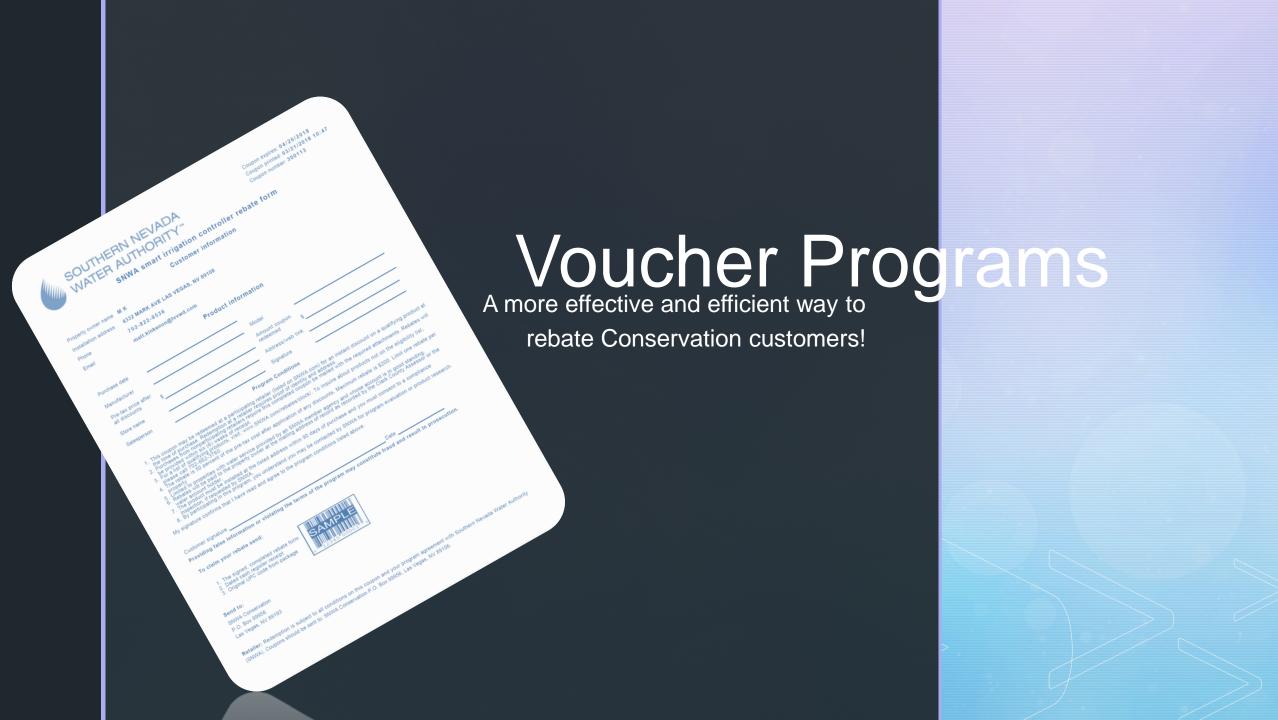
This presentation premiered at WaterSmart Innovations

watersmartinnovations.com



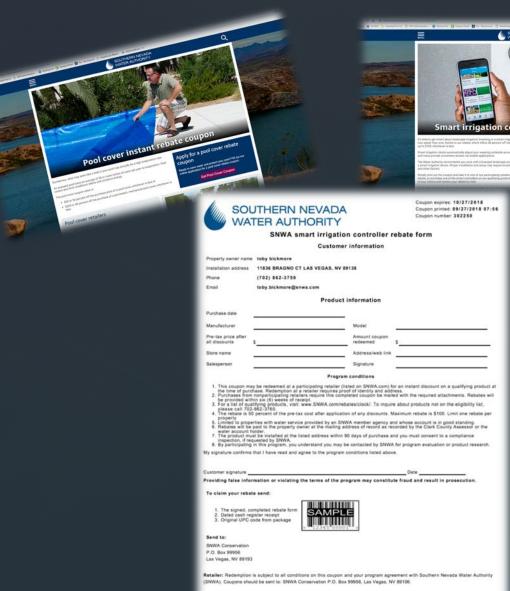


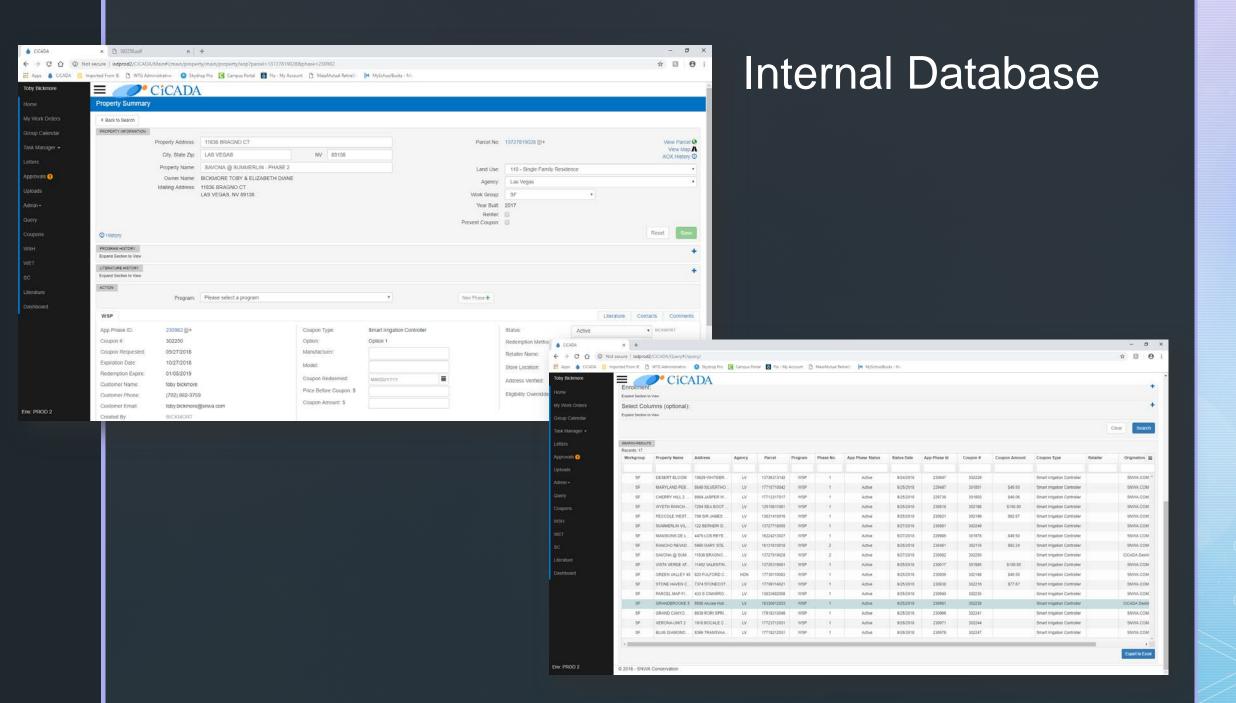
What is a Voucher Program?

- Voucher Program i.e. Coupon Programs
- Printed piece of paper that entitles the holder to a discount
- Can be a direct rebate to a customer or used as a mail-in rebate
- Often a 'participating retailer' provides the discount and then is reimbursed by the water agency
- Automation makes these types of programs very attractable to resource-strapped agencies

Public Interface is Key

- SNWA.com portal
 - Imported property records from County Assessor
 - Utilizing Land Use
 Code data, can pre determine which
 properties qualify for
 program
 - Allows us to assign a coupon to an address and not just blank/generic coupons





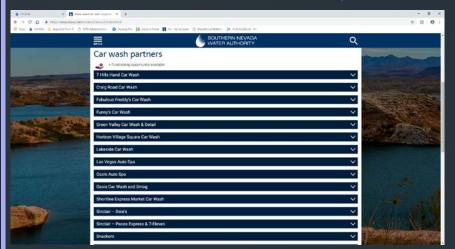
Funded versus Non-funded

Funded – includes rebate dollars and associated budget

Non-funded – is a pass through for local vendors but they absorb the

discount

Car Wash Coupons





- Water smart car washes recycle water on-site or send it to a water treatment facility where the water is treated and returned to Lake Mead.
 - The offer nominal discount, \$2-\$5 range, and use tool for marketing

Instant vs Mail-in

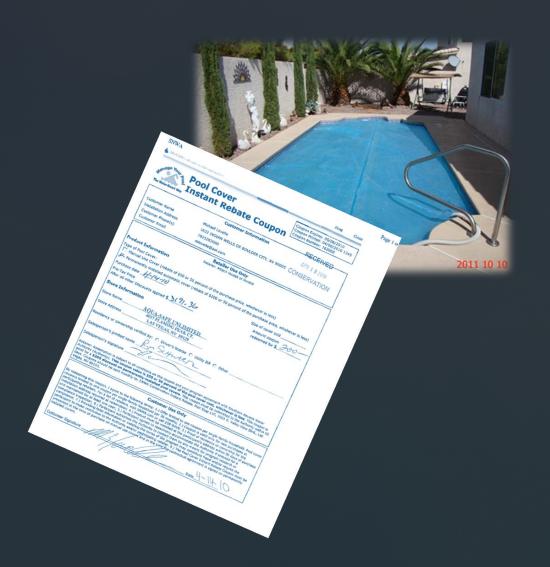
- Try to drive customers to participating retailers
 - Pool Cover Coupon program customers can only use local participating retailers
 - Would rather work with a few retailers as opposed to thousands of individual customers
 - Smart Irrigation Coupon customers can go either through participating retailer or submit a mail-in rebate



Instant discount with participating retailers only

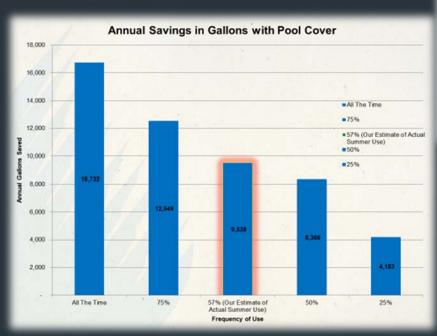
- \$50 and not to exceed 50% of product cost for manual and \$200 not to exceed 50% for permanent
- Available to property once every three years
- QA conducted to verify pool exists through aerial imagery but no site visit
- SNWA budgets \$200k each year for program and approves between 1,500 and 4,000 per year

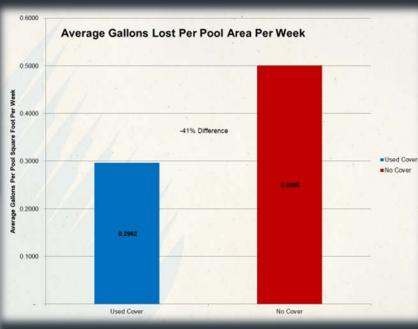
Pool Cover Coupon



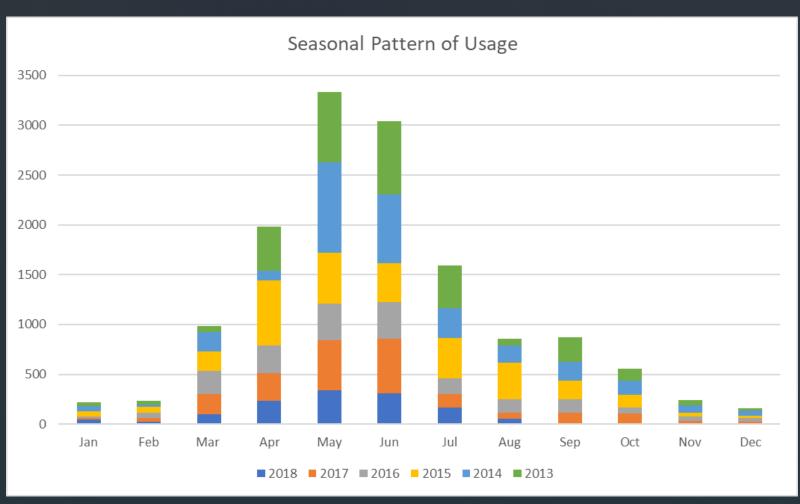
Pool cover study results

 2012 study of pool evaporation and impact of using pool covers

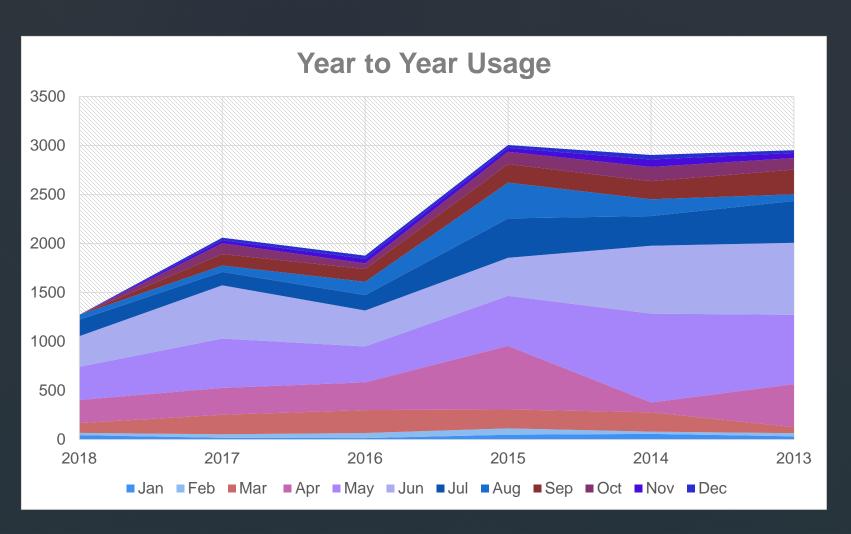




Trends Pool Cover Coupons



Trends Pool Cover Coupons

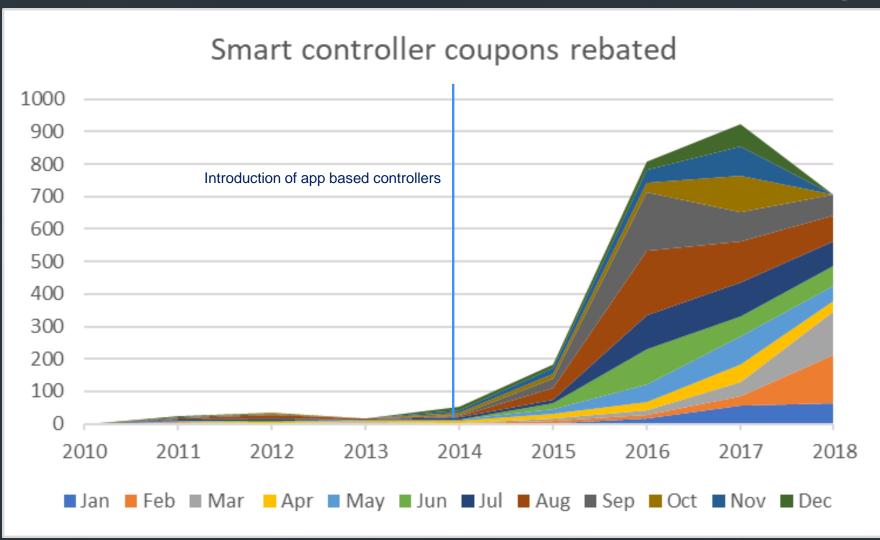


Smart Irrigation Controller Coupon

- Coupon available as an instant discount at participating retailers or as a mail-in discount for purchases made any other place volume not like pool cover coupon
- Property owner can receive a coupon for up to \$100 on a Smart Controller not to exceed 50% of cost
- One coupon per property
- Mandatory site visit
 - Research on early utilizers of smart controllers showed more than half not installed or turned off within first couple months
 - We ask basic questions and provide minimal technical expertise on install
 - Budget part of \$200k for pool covers
 - Avg. 800 controllers per year for last three years and \$88k per year



Trends and Stats



Smart Irrigation Controller notes

- Conducting in-house studies on consumption patters associated with smart controllers
 - Past internal studies have shown minimal savings
 - Customers often deficit irrigate and smart controllers utilize ET as base

- App based technology expands possibilities
 - Communication and regular monitoring may have as large an impact as weather input – especially associated with mandatory watering schedules

What has Worked

Working with Participating Retailers for high volume program reduces staff time associated with processing

- Currently .2 admin FTE associated with all coupon programs
- Site visits take 10 min and worked into turf conversion schedule

Minimal field staff commitment needed — mostly for controllers

Interaction through SNWA.com has generally worked smoothly

Easy to make quick program changes

Minimal fraudulent efforts – pool cover timing eligibility is biggest issue

Easy to turn program on and off – especially if expiration windows provided on coupon





What has not Worked

- Electronic Submittal
 - Tried a process where our participating retailers created an electronic coupon but no paper coupon was printed
 - The retailer would collect the coupon # and customer information and then submit details to us once a month on an excel sheet
 - We had two major issues:
 - The retailer was also providing a discount but was not done before our rebate
 - The retailer was conducting the coupon process on behalf of the customer so when we contacted the customer for QA they knew nothing of our involvement in the rebate
- Limiting to participating retailers pool cover coupon reduces customer ability to buy on-line for better rates – receive customer pushback
- Relying on County Assessor records and which properties are eligible for coupon can be problematic

Adopting new technologies through Voucher Programs

Because coupon mechanism is universal can be used for new technologies

 Our internal database allows us to edit core features like product type, rebate amount, coupon expiration time etc.

 Later this year, we will utilize coupon program for a pilot program for the first time

In past we would want to test a technology such as multi-stream rotator heads and would have to solicit customers with incentives to get on site – recruitment is one of hardest parts for research projects

 This time we will utilize coupon program rebate to recruit participants and then study 'after the fact'



Adopting new technologies through Voucher Programs

- Residential flow monitoring and leak detection next emerging technology for residential water savings
- Will conduct a pilot through coupon program to evaluate
- Will use similar parameters to smart controllers
 - One per property
 - Rebate \$200 not to exceed 50%
 - SF Residential properties only
- But will require access for studies







How do we utilize technologies before national standards exist

- Conducting in-house research or pilot studies
 - Through test study properties and consumption evaluation
- Important for us to conduct studies locally some technologies may save water in some locales but not in others
- Based on our findings we have adopted technologies such as smart controllers and pool covers in our programs before national efforts but likewise have not found sufficient savings with devices like multi-stream rotors



Pros and Cons/Summary

Pros

- Less administrative work and FTE commitment than traditional rebate programs – especially on the field side
- If utilizing Participating retailers, far less administrative work
- Potential instant rebate for customers no receipts or follow-up mailed paperwork
- Manage budget through distribution of coupons

Cons

- Less customer interaction
- Potentially greater openings for fraud although we have not seen this

Questions/Comments?

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