

## Madison Gas & Electric

### Residential Lighting Program

Madison Gas and Electric is a small investor-owned utility that sells both electricity and gas in Wisconsin. Despite its size, Madison Gas and Electric (MGE) has been a pioneer in demand-side management. In fact, a 1991 DOE study found MGE to be one of nine leading utilities nationally in the delivery of rebate programs.

The Residential Lighting program provides a snapshot of the utility's DSM philosophy. The program has evolved substantially over a number of years, with lessons learned at each juncture used to refine the program and hone its success. The program in its current form is now being phased out as its mission is fulfilled. As such, the utility aimed and was successful at significantly increasing the availability and acceptance of CFLs in the residential market. MGE now hopes to use customer education and cooperative efforts with retailers and manufacturers to sustain and increase this market.

Before the Residential Lighting program began, MGE's customers primarily purchased incandescent lightbulbs due to a lack of awareness and availability of alternatives. MGE aimed to create a program which would help turn the retail marketplace into a reliable, permanent source for high-efficiency products; educate and motivate customers to continue to buy high-efficiency lighting products; achieve maximum customer and utility energy savings at the least cost; and support rather than compete with lighting business allies.

The program has clearly succeeded in fulfilling the transformation of the retailers in the service territory. For instance, in 1990 there were only four retailers in the MGE service territory selling six models of CFLs. Currently there are 62 retailers (out of 100 retailers) selling a total of 63 models of CFLs.

Working with retailers and manufacturers has been one of the most important ingredients of the program's success. While coupons were distributed directly to customers, later in the program these coupons were provided through stores as well. MGE also offers to pay 50% of cooperative advertising for retailers keen on promoting energy-efficient lighting technologies. Retailers who agreed to handle in-store coupon distribution have been highlighted in several newspaper ads, and lists of vendors stocking CFLs were provided to customers. MGE staff have also met with retailers and manufacturers to promote the program and provided point of purchase displays for shelves and counters, and will continue to do so. MGE has regularly followed-up with retailers to maintain their awareness and thorough understanding of program details and to ensure that they carry a sufficient stock of lamps and fixtures. Retailers will continue to receive training from MGE staff on lighting technologies.

While the program initially sputtered, MGE management was confident in the program's basic design and thrust. Over time the program's impact grew dramatically and in recent program years the goals have been exceeded by factors of two, three, and four! Then in 1994 because of the program's positive impact on the marketplace MGE elected to begin phasing out monetary incentives and focus more on customer education and other means to enhance CFL distribution, purchase, and use.

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#### MADISON GAS & ELECTRIC Residential Lighting Program

**Sector:** Residential

**Measures:** 1993-94 measures include electronically and magnetically ballasted CFLs, compact fluorescent indoor and outdoor fixtures, and high pressure sodium fixtures

**Mechanism:** In 1993-94, customers could redeem coupons for \$5 or \$10 for eligible lighting measures. Rebate amounts of \$15 or \$30 for other measures

**History:** Began in 1990. Presently program emphasis is being shifted from monetary incentives towards market support and maintenance activities

#### 1993-94 PROGRAM DATA

Energy savings: 8,782 MWh  
Lifecycle energy savings: 43,910 MWh  
Capacity savings: 422 kW  
Cost: \$863,300

#### CUMULATIVE DATA (1990-91 - 1993-94)

Energy savings: 23,799 MWh  
Lifecycle energy savings: 78,765 MWh  
Capacity savings: 738 kW  
Cost: \$1,496,100

The Results Center produced 126 profiles of the most successful energy efficiency and renewable energy programs in the United States and around the world in the early and mid 1990s. With the support of the John D. and Catherine T. MacArthur Foundation, Ted Flanigan directed a research team at Colorado-based IRT Environment to produce and distribute these exceptional examples. Thanks to strong demand for solid case studies, The Results Center was supported by dozens of major utilities and energy associations worldwide. Today, The Results Center is managed again by Ted Flanigan, now at California-based EcoMotion Incorporated, a firm focused on strategic consulting, information dissemination, program design, outreach services, and aggressive implementation. To nominate highly successful programs, contact: The Results Center, c/o EcoMotion, 15375 Barranca Parkway, F-104, Irvine, CA 92618, (949) 450-7155, or [TFlanigan@EcoMotion.us](mailto:TFlanigan@EcoMotion.us)