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The “Amazing” CALIFORNIA CFL STORY

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The 2001 CA Crisis Environment

- ◆ Had already experienced outages from 2000
- ◆ – 25 consecutive days of Stage 2 Alerts during the holidays
- ◆ Constant Media attention from across the country-newspaper, radio, TV, magazines, consumer education writers
- ◆ Consumers had to deal with sky-high gas bills along with concerns bombarding them over electricity shortages

The Focus on Lighting

- ◆ Lighting is a simple, low cost, tangible measure where a majority of the population can make efficiency improvements. ...How many x does it take to screw in a light bulb?
- ◆ The market share of efficient lighting products since the 90's has been extremely low <1%
- ◆ The potential savings was/is extremely high at 75% for this measure

Year 2000 Lighting Program

Awareness Carryover

- ◆ TV Ads - late Fall/Winter 2000
- ◆ Radio/Theatre Ads-late Summer 2000
- ◆ In Store - Point of Purchase Materials
- ◆ Salesperson training
- ◆ Promotion at public events, energy fairs, home shows

2001 PG&E, SCE, SDG&E Supported Lighting Measures

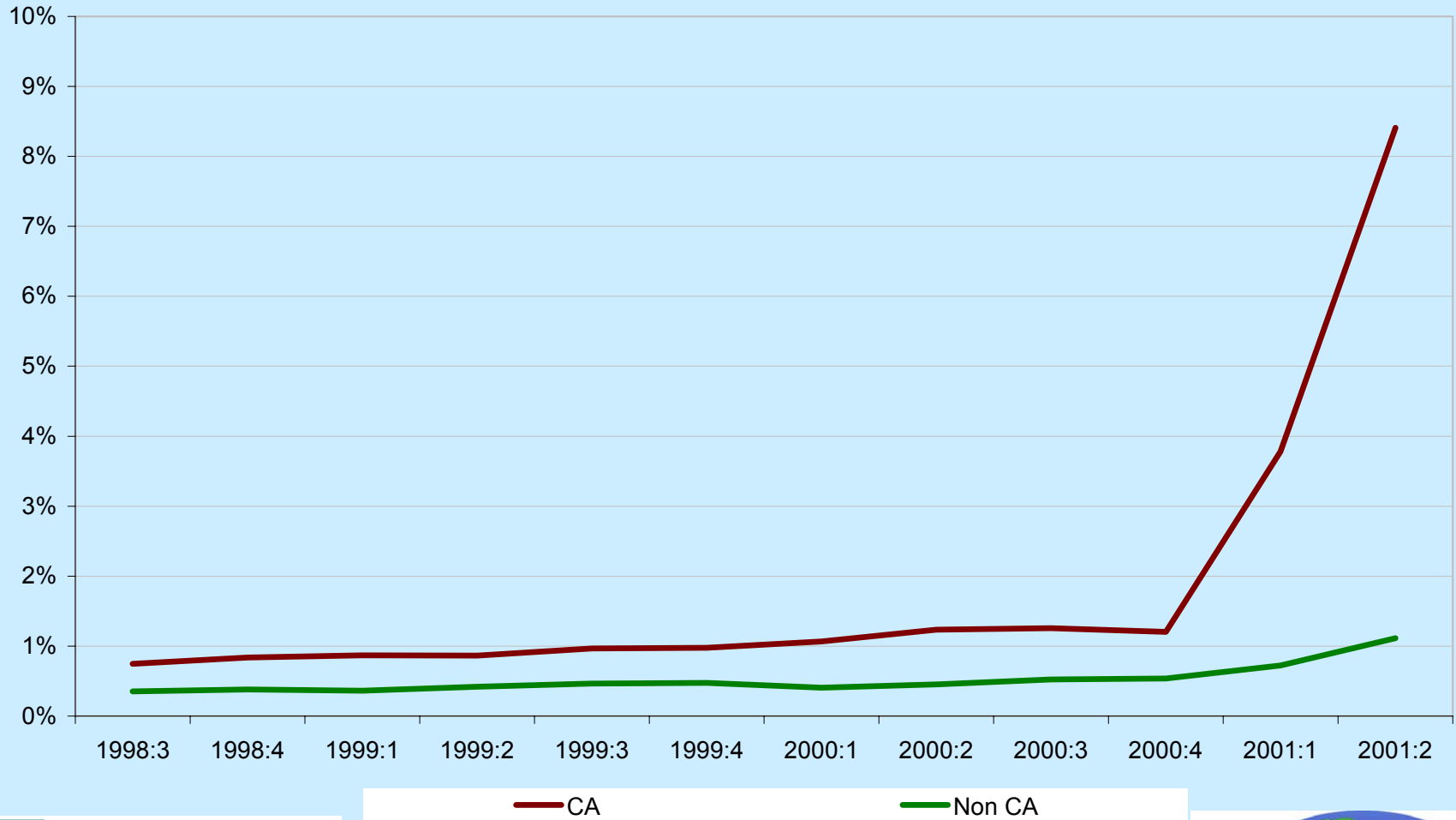
- ◆ PGC & SBX1-5 Funded Incentives
- ◆ Energy Star compact fluorescent lamps (cfls), medium base, integral units.
(market size for CA, 217 million medium base lamps - RER Draft report)
- ◆ Energy Star torchieres (Floor Lamps)
- ◆ Energy Star hardwired indoor/outdoor fixtures

Retailer/Manufacturer Input

- ◆ Communication from the various market players
- ◆ Balance with Regulatory Requirements
- ◆ Consumer acceptance and program reporting requirements sometimes at odds
- ◆ Retailers and Manufacturers have experience with the quirks of the dynamic, competitive marketplace (frequent risk/reward decisions)

CFL Share of Medium Screw-Based Lamps

California vs. the Rest of the U.S.



SOURCE: Residential Market Share Tracking Study. Regional Economic Research Inc. 2001



California IOU CFL YTD Accomplishments

- ◆ 6,200,000 Energy Star CFLS to date, \$3/lamp
Gross savings: 310,000 kw
- ◆ 140,000 Energy Star Torchieres, \$10/per
Gross savings: 33,600 kw
- ◆ 41,000 Indoor and Outdoor fixtures, \$10/per
Gross Savings: 3,075 kw
- ◆ Total Gross Savings: 346,675 kw

Year end numbers will be higher.

State Program - AB29X

- ◆ \$20 Million Program
- ◆ Direct purchase by the State
- ◆ Distributed by the California Conservation Corps in Low Income Neighborhoods
- ◆ Zip codes from US Census Data
- ◆ 1.96 million cfls

Motivations

Legislators/Utilities: Need to reduce system load

Consumers:

- Duty to do their part during the crisis
- experienced shock from high holiday and mid-winter gas heating bills

Retailers and Manufacturers:

- prime opportunity to sell lots of product
- Being an involved corporate citizen, being part of the solution

Success Factors

- **Year 2000 Program effect spillover**
- **Price:** Previous studies suggested \$5 as a threshold price for CFLs for higher consumer acceptance. Under the IOU programs some products are \$1 per lamp plus tax. vs regular price at up to \$20
- **Increased Availability-**Traditional, Food & Drug, Big Box
- **Marketplace competition** to Stock & Price

Conclusion:

- ◆ From **.6%** to over **8.5%** marketshare in less than a year is “amazing”. (15% yr-end?)
- ◆ California is fortunate to have entities that understand the “energy” consumer marketplace and the benefits of cfls. At the right time, these entities are collaborating to bring about an “**Amazing**” change.