



ComEd[®]
Energy Efficiency Program

ENERGY STAR[®] Retail Products Platform

Pilot Overview

July 22, 2020

Barriers to Efficiency for Retail Products

- » Corporate retail buyers don't consider energy efficiency
- » Energy savings from EE version of products are too small to impact customer choice
- » Manufacturers are unlikely to increase EE of consumer products outside of specification and standards processes
- » Lack of access to full category field sales data inhibits utilities' ability to influence formal specification/standards process and allow for informed program decisions

** Retail products include appliances like washers, dryers, refrigerators, room air conditioners, TVs, etc.*

Potential Strategies to Overcome Barriers

- » Recruit, engage, and provide incentives to retailers
- » Combine efforts of program sponsors (utilities) and retailers nationally to:
 - Increase program scale and influence on manufacturers
 - Influence specifications, standards, and test procedures
 - Create a system for collecting and analyzing data for use in program design and decision-making
 - Develop processes for determining product efficiency tiers and on/off boarding of products

Retail Products Platform

» **Market Transformation** initiative designed to encourage / influence retail product manufacturers to build energy efficiency into product design, creating permanent change to their processes

- Utilities partner to provide incentives to retailers for efficient products
- Manufacturers respond by changing their practices and producing more EE products
- Savings are “locked in” via increased ENERGY STAR specifications and hopefully federal standards

» Developed and managed by Northwest Energy Efficiency Alliance (NEEA)

» Some products currently included in RPP:

- Air Cleaners
- Freezers
- Washers
- Dryers
- Soundbars
- Refrigerators
- Room Air Conditioners
- UHD Televisions

ESRPP Program Sponsors

	Residential Customers	% of US Residential Households
NEEA – OR, WA, ID, MT	5,752,147	4.5%
PG&E – CA	4,679,175	3.6%
ComEd – IL	3,489,575	2.7%
Con Edison – NY	2,869,881	2.2%
EmPOWER Maryland – MD	2,158,914	1.7%
Energize Connecticut – CT	1,396,397	1.1%
Xcel – MN	1,113,587	0.9%
NY State Electric and Gas – NY	776,021	0.6%
SMUD – CA	542,930	0.4%
Rochester Gas & Electric – NY	339,925	0.3%
Efficiency Vermont – VT	310,932	0.2%
Total	23,429,484	18.2%

Increased participation



increased influence

How does it work?

- » The program develops and deploys unique intervention strategies for each product category, depending on:
 - Available technology
 - Efficiency potential
 - Market drivers
- **Retailer incentives** are used to encourage retailers to stock more efficient products. Retailers also share sales data that is used by RPP to develop MT strategies for each individual product in the portfolio
- » Ultimate goal, as mentioned, is to influence development of specifications and standards, affecting manufacturing of entire product category



Product Categories

- » ComEd is targeting clothes washers and refrigerators in 2020
- » Participating retailers:

Retailer	# Stores
Home Depot	63
Best Buy	36
Lowe's	19
Nationwide	26
Abt	1
Total	145



Retailer Requirements

- » Provide full category sales data for each product every month
 - All products sold for each category, not just ENERGY STAR versions
 - Provide 12 months of historical data for use in establishing program participation baselines
 - Online and in-store retail sales provided
- » Develop implementation plans to promote products and ENERGY STAR awareness
- » Allow utility field teams into the stores to place point-of-purchase signage
- » Provide quarterly reports on product promotion
- » Engage in evaluation interviews at least once per year

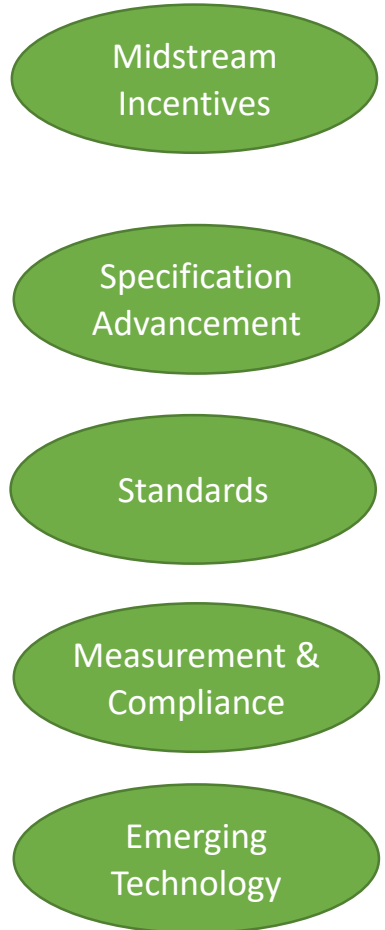
Product Strategy

- » Sales data reveal unique MT paths for each product category (and sub-category)
 - One example of a sub-category MT path is top loading clothes washers, a big opportunity and completely separate from front loaders.
- » Market trends and regulatory frameworks also influence individual product strategies
- » Because the data can be noisy, long timeframes need to be examined and strategies may need to be adjusted



Product Strategy Options

- Midstream incentives – default strategy for most products – paid to retailers to encourage them to increase the availability of efficient models within the product category. In return they provide sales data, which informs strategy going forward
- Specification advancement – When ENERGY STAR specification has really high market share, work with EPA to increase the ENERGY STAR efficiency requirement
- Standards – similar to spec advancement; identify that ENERGY STAR products already have high market share so there is room to increase the federal standard
- Measurement & compliance – address flaws in test procedures or efficiency metric, or some other issue in the measuring and reporting of product efficiency
- Emerging Tech – Identification of technology advances that could significantly increase the efficiency of the product category

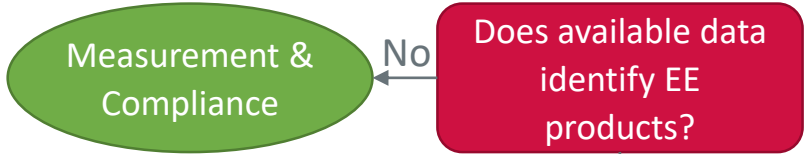


Product Strategy Logic - Refrigerators

Does available data
identify EE
products?

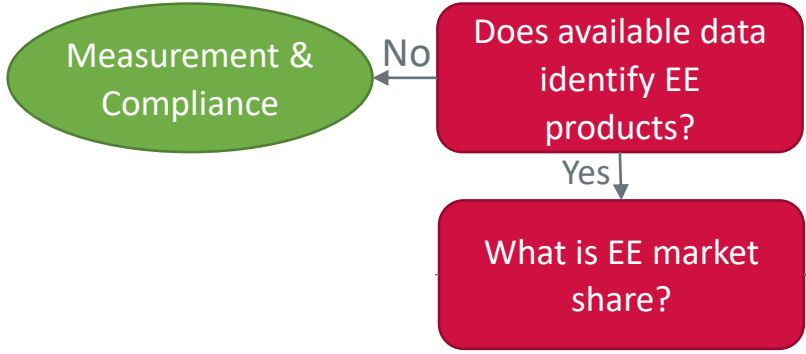
Available data does not identify EE products because the federal test procedure does not accurately reflect the efficiency of newer, more efficient compressor technology.

Product Strategy Logic - Refrigerators



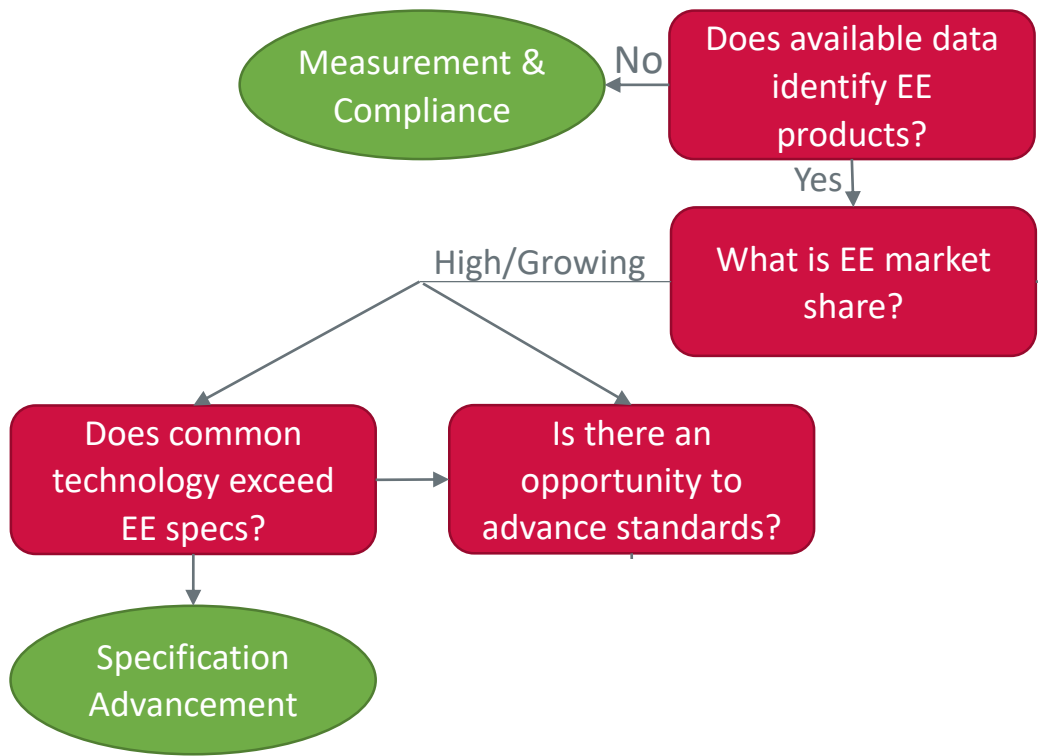
So we want to pursue a Measurement and Compliance strategy, which in this case indicates that the current test procedure doesn't recognize the efficiency of newer, more efficient compressor technologies. We believe the test procedure needs to be revised to better reflect these technologies. But let's keep going and see what else we see.....

Product Strategy Logic - Refrigerators



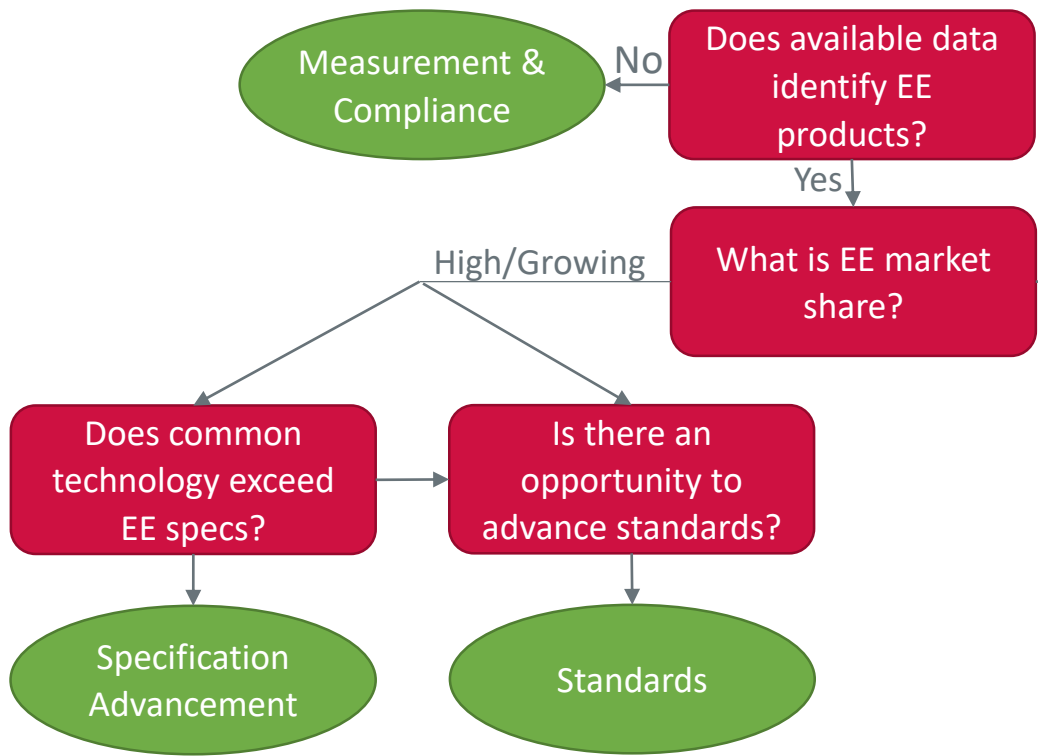
Let's see what happens if we say yes here. Then the next question is, what is market share for efficient products?

Product Strategy Logic - Refrigerators



In the case of refrigerators, it's actually pretty high. So that leads us first to a spec advancement strategy. That is, we want to revise the ENERGY STAR specification so that the efficiency requirement is higher and the market share would be lower – so that ENERGY STAR truly recognizes a high level of efficiency in the market. And then let's keep going.....

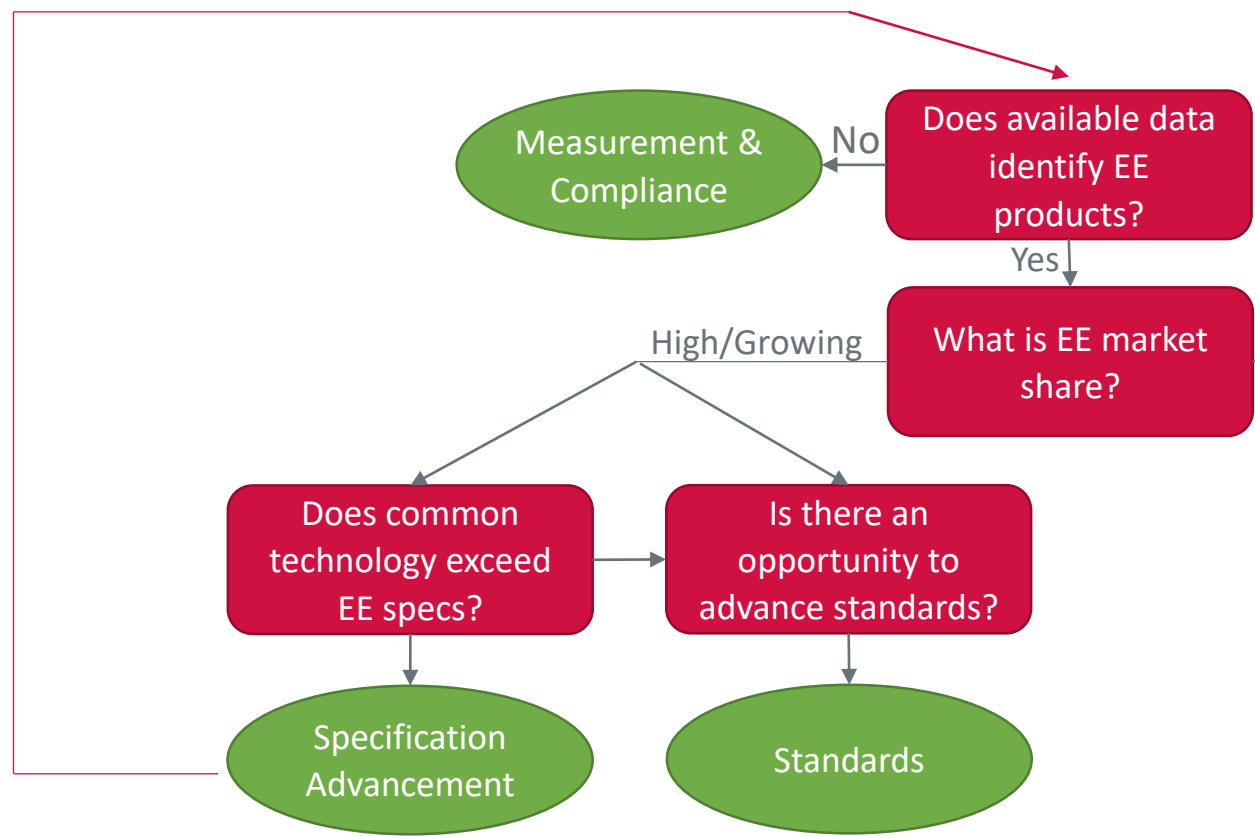
Product Strategy Logic - Refrigerators



Is there an opportunity to advance the standard?

Rulemaking processes for the test procedure and the standard are open, and there may be an opportunity to use the sales data we receive through ESRPP to influence the proceedings.

Product Strategy Logic - Refrigerators



After successful advancement of specifications or standards, can repeat the process

Product Strategies - ComEd

Product	Tier	Mainstream Incentives	Emerging Technology	Measurement & Compliance	Specification Advancement	Standards
Washer -Front Load	ENERGY STAR			■ 1	■ 2	■ 2
	ES Most Efficient			■ 1	■ 2	■ 2
Washer - Top Load	ENERGY STAR	■ 1	■ 1	■ 2		
	ES Most Efficient	■ 1	■ 1	■ 2		
Refrigerator - Bottom Freezer	ENERGY STAR		■ 2	■ 1	■ 2	■ 1
	ES Most Efficient	■ 1	■ 2	■ 1	■ 2	■ 1
Refrigerator - Other	ENERGY STAR		■ 2	■ 1	■ 2	■ 1
	ES Most Efficient	■ 1	■ 2	■ 1	■ 2	■ 1
Refrigerator - Top Freezer	ENERGY STAR		■ 2	■ 1	■ 2	■ 1
	ES Most Efficient	■ 1	■ 2	■ 1	■ 2	■ 1

Key

- 1 = Key Strategy (drives savings)
- 2 = Supporting Strategy

Summary

- » The Retail Products Program aggregates utilities across the country to influence manufacturers to incorporate more EE into their products
- » Starting in 2020, ComEd is participating in the Retail Products Program for clothes washers and refrigerators
- » Incentives are paid to retailers to obtain sales data and to influence them to offer more energy efficient products
- » Early investment in RPP results in transformation of the market for selected products, resulting in large energy savings



Thank You!

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