DISTRIBUTOR PLATFORM: A POWERFUL TRANSFORMATION TOOL

In 2015, the commercial lighting market was at a precipice. The age of relatively inexpensive lighting savings was ending, being replaced by a rapidly changing LED market and a growing interest in connectivity. In commodity lighting, customers had little awareness of their options and often defaulted to inefficient products. To complicate matters, the region lacked the data to have a comprehensive picture of lighting sales and how they were evolving, so it wasn’t clear where the biggest opportunities were.

To shift the lighting replacement market toward more efficient products, the alliance focused on working midstream with electrical supply distributors. As trusted advisors, distributors often have enormous influence over customer purchasing decisions and, ultimately, the products manufacturers make available. The alliance partnered with distributors from 2015 through 2018 to develop a program platform that fits their business models. Known as the Distributor Platform, this toolbox of data-sharing agreements, relationships and processes has become a powerful asset to drive market transformation in the lighting market and beyond.

“What NEEA has done with a lot of the midstream programs has been great. They've helped simplify processes and administrative costs when we do their programs. The more coordination they do with utilities to help us take it to market, the more opportunities we have to sell energy-efficient products.”

—Gene Mills, Solar/Clean Energy Program Director, Platt Electric

IDENTIFYING MARKET OPPORTUNITIES

In exchange for modest stipends, participating distributors agreed to share full-category sales data with the alliance. NEEA aggregates this information and shares it with funders, who then can use it to fine-tune their programs and energy efficiency budgets. NEEA also shares aggregate regional data back to distributors, giving them insight into sales opportunities and market trends to help them stay ahead of a rapidly shifting market for energy-efficient products.
The distributor platform worked so well to move the market away from inefficient fluorescent bulbs. I’m very excited to use the same model to advance other energy-saving products including controls, linear LEDs, air conditioners, even industrial motors.”

—Gene Mills, Solar/Clean Energy Program Director, Platt Electric

In 2019, NEEA began leveraging the Distributor Platform to analyze data from its ongoing midstream pilots in partnership with Seattle City Light and Snohomish PUD. By analyzing sales data from their service territories, these pilots aimed to discover new areas of opportunity for commodity lamps. For example, the pilots identified categories of products sold in the market that don’t yet have high LED market penetration, such as linear lamps and pin-based LED replacements. In turn, this analysis helps Northwest utilities target their programs to the right areas of opportunity. This additional insight has also provided distributors with a better understanding of where to push their staff to focus on missed opportunities for midstream incentives.

“Seattle City Light highly values the data that the Distributor Platform is able to deliver,” said Lori Moen, Manager Solutions Design, Seattle City Light. “It’s giving us new insight into program opportunities and helping to focus our midstream program efforts.”

MARKET INTERVENTION STRATEGIES FOR LIGHTING AND BEYOND

NEEA’s efforts to create and grow the Distributor Platform in Cycle 5 have shown that midstream market transformation programs and approaches are a viable channel for the region to capture cost-effective energy savings. The platform has grown from 14 to 25 participating distributors since 2015, representing 275 Northwest branches and an estimated 50–60 percent of all lamp sales. As most distributors work with a multitude of product categories, the platform is now supporting alliance market transformation efforts in additional markets, including water heating, motors and HVAC products.

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