

**AHAM and ENERGY STAR Air Cleaner Industry Meeting Summary
International Housewares Show at McCormick Place, Chicago, IL
Tuesday, January 14, 2003 (9:00 – 11:00 AM)**

At the request of the Association for Home Appliance Manufacturers (AHAM) and other members of the air cleaner industry, EPA hosted a meeting to discuss and evaluate the potential for an ENERGY STAR specification for room air cleaners.

The meeting was held in conjunction with the International Housewares Show in Chicago, Illinois. Representatives from nine different air cleaner manufacturers, AHAM, and ENERGY STAR attended the meeting. Provided below is a summary of the discussions that took place during the meeting. **Note:** Meeting presentations and a list of attendees will be available on the ENERGY STAR Products in Development Web site by visiting www.energystar.gov.

Presentation: ENERGY STAR and Air Cleaners -Andrew Fanara, EPA

Andrew Fanara began the presentation with a quick overview and basics of ENERGY STAR along with the program successes to-date. Mr. Fanara then presented ENERGY STAR's marketing and promotional plans for 2003 including media campaign efforts, the launch of the new ENERGY STAR logo, and plans for a new and improved Web site to be released in the early part of February. He further presented the reasons behind EPA's interest for a possible development of an ENERGY STAR air cleaner specification, preliminary energy savings projections associated with air cleaners, and the assumptions behind those projections. Mr. Fanara concluded the presentation by walking through the ENERGY STAR specification development process and next steps towards crafting a Draft air cleaner specification. He then opened the floor for discussion and questions.

Comments/questions from the group:

Hunter Fan questioned how the following ENERGY STAR Sales Trends were calculated: 750 million products in the market have earned the ENERGY STAR label.

Response: Sales and shipment data is collected for program evaluation purposes only and held in strict confidentiality. EPA uses these numbers to base sales projections.

Question: What is the significant savings potential based on?

Response: ENERGY STAR attempts to recognize the most energy-efficient products in the marketplace when developing a specification, typically setting the specification to include only the top 25% of the market. Based on the assumption that 20% of the market will meet ENERGY STAR, EPA's energy savings model forecasts the savings potential through 2010. It is also presumed that product performance is maintained over the course of its lifetime (8.5 years), and the estimated annual market growth rate is at 3%.

Hunter Fan brought up, as an example, the development of the programmable thermostat specification to alert air cleaner industry of possible challenges, competition, and difficulties that they may have to face when agreeing on an ENERGY STAR air cleaner specification. Hunter Fan furthermore indicated that although ENERGY STAR specifications are set by program participants, some retailers are beginning to require all programmable thermostats to be ENERGY STAR qualified putting the cost on the manufacturer to develop these products without budging on price points.

Question: AHAM requested a breakdown of average energy and cost savings by product category.

Response: Reference "Estimated Savings - Air Cleaners" document attached for this information.

Comment: CADR, although established by AHAM as a standard to measure the performance of a room air cleaner, is a voluntary standard that anyone (i.e. non-AHAM members) can use to rate the performance of their product.

Question: How will EPA determine that the CADR will be accurately reported by the partner?

Response: The goal of the ENERGY STAR program is to use testing in a way that protects the integrity of the label, to ensure consumer confidence on performance advertisements for labeled products, and to protect the investment partners have made in the program. Through EPA's testing initiative, randomly selected labeled products in the marketplace are tested to determine if the specification requirements are being met. Although the test requirements for air cleaners have not been fully determined yet, EPA is currently working with the industry to collect performance data to come up with an effective test method. Furthermore, all partners will be required to supply qualifying product information obtained from a certified source documenting that the data provided is true and accurate.

Comment: Several manufacturers recommended that ENERGY STAR pursue 100% of the air cleaner market instead of concentrating only on 25%.

Response: Initially, ENERGY STAR concentrates on the top 25% of the market that yields significant energy savings. ENERGY STAR hopes that other industry players would strive to reach the 25% line by improving product quality and performance, which in turn, would create competition, yield further savings, and eventually transform the market.

Question: What is the success of the ENERGY STAR program based on?

Response: There are both short and long term goals/objectives that program success is based on. The short term objective is to identify and promote energy-efficient products in order to reduce carbon dioxide emissions. The program targets to achieve high cumulative energy savings. Long term objective of the program is to transform the market by improving product technology and performance with industry being credited for emissions reductions and protecting the environment.

Question: IQAir expressed concern that expectations of an ENERGY STAR air cleaner program were unrealistic; only a few low CADR products in today's market could meet an ENERGY STAR specification. Also, by setting high energy efficiency standards, we may drive up price points.

Response: Preliminary estimates show that potential exists for high savings from an air cleaner program. The long term goal of the program is market transformation, so, EPA is not afraid to test the potential for this new category. EPA's past experiences indicate that industry quickly adapts and supports such programs in due time.

In response to the question above, Mr. Bengt Rittri from Blueair, a Swedish company, added that improved standards will open up competition and encourage industry to develop better technology and improve product quality. Mr. Rittri also gave an example of the energy savings program for refrigerators by the Swedish government that has led to overall energy consumption reductions by a 1/3 in Sweden.

IQAir agreed with this comment by adding that air cleaner industry will have to boost up to improve product quality to be in the competitive market. One idea was to add sensors to air cleaners to pick up airborne particles, and turn off product when not in use.

Question: Hunter Fan further questioned the maintenance of the ENERGY STAR requirements over time if an air cleaner specification is developed; how future specification revisions may affect competition among manufacturers and the overall marketplace.

Response: When new technology is introduced to the marketplace and potential for high efficiency products becomes available, EPA may decide to evaluate existing specifications to maintain specification requirements and identify whether additional savings can be realized based on new technology. EPA works closely with industry and other stakeholders, and their input and feedback is given high regard when the decision is made to revise a specification.

Comment: The Sharper Image brought up the fact that CADR performance measurements are taken in a heavily contaminated environment under test conditions, which does not reflect the actual CADR value measured in a normal environment.

Response: The product development process will focus on the bulk of the products currently available in the marketplace and on existing test methods such as AC-1. For now, EPA will work on determining how to adapt and build on the existing AC-1 standard when drafting the specification. The Product Development team will consider all CADR levels during the spec development process. EPA will address other product niches at a later time.

Question/Comment: DeLonghi indicated that they are a strong supporter of ENERGY STAR already being a Dehumidifier partner. They expressed concern that since CADR education is already a challenge with consumers by creating a specification for air cleaners which uses CADR measurements, and introducing ENERGY STAR specifications, it could send a mixed message and create confusion among consumers.

Response: EPA will work with manufacturers to carry the basic industry message on CADR and help develop marketing and other promotional materials for consumers. EPA believes that accepting CADR also as the ENERGY STAR requirement will add value to the CADR data.

Question: What is the target date for EPA's release of a Draft specification?

Response: The estimated time frame for products in development, in general, is about six months to one year.

Question: The final question was on product testing; would the manufacturers have to send products for outside laboratory testing or can they be self-tested? How will self-tested products be certified that the reported CADR values are true?

Response: Again, partners will be required to obtain product data from a certified source, complete the Qualified Product Information (QPI) form, and sign and return it to ENERGY STAR similar to the process followed in other product areas. Furthermore, EPA's testing program randomly selects and tests labeled products in the marketplace for performance. Hence the integrity of the label is maintained.

Meeting adjourned.