

## **Summary of February 13, 2007 ENERGY STAR® Programmable Thermostat Stakeholder Meeting**

### ***In Person***

Harvey Sachs, Americans Council for an Energy-Efficient Economy  
Alvin Wong, Computime  
Nelson Bender, Controlled Air Systems  
Salam Majeed, Controlled Air Systems  
Jill Abelson, EPA  
Dale Hoffmeyer, EPA  
Andrew Fanara, EPA  
Ted Leopkey, EPA  
Erich Schroeder, Hunter  
Matt Dugan, KeySpan  
Alan Meier, Lawrence Berkeley National Labs  
Julie Humes, Lennox  
Terry McFadden, PSG  
Craig Updyke, NEMA  
Gerson Gavin, Trane

### ***Via Phone***

Doug Dettlaff, Aprilaire  
George Dietz, Aprilaire  
Joe Hlavacek, Aprilaire  
Marge Izzo, Bay State  
Mike Sommer, Berkshire Gas  
Glenn Moore, Braeburn Systems  
Bill Walter, Carrier  
Charles Carson, C Carson Engineering  
John Taylor, CEE  
Stan Mitick, GE Control Products  
Dan O'Donnell, Honeywell  
Tim Butler, Invensys  
John Chapman, Invensys  
Natalie Hildt, KeySpan  
Steve Millheiser, Lux Products  
Richard Moran, NSTAR  
Tom Ledyard, RLW Analytics  
Linda Lawrence, SaskEnergy  
John Sartain, White-Rodgers  
Caroline Czajko, White-Rodgers  
Greg Butt, White-Rodgers

### **Meeting Summary:**

*Introduction – Andrew Fanara, EPA, gave the background and history of the specification revision process (see attached presentation slides for additional information)*

The ENERGY STAR programmable thermostat specification has been effective since April 1995. Following several years of research and distribution of Draft proposals, EPA gathered industry and other interested stakeholders to announce that the ENERGY STAR product specification would be revoked and transitioned to a consumer education campaign (focusing only on programmable thermostats). EPA emphasized that this was an important partnership and they would like to spend significant resources in the development and marketing of a campaign.

EPA has continued to work on the thermostat specification since 2002 and has been unable to develop a revised specification because according to field studies, savings are mostly linked with consumer behavior. Additionally, significant consumer confusion with how to achieve savings (i.e., install vs. proper use) exists in the marketplace. Thus, EPA has determined that a product specification will not work due to concerns about the integrity of the program and of the ENERGY STAR mark. Moving forward, EPA plans to work with industry to think more creatively about this product category; develop a stronger educational component than what has existed in the past; and, **move away from a certification mark to an educational graphic as a key component of the campaign.**

*California Update – Alan Meier, LBNL, gave an update on thermostats and California*  
California is currently working on two programs which involve programmable thermostats: Demand Response and continuous mechanical ventilation. Previously the two groups were not in coordination with each other; however, they are now. Additionally, neither of the two groups were aware of what ENERGY STAR was doing. Alan Meier, LBNL, has been asked to advise on the coordination of these programs. He is planning a workshop to bring everyone together and build success for the industry and these different groups.

In terms of timing, the demand response program is slated to be effective in November 2008 (somewhat flexible date). Additionally, there are many other states which are considering communicating thermostat standards (e.g., New Jersey, DC, and Tennessee).

*Educational Campaign – Jill Abelson, EPA, gave a presentation on the elements of the consumer education campaign and announced a draft campaign graphic*

The educational campaign will use consistent messaging via EPA's ENERGY STAR Web site, manufacturers' and industry sites, bill stuffers, and consumer/trade outreach. EPA is looking for input on what should be included as "participating" in the campaign, what the target audiences should be, and a "tip" which will be included in the campaign graphic. The graphic will not be required on the product, but most likely will be required for the packaging and literature.

EPA shared information on similar successful educational campaigns such as Cool Your World and Change a Light {see presentation for statistics from the campaign}. Additionally, EPA shared details on a similar initiative--home sealing. Home sealing includes insulation, a product that was labeled in the past, with installation techniques (air sealing). EPA launched a new mark for home sealing and now works with retailers to promote the installation rather than a product specification.

#### *Summary of Feedback and Discussion Points*

##### *Thermostat Quality*

- Manufacturers and industry stakeholders were concerned about the quality of products without having a performance specification. Stakeholders felt that the label helped tremendously in differentiating quality in the marketplace.
- Stakeholders were concerned that by having a specification, abandoning the specification, and then potentially considering a program in the future, EPA may create additional consumer confusion. Utilities mentioned that without the label it would be more difficult to run rebate programs for thermostats. Additionally, a study was done by GasNetworks which showed that savings were realized from thermostats.
- EPA mentioned that there were concerns about the integrity of the label when associated with programmable thermostats. The product has been challenging since it is consumer-driven. Computers and imaging equipment, for example, had little savings because they were user-driven and user-influenced. Just recently, the specifications for these products were revised and are now focused in a different way to ensure savings and program integrity.

- A stakeholder mentioned that it was a valid point that the GasNetworks study could potentially show that there were regional savings from thermostats. Additionally, EPA should consider niche products (like dehumidifiers) and how relevant they are to the program.
- Craig Updyke, NEMA, mentioned that they are updating their NEMA DC-3 specification, which includes programmable thermostats. They are looking to include quality considerations into this standard. They would like to broaden this discussion—not only with current NEMA members, but would like to include other members of industry, as well. Communication and demand response thermostats are also being looked at. There will be an April meeting to discuss the residential standard.
- A stakeholder mentioned that utilities are always looking for ways to raise the specification and maybe this could become the new ENERGY STAR specification.
- A stakeholder mentioned that adjustable differentials should be included in the quality specification.

#### *Educational Graphic and Campaign Feedback*

- Stakeholders were unsure of the “global warming” aspect of the consumer education graphic. Several partners referred to the logo tagline as “political/emotional” statement, and felt that it comes out of left field. One partner commented that -- paired with an older, old/technology, 10 SEER/ poorly functioning HVAC system – a programmable thermostat could, in fact, have a detrimental effect on the climate. They felt that there were no studies to show the relationship between thermostats and global warming, expressed concern that new messaging would lead to increased consumer confusion, and reiterated that programmable thermostats are marketed via energy/dollar savings messaging. Many felt that energy and financial savings were more important. A manufacturer commented that in 25 years of product marketing, their experience is that “altruistic messaging” does not work with this product. As a counterproposal, Harvey Sachs of ACEEE suggested that EPA develop a series of “approved messages” stakeholders could choose from, including but not limited to global warming messages.
- EPA felt that the climate link was very important to make (given EPA’s mission) and not a political statement/new vision at all. Additionally, some consumers may not care about this link; however, for the consumers that do, EPA felt that this was an important link for them to make in their consumer education graphic.
- A stakeholder mentioned that the loss of the ENERGY STAR mark on the packaging was unfortunate since they have invested heavily in promoting it and it’s a value-add to the manufacturer in their marketing.
- EPA mentioned that they would have to consider this in moving forward; they have wrestled in terms of determining what the mark would look like and how to best promote this category. In the past, there was a one-size-fits-all strategy in using the ENERGY STAR certification mark for promotions; moving forward there needs to be a more creative approach.
- A stakeholder mentioned that using 1-800 and Web sites is very important in dealing with the consumer education part. A stakeholder mentioned that the contractor needs to be included with the consumer educational messaging.
  - EPA to consider this in developing educational materials.
- A stakeholder mentioned that it would be important to have a sense of the timeframe of the specification process.
  - EPA to send a timeline and next steps with meeting notes.

#### *Transitioning from a Performance Specification*

- Several partners commented that removing the label will confuse consumers.
- A stakeholder mentioned that EPA has driven manufacturers to do the things that EPA wanted to in terms of building product. EPA has referenced field studies that are old and manufacturers feel that there have been huge leaps in making programmable thermostats easier to use. There was concern that there will be less progress without a specification; by adding additional educational messaging and keeping the specification, more advances will be made than by just abandoning the specification.

- A stakeholder challenged industry to hold a naïve user test to determine if thermostats are intuitive enough to meet ENERGY STAR levels.
- A stakeholder mentioned that all thermostats could potentially fail this test. Manufacturers are trying the best they can do to “dumb down” thermostats to be used by consumers; however, they continue to receive calls to their hotline for information that is printed on the thermostat.
- One stakeholder (mentioned that they were not concerned about losing the specification and agreed that a strong educational component was needed. They mentioned that many consumers refuse to set back because they still believe that they use more energy setting back.
- EPA mentioned that there needs to be increased creative thinking moving forward given that the performance standard and ENERGY STAR mark was not enough to achieve savings.
- EPA must address the rebate issue moving forward, as several utility partners have programs over the next 2-3 years.

#### *Next Steps*

- EPA to send out a revised timeline.
- EPA to create messaging content through an Advisory Group.
- Manufacturers and industry to send feedback on the educational graphic and Partnership Agreement.