



ENERGY STAR Appliances: Where do we go from Here?

September 29, 2005

Alive and Well



- Consumer awareness
- Multi-sector investment in ENERGY STAR Appliances
- Increased qualifying models, market share/sales
- ENERGY STAR is a differentiating point for consumers
- Stakeholders define success in different ways

What have you done to me lately?



- ENERGY STAR risks losing its relevance
 - Utilities and efficiency groups want aggressive targets
 - Retailers looking for differentiation in marketing strategies
 - Manufacturers need stability and foresight
- *Irony is that we all need each other*

Issues for Everyone

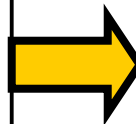


- Major shifts in the market
- ENERGY STAR strongest in PGC states
- Rules are changing for EEPS
- Retailers need new marketing strategies
- Consistency is needed across the board
- Planning, communication, understanding positions
- Stronger, better the next ten years

Current Challenges



- Small per-unit savings
- Shift towards peak savings (EEPS)
- Hard to track impacts
- Increased awareness & private sector interest
- Hard to influence consumer behavior



- Reduced differentiation (Manufs. & Retailers)
- Reduced cost-effectiveness (EEPS)
- Less compelling benefits for consumers
- Declining appliance budgets (EEPS)

More Challenges



- Keep criteria current
- Maintain reasonable lead times
- Investigate new opportunities
- The changing nature of incentives
 - EEPS
 - Retailer/Manufacturer
 - Tax credits and holidays
- Data – Data -- Data

Key Partner Commonalities



- New or advanced technology
 - Differentiation & higher margins for industry
 - Sometimes higher efficiency, e.g., clothes washers
- Early retirement
 - Get inefficient products off the grid (EEPS)
 - Promote new (efficient) product sales sooner
- Leveraging third-party resources/\$
- Promotion/program cost-effectiveness

General Promotional Approach



- **Ongoing Product Promotions**
 - Select product(s) of strong interest to all Partners
 - Co-fund activities to share costs and expand reach
 - Conduct throughout the year, as appropriate
 - Manufacturer-driven with input from EEPS and Retailers
- **Seasonal Outreach Campaign**
 - Educational message
 - Single and clear call to action
 - Defined time period, selected based on message
 - DOE PR as anchor, Partners tie in to meet their own needs

Potential Areas for Cooperation



- 1) Promoting 2007 level clothes washers
- 2) Encouraging early retirement of pre-1993 refrigerators (both primary and secondary units)
- 3) Educating consumers on the benefits of using dishwashers properly
- 4) Promoting room AC recycling and replacement during the summer cooling season

1. Clothes Washer Promotion



- Target 2007 qualified models
- Use ENERGY STAR as messaging platform
- Year-round activity
- Manufacturer-driven
- Strong retail execution
- EEPS cost-sharing of incentives and marketing

2. Outreach Campaign: Refrigerators



- **Action: Retire your pre-1993 Refrigerator**
 - Primary unit (Replace with ENERGY STAR)
 - Secondary unit (Only replace if necessary)
- Significant installed base of older units
 - 33.8 million households have primary units older than 1993
 - 18.1 million households have 2 refrigerators
- Significant savings from replacing these units
 - 657 to 802 kWh per year
 - \$55 to \$70 per year

3. Outreach Campaign: Dishwashers



- Expand Household Saturation of Dishwashers
 - Saves energy and water compared to hand washing
 - Only 59% of households have a dishwasher
- “Scrape--Don’t Rinse” Campaign
 - 60% of dishwasher owners rinse dishes before loading the dishwasher
 - Pre-rinsing can use up to 20 gallons (twice the amount used by the dishwasher itself!)

4. Room AC Promotion



- Retire and recycle old inefficient units
- Encourage replacement with new ENERGY STAR qualified units