



Northeast Energy Efficiency Partnerships

Northeast/Mid-Atlantic Retail Products Working Group Meeting

Hosted By: Northeast Energy Efficiency Partnerships
Tuesday, December 1, 2015

About NEEP

Mission

Accelerate energy efficiency as an essential part of demand-side solutions that enable a sustainable regional energy system

Approach

Overcome barriers and transform markets via
Collaboration, Education and Enterprise

Vision

Region embraces **next generation energy efficiency** as a core strategy to meet energy needs in a carbon-constrained world



One of six regional energy efficiency organizations (REEOs) funded by the US Department of Energy (US DOE) to link regions to US DOE guidance, products and programs

AGENDA

Introductions

Sears Appliance Trade-in/Connected Living

State Roundtable: Latest and Greatest

Residential Lighting Strategy

E-commerce White Paper Results

Short Takes & Wrap-up

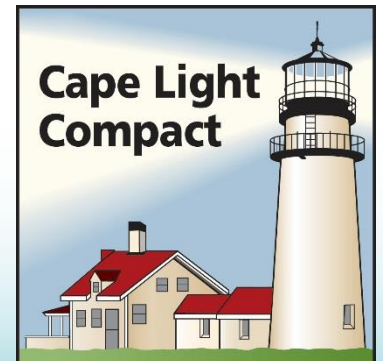


WHO IS IN THE INITIATIVE?



Efficiency Vermont

nationalgrid



INTRODUCTIONS

- I will run through the list
- Please introduce yourself
 - Name
 - Organization
 - Title
 - Favorite Thanksgiving Dish?



*you will all be un-muted, but please mute the phone on your line if there is background noise for ease of discussion



SEARS HOLDINGS



Connected Living
Overview

Connected Living

Connected Devices & Services will deliver significant economic benefits...

By 2020, nearly 30 billion devices will be IoT enabled vs. 7 billion in 2013. These devices are expected to deliver more than \$4 trillion in economic benefit across multiple industries including healthcare, insurance, financial services and more. Connected devices & value-added services can increase the health, security & comfort of our customers' homes & families.

...and Connected Living Will Deliver these Benefits to Members



Save Energy



Save Time

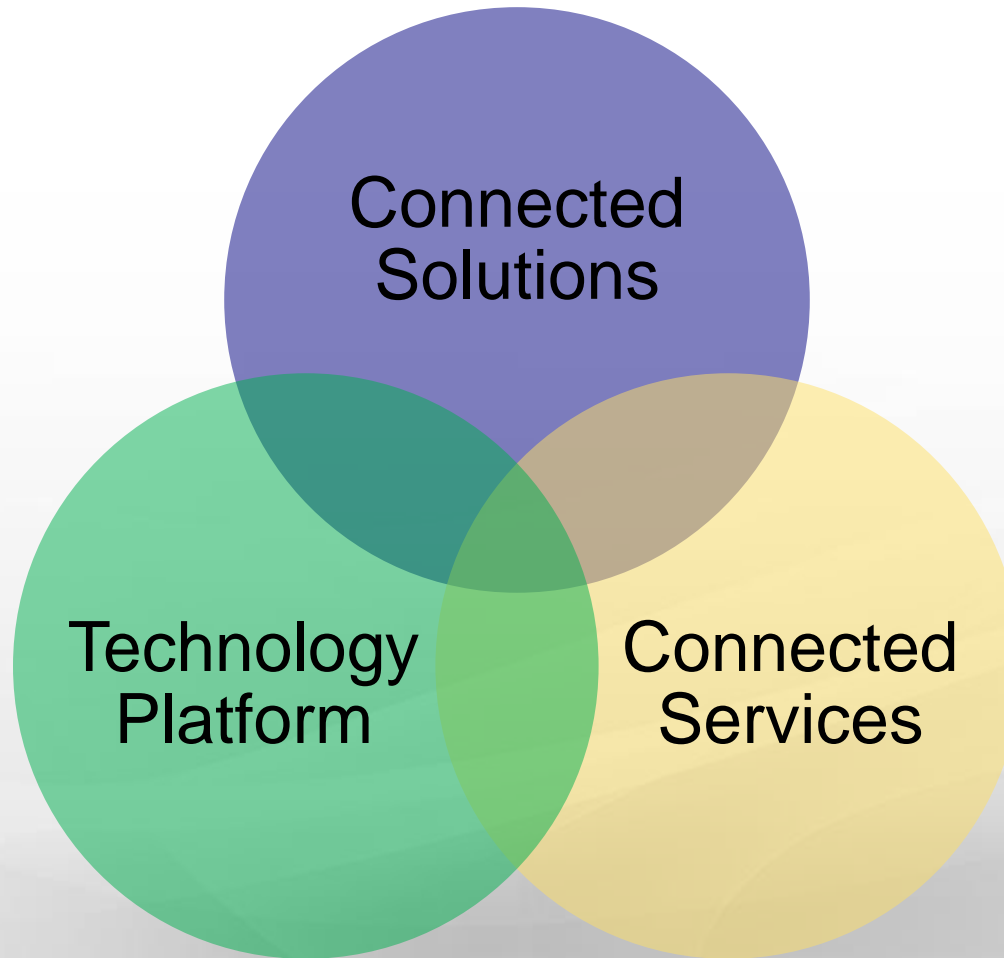


***Deliver Peace
of Mind***



***Increase
Comfort***

Connected Living offers members solutions that will improve their quality of life through products, services and technology. Our offering will make a connected life more affordable, accessible and simple than our competition.



Progress to Date



Connected Solutions – At a Glance

200+ New SKUs

50+ New Brands

Millions in Incremental Revenues

Installation Options & Free Tech Support

Wally Product and IP Acquisition

wally

assurelink™

TWICE

Sears Opens Connected Solutions Flagship



USA TODAY

Finally: Connected-Home Shopping for Done-For-You's



“Sears’ initiative, dubbed Connected Solutions, is one of the first efforts designed specifically to move beyond do-it-yourselfers and attract this as-yet elusive audience of done-for-you types.”

-USA TODAY



connectedsolutions
Tech Support

Have questions about a connected product?
Want more information about connectivity and installation?
Call **1-888-277-4291** between 7 a.m. and Midnight ET

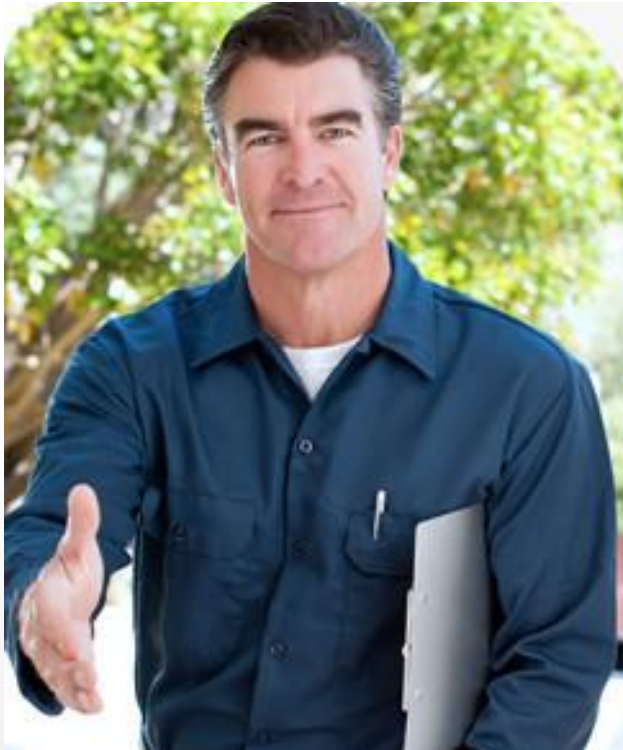
2016 Expansion—Energy Efficiency

Incentives/Rebates: We are working with manufacturers to create energy efficiency product bundles for the Connected Home. What programs are in place today and how can we help promote and deliver these benefits to our members via connected home product packages?

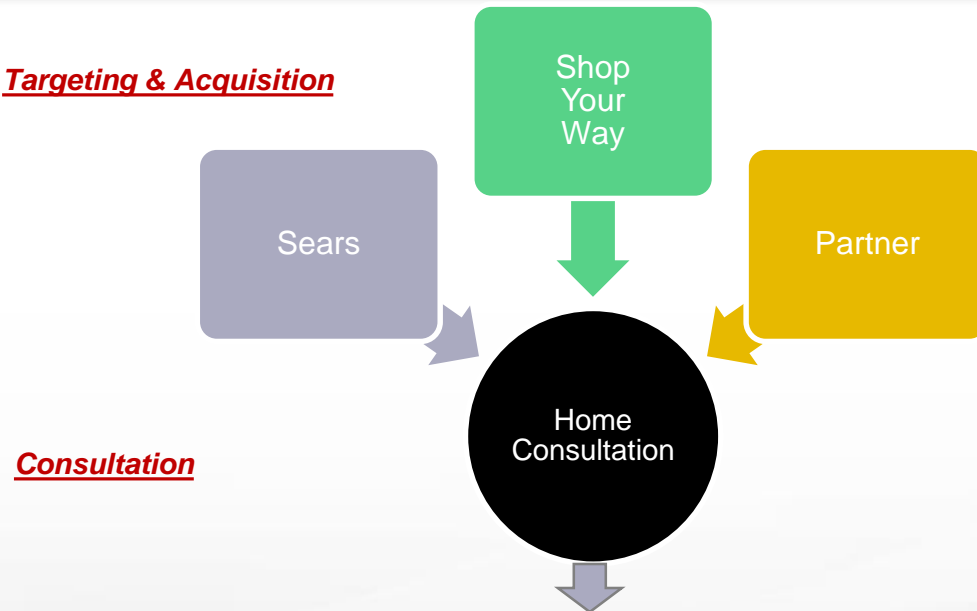
Home Consultations: Sears has more than 30,000 approved contractors throughout the United States. We are looking to pilot an in-home consultation on behalf of a utility partner. A Sears expert can assess the home for energy efficient products and behaviors and recommend/fulfill on solutions. We are looking for programs that are interested in using Sears as a consultation provider.

Pilot Programs for New Products and Programs: In the coming year, we will be building out our connected home platform—integrating both our own connected products and third-party products. Through our gateway hub we can collect additional data regarding the usage and efficiency of connected products. We are seeking partners who are interested in helping us to design and test new products/features in the connected home category. We would like to work with industry leaders in creating programs that will help promote and encourage energy efficient behaviors.

Home Consultations—Energy Efficiency



Targeting & Acquisition



Consultation

Data Acquisition

Home Assessment & Recommendations

Customer Engagement & Data Acquisition

Behavior

Usage assessment and improvements.

Efficiency education and instruction.

Aggregated data collection on products, behaviors and usage.

Products

In-home review of product efficiency.

Full assortment of Energy Star products for direct purchase.

Instant rebate program for direct purchases.

Services

Consultant review of key concern areas:

- Appliances
- Windows/Doors
- Insulation
- Etc.

Service Solutions with recommendations, discounts and immediate scheduling.

Home Consultations

Offering home consultations will accelerate customer engagement & data acquisition—creating opportunities to provide customized products & services based on individual needs.

Appliance Trade-In Pilot

Member Problem Statement



I'm looking to buy one of those cool new Kenmore French Door Refrigerators...

... I sure wish that I could trade-in my old clunker and get cash or SYW Points to help offset the cost of upgrading my kitchen.



Solution: Build a Cash for Appliances Program

How does it work?

Cash for Appliances Program				
Eligibility & Payout				
Eligibility: All Legal U.S. residents 18+ who live within the haul away eligibility zone of participating stores				
<u>Products Eligible</u>	<u>Payout Scale</u>	<u>Maximum</u>	<u>Condition Requirement</u>	<u>Timing</u>
Refrigerator/Freezer	\$50 + Free Haul Away	1, 1:1 Trade-In	Working Condition	Instant @ POS
Washer	\$50 + Free Haul Away	1, 1:1 Trade-In	Working Condition	Instant @ POS
Dryer	\$50 + Free Haul Away	1, 1:1 Trade-In	Working Condition	Instant @ POS
Dishwasher	\$50 + Free Haul Away	1, 1:1 Trade-In	Working Condition	Instant @ POS
Air Conditioner	\$50 + Free Haul Away	1, 1:1 Trade-In	Working Condition	Instant @ POS
Water Heater	\$50 + Free Haul Away	1, 1:1 Trade-In	Working Condition	Instant @ POS
Cooktop	\$10 + Free Haul Away	1, 1:1 Trade-In	Working Condition	Instant @ POS
In-Store Experience				
<u>Step 1</u>	<u>Step 2</u>	<u>Step 3</u>	<u>Step 4</u>	<u>Step 5</u>
Go to Sears.com (Link on Homepage & Top of Appliance Vertical) or visit your local Sears Store Associate	Online/Kiosk/Ipad/POS/KYM:Enter customer name, email, address, phone number, and the age and brand of all existing appliances.	Print out or digitally access (work with retail svc.) unique customer coupon(s)	Find 1:1 like eligible product (refrigerator for refrigerator) and redeem coupon at POS.	Sears to follow-up with customer via TI on as appliance not purchased reach their normal life spans and recommend upgrading to newer, more efficient products.
Online/Mobile Experience				
<u>Step 1</u>	<u>Step 2</u>	<u>Step 3</u>	<u>Step 4</u>	<u>Step 5</u>
Go to Sears.com (Link on Homepage & Top of Appliance Vertical) or visit your local Sears Store Associate	Online/Kiosk/Ipad/POS/KYM:Enter customer name, email, address, phone number, and the age and brand of all existing appliances.	Print out or digitally access (work with retail svc.) unique customer coupon(s) -> Flow through coupons to Online POS	Find 1:1 like eligible product (refrigerator for refrigerator) and redeem coupon at POS	Sears to follow-up with customer via TI on as appliance not purchased reach their normal life spans and recommend upgrading to newer, more efficient products.



Solution: Build a Cash for Appliances Program



Driving SHC Core Competencies: Why is this a good solution?

Increase SYW Membership Count

1

- ❑ While we cannot require SYW Membership in this scenario, we will see a Halo Effect for our SYW platform as the 250M+ Non-Members consider the Trade-In Program advantage that Sears has built with the DOE and local energy companies.

Collect Member Household Appliance Data

2

- ❑ Age, Make, Model, etc. of all Appliances
- ❑ SYW Membership ID Information for future purchase tracking
- ❑ Opportunity for future Targeted Interaction

Green Initiatives

3

- ❑ In creating an Energy Star focused Trade-In program, Sears will draw significant positive attention to our Green Initiative
- ❑ Options for energy efficient recycling benefits with local Energy companies should open up, as should partnerships on other Energy Star related products company wide.

Develop the first Trade-In solution for the US Appliance Market

4

- ❑ Innovative
- ❑ Significant sales lift projected
- ❑ Positive press for the disposal/trade-in of used appliances

Sears Connected Home

Trade in summary: The business team is looking to launch in 1Q16 across a multi-state area to ensure volume.

They are offering an incremental \$50 in Shop Your Way points in addition to existing utility recycling rebates.

They will also offer the utility rebate as an instant make-down at POS and assume risk in case the customer changes their mind after leaving the store.

Thoughts? Opportunities for collaboration? Should we gather more information? Set up a call?

STATE ROUNDTABLE: LATEST AND GREATEST



- What programs are doing well in your state?
- Which programs are causing drama?
- What would you like to ask the other PAs at the meeting?
- Interesting new technologies, new products, new vendors from ENERGY STAR Partner Meeting (or otherwise)?
- What are you excited about for in 2016?



STATE ROUNDTABLE: LATEST AND GREATEST



- Efficiency Vermont

- For 2016: Working to figure out new rebate levels and nail down RPP pilot for Q1
- Not longer offering incentives on HPWH units over 55 gallons.
- There is a lot changing in the lighting initiative. Notably, the incentive floor will be changing from 4.99 to 3.99
- Bounced checks from JACO given their receivership. Been in consultation with Legal Department
 - NH: Also experiencing issues with JACO. We will honor rebates.
 - VT: How to you plan on handling bounced check fees?
 - NH: Unsure. Although, unlike other utilities, we don't see a lot of volume.

- New Hampshire

- Lighting and appliance are going strong with 80% LEDs and 20% CFLs (which will be phasing out in 2016).
- New joint utility MOU with Home Depot for lighting to transition away from coupons.

- NYSERDA

- Proposal from CEF (for next 3 years) was expected to pass in Nov. but extended to January.
- Solicitations will be narrowed down partners and focusing on emerging technology (e.g. HVAC, HEMS, Advanced Fixtures, Washers, etc.).

- DCSEU

- California will be delayed on RPP due to regulatory issues and DC & VT have been asked to be first pilots for Q1.
- Expects to put out an RPP RPF to get data from retailers.

Retail Products Platform

- Launching in Q1!
 - Confirmation of participation
- NEEP's role with RPP in 2016?
- Any questions or concerns about RPP as it stands?

RESIDENTIAL LIGHTING

- RLS out soon!
- Webinar scheduled for **Tuesday, 12/15 at 3pm**
- ***Program Administrator Strategies***
- **Strategy #1: Continued PA support for residential lighting**
 - continue support for cost-effective efficient residential lighting products. \
 - Programs should ensure promoting only high-quality products that will meet consumer expectations .
 - Programs should to support only LEDs in specialty applications.
- **Strategy #2: PA transition portfolios in short and medium term**
 - over the course of the next 1-3 years, programs should shift all residential lighting promotions to all-LED.
 - In 2-4 years, programs should lay the foundation for a shift away from omnidirectional and towards specialty products that may continue to provide savings past 2020.

RESIDENTIAL LIGHTING

- **Strategy #3: PA target LEDs in hard-to-reach markets**
 - In the next 0-2 years, programs should take advantage of momentum with lower-cost LEDs and work with Hard-to-Reach segments to include LEDs in those offerings.
- **Strategy #4: PAs consider including smart lighting in portfolios**
 - Programs should consider promotion of ENERGY STAR smart lighting products, especially when coupled with other HEMS/smart home initiatives.
 - While the net savings opportunity of these bulbs is yet to be established, the smart bulbs are LED and therefore offer a significant efficiency boost over baseline products.
- **Strategy #5: PAs explore opportunities in residential linear products**
 - A new area of exploration for efficiency programs in residential lighting is the potential opportunity offered by linear products. Approximately 10% of sockets within a home are filled with these products, but beyond that is it hard to know what level of savings might be achievable. Discussions with commercial lighting program managers to understand the products and market of linear tube lighting would be a great first step for residential programs to take.

RESIDENTIAL LIGHTING

- *Regional Strategies beyond Programs*
- **Strategy #6: Regional collaboration on residential lighting research**
 - The region should consider collaboration on key research projects. Leveraging resources from multiple stakeholders to produce joint research allows all budgets to stretch further. Some potential research projects could be:
 - Research on consumer perspectives for performance metrics like lifetime, CRI, omnidirectionality, etc.
 - Market characterization of residential linear market, evaluate savings opportunity
 - Further research on smart lighting potential savings
- **Strategy #7: Regional coordination on data collection and sharing**
 - Additionally, the region should continue to collect and share data to inform regional progress and program evolution..
- **Strategy #8: Regional discussions on savings calculation inputs to ensure appropriate attribution.**
 - State-to-state differences in savings calculation inputs should be evaluated to ensure appropriate attribution by all programs. This included analyzing the assumptions behind some of the inputs, including assessing whether CFLs belong in the baseline of LED products. A few inputs to potentially analyze include:
 - Including baseline assumptions, delta watt, NTG, HOU, measure life, etc.

E-Commerce Whitepaper



E-Commerce Whitepaper

- Coming soon!
 - Whitepaper and public webinar
- Focuses on:
 - Defining themes of e-commerce
 - Existing online platforms and pilots
 - Recommendations to overcome challenges and barriers
- We hope this whitepaper can help you figure out how to embrace e-commerce and integrate it with existing and new program models.

E-Commerce Platforms

- ENERGY STAR Website
- Energy Federation, Inc. Online Store
- TechniArt's Pop-up Retail
- Simple Energy Marketplace
- Enervee



ENERGY STAR Website

- Product Finder: tool where consumers can compare different products using the ENERGY STAR database.
 - Beta version: Real-time price and purchase location information
- Application Program Interface (API): stakeholders can connect their tools to ENERGY STAR's database.
- Open Data Cloud : Individuals can create filtered views of ENERGY STAR data that are automatically updated as new products are added to the datasets.

EFI Online Store

- Oldest E-commerce Platform for Efficiency Programs
- White-labeled online store
- Verification of customers and high attribution of savings



TechniArt's Pop-up Retail

- Online Promotion
- Limited-Time Offer
 - Partnership with Cadmus
 - Heavily marketed via social media
 - 2-4 weeks
- Example: Mass Saves' trial of Limited-time Offer

Simple Energy Marketplace

- Direct purchase model
 - Xcel pilot with Smart Thermostats
- Referral model
 - SDG&E
- Launching two Demonstration Projects in NY as part of the REV process.



SIMPLE
energy

MARKETPLACE

Enervee

- Eversource Case Study
- PGE pilot to **claiming savings without a rebate.**
- potential opportunity for more accurate model-specific savings based on the efficiency of the specific product purchased.
- Enervee Charge: new feature for retailer partners which recommends rebates for efficient products with similar specifications.



E-Commerce Recommendations

- Start Promoting Appliances and Electronics Online
- Cohesive Communication
- Segmentation of Customers
- Partner with Retailers
- Taking Advantage of ENERGY STAR's Resources
- Keeping an Open Mind on New Methods

Conclusion: While the ultimate future of efficient product sales is unknown, the present is clear: **Online e-commerce is here and now, and efficiency programs must rise to the occasion to maintain products programs success.**

QUICK TAKES YOU WON'T WANT TO MISS!

ENERGY STAR
Award
comments
due COB
Today!

Smart Energy
Summit,
Feb 22-24
Austin, TX

Appliance
Standards
Meeting
12/8 at 11am

ASHP Meeting
12/17 at
11am

In Person
HEMS WG
Meeting at...
ACEEE
Intelligent
Efficiency
Conference,
12/7-8 in
Boston

E-Commerce
Whitepaper
comments
due back
COB Today

RLS Public
Webinar, Date
TBD

E-Commerce
Public
Webinar,
Date TBD

WHAT TO EXPECT IN 2016

- Quarterly virtual meetings of RPWG
- Regular E-Newsletter
- Specific Initiatives:
 - **Residential Lighting**
 - **Home Energy Management Systems**
 - **Air-Source Heat Pumps**
 - **Appliance Standards**
 - Commercial HVAC (pending DOE Funding)
 - Industrial Efficiency



WRAP-UP/NEXT STEPS

- Notes and other follow-up materials will be sent in the Monthly Newsletter.
- Any questions?
- Anything else to add? 😊
- Happy Holidays!





Northeast Energy Efficiency Partnerships

Thank you!

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