



...ERIP...
MURB-Sector Energy Conservation
Initiative: *CFL for Incandescent Exchange*
Program

Friday, May 8, 2009
CFAA Conference



Energy Management Report EM08-01

Energy Conservation and Demand-Side Management:
Case Study of London Hydro's
CFL for Incandescent Exchange Program

March 2008

The Target at a Glance....

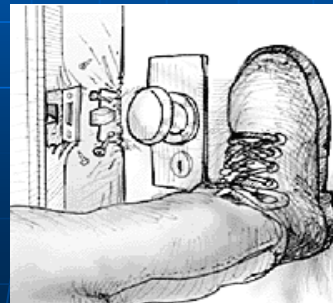
- The approximate stock of apartments in London is:

- 33,060 apts in buildings
 - Individually metered (hydro extra)
- 29,940 apts in buildings
 - Bulk metered (hydro included)



CFL for Incandescent Exchange Program

- Continuum
 - Following on the heels of...
- *Chill Out* early retirement initiative for apartment refrigerators
 - A “foot in the door” program
- Utility has great credibility with customer
 - Leverage the relationship
 - Perceived as experts
 - Not the sales guy



The Communications Conduits...

LPMA – London Property Management Association

- Presentations at monthly meetings
- Articles printed in monthly newsletters
- Mass mail-outs to members
- Win – Win - Win

LMHC – London Middlesex Housing Corporation

- Owned/Operated by our shareholder
- Social Housing Provider
- First crack at the money

London Hydro's Twist...

Suppliers

__ Complete failure "to get it"

We show up

Holding hands whenever necessary
Perform one installation
Have supplies for "samples"
We actually leave our office

Co-op volume discount on CFL's

Negotiate with **BEST** supplier, not the **cheapest!** provide them
with a sense of surety
We're in their corner

Pass on the lessons learned

Learn something every install or project

Professional creative materials supplied

Door hangers, posters, FAQ sheets, all customized

Chill On!
REFRIGERATOR THERMOMETER

Directions: Remove backing and stick in the middle of refrigerator in a visible place 10 minutes before reading.

Too Warm - 6°C/43°F

Just Right!
The ideal temperature range for energy efficiency and food safety is 2-4°C or 34-39°F

Too Cold - 0°C/32°F

Frequently Asked Questions

London Hydro is introducing the energy conservation and energy efficiency program to help businesses reduce energy consumption and save money. The program is designed to help businesses reduce energy consumption and save money. The program is designed to help businesses reduce energy consumption and save money.

How to apply:

1. Needs to be done by the business.
2. Paper to be filled out and submitted.
3. Information to be provided.
4. Paper to be filled out and submitted.
5. Information to be provided.
6. Paper to be filled out and submitted.
7. Information to be provided.

London Hydro
Light Bulb Exchange Program

PLEASE NOTE!

ENVIRONMENTAL UPDATE!

Change a bulb, change the world.

Dear Customer,

We at CFC (CFL) Program are glad that you have decided to take the first step towards energy conservation by switching to energy efficient Compact Fluorescent Light Bulbs (CFLs). We are glad that you have decided to take the first step towards energy conservation by switching to energy efficient Compact Fluorescent Light Bulbs (CFLs).

ENVIRONMENTAL UPDATE! UPDATE! UPDATE! UPDATE! UPDATE!

London Hydro is relaunching the highly successful Compact Fluorescent Light Bulb Exchange Program.

Save the planet for present!

Daily Electricity Cost for a 22kwh unit kWh during CFL installation

A \$25,000 annual cost reduction on a \$3,000 investment!

How CFLs are the smart way to reduce your light bills:

Light Source	Power (Watts)	Hours	Cost
100W CFL	100	1000	\$1.00
100W Incandescent	100	1000	\$3.00
100W CFL	100	10000	\$10.00
100W Incandescent	100	10000	\$30.00

How CFLs are the smart way to reduce your light bills:

1. CFLs use 75% less energy than incandescent bulbs.

2. CFLs last 10 times longer than incandescent bulbs.

3. CFLs are 80% more energy efficient than incandescent bulbs.

4. CFLs are 80% more energy efficient than incandescent bulbs.

5. CFLs are 80% more energy efficient than incandescent bulbs.

“Have we got a deal for you!”

- ~~Saving environment~~
- ~~Saving energy~~
- Its all about the “Real Green”
- Control your losses!

Actual Property Manager



2365 Apartment Units!

The Average Apartment : 15 Bulbs

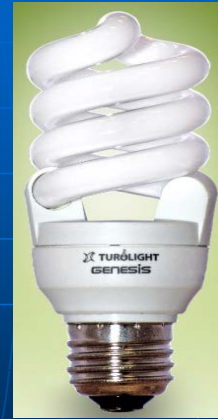


Compare a single bulb..



=60W

13W=



47 Watt
Difference!

Give the lamp a life cycle difference...

47 Watts x 10,000 Hours =

470 kWh

Turn the difference into a tangible...
Money

$$470 \text{ kWh} \times \$0.10 =$$

\$47

Operating cost difference

Show the losses...

$$2,365 \text{ Apts} \times 15 = 35,475 \text{ Bulbs}$$

$$35,475 \text{ Bulbs} \times \$47 = \mathbf{\$1,667,325}$$

Controllable Losses

**This is where they really start
paying attention!**

For the low price of....

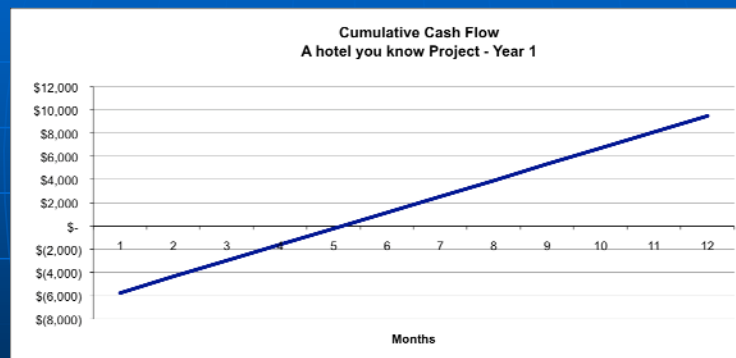
- 35,475 Bulbs @ \$1.60 = \$56,760
- \$1,610,565 more profit!

To a Property Manager...That's...

- 1719 extra rent payments
- Approximately double the allowable rent increase in Ontario
- Adding 30 fully occupied Apts
- A Bigger...Better...BMW!

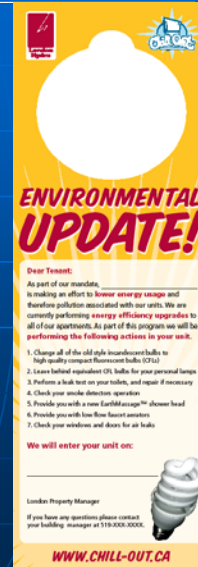


Hotel Project



Spinning the PM's Motivation...

- PM's do it for the money.
- Tenants don't - because of the money.
- Promote the exercise as a greening of the building (at no cost to tenant!)
- Get the warm and fuzzies ramped up
- Work with the Gas Company: low-flow shower heads and aerators.
- Take the focus off the CFL and profits and on the bigger picture
 - Toilet leak testing, apt inspection, smoke alarms, etc.



Key to success...

- Everyone has to benefit
 - Satisfy their perceived agenda, everyone's is different.
- Speak the customer's language
 - Has to be able to relate, money talks.... A lot!
- Show others successes
 - Have the data, make it accurate!
- Create a sense of urgency
 - Every minute costs money!
- Talk to the right individual
 - The one who writes the cheques!

Program Achievements...

- As of early 2009 over 75 % penetration of bulk metered units
- Over 600,000 CFLs
- Recycling all of the old incandescent
- Goal of 85% by end of 2009
- Our CFL Program spilled over into other jurisdictions
 - Across Canada
 - Hotel program
 - Restaurant program



What's next?

- Fixture upgrades to GU24
 - Re-task CFLs as units upgraded
 - Well along the way
- Individual metered units
 - GU24 Upgrade
 - Use a different **SALES** pitch
- Common Area fixtures
 - Halls, garage, elevators, exits etc

The most important factor in conservation uptake

The end user must have a very high quality experience....

Conservation is doing better with rather than doing without....

Lousy CFLs are the single largest barrier to CFL uptake

A lack of purchasing information:
How to compare a CFL to Incandescent?
Colour?/Power?/Human Performance?

We are awesome...



Let It Glow – Seasonal Fundraiser...



- School program - lots of feet on the street
- 2 white CFLs, 1 green CFL
- \$5 per kit, \$1.50 goes to fund-raiser
- Better than LED Xmas lights
- Real energy savings

- Visible participation in program;
- Customer puts green bulb in porch light or front window - just like the pumpkin at Halloween;



Other notes...

Incentives are stackable

Up to maximum of 50% of total project cost
Check with NRCAN and others re: their rules

Incentives will drop in short order

Incentives change as the market matures

Programs are available in other provinces

Questions...

Hans Schreff
schreffh@londonhydro.com