General Classifications of Barriers

- Policy/Regulatory Barriers
  - Utility disincentives
  - Cost recover mechanisms

- Technology Barriers
  - Home security
  - Water quality
  - Effective distribution

- Market Barriers
Recap of Key Market Barriers (residential focus)

- Lack of measure information
  - Available technologies
  - Savings potential
  - Capital and lifecycle costs
  - Proper operation

- Incomplete pricing information

- Water usage concerns

- Performance uncertainties

- Maintenance requirements
Recap of Key Market Barriers, continued....

- Home resale values
- Capital equipment costs
- Split incentives
- Existing market infrastructure
  - Equipment availability
  - Contractor availability
    - Central AC contractors dominate the residential and small commercial cooling market
    - Margins
    - Liabilities
Possible Solutions to Market Barriers

- Increased customer educational and outreach campaigns
  - Policy/Regulatory barrier of cost recovery must first be addressed
  - Leverage current market awareness of energy efficiency
  - Integrate carbon and GHG emissions in messaging
  - Demonstration sites
  - Target key receptive markets
    - Coordination with state and federal Weatherization efforts
    - Outreach efforts and installation services must be available in other languages
Establish/support dedicated contractor and installer network
  • Manufacturer or independent affiliation
  • Create education or certification opportunities (e.g. NATE for central AC)
  • Endorsement by utilities and public interest groups

Direct coordination with water utilities
  • Joint messaging about net water consumption
  • Explore innovative water rate structures and tariffs
Incentives

- Downstream incentives help address incremental cost of higher end evaporative systems
- Mid-stream and upstream incentives support market delivery channel
- Financing options level playing field with central AC

Establish an existing evaporative cooler maintenance program

- Seasonal startup/shutdown support, media replacement, etc…
- Direct replacement candidates towards new evaporative technologies
- Subsidized at nominal level
- Promotion and coordination of services more important
## Recap of Market Barriers and Implementation Options

<table>
<thead>
<tr>
<th>Market Barriers</th>
<th>Outreach</th>
<th>Coordination with water utilities</th>
<th>Dealer network</th>
<th>Incentives</th>
<th>Maintenance support</th>
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<tr>
<td>Lack of measure information</td>
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<td>Existing market infrastructure</td>
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</tbody>
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✓ Primary method to address barrier  ▪ Secondary method to address barrier
Contact Information

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