ENERGY STAR Appliance Partner Meeting
Northwest Clothes Washer Programs
Best of the Best

Teri Duncan
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NW Alliance Clothes Washer Program

Objectives

- Maintain NW leadership role in ENERGY STAR market share
- Increase market share of washers with MEF 1.8 or higher within ENERGY STAR
- Increase consumers and retailers awareness of premium efficiency washers
NW Alliance Efficiency Tiers Strategy

- In 2004, NW Alliance focused on high efficiency clothes washers while supporting ENERGY STAR platform
- Provided utilities with framework to tier clothes washer rebates according to efficiency levels
- All utilities participating in 2004 DYS followed the tier model set for the promotion
NEEA Efficiency Tiers Strategy

• Worked with BPA to tier CW credits for utilities
• Additional support provided by NW Alliance:
  – Provided an analysis to utilities demonstrating the benefits of moving beyond a flat incentive level
  – Created marketing tools for educating customers
  – Supported utility efforts at retail
Program Approach

• Increase overall ENERGY STAR brand awareness and product sales through:
  – Field support and training
  – Highly visible in-store POP and outreach events
  – Participation in nationally coordinated promotions
  – Regional promotions and marketing
ENERGY STAR is good. Best of the Best is better.

• The core message is always that ENERGY STAR is good, but you can step up and buy premium efficiency, or the best of the best.
Best of the Best

• Mark washers that meet MEF 1.8 or higher

• Strengthen sales associates knowledge of the benefits through training
Retail Sales Training

- Up-selling and the second price tag
  - High efficiency is less costly choice over the long run, as energy and water savings, even without rebates

- Explaining MEF as powerful sales tool
  - Objective measure of efficiency, regardless of capacity
  - Allows comparison of different brands and models
Field Services

- Support for retailers key to success
- Over 600 appliance retail partners
- Regular site visit rotation every 6 weeks
- Field visits include
  - POP placement
  - Retail staff trainings
  - Program updates
  - Utility rebate information and/or forms
Smart Savings Guide

- Platform for rebates on energy efficient products
- ENERGY STAR appliances featured with focus on clothes washers marked with “Best of the Best” label at retail
- Educational messaging about benefits compared to conventional products
- Each incentive offer is customized for participating retailer or manufacturer
Smart Savings Guide

Delivery Methods

- Online Version
  - Downloadable coupons
- Printed Version
  - Customized printed versions by request
Smart Savings Guide
Marketing

• Marketed by utilities through templates provided
  – Bill stuffers
  – Web-links from utility site to NorthwestENERGYSTAR.com
  – Newsletters
  – Press releases
  – Printed coupon book, customized with utility logo and desired messaging
Smart Savings Guide
Data Collection

• Participating manufacturers process their own mail-in coupons
• Manufacturers have agreed to provide sales data by product and retailer
• Website tracking of number of hits to the promotional pages, which pages were viewed, and how many coupons downloaded
Tiered Programs: Energy Trust of Oregon Puget Sound Energy

• Two major utilities representing over 60% of the customers in the region
• Adopted strong incentive programs driving efficiency tiers
• Represent a major effort in the region to influence market on higher clothes washer tiers
Incentive Analysis

Energy Trust Incentives 2005

<table>
<thead>
<tr>
<th>MEF</th>
<th>1.8 to 1.99</th>
<th>2.0 &amp; up</th>
</tr>
</thead>
<tbody>
<tr>
<td>2005</td>
<td>56%</td>
<td>44%</td>
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</tbody>
</table>

PSE Incentives 2004-2006

<table>
<thead>
<tr>
<th>MEF</th>
<th>1.42 - 1.79</th>
<th>1.8 &amp; up</th>
<th>1.8 - 1.99</th>
<th>2.0 &amp; up</th>
</tr>
</thead>
<tbody>
<tr>
<td>2004</td>
<td>48.71%</td>
<td>51.29%</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>2005</td>
<td>25.20%</td>
<td>74.80%</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>2006</td>
<td>-</td>
<td>-</td>
<td>48.93%</td>
<td>51.07%</td>
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</table>
PSE & Cascade Water Earth Day Partnership Promotion

• Cascade Water Alliance and PSE’s commitment to environmental stewardship using Earth Day as a promotional partnership opportunity
• Goal to increase rebates April through May 2006
• Achieve cost effective water and energy savings
• 173 retailers, 36 shared retailers
• Customers eligible for a combined $200 incentive
• 23% average increase in sales due to promotion
Earth Day Joint Marketing

- Bill Stuffers
- Newsletters
- Web page & ads
- Permission-based email
- Retailer Mailer
- Retail POP
Earth Day Marketing
Energy Trust of Oregon

- Savings with a Spin Clothes Washing Incentive
  - MEF 1.8 or higher, launched on February 1, 2005 and continued into 2006
  - Designed to move the market towards adoption of more efficient clothes washers
  - Led the region with this approach, reinforcing NW Alliance goals towards increasing market share of premium efficiency units and influencing national standard-setting
Energy Trust - Marketing
Energy Trust 2007 Program

• Energy Trust will step up to the next level of efficiency, pushing Oregon consumers to exceed the minimum ENERGY STAR standard
• Increase incentive to $85 on qualified models at MEF 2.0 or higher
  – Capitalize on the strong sales of ENERGY STAR clothes washers in Oregon
  – Increase market share for most efficient models with MEF 2.0 or higher
  – Drive consumers to purchase the highest-efficiency models allows Energy Trust to maximize savings
Conclusion

- Great success boosting sales of high-efficiency clothes washers through NW Alliance tiered rebate strategy
  - Buy-in by retailers
  - Reinforced by utility programs
  - Increased market share of MEF 1.8 and above