



Best Practices for Managing Smart Thermostat Programs



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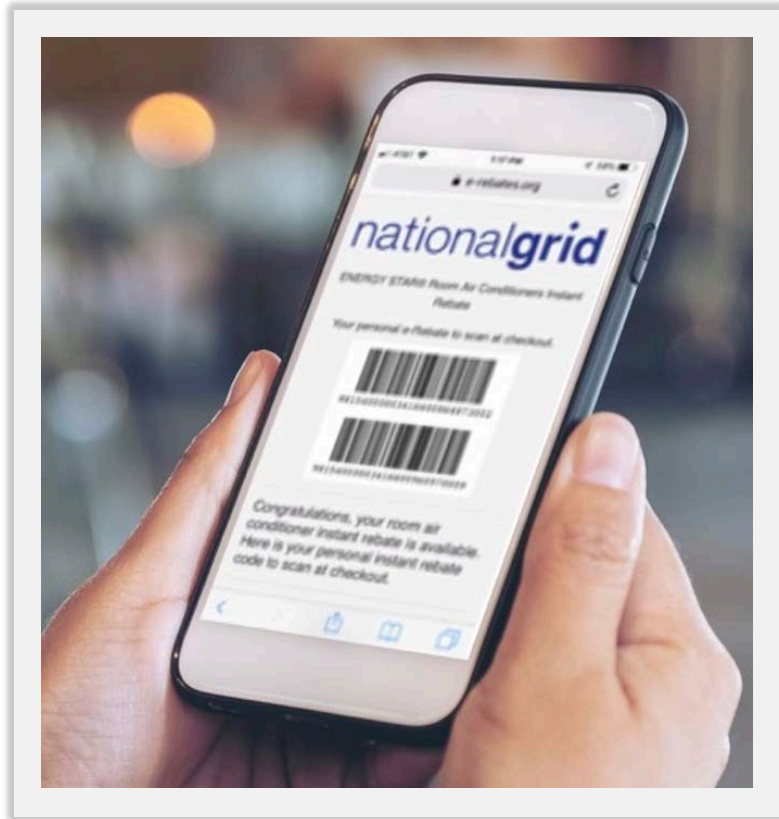
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*BEST PRACTICES FOR MANAGING
SMART THERMOSTAT PROGRAMS*

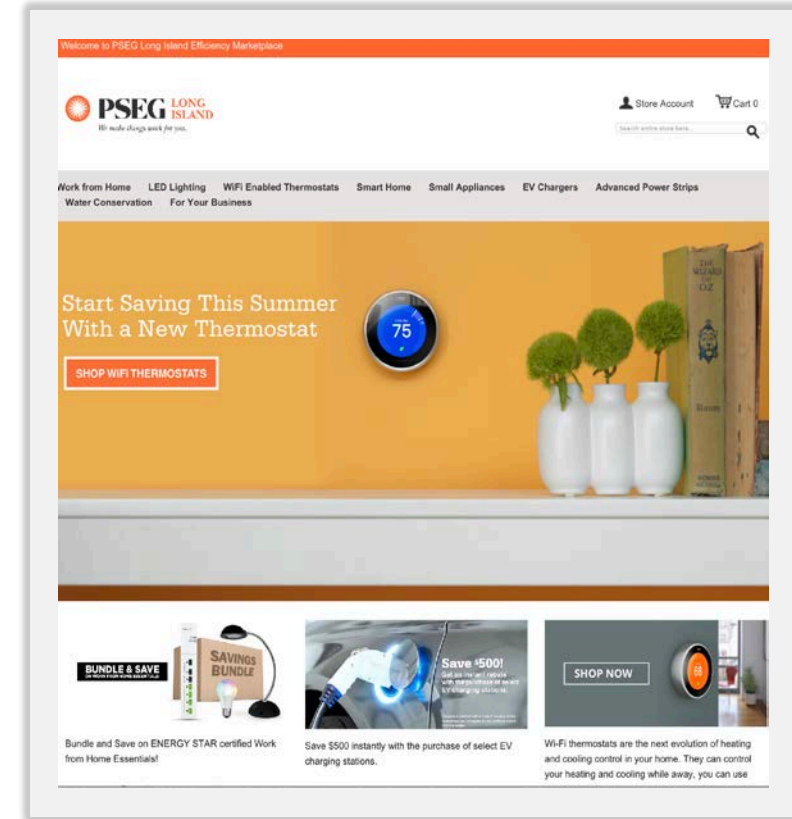
Support every channel, ensuring you serve all customers



A POS instant rebate program is best for customers of big box stores



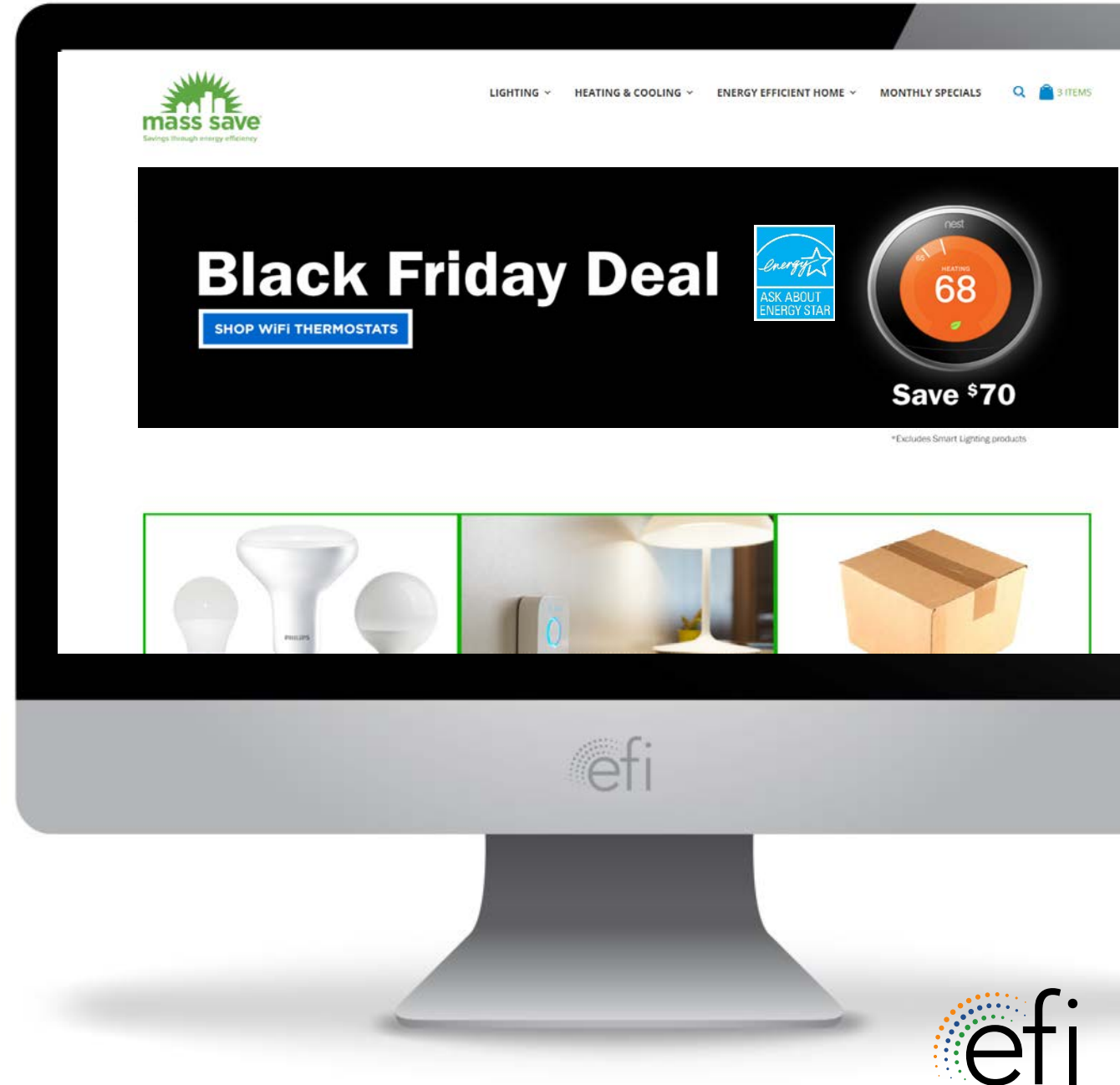
A downstream rebate program is best for customers in and local retailers and 3rd-party online sites



A marketplace program is best for customers in My Account or on the utility's web site



Plan marketing around
manufacture & partner
promotions



Add Value

ENERGY STAR products.

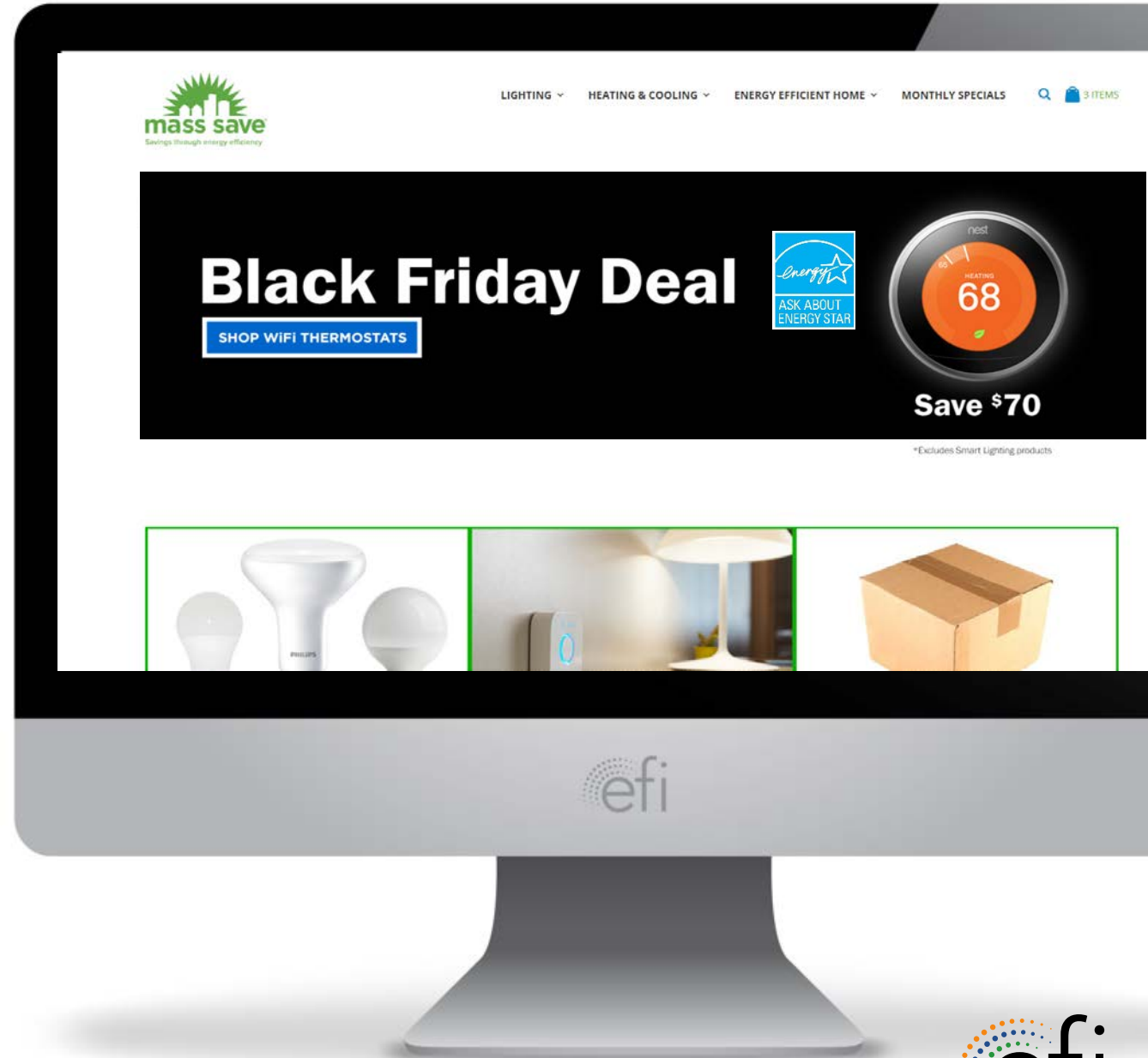


✔ Lighting and Fans

✔ Appliances

✔ Water Heaters

✔ Smart TSTATS



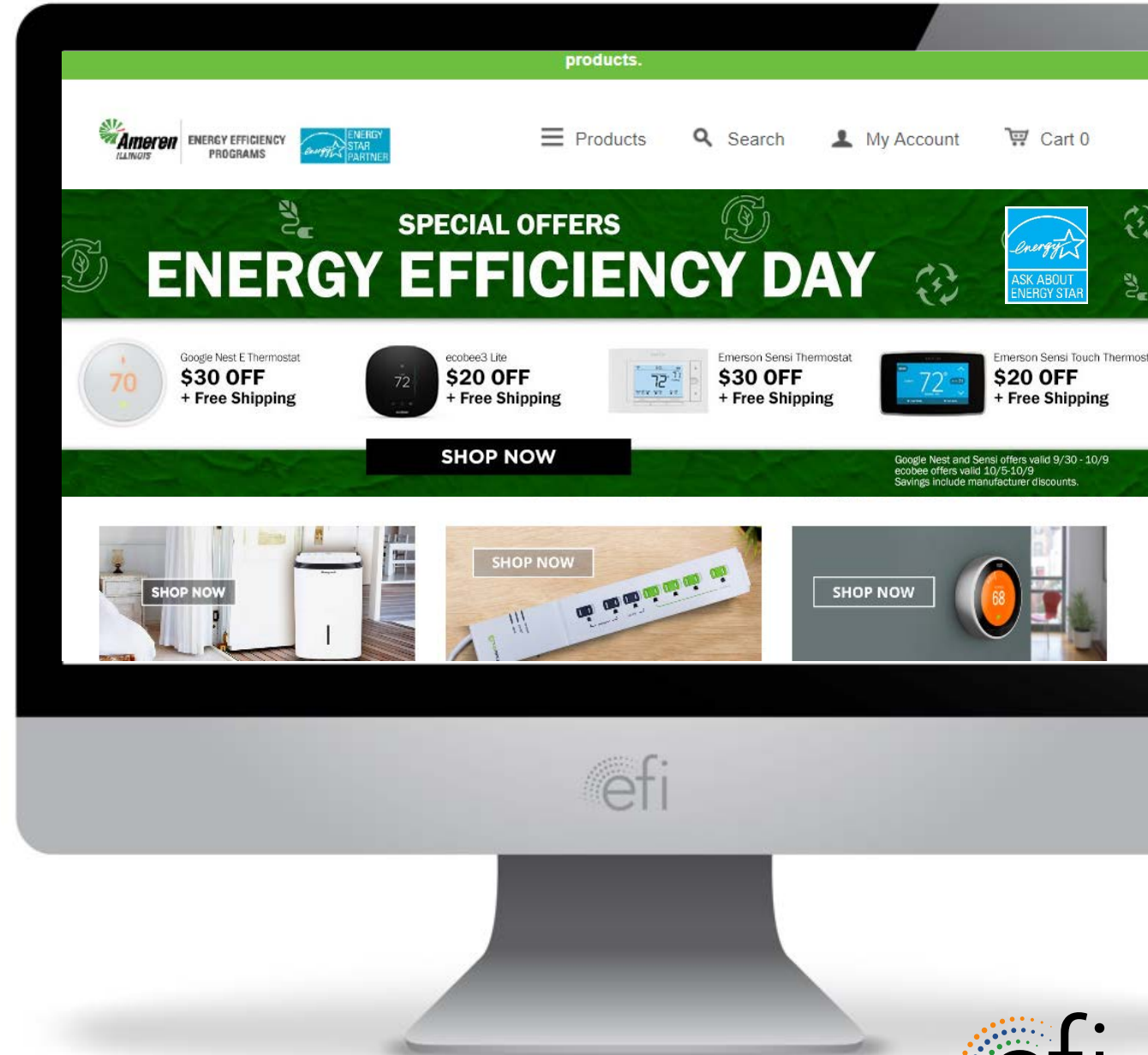
Promotion Example

✔ Partner with ENERGY STAR!

– **Reputable** Name

– **Educational** Content

– **Beneficial** Resources!



Provide Options

Leverage choice, of brands, features, & prices to meet all customer needs

<p>★★★★★ Retail Price \$119.00 After an instant rebate of \$100.00 Your Price \$19.00</p>	<p>★★★★★ Retail Price \$169.00 After an instant rebate of \$100.00 Your Price \$69.00</p>	<p>★★★★★ Retail Price \$125.00 After an instant rebate of \$100.00 Your Price \$25.00</p>
		<p>★★★★★ Retail Price \$249.00 After an instant rebate of \$100.00 Your Price \$149.00</p>

Special Offer



Don't miss your chance to receive \$50 for each thermostat in your household. Plus, receive \$25* per thermostat for each additional year you remain enrolled in this special program.

Sound interesting? Click the continue button to learn more and enroll.

Yes, I'm interested »

Not today, continue to checkout

Cross-Market demand response to **maximize benefits** to the customer and the utility.

Code? Apply it

Gift Cards

Enter the gift card code

Add Gift Card

Apply Discount

Check Gift Card status and balance

Chat now

Offer On-Bill Payment

~~\$169.00~~

After an instant rebate of \$150.00

Your Price:

\$19.00

Availability: In stock

SKU#: E5000.9992

On-Bill Repayment

Yes



Help Customers
Choose the Right
Thermostat

THERMOSTAT WIRING COMPATIBILITY CHECKLIST ✕

Select all the wires you see

R	Rc	Rh	C	G
W	W-O	W1-O	Y	Y2
Y2-L	Y2-E	W1-W2	W2	W-AUX
W2-AUX	W2-AUX/E	AUX	E	X2
Y2-X2	O	B	O/B	W-O/B
K	F	L	A	A-L/A
S	S1	S2	U	U1
		U2	R2	

Make Installation Easy



Self Installation: For the handy homeowner

Home Energy Analysis: Save energy in your home - an NJNG representative will contact you within 7 days from your ship date to schedule your analysis, including installation. Fee applies

Professional Installation: Leave it to the pros - consult with a contractor regarding applicable fees for installation

~~\$249.00~~

After an instant rebate of \$150.00

Your Price:

\$99.00

Availability: In stock

SKU#: E5000.34

Please note the Order Summary reflects the purchase amount collected for any products paid by either credit card, check or money order. If you selected NJNG

Please select how you intend to install this product *

✓ -- Please Select --

Self-Install

Home Energy Analysis

Professional Installation

Leverage **Other Resources** to Serve
Low & Moderate
Income



Fannie Mae™



Ensure Customers Have Access to Excellent Support

- ✔ Live Chat
- ✔ Email
- ✔ Phone

Thank you!



George Cornwell

Senior Business Development Manager

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Q & A

Smart Thermostat Program Implementation – Best Practices

Energy Star Products Partner Meeting

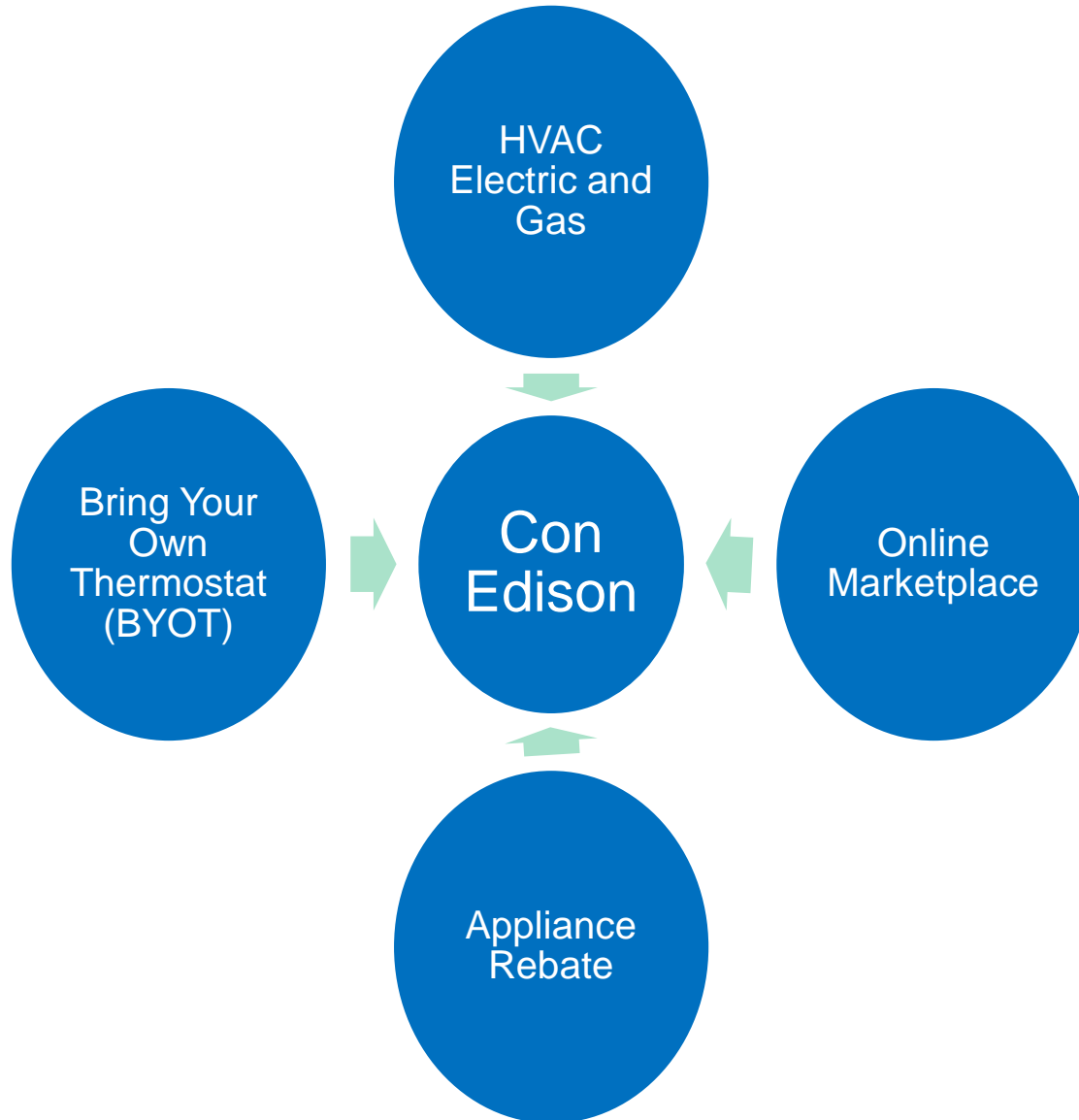


Steven Pak – Con Edison Residential Program Manager

Agenda

- Past Con Edison Smart Thermostat Offerings
- Energy Efficiency and Demand Response Overlap
- TRM Changes and Savings Implications
- Current Con Edison Smart Thermostat Offerings

Past Con Edison Smart Thermostats Offerings



Appliance Rebate

- \$50 Mail-in Rebate
- 1,700 units (2017 PY) and 2,400 units (2018 PY)
- Downstream Program Offering
 - Customers mail in application package
 - 6- to 8-week turnaround
- High Implementation costs
 - Application processing
 - Customer Call center
- NYSERDA Residential Business Stock Assessment (RBSA)

Con Edison Online Marketplace

[About Marketplace](#)

The Con Edison Marketplace

Shop for energy efficient appliances and products

Search by type, brand, model...

Search



Thermostats



Light Bulbs



Air Conditioners



Washers



Dishwashers



Explore More
Categories



vs



Smarter Car Shopping

visit cars.coned.com

COMPARE

Con Edison Online Marketplace

- \$50 Instant Discount at point of purchase
- Offer available only to Con Edison customers
- 4,100 units (2017 PY), 4,900 units (2018 PY)

HVAC Electric and Gas

- \$50 Mail-in Rebate
- Downstream program with the help of service contractors
- 3,500 units (2017 PY) and 2,200 units (2018 PY)
- Mostly accompanied by Central AC units and Heating units
- Applications completed and submitted by contractors on behalf of their customers.
- High Administrative burden

Bring Your Own Thermostat (BYOT)

- \$50 Rebate
- Customers who enrolled into Con Edison's BYOT program (\$85 rebate) but never submitted an application for a \$50 Energy Efficiency rebate
- Approximately 200 units every program year
- Administrative challenge
- High Evaluation Risk

Energy Efficiency and Demand Response Overlap

- Administrative challenge
 - Tracking of BYOT enrollments and EE application across multiple channels
 - Double Counting concerns
- High Evaluation Risk
 - Free-ridership as customers may receive an additional \$50 rebate without any knowledge

TRM Changes and Savings Implications

- Numerous inputs required for accurate savings calculations
 - Vintage
 - Connected Fuel type
 - Connected Equipment
 - Building Type
- One (1) thermostat per household limit
- NYSERDA Residential Building Stock Assessment to land on certain assumptions
- TRM savings calculations based on ‘installed date’ or ‘purchase date’
- Gross savings, evaluation results, and cost of program implementation are key deciding factors of program design and viability

Current Program and Lessons Learned

- Deemed savings approach
 - EnergyStar certified thermostats only
 - Validity and accuracy of acquired savings
 - Ease of implementation
- Consolidated channels:
 - Online Marketplace
 - Energy Star Retail Products Platform (ESRPP) as a markdown offering
- Enhanced marketing, clearly communicating the synergy between DR and EE
 - Minimize market confusion
 - Increased participation
- Cost effectively scale program
 - \$8.50/LMMBtu to under \$4.00/LMMBtu

A large graphic featuring the letters 'Q&A' in a bold, blue, sans-serif font. The 'Q' has a tail that extends downwards and to the left, resembling a speech bubble. The entire graphic is enclosed in a thin blue rectangular border. The bottom portion of the graphic is obscured by a grey rectangular area.

Q&A

Any Questions?

Steven Pak
paks@coned.com



James Jackson

**Director - Channel Development
Emerson Sensi**

***Best Practices for Managing Smart Thermostat
Programs***

Two key market insights:

1

Changing
Consumer
Behavior

2

Changing
Category
Development

A man with a beard and short dark hair, wearing a blue button-down shirt, is standing in a kitchen and adjusting a white smart thermostat on the wall. The thermostat's screen shows the number '72'. The kitchen features white cabinets, a dark countertop, and a white subway tile backsplash. A framed picture and a small plant are on the counter. A semi-transparent blue banner is overlaid across the middle of the image, containing the text 'Changing Consumer Behavior' in white.

Changing Consumer Behavior

Rise of the homebody economy

COVID-19 HAS ACCELERATED CONSUMERS' INVESTMENT IN THEIR HOMES AND WHAT THEY WANT FROM BRANDS

82%

of homeowners plan on increasing or equaling their spending on improvements over next few months compared to pre-Covid-19

- The Farnsworth Group & the Home Improvement Research Institute (HIRI), Aug 2020

Consumers Want:

- Better Value — One of the top drivers for new brand purchases by consumers
- Trusted Brands — Big companies with brands consumers trust have grown 50% since Covid-19 began

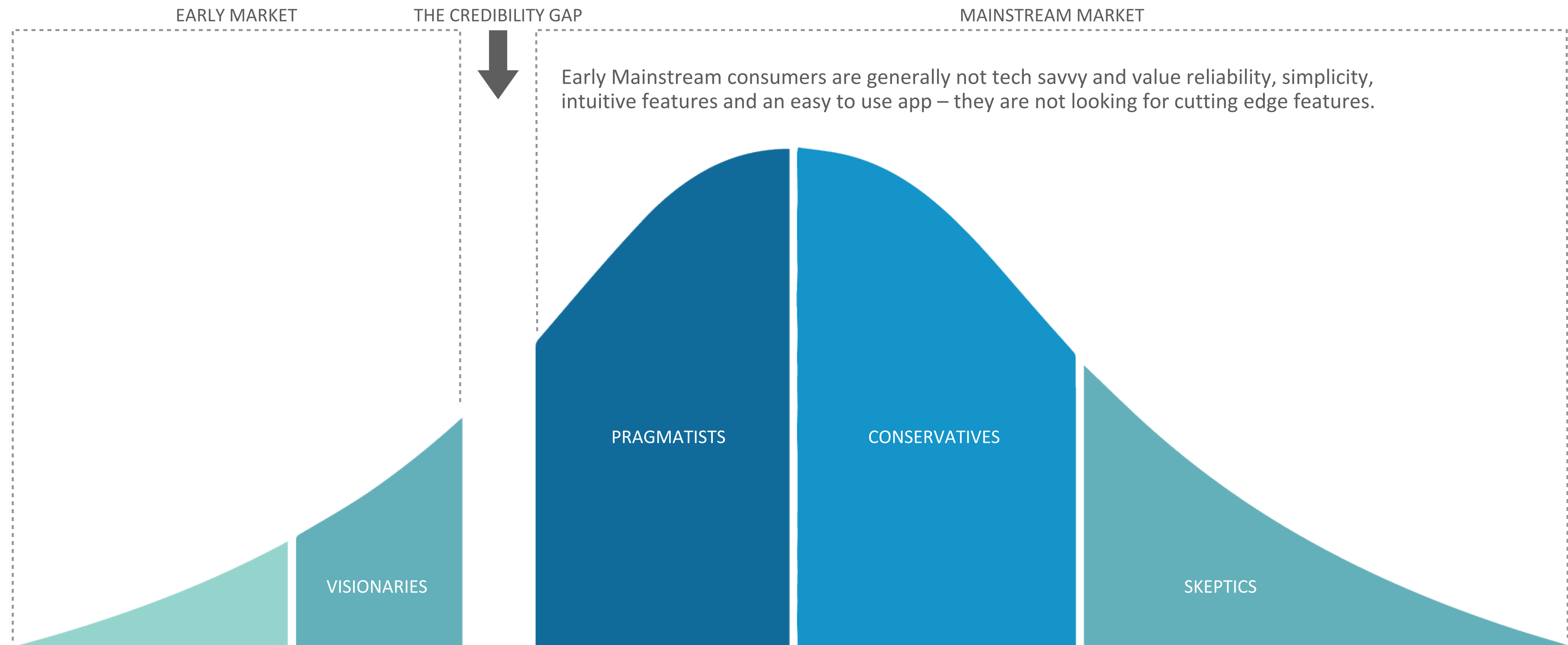
- McKinsey & Company, "The great consumer shift: Ten charts that show how US shopping behavior is changing," Aug 2020



Changing Category Development

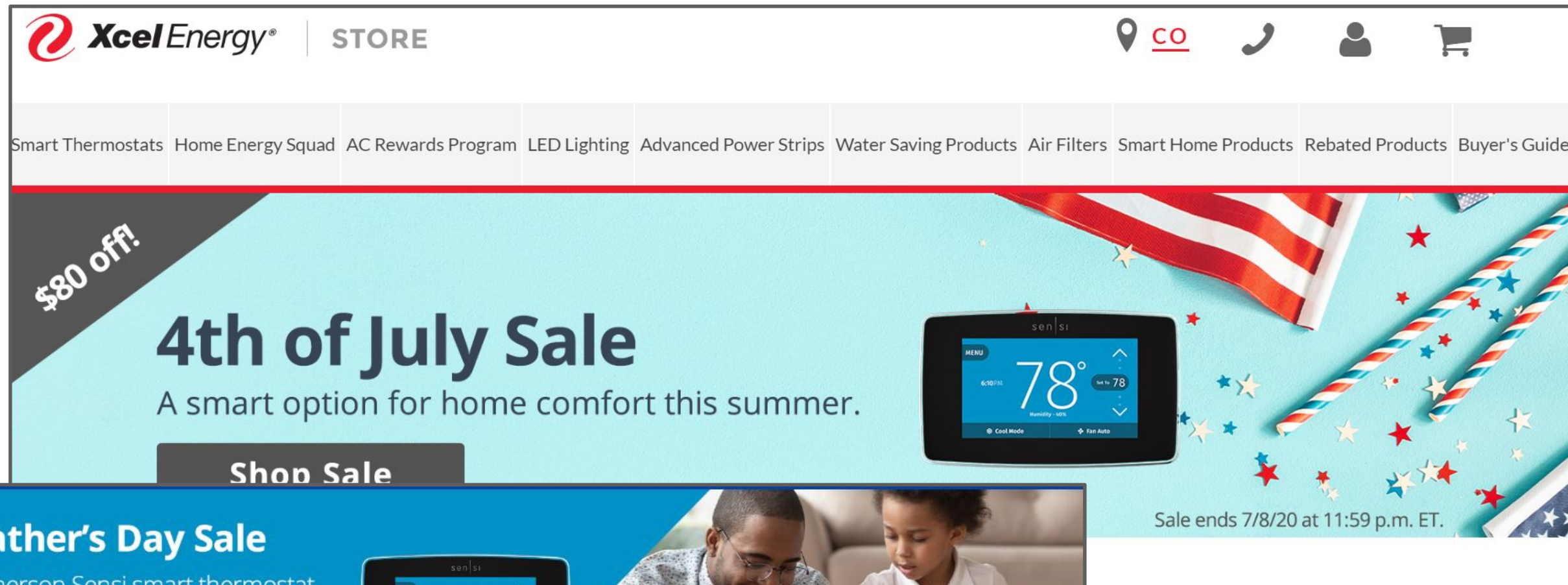
A market moving into the mainstream

SMART THERMOSTATS SHIFTING FROM EARLY ADOPTERS TO MAINSTREAM CONSUMERS



Marketplaces and the Pandemic Response

MARKETPLACES ARE ACCELERATING AND HAVE PROVEN AN EXCELLENT WAY FOR UTILITIES TO OFFER A HELPING HAND



Xcel Energy | STORE

Smart Thermostats | Home Energy Squad | AC Rewards Program | LED Lighting | Advanced Power Strips | Water Saving Products | Air Filters | Smart Home Products | Rebated Products | Buyer's Guides

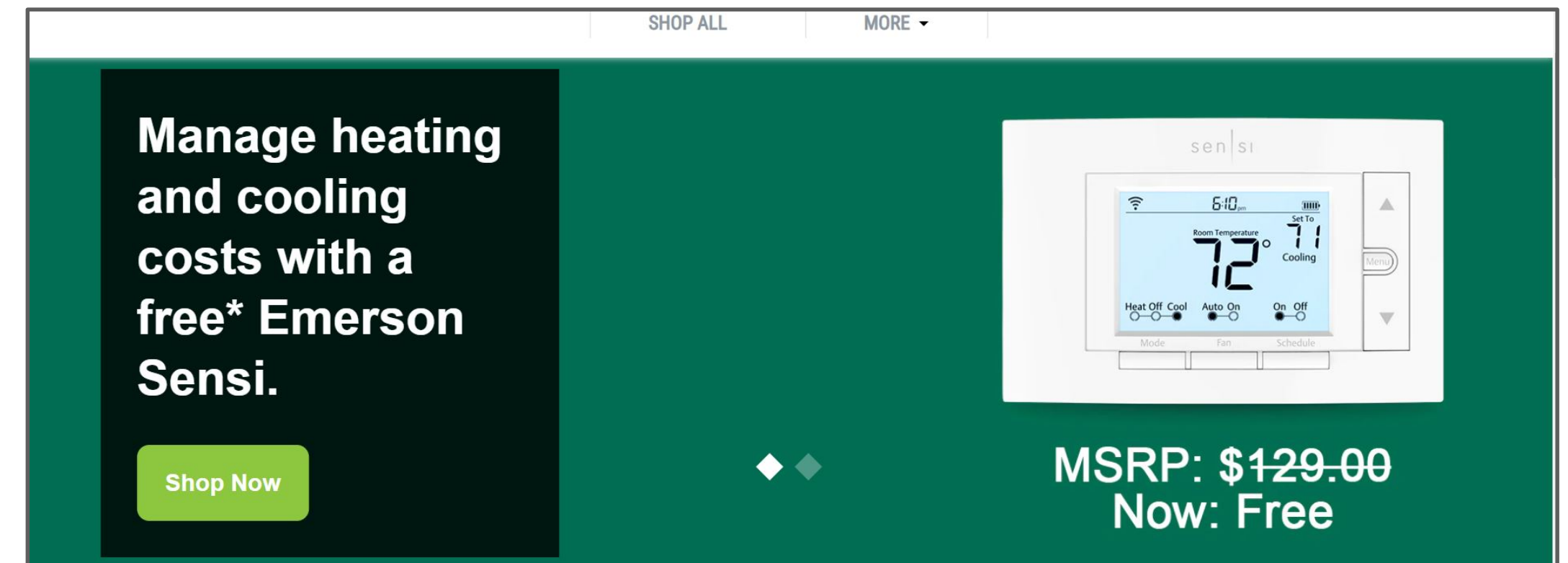
\$80 off!

4th of July Sale

A smart option for home comfort this summer.

Shop Sale

Sale ends 7/8/20 at 11:59 p.m. ET.



Manage heating and cooling costs with a free* Emerson Sensi.

Shop Now

MSRP: \$129.00
Now: Free

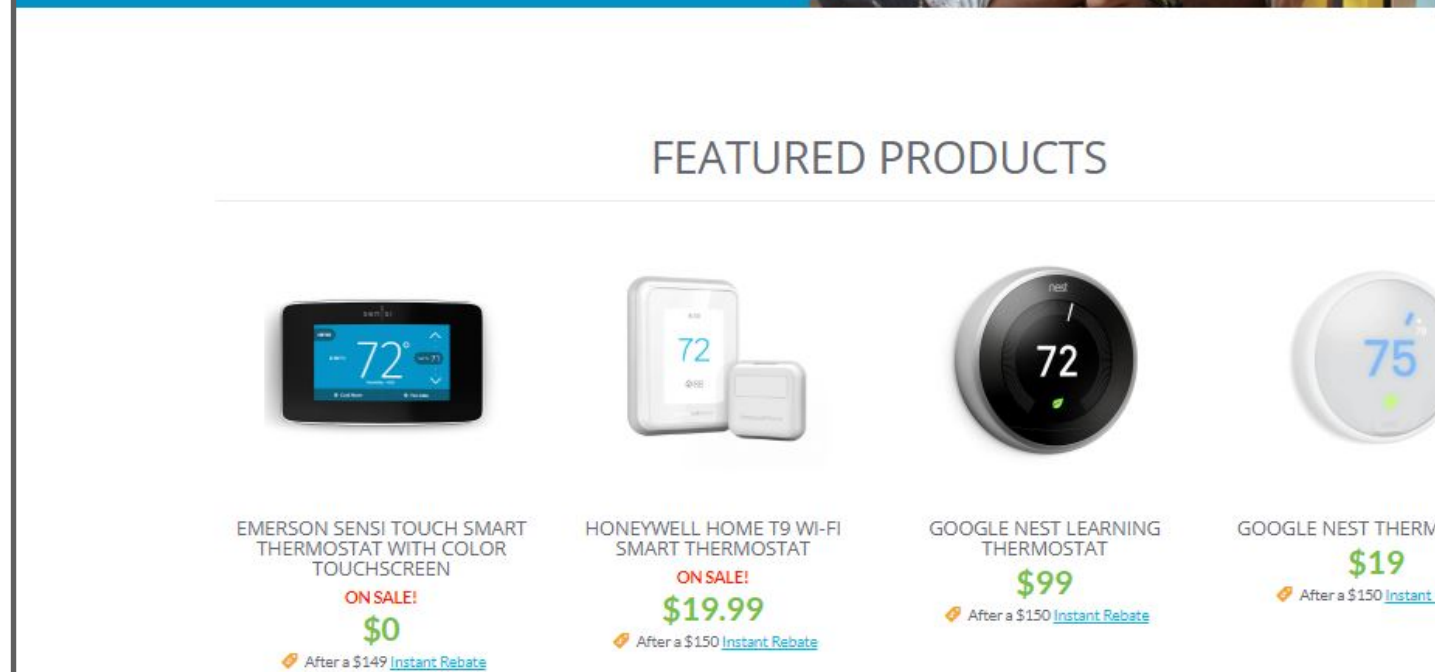


Father's Day Sale





Emerson Sensi smart thermostat FREE* after instant rebate.

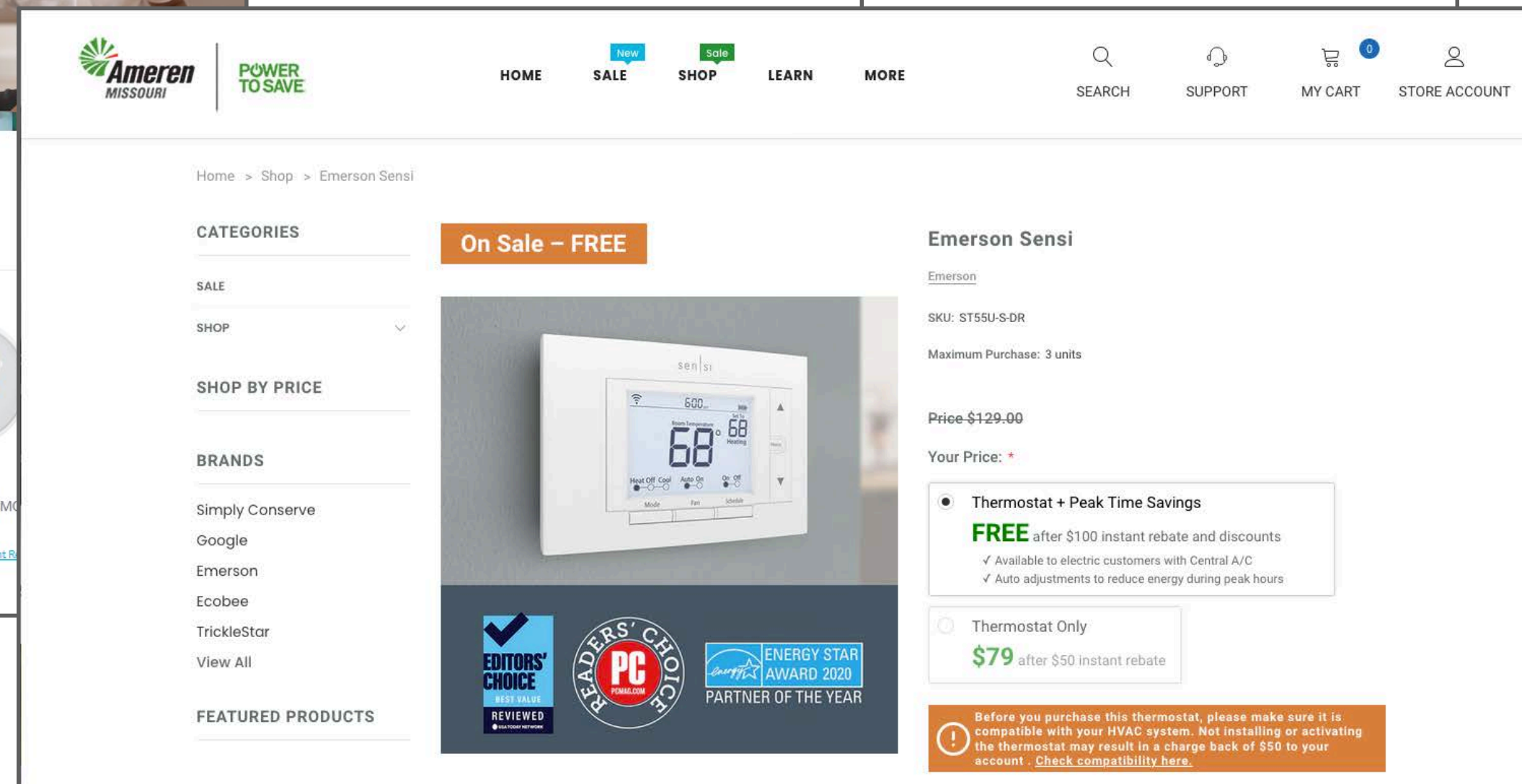
Shop Now

*Offer ends 6/21/20 at 11:59 p.m. ET.



FEATURED PRODUCTS

 EMERSON SENSI TOUCH SMART THERMOSTAT WITH COLOR TOUCHSCREEN ON SALE! \$0 After a \$149 Instant Rebate	 HONEYWELL HOME T9 WI-FI SMART THERMOSTAT ON SALE! \$19.99 After a \$150 Instant Rebate	 GOOGLE NEST LEARNING THERMOSTAT \$99 After a \$150 Instant Rebate	 GOOGLE NEST THERMOSTAT \$19 After a \$150 Instant Rebate
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Amen MISSOURI | POWER TO SAVE

HOME | SALE | SHOP | LEARN | MORE

SEARCH | SUPPORT | MY CART | STORE ACCOUNT

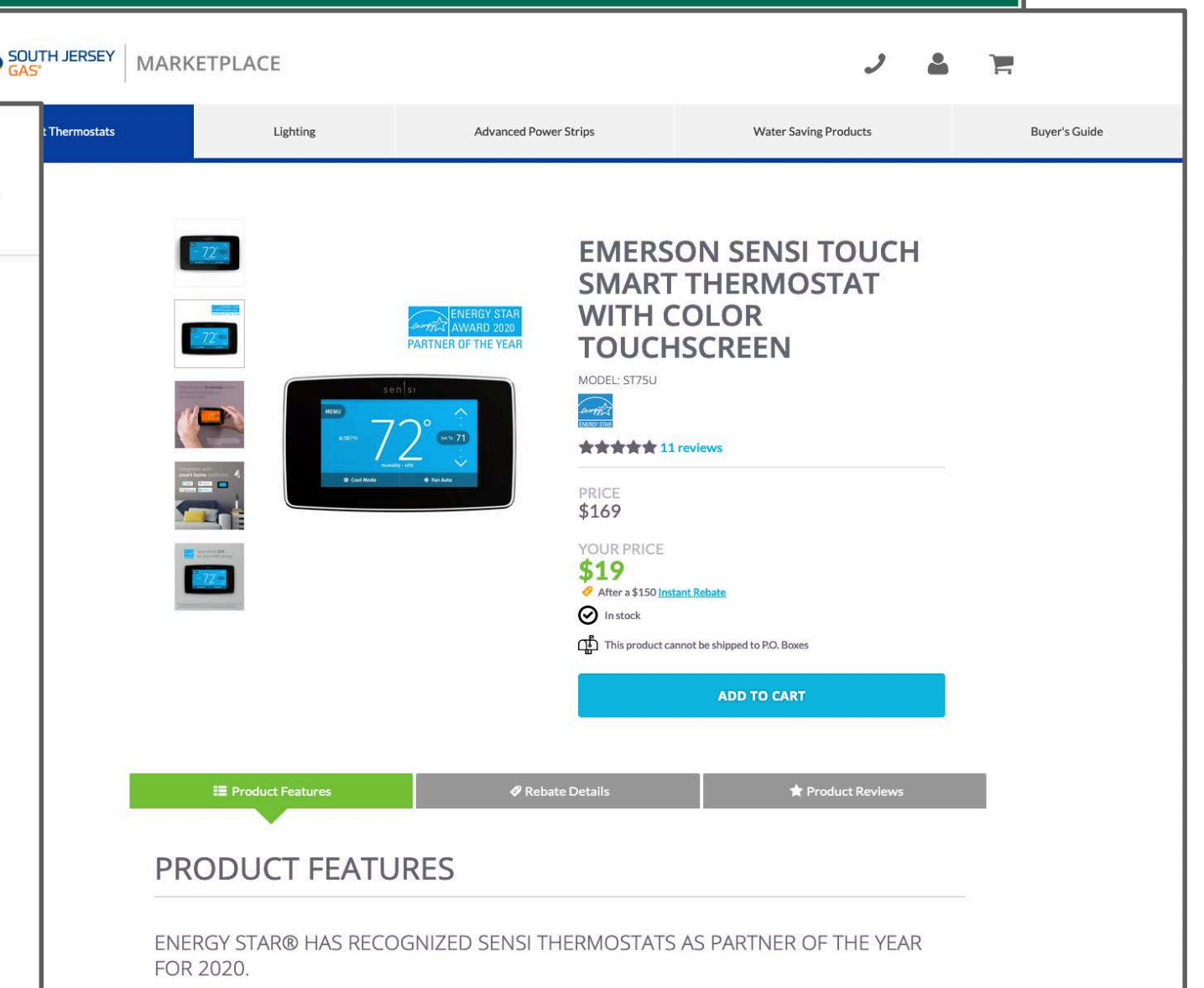
Home > Shop > Emerson Sensi

Emerson Sensi

SKU: ST55U-S-DR
Maximum Purchase: 3 units
Price \$129.00
Your Price: *

- Thermostat + Peak Time Savings**
FREE after \$100 instant rebate and discounts.
✓ Available to electric customers with Central A/C
✓ Auto adjustments to reduce energy during peak hours.
- Thermostat Only**
\$79 after \$50 instant rebate

Before you purchase this thermostat, please make sure it is compatible with your HVAC system. Not installing or activating the thermostat may result in a charge back of \$50 to your account. Check compatibility here.



SOUTH JERSEY GAS | MARKETPLACE

EMERSON SENSI TOUCH SMART THERMOSTAT WITH COLOR TOUCHSCREEN

MODEL: ST75U
★★★★★ 11 reviews

PRICE \$169
YOUR PRICE **\$19**
After a \$150 Instant Rebate
In stock
This product cannot be shipped to P.O. Boxes

ADD TO CART

PRODUCT FEATURES

ENERGY STAR® HAS RECOGNIZED SENSI THERMOSTATS AS PARTNER OF THE YEAR FOR 2020.

Build trust with ENERGY STAR®

HIGHLIGHTING ENERGY STAR BUILDS TRUST AND PROMOTES ENERGY SAVINGS





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Sensi earns ENERGY STAR® Partner of the Year 2020 [LEARN MORE >](#)



Get the latest on Coronavirus & the HVAC Industry

Latest News

- New Website Devoted Entirely To Healthcare Now Online**
Carel is highlighting its knowledge and experience in indoor air quality with the launch of a new website devoted entirely to healthcare.
- SMACNA Announces Cancellation of In-Person 77th Annual Convention Due to COVID-19**
The SMACNA Edge Conference: A Virtual Education Forum will be held.



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Project Files: Episode 26 — Yee-Haw Brewing Company

Browser address bar: <https://www.emerson.com/en-us/news/corporate/energy-star-partner-of-year>

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Emerson's Sensi Smart Thermostats Named ENERGY STAR Partner of the Year



Award-winning Sensi smart thermostat suite earns top honor from U.S. EPA

ST. LOUIS, March 31, 2020 - Emerson (NYSE: EMR), a leader in heating, ventilation and air conditioning (HVAC) solutions, today was named a 2020 ENERGY STAR® Partner of the Year for its top-rated Sensi™ smart thermostat suite. Sensi is the first smart thermostat brand to receive this honor.

"Receiving the ENERGY STAR Partner of the Year award affirms our commitment to offer top-quality, smart thermostat solutions that make life better for our customers and for the planet," said Craig Rossman, president of White-Rodgers for Emerson. "Heating and cooling are major drivers in a home's energy usage and costs. With our ENERGY STAR-certified Sensi smart thermostats, Emerson is positioned to help customers achieve energy efficiency and save money, while maintaining indoor comfort."

ENERGY STAR, a joint program between the U.S. Environmental Protection Agency (EPA) and U.S. Department of Energy, is a well-respected symbol for cost savings and energy efficiency, helping consumers and businesses make informed purchases. The ENERGY STAR Partner of the Year award is the highest level of recognition by the EPA and honors organizations that have made outstanding contributions to protecting the environment through superior energy efficiency achievements.

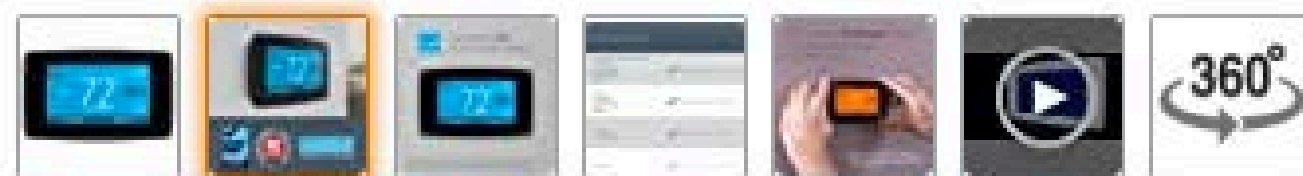
"I salute the 2020 ENERGY STAR award winners," said Anne Idsal, EPA principal deputy assistant administrator for Air and Radiation. "These leaders demonstrate how energy efficiency drives economic competitiveness in tandem with environmental protection."

Build trust with ENERGY STAR®

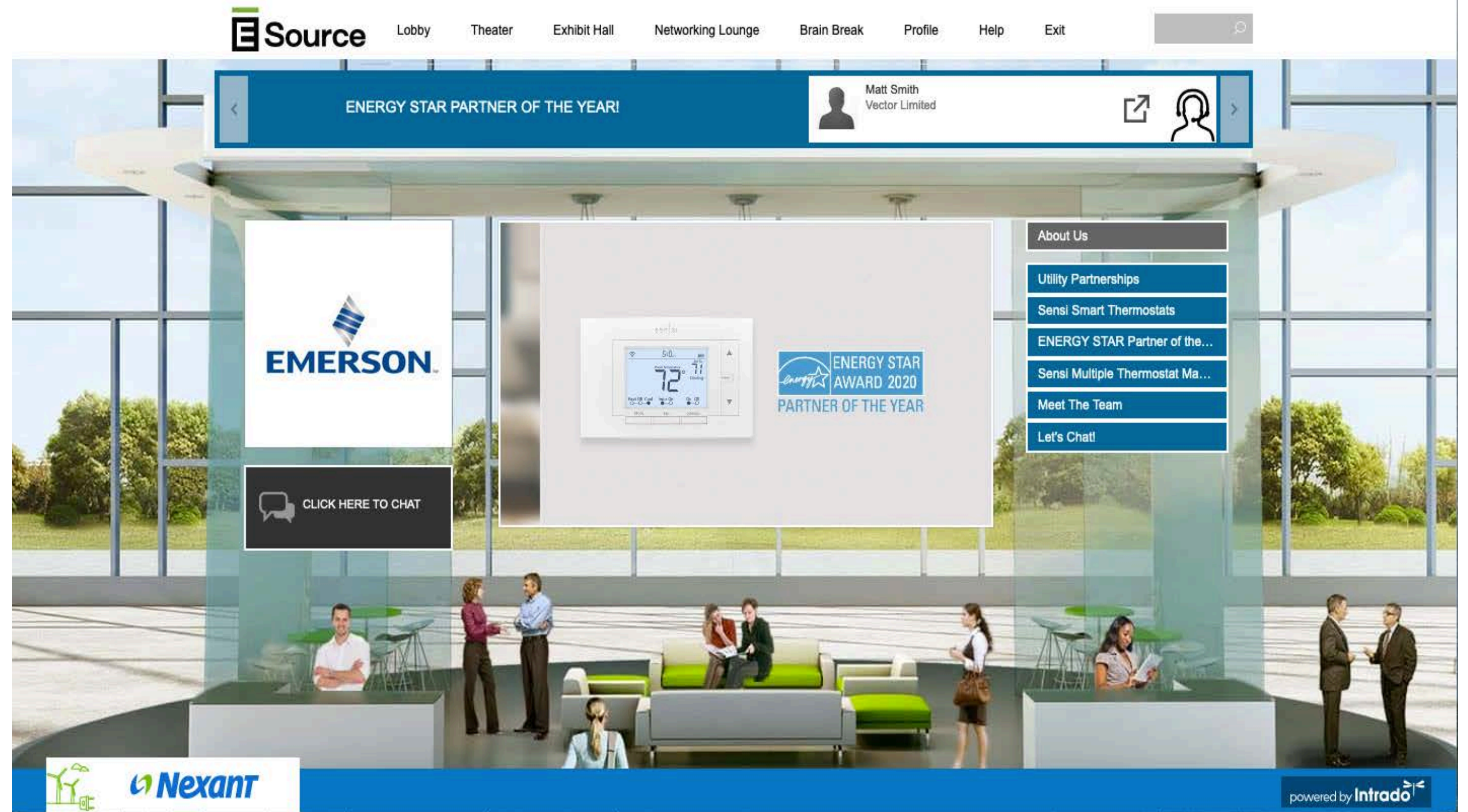
HIGHLIGHTING ENERGY STAR BUILDS TRUST AND PROMOTES ENERGY SAVINGS



Roll over image to zoom in



VIDEO



Thank You

James Jackson

jamesjackson@emerson.com