

Energy Efficiency as a Resource ACEEE – Berkeley, California

California - Retailer/Manufacturer Lighting Programs

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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 continuous concern from media over electricity shortages



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 is extremely high: 75% for this measure



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



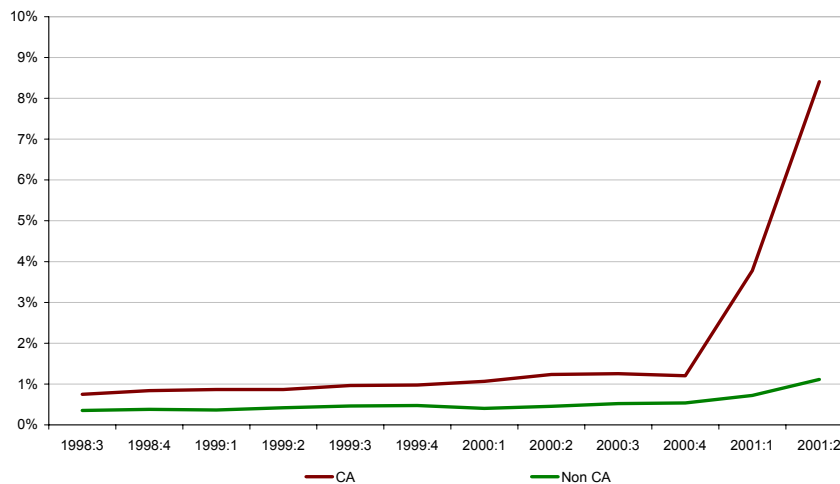
Retailer/Manufacturer Input

- 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 2001 Accomplishments

8,700,000 ENERGY STAR® CFLS, \$3/ lamp	
Gross savings	435,000 kw
140,000 ENERGY STAR® Torchieres, \$10/per	
Gross savings	33,600 kw
41,000 ENERGY STAR® Indoor and Outdoor fixtures, \$10/per	
Gross Savings	3,075 kw
Total Gross Savings	471,675 kw



2002 California Accomplishments

Units Rebated= > 3,900,000
\$2/CFL
\$10 Interior Fixtures, Exterior
Fixtures, Torchieres and
\$20 Ceiling Fans with Light kits

Rebate \$ Paid = > \$7,900,000



2002/2003 Market Participant IOU Program components :

Retailer Component

- Agreement between the utility and the retailer
- Retailer provide sales information to the utilities as the basis for reimbursement
- Retailer agrees to promotional activity



Eg. Warehouse Pricing-2001

723100

Feit Electric - 2 Pack

100 Watt Compact Fluorescent Bulb

Uses 25 Watts

WAREHOUSE PRICE 12.49

OFF AT REGISTER -6.00

YOUR COST 6.49

Tax calculated on original price

Limit 3 packages ~ \$18.00 total savings per member transaction



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Manufacturer Component:

- Agreement between the utility and the manufacturer
- Manufacturer provides shipment information to the utility as the basis for reimbursement
- Manufacturer agrees to arrange promotional activity with retailer

Pricing

PG&E Incentive Level Comparison

	2001	2002	2003	
CFLs	\$3	\$2	\$1	\$2
Int./Ext. Fixtures	\$10	\$10	\$5	\$10
Torchiere	\$10	\$10	\$5	\$10

2003 CA Program Projections

- Combined Budgets of 3 IOUs & 2 Munis
 PG&E, SCE, SDG&E, LADWP and SMUD
\$14.5 million
- Targeting over 6,200,000 units of CFLs and fixtures

Upcoming Changes

- **Higher quality products as a result of revised ENERGY STAR® specifications and PEARL Testing**
- **More smaller based products available (I.e. candelabra) and higher quality specialty lamps**
- **Introduction of a limited selection of LED based products into the market**
- **Increased availability of more decorative, higher quality fixtures**

PG&E's Program Design Considerations

- **Use existing infrastructure of retailers / manufacturers**
- **Capitalize on their marketing and distribution channel experience where customer base is similar or targeted**
- **Recognize customer preference for “instant discount” – “low hassle”**
- **Allow marketplace competition to benefit the Program for consumers**

2003 California Residential Lighting

Questions

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