

# Batch 1 MTIs: Strategy Pilots

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# Today's presenters



**Elaine Miller**  
Sr. Manager, Market  
Transformation Strategy



**Stacey Hobart**  
Principal, Stakeholder  
Engagement  
& Communications

# Strategy Pilot SOW Process



- Posted for feedback from 1/8-1/23
- Feedback has been incorporated into updated scopes
- Webinar is an opportunity to hear about the Strategy Pilots, a summary of comments received, and how CalMTA addressed that feedback in its planning
- Work can begin once CPUC approves

# Goals of Batch 1 Strategy Pilots



- Test select interventions and gain insight into consumer and supply chain behaviors
- Provides one piece of the story. Complementary to market characterization and product assessment research
- Complete in 2024 to inform application for advancement to Phase III: Market Deployment
- To execute quickly, building upon existing channels in CA



# Strategy Pilot 1: Geo Targeting Using ESRPP for Portable/Window Heat Pump and Induction Cooking



Intervention to Test: Leverage existing ESRPP to **test retailer engagement on lower MSRP induction ranges and portable/window heat pumps** in stores that serve predominantly ESJ communities

Barriers and Possible Interventions to Investigate:

- **Retailer stocking practices** that target ESJ communities with more affordable products
- **Availability of affordable product**
- **Awareness of value proposition**

# Conceptual Logic Model – Portable Window/Heat Pumps



Current market



MTI's role



Market's response



# Strategic Interventions



Manufacturer engagement

Retail stocking and promotion targeting ESJ communities

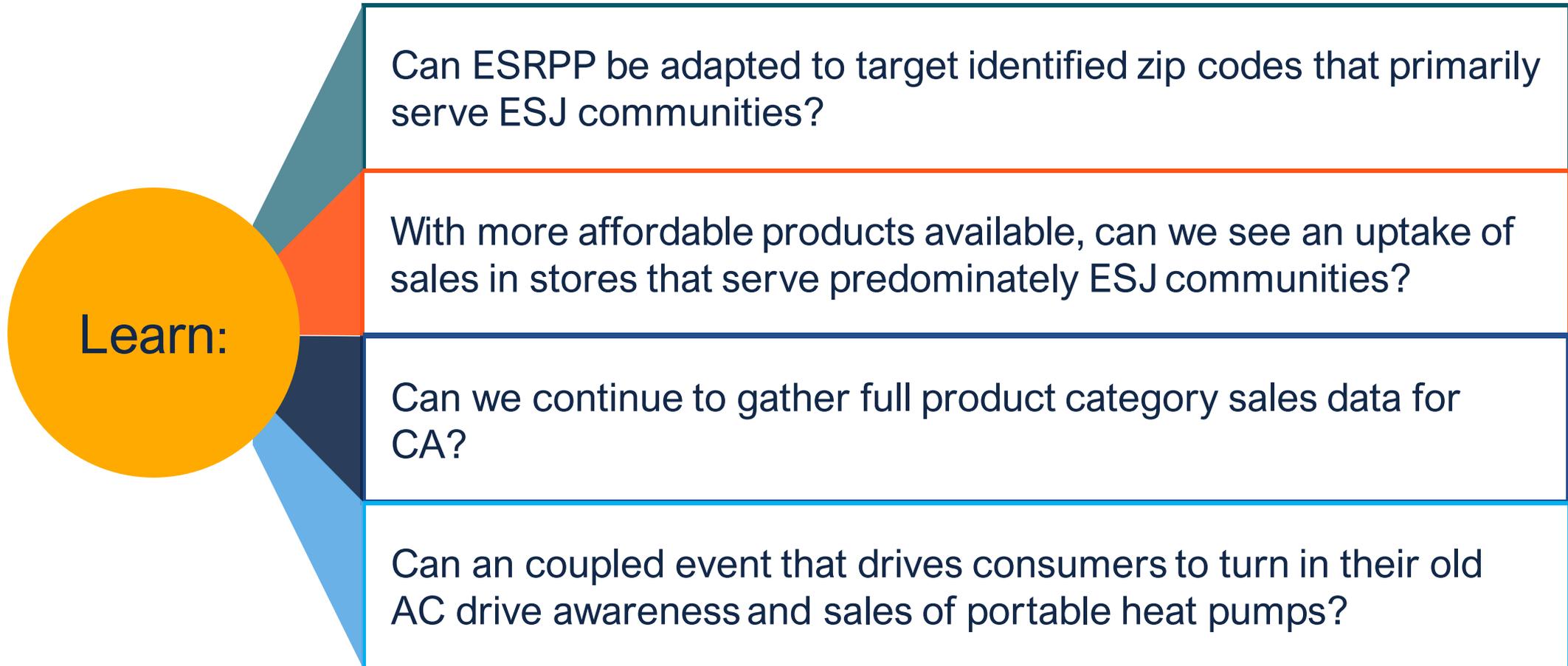
Leverage current programs

Federal standards

Product differentiation

Build awareness

# Strategy Pilot 1 Research Objectives



# Implementation Strategy and Timeline



Activity	Timeline (Months)											
	1	2	3	4	5	6	7	8	9	10	11	12
Task 1. Engage ESRPP collaborative and program sponsors	★											
Task 2. Engage leading manufacturers and retailers												
Task 3. Engage local AC recycling partner or CBOs												
Task 4. Implement ESRPP Strategy Pilot												
Task 5. Conduct Strategy Pilot assessment												

# Comment Theme 1: Coordination with other programs and leverage others' research



- Mitigate any potential overlap with other statewide programs
- Ensure continued coordination and maximum use of data from retailers
- Ensure results are shared broadly through a webinar and final report
- “AC Turn-in” event has been done before, be sure to review existing research

**Response:** CalMTA is committed to coordinating productively with statewide programs and will continue to gather full category sales data for the benefit of CA Codes and Standards Advocates.

We will review what others have already done, share our lessons learned and make the data accessible.

# Comment Theme 2: Market Education



- Ensure inclusion of sales staff and customer demonstrations
- Ensure customers are aware of impacts to home electrical systems

**Response:** In our negotiations with retailers, we will propose sales staff training and customer education. This has been added to the pilot plans.

# Comment Theme 3: Data Collection



- Determine what portion of products are purchased by ESJ communities

**Response:** Data gathered by ESRPP does not include customer data. In most cases we will only get store location data. We will learn about sales in specific geographic locations but will also ensure that we learn about this via the market characterization.

# Comment Theme 4: Supply Chain Partners



- Other retail shops besides Lowes, Best Buy, etc., such as Pacific Sales should be included

**Response:** Through ESRPP (Home Depot, Lowes, Best Buy and Nationwide) we estimate that these 3 chains and the independents that source their products through the buying group, Nationwide, CalMTA will reach an estimated 60-80% share of the California market. We will learn about additional retailers via the market characterizations study.



Questions?

# Strategy Pilot 2: Portable/Window Heat Pump Self-Installation Practices



Interventions to Test: Leverage current electrification efforts with local CBOs to test and verify customer installation and experience with portable/window heat pumps

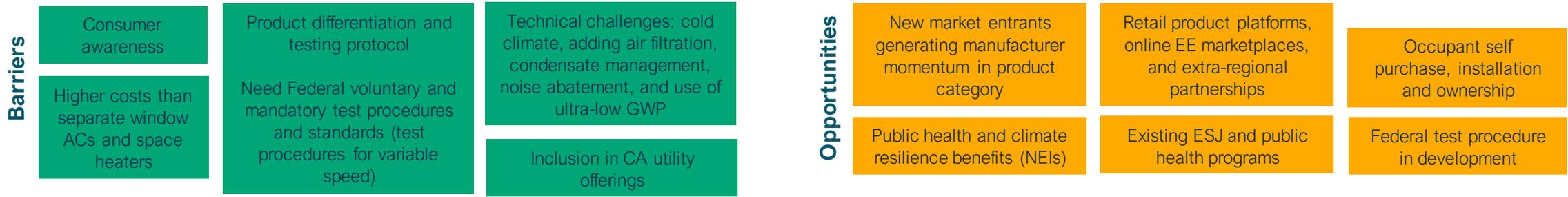
Barriers to investigate:

- Possible technical barriers to **self-installation** primarily for ESJ communities
- Inclusion and **leverage of current program** efforts
- **Awareness** of portable/window heat pump benefits
- Tool to **engage manufacturers** on product improvements

# Conceptual Logic Model – Portable Window/Heat Pumps



Current market



MTI's role



Market's response



**Impact**



# Strategic Interventions



Retail stocking and promotion targeting ESJ communities

Manufacturer engagement

Leverage current programs

Federal standards

Product differentiation

Build awareness

# Strategy Pilot 2: Products to Test

Saddle-bag



Window unit



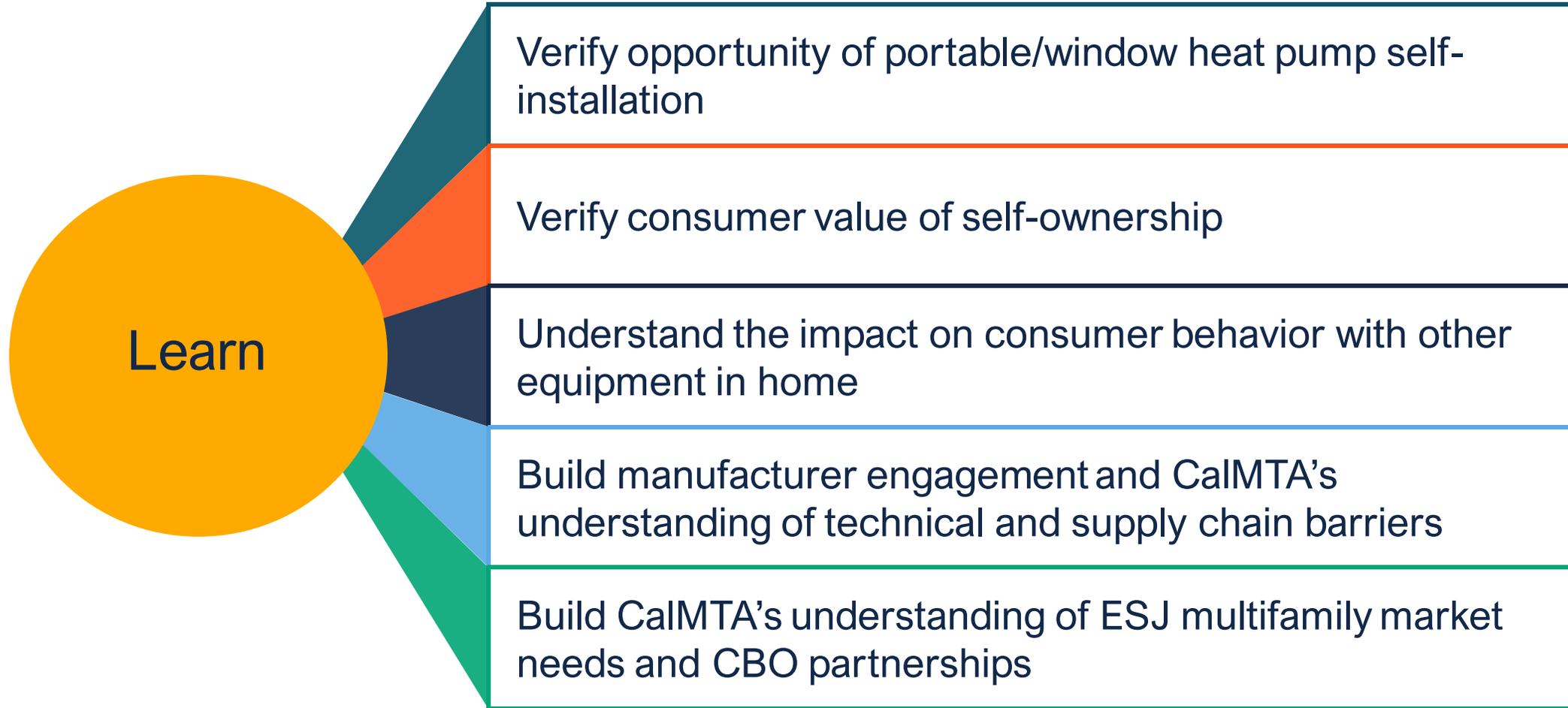
U-Version



Portable



# Strategy Pilot 2 Research Objectives



# Implementation Strategy and Timeline



Activity	Timeline (Months)											
	1	2	3	4	5	6	7	8	9	10	11	12
Task 1. Identify CBO implementation partners	★											
Task 2. Engage manufacturers on targeted products												
Task 3. Finalize Strategy Pilot scope and plan												
Task 4. Create Strategy Pilot materials												
Task 5. Implement Strategy Pilot												
Task 6. Conduct Strategy Pilot assessment												

# Comments around customer experience:



- Customers ability to identify a heat pump unit
- Assess entire customer journey, not just installation

**Response:** We will also do a full market characterization and product assessment research as detailed in the MTI Advancement Plan. The full customer journey will be assessed and documented via all three portions of the research.

# Comment 2: Product Form Factors



- Include all possible product form factors in the self installation pilot

**Response:** The pilot will document self-install practices for 4 different form factors of portable window heat pumps:

- Traditional window AC form
- Saddle bag form
- On rollers / moveable form
- U shaped form (HP versions in development)

The Strategy Pilot document has been updated.

# Comment 3: Clarify Baseline



- CalMTA needs clarify the baseline

**Response:** The baseline for a portable heat pump MTI will be developed as part of the baseline market adoption estimation, which is included in the broader portable heat pump Advancement Plan.

# Comment 4: Product inclusion in pilot



- The installation testing should include all major manufacturers and not restrict participation based on the signing of an NDA or bulk pricing.

**Response:** This is CalMTA's plan – test as many types of manufacturer portable/window heat pumps. We will not make participation contingent on manufacturers signing an NDA or bulk purchasing.

The Strategy Pilot document has been updated.



Questions?



# Next Steps



- Make final updates to Strategy Plans and post
- Final Strategy Pilot plans approved by CPUC PM
- Launch Strategy Pilot activities

# Public comment



**Thank you for attending!**  
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