The Institute for Sustainability and Energy at Northwestern graciously provided MeterGenius with a $9,000 grant to develop our product and launch our business. As a result, MeterGenius has been able to design a website, launch a pilot with 3,000 potential users, and win awards and prize money at multiple business plan competitions.

MeterGenius is a free website that provides tools and incentives for homeowners to save money on their electricity bill. MeterGenius gives homeowners with smart meters the ability to track electricity consumption at a granular level, set goals and track their progress, compare themselves to similar neighbors, and earn points that can be redeemed for bill credits.

MeterGenius is designed to decrease the attrition rate of customers of retail electricity providers by creating a product electricity providers can give to their users that will increase customer engagement. In states with deregulated electricity markets (Texas, Illinois, and most Northeastern states), retail electricity providers purchase electricity from a wholesale market and then sell that electricity to residential customers. Residential customers have a choice in which retail electricity provider to use. Because electricity is a commodity, customers are likely to switch to whichever provider is offering the cheapest electricity. As a result, retail electricity providers face attrition rates as high as 50%! The retail electricity providers have an average cost per acquisition of $200 and each customer, on average, is worth $400 per year. Also, during peak demand periods, retail electricity providers often are forced to buy electricity on the real time market at a higher price than what their customers are paying. These peak demand periods can be very costly to retail electricity providers.

MeterGenius has two features that will engage home owners so that they will stay with their retail electricity provider: a rewards program that gives users points for becoming more
energy efficient and tools that give them unprecedented insight into their electricity use. MeterGenius provides the user with the ability to set a budget, compare themselves to similar neighbors, and forecast their usage. The user will earn points by having a lower electricity bill than MeterGenius predicts. MeterGenius actually rewards homeowners for saving electricity!

MeterGenius’ other solution for electricity suppliers is our voluntary demand response program. On days that we project electricity consumption to be abnormally high, we will offer extra points to users that accept our tips to significantly reduce their consumption that day. If they reduced their consumption that day, the retailer saves money, and we can pass those savings on to the user in the form of points.

The ISEN funding was used to pay for two items that were critical to the launch and initial success of MeterGenius: legal fees and design fees. $1,112.75 was used to pay for the legal services of the Northwestern University Entrepreneurial Law Center and the filing of MeterGenius as a Limited Liability Company in the state of Illinois. This was necessary in order for MeterGenius to launch the pilot with Infinite Energy. By applying for and being accepted into the NU Entrepreneurial Law Center’s program, we saved thousands of dollars in legal fees.

MeterGenius also paid The Plum Tree Group $7,500 to design the MeterGenius website. Plum Tree originally quoted the job of designing and developing seven pages at $25,000. However, we were able to negotiate the price down to $7,500 by agreeing that we would use Plum Tree to build our mobile app if the pilot was successful. Plum Tree did a great job in designing a beautiful website that has received praise from both our customer, Infinite Energy, and our current users.

By hiring Plum Tree to design our website, we were able to launch our pilot with Infinite
Energy on February 19th. We are testing MeterGenius with 3,000 Infinite Energy customers in Texas for 6 months. 3,000 customers will be eligible to use MeterGenius and another 3,000 will not. At the end of the 6 month pilot, we will measure the renewal rates of customers in each group to determine just how well MeterGenius increases customer retention for retail electricity suppliers. The impact on customer retention will influence how much money we can charge Infinite for each customer. Once the pilot is over, we will be able to show other electricity suppliers the impact of our product, which should increase the likelihood they’ll pay to give MeterGenius to their customers.

We believe our recent success in business plan competitions is a result of the fact that we have a pilot in progress and 150 people actively using our site. In February, MeterGenius won the Illinois Clean Energy Challenge, which came with a $10,000 cash prize and valuable mentoring from industry leaders. In April, we won the McCaffery Interests Award at the Midwest Clean Energy Challenge, which included a $25,000 cash prize. We are also currently finalists in the MIT Clean Energy Prize and the St. Louis Arch Grants.

We are extremely grateful for the ISEN grant. Without the grant, it would have been much more difficult for us to launch our company. We are well aware that it is rare for ISEN to give a grant to a student-led startup, but we have worked hard and used the money as efficiently as possible in order to validate ISEN’s decision and support of MeterGenius. We hope that our success will be a catalyst for ISEN’s future support of other sustainable startups led by Northwestern students. MeterGenius is proud to represent Northwestern and thankful for the support we’ve received over the past year.