

Creating a More Energy Efficient Future for Residential Customers

The ENERGY STAR® Retail Products Platform



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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 283 million metric tons of greenhouse gas emissions and saved \$31 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)

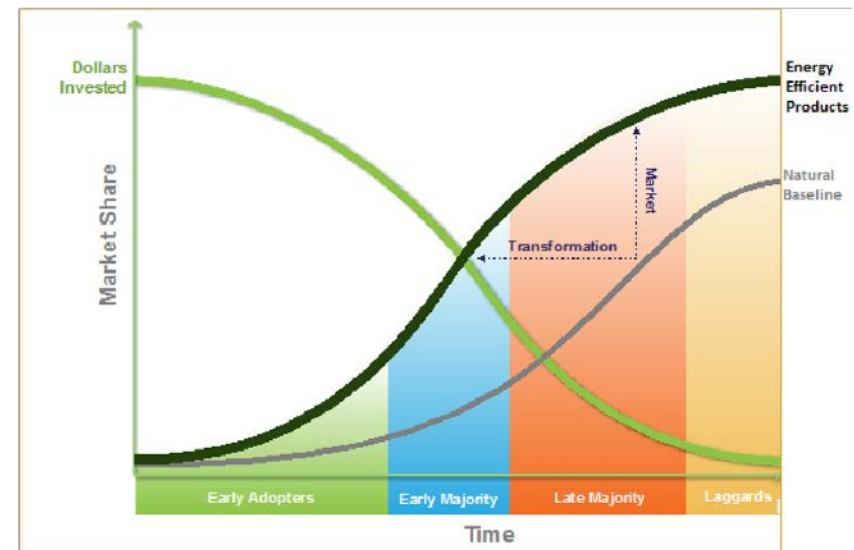


➤ Cost-effective rebates closer to \$25

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

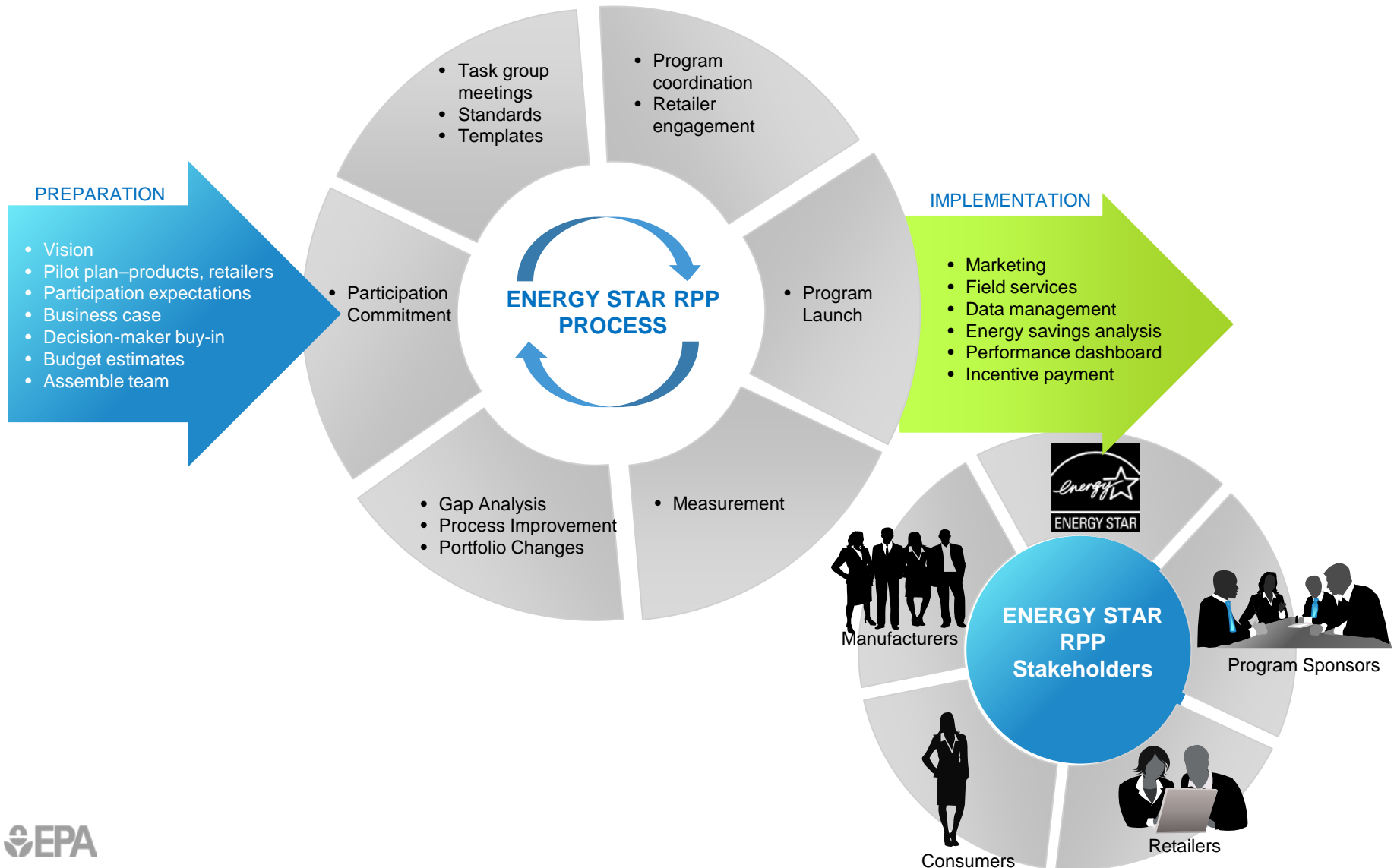
What is the ENERGY STAR Retail Products Platform?

- 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

- “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”



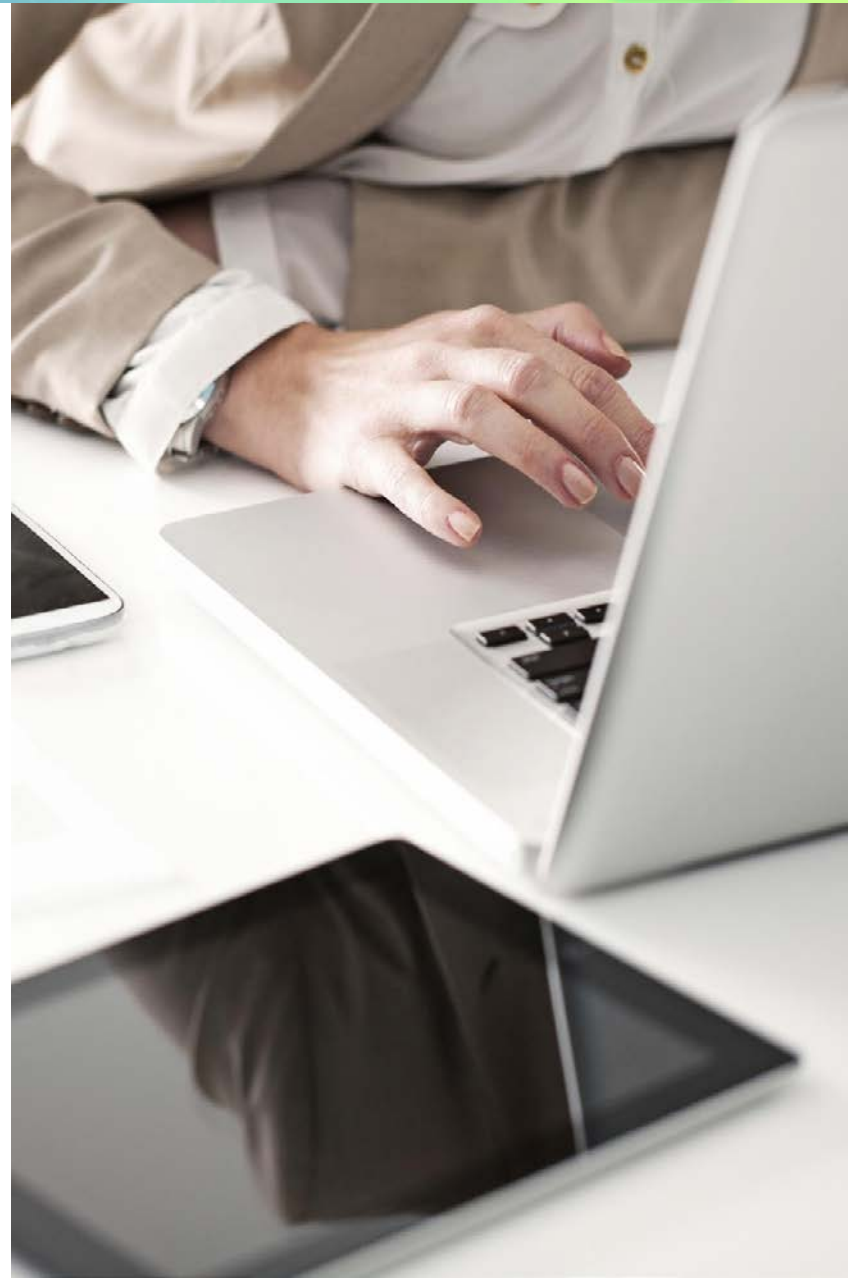


ESRPP Retailer Participation Agreement

- 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
 - Store ID
- Data solutions company
 - Serves as interface between retailers and program sponsors





Products

The 2016 pilot is limited to the following products:

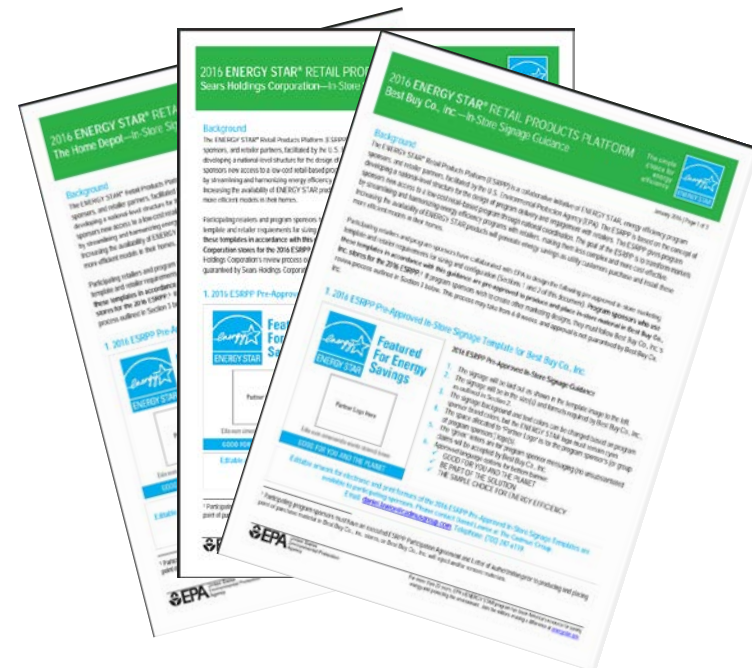
- ENERGY STAR certified dryers—new category
- ENERGY STAR certified air cleaners—small unit sales, high per unit energy savings
- ENERGY STAR certified freezers—difficult to administer cost effective downstream rebates
- ENERGY STAR certified sound bars (+15%)—high growth category, limited per unit savings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

In 2017, the portfolio will be expanded to incorporate two additional products:

- ENERGY STAR certified clothes washers—high per unit energy savings, opportunity to pair with clothes dryers.
- ENERGY STAR certified refrigerators—difficult to administer cost effective downstream rebates

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



ENERGY STAR Retail Products Platform Update

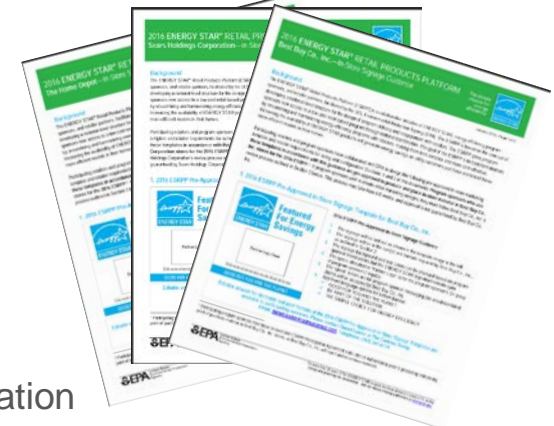
2016 Participants

- CA: PG&E and SMUD
- CO: Xcel Energy
- MN: Xcel Energy
- ID, MT, OR & WA: NEEA
- NY: Con Ed
- VT: Efficiency Vermont
- WI: Focus on Energy
- NJ: New Jersey Clean Energy Program

Discussions Regarding 2016/2017

- CA: LADWP, SCE, SoCalGas, and SDG&E
- CO: Platte River Power Authority, Fort Collins Utilities, Loveland Water and Power, Longmont Power & Communications, and Estes Park Power & Light
- CT: Eversource CT, UIL Holdings
- DC: DC SEU
- MD: BGE, PEPCO, SMECO, Delmarva Power
- MI: DTE Energy
- NM: Xcel Energy, Public Service of New Mexico

- Implemented at +600 store locations at Best Buy, Home Depot and Sears since April 1, 2016!
- Receiving on-going full category sales data
- 12 months historic category sales data
- Retailers and Utilities working together to select 2017 product categories
- Largest appliance and CE manufacturers beginning to collaborate with ESRPP



Pre – approved
signage and field
services authorization



Project Update:

- **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 Interviews—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



Project FAQs:

Where can I find the additional resources?

Additional resources, including information regarding ESRPP evaluation, data, products, participation, and marketing/field services, can be found on the ESRPP Google Drive. For access to Google Drive, please contact please contact Dan Lawlor (Daniel.Lawlor@cadmusgroup.com) or Anthony Albano (Anthony.Albano@cadmusgroup.com).

How is the group structured?

ESRPP is structured to incorporate input from all participants, including retailers, program sponsors, and manufacturers. The program has developed task forces for each major component of the program and these task forces meet regularly to review updates and resolve issues or questions. The task forces include members from the program sponsors, EPA, and stakeholders. ESRPP members convene bi-weekly to review progress made within the task forces and discuss how best to move the program forward.

How are decisions made among program sponsors involved in the pilot?

The ESRPP is a collaborative effort, so all decisions are made at the task force level once a consensus is reached among participants. This ensures that all participants have a voice in program developments. Once an issue is resolved at the task force level, it is discussed among the full group during the bi-weekly status meetings.



ESRPP Resources

- **Overview:** 1-pager, Pitch Deck, and Sample Filing Language
- **EM&V:** Evaluation Approaches Guidance, FAQs, and Data Resources
- **Data:** Data Management Services Procurement Guidance
- **Products:** Product Savings Analysis, Product Transition and Introduction Guidance
- **Marketing/Field Services:** Signage Templates, Field Services Toolkit, Letters of Authorization
- **Legal:** Participation Agreements

All resources are available on the ESRPP Google Drive. For access, please contact Dan Lawlor (Daniel.Lawlor@cadmusgroup.com) or Anthony Albano (Anthony.Albano@cadmusgroup.com).



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

Contacts

Peter Banwell

Banwell.peter@epa.gov

202-343-9408

Hewan Tomlinson

Tomlinson.hewan@epa.gov

202-343-9082