



ENERGY STAR Retail Products Platform Strategy

NEEA's Approach

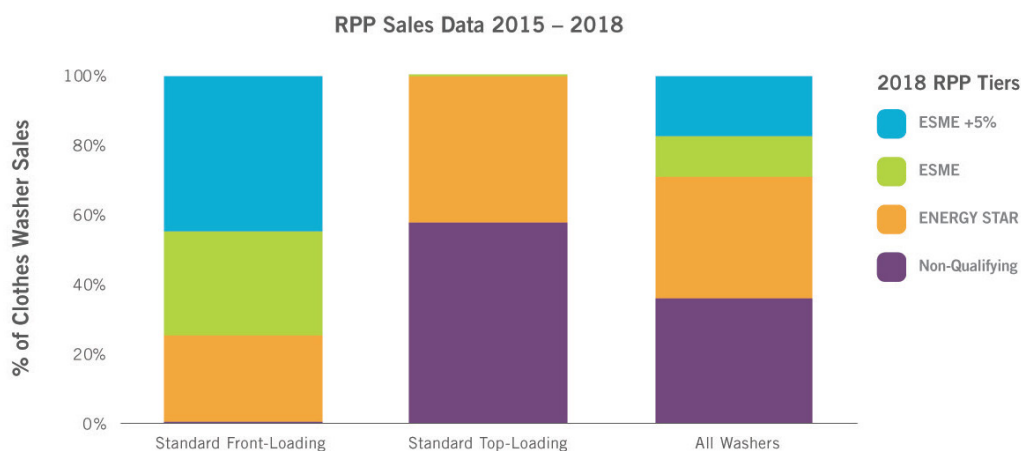
Since its launch in 2016, the ENERGY STAR Retail Products Platform (ESRPP) has served as a gateway for energy efficiency programs to capture savings cost-effectively. But a successful ESRPP program does more than incentivize ENERGY STAR products – the platform can provide insight into drivers behind product specifications and testing methodologies, identify market barriers for different stakeholder groups, and inform activities to remove those barriers.

Rather than narrowing a program's focus to a single metric, ESRPP programs are most effective when they work towards several target outcomes, such as:

- An increase in market share for ENERGY STAR or higher tier products
- An increase in ENERGY STAR qualifying criteria for a product
- Refined product specs and test procedures that better reflect real-world energy use
- A change in federal or state minimum standards for ESRPP categories

Shaping Product Strategy with Market Analysis

To ensure energy savings, an ESRPP-supported product strategy should account for the limitations of test procedures and specifications, market trends, and market segmentation. For instance, ESRPP clothes washer data demonstrates how market analysis can reveal strategic needs – in this case, revealing the untapped potential of top-loading washers compared to the front-loading category, where energy-efficient models already dominate. Given that ENERGY STAR products comprise 64 percent of total washer sales, raising the qualifying criteria for incentives seems reasonable. However, incentives that target ENERGY STAR Most Efficient (ESME) clothes washers would only capture savings from front-loading machines. Introducing incentives for efficient top-loading machines unlocks savings potential from the rest of the market and reduces the risk associated with consumers gravitating towards top-loading models.



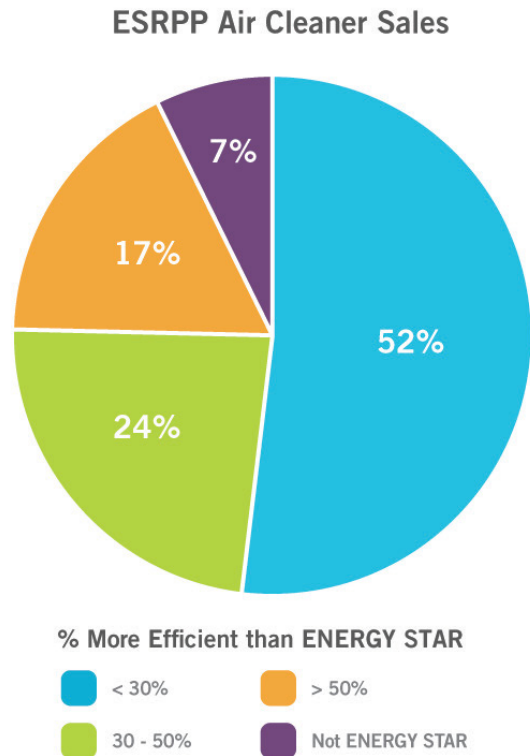
Influencing Outcomes with Product - Specific Actions

Insights from market analysis of ESRPP sales or other data, such as example above, can illuminate the value of activities beyond simply providing incentives. Activities with the potential to benefit from this analysis include:

- Refining incentive tiers to reflect current market share
- Modifying manufacturer/retailer outreach to remove supply-side market barriers
- Supporting advancement of ENERGY STAR specifications to elevate energy efficiency goals
- Clarifying a specification or test procedure to remove loopholes that compromise savings
- Advocating to influence the rule-making process for a standard
- Tracking activities to respond quickly to rapidly-changing markets

For instance, the clothes washer market segmentation might suggest a strategy of refining the incentive structure by creating separate tiers for top-loading and front-loading washers. The same analysis might also highlight the benefits of conducting additional manufacturer outreach to determine why so few top-loading washers meet ESME requirements.

ESRPP air cleaner sales data provides an example of data that might lead to supporting advancement of ENERGY STAR specifications:



With more than 90 percent of air cleaners sold meeting ENERGY STAR requirements, advocating for advancement of the ENERGY STAR specification could help align ESRPP tiers with the ENERGY STAR specification and drive additional savings.

After using ESRPP data to determine strategies for each product, communicating with evaluators is key to ensuring proper attribution. A guide with recommendations and best practices for incorporating market analysis product strategies into a positive evaluation can be found at neea.org/RPP.

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