



Better Buildings Residential Network Peer Exchange Call Series: *Do You Hear Me Now? Communicating the Value of Non-Energy Benefits (101)*

November 10, 2016

Call Slides and Discussion Summary

Agenda

- Agenda Review and Ground Rules
- Opening Polls
- Brief Residential Network Overview
- Featured Speakers
 - **Anne McKibbin**, Director of Policy, Elevate Energy (*Network Member*)
 - **Brendan Brown**, Senior Associate for Research, Policy and Environmental Health Science, Green & Healthy Homes Initiative
 - **Lisa Skumatz**, Principal and Founder, Skumatz Economic Research Associates, Inc.
- Discussion
 - In your experience, which benefits are homeowners and building owners most interested in?
 - Are there ways of communicating these benefits that are more or less effective than others?
 - What challenges have you encountered in marketing non-energy benefits?
 - Please share any success stories in communicating about non-energy benefits with homeowners.
 - Other questions/topics related to communicating non-energy benefits?
- Closing Poll and Upcoming Call Schedule

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Better Buildings Residential Network

Better Buildings Residential Network: Connects energy efficiency programs and partners to share best practices and learn from one another to increase the number of homes that are energy efficient.

Membership: Open to organizations committed to accelerating the pace of home energy upgrades.

Benefits:

- Peer Exchange Calls 4x/month
- Tools, templates, & resources
- Recognition in media, materials
- Speaking opportunities
- Updates on latest trends
- Voluntary member initiatives
- Residential Program Solution Center guided tours

Commitment: Provide DOE with annual number of residential upgrades, and information about associated benefits.

For more information or to join, email bbresidentialnetwork@ee.doe.gov, or go to energy.gov/eere/bbrn and click Join

Best Practices: Elevate Energy

Communicating Non-energy Benefits of Energy Efficiency in Multifamily Affordable Housing



ELEVATE ENERGY
Smarter energy use for all



Our Mission

We promote smarter energy use for all.



We give people the resources they need to make informed energy choices.



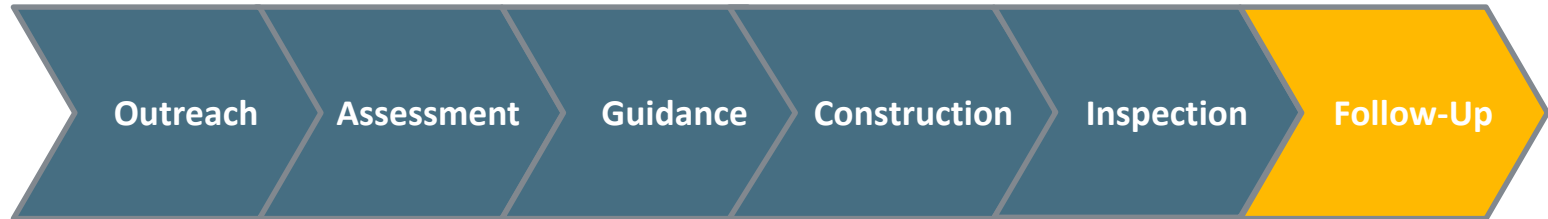
We design and implement efficiency programs that lower costs, and protect the environment.



We ensure the benefits of energy efficiency reach those who need them most.



Elevate Makes Energy Efficiency Easy



Elevate Energy is the building owner's advocate, start to finish.





NEBs Research Findings

Owner Financial Benefits

- Increase in rental income
- Reduction in maintenance costs (real and perceived)
- Reduction in utility costs
- Net operating income increase
- Facilitates capital improvements

Tenant Benefits

- Tenants were more comfortable
- 89% of tenants would ask about EE if they moved
- Felt more confident and less stress paying rent and utility bills



Building Owner Priorities

Turnover costs

- Influenced heavily by tenant comfort

Need to make capital repairs and improvements

- Savings created cash flow and space in budget

Ongoing energy and water costs

- Frees up cash for other purposes



Communicating Value of NEBs to Owners

Put in concrete terms that appeal to owner priorities

- “Two of the buildings that needed new parkways where I have parking, I ripped out all the concrete and put new parking pads. They’re parking for 5 cars, so it’s a big area that I had to do – around \$10,000 at each building. Which let me have the money to do that, just with the increased savings.”



Communicating Value of NEBs to Owners

Best to hear it directly from another owner



Energy Efficiency Success Story 5649 S. Indiana Ave., Chicago, IL

Savings

- **35%** annual savings on natural gas
- **\$3,960** annual natural gas savings

Building Overview

- Building owner: Jeff Cunningham
- Building type: six-unit, three-story brick walk-up
- Year of construction: 1916
- Heating system: central steam boiler
- Heating fuel: natural gas

Upgrades Completed

- Steam boiler replacement
- Boiler controls
- Steam pipe insulation
- Roof cavity air sealing and insulation

Financing

- CIC Energy Savers loan amount: \$6,276
- Elevate Energy total grant funds: \$6,000
- Total cost of energy efficiency upgrades: \$21,776

Project Summary

Landlord Jeff Cunningham owns several properties, and has worked with Elevate Energy to upgrade five of them, including his building at 5649 S. Indiana Ave. in Chicago. Cunningham was already working with a boiler contractor on this building, when the contractor recommended he reach out to Elevate Energy. In addition to the boiler replacement, he installed new boiler controls, added pipe insulation, and completed roof cavity air sealing and insulation. These improvements are often the top three most cost-effective recommendations the Elevate Energy team makes for a typical older, Chicago six-flat such as this one.

Cunningham received a low-interest Energy Savers Loan from Community Investment Corporation (CIC) to cover the two insulation measures, as well as financing from CIC for acquisition and additional rehab of the property, and a grant from Elevate Energy for part of the boiler replacement. Cunningham is seeing 35 percent savings on his natural gas bills.



From the Owner

"[The Elevate Energy team members] were very professional and easy to work with ... it was stress free. The comfort level is a lot better on lower floors now. Normally colder rooms are feeling warmer and staying warmer longer. The tenants brought this up to me without me mentioning the energy work."

— Jeff Cunningham, building owner

Apply Today

(855) 372-8377
buildings@ElevateEnergy.org
ElevateEnergy.org/buildings

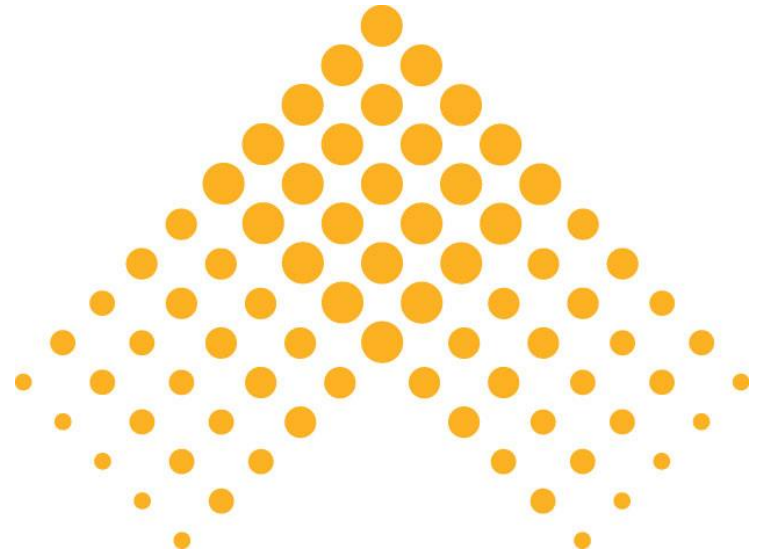
ElevateEnergy.org/buildings • buildings@ElevateEnergy.org • T: 855.372.8377 • F: 773.698.6898

November 2014



Questions? -- Stay in Touch

Anne McKibbin
Policy Director
ElevateEnergy.org



@Elevate_Energy



Facebook/ElevateEnergy



LinkedIn

Presentation Highlight: Elevate Energy

- Building owners rate **non-energy benefits as crucial in their decision** making process:
 - **Higher retention rates:** Tenant turnover and recruitment can cost a lot. Upgrades lead to comfortable tenants, and comfortable tenants tend to stay longer.
 - **Healthier tenants:** Anecdotal evidence and research show a link between improved health and efficiency upgrades.
- **Building owners trust the testimonies of other owners.** Invite owners of upgraded buildings to speak at their owner association, or create case study pamphlets to distribute.
- Communicate the benefits of upgrades that tap into the specific concerns of your community.
 - For example, in Chicago, water prices are rising, and Elevate Energy emphasizes the impact of upgrades on water savings to potential program participants.

Best Practices: Green & Healthy Homes Initiative



Green & Healthy Homes Initiative®

Intersection of Health & Energy: Engaging with Healthcare Partners

Presenters: Brendan Brown | Green & Healthy Homes Initiative

November 10, 2016

Policy Goals



1

CMS and other health payers covering evidenced-based healthy homes services

2

Physicians commonly writing prescriptions for healthy homes services

3

Housing professionals being utilized as a new front line for healthcare

4

Hospitals utilizing community benefits to keep people healthier, rather than paying for undercompensated care

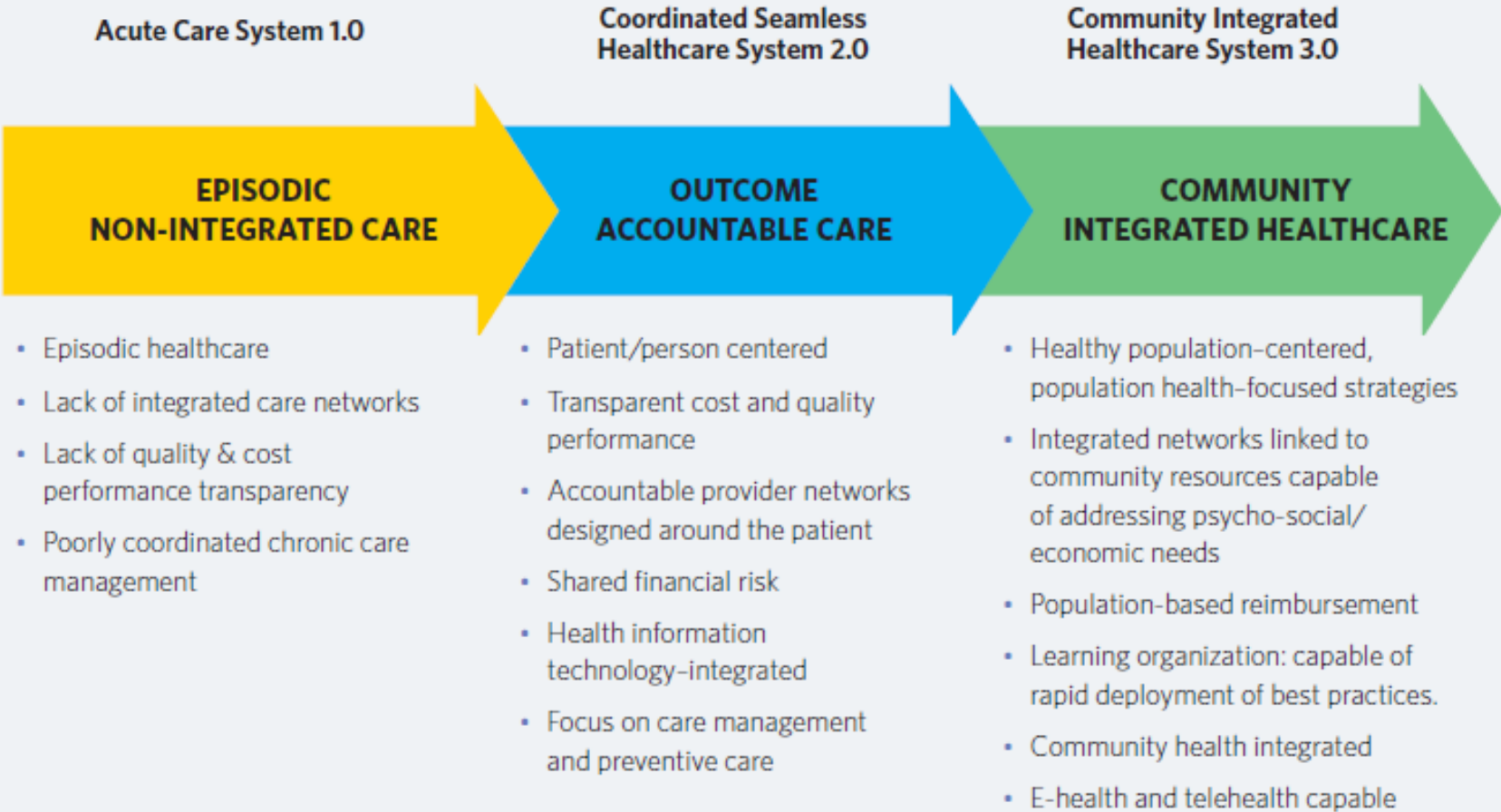
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Increased use of data around the broad impact of healthy homes

Healthcare Financing for Healthy Homes



FIGURE 1: U.S. Healthcare Delivery System Evolution: Health Delivery System Transformation Critical Path





Social Determinants of Health

Five Key Factors Underlying SDOH:

1. Economic Stability

- **Poverty**
- **Employment**
- **Food Security**
- **Housing Stability**

2. Education

- High School Graduation
- Enrollment in Higher Education
- **Language and Literacy**
- **Early Childhood Education/Development**

3. Neighborhood and Built Environment

- Access to Healthy Foods
- **Quality of Housing**
- **Crime and Violence**
- **Environmental Conditions**



4. Health and Health Care

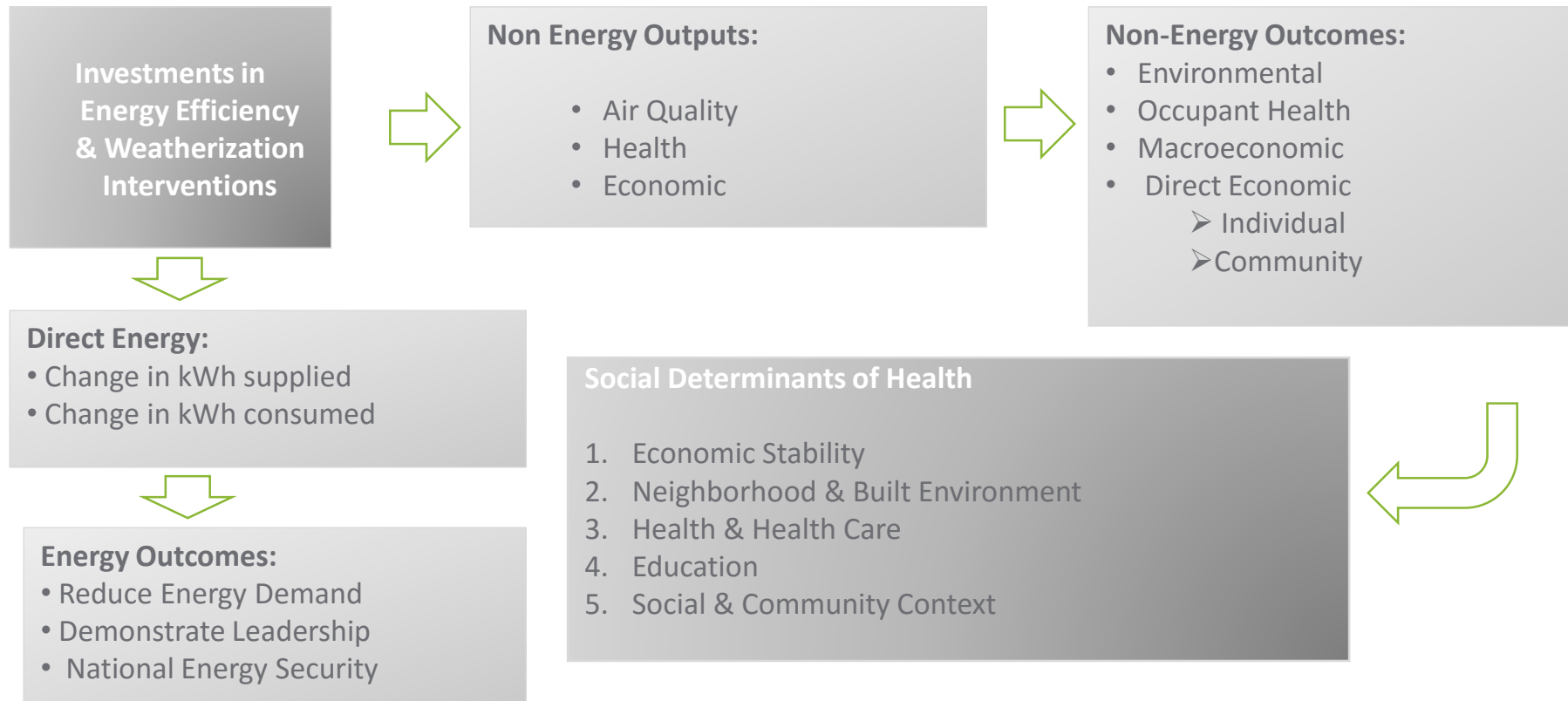
- Access to Health Care
- Access to Primary Care
- **Health Literacy**

5. Social and Community Context

- Social Cohesion
- Civic Participation
- Discrimination
- Incarceration



Non-Energy Pathway linking Non-Energy Benefits (NEB) to Social Determinants of Health (SDOH)





Non-Energy Outputs to Outcomes: Occupant Health Outcomes and Impacts on SDOH

Health Outputs	Health Outcomes	Impact on SDOH
<ul style="list-style-type: none">• Fire Safety• Thermal Comfort• Indoor Air Quality• Reduce Indoor Environmental Toxins	<ul style="list-style-type: none">• Mortality• Thermal Stress• Hospital Admissions• Respiratory Illness• Asthma• Lead (Pb) Poisoning• Household Injury• Cancer• Skin & Eye Irritation• Cardio-vascular disease• Depression/ Anxiety	<ul style="list-style-type: none">• Quality of Housing• Environmental Conditions• Health Literacy• Perceptions of Discrimination/ Equity• Early Childhood Education & Development• School Attendance



Preparing for Engagement with Health Sector

**Documenting services
(narrative, flow, case
studies)**

**Defining the population
served**

Evidence base

**Cost effectiveness /
Business Case / ROI**

**Health/ Energy Outputs,
Outcomes and Metrics**

**Capacity / Scaling
considerations**

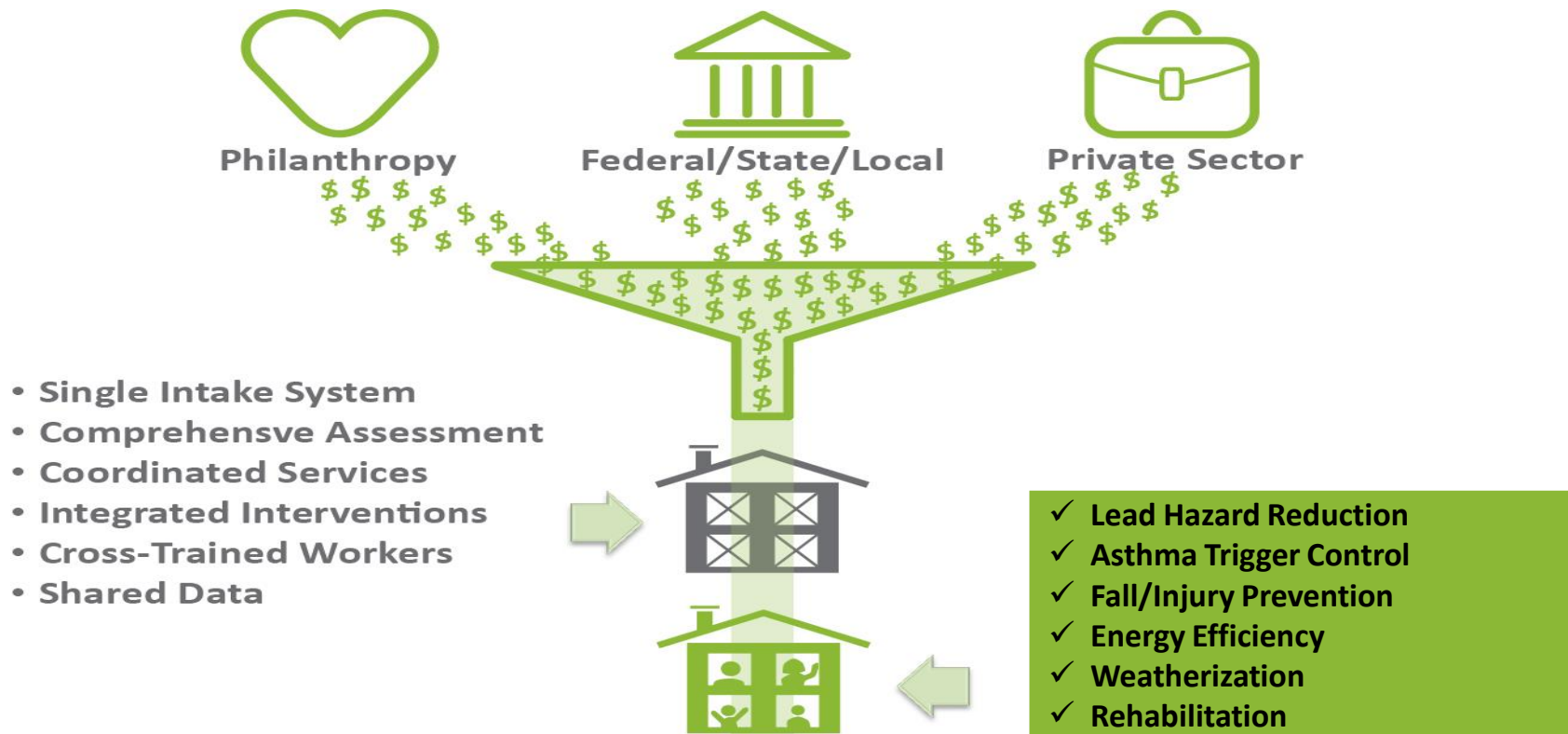


Green & Healthy Homes Initiative®

Intersection of Health & Energy

Funding Strategies

GHHI Integrated Model – Energy and Health



Integrated Funding for Home Interventions



Traditional Federal Sources

HUD Lead Grant

HUD CDBG

HUD Healthy
Homes Supplement

HHS CSGB

DOE WAP

HHS LIHEAP

Notable Alternate Funding Sources

State Lead Grants
(e.g., MI, MD)

Local and National
Foundations

Attorneys General
Settlements

Resiliency Grants

Utility Mergers

Healthcare

Case Study: GHHI Buffalo, NY

- Partnerships with Erie County, PUSH, NYSERDA, Attorney General, CFGB, & 50 partners
- Integrated funding for weatherization and home health and safety interventions
- Workforce development provides green jobs training and job placement services



Avenues to Healthcare Funding

**Hospital Community
Benefits**

**Medicaid Rule
Change**

Waivers

**2016 Managed Care
Regulations**

**Social Impact Bonds
/ Pay for Success**

**Readmission
Reduction Program**



Hospital Community Benefit Investments under ACA

- ACA revised requirements to assure that hospitals' community benefit investments are transparent, concrete, measurable, and responsive to community needs
- A Community Health Needs Assessment (CHNA) is conducted every 3 years by the hospital, which then adopts an implementation plan
- Community benefit investments can encompass “physical improvements and housing” and “environmental improvements.”
 - May include energy efficiency and weatherization work

St. Joseph's Health System invested in construction of affordable housing

- 81-unit development for very limited-income seniors
- 23-unit development for homeless people with HIV/AIDS

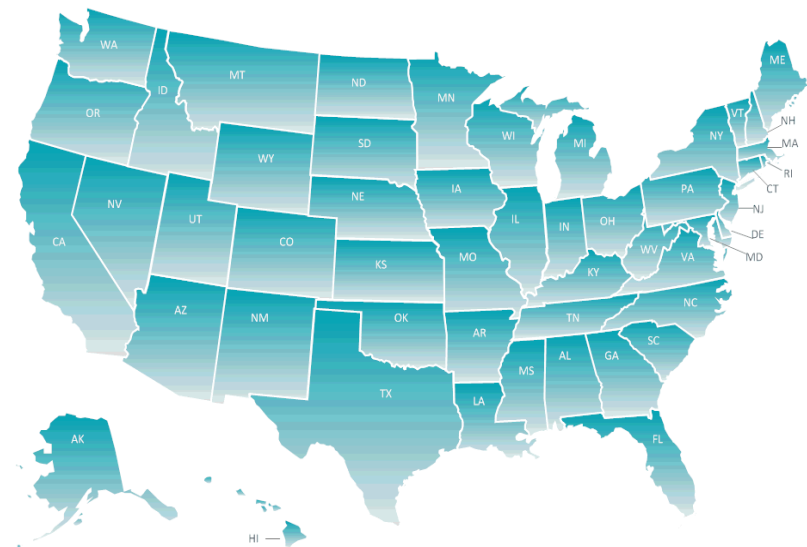


The Hilltop Institute

analysis to advance the health of vulnerable populations

Community Benefit State Law Profiles

A 50-State Survey of State Community Benefit Laws through the Lens of the ACA





Asthma Outcomes from Integrated Energy, Healthy and Housing Interventions

GHHI Baltimore: Improving Health, Economic and Social Outcomes

- **66%** reduction in asthma-related client hospitalizations
- **28%** reduction in asthma-related client ED visits
- **62%** increase in asthma-related perfect school attendance
- **88%** increase in participants reporting never having to miss a day of work due to their child's asthma episodes

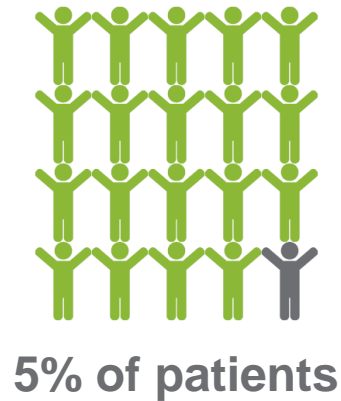
GHHI Philadelphia's asthma impact:

- **70%** fewer asthma-related client hospitalizations
- **76%** fewer asthma-related client ED visits
- **62%** fewer asthma-related client doctor's office visits

GHHI Cleveland's asthma impact:

- **58%** reduction in asthma-related client hospitalizations
- **63%** reduction in asthma-related client ED visits

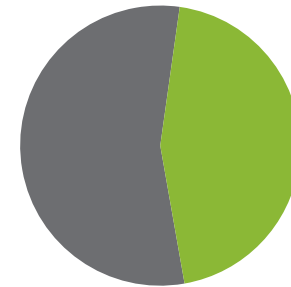
Reimbursement Opportunities



5% of patients

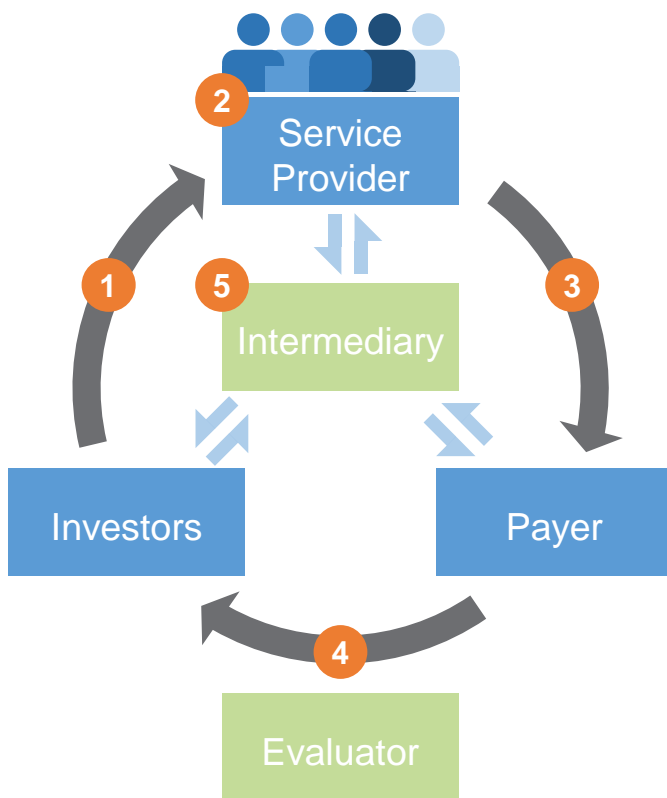
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Super-utilizers



More than 50% of
healthcare costs

What is Pay For Success and how does it work?



Steps

- 1** Investors provide upfront capital for service delivery
- 2** Service Provider implements intervention for target population
- 3** Intervention results in a benefit to the Payer, usually cost savings
- 4** Payer repays Investors if and only if outcomes are verified, often by independent Evaluator
- 5** An intermediary may provide project and financial management services

PFS is a win-win-win for all partners.



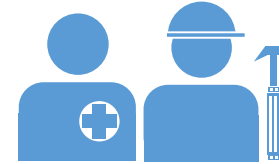
Payer

- Realize cost savings
- No financial risk - only pay for what works
- Learn what programs are effective
- Bridge timing gap between services and cost savings



Beneficiaries

- Improved outcomes at greater scale
- Progress toward systemic change



Service Providers

- Obtain new flexible funding
- Build program capacity
- Scale services
- Grow evidence base
- Strengthen partnerships

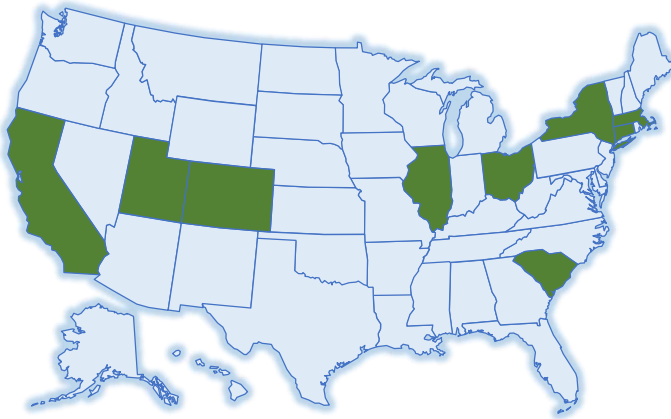


Investors

- Catalyze and expand social impact
- Receive return on investment

Current Pay For Success Projects

- Housing-Related Projects
 - Through the FAST Act, HUD is authorized to participate in PFS demonstrations to improve energy efficiency of government-supported apartments
 - HUD awarded \$1.3 million to Rhode Island to fight homelessness
- Other PFS Projects
 - There are 11 active PFS transactions across a range of issues with dozens more in development



CT: substance abuse & family stability

SC: prenatal care

Denver, CO: homelessness

Santa Clara Co., CA: homelessness

Cuyahoga Co., OH: homelessness, child welfare

MA: homelessness

Chicago, IL: early childhood education

MA: criminal justice, employment

NY: criminal justice, employment

UT: early childhood education

New York City, NY: criminal justice

Brendan Wade Brown

Senior Research Associate

www.ghhi.org

Presentation Highlight: Green & Healthy Homes Initiative

- Non-energy benefits, such as air quality, have important health impacts and can **decrease healthcare expenses**.
- There is a need for **healthcare provider education**.
- How to work with the healthcare system:
 - **Demonstrate savings:** Develop robust data around high visibility items (like hospitalizations) using health surveys, case studies, and observational trials.
 - **Integrate interventions:** Health needs assessments usually have implementation goals. Work with hospital systems to deliver both health and weatherization upgrades.
- In a pay-for-success model, the **healthcare savings directly pay for the upgrades**. A government agency or private institution repays investors with a return on their investment if agreed-upon outcomes are validated by an independent evaluator.

Best Practices: Skumatz Economic Research Associates, Inc.

MARKETING ENERGY EFFICIENCY, OR



Why NEBs Matter, and What I Learned from Betty White

*DOE Better Buildings Residential
Network Peer Exchange Webinar
November 10, 2016*

Lisa A. Skumatz, Ph.D.
Skumatz Economic Research Associates, Inc.



WHAT MATTERS IN MARKETING ENERGY EFFICIENCY PROGRAMS?

- What matters, depends on values – and particularly those of your target audience
- Efficiency & savings are not all that matter... Non-Energy Benefits matter
 - Program & measure value beyond energy savings
- Let's talk about NEBs and effective marketing & outreach

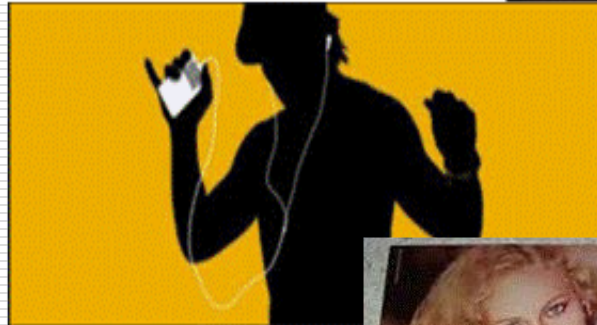
OVERVIEW OF MARKETING EE

- For behaviors and “widgets”...
 - → Making outreach more effective & cost-effective
 - → Get noticed
 - → Motivate, don't just inform
 - → “Connect” and use trusted messenger → for behavior change and retention
 - → Sell what buyers value (not what you want to sell!)
 - ... NEBs

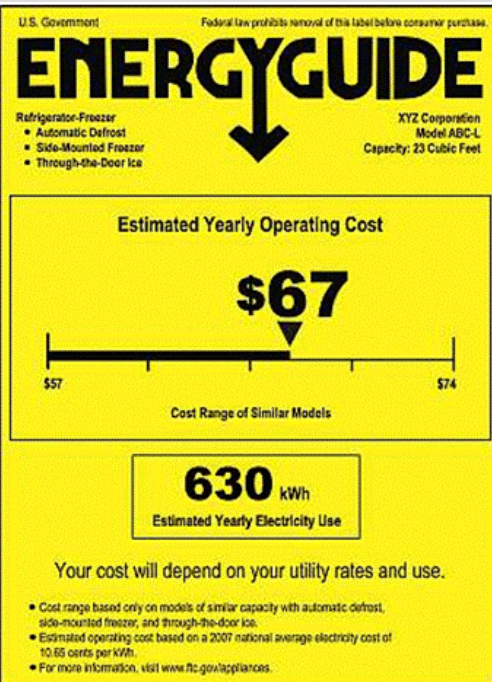
1) GET NOTICED IN THE MARKETPLACE

BUY ME? GET NOTICED IN THE MARKETPLACE

Crowded marketplace –
seconds to capture
Not compelling, visual
Not visual, catchy
Mis-marketed now

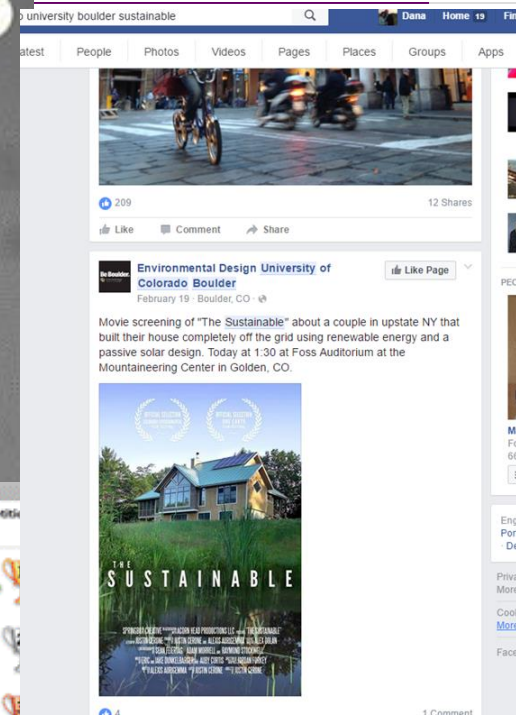
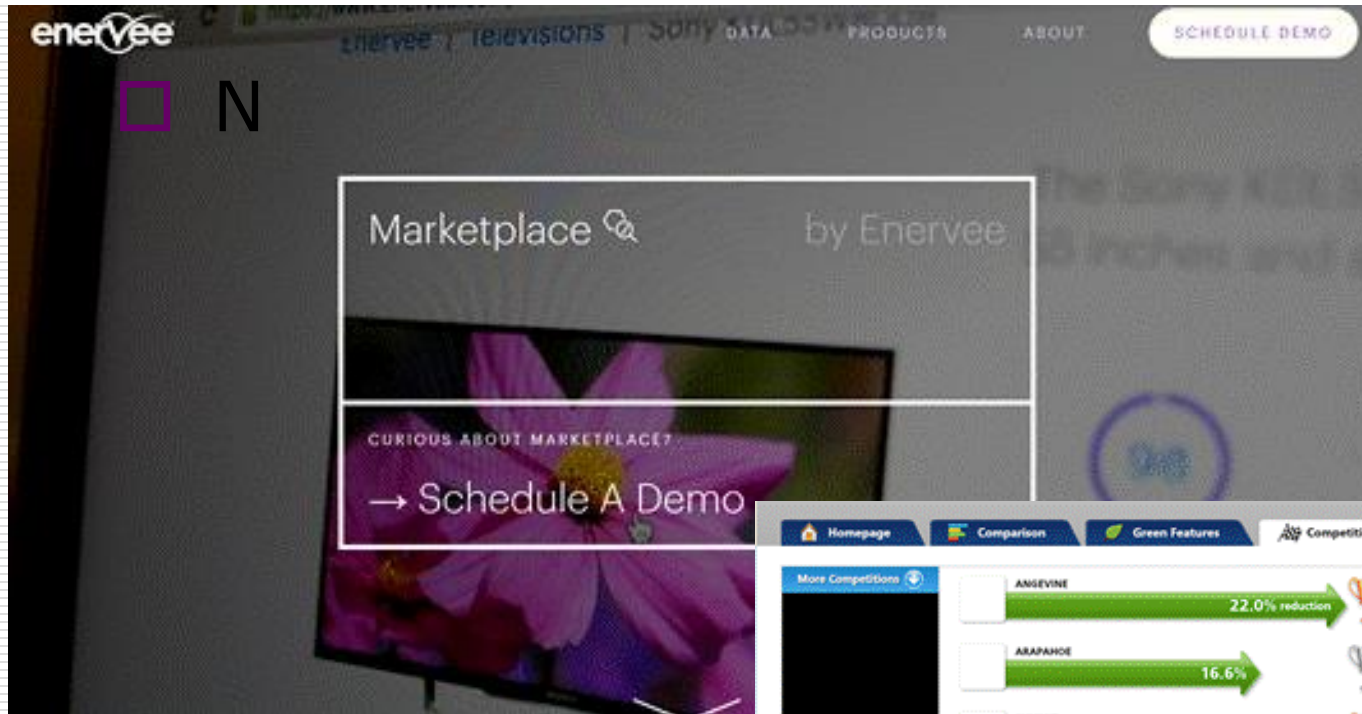


HunterDouglas **VS.**



Which do you notice in the marketplace?

AND SELL WHERE THEY'LL FIND IT



Web, social media, apps
Independence
Utility link



**2) WHAT MESSAGE?
SELL WHAT POTENTIAL
CUSTOMERS VALUE &
BELIEVE**

EFFICIENCY MARKETING ON EFFICIENCY & \$...

Weatherize your home

Area of home to focus on

Insulation, air leaks

- Brick houses are harder to insulate than wood frame houses and the costs often exceed the money saved, but insulation can be added to attic, floors and outdoors. Door and window joints can also be insulated where they connect to the wall.
- Flipping air leaks and drafts in your home can reduce energy costs by 5 to 20 percent per year.
- Air leaks can occur at electrical outlets, light switch plates, window frames, baseboards and areas where the ceiling and floor meet duct or weatherstripping can typically resolve problems.



Lighting

- Incandescent light bulbs can be replaced with high-efficiency compact fluorescent lighting (CFL) in high-use areas of the home.
- Energy Star approved CFLs use about 75 percent less energy than an incandescent bulb and typically last 10 times as long.
- Annual savings can be \$5 to \$8 per CFL, both per year and about \$30 over the life of the bulb.



Appliances

- Refrigerators are often the single biggest energy-consuming kitchen appliance, and because they are operating constantly, purchasing a more efficient unit can save on energy costs.
- Energy Star approved refrigerators use 40 percent less energy than a standard model built in 2007 and about 62 percent less energy than models built before 1993. That's enough savings to light the average household for nearly four months.



Replacing windows

- About 20 percent of a home's energy is lost through windows, but adding storm windows or window treatments will help to reduce energy costs.
- Caulking or weatherstripping window frames can also reduce heating and cooling and the materials typically pay for themselves within a year.
- Very old or inefficient windows should be replaced. A typical 3,000 sq. ft. 1,980 sq. ft. home would save approximately \$21 a year in heating costs by replacing old single-pane windows with Energy Star windows and \$70 a year when replacing double-pane windows.



Space heating

- One of the easiest ways to save money on heating costs is to turn down your thermostat during the winter.
- Every degree the thermostat is lowered for at least 8 hours can reduce energy bills by about 1.5 percent.
- If you are routinely away from the home, a programmable or setback thermostat can lower your home's temperature while you are not present and save around \$25 and can save you \$100 a year in heating costs.
- Check the air filter on your heating system monthly and have an annual furnace or air conditioner efficiency inspection every three to five years.



Water heating

- Most of the homes tested have water heaters set at 120 to 140°F (49 to 60°C), and turned at 140°F (60°C). To set the water heater's temperature low enough to avoid scalding but high enough for washing clothes and dishes, 120°F (49°C) is the best recommendation.
- Insulating tanks, available for \$10 to \$25, can be added to water heater tanks and save you 4 to 6 percent on heating costs; water pipes can also be easily and inexpensively insulated to keep it hot.
- Low-flow showerheads can reduce the pressure on water heaters and also help prevent unnecessary water consumption.



LINKS & RESOURCES
CALCULATORS,
KIDS ACTIVITIES & MORE

ENERGY EFFICIENCY
ARKANSAS

SAVE ENERGY
THIS SUMMER

WE ARE HERE TO GIVE A TOUCH
OF AN ENERGY EFFICIENT HOME



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FACTS, TIPS
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YOU NEED TO KNOW THIS



Save Energy, Earn Cash!

Upgrade your home - earn up to \$3,000!

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Milwaukee Energy Efficiency



Love your
home again.

Me²
Milwaukee Energy Efficiency

Save Energy, Earn Cash!

Upgrade your home -
earn up to \$3,000!



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SERA

FATAL FLAWS OF THIS MESSAGING...

EE & savings

- To buy this message requires:
 - Willingness / ability to pay more up front
 - Trust that savings will really occur* (& baseline)
 - Value future (possible) savings enough to motivate
- BUT – You probably **can't promise savings** (that they will see)...

Weather changes

Utility Rate Increases

Takeback / rebound

More plug-ins

Occupant fluctuations

- Steer clear of savings – stress control, independence, “attractive” features, ... Be Truthful / Don't mislead.

ENERGY MARKET RESEARCH → NON-ENERGY BENEFITS (NEBs)...

Non-Energy Benefits are the bundle of effects received from energy efficiency equipment or programs other than efficiency and accompanying savings.

- *Customers consider a "Bundle of Services" they trade off in purchase*
- *Many of these NEBs are more appealing than energy savings.*
- *Many types, many applications... We are talking about only one of 3 types of NEBs (participant)*

20+ YEARS OF NEBS PROGRESS...

Re-explore B/C
Introduction in states, growth
Expanding literature

Expanding estimates, sectors, studies, methods
Wider use in marketing
Initial applications in planning

Explore B/C (LIPPT),
Expanding R&C Ests.
Initial mktg applies

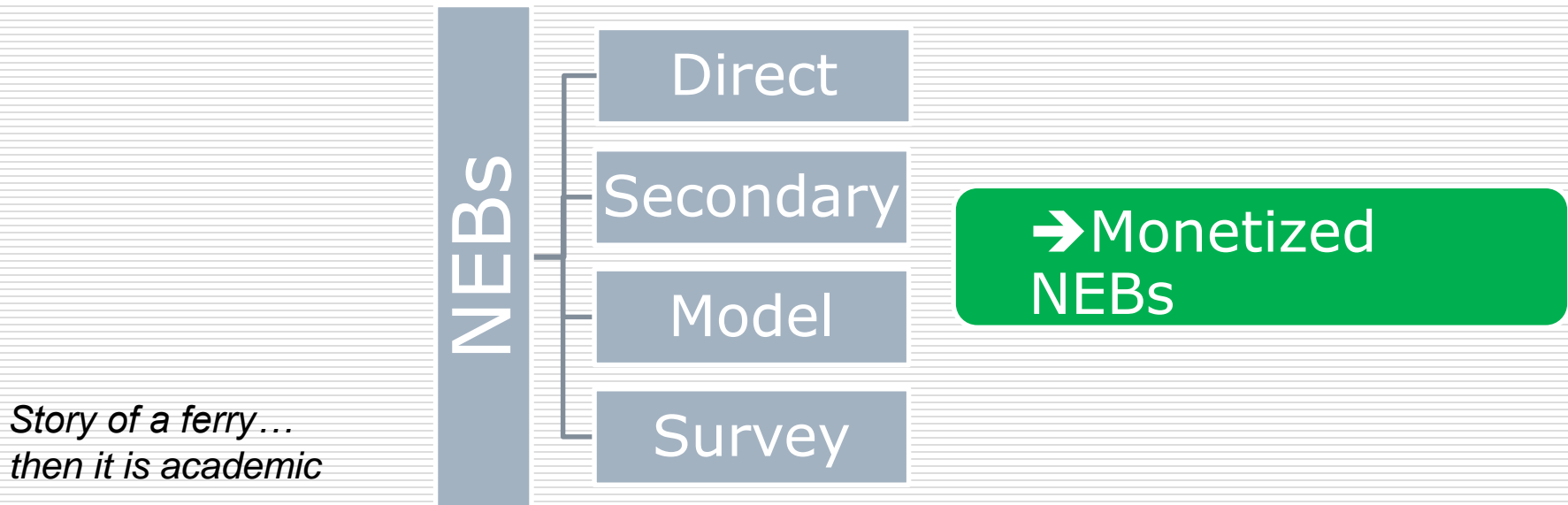
Perspectives, +/-
Basic measurement
LI, Res & Com'l

Lists

1994 1996 1998 2000 2002 2004 2006 2008 2010 2012 2014 2016

But there still isn't agreement on name! - NEB, OPI, NNEB, MB, co-benefits...

NEBs MEASUREMENT - 4 MAIN MEASUREMENT APPROACHES



- Methods discussion / Tradeoffs
 - Multiple methods / triangulation
 - Surveys most appropriate for some
 - Balancing precision, practical – avoid bias / stats / large “N”
 - Multiple survey approaches – story of a ferry
 - Accuracy level needed... false comparisons...

NEB PERSPECTIVES, CATEGORIES, BEST PRACTICES

Utility	Society	Participant (Res&ICI)	
<ul style="list-style-type: none"> •Carrying cost on arrearages •Bad debt written off •Shutoffs / Reconnects •Notices; calls, collection costs •Emergency gas service calls (for gas flex connector and other programs) •Insurance savings •Transmission and distribution savings (usually distribution) •Fewer substations, etc. •Power quality / reliability •Reduced subsidy payments (low income) •Other 	<ul style="list-style-type: none"> •Economic development benefits – direct and indirect multipliers •Tax effects •Emissions / environmental (trading values and/or health / hazard benefits) •Health and safety equipment •Water and waste water treatment or supply plants •Fish / wildlife mitigation •National security •Health care •Other 	<ul style="list-style-type: none"> •Water / wastewater bill savings •Operating costs (non-energy) •Equipment maintenance •Equipment performance (push air better, etc.) •Equipment lifetime •Shutoffs / Reconnects •Property value benefits / selling •(Bill-related) calls to utility •Comfort •Aesthetics / appearance •Fires / insurance damage (gas) •Lighting / quality of light •Noise •Safety 	<ul style="list-style-type: none"> •Control over bill •Understanding / knowledge •“Care” or “hardship” (low income) •Indoor air quality •Health / lost days at work or school •Fewer moves •Doing good for environment •Savings in other fuels or services (as relevant) •GHG and environmental effects •Negatives

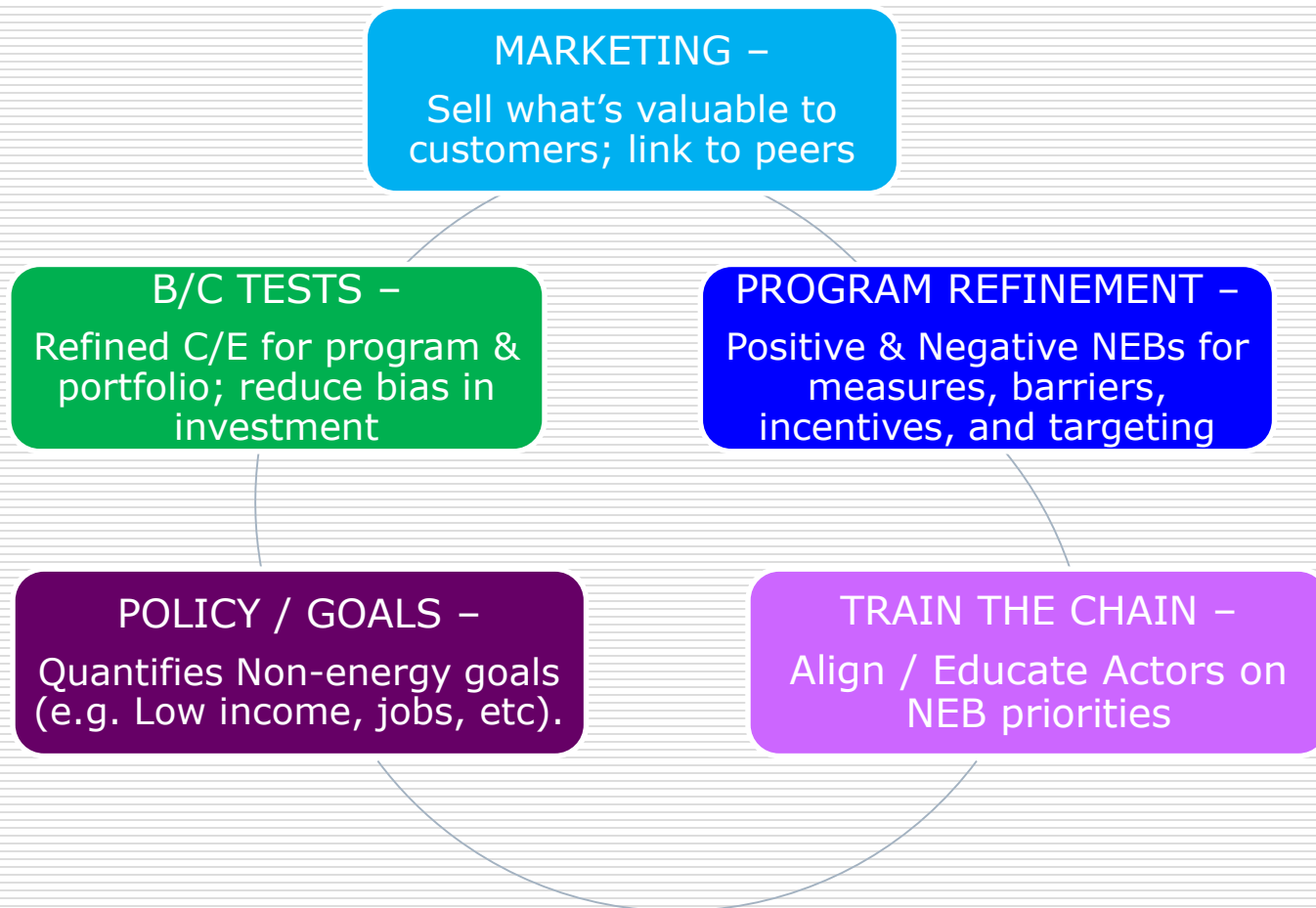
Net Three.

Non-Overlapping

*Net Positive & negative
Net beyond standard efficiency
Net to gross*

Consistent Units

KEY APPLICATIONS OF NEBS



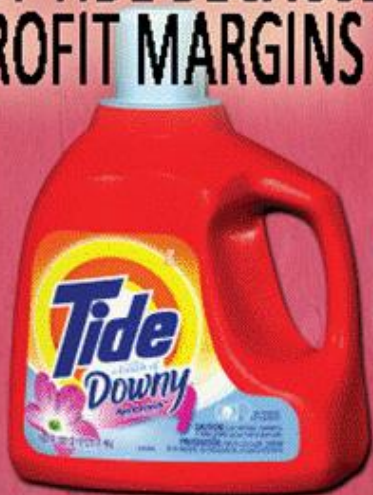
MARKETING AND NEBS:

*NEBS MEASUREMENT &
EXAMPLES FROM 20
YEARS*

HOW TIDE DOESN'T SELL

BUY TIDE BECAUSE IT HELPS US MAKE LOTS AND LOTS OF MONEY!

BUY TIDE BECAUSE IT HAS ONE OF OUR LARGEST PROFIT MARGINS



Like regular Tide, Tide with a touch of Downy contains surfactants. Surfactant molecules have two parts. One is "water loving" and the other is "water hating." The water-loving (hydrophilic) part breaks the surface tension of water. The water-hating (hydrophobic) part is attracted to oil and grease in soils, loosening and removing them from fabrics. Tide with a Touch of Downy is also formulated with special ingredients that provide softening benefits throughout the wash.



Procter & Gamble's amazing new TIDE gives you a real **MIRACLE WASH!**

No soap—no other "suds"—no other washing product known—will get your family wash as **CLEAN** as Tide!



THE WORLD'S CLEANEST, BRIGHTEST, WHITEST WASH

... only Tide gives you all this! Tide gets your whole family wash cleaner than any soap or any other washing product. Tide not only leaves clothes free from dirt, but actually removes soap film, too. Yet with all this sudsing cleaning power, Tide is safe ... truly safe for all your washable colors. In fact, Tide actually brightens soap-dulled colors. What's more ... in hardest water, Tide gets white things whiter than any soap or any other washing product known! Yes, we're! For a real scratch-wash—try Tide!



TIDE
GETS CLOTHES CLEANER THAN ANY OTHER WASHDAY PRODUCT YOU CAN BUY
—get TIDESTY SAYS for value



PROCTER & GAMBLE GUARANTEES EVERY PACKAGE OF TIDE!

You will be everything cleaned for it is only performance. If not we will reimburse you. Just mail the unused portion of your package to those and the purchase price will be refunded.



How miracle suds! There's only in hardest water! And kind-of suds make that suds different, just different! Numbered to the billions, first Pro Tide for suds ... one here there sparkle, even without suds!

THE IN-DIRT'S OUT!

It does sell miracles

ERA

TIDE™ SELLS WHAT CUSTOMERS THINK THEY WANT TO BUY



Learning from that...



Procter
MIL

No soap—no other soaps—no other washing product known—will get your family wash as **CLEAN** as Tide!

THE WORLD'S CLEANEST, BRIGHTEST, WHITEST WASH

... only Tide gives you all this! Tide gets your whole family wash clothes than any soap or any other washing product. Tide not only leaves clothes free from dirt, but actually removes soap film, too. Yet with all its terrific cleaning power, Tide is safe... truly safe for all your washable clothes. In fact, Tide actually improves soap-damaged colors. What's more... in hardest water, Tide gets extra things whiter than any soap or any other washing product known! Yes, ma'am! For a real extra wash—try Tide!

TIDE
GETS CLOTHES CLEANER THAN ANY OTHER WASHING PRODUCT YOU CAN BUY
—get more save for value

PROCTER & GAMBLE GUARANTEES EVERY PACKAGE OF TIDE!

This will be anything claimed for it in any advertisement. If you do not completely satisfaction, return the entire package of your package to dealer and the purchase price will be refunded.

TIDE'S IN—DIRT'S OUT!

How miracle soda!
There's nothing in harder water! And that's because Tide makes them look different, just different! Remotest to the difference, try Tide! The difference... see how they sparkle, even without bright!

TIDE WORKS EXTRA MIRACLES IN HARD WATER! SOAPS OF BEST! NO WATER LEFTOVERS NEEDED!

She hangs the cleanest wash in town

...she swears by TIDE!

She hangs the cleanest wash in town—
From work clothes right to "undies"!
It sparkles so, you simply know
She uses Tide on Mondays!

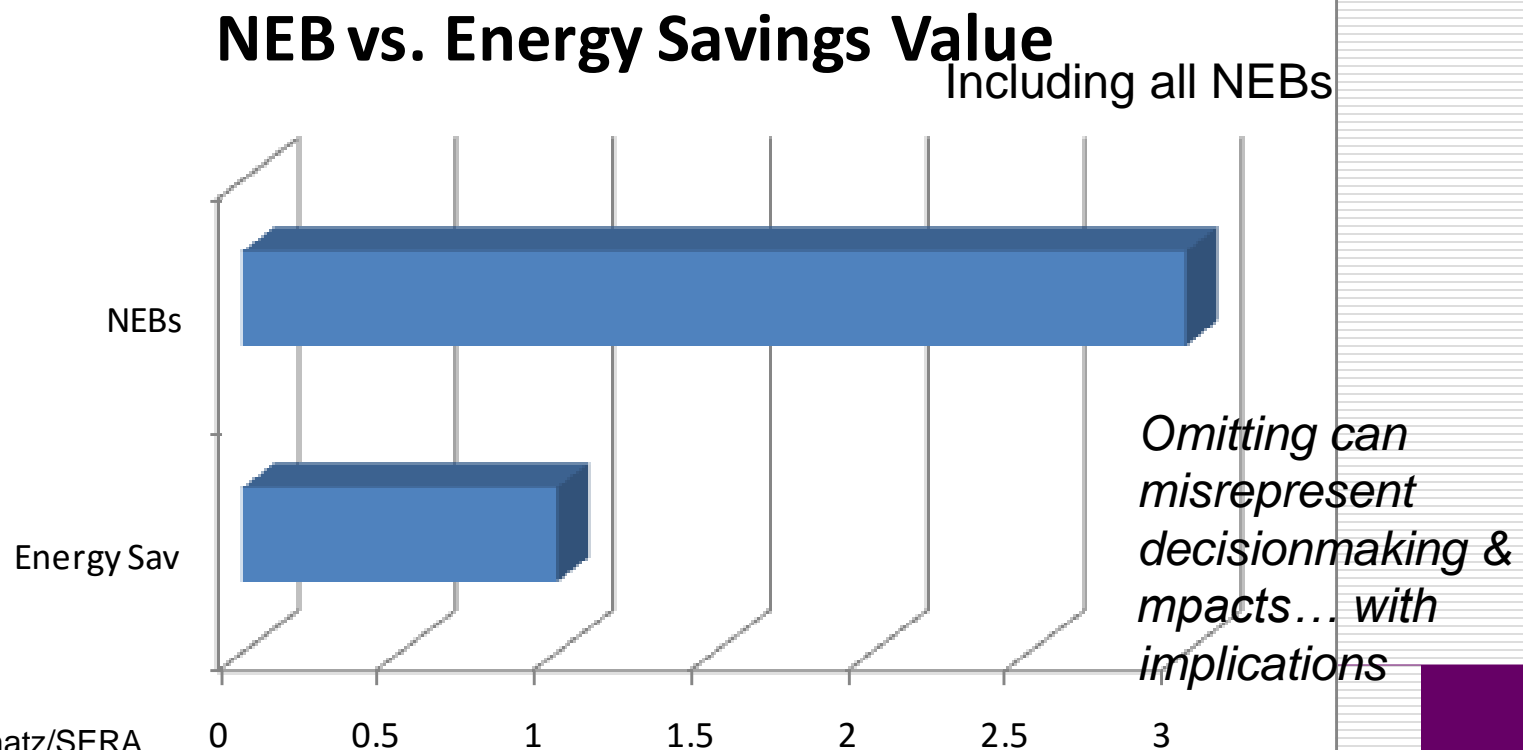
sallyedelsteincollage.com

P&G USES MARKET RESEARCH... we use NEBs

- Sell what people value / want to buy...
- **NOT what YOU WANT TO SELL!**
- NEBs represent customer's valued features... Market research
 - Those who care about EE are already with you...

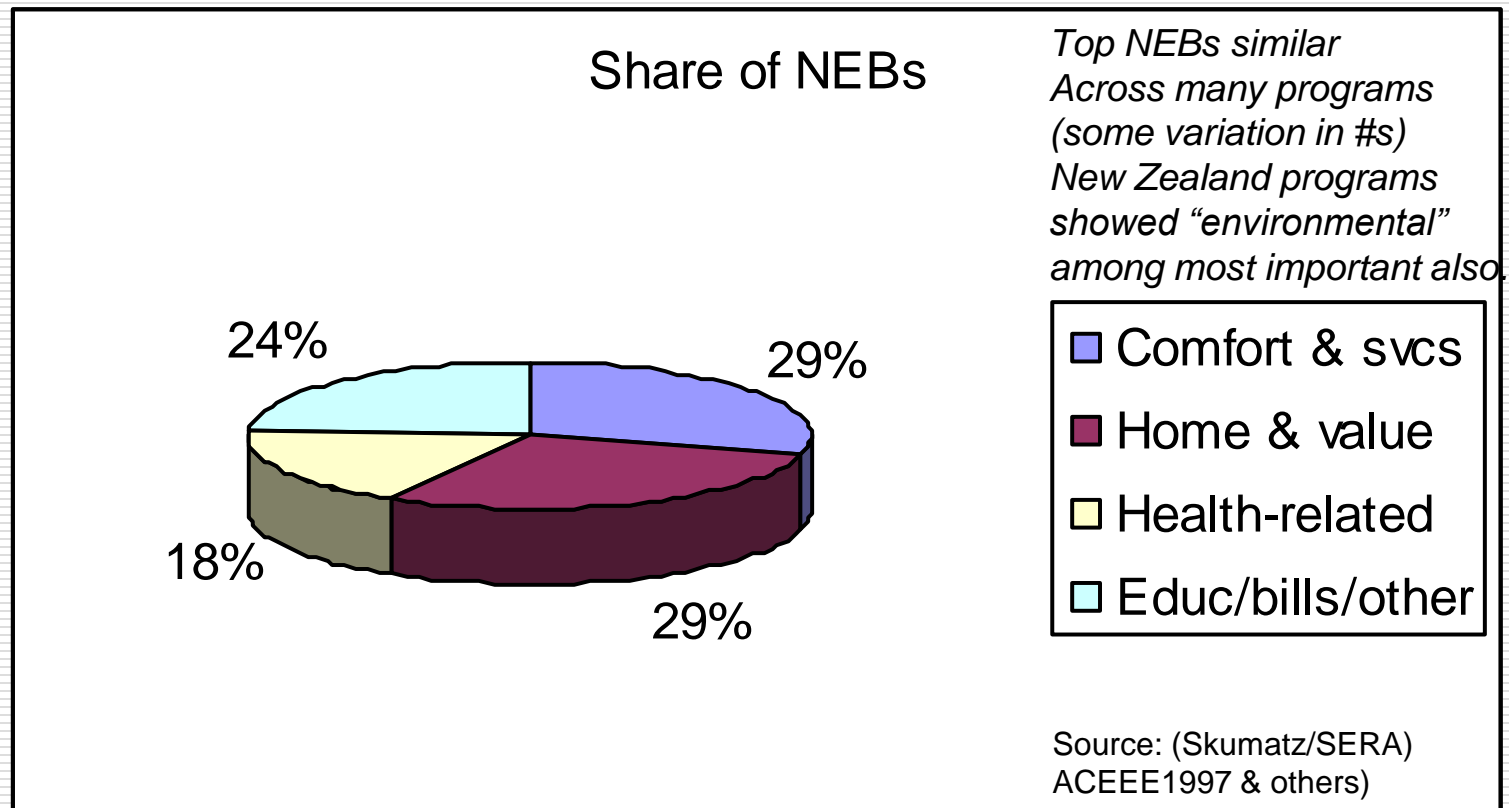
ARE NEBS HIGH VALUE?

- *Energy savings are less than 1/4 of benefits from low income weatherization programs – less than 1/10 for some programs*

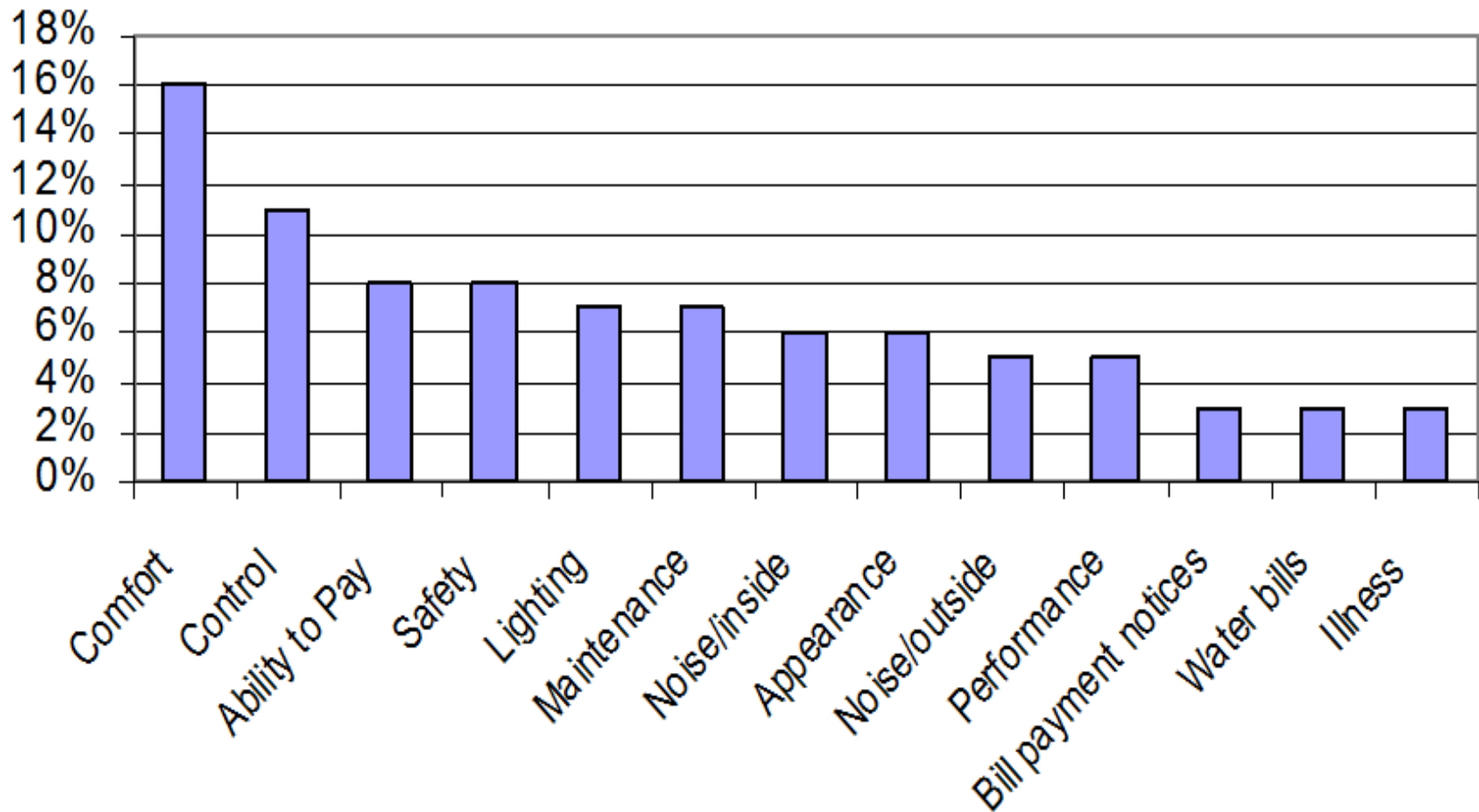


WHICH PARTICIPANT NEBS ARE HIGH VALUE?

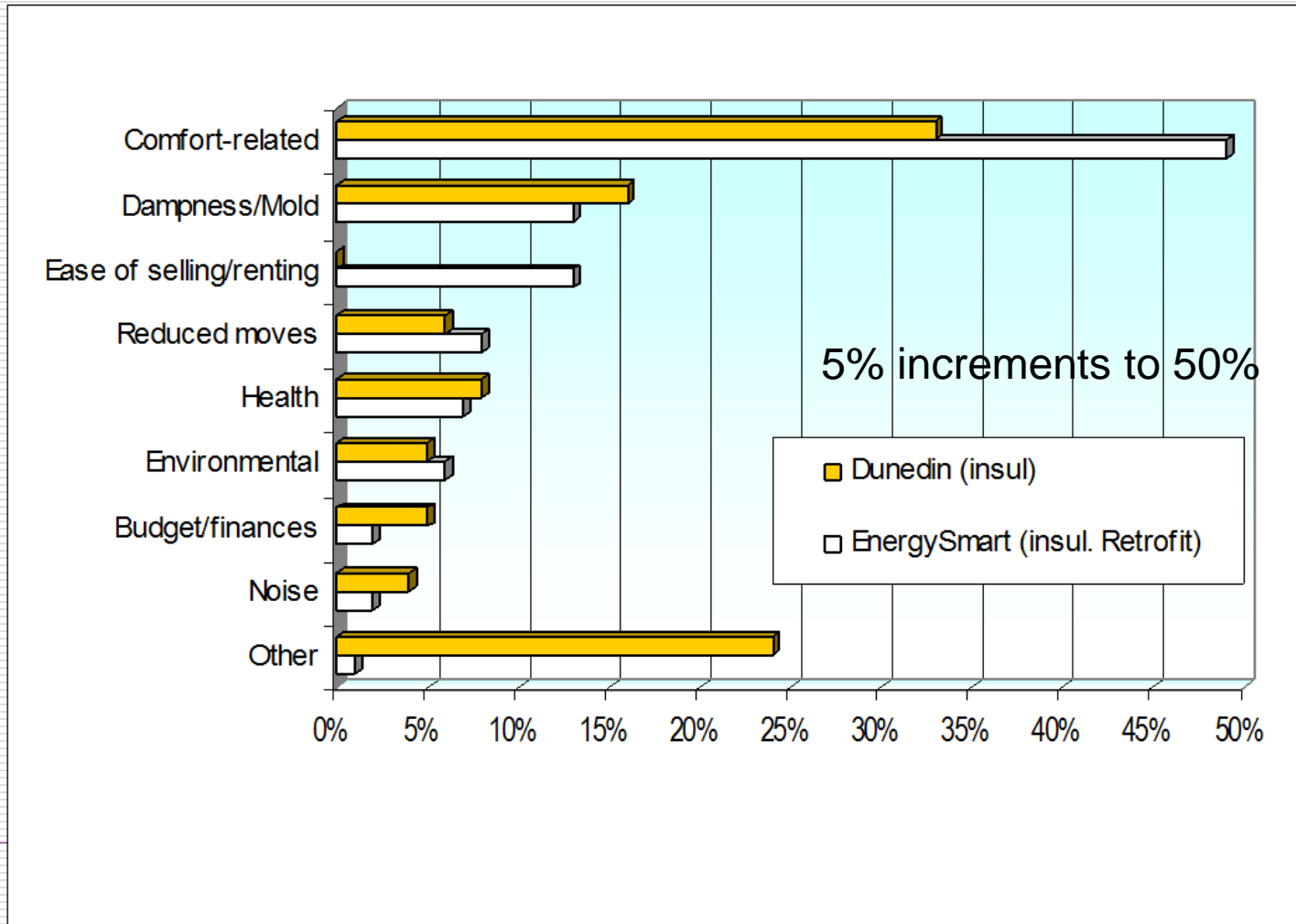
□ Example Participant NEBs breakdown



ENERGY MARKET RESEARCH → NON-ENERGY BENEFITS (NEBs)...

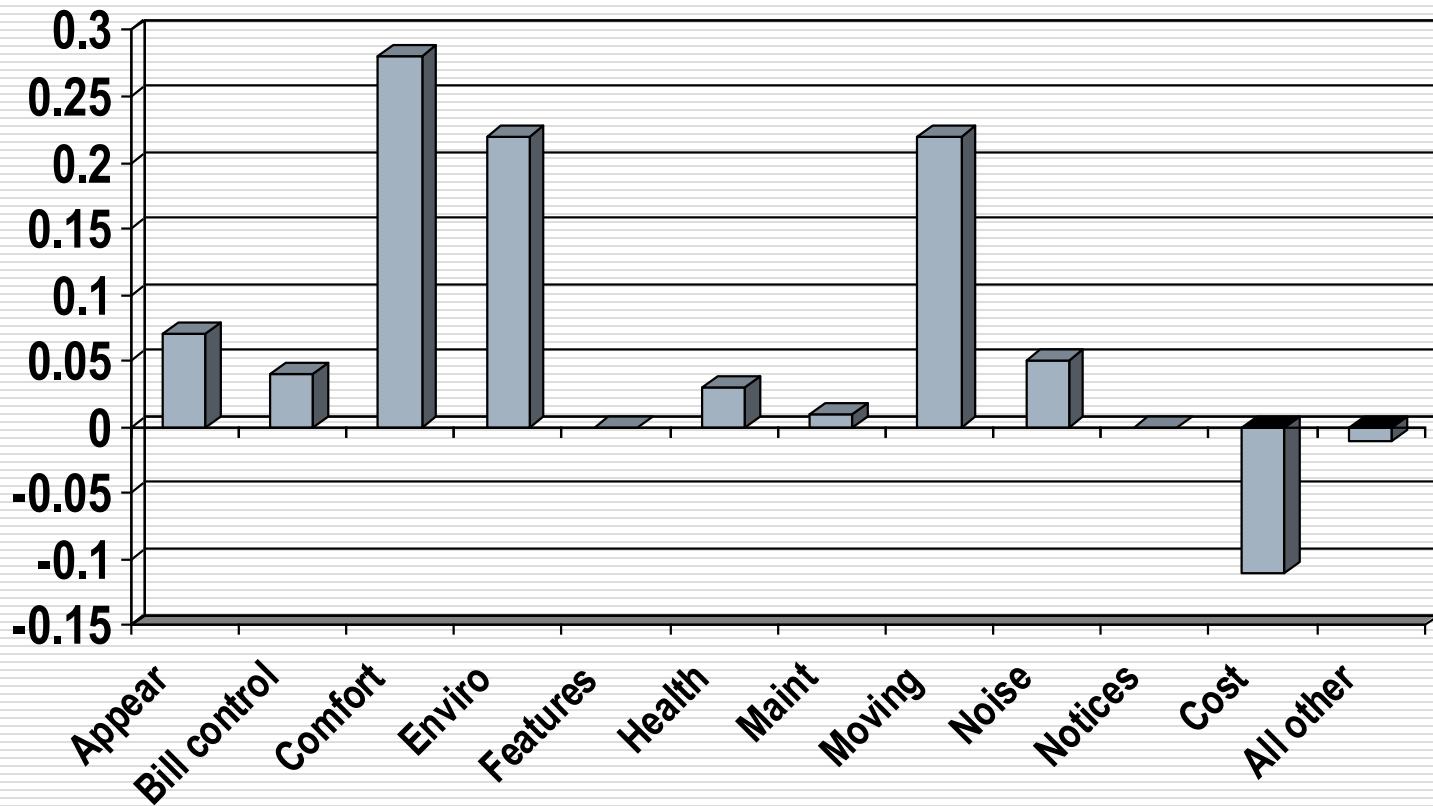


INSULATION RESULTS (DUNEDIN & ENERGY SMART)



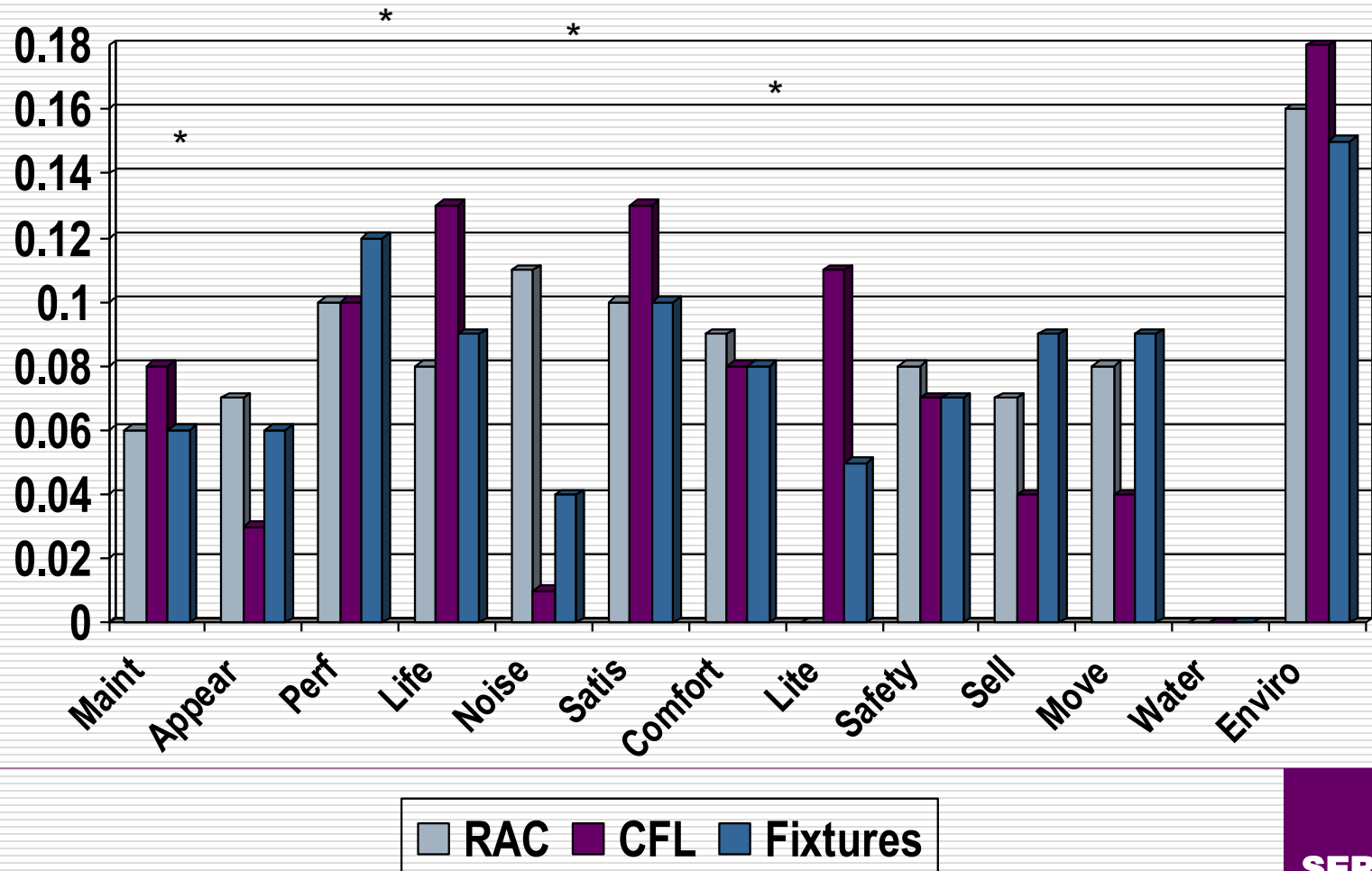
PERCENT OF TOTAL NET NEB VALUES BY NEB CATEGORY: ZALEH/NZ

Total NEB multiplier: 3

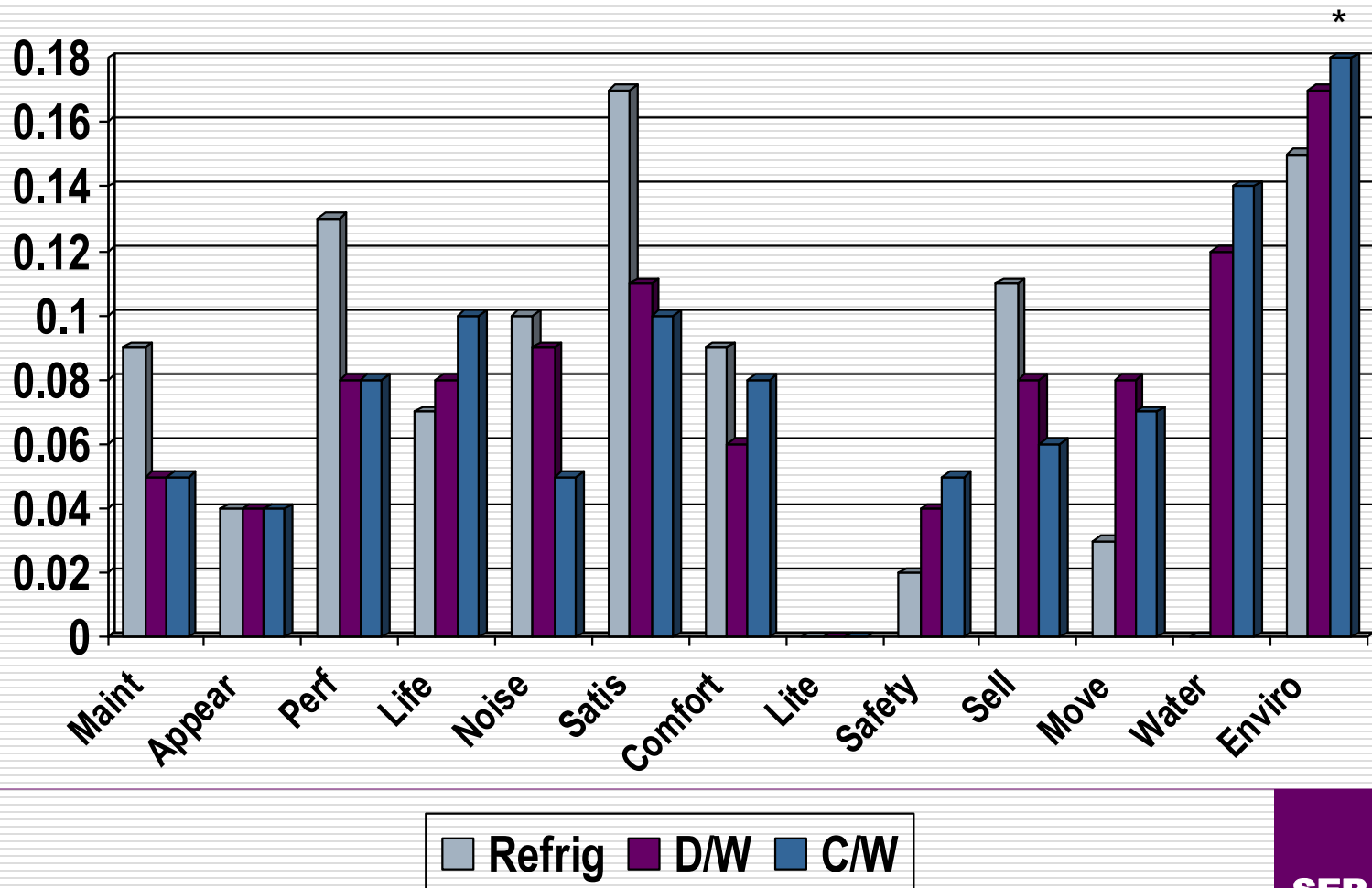


Share of NEBs

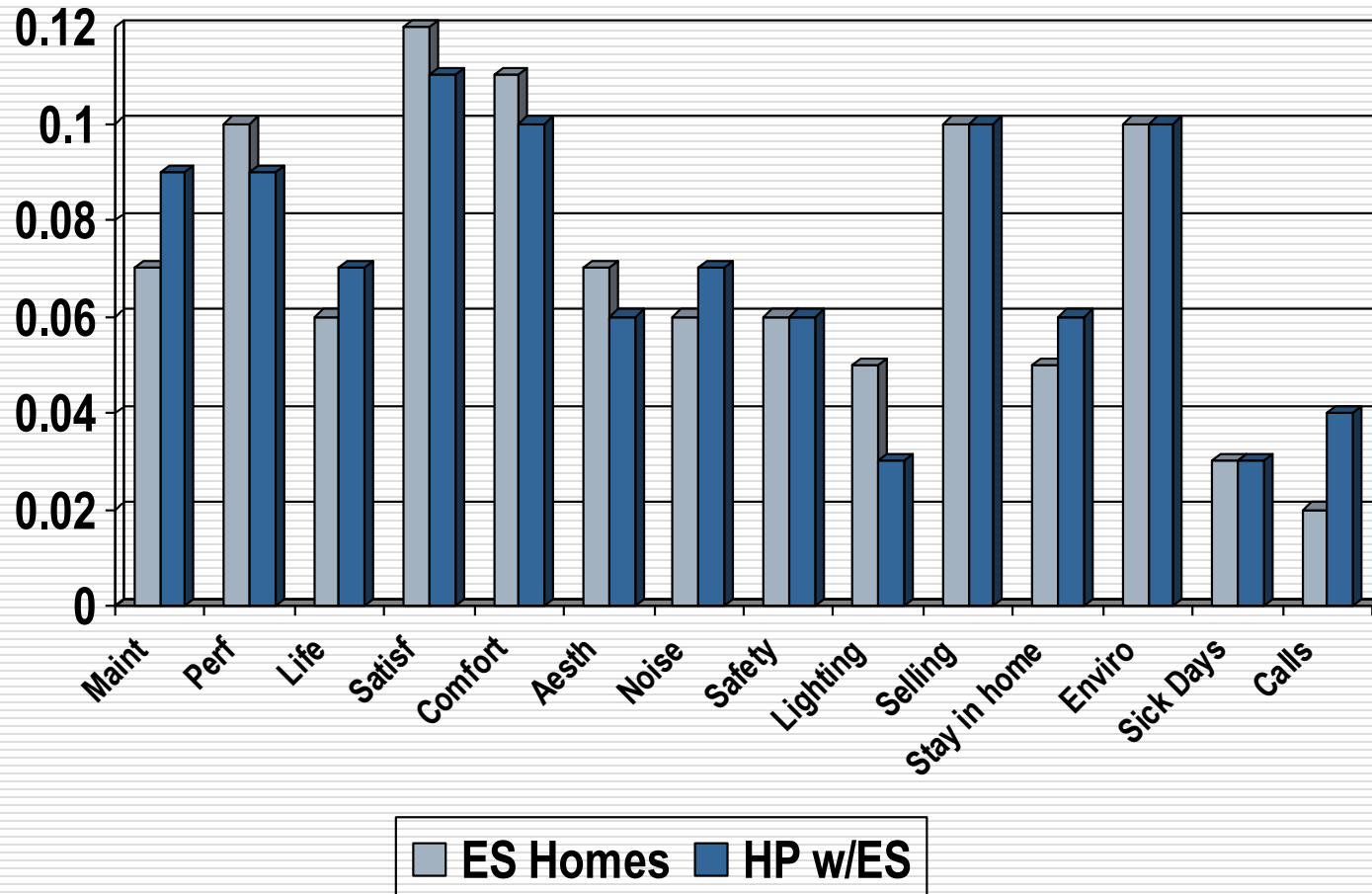
RESULTS FOR ENERGY STAR® APPLIANCES



RESULTS FOR ENERGY STAR® APPLIANCES



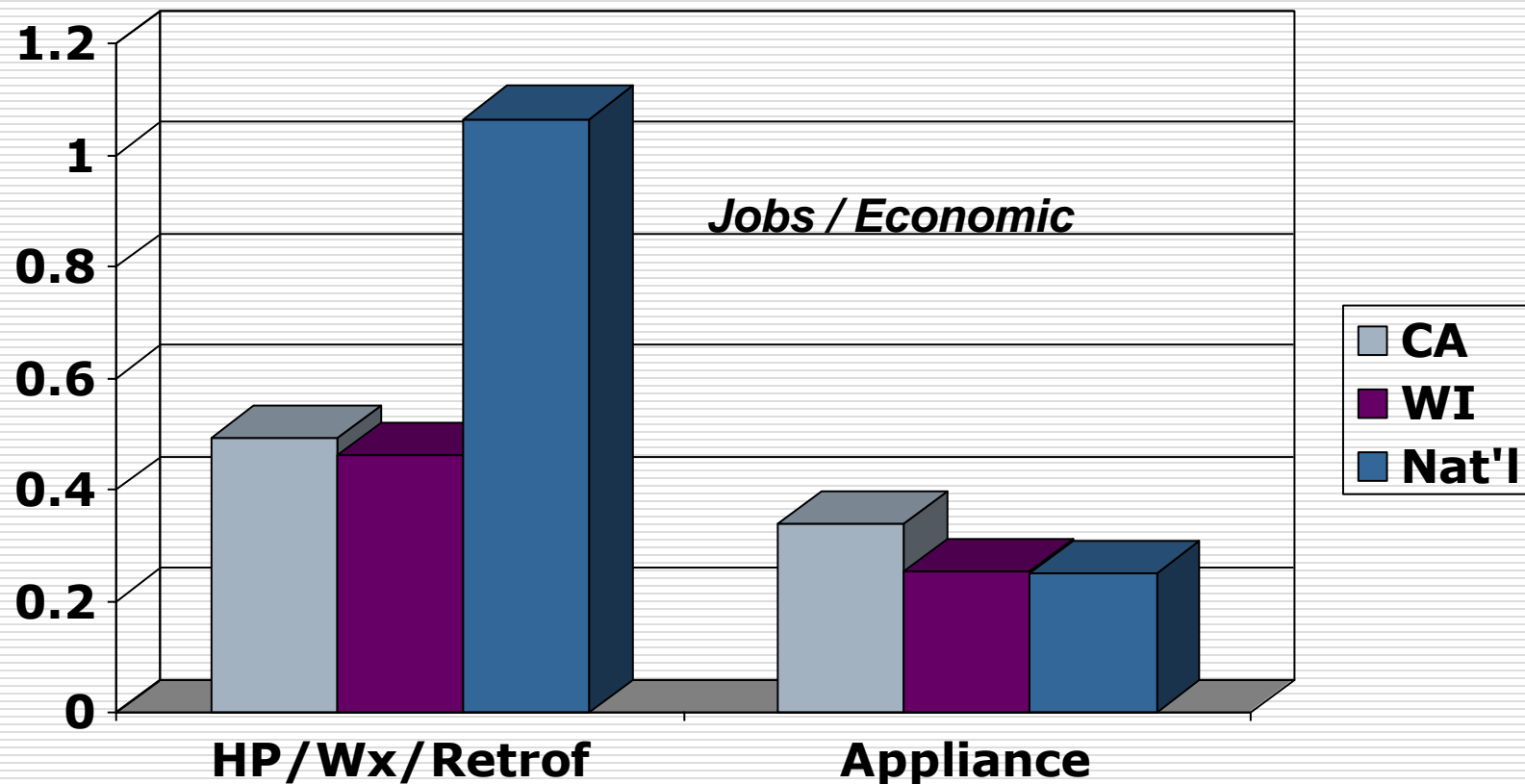
ENERGY STAR HOMES & HP PROGRAMS - RESIDENTS



Energy savings multiplier=1

JOBS ... (SOCIETAL NEBS)

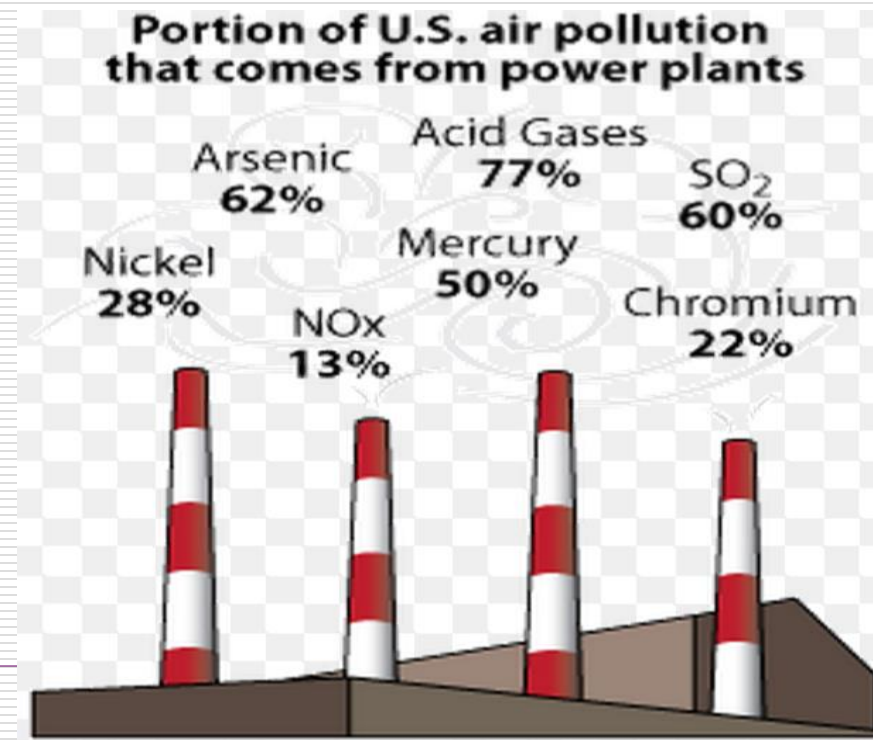
□ Economics, Emissions, Hardship



(Source: Skumatz /SERA
ECEEE 2007, ACEEE 2006)

EMISSIONS (SOCIETAL NEBS)

- Simple to complex models (slippery slope)
- Baseload vs. peak
- Some elements well / already accepted
- Incorporation as adder



NEGATIVE NEBS VALUE / PERCEIVED COST OF BARRIERS

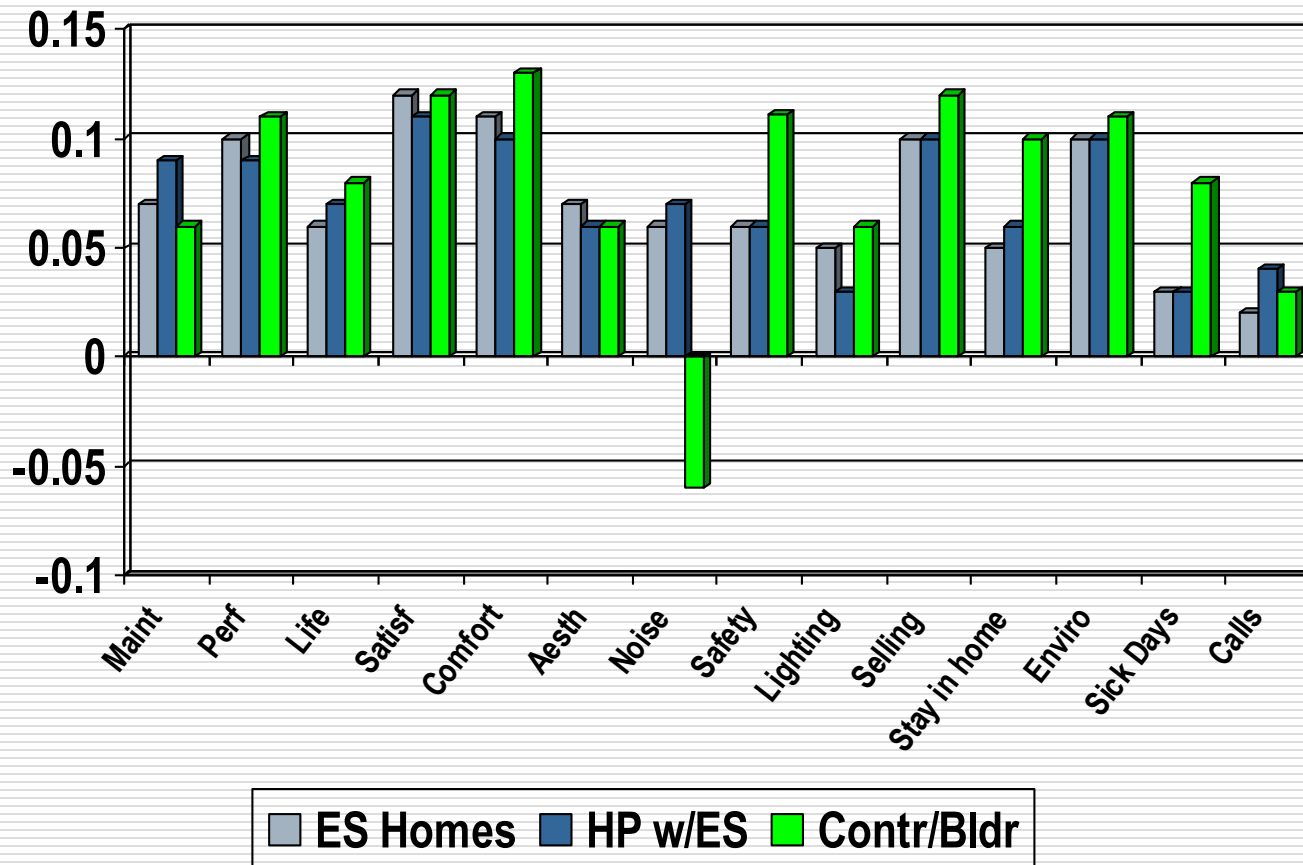
Negative NEB values / cost of barrier	Solar Water Heat NZ\$ / Euros	Solar Design NZ\$ / Euros
Appearance (NZ\$ / Euros)	-14 / -7	- 3 / -2
Maintenance (NZ\$ / Euros)	-9 / -5	- 5 / -3
Other (NZ\$ / Euros)	-	- 3 / -2
Total value of Negative NEBs for Measure (and share of energy savings)	-23 / -12 (0.79)	-11 / -6 (.06)

Implications: **Negatives / barriers**

Can be very real & important.

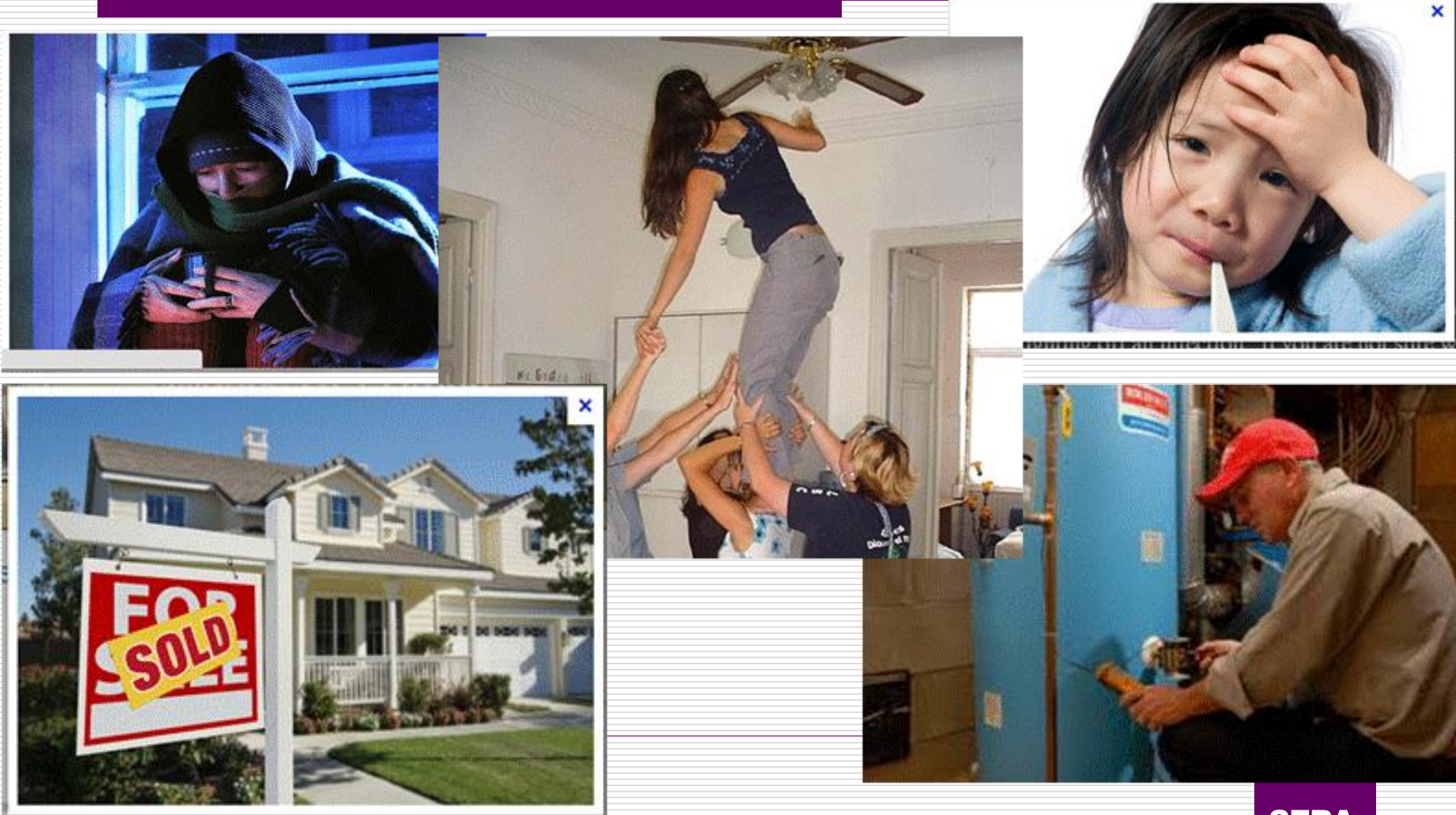
Can address with redesign, or,
presumably, rebates. Perhaps warranties...

ENERGY STAR HOMES & HP PROGRAMS - RESIDENTS AND CONTRACTORS/BUILDERS



Energy savings multiplier=1

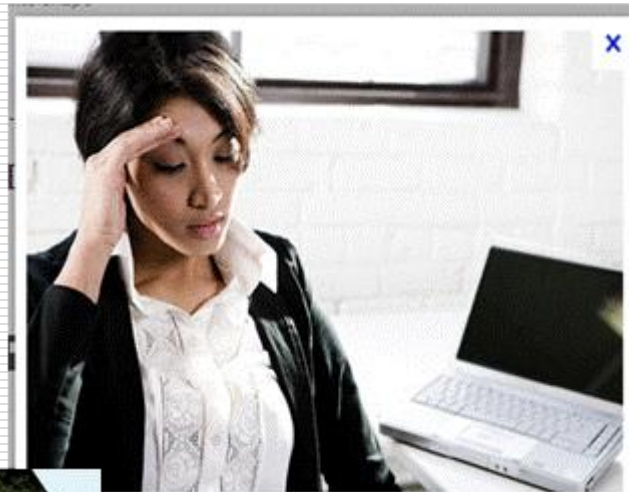
"SELLABLE" FEATURES OF EFFICIENCY - HOUSEHOLDS



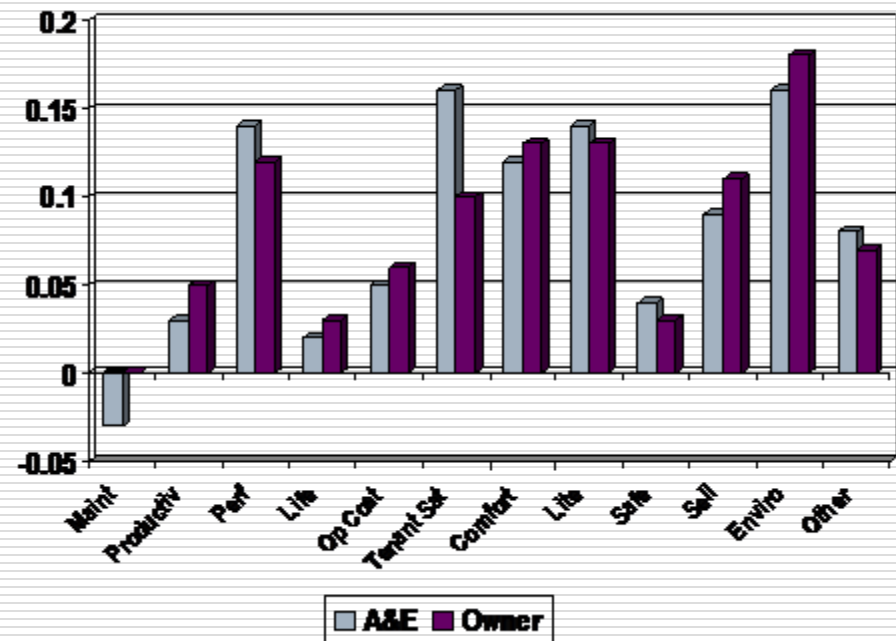
"SELLABLE" FEATURES OF EFFICIENCY - BUSINESSES



42-20045297 [RF] © www.visualphotos.com



"SELLABLE" FEATURES OF EFFICIENCY - SCHOOLS



"SELLABLE" TO SEGMENTS

The advertisement features the LG logo at the top left and the text "LG'S RANGE OF HEALTHY HOME APPLIANCES" in the center. A green circular seal in the top right corner reads "Green Technology". Below the main title, five appliances are displayed: a refrigerator, a front-loading washing machine, a dryer, a microwave, and a stick vacuum. Annotations with arrows point to specific features: "Hygiene Fresh Technology" points to the refrigerator; "Uses steam" points to the washing machine; "Steam" points to the dryer; "Lightwave Technology" points to the microwave; and another "Steam" points to the vacuum. Each appliance also has a small green icon above it representing its technology: a leaf for the refrigerator, a steam cloud for the washing machine and dryer, a square wave for the microwave, and a steam cloud for the vacuum.

LG

Hygiene Fresh Technology

LG'S RANGE OF HEALTHY HOME APPLIANCES

Green Technology

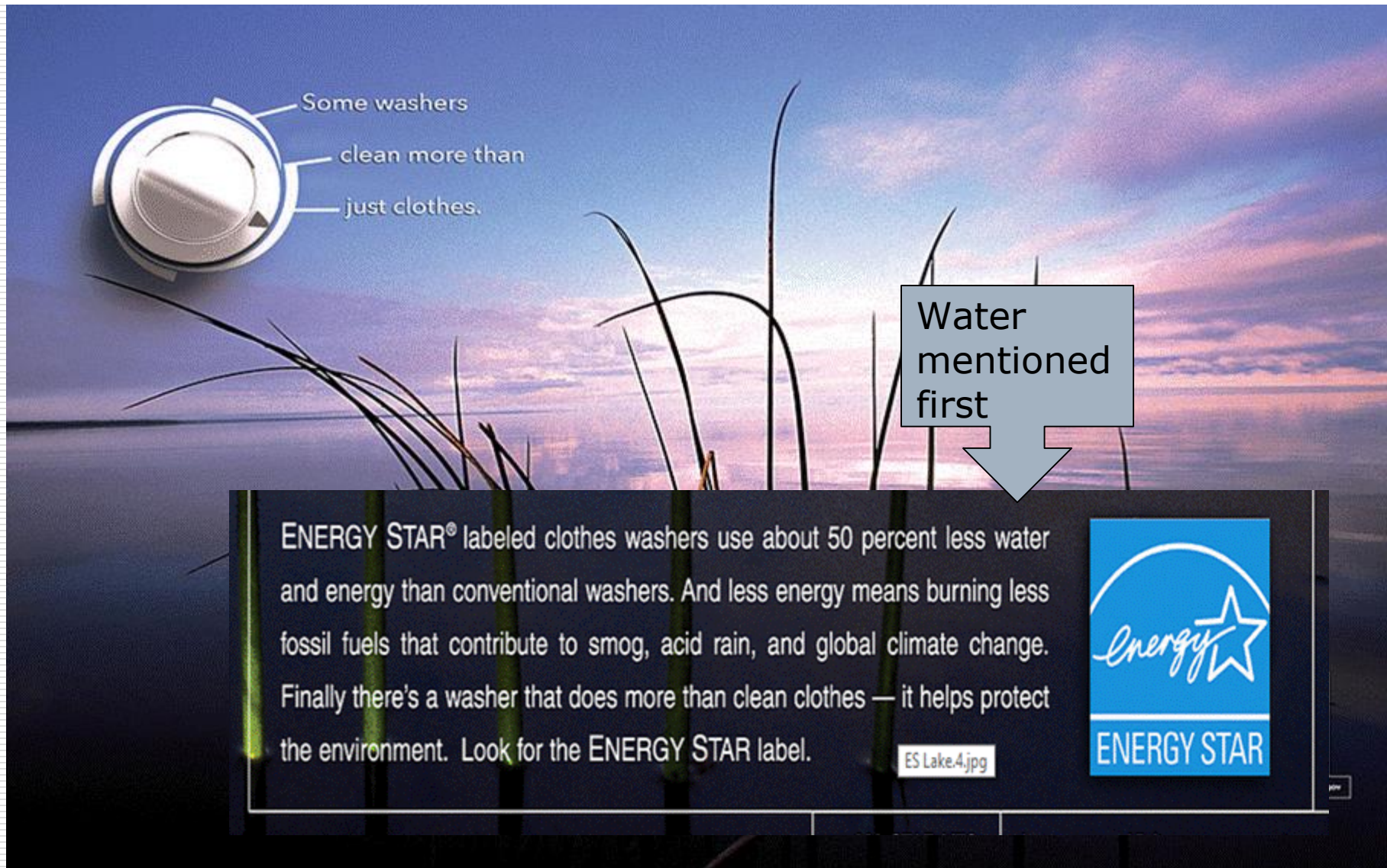
Uses steam

Steam

Lightwave Technology

Steam

"SELLABLE" TO SEGMENTS




Some washers
clean more than
just clothes.

Water
mentioned
first

ENERGY STAR® labeled clothes washers use about 50 percent less water and energy than conventional washers. And less energy means burning less fossil fuels that contribute to smog, acid rain, and global climate change. Finally there's a washer that does more than clean clothes — it helps protect the environment. Look for the ENERGY STAR label.

ES Lake.4.jpg



ENERGY STAR

"SELLABLE" FEATURES

DUCTLESS HEATING AND COOLING SYSTEMS are the ideal solution for your electrically heated home, especially if you use baseboard, wall, or forced-air furnace heating. When you have a ductless system's efficient, quiet and even air distribution, you have:

- **TOTAL COMFORT**
no matter the weather,
no matter the season
- **25-50% SAVINGS**
on electric heating costs
- **SUPER-EFFICIENT TECHNOLOGY**
to cut energy waste



You may be eligible for **HUNDREDS IN UPFRONT SAVINGS** with utility incentives.

MAKE YOUR GOOD HOME GREAT WITH DUCTLESS TECHNOLOGY.

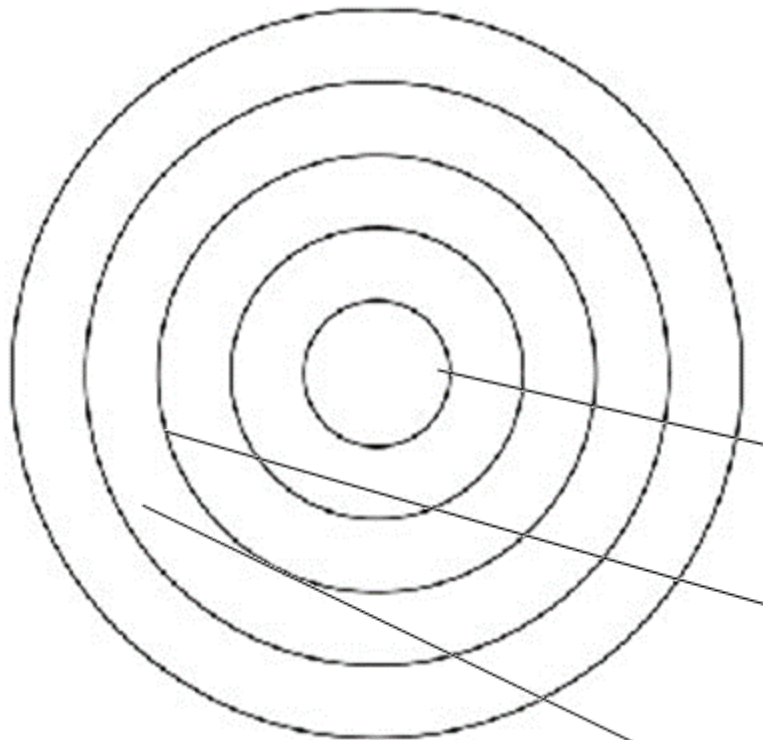
Visit goingductless.com to find an installer like me and learn more.

- 01 The **OUTDOOR UNIT** sits outside of your home at ground level.
- 02 The **INDOOR UNIT** is connected to the outdoor unit by a few small cables, including a refrigerant line.
- 03 A handy **REMOTE CONTROL** gives you constant temperature control.

COMFORT

LIVE THE DUCTLESS LIFE
More comfort. More savings.

USE MARKET RESEARCH (NEBS) TO SELL WHAT PEOPLE WANT TO BUY

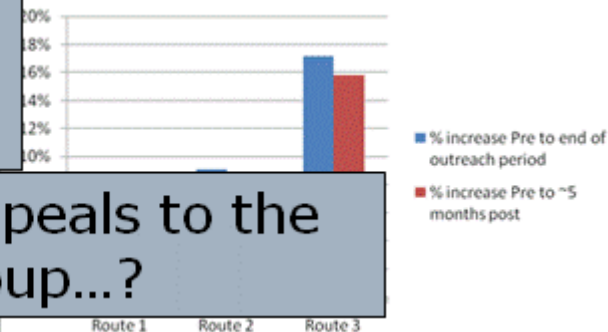


- Focus Group
- NEB Research
 - Positives (appealing)
 - Negatives (barriers)

What does this group want / respond to?

What appeals to the next group...?

What is stopping the next group...?



SELL WHAT PEOPLE WANT

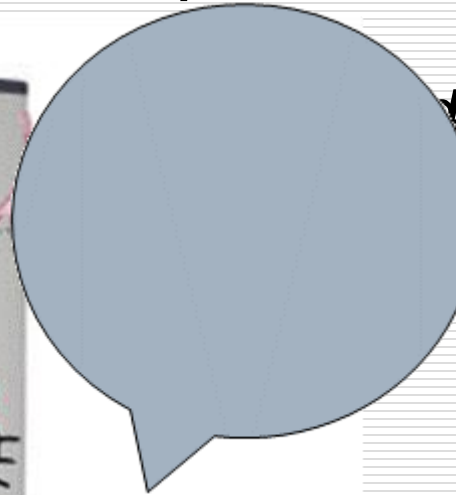
- ❑ To reach the next group
 - ❑ To cut through the media clutter
 - ❑ To move the needle forward
- ... it's not selling OUT...

Honey, I
really want
to buy it...!
Jeff
Gordon
endorses
it!



AND IF THEY WANT TO BUY FOR THE "WRONG" REASON, SO WHAT!?

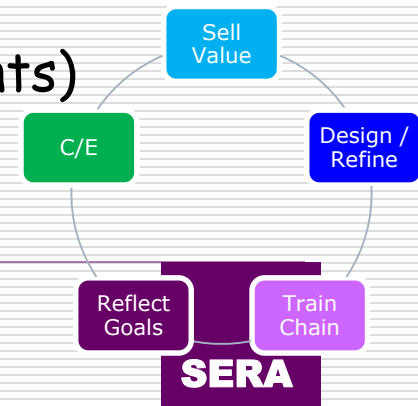
- They don't have to value what you value! ...
We just want them to buy it!



TAKEAWAYS



- EE not the best or only message
- NEBs are:
 - Well researched
 - Valuable - and more valuable to customers than EE
 - Easier to sell than EE
 - Market research
 - Practical, Useful, and SPECIFIC
- Sell what people want to buy (what they value) NOT what you want to sell!
 - Use the NEBs (aka market research to segments)
- ...And that is only one use of NEBs...



THANKS

Just Do It



Lisa A. Skumatz, Ph.D.

Skumatz Economic Research Associates

www.serainc.com; www.nonenergybenefits.com

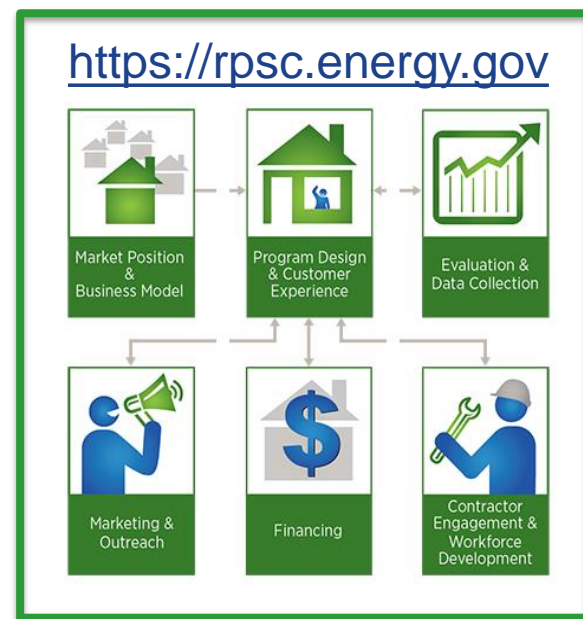
Presentation Highlight: Skumatz Economic Research Associates, Inc.

- Energy and Financial savings are not all that matters to the customer. **We have to market what people want to buy, rather than what we want to sell!**
 - Non-energy benefits are ranked as three times more important than energy savings for individuals.
 - Non-energy benefits are valuable to the community, easier to sell, and have been extensively researched in market studies.
- **Important non-energy benefits depend on the population:** Understand the demographics in your community to create relevant marketing strategies.
 - For low-income populations, the benefits of comfort, decreased maintenance, and **ability to control bills can be strong enough motivators to participate in weatherization programs.**

Related Resources in the Residential Program Solution Center

Explore resources related to communicating the value of non-energy benefits:

- Consider strategies to communicate benefits to your target audiences in the [Program Design & Customer Experience – Communicate Impacts](#) handbook.
- Read about home upgrade benefits beyond energy savings, including improvements to comfort, health, and safety, in this [ACEEE report](#).
- Review the benefits of energy efficiency for low income households in this [NRDC fact sheet](#).
- View this [Synapse Energy Economics presentation](#) on driving efficiency with non-energy benefits.



- While you're there, see the latest [Proven Practices](#) post on [Incentivizing Home Upgrade Actions](#).
- The Solution Center is continually updated to support residential energy efficiency programs—[member ideas are wanted!](#)

Peer Exchange Call Series

***We hold one Peer Exchange call the first four Thursdays of each month
from 1:00-2:30 pm ET***

Calls cover a range of topics, including financing & revenue, data & evaluation, business partners, multifamily housing, and marketing & outreach for all stages of program development and implementation

Upcoming calls:

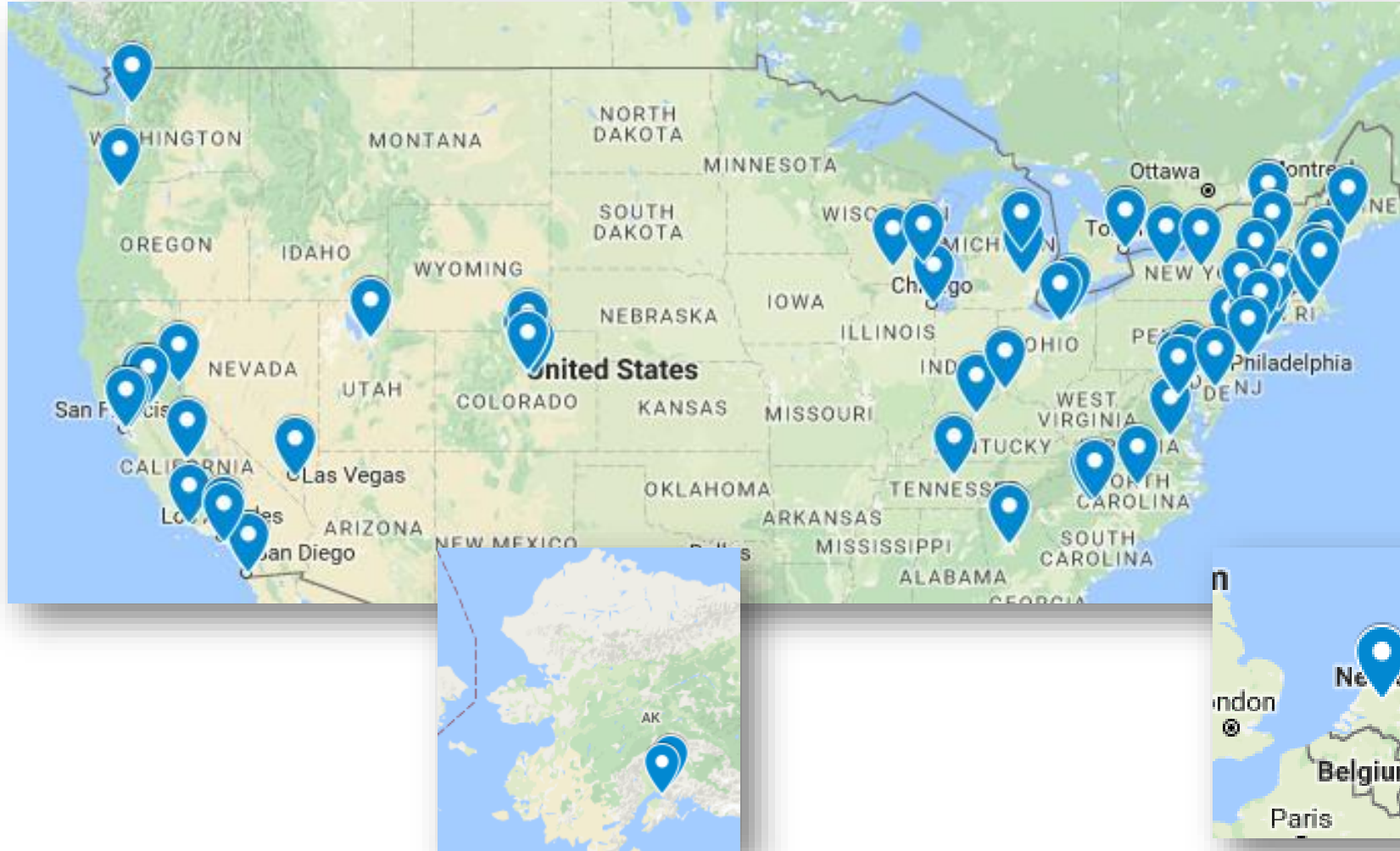
- November 17: Diversifying Funding Sources and Building New Revenue Streams (201)
- *November 24: No Call – Thanksgiving*
- December 1: America's Next Top Energy Model: Tools and Best Practices (101)
- December 8: Oh, the Weather Outside is Frightful: Weatherizing Manufactured Homes (301)

Send call topic ideas to peerexchange@rossstrategic.com

See the Better Buildings Residential Network Program [website](#) to register

Addenda: Attendee Information and Poll Results

Call Attendee Locations



Call Attendees: Network Members (1 of 2)

- Alaska Housing Finance Corporation
- AppleBlossom Energy Inc.
- BlueGreen Alliance Foundation
- City of Fort Collins (Colorado)
- City of Somerville (Massachusetts)
- CLEAResult
- Cleveland Public Power
- Connecticut Green Bank
- Davis Energy Group
- District of Columbia Sustainable Energy Utility
- Efficiency Maine
- Elevate Energy
- Energy Efficiency Specialists
- Greater Cincinnati Energy Alliance
- Institute for Market Transformation (IMT)
- International Center for Appropriate and Sustainable Technology (ICAST)
- LEDVANCE

Call Attendees: Network Members (2 of 2)

- Milepost Consulting, Inc.
- NeighborWorks of Western Vermont
- New York City Energy Efficiency Corporation (NYCEEC)
- New York State Energy Research and Development Authority (NYSERDA)
- Optimal Energy, Inc.
- Richmond Region Energy Alliance
- Southeast Energy Efficiency Alliance (SEEA)
- The Oberlin Project
- TRC Energy Services
- Vermont Energy Investment Corporation (VEIC)
- Wisconsin Energy Conservation Corporation (WECC)

Call Attendees: Non-Members (1 of 2)

- Air Conditioning Contractors of America (ACCA)
- Architectural Nexus
- BA Consult
- Bay City Electric Light and Power
- Brooks Kushman
- BSPT
- California Public Utilities Commission (CPUC)
- California State Civil Service (CEC)
- Carolina Smart Homes
- City of Atlanta (Georgia)
- CivicSpark
- Clean Air Partnership
- County of San Diego
- County of Santa Barbara
- ebm-papst Inc.
- Enbridge Gas Distribution Inc.
- Environmental Design / Build
- Frabble Stops
- Franklin Energy
- Green & Healthy Homes Initiative
- Greenergy Chicago, Inc.
- Groundswell
- ILLUME Advising LLC.
- Leidos - Antarctic Support Contract (ASC)

Call Attendees: Non-Members (2 of 2)

- LINC Housing Corporation
- MKThink
- MPower Oregon
- National Grid plc
- New Jersey Natural Gas
- Retrofit Baltimore
- San Francisco Department of the Environment (SF Environment)
- San Joaquin Valley Clean Energy Organization (SJVCEO)
- Skumatz Economic Research Associates, Inc.
- Snohomish County
- Southern Energy Management
- State of Delaware
- The Cadmus Group, Inc.
- The Clark Group LLC
- The Commonwealth of Massachusetts
- The Energy Network
- The European Climate Foundation
- USDA Rural Development
- Utah Governor's Office of Energy Development
- V3 Power

Opening Poll #1

- Which of the following best describes your organization's experience with non-energy benefits?
 - Some experience/familiarity – **40%**
 - Limited experience/familiarity – **25%**
 - Very experienced/familiar – **22%**
 - No experience/familiarity – **10%**
 - Not applicable – **3%**

Closing Poll

- After today's call, what will you do?
 - Seek out additional information on one or more of the ideas – **54%**
 - Consider implementing one or more of the ideas discussed – **42%**
 - Make no changes to your current approach – **4%**
 - Other (please explain)