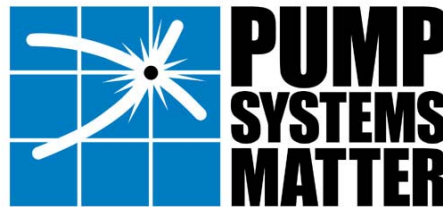


Pump Systems Matter
Energy Summit

Opportunities for Market Transformation in the Industrial Pump Market

Mark Hamilton

Northwest Energy Efficiency Alliance



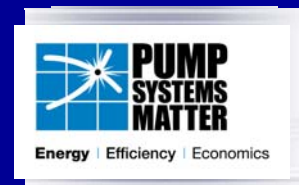
Energy | Efficiency | Economics

Northwest Energy Efficiency Alliance

The Northwest Energy Efficiency Alliance is a non-profit corporation supported by Bonneville Power Administration, electric utilities, public benefits administrators, state governments, public interest groups and energy efficiency industry representatives.

These entities work together to make affordable, energy-efficient products and services available in the marketplace.

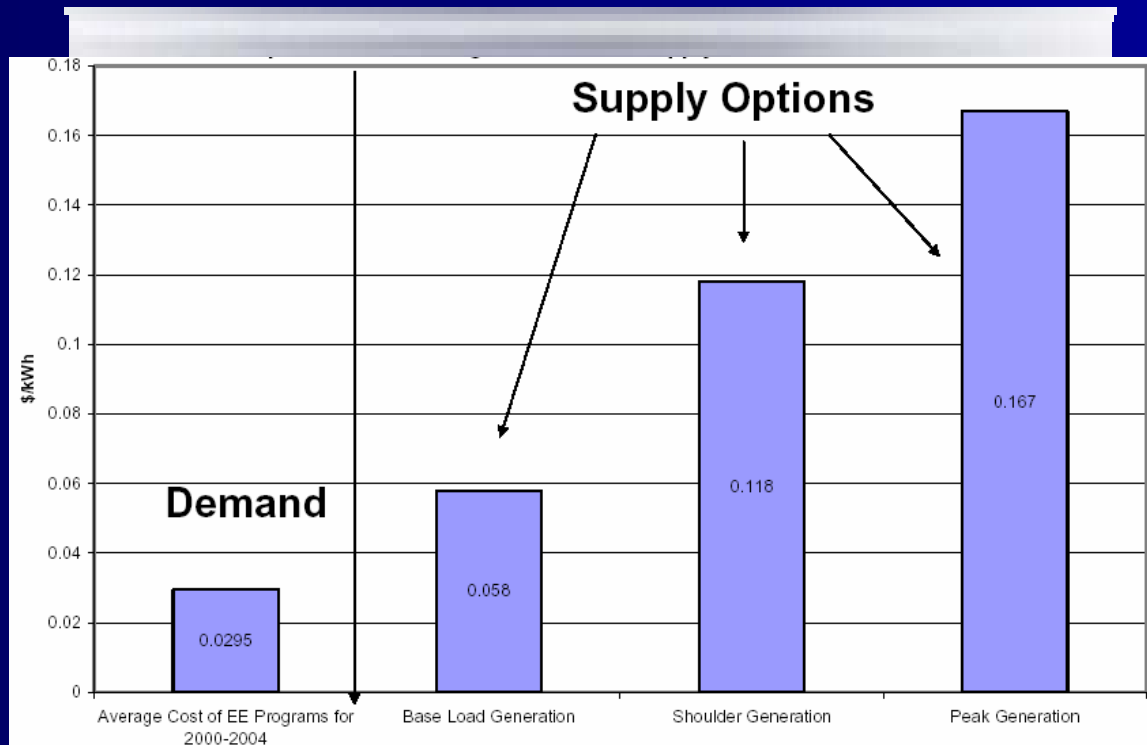
www.nwalliance.org



Discussion Paper

- **Defining Market Transformation**
- **Overview of the Pump Industry**
- **Opportunity for Market Transformation**
- **Call to Action**

Cost of Energy Efficiency Compared to Supply Options



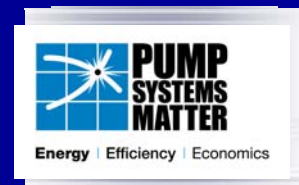
Projected CA Budgets for Energy Efficiency

Table 1
Funding for 2006-2008 Programs (\$000)

	2006	% Diff from Previous Year	2007	% Diff from Previous Year	2008	% Diff from Previous Year
PG&E	\$240,000	83%	\$281,000	17%	\$345,000	23%
SCE	\$243,000	43%	\$243,000	0%	\$243,000	0%
SDG&E	\$81,000	107%	\$91,000	12%	\$106,000	16%
SCG	\$48,000	47%	\$61,000	27%	\$73,000	20%

The Opportunity

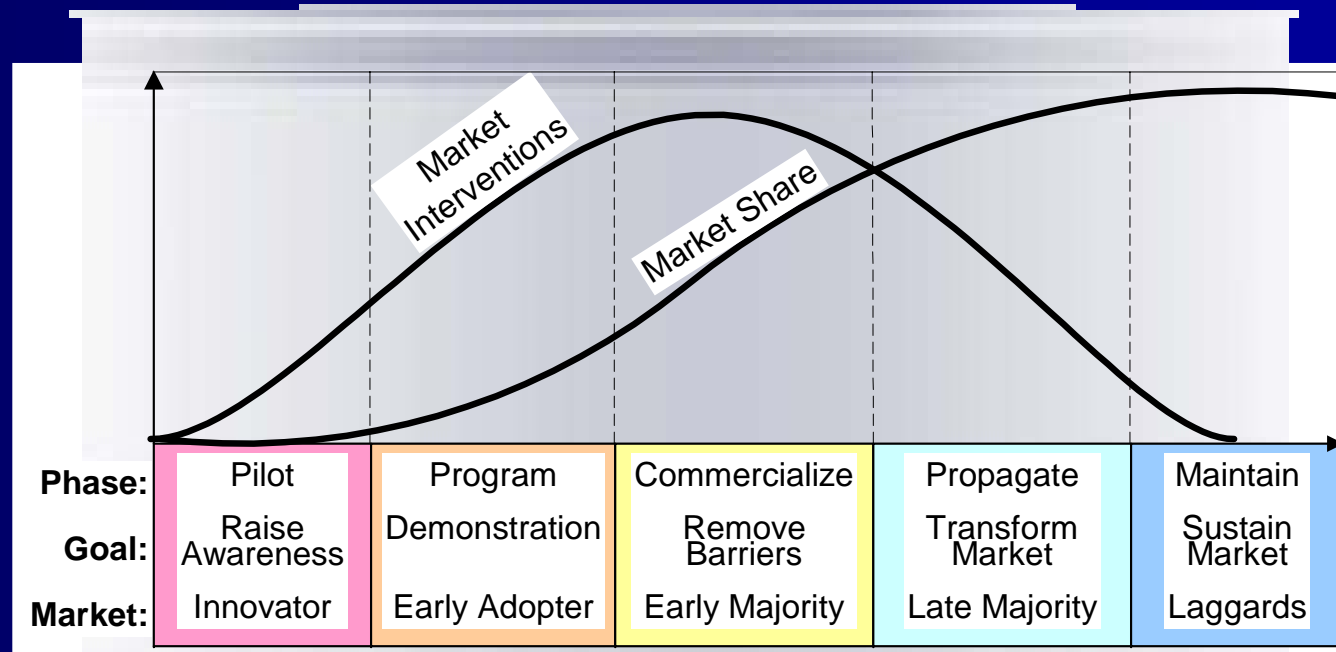
- **Customers purchase based on price not LCC:**
 - Customers aren't aware of the value of LCC
 - LCC based products and services are not widely available
 - Contractors don't have incentive to purchase based on LCC
- **LCC based purchasing offers:**
 - Customers significant benefits
 - Utilities energy savings
 - Pump manufacturers, distributors, and service shops a business opportunity
- **How can your organization realize the opportunity?**



MT Lessons From The Lighting Industry

- T8 Lamps and electronic ballasts are commonplace
- T8 Lamps jumped 34% to 61% in market share between 1996 and 1999 in the PNW
- Utilities programs have evolved and are now emphasizing design, controls, education
- Manufacturer organizations have evolved with utility programs
- Vision 2020 The Lighting Technology Road Map

Market Transformation Model



A Call to Action

- **What will transform the market?**
 - Training and Education
 - Product and Service Development
 - Demonstration Projects
 - Utility Program Activity
 - Marketing
- **Which activities are appropriate for your organization?**
- **Who are your market partners and how will you engage them?**

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Thank You

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