

ENERGY STAR[®] Success Story



Save Energy – Save Money
Help protect the environment



Économisez énergie et argent
Contribuez à protéger l'environnement



Shopping Simplified: The BC Hydro ENERGY STAR Appliance Program

When making major purchasing decisions about home appliances, consumers often rely on the expertise of a knowledgeable salesperson. Choosing a more efficient appliance can have a significant impact on a household's overall electricity consumption. The ENERGY STAR Appliance Program was set up to partner with retail salespeople and encourage the sale of more energy-efficient appliances in order to reduce residential electricity consumption in British Columbia and reduce greenhouse gas emissions that contribute to climate change.

Opportunities for Savings

BC Hydro has over 1.4 million residential accounts, and major appliances account for 17 percent of the electricity used in each home. Because the lifetime expectancy of home appliances is relatively long (for example, clothes washers last about 14 years, and refrigerators last about 17 years), there is an opportunity to make a long-term impact on electricity consumption by influencing consumers' purchasing decisions. The best opportunity for electricity savings when it comes to home appliances is with ENERGY STAR qualified clothes washers and refrigerators. By choosing an ENERGY STAR qualified appliance, consumers can save up to 260 kWh¹ per year. That's more than enough energy to run a dishwasher 100 times. Imagine – a year's worth of clean dishes for free!

Making the ENERGY STAR Sale

Despite the potential for electricity savings, ENERGY STAR qualified appliances continue to represent only a small percentage of the appliance market. This is due in part to low awareness of ENERGY STAR among consumers and salespeople. From October 2001 to March 2002, the ENERGY STAR Appliance Program offered salespeople \$20 for every ENERGY STAR qualified refrigerator and clothes washer they sold in British Columbia.² The incentive was funded equally by BC Hydro and Natural Resources Canada. Retail

About ENERGY STAR

The international ENERGY STAR symbol is a simple way for consumers to identify products that are among the most energy-efficient on the market. Only manufacturers and retailers whose products meet the ENERGY STAR criteria can label their products with this symbol. In Canada, Natural Resources Canada's Office of Energy Efficiency administers and promotes the international ENERGY STAR symbol for a wide range of energy-using products sold in Canada.

Look for the ENERGY STAR symbol on product packaging, in product literature and advertising and on products themselves. Ask your local retailer to help you identify products that qualify for the ENERGY STAR symbol so you can begin saving energy and money. For more information, visit the ENERGY STAR Web site at energystar.gc.ca.

¹ One kilowatt hour (kWh) is the amount of electrical energy supplied by one kilowatt for one hour and is equivalent to running an energy-efficient refrigerator for half a day.

² There were 68 different models of ENERGY STAR qualified clothes washers and 213 different models of ENERGY STAR qualified refrigerators eligible for the salesperson incentive.

sales staff were also given a training sheet as well as point-of-sale material to educate consumers on the benefits of ENERGY STAR qualified appliances.

Partnerships Involved

The ENERGY STAR Appliance Program was a joint initiative of BC Hydro and Natural Resources Canada and involved partnering with retailers across British Columbia. Of the 61 retailers in the province, 37 registered to participate in the program. Together, these retailers represented 141 store locations out of a total of 165 and an estimated 90 percent of appliance sales in British Columbia.

Program Success and the Path Forward

Of participating retailers that were surveyed, 76 percent agreed or strongly agreed that the ENERGY STAR symbol helps them sell appliances. Eighty percent of retailers agree or strongly agree that sales staff's knowledge of ENERGY STAR has increased as a result of the incentive program, and 93 percent agree or strongly agree that sales staff can more easily identify an ENERGY STAR qualified appliance as a result of the program. The salesperson incentive is a good way to increase awareness of ENERGY STAR in the marketplace at the retailer level in the short term.

The challenge that remains over the long term is the price barrier of ENERGY STAR qualified appliances. In terms of price, there is a premium of approximately 12 to 42 percent for ENERGY STAR qualified refrigerators and clothes washers respectively.³ Given that electricity prices in British Columbia remain low, energy efficiency plays a minor role in consumers' appliance purchase decisions. A combined approach of a coupon targeted at the mass consumer market along with point-of-sale material, supporting retailer information and targeted advertising (bill inserts, Web site, home shows, customer literature, etc.) would further increase the volume of ENERGY STAR qualified appliances purchased. Salespeople who are knowledgeable about the benefits of the ENERGY STAR qualified appliances play an important part in influencing customers' decisions.

As for future efforts, BC Hydro plans to continue to work with retailers and manufacturers as well as Natural Resources Canada to encourage market transformation toward ENERGY STAR qualified appliances.

Contact for BC Hydro's ENERGY STAR Appliance Program

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³ ENERGY STAR Appliance 2001 Pilot Program business case.



**For more information on ENERGY STAR, contact
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For tips on energy-efficient products, visit the ENERGY STAR Web site at energystar.gc.ca or the Web site of Natural Resources Canada's Office of Energy Efficiency at oee.nrcan.gc.ca.

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