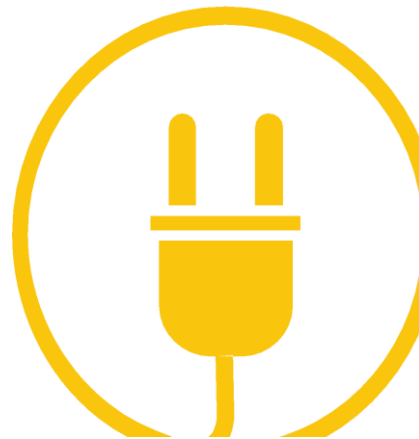




Creating a More Energy Efficient Future for Residential Customers

The ENERGY STAR[®] Retail Products Platform



Hewan Tomlinson, US EPA
2016 ACEEE/CEE Market Transformation Symposium
March 21, 2016

Today

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What is ENERGY STAR®?

The U.S. Environmental Protection Agency's ENERGY STAR is:

- A voluntary partnership among government, business and consumers to save money and protect our climate through superior energy efficiency
- a widely recognized and trusted mark on products, homes and buildings that meet strict energy efficiency requirements
- the simple choice for energy efficiency!



Americans, with the help of ENERGY STAR, prevented over 300 million metric tons of greenhouse gas emissions and saved \$34 billion on their utility bills in 2014 alone.



The Need for Change

- Shrinking per-unit energy savings and incentives
 - Remaining rebates promote high price/large incremental cost products
 - Shrinking retailer participation in traditional energy efficiency programs
 - Not core to business
 - Introduce cost and complexity
 - Small incentives do not influence customers
- Data for savings and program attribution hard to secure

Then (2004)



30% energy savings
Mail-in rebates up to \$200 available.

Now (2016)

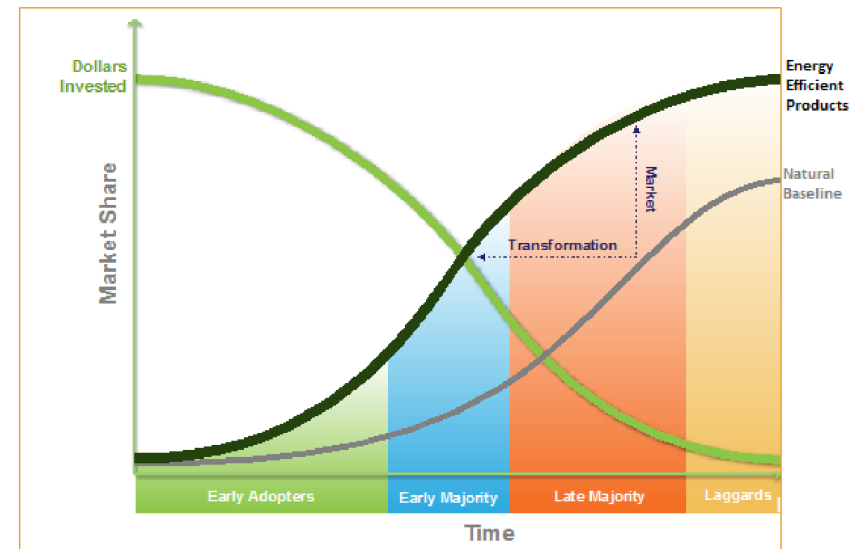


Cost-effective rebates closer to \$25

US retailers sell more than 2B products that use >80K GWh/year

What is the ENERGY STAR Retail Products Platform?

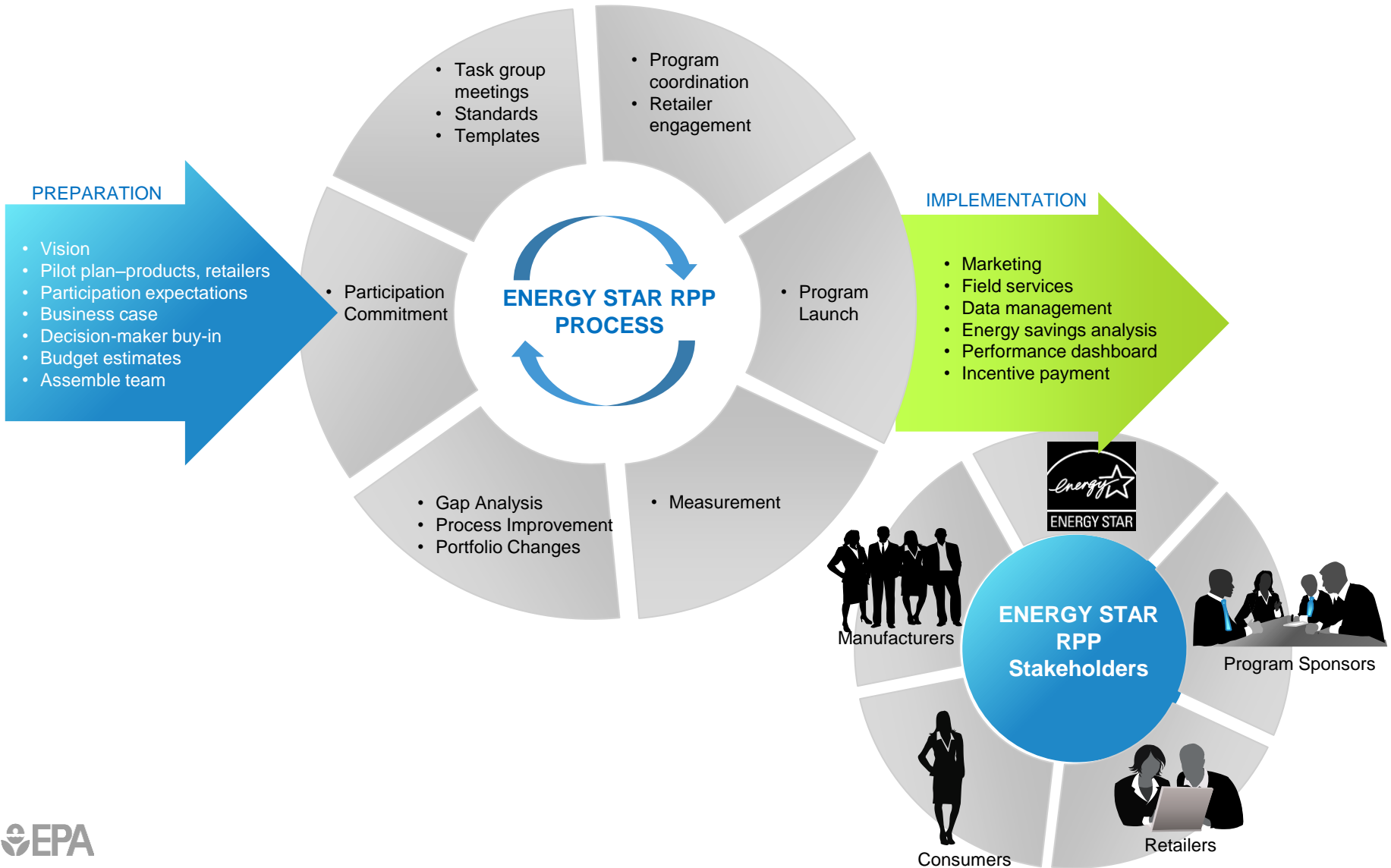
- Grassroots, coordinated alignment of energy efficiency programs with retailers' business models
- Collaborative national effort to achieve scale through consistent program design—product categories, specifications, data requirements, and midstream delivery
- Significant budgets and low administrative costs create strong value proposition for retailers
- Creates savings in growing “miscellaneous/plug load” product categories at significantly lower cost to program sponsors



Source: Northwest Energy Efficiency Alliance—
“NEEA’s Definition of Market Transformation”



Process



A Message from the ENERGY STAR Retail Action Council

(Scottsdale, AZ October 28, 2014)

- We support program sponsors efforts to build scale via the ENERGY STAR Retail Products Platform
- We believe the ESRPP is the future of energy efficiency programs, and the future is now!
- We are offering to help regulators recognize the energy saving opportunities
- We will assist innovative Program Sponsors who join together with the EPA transform the energy efficiency market



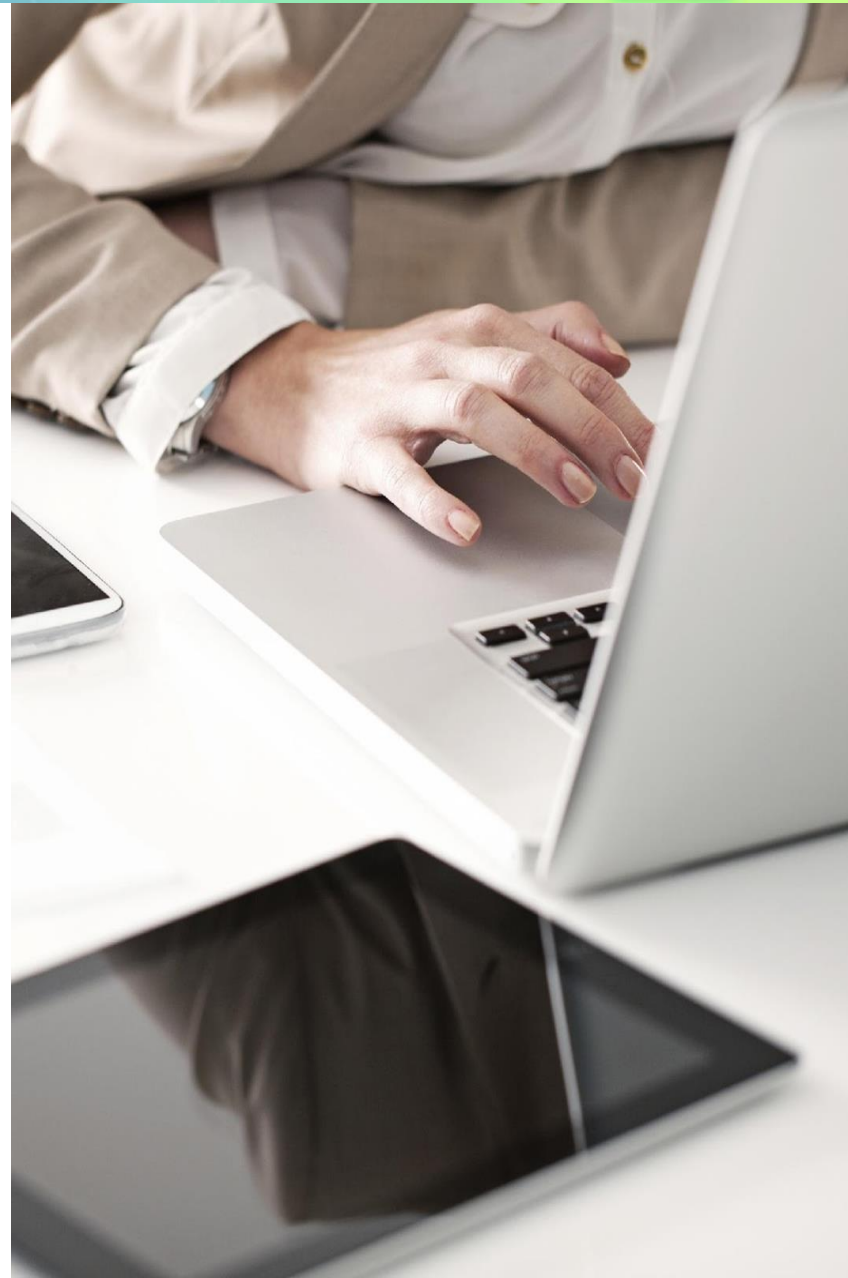


ESRPP Retailer Participation Agreement

- Developed by retailers and program sponsors with provisions for
 - Common signage, marketing plans, data formats, data transmissions, field services Letters of Authorizations, and evaluation interviews with retail merchants and marketers
 - Customizable exhibits for program sponsor-specific requirements: store lists, qualifying products
- Includes many elements that are energy efficiency industry firsts
 - Ongoing category sales data
 - 12 months of historic sales data
 - Customers by store zip code analysis
 - A mutually created implementation plan
 - A common EM&V interview process

Data

- Benefits
 - Program sponsors gain access to better data
 - Retailers benefit from consistent program structure
- Requirements
 - Model number
 - Sales Date
 - Zip code / Store ID
- Data solutions company
 - Secured by RFP





Products

The pilot was designed to

- Test a mix of different products
- Prove the program concept
- Streamline implementation

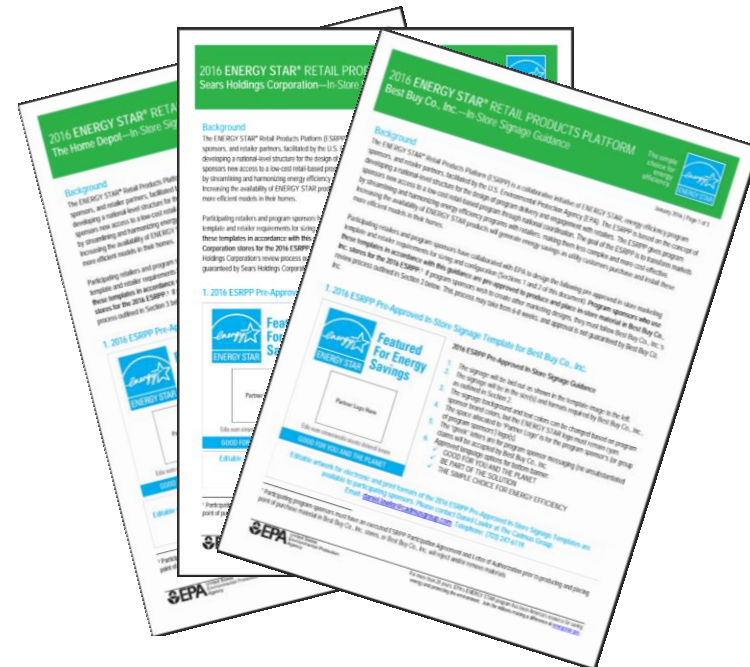
The 2016 pilot is currently limited to the following products:

- ENERGY STAR certified dryers—new category
- ENERGY STAR certified air cleaners—small unit sales, high per unit energy savings
- ENERGY STAR certified freezers—difficult to administer cost effective downstream rebates
- ENERGY STAR certified sound bars (+15%)—high growth category, limited per unit savings
- ENERGY STAR certified room air conditioners—revised specification, positioned to influence stocking plans for 2016



Marketing, Field Services, and Implementation

- Marketing: in-store signage
 - Retailers pre-approve, no turnaround time or review
 - Prominent program sponsor branding
 - Flexible color scheme and tagline for program sponsor brand alignment
- Implementation Plan
- Letters of Authorization
- Field Services Tool Kit





Evaluation—A Different Approach is Required

- Currently under development by EPA and evaluation experts from CA, Northwest and the Northeast
- Task Force Goals
 - Assess strengths and weaknesses of various methods of evaluation
 - Address region-specific evaluation issues for peer exchange
 - Develop materials to facilitate successful evaluation
 - Address data needs for tracking and progress
- Coordinated interviews with participating retailers and key manufacturers of eligible ESRPP products



Project Update: Who is Involved (as of March 2016)

2016 Participants

- CA: PG&E, SMUD
- CO: Platte River Power Authority, Fort Collins Utilities, Loveland Water and Power, Longmont Power & Communications, and Estes Park Power & Light; Xcel Energy
- MN: Xcel Energy
- ID, MT, OR & WA: NEEA
- NY: Con Ed
- VT: Efficiency Vermont
- WI: Focus on Energy

**Over 500
store locations in
first month!**

In Planning for 2017

- CT: Eversource CT, UIL Holdings
- DC: DC SEU
- MD: BGE, SMECO, PEPCO, Delmarva Power
- MI: DTE Energy
- NM: Xcel Energy (tentative)



Project Update: Up Next...

- **For 2016 pilots**
 - Pilot Launch—Rolling launches began March 2016
 - Marketing, implementation plan, and field services toolkit—April 2016
 - Data platform—Final testing
 - 2016 Retailer Practices Baselines—Conducting retailer and manufacturer surveys
- **For 2017 and beyond—Build platform and scale to support national energy savings!**
 - Welcome new program participants
 - Evolve EM&V framework and resources
 - Finalize framework for product portfolio and specification transitions
 - Nominate 2017 product portfolio
 - Provide market data and program planning documents
 - Develop onboarding resources for new participants



Get Involved

Getting Started

- Contact EPA to discuss program concept and potential role
- Join the team and develop a pilot
- Help shape discussions with regulators and evaluators

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