

Appliance Program Best Practices in the Northeast

2006 ENERGY STAR® Appliance Partner Meeting
Newport, RI
September 28, 2006

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Sheila Doiron, Lockheed Martin

Northeast ENERGY STAR Appliance Initiative

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Cape Light Compact (MA)

Efficiency Vermont (VT)

Long Island Power Authority (NY)

National Grid (MA, RI and NH)

New Hampshire Electric Cooperative (NH)

Northeast Utility Systems

Connecticut Light and Power (CT)

Western Massachusetts Electric (MA)

Public Service of New Hampshire (NH)

NSTAR Electric (MA)

United Illuminating (CT)

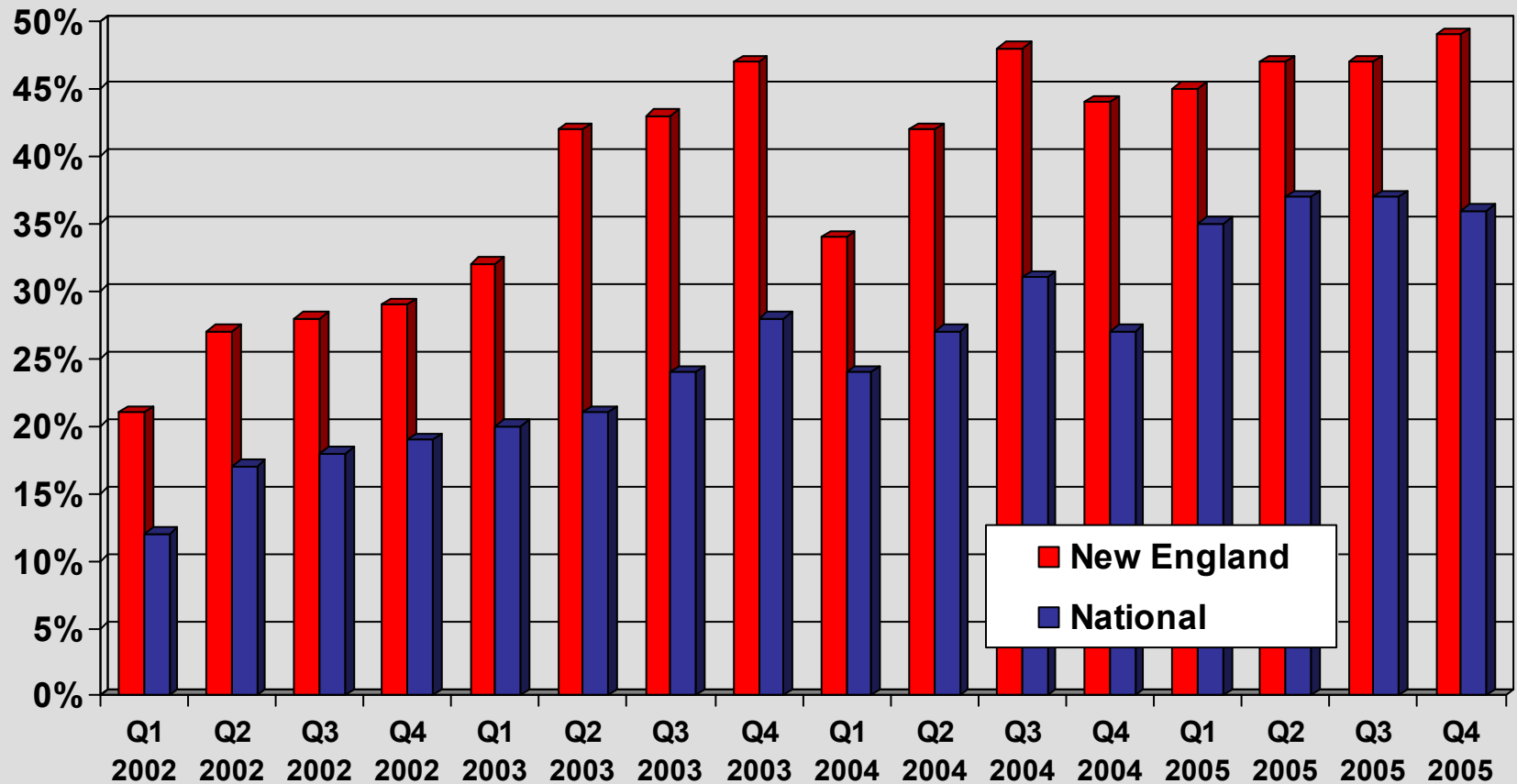
Unitil (MA and NH)

MA, CT, RI, VT and NY Sponsors involved in the joint regional implementation
facilitated by the Northeast Energy Efficiency Partnerships (NEEP)

NH Sponsors involved in the Core Utility Program

ENERGY STAR Quarterly CW Market Share* in New England and the Nation: 2002 - 2005

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* Source: D&R International

National Grid's Service Territory

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Brief Bio

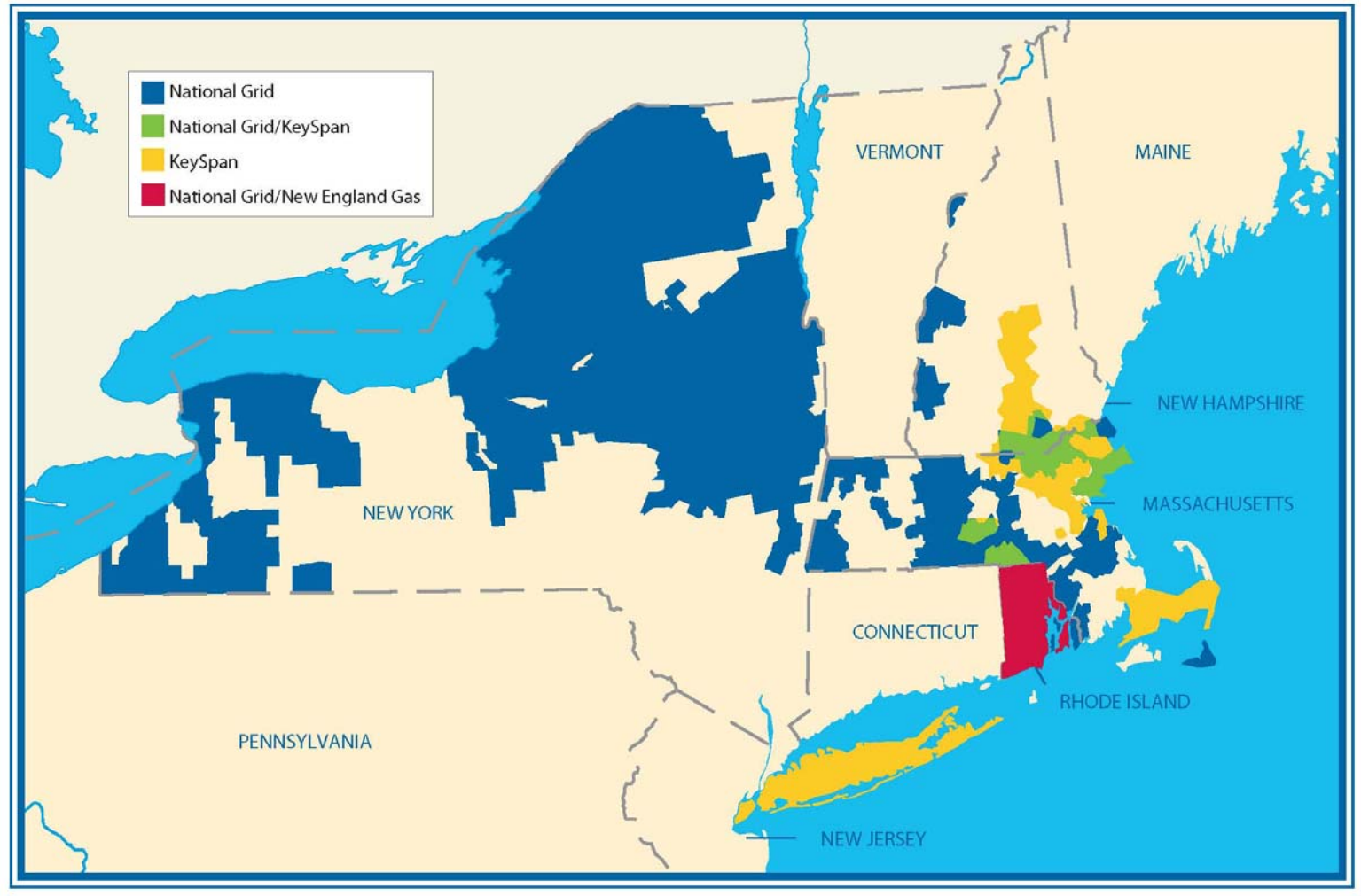
- ◆ International energy delivery company
- ◆ 3.3 million electric customers in NY, MA, RI and NH
- ◆ 565,000 gas customers in NY
- ◆ Merger with KeySpan and RI business of New England Gas

Strengths: Conserving Energy

- ◆ Robust programs for 19 years
- ◆ 450 MW of demand reduction
- ◆ Exceeding \$1 Billion of Spending
- ◆ Reaching \$2 Billion of Customer Savings
- ◆ Serving over 60% of eligible customers

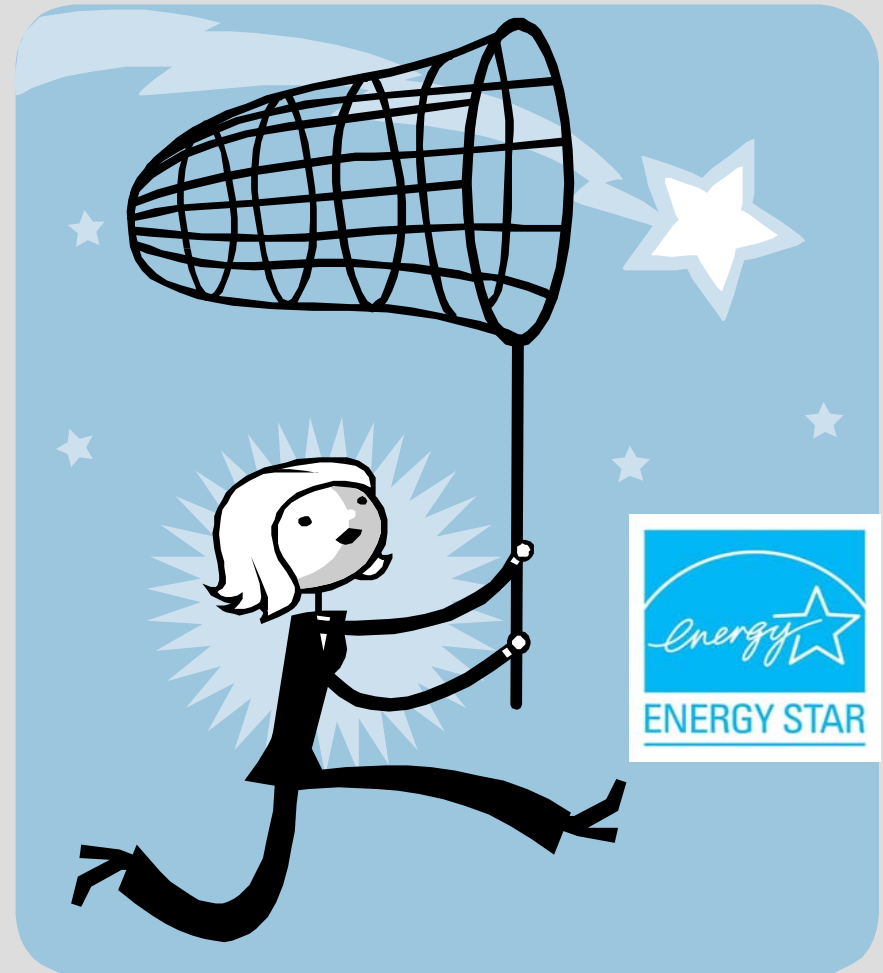
National Grid in the Northeast

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Summary of National Grid's Appliance Programs

- ◆ Offer Appliance Programs in MA, RI, and NH
- ◆ Programs Promote:
 - ◆ Clothes washers
 - ◆ Room air conditioners
 - ◆ Dishwashers
 - ◆ Refrigerators
- ◆ Program Components:
 - ◆ ENERGY STAR
 - ◆ Retailer Outreach
 - ◆ Rebates (Clothes washers and room air conditioners)
 - ◆ Customer and Retailer Marketing
 - ◆ Web site: myenergystar.com



Today Focus on Clothes Washers

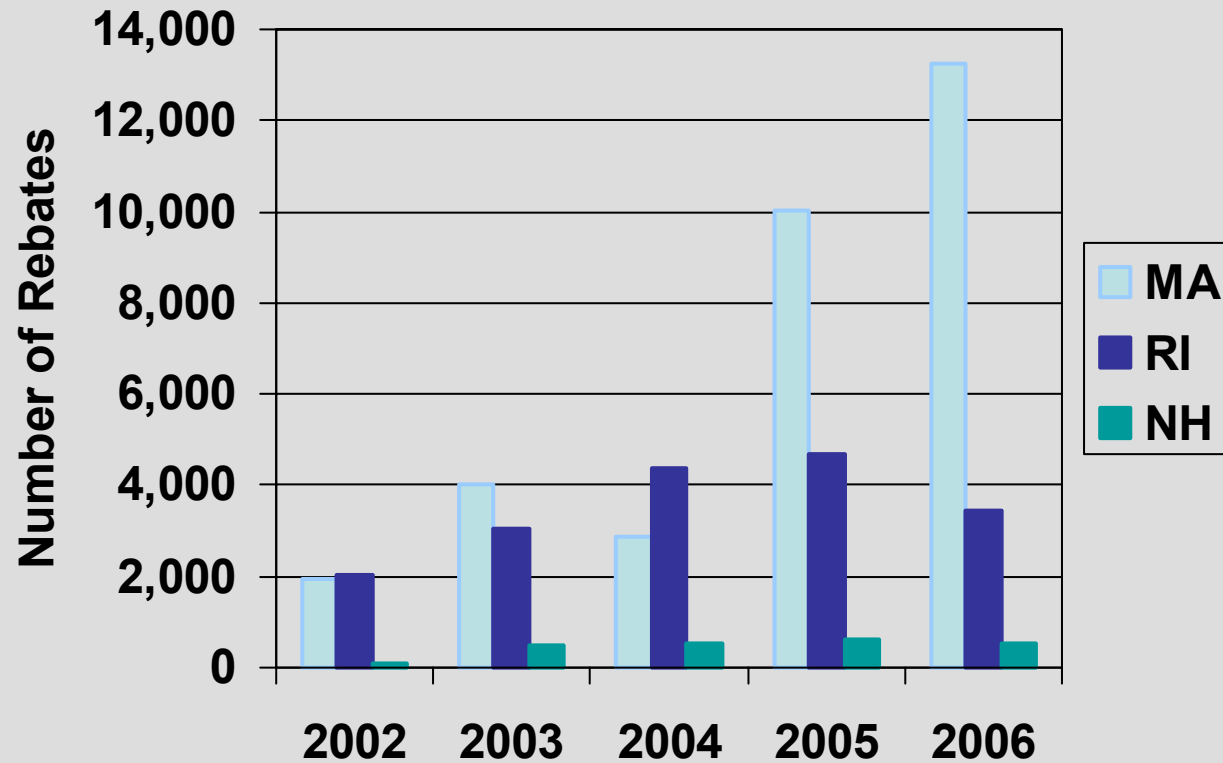
7



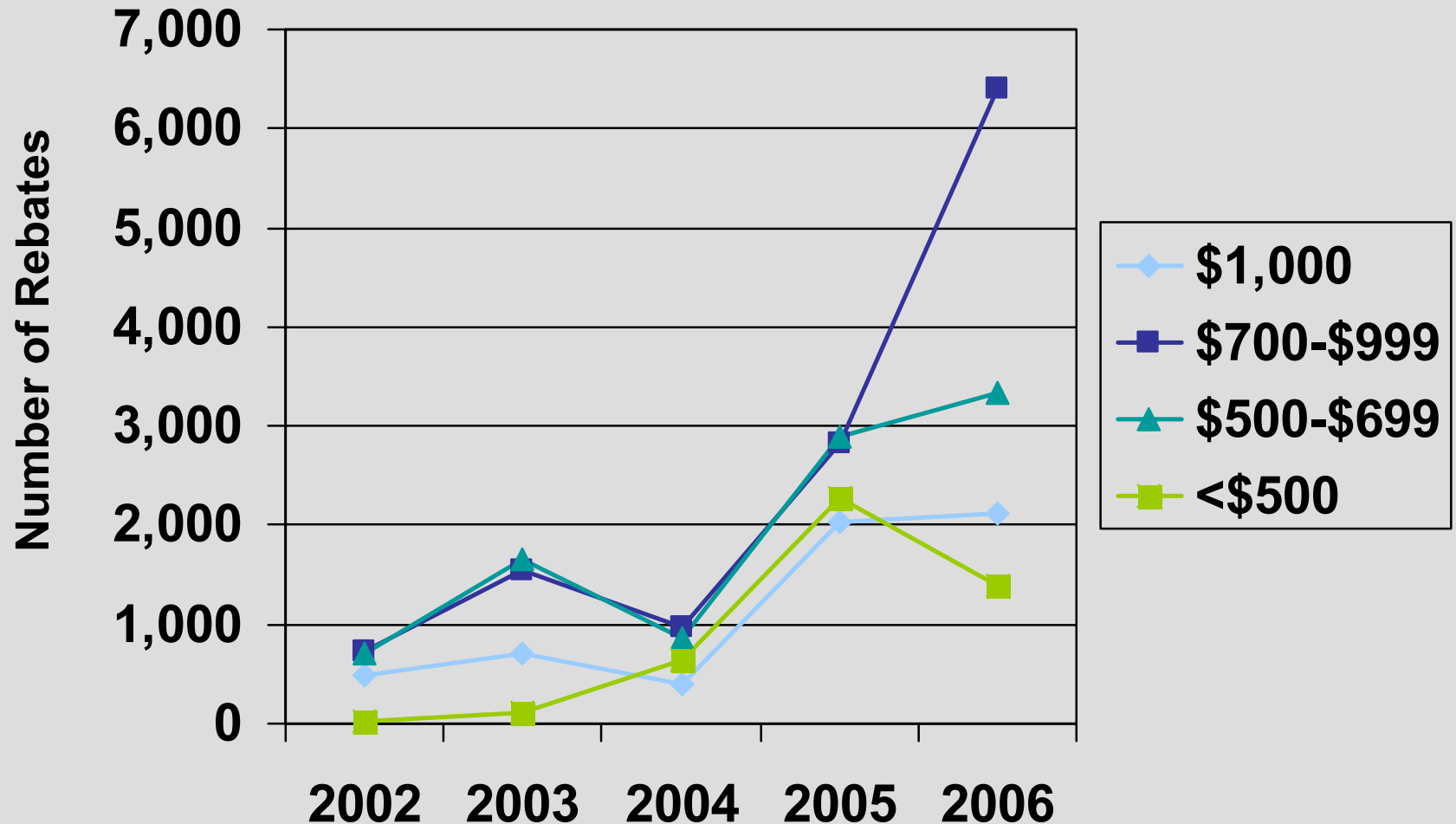
3 Levels of National Grid's Clothes Washer Programs

- ♦ New Hampshire
 - ♦ Maintained \$50 rebate on ENERGY STAR qualified clothes washers
 - ♦ Consistent active retailer outreach
 - ♦ Advertising in stores. No mass advertising.
 - ♦ In top 5 for all 4 appliances for market share data (D&R)
- ♦ Rhode Island
 - ♦ Continuous rebate offering on ENERGY STAR qualified clothes washers
 - ♦ Also participated in Joint Manufacturer/Retailer Promotions in 2002-2004
 - ♦ Decreased rebate level over the past several years (\$50 to \$35 to \$25).
 - ♦ Consistent active retailer outreach
 - ♦ Advertising in stores. Limited mass advertising (joint campaign with MA)
 - ♦ Rhode Islanders love rebates!
- ♦ Massachusetts
 - ♦ Various different rebates offers.
 - ♦ 2006: Continuous \$100 rebate on ENERGY STAR clothes washer 1.8 MEF +
 - ♦ 2005: Continuous \$50 rebate on ENERGY STAR clothes washers
 - ♦ 2002-2004: Short Term Joint Manufacturer/Retailer Promotions.
 - ♦ Active retailer outreach
 - ♦ More aggressive advertising in stores and via radio, Red Sox, Patriots

National Grid Clothes Washer Rebate levels



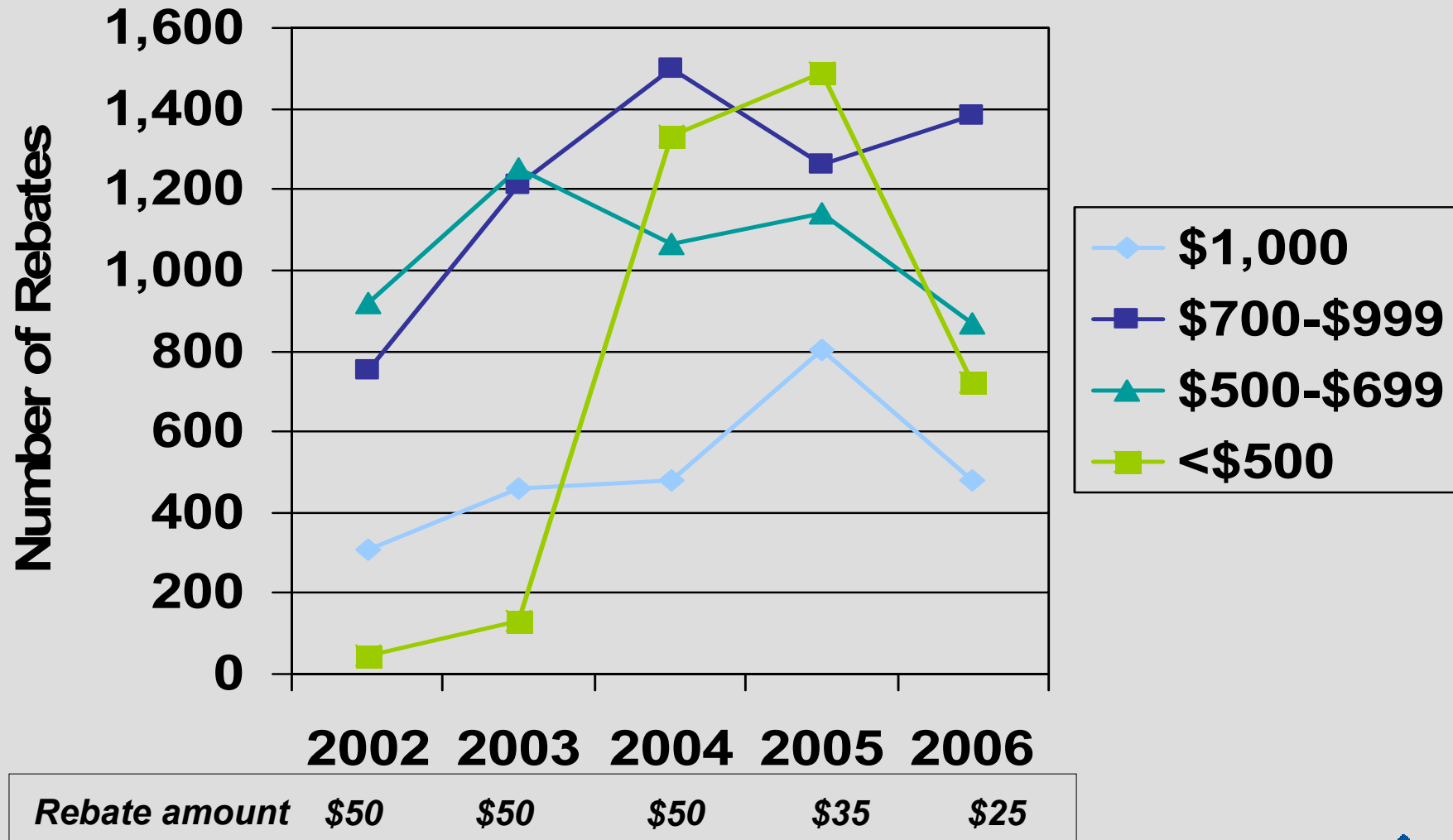
Clothes Washer Purchasing Trend in MA ¹⁰



Rebate amount Short Term Joint Promos \$50 \$100, 1.80+ MEF

Clothes Washer Purchasing Trend in RI

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Impact of \$100 rebate/1.80+ Criteria in MA¹²

- ◆ Differed from expectations
 - ◆ Thought program would be limited
 - ◆ Possible confusion in marketplace around 1.80
- ◆ Offering \$100 Rebate Level
 - ◆ Number of rebates processed has hit the roof!
 - ◆ Independent retailers very excited to promote higher priced products with rebate.
- ◆ Setting 1.80+ level
 - ◆ Pushed consumers to even higher MEF.
 - ◆ In 2006, 41% 2.0+
 - ◆ In 2005, 29% 2.0+
 - ◆ Increased purchases of \$700-\$999 CW products and decreased purchases of <\$500 CW products. (MEF and Price go hand in hand)



“Show me the Money”



Earth Day Radio spot

nationalgrid

2006 ENERGY STAR Appliance Retailer Field Delivery Approach for Massachusetts

- ◆ Face-to-face in-store visits by a field rep dedicated to the retailer provides individualized access to program offerings
 - Ongoing access to program resources available to retailers through field rep cell phones, program hotline, and *myenergystar.com*
 - Consistently urge utilization of materials created with program's "look and feel" to enhance program awareness and recognition
- ◆ Frequency of in-store visits determined by analysis of retailer type and need
 - Quality of visits emphasized, not quantity
- ◆ Types of visits include
 - Routine field visits – replenish POP, rebates
 - Monitor special promotions
 - Assist with special events
 - Sales associate training
 - In-field inventories and surveys

What Do Massachusetts Appliance Retailers Think About Clothes Washer Rebates?

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Successful programs deliver opportunities that add value to retailers – enabling them to increase sales and up-sell within a product category.

How do we know what makes retailers tick?

We Asked Them!! Retailers are ...

- ◆ Pleased the rebate increased from \$50 to \$100
- ◆ Able to utilize the rebate to steer customers to the higher end Clothes Washer models
- ◆ Using rebate to open ENERGY STAR discussion

What do Massachusetts Retailers Think? (cont'd) ¹⁶

- ◆ Easily identifying eligible models through the list printed on the rebate form, calling the program hotline, accessing *energystar.gov*, and regular updates from field representatives
- ◆ Realizing increased sales of higher MEF models due to \$100 rebate



What do Massachusetts Retailers Think? (cont'd) ¹⁷

- ◆ Stocking more 1.8 MEF+ ENERGY STAR Clothes Washers to meet the customer demand
 - Local Lowe's Appliance Sales Manager reported new overall corporate focus on stocking front loaders, generating a 50% increase on sales floor of these models
- ◆ Customers looking for inexpensive, non-ENERGY STAR appliances are not enticed by the \$100 rebate to upgrade to a high end model.

2006 ENERGY STAR Appliance Marketing and Communications for Massachusetts

- ◆ Ensure our message is “loud and clear,” consistent and highly visible
- ◆ Position Sponsors as consumers’ “go-to” source for information on energy efficient appliances
- ◆ Maximize results through:
 - ◆ Appropriate approach to key product categories
 - ◆ Proper leveraging of retail
 - ◆ Educate consumers through preferred vehicles, i.e. internet

Appliance Category Approach

- ◆ Broaden approach to appliance marketing
 - ◆ Data demonstrates there is no true selling season, so consistent support throughout the year is key to driving results
 - ◆ New Year's campaign in January
 - ◆ Earth Day campaign in April
 - ◆ Cool Your World in June-August
 - ◆ *Change a Light, Change the World* in October
- ◆ Appliances are a “considered” purchase, requiring consumer education
- ◆ Support participating retailers with training and access to regional Sponsor communications via *myenergystar.com*

MA Clothes Washer Rebate Form

The ENERGY STAR® \$100 Mail-in Rebate.
Get \$100 back from NSTAR Electric, National Grid MA (combined) or Cape Light Compact on your purchase of an eligible ENERGY STAR qualified clothes washer. Rebate valid on select ENERGY STAR models only. See sales associate for the most updated list of eligible models. This rebate is good for purchases made June 1, 2006 through November 30, 2006. All rebate requests must be postmarked no later than December 31, 2006. Limit: One rebate per NSTAR Electric, National Grid or Cape Light Compact residential electric account in Massachusetts.

To receive your rebate, please mail:
• Your dated sales receipt with the clothes washer manufacturer name & model number
• A copy of your most recent electric bill from the location where the new clothes washer is installed
• The completed form below

Mail all 3 required items to:
EPI - MA ENERGY STAR Clothes Washer Rebate
40 Washington Street, Suite 2000 Westborough, MA 01581
(Please DO NOT include whole coupon with utility bill payment.)

Please fill out completely. Incomplete information will delay or disqualify your rebate. All information below is required.

Your Name _____
Account/Installation Address _____ MA Zip _____
City _____
Home Phone _____
Work Phone _____
Mailing Address (if different) _____
City _____ State _____ Zip _____
Email _____

☐ Yes, I wish to receive information about energy-related products and services via: ☐ email ☐ mail

I have the following appliance(s) in my home:
Appliance: ☐ water heater ☐ electric ☐ natural gas ☐ oil ☐ other
☐ clothes dryer ☐ electric ☐ natural gas ☐ other

House Type (check one or both columns):
☐ owner ☐ primary residence ☐ second home
☐ rent ☐ vacation home ☐ single family ☐ multifamily, # of units _____

Installation address:
Your electric company _____
Account # _____
Mfr. and Model # of listed ENERGY STAR qualified clothes washer purchased _____
Name and address of store where clothes washer was purchased _____
Purchase Price \$ _____ Purchase Date _____

ENERGY STAR® qualified clothes washers
save energy, money, and help protect the environment.

Join the national effort to help use energy wisely. Buy appliances that have earned the ENERGY STAR. Only products delivering the highest level of energy efficiency are awarded the ENERGY STAR from the U.S. Environmental Protection Agency and the U.S. Department of Energy.

ENERGY STAR qualified clothes washers:

- Can save up to \$150 per year on your utility bills, compared to models manufactured before 1994.
- Use 18-25 gallons of water per load, compared to the 40 gallons used by a standard washer.
- Reduce drying time and other gentler cleaning action which creates less wear and tear on your clothes than most conventional models.

Look for the ENERGY STAR.
For more information, and a complete list of dealers call 877-ESTAR 4 U or visit www.energystar.com.

\$100 off
Select ENERGY STAR® Qualified Clothes Washers
Mail-in Rebate
Eligible models listed inside

Save BIG by choosing an eligible model with a Modified Energy Factor of 1.80 or greater, which is 73% more efficient than the current federal standard.

Printed on 80% recycled paper.



List rebate- eligible Manufacturers and Models on inside of rebate form

Manufacturer		Model(s)	Manufacturer	Model(s)
General Electric	Kenmore	WCVH260P	Maytag	MAAF990B
		WHDH400P		MAAF991B
		WPGY350E**		MAAF992B
		2706*40*		MAAF993B
		2707*40*		MAAF994B
		2708*40*		MAAF995B
		2709*40*		MAAF996B
		4282*25*		MAAF997B
		4283*25*		MAAF998B
		4305		MAAF999B
Aiko	Aiko	AWD 120	Miele	W1213
		AWD 125		W1215
		W60		W1216
		W60		W1217
		W61		W1218
		W61		W1219
		W61		W1220
		W61		W1221
		W61		W1222
		W61		W1223
Booth	Booth	WCM1812	Samsung	WF16HAW
		WFB3200JC		WF16HAW
		WFB3200JC		WF16HAW
		WFB3200JC		WF16HAW
		WFB3200JC		WF16HAW
		WFB3200JC		WF16HAW
		WFB3200JC		WF16HAW
		WFB3200JC		WF16HAW
		WFB3200JC		WF16HAW
		WFB3200JC		WF16HAW
Crosley	Crosley	DWM5500W-1	Siemens	WFK2840JC
		E2110V		WFK2840JC
		E2110V		WFK2840JC
		E2110V		WFK2840JC
		E2110V		WFK2840JC
		E2110V		WFK2840JC
		E2110V		WFK2840JC
		E2110V		WFK2840JC
		E2110V		WFK2840JC
		E2110V		WFK2840JC
Danby Designer	Danby Designer	DWM5500W-1	Simplicity	SWM5500W-1
		E2110V		SWM5500W-1
		E2110V		SWM5500W-1
		E2110V		SWM5500W-1
		E2110V		SWM5500W-1
		E2110V		SWM5500W-1
		E2110V		SWM5500W-1
		E2110V		SWM5500W-1
		E2110V		SWM5500W-1
		E2110V		SWM5500W-1
Euntech	Euntech	EWC177	Summit Prof	SPW1152
		EWC177		SPW1152
		EWC177		SPW1152
		EWC177		SPW1152
		EWC177		SPW1152
		EWC177		SPW1152
		EWC177		SPW1152
		EWC177		SPW1152
		EWC177		SPW1152
		EWC177		SPW1152
Fisher & Paykel	Fisher & Paykel	FW272EL	The	THW1000
		FW272EL		THW1000
		FW272EL		THW1000
		FW272EL		THW1000
		FW272EL		THW1000
		FW272EL		THW1000
		FW272EL		THW1000
		FW272EL		THW1000
		FW272EL		THW1000
		FW272EL		THW1000
Frigidaire	Frigidaire	ATF6000E	Whirlpool	WFW9620P**
		ATF6000E		WFW9620P**
		ATF6000E		WFW9620P**
		ATF6000E		WFW9620P**
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		ATF6000E		WFW9620P**
		ATF6000E		WFW9620P**

Customer rebate fill-in area

Proper leveraging of Retail



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- ◆ Clear, consistent and actionable POP designed to help retailers close the sale with consumers
 - ◆ “Save BIG” messaging educates consumers about money, energy and environmental savings
 - ◆ Drive traffic to *myenergystar.com* for more information
- ◆ Sales Associate training
 - ◆ Sales associates have a large effect on the outcome of appliance sales, so it is integral that they are provided proper training on the benefits of ENERGY STAR products for the consumer
 - ◆ Modify training based on indicators from retailer training quiz.

In-store POP

Save BIG

And make a big difference. Choose ENERGY STAR® qualified appliances, and you'll save money, save energy and help protect the environment.



ENERGY STAR qualified CLOTHES WASHERS

- Use 50% less energy than non-ENERGY STAR models
- Save up to \$100 per year in energy and water use
- Have faster spin speeds to reduce drying time
- Can save over 7,000 gallons of water per year

ENERGY STAR qualified DISHWASHERS

- Use 25% less energy than non-ENERGY STAR models
- Can save over \$300 in energy costs during its life*
- Can save over 1,000 gallons of water per year*



*compared to a 10-year old model



Save BIG



ENERGY STAR® qualified REFRIGERATORS & FREEZERS

- Use 50% less energy compared to 10-year old models
- Save up to \$100 per year in energy costs when replacing a model 10 years or older
- Use high efficiency compressors, improved insulation, and more precise temperature and defrost mechanisms to improve energy efficiency



ENERGY STAR qualified AIR CONDITIONERS

- Use 10-28% less energy than non-ENERGY STAR models
- Save up to \$20 per year in energy costs when replacing a 10-year old model
- A properly sized unit can reduce humidity and make the room feel comfortable, without wasting energy



Products that earn the ENERGY STAR meet strict energy consumption and performance guidelines set by the US Department of Energy (DOE) and US Environmental Protection Agency (EPA).

By choosing ENERGY STAR products, you save money, energy, and the environment without compromising quality or comfort.

For more information, call 1-877-ESTAR 4 U (1-877-378-2748) or visit www.myenergystar.com

Save BIG

Save money, save energy and help protect the environment by choosing ENERGY STAR® qualified products.



Relators:
To order more
ENERGY STAR
materials & brochures,
please call:
1-877-ESTAR 4 U
(1-877-378-2748)

For more information
on ENERGY STAR qualified
products and rebates, visit
www.myenergystar.com
or call 1-877-ESTAR 4 U

Appliance Rebate Holder

Save BIG



And make a BIG difference. Choose ENERGY STAR® qualified products, and save money, save energy and help protect the environment for generations to come.



For more information,
call 1-877-ESTAR 4 U (1-877-378-2748)
or visit www.myenergystar.com



Appliance Fact Cards

Appliance Banner

nationalgrid

Online Retailer Support

View and order POP, view incentives by state, access Co-op Advertising Kit

Retailer Services - Microsoft Internet Explorer

File Edit View Favorites Tools Help

Search the Web [Search] Address http://www.myenergystar.com/RetailerServices_POP.aspx

Northeast ENERGY STAR
Lighting and Appliance Initiative

sponsored by: **nationalgrid**

retailer services

- home
- retailer introduction
- rebates & coupons
- training
- pop materials
- teaming opportunities
- co-op advertising

ENERGY STAR
qualified fixtures
use up to
66%
less energy
than traditional
fixtures

Click here to win
Red Sox
Tickets!

Brought to you by:

Point of Purchase (POP) Materials

Below are links to view existing Northeast ENERGY STAR Lighting and Appliance Initiative POP materials and contacts for ordering POP materials for your retail outlets.

- Order POP Materials
- View POP Material Samples

Choose Your State: [Go]

Order POP Materials

To request point of purchase (POP) materials for your store, please contact the following supplier for your state:

Massachusetts, Vermont	Lockheed Martin 877-ESTAR 4 U (877-378-2748)
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View POP Materials

(18 items remaining) Downloading picture http://www.myenergystar.com/Documents/POP/2005/MA/Lighting/MA_Helps_Protei

Consumer education on myenergystar.com

- ◆ Clean, user-friendly Web site
 - ◆ Easy, direct access to rebates & special offers
 - ◆ Landing site for promotions and events
 - ◆ Banners to highlight special promotions
 - ◆ Listings of upcoming events
 - ◆ Quarterly campaigns receive special prominence
 - ◆ Press releases and media resources

The screenshot shows the myenergystar.com website in a Microsoft Internet Explorer browser window. The page is titled "Northeast ENERGY STAR Lighting and Appliance Initiative" and is sponsored by NSTAR Electric. The navigation menu includes links for home, products, rebates & coupons, resources, and contact. The main content area features a "Save BIG. And make a big difference." banner with text about the ENERGY STAR initiative. Below this, there are several promotional banners: a "FREE Sears \$40 GIFT CARD" with purchase of an ENERGY STAR qualified clothes washer, a "Save \$100" banner for qualified clothes washers, and a "FREE Sears \$40 GIFT CARD" with purchase of an ENERGY STAR qualified clothes washer. The page also includes a sidebar with various rebates and gift cards, and a footer with contact information for Yale Appliance & Lighting.

Custom-Designed Online Clothes Washer Savings Calculator

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Allows search by product or MEF

Identifies product's MEF and educates on benefits of high MEFs

Search the Web Search Address <http://www.myenergystar.com/ClothesWashers.aspx>

Northeast ENERGY STAR
Lighting and Appliance Initiative

sponsored by: **nationalgrid**

home products rebates & coupons resources contact

clothes washers energy savings calculator find a retailer rebates & coupons

Update the fields below and click "calculate savings" to determine your approximate savings from switching to a new ENERGY STAR qualified clothes washer.

Sort list of Energy Star Qualified Clothes Washers by model or MEF

Select an ENERGY STAR qualified Clothes Washer

Cost of Clothes Washer to be purchased (to determine net life cycle savings) dollars

Loads of laundry per week

Electricity cost cents per KWH

Water cost dollars per gallons

ENERGY STAR qualified CFLs last up to **10x longer** than incandescent bulbs

ENERGY STAR AWARD

nationalgrid

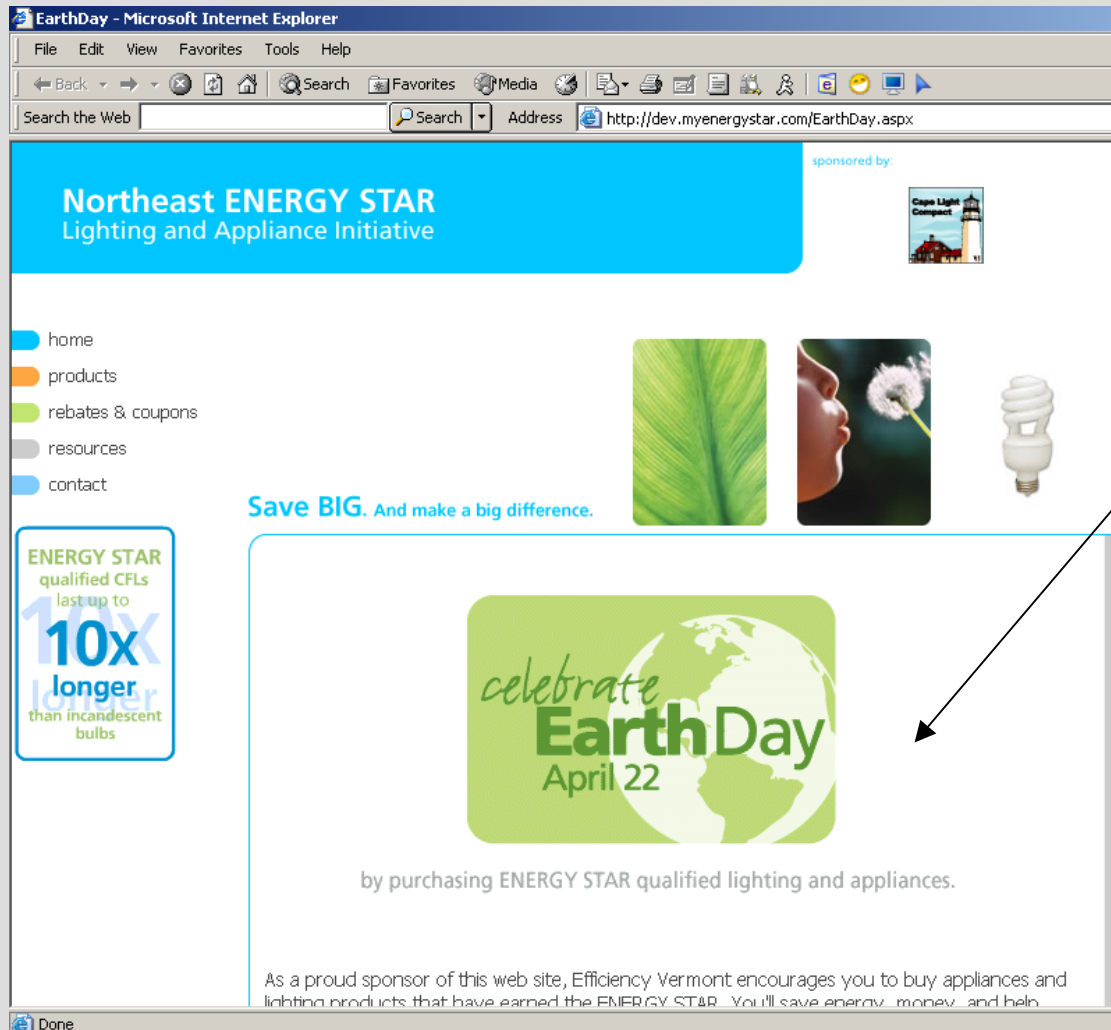
Celebrate Earth Day Every Day

April, 2006



- ♦ Radio
 - ♦ :30 Earth day themed, cross-product spots
 - ♦ Drive consumers to *myenergystar.com* to learn more
 - ♦ Emphasize Sponsor as resource for energy efficiency information
- ♦ *Myenergystar.com*
 - ♦ Enhanced web content, banners
 - ♦ Feature on home page
- ♦ Retail Feature
 - ♦ Standard “Save BIG” In-store signage and rebates

Earth Day on *myenergystar.com*



Campaign-specific front entry page

- ♦ Active presence in retail that adds value is key
 - ♦ Consistent “look and feel” to enhance program awareness
 - ♦ Design Retail POP to inform and educate consumers
 - ♦ Label ENERGY STAR Products
 - ♦ Train Retail Sales Associates
 - ♦ Gather and analyze in-field product data
- ♦ Follow market trend of enhanced use of Web site
- ♦ Year-long promotions and marketing provide continuity
- ♦ Coordinate all marketing and retail outreach efforts
- ♦ Big rebates “Carry a big stick” but one can maintain presence with reduced rebates
- ♦ Consumers took the challenge of the higher MEF