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# Energize Connecticut Upstream Residential HVAC Program

Presented at the 2015 ACEEE National Conference on  
Energy Efficiency as a Resource  
September 22, 2015

Jennifer Parsons - UI, SCG, and CNG



UIL HOLDINGS COMPANIES

# Presentation Agenda

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- Energize Connecticut
- Upstream Model and Benefits
- Upstream Program Design
  - Distributor requirements
  - Marketing
  - Challenges
  - Successes
  - Program Considerations

# Energize Connecticut

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- Energize Connecticut is an initiative to help consumers save money and use clean, affordable energy.
- A partnership of the Energy Efficiency Fund, the Connecticut Green Bank, Department of Energy and Environmental Protection (DEEP), and the local electric and gas utilities.
- Efficiency incentive programs funded through the CT Energy Efficiency Fund.
  - Created in 1998 with natural gas programs added in 2005

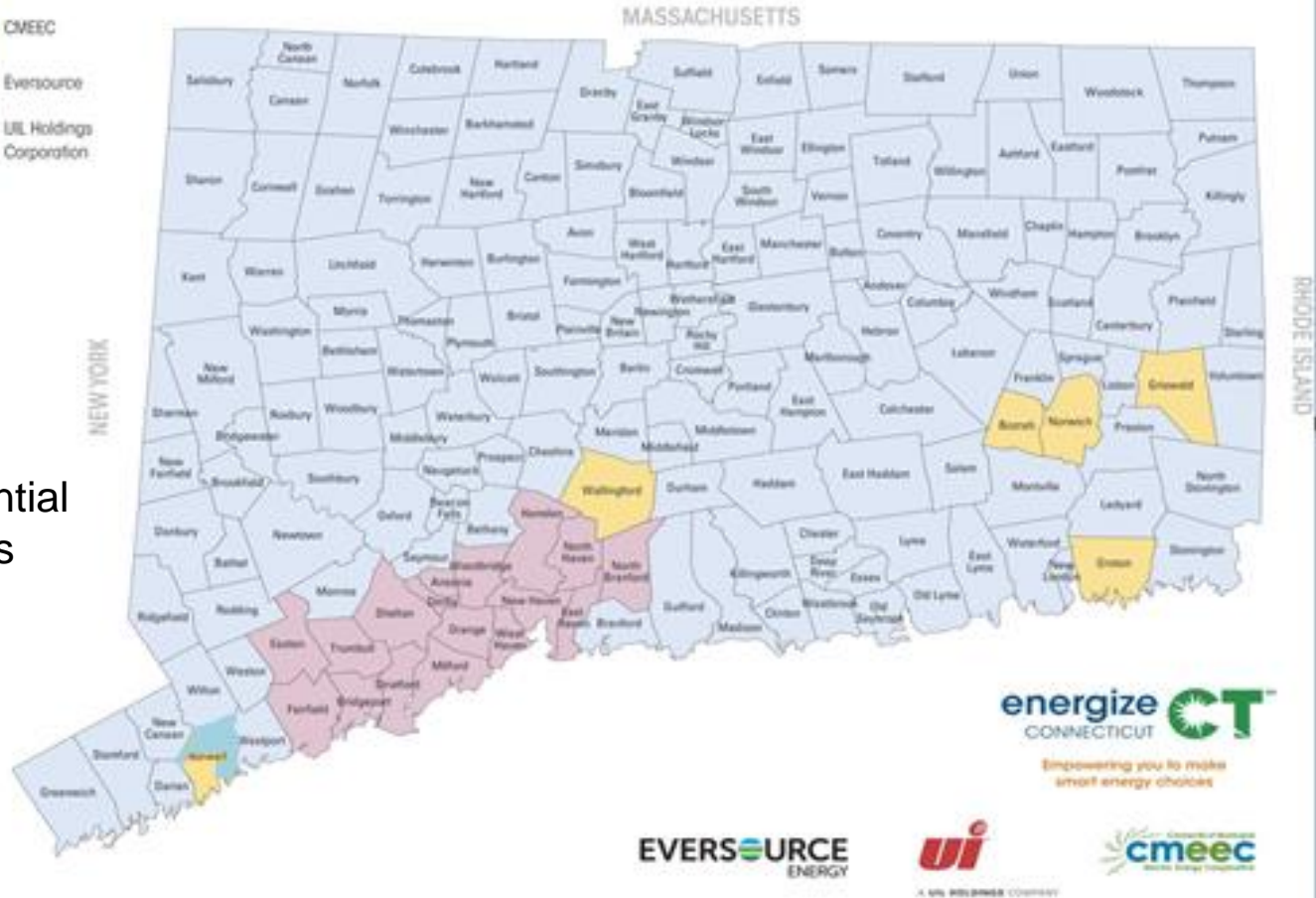


# CT Service Territory: Electric

1,325,000 Residential  
Electric Customers

## Electric Service Areas

-  CMEEC
-  Eversource
-  UIL Holdings Corporation



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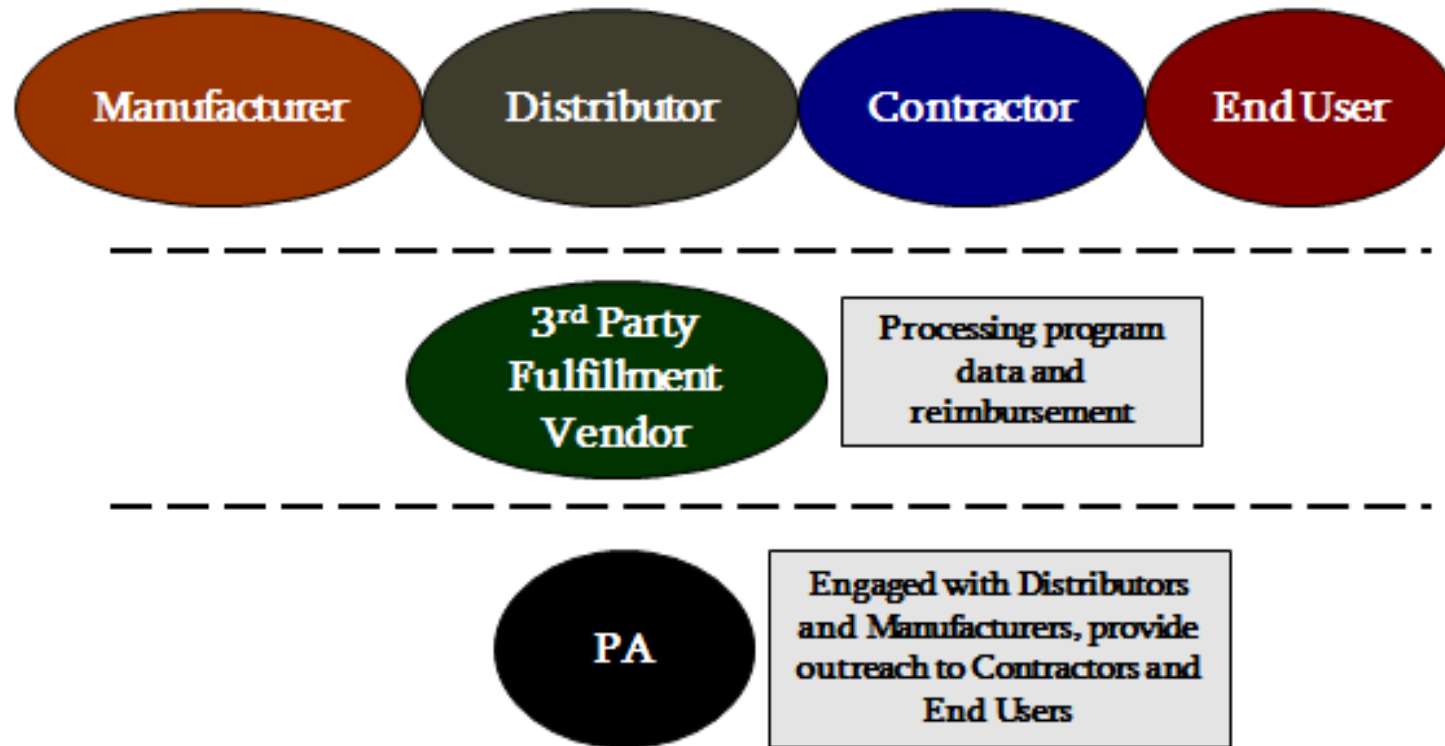
**EVERSOURCE**  
ENERGY

**ui**  
A UIL HOLDINGS COMPANY

**cmeec**  
COMMERCIAL ENERGY SERVICES

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# What is Upstream?



# Why Move Upstream?

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- Rebate breakage
- Incomplete submissions
- Low distributor and contractor program understanding
- Increased high efficiency equipment stocking
- Desire for market transformation

# Benefits of Upstream Programs

Stakeholder	Benefits
<b>Manufacturer</b>	<ul style="list-style-type: none"><li>• Opportunity to balance product mix</li><li>• Push latest technology to market</li></ul>
<b>Distributor</b>	<ul style="list-style-type: none"><li>• Increased profits and market share</li><li>• Opportunity to transform end market</li></ul>
<b>Contractor</b>	<ul style="list-style-type: none"><li>• Lower first cost</li><li>• No rebate completion required</li><li>• Sales and marketing tool to sell jobs</li></ul>
<b>End-users</b>	<ul style="list-style-type: none"><li>• No rebate processing (time and money)</li><li>• Lower first cost</li><li>• Energy and lifetime cost savings</li></ul>
<b>Utility</b>	<ul style="list-style-type: none"><li>• Eliminate loss of savings associated with forms</li><li>• Opportunity to reach larger customer base</li></ul>



# Residential Upstream Incentives

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## Eligible Equipment

- ENERGY STAR® Natural Gas Water Heaters:
  - Tankless 0.82-0.93 EF = \$300
  - Tankless 0.94 EF+ = \$500
  - Condensing 95% TE = \$300
  - Storage 0.67 EF+ = \$100
- ENERGY STAR Heat Pump Water Heaters: \$400
- ENERGY STAR Natural Gas Boilers @ 90% AFUE = \$750
- ENERGY STAR Natural Gas Furnaces = \$600, Oil & Propane = \$200
- Boiler Circulator Pumps = \$100

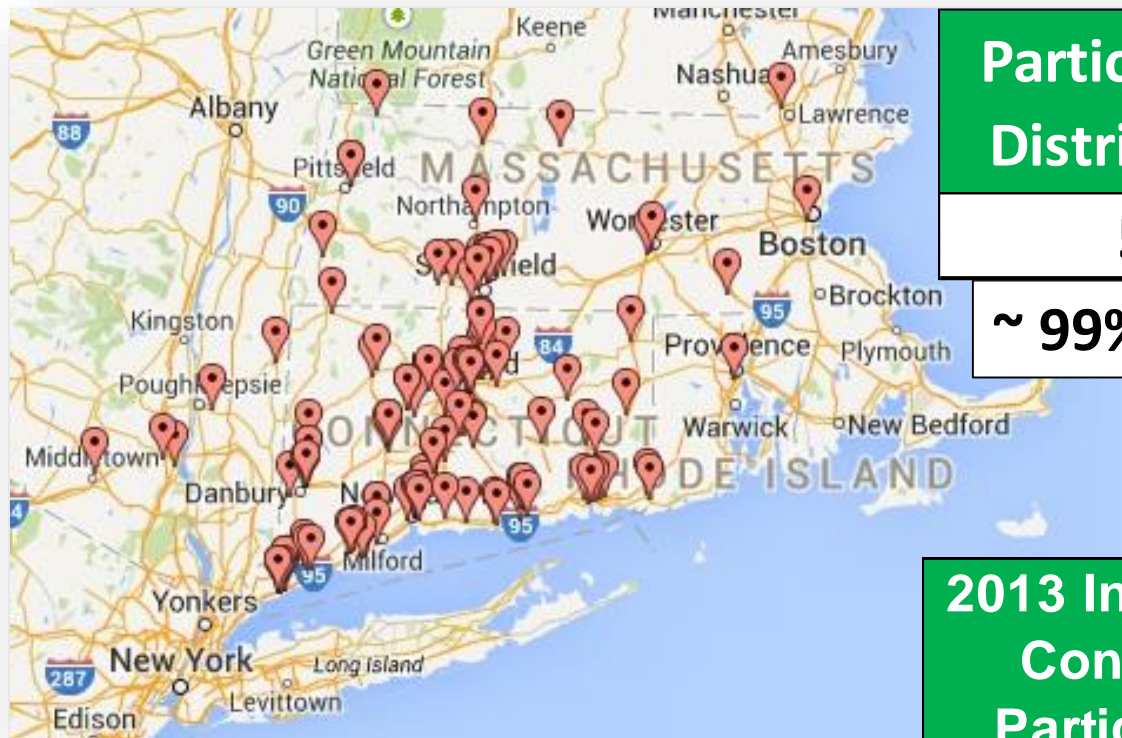


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# Moving Upstream

# Distributor and Installer Enrollment Success

- Program Pilot began October 2013
- Statewide Rollout April 2014



**Participating  
Distributors**

**52**

**Participating  
Branch Locations**

**139**

**~ 99% distributor participation**

**2013 Installation  
Contractor  
Participation**

**176**

**2014 Installation  
Contractor  
Participation**

**481**



# Distributor Participation Requirement

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- Sign agreement
- Mark down eligible equipment when sold in participating towns – Qualified Products List (QPL) models only
- Licensed installers only
- Collect end user information
- Send submission template and invoices to rebate fulfillment vendor – online submission portal OR email
- Reimbursed for mark down plus \$20 processing fee within 30 days

# Marketing

- Point of Purchase (POP) Signage, Radio, and Billboards



**ENERGY STAR® Natural Gas Water Heater**

**BIG SAVINGS NATURALLY!**

**INSTANT DISCOUNT \$100-\$500**

PRICE OF PARTICIPATING MODELS REFLECTS ENERGIZE CONNECTICUT INSTANT DISCOUNT\*

\*Must provide a valid residential CHG, SCG, or Eversource customer installation address.

**ASK OUR SALES AND SERVICE TEAM FOR DETAILS.**

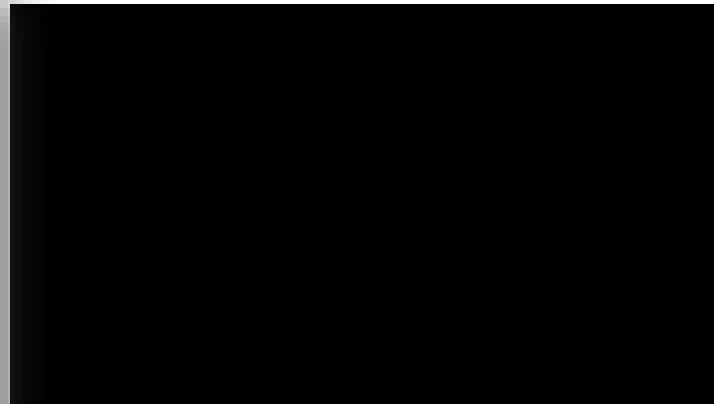
For more information call  
1-877 WISE USE (877-947-3873)  
Or visit  
[EnergizeCT.com](http://EnergizeCT.com)

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Energize Connecticut helps you save money and use clean energy. It is a initiative of the Energy Efficiency Fund, the Connecticut Green Bank, the State, and your local electric and gas utilities with funding from a charge on customer energy bills.



**Heat Pump Water Heaters use 50% LESS ENERGY**

Than standard electric water heaters!

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**1-877-WISE USE** | **EnergizeCT.com**



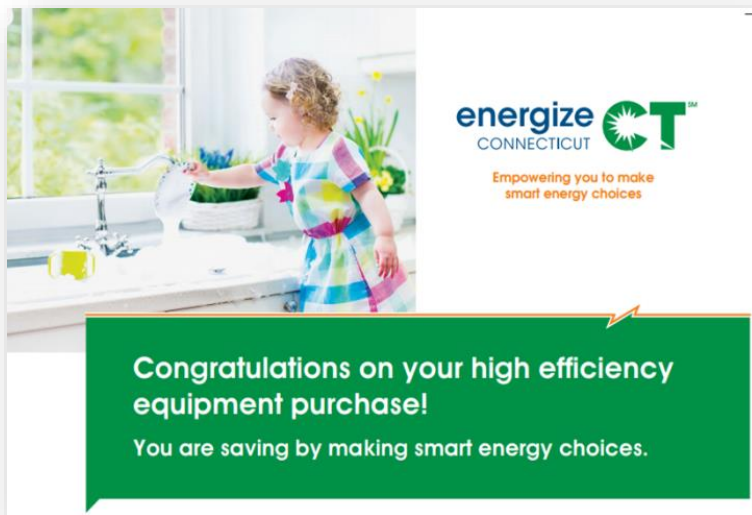
# Gas Water Heating: on TV

<https://vimeo.com/channels/719455/93668883>



# Quality Assurance

- Rebate vendor verifying against double-dipping (during rebate transition period)
- Circuit Rider
- Gas territory placemats
- Post inspections + telephone surveys
- Customer “thank you” postcard:



**Did you know that heating, cooling and hot water account for more than half of the energy used in your home?**

Your new energy-efficient equipment is helping you cut back on utility costs while making your home more comfortable. Plus, you saved instantly through Energize Connecticut!

When your installation contractor purchased the equipment, an Energize Connecticut incentive was applied. You saved between \$100 and \$750 without filling out a rebate form!

*If you have questions regarding your equipment, please contact the installing contractor.*

**For more ways to save and for details on the instant rebate applied, visit [EnergizeCT.com](http://EnergizeCT.com)**

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ENERGY

**ui**

**NG**

**Southern  
Connecticut  
Gas  
Service First**

ULI HOLDINGS COMPANIES

Energize Connecticut - programs funded by a charge on customer energy bills.

Eversource  
PO Box 270  
Hartford, CT 06141-0270

Customer Address  
Here

# Claiming Energy Savings

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- Gas Water Heating:

$$ABTU_W = ADHW \times \left( \frac{1}{EF_B} - \frac{1}{EF_I} \right)$$

$$ACCF_W = \frac{ABTU_W}{102,900 \text{ Btu/Ccf}}$$

- Heat Pump Water Heating: (deemed)
  - 1,675 annual kWh
  - 16,750 lifetime kWh
  - 0.17 peak summer kW
  - 0.20 peak winter kW

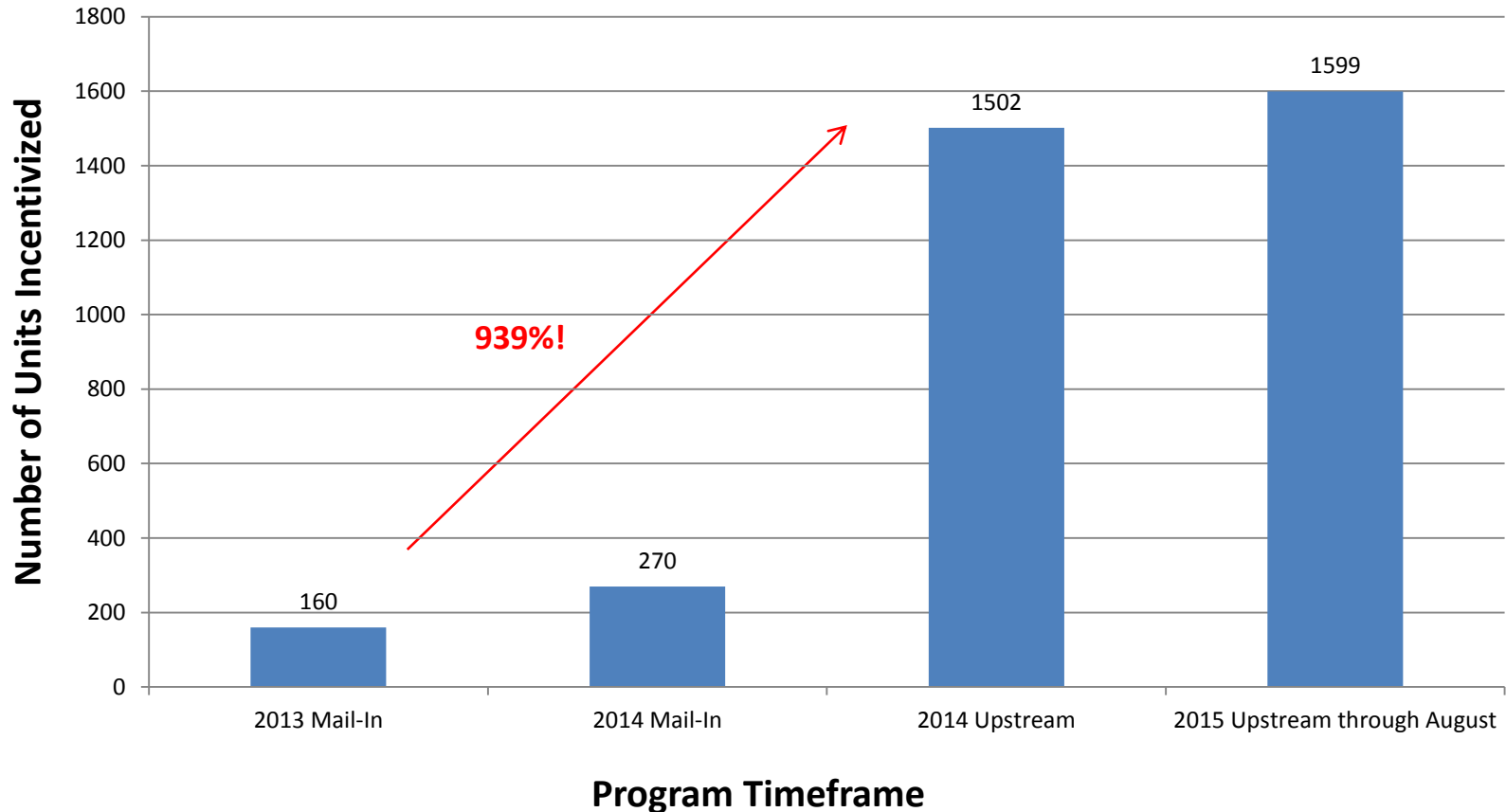


# Program Challenges

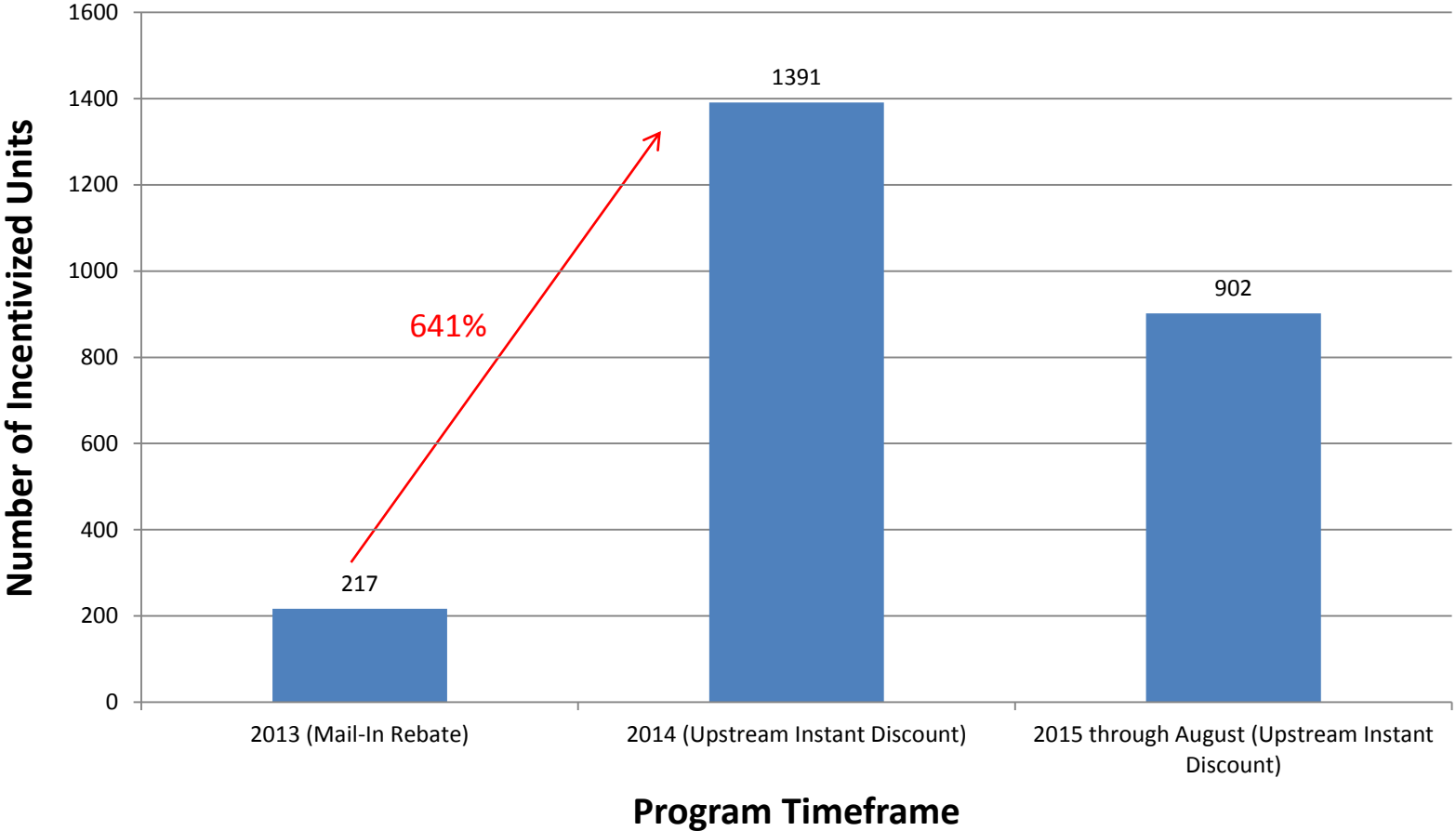
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- Propane equipment (natural gas availability)
- Initial participation reluctance (submission collection)
- Distributor submissions
  - Eligible customers
  - Licensed installers
  - Using EXCEL
- Contractor passing along discount
- Changing customer understanding of discount
- Municipal territories

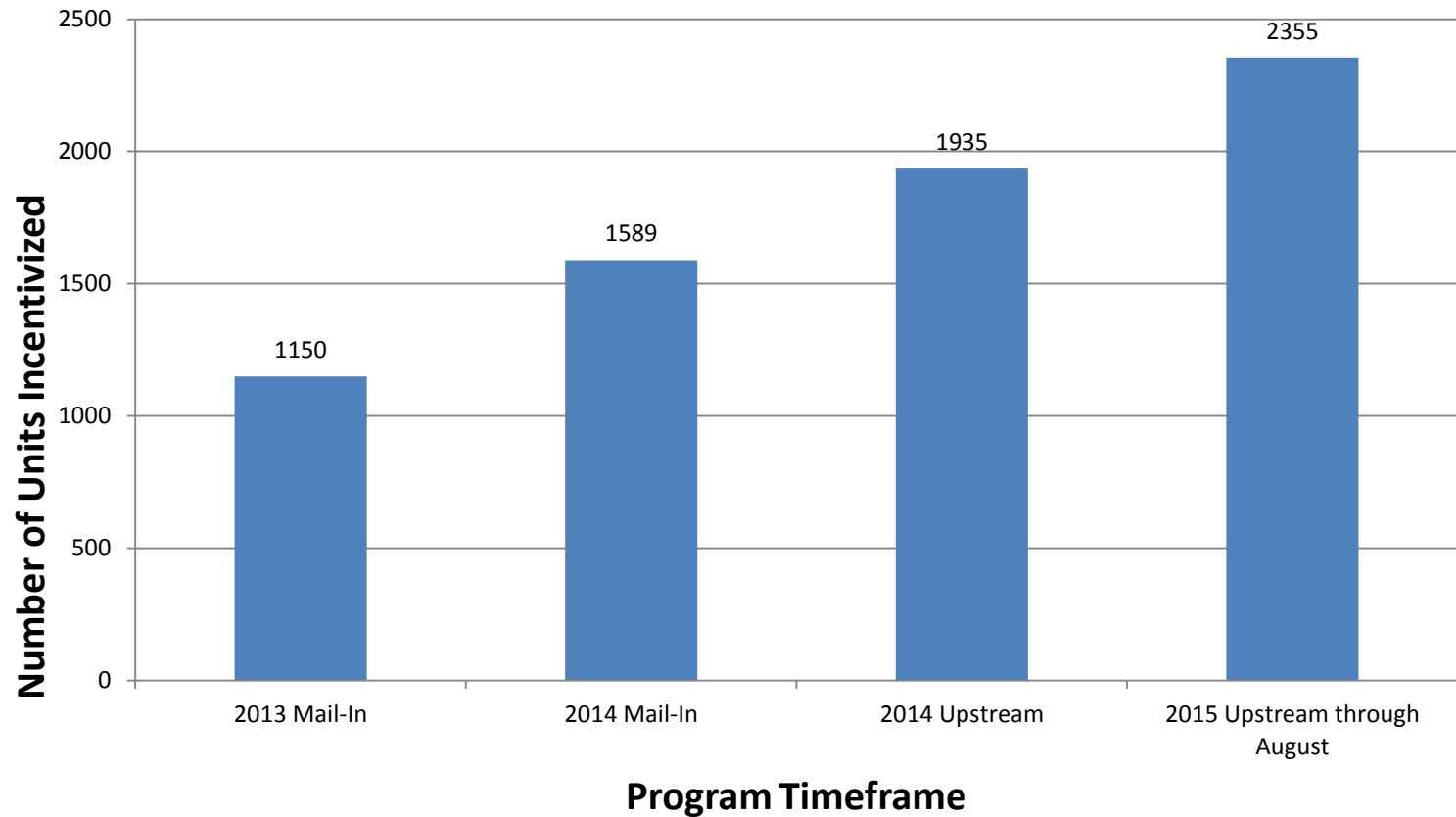
# Gas Water Heater Program Success



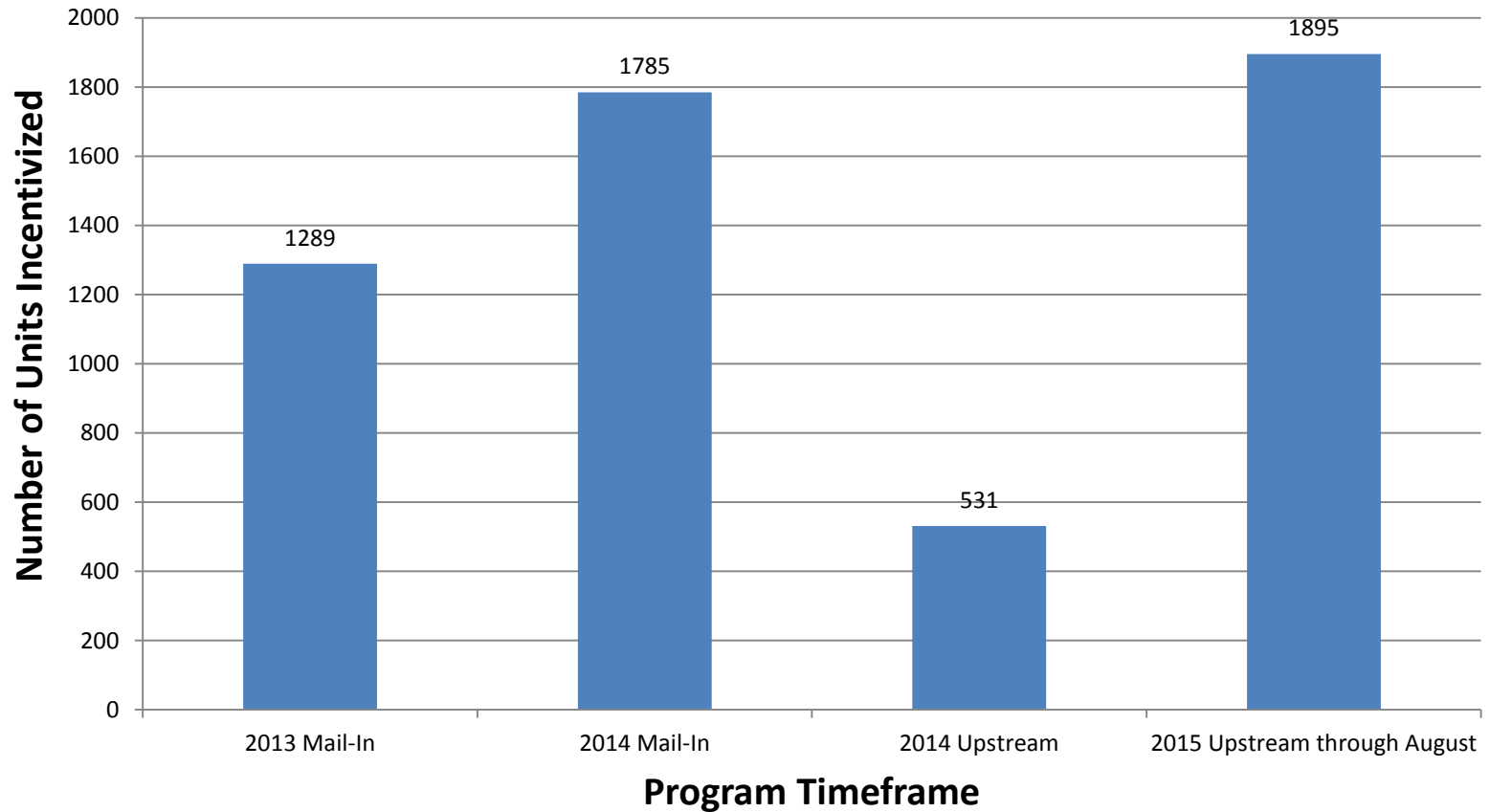
# Heat Pump Water Heater Program Success



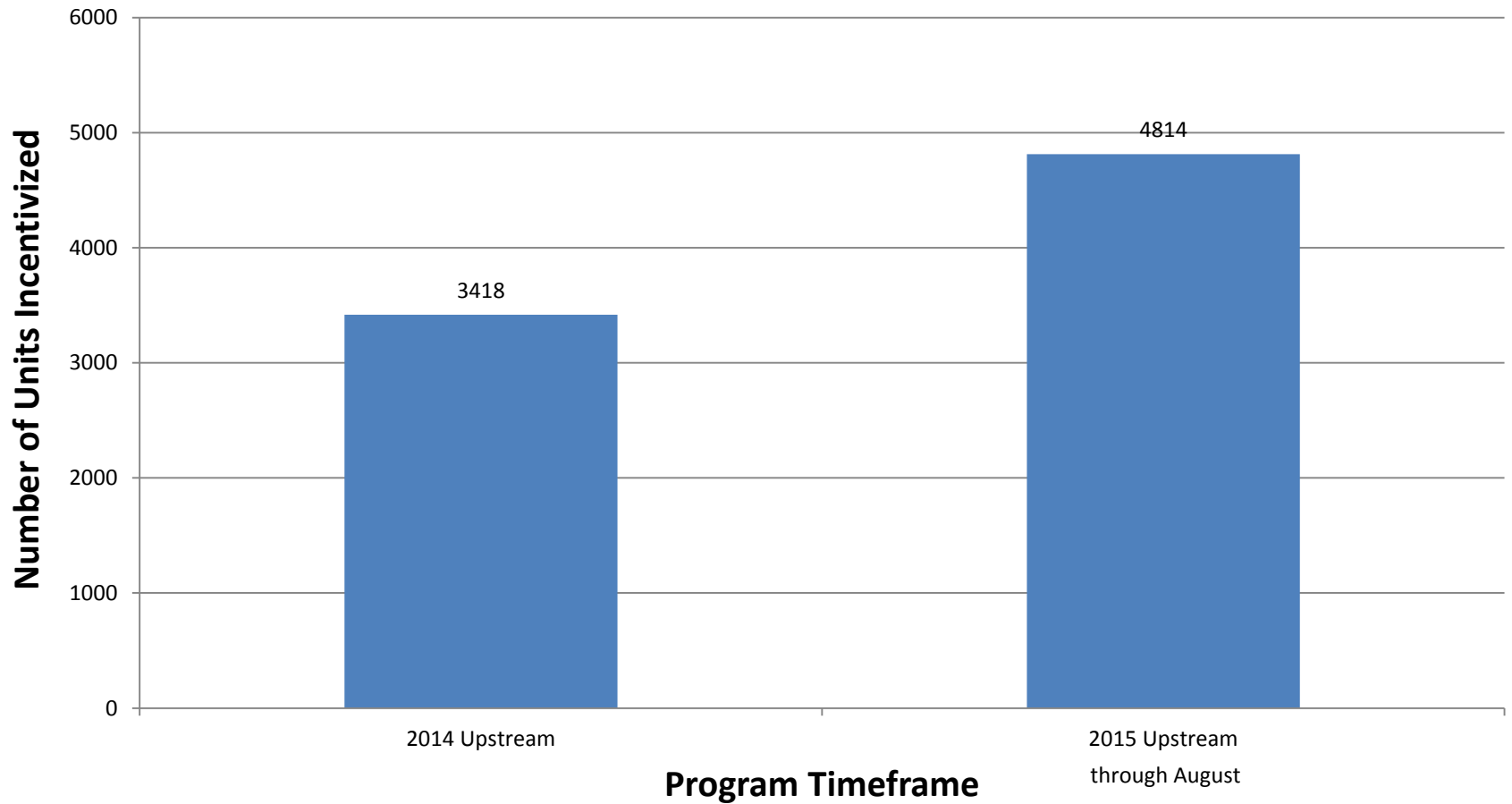
# Natural Gas Boilers



# Furnaces (Combined Fuels)



# Boiler Circulator Pumps



# Other Program Successes

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- Strengthened relationship with HVAC community
- Reduction in paperwork flow (less trees)
- Significant increase in C&I program participation and other residential programs
- Significant increase in energy savings claimed

# Future Considerations

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- Enhanced QA
- Proper Installation Testing
  - Training courses for installers
- Enhanced Marketing
- Federal hot water standard changes
- Measure market transformation with sales data



# Things To Consider in Your State

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- Gather distributor, manufacturer and contractor network contacts – for outreach and relationship building
- Simple program design
- Accessibility of PA / Circuit Rider to answer questions
- Marketing to consumers
- Adequate budget
- Utility collaboration

# Questions?

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860-665-5825

Web Resources:

[EnergizeCT.com/high-efficiency-heating](http://EnergizeCT.com/high-efficiency-heating)

[EnergizeCT.com/gas-water-heating](http://EnergizeCT.com/gas-water-heating)

[EnergizeCT.com/hpwh](http://EnergizeCT.com/hpwh)