

Economical Resource Savings with Residential Lighting

Janet Brandt

Wisconsin Energy Conservation Corp.

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Program Context

- WECC works with a **portfolio** of efficiency programs to achieve multiple objectives (i.e. market preparation, resource acquisition – MW, MWH, therms)
- Currently assisting clients in 11 states
- Most comprehensive delivery – administrator for statewide residential and renewable energy programs in Wisconsin
- This presentation focused on WECC's ENERGY STAR Retail Lighting Program

ENERGY STAR Retail Lighting Program Objectives

- Create a long-term, sustainable market for ENERGY STAR qualified lighting products
- Generate immediate, cost effective, electric energy savings for program sponsors
- Maximize public relations value for program sponsors

Background

- Piggybacks on the national ENERGY STAR platform.
- Focuses on Compact Fluorescent Lighting.
- Relies on partnerships with retailers/manufacturers.
- 800 participating retailers in WI and northern MN
- Uses customer education, retailer training and rebates to drive sales.

Promotional Strategies

Mail in Rebate ~ Available on an ongoing basis

Instant Lighting Rebate ~ Short term events offering the consumer instant rebates on CFLs; involves large group of retailers, manufacturer buy-in and targeted media

Education Sales ~ Community-based event held in cooperation with the city/county, a local employer, and a local retailer.

School Fundraisers ~ Works with schools to sell CFLs as a means to raise funds

Program Features

Partnerships with Manufacturers and Retailers

- Retailer buy-in ensures success
- Manufacturer participation leverages resources
- Retailer buying-groups provide good geographic coverage and increased participation
- Cooperative partnerships allow better coordination for large scale events

Consumer Education

- Consumers need information on features and benefits of CFLs
- Effective point-of-sale materials allow consumers to make an informed decision without a salesperson being present

Program Features (Cont.)

Field Support

- Field reps train retailers on how to promote the benefits of CFLs
- Field reps ensure that point-of-sale materials are in place and that retailers are set up for all promotions

PR and Promotion

- Good PR and promotion ~ key to getting customers into the store
- Provide opportunity for consumer to know who is sponsoring the promotion ~ good PR for the utility

Keys to Success

- **Retailer relationship**
If the retailer feels vested in the promotion they will be more likely to actively promote and more likely to be successful
- **Price point**
Bulbs must be at a price point that makes the promotion “special”
- **Consumer Education**
Consumer **MUST** understand the benefits of the product, price point alone will not drive the sale
- **Push and Pull**
Work with the manufacturer and the retailer to “push” the product into the marketplace
Provide enough PR and advertising support to “pull” in the consumers and move the product out of the stores

Impacts

(7/01–12/02; 18 months)

- 1,137,300 CFLs
- 75 gWh Saved
- \$.015/lifetime kwh
- Market penetration:
(4th quarter, 2002)
 - 1% nationally
 - 12% Wisconsin!

Lessons Learned

- Flexibility is important
- Understanding the market channel is crucial
- Accurate forecasting and tracking is essential
 - Helps avoid over-subscription
 - Allows ramp-up or ramp-down as needed
 - Ensures manufacturers and retailers are prepared to cover the volume and have budgeted enough to cover their portion of the rebate
- Field support is the key to success

Summary

ENERGY STAR Lighting promotions can:

- Achieve energy savings quickly and economically
- Have a long-term impact on the market
- Provide great PR opportunities for sponsors

For More Information

- www.focusonenergy.com
Focus on Energy Program, 800.762.7077
- SaraV@weccusa.org
ENERGY STAR Program Manager
608.249.9322 #160
- Jbrandt@weccusa.org
Exec.Director, WECC, 608.249.9322 # 460