

Residential Lighting Programs National Summary



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Note:

All information contained in this document was compiled from interviews and documented program information. Every effort was made to provide the most current and accurate information. If a correction is necessary, contact Dana Banks, CEE, (617) 589-3949 ext. 207 or dbanks@CEEforMT.org.

Residential Lighting Programs Fast Facts for 2000

- All programs are promoting ENERGY STAR qualified products.
- Combined program service territory exceeds 40 million residential customers.
- Over \$32 million budgeted to promote ENERGY STAR lighting (and appliances in some cases).
- Over \$10 million budgeted for direct incentives on lighting products (including appliances in some cases).
- All programs provide retail field support including labeling and training.
- All programs have marketing campaigns that include some form of paid media.
- Most program designs are state or region wide.
- Many program sponsors are making multi-year commitments. Some through 2003.
- Sponsors are leveraging other ENERGY STAR based programs by cross-marketing.
- Some program designs include components for under served small markets.

Residential Lighting Programs 2000 Summary Overview

Sponsor/ Administrator	ENERGY STAR Platform	Service Territory	Residential Customers (millions)	Program End	2000 Budget		CFLs		Hardwired Fixtures		Torchieres	
					Total (\$millions)	Incentive (\$millions)	Incentive	Type	Incentive	Type	Incentive	Type
NEEA	Yes	OR, WA, ID, MT	11.0	June 2000	1.2	0.5	\$3	Buy-down	\$7	Buy-down	\$10	Buy-down
PG&E, SDG&E, SCE	Yes	CA	10.0	Dec. 2001	10.0*	4.0*	NA	NA	NA	NA	\$10	Buy-down
SMUD	Yes	Sacramento, CA	0.5	Dec. 2000	0.7	0.3	\$2.50	Retailer	\$10	Buy-down	\$19	Buy-down
WECC	Yes	32 Utilities in WI	1.5	Dec. 2000	2.8*	NA	\$5	Instant	\$15	Instant	\$20	Instant
Madison Gas & Electric	Yes	Madison, WI	0.1	On-going	NA	NA	NA	NA	NA	NA	NA	NA
ComEd	Yes	Chicago, IL	3.2	Dec. 2000	NA	NA	NA	NA	NA	NA	NA	NA
NEEP Utilities	Yes	MA, RI, CT, VT, NH	4.6	Dec. 2002	9.7	3.9	\$3 - \$5	Instant	\$10 outdoor \$15 indoor	Instant	\$15	instant
LIPA	Yes	Long Island, NY	1.0	Dec. 2003	3.1*	1.5*	\$6	Instant	\$15	Instant	\$20	Instant
NYSERDA	Yes	NY state	5.6	June 2001	6.0*	NA	NA	NA	NA	NA	NA	NA
New Jersey Utilities & NRDC (Proposed)	Yes	NJ	3.0	Dec. 2003	0.8	NA	NA	NA	NA	NA	NA	NA
TOTALS			40.5		34.3	10.2						

*Combined lighting and appliance budget.

Sponsor:	Northwest Energy Efficiency Alliance (NEEA)
ENERGY STAR Partner:	Yes
Service Territory:	OR, WA, ID and MT serving 11 million residential customers
Program Name:	ENERGY STAR Residential Lighting Program
Implementation:	July 1, 1997 – June 30, 2000
2000 Budget:	Total - \$1.2 million Incentives - \$571,041
Goals & Objectives:	To create and sustain consumer demand for ENERGY STAR CFLs and to create a viable market for energy-efficient fluorescent fixtures by accelerating product availability and customer acceptance.
Program Description:	This venture is designed to promote residential lighting in the Northwest based on the ENERGY STAR technical specifications. Targeted technologies include indoor surface mount fixtures, outdoor fixtures, torchieres, and CFLs. The program focuses upstream on the manufacturers and retailers by providing incentives, field support and merchandising. Consumer marketing and promotions are also included.
Incentives:	Participating manufacturers receive a performance-based incentive designed to “buy-down” the shelf price and leverage marketing and advertising for program products. Incentives are set at \$3 for CFLs, \$7 for hardwired fixtures, and \$10 for torchieres.
Field Support:	Field representative provide the following: <ul style="list-style-type: none"> ▪ Make products more easily identifiable at retail outlets. ▪ Create displays for use in high-traffic areas. ▪ Participate in home shows and model homes. ▪ Create media events and consumer sweepstakes. ▪ Educate consumers on the true costs of lighting products. Special emphasis is placed on small retail markets to recruit retailers, offer product through a master distributor, and to support local promotions.
Marketing:	POP materials include shelf talkers, a consumer brochure, a product application guide, posters and banners. A bill insert is available for use by participating utilities. A package that addresses the under-served small retail market has been developed and includes: <ol style="list-style-type: none"> 1. A \$75 promotion to buy-down the cost of high-priced, existing product in stock. 2. \$200 worth of new ENERGY STAR product. 3. Assistance with in-store promotions. 4. \$200 in co-op advertising. 5. Program media buy in the participating small retail market. The marketing program also promotes online education and ordering at www.LightSite.net .
Further Information:	Marci Sanders ☎ (503) 827-8416 ext. 245 ✉ msanders@nwalliance.org 🌐 www.nwalliance.org
Criteria for Success:	CFLs <ul style="list-style-type: none"> ▪ Increase in number of manufacturers that produce ENERGY STAR CFLs. ▪ Increase in number of retail stores in the Northwest that regularly stock CFLs. ▪ Retailers show preference for products through in-store promotions and/or regular shelf space. ▪ CFL manufacturers lower their prices while improving product quality. ▪ Increase in market share in the Northwest.

	<p>Fixtures</p> <ul style="list-style-type: none"> ▪ Increasing consumer awareness of ENERGY STAR products and of the benefits of purchasing. ▪ Increasing number of manufacturers supplying each distribution channel. ▪ Increase in the variety of products available to each market segment in the Northwest. ▪ Retailers show preference for program products through in-store promotions, shelf placement or feedback to manufacturers. ▪ Increased specifications and installations in single family and multi-family construction. ▪ Prices of ENERGY STAR fixtures drop to levels competitive with standard fixtures. ▪ Increase in market penetration in the Northwest.
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Sponsor:	California Investor Owned Utilities (IOUs) Pacific Gas & Electric, San Diego Gas & Electric and Southern California Edison
ENERGY STAR Partner:	Yes
Service Territory:	Virtually statewide serving approximately 10 million residential customers
Program Name:	California Residential Lighting and Appliance Program (CRLAP)
Implementation:	1999 – 2001
2000 Budget:	Total – Approximately \$10 million for lighting and appliances Incentives – \$4 million for lighting and appliances
Goals & Objectives:	The program hopes to achieve the following: <ul style="list-style-type: none"> ▪ A broader variety of ENERGY STAR products ▪ Wide availability of qualified models ▪ Market actors investing their own resources to further promote products ▪ Consumers able to differentiate ENERGY STAR lighting products in retail stores ▪ Consumers understand the benefits
Program Description:	Three of the IOU's in California, representing the majority of the state's population, are working together to offer a consistent lighting and appliance program. This integrated program uses upstream incentives, field support, marketing, and special promotions to transform the lighting market.
Incentives:	Manufacturer incentives are available on torchieres for \$10 and should run through the end of 2000. The manufacturer participation process has been simplified requiring a simple one-page application with open enrollment (subject to availability). The sales target is 165,000 torchieres.
Field Support:	Field services include sales training, POP materials and in-store promotions. Store level knowledge and progress is measured with a pre- and post-training quiz. Channel Managers are used to work closely with the retailers and manufacturers within the following channels: home improvement; mass merchandisers & department stores; and lighting specialty and hardware stores.

Marketing:	<p>Co-operative promotional funds for manufacturers and retailers will be available starting in March. These funds will be used to cost share promotional activities including print ads, special events, in-store displays and other special projects.</p> <p>A CFL pilot program is in development to address the “hard-to-reach” grocery store channel. This will involve a CFL manufacturer and 1-2 grocery chains. A per-unit manufacturer incentive will be established along with a grocery promotional package.</p> <p>A paid media campaign including print and radio is designed to raise consumer awareness about ENERGY STAR. This is supplemented with specialized lighting ads.</p>
Further Information:	<p>Linda Latham, Ecos Consulting ☎ (562) 438-2287 ☒ 4220 E. 1st St., Long Beach, CA 90803</p>
Criteria for Success:	<p>Multiple indicators will be tracked to evaluate program success including:</p> <ul style="list-style-type: none"> ▪ Retail sales and shipments. ▪ Number of qualified models available in retail stores. ▪ Number and variety of stores offering ENERGY STAR lighting products. ▪ Salesperson knowledge

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Sponsor:	Sacramento Municipal Utility District (SMUD)
ENERGY STAR Partner:	Yes
Service Territory:	451,000 residential customers serving Sacramento, CA.
Program Name:	Residential Retail Lighting Program
Implementation:	Dec 2000
2000 Budget:	Total – \$700,000 Incentives – \$250,000
Goals & Objectives:	To promote significant, long-term increases in knowledge, availability, purchase and market penetration of energy-efficient lighting by working cooperatively with such market transformation initiatives as the CA Residential Lighting & Appliance Program and ENERGY STAR.
Program Description:	This program promotes ENERGY STAR lighting products to its residential customers through multiple distribution channels using upstream incentives and marketing. ENERGY STAR qualified torchieres and ceiling mounted fixtures are addressed through a manufacturer buy-down. The retailer receives an incentive to sell ENERGY STAR qualified sub-compact CFLs.
Incentives:	<p>Participating manufacturers receive a performance-based incentive designed to “buy-down” the shelf price of ENERGY STAR qualified torchieres and hardwired ceiling-mounted fixtures. Incentive levels are set at \$10 for ceiling mounted fixtures and \$19 for torchieres.</p> <p>SMUD offers participating retailers \$2.50 per ENERGY STAR qualified sub-compact CFL sold. These CFLs are available from manufacturers agreeing to sell their products at a bulk-purchase price to local retailers. More information about sub-compact CFLs is available at www.pnl.gov/cfl.</p>
Field Support:	Filed representatives are employed to provide in-store support and place POP materials.

Program Description:	<p>This statewide program has a two-part strategy. First, to provide the infrastructure support to prepare for, meet and reinforce consumer inquiries and demand. And secondly, to launch a statewide media campaign to create awareness and understanding of ENERGY STAR product benefits. The program design depends upon leveraging natural market practices and forces to enhance the market including:</p> <ul style="list-style-type: none"> ▪ Paid and voluntary mass advertising flights and special event promotions. ▪ Using mid-stream participants' natural interests in supplying products that consumers want and differentiating themselves from their competition.
Incentives:	<p>Mid-stream market participant incentives are available to jump-start participation. This includes co-op newspaper ads, direct mail, yellow pages listings, yellow page co-op ads and sales contests. A maximum of \$8,000 is available per retailer for both appliances and lighting. Cash incentives are also available for ENERGY STAR fixtures purchased or installed by home improvement contractors, manufactured housing dealers and multi-family owners.</p>
Field Support:	<p>Field representatives visit retailers to recruit participation, supply POP materials and provide training on the benefits of ENERGY STAR products.</p>
Marketing:	<p>The appliance and lighting marketing campaign provides internet advertising, yellow page ads, celebrity endorsements, classified ads, direct mail, promotional events, PSAs and paid media. The paid media consists of bus panel, newspaper, TV, and radio ads and store kiosks. A concurrent ENERGY STAR Public Awareness Campaign uses paid advertisements and public service announcements across various media to increase consumers' awareness and understanding of the ENERGY STAR label.</p> <p>In four major upstate markets, an ENERGY STAR Change-Out Challenge will be issued. This is a special press event to issue the challenge to increase energy efficiency through the use of ENERGY STAR products.</p> <p>The ENERGY STAR Kitchen concept is under development to encourage participation by multi-family building owners. This will attempt to facilitate favorable pricing strategies for bulk purchases between appliance and lighting suppliers and multi-family owners and managers. An ENERGY STAR kitchen would use ENERGY STAR compliant products and be marketed as an integrated package for major kitchen remodeling, home renovation, manufactured homes and new construction.</p>
Further Information:	<p>Jennifer Hunter ☎ (518) 862-1090 x 3231 ✉ jch@nyserda.org 🌐 www.nyserda.org</p>
Criteria for Success:	<p>Increase in the following:</p> <ul style="list-style-type: none"> ▪ Market share. ▪ Consumer awareness and understanding of ENERGY STAR. ▪ Ad space in major markets. ▪ In-store display space, promotion activities and stocking practices. ▪ ENERGY STAR retail store locator website inquiries. ▪ Mid-stream partner participation levels.

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Sponsor:	New Jersey Statewide (proposed) This program is proposed by the utilities and NRDC and is awaiting final Commission approval.
ENERGY STAR Partner:	No
Service Territory:	Approximately 3 million residential customers in New Jersey
Program Name:	Residential ENERGY STAR Lighting Program
Implementation:	Fall 2000 – 2003
2000 Budget:	Total – \$787,000. Total 2001 budget estimate is \$2,047,000.
Goals & Objectives:	Long-term goal is to develop a self-sustaining market presence for ENERGY STAR lighting products.
Program Description:	The program will be closely aligned with the NEEP programs. It will be designed to overcome the following barriers in the lighting market: <ul style="list-style-type: none"> ▪ Lack of consumer awareness ▪ Poor experience with early generations of products ▪ Limited availability ▪ Lack of shelf space for CFL products in grocery stores ▪ High first cost The program will include marketing to builders of high efficiency fixture packages for new construction and major retrofit applications.
Incentives:	Modest incentives may be offered (\$10 to \$15) for the sale of ENERGY STAR fixtures to new and/or existing homes. Incentives are intended to be an extension of the marketing activities and may be reduced or eliminated over time in response to market changes.
Field Support:	Field representatives will be employed to provide the following: <ul style="list-style-type: none"> ▪ Recruitment ▪ Training ▪ Maintenance visits ▪ Pop materials ▪ Staffing for promotional events
Marketing:	The program will conduct a broad based ENERGY STAR brand awareness campaign in conjunction with targeted product marketing. The campaign will be integrated to the extent appropriate with the marketing of other New Jersey programs such as appliances, windows and new homes.
Further Information:	Chris Siebens, GPU Energy ☎ (610) 375-5131 ✉ csiebens@gpu.com
Criteria for Success:	The following metrics will be used to determine program effectiveness: <ul style="list-style-type: none"> ▪ Decreases in first costs. ▪ Increase in market share. ▪ Number of ENERGY STAR qualified products on display and available. ▪ Increased production and availability of efficient products for common applications such as recessed cans. ▪ Customer and salesperson familiarity with the products. ▪ Customer recognition of the benefits of ENERGY STAR lighting products.