficiency in the home. Participants also commented on energy efficiency activities they previously engaged in, both on their own or through a program sponsored by their utility company. The goal was to gauge their frame of reference and to encourage all members of the group to participate in the conversation.

After the initial discussion, participants were directed toward a discussion of the financing of energy efficiency programs sponsored by investor-owned utility companies. The moderator briefly explained the process investor-owned utility companies in Kansas utilize in order to finance proposed energy efficiency programs. Participants were shown a series of hypothetical charts to illustrate the typical cost of electricity without an energy efficiency program, the typical cost of electricity for participants in a utility-sponsored program, the typical cost of electricity for non-participants in the program, and the anticipated future costs of electricity if no energy efficiency program was implemented. The goal of this section was to learn the participants' reactions to the way energy efficiency is financed and to determine if that affected their opinion of the programs.

The third section of questions focused on reactions toward specific energy efficiency programs. Participants provided feedback on programs such as energy efficient light bulbs, smart thermostats, weatherization material, and energy audits. Participants provided their opinion about each program as well as the likelihood that they would participate in the program.

The final section of questions focused on communication of energy efficiency programs. Participants discussed what they believed would be the best way to receive information about energy efficiency programs as well as what entity would be best to administer the programs.



Each focus group lasted approximately 75 minutes. The groups were conducted via Zoom and moderated by Dr. Jeffrey Jarman and Dr. Lisa Parcell, faculty members in the Elliott School of Communication at Wichita State University.

# FINDINGS

## What Kansas residents currently think of energy efficiency

When asked what words or phrases come to mind when they hear the word “**energy**,” participants mentioned general terms such as power, production, oil, gas, electricity, nuclear, lights, transportation and usage. Terms such as bill and cost were also mentioned.

Others thought of terms such as renewable, solar, wind power and conservation. Some participants initially thought more about what energy gives us. Those responses included ability to do things, modern civilization, keeping the house comfortable, convenience and the ability to live your life.

When asked to describe “**energy in your home**,” participants mentioned general terms again such as gas, electric, propane, heating/cooling. Some thought of appliances and lights while others mentioned consumption, bills, overinflated bills and cost including air leaks.

Some participants already began to think of efficiency and mentioned smart home, savings, new thermostats and energy efficient appliances. Phrases including “what you consume and how you consume it” and the “dependability” of having energy in your home were also mentioned.

When describing “**energy efficiency**,” most participants mentioned ways efficiency can be achieved. Steps such as changing filters, managing drafts, updating appliances, programmable thermostats and LED light bulbs. Some mentioned the personal impact of efficiency including savings and lower bills while a few mentioned the environmental benefits including that energy efficiency is “good for the Earth.” A few participants mentioned that encouraging energy efficiency should also be addressed at the corporate level since industry has a large impact on energy use.

Many participants have taken steps to **increase the energy efficiency in their home**. Actions taken included installing low energy/LED light bulbs, adding or upgrading insulation, new siding, more efficient heating/cooling unit, replacing windows and covering windows in plastic, programmable thermostats (some installed personally and some through a utility provider), purchasing energy efficient appliances and installing a tankless water heater.

Other actions included hanging up curtains in between rooms to keep the window AC isolated in the rooms most used, hanging up insulated curtains to block the heat, turning off lights when not in the room, adjusting the temperature when not home, and painting the garage door white.

A few participants had energy efficiency in mind when building or purchasing a new home. Many decisions were based on energy efficiency such as the type of insulation in the walls, the type of windows installed, inspections during building to identify drafts/leaks, dual zone heat/cool and energy efficient AC and furnace.

- Among the participants who have taken steps to increase their energy efficiency, several commented on benefiting from those changes with a reduced bill.
- Negative comments on energy efficiency were mentioned regarding appliances.
  - One participant stated energy efficient appliances do not last as long as the older appliances and this caused her to question the benefit if they frequently had to be replaced.
  - Another questioned if the amount of savings it takes to break even will be reached during the lifespan of the appliance since energy efficient appliances were more expensive and do not save as much as advertised.
  - One participant also questioned if energy efficiency was worth the added personal effort. Her energy efficient dishwasher fails to dry the dishes and she then has to dry them by hand. She stated this may be “energy efficient” but it was not efficient for her.

Some participants had **previous experience with energy efficiency programs** with mixed results. The programmable thermostats was the most participated in program through a utility company. Participant reactions focused on the potential for the utility company to adjust the temperature and the loss of control. There were a couple of participants who had not really noticed a difference in temperature. However, one stated his thermostat was installed at the start of summer and the utility company could adjust the temperature in the house by 3 degrees, which was uncomfortable when they were home and the temperature was raised. This participant did feel the thermostat was worth it, and said it saved money. The temperature difference was enough to notice, but not unbearable. Another participant in the thermostat program said his house was so cold in the winter he bypassed the thermostat and has not gone back. Some participants were aware of the program but chose not to participate because they did not want to “give control to the power companies.” For these customers, they made the choice not to participate because they wanted to be in control of the decision over where to set the thermostat in their homes.

Rebates at the end of the year for using less during peak times, financing large purchases through KCP&L to stretch out the payments, a \$100 rebate for a hybrid water heater and a lease for renewable energy were other programs participants had joined. One individual was disappointed when a contractor from Butler Rural came to winterize his home. The adjustments the contractor made only lasted a year.

Participants were asked to speculate on why the utility companies might encourage energy efficiency since that seemed counter to the business interest of selling energy. Participants had various reasons a **utility company would offer energy efficiency programs** to sell less power. Becoming less reliant on aging power grids, to stop the peaks on their service, receiving grants described as “kickbacks” from the government and helping to convert customers to other energy utilization were all thought to be possible reasons a utility company would promote energy efficiency.

Reducing the use among residential customers to focus more on commercial customers was also mentioned as was the PR benefit of offering such programs. Some participants noted that utility companies do not need to worry about their image with customers since there is

only one option. However, another participant commented the image may help the utility look good to the regulators, so they are not as heavily regulated.

### **Kansas residents' understanding of their payment for energy efficiency programs including the payment by non-participants**

Participants were shown a sample bill that displayed a **charge for the hypothetical energy efficiency program** to illustrate how the fee was passed on to all customers. Most participants were less concerned with the added charge and more focused on the total amount of the bill. While being charged for using less seemed counterintuitive, and some were upset that a program designed to save added a cost, most participants only cared that the total amount they paid each month would decrease.

After learning the **customers who were not enrolled in the program receive the same charge**, a few participants immediately felt it was unfair to charge someone who was not receiving the benefits. However, many believed if all customers knew about the programs and charges, it was their decision to opt in or out. For these participants, the decision to opt in or out should be with the customer. These participants argued that the power company should explain the program costs and benefits and if customers decide not to enroll, that was their decision.

Everything changed when participants learned the energy efficiency programs could be capped and **limited to a set number of customers**. This was considered unfair across all groups. Participants immediately questioned why the programs would be capped. Participants continued to feel the caps were unfair even once they learned about the financial necessity of setting limits. Participants found it unfair to charge consumers for a program they were not allowed to join or in some cases, never even offered.

Some participants pointed out that they could lower their bill more by simply eliminating the utility company's role in the process. Participants noted that they could install their own programmable thermostat, purchase their own efficient appliances, weatherize their own homes and make other adjustments to decrease their usage without involving the utility company. In this case, they could pay a lower utility bill from decreased consumption and eliminate the need for the added program charge required by the utility.

Participants were reminded that rates will have to increase if consumption decreases (since utilities must continue to cover their fixed costs). Therefore, customers can pay the program charge and have less overall costs if they participate to decrease their usage, but all customers will see some increase to cover the fixed costs. They were also told to look into the future as demand increases and all bills increase to cover more plants and utility costs to meet the increased demand. Participants were then asked which option they preferred: an option where some bills decrease (in an energy efficiency program) and some increase (not enrolled in a program) or another option where eventually all bills will increase.

Many participants felt it was a **more equitable option to have everyone's bills increase at the same rate**. If costs need to increase, all customers should share the cost. Some had practical reasons such as one younger participant who felt his wages would be increasing with age and would be in a better position to pay higher bills down the road than to have an increase now. Others just felt it was a simpler approach. They believed the utility companies should charge customers for what they use. The customer can take it upon themselves to reduce usage if they need to cut their bill. In this case, the utility company should simply set a rate that all customers will pay and allow customers to make the decision on how much they use.

The Evergy groups were more interested in the environmental and "helping my neighbor" aspects of some of the programs. Evergy customers were more likely to be willing to pay for a program that benefits everyone as "we all share the same Earth." They were also more willing to see a charge on their bill knowing it was helping someone else be more efficient. While many were willing to do this for anyone due to the environmental benefit, many would rather see the programs offered to lower income customers first. Helping those with limited incomes to lower their bills was another potential benefit to such a program.

### **Reactions to various types of proposed energy efficiency programs**

**Rebates:** Many participants did not feel rebates on **smaller purchases** such as light bulbs were necessary or worth the effort. For them, it was too much trouble to go through the process to get a rebate for a small amount of money. Almost all participants had already made the switch to energy efficient light bulbs either for the energy savings, the added life of the bulb or because they are more widely available in stores. A few noted that low energy light bulbs were nearly the only thing you could now purchase in the store. The lukewarm reaction to rebates on smaller purchases was not universal. A few participants did note that even a small rebate would be valuable.

Rebates on **larger ticket items** such as energy efficient appliances, water heaters, air conditioners and furnace units were welcomed, although almost everyone said they would not replace their appliances because of a rebate offer, but only take advantage of those offers if they already needed the appliance. With the higher cost of the energy efficient appliances, a rebate helps bring it into a price range more can afford. Rebates on air conditioners and furnace units was considered a program that favors those in better financial positions, as you must have a large amount of money available to afford the upfront cost of participation in this program. However, if someone needed to make a larger purchase and a rebate was available to help with the cost and increase efficiency, all would appreciate financial assistance.

**Information:** All participants agreed that information was helpful in understanding consumption and how to become more efficient. Participants said that specific steps that can be taken to reduce consumption as well as information on current programs should be communicated to customers. However, there were different opinions on who should provide this information. The Evergy participants were more likely to express that the

utility company would be a good source for educational material with some noting Evergy's online educational tools. Among the Evergy groups, knowledge was considered crucial and they felt the utility should provide information on the benefits of energy efficiency from both a personal cost and environmental standpoint. However, Evergy customers also consistently said they did not regularly read the inserts that came with the bill, but instead mostly focused simply on the amount they owed.

The non-Evergy groups were more likely to express that it was the individual's responsibility to seek information. A couple of participants did suggest the utility company could create a website where this information could be compiled and presented. However, most participants felt they would find the information they needed to make a decision if and when they wanted to make a change.

**Thermostat:** A programmable thermostat was frequently mentioned by participants. Several had one installed in their home (some personally installed and some provided through a program from the utility company). Many also mentioned looking into one or wanting to purchase one. While many have or would take advantage of the programmable thermostat, several were reluctant to participate in a program sponsored by the utility company. For them, the requirement of the program to "hand over the keys" to the heating and cooling of the home was the reason they refused to participate. Participants strongly desired the ability to maintain control over their comfort and were therefore much more likely to purchase and install the thermostat on their own. For these participants, purchasing their own thermostat provided the ability to increase efficiency while not allowing the utility company to adjust the temperature in their home.

**Audit:** Reactions were mixed on having someone come into the home for an energy audit. Some appreciated the personalized approach to identify areas for improvement in their own home. Others did not feel comfortable having a stranger walk through their home. A limited number of participants had taken advantage of an audit.

**Weatherization:** Many participants across all groups have already engaged in some type of weatherization of their homes. Insulating garages and attics, sealing the attic, managing drafts and other steps were mentioned. Overall, participants wanted to make their home as comfortable and efficient as possible, but they wanted to make sure the cost was worth it. The investment in the weatherization needed to pay off in decreased bills in a short time frame (typically described as less than 5 years). This was another area that many felt was the responsibility of the homeowner rather than a utility program. The utility could provide suggestions and cost information on the investment versus savings over time, however the homeowner would decide what works for their home and budget.

### **The value Kansas residents place on energy efficiency and the pricing residents would be willing to pay for energy efficiency programs**

Although it was clear from the previous discussion that most participants said they had little to no interest in paying for energy efficiency programs, participants were asked if there was a price point where they would be comfortable supporting energy efficiency

programs. While the actual amount was discussed as a hypothetical, most participants generally chose the lowest price point the moderator offered. The most anyone was willing to pay was an additional 10 percent, but even that was a stretch for most participants. Some participants did say that they would be willing to help underwrite energy efficiency programs for lower income customers, but they did not want an increase in their bill to support programs for people who could afford to make energy efficiency changes on their own.

Furthermore, participants found it counterintuitive to be asked to simultaneously be more energy efficient and have an increase in their bill. A few participants felt that if customers are expected to make changes to increase efficiency, the utility should also operate more efficiently. Information on what the utility is doing to operate more efficiently, produce energy more efficiently and investments made for alternative and renewable sources in the future were all desired. Participants also want to see the utility companies make more effort to reduce fixed costs, particularly after they understood that consumers paid those costs.

Participants in the non-Evergy groups were much less likely to tolerate any increase in their bill to support energy efficiency. One participant acknowledged that increased costs for efficiency were acceptable if the overall bill went down. But, even she argued that it was fair only if everyone had the chance to participate in the program. The benefit of any program should be to lower the bill. If the cost of the program reduces the benefit of the savings to no more than \$10 a month, participants questioned if the hassle of the programs were worth the effort. Most of the participants in the non-Evergy groups went back to earlier comments; just keep it simple and charge for what we use.

Participants saw a lot of **value in reducing energy consumption**. Any energy efficiency program has the potential to reap benefits for all concerned: the utility can lower the need for added plants and infrastructure and better manage their production, the customer can lower a monthly payment and the overall carbon footprint can be reduced to the benefit of everyone. In both the Evergy and the non-Evergy groups, environmental benefits were mentioned. While many consider helping the environment a benefit, and for some participants a necessity worth the increase, for most it was only a minor factor in their decision. The main goal of any program should be to lower the customer's bill. If an added charge is necessary, the saving must justify the program.

### **Best way to communicate energy efficiency programs to residents**

Sending information through the mail, Facebook and neighborhood community pages, radio ads, tv ads during the news or a news story on the available programs were all suggestions for communication. However, the most desired way to learn about utility offered programs was **on the bill** itself. This is the piece of information from utility providers that receives the most attention and reaches the consumer when they are in the mindset to focus on their utility costs. Red print next to the amount owed that tells customers their bill "could be this amount" if they were enrolled in energy efficiency would catch their attention. For customers who admit they rarely read their bill, they believed having savings spelled out in

red right next to what they owe would get their attention. Other information could be included on the statement regarding where to go for more specific information.

Phone calls from a customer service representative who leaves a message regarding programs available and a number or website to call for more information was also mentioned. Some utilities also send emails with usage reports and customer newsletters with contests and participants agreed these would also be a potential source of program information. A website or phone app with real time usage information was also desired.

### **Preferred organization to administer an energy efficiency program in Kansas**

Participants felt the **utility company was the best organization to administer energy efficiency programs**. Overall, participants did not distrust their utility. Even those who felt rates should be lower, fixed costs should be better managed, and information was sometimes misleading, still felt the utility company should manage these types of programs if they are going to be offered.

Very little was known about the state regulators or the role they play. Therefore, customers did not feel comfortable stating if they would trust the state regulator to manage these programs. While some would trust another organization such as a university or the Extension center, they questioned why a third party should be paid when the information would be better provided by the utility company directly.

### **Key differences between the Every and Non-Every groups**

The Every groups overall were more concerned with the environmental aspects of energy use. These participants wanted to see investments made in reducing consumption, reducing the carbon footprint, and creating alternative and renewable energy sources. Several Every customers were willing to pay an increase toward helping protect the planet and their future. While many participants in the non-Every groups did mention the environmental benefits of energy efficiency, overall, these participants were not willing to pay extra to protect the environment. Among these groups, the most important factor in deciding to participate in energy efficiency was a lower bill.

The consensus among all 6 focus groups was that these programs were unfair if all customers were charged even though all customers could not participate. However, the Every groups were more likely to accept the additional charge if the programs were offered to lower income households.

The Every participants desired a stronger involvement from the utility provider. Their expectation was for the utility to offer, administer, and communicate energy efficiency programs. The goals and benefits should be communicated to everyone regardless of whether or not the program was offered to them. Participants said that to attract customers to energy efficiency programs, Every should attempt to explain the cost and benefits of each program. Information on ways the individual households can take their



own steps to increase energy efficiency could also be provided to all customers at a low cost to the utility. A simple website advertised on the bill statements could reach all customers.

The non-Energy groups were more likely to express that they did not want or expect the utility provider to be involved in their household's energy decisions. If they were upset with their bill, they would seek the information and take the actions that fit their lifestyle and budget.

## Conclusions

Six online focus groups made up of three groups of Kansas Evergy customers and three groups of participants from non-Evergy utility customers in Kansas were conducted in Fall 2020. Of the 54 total participants, 29 were Evergy customers and 25 were from the mixed (non-Evergy) utility groups. Across all six groups, nearly all participants expressed support for energy efficiency for several reasons. In most cases, the reasons involved the direct benefits for the consumer. Reducing their utility bill each month, increasing the comfort in their home by eliminating drafts, reducing the inconvenience of constantly changing light bulbs and receiving a rebate following the purchase of a new appliance were some of the benefits for consumers that come from energy efficiency. While there are other benefits from energy efficiency, including slowing rate increases in the future and protecting the environment by reducing energy consumption, among others, participants across all six groups regularly agreed on the benefits to the consumers from energy efficiency. Environmental benefits may be real, but they were not universally supported as reasons to engage in energy efficiency. By contrast, the idea of a lower energy bill each month was something that most participants agreed was valuable.

Across all of the groups, the participants simply wanted more information on energy efficiency to help with purchase decisions rather than utility-led directives. Consumers regularly buy small items (such as light bulbs and thermostats) and occasionally make large investments (new appliance, new windows or insulation) and they want easily accessible information to inform those purchase decisions. Consumers want to know the up-front cost of a particular option and the monthly savings that would come if they chose to participate. While some in the groups were favorable toward utility-led initiatives, there was widespread agreement that increased education related to the benefits of energy efficiency would be valuable for all consumers.

Although the moderator spent a great deal of time explaining the basic economic considerations involved in financing energy efficiency programs, including walking participants through hypothetical power bills to illustrate how the economics for energy efficiency programs work, participants in all groups struggled to understand how and why their bills were affected by these programs.

Many participants found it counter-intuitive and unfair that utility companies pass the cost of the programs back on to consumers, most of whom saw participating in energy efficiency programs as a way to reduce their bill. They found it even more troubling that consumers who did not participate in an energy efficiency program also shared the cost of these programs, particularly when program participation could be capped.

Almost all participants across all six groups were not aware of the KCC and held neutral opinions of the agency. The participants were unaware of the role played by the KCC in regulating utilities in Kansas.

## Appendix 1. Focus group screener

### Focus Group Screener Question on Energy

On a scale of 1 to 7, where 1 is VERY IMPORTANT and 7 is NOT AT ALL IMPORTANT, how important are the following issues to you?

Issue	1 - Very Important	2	3	4	5	6	7 - Not at all Important
Fighting climate change							
Investing in renewable energy							
Reducing Energy Consumption							
Easier recycling options							
Moderating Utility Bills							
Improving air quality							
Investing in Energy Efficiency Measures (e.g. programmable thermostats, weatherization, LED lighting, high-efficiency appliances)							
Shifting Energy Usage to Lower-Cost Time Periods							

Note: Items in yellow were used to screen environmental attitudes. Participants who answered 1 or 7 to all four items were excluded. Only one person was excluded based on this criteria.

## Appendix 2. Focus group question guide

### Focus Group Question Guide

#### General intro

1. When I say “energy,” what comes to mind?
2. What about more specifically “energy in your home”?
3. Now what about “energy efficiency”?

[For each of the 3 above, get them to list off what comes to mind and then say if those are positive or negative. Then we will explain difference between demand side and supply side]

4. What energy (demand side) efficiency efforts have you made in your home?  
[Prompt for these if needed: Replace light bulbs, new energy efficient windows, air conditioner or appliances, like a refrigerator?]
5. By a show of hands, how many of you are aware that the power company promotes energy efficiency?
6. By a show of hands how many of you have participated in any programs offered by your power company?
7. Why did you choose to participate in any energy efficiency effort (personal or power company sponsored)? Home comfort? Reduce power bill? Needed a new appliance anyway? Why did you choose to NOT participate?
8. Why would a power company sell a service that promotes energy efficiency?  
[Keep this short and only use as a transition]

#### Understanding of payments

I want to take a minute to talk about energy efficiency financing as it relates to public utility companies. This is a bit tricky. Let me see if I can provide an explanation. For utility companies, they have a lot of fixed costs. They don't change and they always exist. Think of this like if you opened a restaurant: you take a loan because you need a building, tables, kitchen equipment, food, and you have to pay your employees for every hour you are open. You have these expenses no matter if you sell all of your food or none of your food. Make sense? Each month you are expected to pay the bill. Utilities have mostly fixed costs. Utilities know mostly how much energy they will sell. So, as a result, they know how much to charge in order to cover their costs. This is key: unlike a restaurant, they know how much they need to earn and they set the rate to recover their cost. When things change,

you may be familiar with the utility raising rates. The goal is to cover their costs. They don't get to lose money. There's really no risk. Make sense? Let me show you a chart.

Now, here's where the energy efficiency comes in. There are costs associated with a program. If they give free light bulbs, that's a cost. If they give a rebate or a thermostat. That's a cost. AND, the program reduces consumption. So that's reduced revenue. Another cost. The way energy efficiency programs work is they have to be paid for by the consumer. So, they pass the costs back, to both participants of the program and non-participants. Let me show you two more charts.

9. What questions do you have?

[Record any reactions to the "fairness" of this.]

10. So now that we have talked about how these energy efficiency programs work and how they are paid for, what is your reaction to this system? Is that a change from what you might have thought before my explanation?

11. So, we've talked a little about a bunch of EE programs. But as we said before, the power companies are not able to lose money on these programs. Even if energy consumption goes down because you make your home more energy efficient, your bill may not decrease as much as you think it should. What do you think about that?

12. Now let's think about fixed costs. Fixed costs are the costs that don't go away when you decrease your energy use. The utility invested in the plants to create the energy so they have to recover those costs. If everyone decreases their energy usage, then there are fewer kWhs to spread the fixed cost over, which means an increase in rates. Because, remember, these fixed costs are going to be covered by your power bill no matter what. What are your reactions to that?

13. But if people decrease their energy use and we can delay building a new power plant or delay other expenses associated with creating new generation resources that will lower everyone's bill over time. What are your reactions now?

14. What about for non-participants? Is it fair to ask them to subsidize EE programs if they aren't participating themselves? But what if it does reduce their power bill over time because everyone doesn't have to pay for creating new energy?

### Reactions to types of programs

15. Now let's talk a little bit about some of the energy efficiency programs that Kansas power companies currently have or have proposed.

Some programs offer simple rebates for buying things like new light bulbs or new more efficient refrigerators or air conditioners. Other programs simply give you information about your home's energy use and what you can do to use less power. Other programs are more comprehensive and actually work with you to install energy saving technology like

programmable thermostats, low-flow showerheads, weatherizing materials, or insulation. What do you think about these?

[Ask the general question and then go back and specifically ask about any types of programs that weren't mentioned.]

Buy light bulbs?  
Rebate for refrigerator or a/c?  
Information?  
Thermostats?  
Weatherizing material?  
Insulation?  
Energy audit?

16. Talk to me a little bit about what the goals should be for these programs?  
[If needed, prompt with help low income, fight climate change, reduce utility bills or rates. Skip this question if answered in question above]

17. After talking about these programs, by a show of hands, how many of you would be interested in participating in one of these programs? Who would not? Explain your reasons.

18. For those of you who said you would be interested, which ones would you be interested in? For those of you who would not be interested, why not?

19. (Mostly for the yes) Now talk to me about paying for them. Are you willing to see your bill go up for energy efficiency programs? If so, how much? 10%? 20%? 30%? (Looking for a flinch point)

### **Communicating about energy efficiency programs to KS residents**

20. What do you think the best way is for people to find out about these programs?  
[Prompt if needed: Through their power bill? Advertising? Where would you trust getting information?]

Do you get a paper bill? Do you read the inserts?

Advertising?

21. And finally, who do you trust to provide/administer these programs?  
[Prompt if needed: utilities, state (including state regulatory bodies), or a third party like a university or extension service or a new entity?]

Utility companies?

State regulators?

Third party like University or Extension Service

Someone brand new?

## **Staff Response to WSU's Residential Energy Efficiency Focus Group Report**

### **Introduction**

The Kansas Corporation Commission's (KCC) Energy Division and Utilities Division (collectively Staff) contracted with The Research Partnership at Wichita State University (WSU) to facilitate six focus groups of Residential electric customers. The six focus groups were divided into three Evergy focus groups (Evergy South, Central, and Kansas Metro) and three non-Evergy focus groups (cooperative utilities, municipal utilities, and a few Empire and Southern Pioneer customers).

### **Purpose of the Focus Groups**

The purpose of the focus groups was to assess Kansas Residential utility customers' knowledge and attitudes about energy efficiency and some of the issues surrounding energy efficiency. Staff chose focus groups over surveys as the method for obtaining customer knowledge and attitudes because focus groups provide more in depth understanding of Residential customers knowledge and attitudes about energy efficiency than surveys could provide. The reason Staff sought an in depth understanding of Residential customers is because Staff is in the process of reevaluating the Commissions' energy efficiency policies, and in addition to considering the opinions of stakeholders in the process, Staff wanted to make sure the customers paying for energy efficiency programs were also represented.

### **Discussion of Results**

The six focus groups facilitated by WSU consisted of over seven hours of conversations and produced a substantial amount of information about the participants' knowledge and attitudes about energy, energy efficiency, and the economics of energy efficiency. We will not rehash the WSU Report, which stands on its own. Instead, we will present, in abbreviated form, what we believe were the most important observations from the focus groups that lead us to our conclusions and recommendations.

### **Primary Reason for Participants' Interest in Energy Efficiency is to Reduce Bill**

The dominant reason participants gave for increasing the energy efficiency of their homes was to reduce their utility bills. Some participants, primarily Evergy customers, also mentioned the environmental benefits of using less energy.



Even in a hypothetical situation where there was no actual cost to participants, the most that any participants were willing to pay for energy efficiency programs was a 10% increase in their bills. Most participants did not want to pay a premium for energy efficiency programs. But participants did see value in reducing energy consumption if it lowered customer's bills. If customers had to pay for an energy efficiency program, then the savings had to more than cover the costs of the program.

Many of the Evergy customers were willing to pay for energy efficiency programs because of the benefit to the environment. However, some preferred that the energy efficiency programs be offered to lower income customers first because of the additional potential to lower the bills for lower income customers. On the other hand, Non-Evergy customers were less supportive of any increase in their bill to pay for any type of energy efficiency program.

### **Participants' Personal Experience with Energy Efficiency at Home**

Many participants have increased their home's energy efficiency on their own. Some of the actions reported by participants were standard energy efficiency pursuits such as purchasing LED lights, increasing insulation in their house, and purchasing a more efficient heating, ventilation, and air conditioning (HVAC) system. Other more unusual activities included hanging up curtains in between rooms to keep the window air conditioner isolated in the rooms most used, hanging up insulated curtains to block the heat, and painting the garage door white.<sup>1</sup>

A few participants considered energy efficiency features when building or purchasing a new home. The energy efficiency factors considered included the type of insulation in the walls, the type of windows installed, inspections during building to ensure envelope tightness, and energy efficient HVAC systems.

Some participants had a negative experience with energy efficiency appliances. Participants who complained about the lack of benefits created by energy efficient appliances focused on three similar problems: the durability of the appliances, whether the savings made up for the additional costs of the appliances, and the effectiveness of energy efficient appliances.

One participant complained that the newer energy efficient appliances are not as durable as the older appliances, which caused her to question whether there were cost savings of the new appliances. Another participant wondered if the less than expected energy savings were enough cover the higher cost and shorter life of the energy efficient appliances. Finally, one participant criticized her energy efficient dishwasher because she still had to dry the dishes by hand after they were cleaned.

---

<sup>1</sup> See the WSU report on page 9.

### **Participants' Experience with Utility Sponsored Energy Efficiency Programs**

Some participants had taken part in utility sponsored energy efficiency programs. The most common energy efficiency program participants had taken part in was some form of a thermostat program—either participants were given a programmable thermostat or a thermostat that the electric utility could control at certain times.

Participants had a variety of responses to thermostat programs. A couple of participants did not notice differences in their home temperature because of the program. One participant who joined a thermostat program that allowed the utility to change the home temperature three degrees found the increased home summer temperature uncomfortable but not unbearable. Another participant found the programmable thermostat made his house so cold that he bypassed the thermostat and has not tried a programmable thermostat since.

Even though they were aware of a thermostat program, some participants did not join because they did not want to “give control to the power companies” over the temperature in their houses.

Some participants were part of programs that involved rebates for either using less energy during peak times or for purchasing large appliances or weatherizing their homes. One participant was disappointed by a contractor who winterized his home because the winterization only lasted a year.

### **Participants Had Difficulty in Understanding How Energy Efficiency Programs Are Paid For**

A substantial amount of time during each focus group was dedicated to explaining how investor owned utilities were compensated for providing energy efficiency programs. Below is the WSU Report's description of the results of the education effort.

But, even with the explanation, and the information provided in a non-confrontational setting, the material was too complicated for most participants to fully comprehend. There were moments in each group where basic inaccuracies had to be corrected. Even then, it was not clear that all participants understood every facet of the economic considerations that are relevant to the decision to pursue an energy efficiency program. It should be underscored that the attempt to explain these issues was at a basic level and not one that attempted to fully explicate all the relevant considerations. This finding was not surprising given the low level of engagement most people have with public utility financing in general, the challenge posed by numeracy (the general difficulty the public has processing numerical and statistical information), and the depth and complexity of the issue.<sup>2</sup>

---

<sup>2</sup> See the WSU Report at page 4.

## **Charging Non-Participants of Energy Efficiency Programs Costs Viewed as Unfair Unless Non-Participants Have Opportunity to Participate**

One of the more ambiguous problems for the focus group participants was the treatment of customers that did not participate in an energy efficiency program. Focus group participants were surprised when they were informed that customers that did not participate in energy efficiency programs were charged the same program costs as the customers who participated in the programs. A few focus group participants believed it was unfair to charge the non-participants for program costs.

When focus group participants were informed that in energy efficiency pilot programs, there was nearly always a cap on the number of customers allowed to participate, most focus group participants felt that requiring non-participants to pay for the program was unfair. This was true even when it was explained that the number of energy efficiency program participants had to be capped for economic reasons. However, if the non-participants were informed of the energy efficiency program and had the opportunity to participate in the program, then the focus group participants thought it was fair to charge the non-participants.

## **Participants had Mixed Reactions to Different Types of Energy Efficiency Programs Except for Education Programs**

### ***Rebates***

Most focus group participants did not think that rebates on low price items like LED light bulbs was worth the trouble, although a few said they would still be valuable. Some focus group participants questioned the incentive value of rebates for LED light bulbs since it was nearly impossible to buy any other type of light bulbs.

Focus group participants would seek rebates on items such as water heaters and HVAC systems because the rebates would help defray the cost of these expensive items. But almost everyone said the rebate would not cause them to purchase the expensive items. Instead, they would wait till their current appliance needed replacing, and then seek the rebate. Focus group participants noted that to take advantage of the expensive item rebates required putting up a substantial amount upfront, which favored customers in better financial positions.

### ***Programmable Thermostats***

As mentioned earlier, several focus group participants had been part of a thermostat program. Several participants had personally installed a programmable thermostat and many others were interested in purchasing one. But also, as noted before, many focus group participants did not want to hand over temperature control of their house to the utility. As a result, many participants preferred to purchase their own thermostat, so they had control rather than the utility.

### ***Home Audit***

Focus group participants had differing views on the benefit of home energy efficiency audits. A small number of focus group participants had already had a home energy efficiency audit. Of those who had not already had an audit, some saw them as a helpful method for identifying problems in their homes. Others were more concerned with having a stranger walking through their homes.

### ***Home Weatherization***

Many focus group participants had already engaged in some type of weatherization for their homes including insulating garages and attics, sealing the attic, and other types of weatherization. For these participants, cost effectiveness was important: the cost of weatherization needed to pay off in a short time frame—typically as less than five years.

Many focus group participants thought weatherization was the responsibility of the homeowner and should not be a utility program. The utility's role should be informational—the utility should provide suggests as well as cost and savings information.

### ***Educational Programs***

All focus group participants agreed that information about how to make an individual's home more energy efficient at the lowest cost was important. Also, participants thought it was important that individuals be informed about energy efficiency programs. But how the delivery of the information should take place differed between the Evergy and the non-Evergy focus group participants.

The Evergy focus group participants, for the most part, trusted Evergy as a good source of information, and the Evergy focus groups thought that knowledge was crucial to energy efficiency. In addition, these focus groups thought Evergy should provide information on both the cost and savings of energy efficiency, and the effect of energy efficiency on the environment. “However, Evergy customers also consistently said they did not regularly read the inserts that came with the bill, but instead mostly focused simply on the amount they owed.”<sup>3</sup>

The non-Evergy focus group participants tended to emphasize the individual's responsibility in finding information. Most non-Evergy participants thought if they wanted to make a change in their home, they would get the information themselves.

### **Non-Evergy Participants Were More Skeptical of the Value of Utility Provided Energy Efficiency Programs**

After discussing how energy efficiency programs were paid for by investor owned utility's customers and some of the basic types of energy efficiency programs that can be made available,

---

<sup>3</sup> See the WSU Report at page 13.

some of the focus group participants questioned the value of the utility's role in energy efficiency. If customers bought and installed programmable thermostats, did their own weatherization, and bought their own appliances, then the utility's role could be eliminated, and the cost of energy efficiency would be less. Without having to pay for the administration costs of utility's energy efficiency programs, customers would receive the full benefit of the energy efficient savings they made, thus maximizing the benefit of energy efficiency.

## **Staff's Conclusions and Recommendations Based on Results from the Focus Groups**

### **Energy Efficiency Strategy Should Begin with Education**

Staff finds that the first step in any future energy efficiency strategy needs to be education. Staff bases this conclusion on two observations from the focus groups: (1) Residential customers lack an understanding and have a skepticism of utility provided energy efficiency programs and the economics of paying for those programs, and (2) focus group participants emphasized their desire for education and information about energy efficiency.

Staff has the following two recommendations based on our conclusion that the first step in any future energy efficiency strategy needs to be education.

- (1) Staff recommends that Staff, KCC jurisdictional utilities, and the Consumer Utility Ratepayer Board (CURB) get together with other stakeholders and evaluate the most effective methods for communicating the benefits and costs of energy efficiency upgrades for Residential customers. WSU included a section describing the current problems with communicating with customers. For example, almost all the focus group participants admitted they threw away bill inserts without reading them. Also, Staff is aware of the low percentage of customers that visit electric utility websites—getting 20% of customers to an electric utility website is considered a successful effort.
- (2) Staff recommends that a new docket be opened to consider a new approach to controlling the budget expenditures on educational energy efficiency programs. The Commission has a long standing policy going back to the 08-GIMX-442-GIV Docket<sup>4</sup> of putting a flexible cap of 5% of the total energy efficiency portfolio budget on educational programs. In specific cases, the Commission has provided a waiver to the 5% cap. And in 20-KCPE-154-MIS Docket the Commission elaborated its criteria for waving the 5% cap.<sup>5</sup> Staff

---

<sup>4</sup> Order Following Collaborative on Benefit-Cost Testing and Evaluation, Measurement, and Verification, Docket No. 08-GIMX-442-GIV, ¶ 32, p. 12.

<sup>5</sup> Docket 20-KCPE-154-MIS, Order Granting Approval of Demand-Side Management Programs, ¶19-21, pp. 7-8. The expanded criteria for the waiver of the 5% cap is:

Therefore, the Commission will conditionally approve Evergy's proposed budgets for its three educational programs (HEA, BEA, and BOC) with the following restrictions: (1) the increased costs of these three programs, above 2019 budgeted amounts, will not be recovered through the EER; (2) Evergy may include the costs of these programs, above 2019 budgeted amounts, in a regulatory asset; and (3) Evergy may request recovery of the regulatory asset in its next rate case. To the extent Evergy requests to recover the tracked costs in its next rate case, it will have the

recommends the Commission consider an alternative to using a cap to control costs. The need to keep energy efficiency costs under control was emphasized by focus group participants, but placing an emphasis on energy efficiency education programs makes a 5% flexible cap infeasible as a budgetary criteria.

### **Priority Should Be Given to Low Income Energy Efficiency Programs**

Staff thinks that a priority for energy efficiency strategy should be low income energy efficiency programs. The recommendation that priority be given to low income energy efficiency programs comes from the Evergy focus groups.<sup>6</sup> But those same focus groups also placed limitations on what they expected from low income programs. The participants wanted the programs to benefit the low income households and to benefit the environment. And although many of these participants were willing to have their electric bills increase, they would tolerate only an insignificant increase in their electric bills—the most that anyone would agree to was 10% and most balked at that hypothetical increase.

As noted above our conclusion about the appeal of low income energy efficiency programs is directed at Evergy and its customers. The non-Evergy focus groups were less inclined to recommend any program that would increase bills. Staff reiterates that the conclusion from the non-Evergy focus groups does not apply universally to Kansas cooperative and municipal utilities. There are over a hundred different such utilities in Kansas, and the variation among the customers' attitudes of these different utilities concerning low income energy efficiency programs could be dramatic.

Staff also notes that the Commission's current guidance on energy efficiency programs is outlined in Docket Nos. 08-GIMX-441-GIV, 08-GIMX-442-GIV, and 12-GIMX-337-GIV. In addition, the Kansas Energy Efficiency Investment Act (KEEIA) states that educational and low income energy efficiency programs do not have to pass benefit/cost tests. However, because educational and low income programs were linked in KEEIA, Staff has also applied a 5% cap to low income energy efficiency programs.

---

burden of demonstrating the higher spending levels led to proportionately more program impacts and effectiveness. In demonstrating with data the programs are effective in relation to their costs, Evergy will be responsible for proposing an appropriate means to measure effectiveness. ¶21.

<sup>6</sup> Staff has one important caveat to the emphasis on low income energy efficiency programs—low income energy efficiency programs were more popular with the Evergy focus groups than with the non-Evergy focus groups. Since the Commission does not regulate cooperative and municipal utilities, and Evergy is the dominant electric regulated utility in the state, this conclusion is important for the Commission but not necessarily relevant for cooperative and municipal utilities.

Staff has the following two recommendations based on our conclusion that priority for any energy efficiency strategy for Commission jurisdictional utilities should be low income energy efficiency programs.

- (1) The Energy Division and Utilities Division should jointly work with the KCC's jurisdictional utilities and other stakeholders, including CURB, to investigate the best approach to low income energy efficiency programs.
- (2) Because an emphasis on low-income energy efficiency programs is likely to require a change to the current 5% cap on low income energy efficiency programs in the existing guidelines, a new docket should be opened. This new docket will also allow the Commission to remain informed of any recommended changes to the Commission's guidance on energy efficiency programs and issue an order authorizing, modifying, or denying any recommended changes.