ENERGY STAR® Appliance Update

Rosemarie Stephens-Booker, U.S. EPA

ENERGY STAR Products Partner Meeting 2014
Arizona
October 27, 2014
Welcome to Arizona!
Upcoming Appliance Sessions

Today
- 8:30-9:00am: Welcome and ENERGY STAR Appliances Update
- 10:15-11:15am: Moving Forward: ENERGY STAR Appliance Specification Updates
- 11:15-12:15pm: Appliance Marketing Efforts: Refrigerator Early Replacement and ENERGY STAR Promotion
- 3:30-4:30pm: The Opportunity in a Dryer World

Tomorrow
- 1:15-2:15pm: Panel: Working with Independent Retailers
ENERGY STAR Appliance Updates
State of the Appliance Market: 2013 and Earlier

- Things have not been so easy in the appliance industry over the last several years
- Shipments were at a **14-year low in 2012**
- In 2013, increased to **highest levels since 2008**
State of the Appliance Market: 2014 and Beyond

• In the early innings of a housing recovery, rental markets have turned the corner, home sales are strengthening.

• Annual unit shipments grew in 2013 and is expected beyond, boosted by increase in remodeling spending and continued growth in the housing industry.

• 2015 is expected to see increases in existing and new home sales, home improvement product sales, and remodeling spending.
State of the Appliance Market: Moving Forward

ENERGY STAR Certified Appliance Unit Sales

- ENERGY STAR certified appliances have continued to increase

Unit Shipment Data 2007-2013; residential clothes washer, dishwasher, and refrigerators
ENERGY STAR Products
Select Highlights for Appliances

1992
ENERGY STAR launched

1996
DOE partners with EPA and establishes first ENERGY STAR specification for appliances

2009
More than 50% of Refrigerators And Washers purchased in U.S. are ENERGY STAR

2010
ENERGY STAR 20th Anniversary
Awareness of ENERGY STAR has more than doubled to 80% (from 40% in 2000)

2011
3rd Party Certification Begins

2011
ENERGY STAR Guiding Principles Updated

2012
May 2012
ENERGY STAR Most Efficient Program made permanent

2012
July 2012
ENERGY STAR Clothes Dryer Spec Development Launched

2012
June 2013
ENERGY STAR Emerging Technology Award Recognizes 1st Advanced Dryer

2013
May 2013
First ENERGY STAR Spec (R/F) With Optional Connected Criteria

2013
Sept. 2012
ENERGY STAR Most Efficient (R/F) With Optional Connected Criteria
Unit Shipments

- ENERGY STAR unit shipments stayed relatively steady from 2011-2013 or even increased.
Big Year for Retail Marketing of ENERGY STAR Certified Appliances

Online, In-store, and Mobile Apps
The Home Depot’s EcoOption’s website highlights ENERGY STAR products in all product categories and utilizes ENERGY STAR savings for appliances. Circulares prominently featured the ENERGY STAR logo and ENERGY STAR certified appliances.
The Home Depot

ENERGY STAR on The Home Depot **store signage** and cooperative event **promotion with local utility** program sponsor

ENERGY STAR Most Efficient 2014 on The Home Depot **price signage**
Sears Holdings Corporation held an event at their corporate headquarters to engage employees with an ENERGY STAR booth and brochure highlighting ENERGY STAR products and the campaign.

Sears also frequently features ENERGY STAR appliances and offers in circulars.
Lowe’s advertises with ENERGY STAR through various media outlets, including social media. ENERGY STAR product specific savings claims were included to educate customers about the opportunity with ENERGY STAR.

ENERGY STAR was included in e-newsletters to promote a 10% off ENERGY STAR appliance offer and Earth Day.
Best Buy’s ENERGY STAR web page with Partner of the Year award, “ENERGY STAR Certified Products” filters, appliance savings calculator, and link to the pledge.

Best Buy labels and allows for product filtering ENERGY STAR certified appliances.
Best Buy’s ENERGY STAR focused circular highlighted which products were certified through their use of the label and mentioned savings associated with the product.
Nationwide Marketing Group and its members regularly run ENERGY STAR focused promotions and promote the benefits of ENERGY STAR appliances on store signage and in circulars.
Exciting Opportunity with Retail Mobile Apps
The Growing Influence of Mobile

eMarketer estimated that there would be 115.8 million smartphone users in the US by the end of 2012, with that number growing to 176.3 million by 2015

- The “mobile influence factor” on retail purchases will increase to $689 billion – 19 percent of total store sales – by 2016
- 25 percent of consumers engage in online shopping only via mobile
- 47 percent of smartphone owners rely on smartphones to find out more information about a product
Sears Mobile App

Mobile app features a dedicated ENERGY STAR page

Includes certification mark and text in product specifications

Recently changed “qualified” to “certified”
Lowe’s Mobile App

Website labels ENERGY STAR certified appliances with both the certification mark and text in the product description. It also allows for filtering by ENERGY STAR.

Mobile app uses text in the product description.
Utility Promotions For
ENERGY STAR Appliances
Stay Strong
Appliance Utility Promotions

Nearly 55% of states had appliance program budgets larger than $1 million, and 10 states devoted more than $10 million to their appliance programs.
Utility Promotions: By Type and Region

2014 ENERGY STAR Appliance Promotions by type and region: refrigerator recycling saw the largest increase in incentives offered in 2014
DTE’s promotion of **ENERGY STAR certified appliances** in various retail locations. This is a great example of EEPS partners promoting and educating consumers on what they’ll find at their local retailer.
Manufacturer Partners Amp Up the Volume on ENERGY STAR Product Line Ups
It happened! Whirlpool was the first manufacturer with an ENERGY STAR certified dryer.

Look for additional ENERGY STAR certified dryers at http://www.energystar.gov/productfinder
Samsung’s signage for **ENERGY STAR certified refrigerators**. In 2014 Samsung won the ENERGY STAR Partner of the Year award and the Climate Communication award.
LG’s NCAA Final Four Game Day event featuring **ENERGY STAR Certified Appliances.**
Growing Focus on

ENERGY STAR Most Efficient
# ENERGY STAR Most Efficient 2014

<table>
<thead>
<tr>
<th>Product Category</th>
<th>Models</th>
<th>ENERGY STAR Partners</th>
</tr>
</thead>
<tbody>
<tr>
<td>Boilers</td>
<td>122</td>
<td>17</td>
</tr>
<tr>
<td>Ceiling Fans</td>
<td>47</td>
<td>15</td>
</tr>
<tr>
<td>Central Air Conditioners and Air Source Heat Pumps</td>
<td>55</td>
<td>8</td>
</tr>
<tr>
<td>Clothes Washers</td>
<td>119</td>
<td>9</td>
</tr>
<tr>
<td>Computer Monitors</td>
<td>82</td>
<td>22</td>
</tr>
<tr>
<td>Furnaces</td>
<td>94</td>
<td>6</td>
</tr>
<tr>
<td>Geothermal Heat Pumps</td>
<td>236</td>
<td>7</td>
</tr>
<tr>
<td>Refrigerators-Freezers</td>
<td>13</td>
<td>5</td>
</tr>
<tr>
<td>Televisions</td>
<td>135</td>
<td>16</td>
</tr>
<tr>
<td>Ventilating Fans</td>
<td>212</td>
<td>11</td>
</tr>
<tr>
<td>Windows</td>
<td>380</td>
<td>43</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>1495</strong></td>
<td><strong>159</strong></td>
</tr>
</tbody>
</table>

As of ENERGY STAR Most Efficient webinar 9/2014; Refrigerator and freezer figures as of transition.
ENERGY STAR Most Efficient Promotion

- Regional spot-market promotions targeting “Super Greenies”
  - Individuals who care about the environment, have buying power, and demand high-performance products
- Target markets: Albany, NY (NYSERDA) and Sacramento, CA (SMUD and PG&E)
  - Markets were selected based on utility partner interest and concentration of “Super Greenies”
- Promotion runs through mid-November
- Evaluation metrics
  - Impressions
  - Sales lift
ENERGY STAR Most Efficient Web Page

ENERGY STAR Most Efficient 2014

The Year's Best of ENERGY STAR for Energy Efficiency and Innovation.

WHEN ONLY THE BEST WILL DO.

Looking for the ENERGY STAR label is a simple way to save you money and protect the environment. Now EPA introduces ENERGY STAR Most Efficient 2014, a new distinction that recognizes products that deliver cutting edge energy efficiency along with the latest in technological innovation. It is an award that truly represents the best of ENERGY STAR.

FEATURED UTILITY PARTNERS

PC&G and SMUD: Rebates Available
nyserda: Supporting Local Business

Products Recognized as ENERGY STAR Most Efficient in 2014
Regional Spot Market Promotion Tactics

• In-Store Messaging
  – Select retail partners to promote the ENERGY STAR Most Efficient products
    • Hang tag and table tent signage
• Drive traffic to energystar.gov landing page
  – Energystar.gov/mostefficient
    • Features partner promotions
    • Lists retailers selling ENERGY STAR Most Efficient products in targeted areas
ENERGY STAR Most Efficient

MOST EFFICIENT ENERGY STAR®-QUALIFIED REFRIGERATOR

$75 REBATE

Useful Life: 14 Years

Requirements:

1. Purchase a new qualifying refrigerator that is one of ENERGY STAR’s Most Efficient which uses less than or equal to 481 kWh per year and is at least 30% more efficient than federal requirements, between January 1, 2014 and December 31, 2014.
2. The product Model Number must appear on the list of qualifying products found at www.sce.com/rebates.
3. Install the qualifying refrigerator by February 28, 2015.
4. The new refrigerator must be the primary refrigerator used in the home.
5. Provided proof of purchase with your application.
6. Limit: One of any type of HEER refrigerator rebate per Installation Address. One rebate per useful life.
ENERGY STAR Most Efficient

Ahorre Electricidad. Reciba un Reembolso.

$35 Rebate
Reembolso de $35
When you buy a new ENERGY STAR®-Certified refrigerator.
Con la compra de un nuevo refrigerador certificado por ENERGY STAR®

or

$75 Rebate
Reembolso de $75
When you buy a new ENERGY STAR® Most Efficient refrigerator.
Con la compra de un nuevo refrigerador Most Efficient 2014 por ENERGY STAR®

See a sales associate for details or go to sce.com/rebates for a list of qualifying refrigerators.
Hable con un vendedor para más detalles o entre a sce.com/rebates para una lista de los refrigeradores elegibles.

FOR OVER 100 YEARS...LIFE, POWERED BY EDISON.

REBATE ON QUALIFYING ENERGY STAR® MOST EFFICIENT 2014 CLOTHES WASHERS
APPLY AT sce.com/rebatesonline
ENERGY STAR Most Efficient

Clothes Washer Rebates

Efficiency Vermont offers a $40 - $75 rebate on select ENERGY STAR® certified clothes washers. Offer good through December 31, 2014. The select ENERGY STAR appliances eligible for this rebate help you save energy and money while helping to protect the environment.

- View and print a rebate form or complete our online rebate application below.
- View the list of qualifying clothes washers

Eligibility and terms of promotion:

- Valid for purchases made 6/1/14 through 12/31/14. All rebate requests must be postmarked no later than 1/31/15.
- The select ENERGY STAR clothes washers eligible for a $40 rebate meet the Consortium for Energy Efficiency’s (CEE) Tier 3 Specifications. The clothes washers eligible for a $75 rebate meet ENERGY STAR Most Efficient specifications.
- This rebate offer is available to electric utility customers in Vermont only and must be installed in Vermont.

$75 REBATE on qualifying ENERGY STAR® Most Efficient 2014 clothes washers.
(Electric water heater required.)

smud.org/rebates
Website Updates

- Price and locator functionality to premiere on the ENERGY STAR Most Efficient 2015 website
- Plan for all retail-based ENERGY STAR Most Efficient product categories; beginning with pilot set
- Will enhance consumer search experience by providing real time price and location information for purchasing products

For additional details, attend the ENERGY STAR Product Information Tailored to Your Consumer session!
New Opportunities in 2015

Take Advantage of the Momentum with ENERGY STAR
ENERGY STAR Specifications

We have been very busy in 2014 within the appliance categories:

- Refrigerator/Freezer specification Version 5.0
- Dishwashers Version 6.0 development
- Clothes Washers Version 7.0 available for early certification
- Room Air Conditioners Draft 1 Version 4.0 is available for comment

For more product-focused information on recent, current, and upcoming revisions to the ENERGY STAR appliance specifications come to the ENERGY STAR Moving Forward: Appliance Specification Updates
Appliance Marketing Efforts: Early Replacement and Recycling Promotion

ENERGY STAR Refrigerators are more efficient than ever!

19.5 million 15yr+ refrigerators still in use throughout the U.S.

Manufacturers are reinvesting in refrigeration to supply the demand for sleeker, stylish, and connected refrigerators.

Generate excitement around early replacement while also connecting the ENERGY STAR brand with personal benefits and helping to protect the environment.
The Opportunity in a *Dryer* World

Dryers is an exciting opportunity in the energy efficient appliance world. The ENERGY STAR program has made great strides to reduce dryer energy use:

- New ENERGY STAR Dryer Product Category
- Advanced Sensor Technology
- Lower Heat = Less Energy = Savings
- New Dryer Webpage and Upcoming Materials
Appliance Messaging and Training Resources

- ENERGY STAR Consumer Messaging Guide for Certified Appliances
- ENERGY STAR Appliances Sales Associate Training
- ENERGY STAR Most Efficient Appliances Training

How Much Does it Cost to Run Your Refrigerator Each Year?

<table>
<thead>
<tr>
<th>Year</th>
<th>Models</th>
<th>Cost</th>
</tr>
</thead>
<tbody>
<tr>
<td>1980</td>
<td>$209</td>
<td></td>
</tr>
<tr>
<td>1990</td>
<td>$136</td>
<td></td>
</tr>
<tr>
<td>2000</td>
<td>$93</td>
<td></td>
</tr>
<tr>
<td>2011</td>
<td>$50</td>
<td></td>
</tr>
</tbody>
</table>

Residential Clothes Washer Water Usage Per Load

<table>
<thead>
<tr>
<th>Type</th>
<th>Water Usage Per Load</th>
</tr>
</thead>
<tbody>
<tr>
<td>Standard washers</td>
<td>23 gallons</td>
</tr>
<tr>
<td>ENERGY STAR qualified washers</td>
<td>15 gallons</td>
</tr>
</tbody>
</table>
Rebate Finder

- Improved interface for finding rebates
- New backend to enable more frequent updates from partners
- New interface for partners coming soon!
- Rebate Finder Demo – www.energystar.gov/rebatefinder
Appliances: Turn Up the Heat!
Key Contacts – Appliances

• **Appliance Sales & Marketing**
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ENERGY STAR would like to thank the following partners for their generous support of the 2014 ENERGY STAR Products Partner Meeting:

- Sears
- Best Buy
- Nationwide Marketing Group
- The Home Depot
- LG
- Philips
- Samsung
- Greenlite
- Whirlpool
- APS
- FEIT Electric
- GE
- TCP
- Globe
- L’Image Home Products Inc.
- Overdrive
- Xcel Energy