



Massachusetts ENERGY STAR® Case Study

Market Transformation Through Downstream Engagement

ENERGY STAR for Homes National Sponsor Meeting

March 24, 2010



The Sponsors of the Massachusetts New Homes with ENERGY STAR are Bay State Gas, Berkshire Gas, Cape Light Compact, National Grid Gas and Electric, New England Gas, NSTAR Electric and NSTAR Gas, and Western Massachusetts Electric Company



The Joint Management Committee (JMC)

Nine Electric and Gas Program Sponsors throughout the Commonwealth

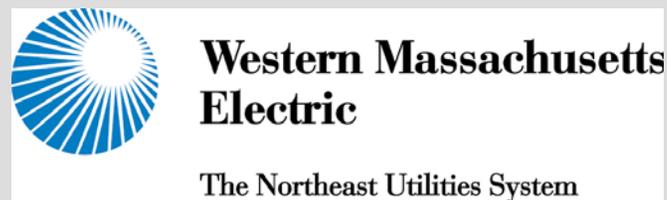
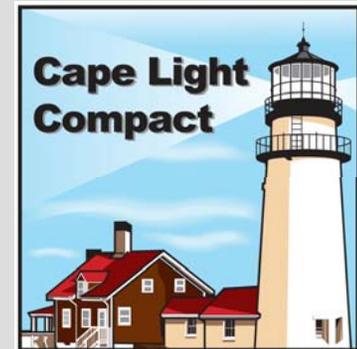
Electric Sponsors

- Cape Light Compact
- National Grid Electric
- NSTAR Electric
- Western Massachusetts Electric

Gas Sponsors

- Baystate Gas
- Berkshire Gas
- National Grid Gas
- New England Gas
- NSTAR Gas

JMC Program Sponsors



Massachusetts New Homes with ENERGY STAR®



Market Transformation: A Definition

- ❑ The term "market transformation" first appeared in the energy efficiency literature in the early 1990s.
 - ❑ It emerged more as an abstraction than a concrete program strategy or model
 - ❑ Over the years market transformation has provided a vision of the ultimate objective of strategic market interventions
 - ❑ Market transformation can be viewed as a catalyst for change—a means of intervening in imperfect markets to affect long-term changes in behaviors



The JMC

An Overview 2007 to 2009

- Recruited more than 500 active homebuilders into the ENERGY STAR program.
- Pilot Programs
 - Zero Energy Challenge
 - Major Renovations
 - Multi Family High Rise Program
 - Version 3
- Demand Saving
 - Over 410,000 kWh
 - 615 kW Peak Summer
 - 885 kW Peak Winter



Massachusetts Market Barriers

- ❑ Challenges facing the Massachusetts New Homes Market:
 - ❑ Vendor Change
 - ❑ ENERGY STAR Version 2
 - ❑ Limited Marketing Budget
 - ❑ Down Turn Building Market
 - ❑ Increasing Incremental Building Costs Due to Code Changes
 - ❑ Limited Past Ally Engagement





Engaging the Market

- ❑ The Joint Management Committee (JMC) required the support of several key upstream market players, we will review the following:
 - ❑ Home Builder Associations (HBA's)
 - ❑ Massachusetts Board of Realtors





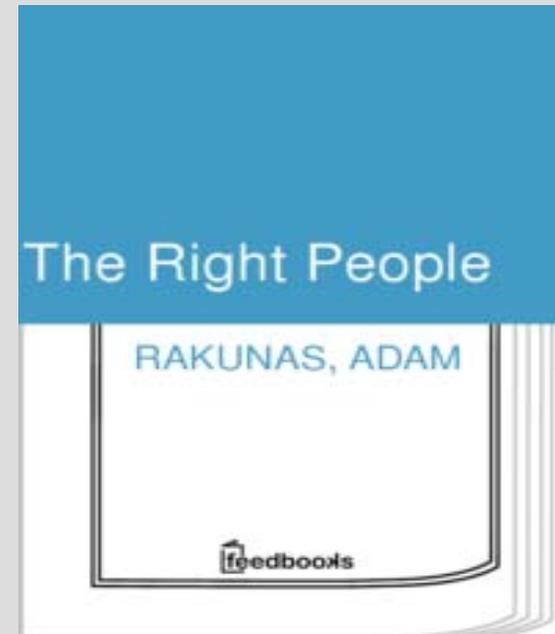
However...

- ❑ Upstream market players and not responding to calls from Program Account Managers
 - ❑ Limited Program awareness
 - ❑ Value added benefits from partnering with the Program not recognized as valuable
 - ❑ Disconnected from Audiences



Leveraging Key Allies/Market Players

- ❑ Identifying Key Market Players - “The Right People”
 - ❑ Connectors
 - ❑ Builder Champions and Singers
 - ❑ Mavens
 - ❑ Leveraging the Building Science
 - ❑ Experts
 - ❑ Leveraging Internal Resources
 - ❑ Salesmen
 - ❑ The Closers
 - ❑ HERS Raters and Program Account Managers





Know your audience



- ❑ The Doobie Brothers said it best:
 - ❑ “Taking it to the Streets.”
 - ❑ On Site Trainings
 - ❑ Cold Calls
 - ❑ Site Drive Bys
 - ❑ Recruitment Kit Distribution

- ❑ Strong Grass Root Campaigns:
 - ❑ Became Members
 - ❑ Attended Monthly Meetings



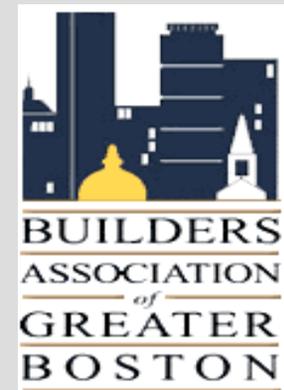
Outcomes of Engagement

- MA Board of Realtors
 - Realtor training-MCE Course
 - MLS Site Search button



MASSACHUSETTS ASSOCIATION OF REALTORS®

- HBA Involvement:
 - Trainings-ENERGY STAR and Codes
 - Sustainable Building Committee
 - Green Building Council
 - Board Appointment





Successes

- ❑ By engaging key downstream partnerships The Program moved major upstream players to embrace energy efficient construction practices

- ❑ ENERGY STAR 2007
 - ❑ ~15,400 Resi Permits
 - ❑ 11% of MA Building Market

- ❑ ENERGY STAR 2008
 - ❑ ~ 9,600 Resi Permits
 - ❑ 15% of MA Building Market

- ❑ ENERGY STAR 2009
 - ❑ ~6,600 Resi Permits
 - ❑ 31% of MA Building Market

- ❑ ENERGY STAR 2010
 - ❑ ~1,300 Permits Pulled YTD
 - ❑ 15% of MA Building Market
 - ❑ And growing...



MASSACHUSETTS



ENERGY STAR
HOMES

The Best Part...

The phone rings both ways!

Massachusetts New Homes with ENERGY STAR®

Questions