

SESSION 2C

TRACKING CFL SALES AND PRICES

Moderator: Jim Mapp, Wisconsin Division of Energy Services

PAPERS:

A Market Transformed: But Will the Impacts Be Sustained?

Jennifer E. Canseco, KEMA Inc.

Tami Rasmussen, KEMA Inc.

Anu Teja, Northwest Energy Efficiency Alliance

Sales Floor Market Intelligence for CFLs: Methods and Trends over the Past Four Years

Seth E. Craigo-Snell, Applied Proactive Technologies, Inc.

Examining Price Differentials Between CFL and Incandescent Light Bulbs: Do Multi-Packs and Specialty Bulbs Matter?

Greg Clendenning, Nexus Market Research, Inc.

Lynn Hoefgen, Nexus Market Research, Inc.

Angela Li, National Grid

Gail Azulay, NSTAR

SESSION SUMMARY:

This session will focus on: market sustainability after a portion of promotional interventions have been removed, changes in CFL availability and price trends over a four year period across a range of key product characteristics, and a study of price differentials between CFLs and Incandescents with particular attention to multi-packs and specialty bulbs.

The first paper will present information on whether market gains that have been achieved over the past decade have been maintained in the Northwest without continued program intervention from NEEA. The study will report on changes in product availability, product price declines, sales, and market share since promotional market interventions have been removed. The study will report on continued support such as incentives for specialty CFLs throughout 2008. The results suggest a transition away from bare spiral CFL incentives toward specialty lamp incentives may be an effective strategy to ensure continued progress in the CFL market after several years of incentives focused on bare spiral CFLs.

The second paper will report on the availability and pricing of ENERGY STAR[®] CFLs on the sales floor across a range of lighting retailers throughout the Northeast U.S. The four year set of data can be used to improve program design and delivery. The study finds strong growth in both spiral and specialty CFLs over the past four years with a leveling off in Fall 2008. The study shows that the growth of flood type specialty CFLs has outpaced the steady growth of A-line and globe CFLs. Prices for both bare spiral and specialty CFLs declined sharply in the early part of the study period and have leveled off or slightly increased recently. The study also will report on the maturing of CFL markets in Northeast.

The final paper is a continuing study of price differentials between CFLs and incandescents and the impact of multi-packs and specialty bulbs such as floods, A-line, and 3-way. Research results include changes in price from 2006 to 2008, changes in price for CFLs sold in Big Box stores and in multi-packs, and in the incremental price differential between specialty and standard twist CFLs and the

corresponding incandescent bulbs. The study will report on a decline in incremental cost of CFLs over comparable incandescent bulbs. The analysis suggests that the price difference between specialty CFLs and specialty incandescents is similar to the price difference between standard spiral CFLs and standard incandescent bulbs. The results of this study provide guidance to program managers in developing appropriate incentive levels for CFLs as they take into account factors such as place of sale and bulbs sold in multi-packs.