



UNITED STATES ENVIRONMENTAL PROTECTION AGENCY
WASHINGTON, D.C. 20460

OFFICE OF
AIR AND RADIATION

May 26, 2010

Dear ENERGY STAR External Power Supply (EPS) and End-Use Products Manufacturers and Other Interested Stakeholders:

The purpose of this letter is to present a proposal from the US Environmental Protection Agency (EPA) to sunset the ENERGY STAR specification for EPSs and the associated program recognizing products that incorporate them (End-Use Products Using External Power Supplies program – “*End-Use Products*”). In recent months, several changes in the marketplace and within the ENERGY STAR program triggered a review of these programs and informed EPA’s decision to propose sunsetting the EPS specification and End-Use Products program by the end of calendar year 2010. The factors considered in coming to this decision are explained below, along with a proposed timeline for implementing the proposal.

By way of background, EPSs were added to the ENERGY STAR program in 2005 as a cost effective way to address energy waste across the broad range of products powered by EPSs but not otherwise covered by the ENERGY STAR program. At that time, EPA introduced a new End-Use Products partner category, allowing manufacturers of products relying on an EPS, but not otherwise covered by the ENERGY STAR program, to associate a version of the ENERGY STAR label with their products if they incorporated an EPS either ENERGY STAR qualified or meeting ENERGY STAR EPS requirements. In addition, EPA began expanding the specifications of relevant product categories already covered by the program to require the use of EPSs meeting ENERGY STAR requirements.

By 2008, the market share for ENERGY STAR qualified EPSs had reached approximately 50%, delivering energy savings of 5 billion kWh/yr and annual greenhouse gas reductions of 1 MMTC. That same year, a minimum efficiency standard went into effect for EPSs, mandating the ENERGY STAR performance level, and the ENERGY STAR specification for EPSs was made more stringent (EPS V2.0). Preliminary estimates indicate that the market share of EPSs meeting the current ENERGY STAR specification was greater than 50% in 2009.

Effective December 31, 2010, EPA is proposing to sunset the ENERGY STAR programs for EPSs and End-Use Products. The following factors inform this proposal:

- Energy use associated with EPSs nationally is estimated to be 12 billion kWh less per year than it would have been had EPS energy performance stayed where it was in 2005. ENERGY STAR has played an important role transforming the EPS market.
- Further increasing the stringency of the ENERGY STAR specification for EPSs presents diminishing returns. At the same time, EPA anticipates backsliding in the market will be prevented by the growing list of ENERGY STAR product specifications (Computers, Displays, Audio/Video Products, etc.) that will continue to require the use of highly efficient EPSs along with other performance requirements.
- As EPA continues to add new product categories to ENERGY STAR program for products that were formerly covered by the End-Use Products program, the scope of the End-Use Products program has been diminishing. Eligibility for the End-Use Products program is limited to products not otherwise covered by an ENERGY STAR specification, since category-specific ENERGY STAR specifications involve a more comprehensive evaluation of energy efficiency. As an example, EPA is developing product specific requirements for small network equipment (SNE), a product currently covered by the End-Use Products program. When effective in the coming months, all small network equipment manufacturers will partner with EPA through the SNE program.
- EPA is furthering the goal of moving the market to more efficient power supplies by adding EPS requirements to a suite of existing product specifications. Recent examples include the addition of EPS requirements to the Displays and Audio/Video specifications.

- As part of EPA's commitment to preserving consumer confidence in the ENERGY STAR program, the Agency is enhancing qualification and verification testing requirements across the ENERGY STAR program. The merits of potentially continuing the EPS and End-Use Products programs must be weighed against the increased cost associated with ensuring ongoing program integrity.

It is EPA's intention that ENERGY STAR specifications which currently require the use of an ENERGY STAR EPS will be changed to require a Level V EPS as designated under the International Efficiency Marking Protocol, which is consistent with ENERGY STAR Version 2.0 performance levels for EPSs. Information about the Protocol will continue to be available at www.energystar.gov. For applicable product categories, these changes would occur as part of the specification revision process associated with enhanced testing and verification requirements. Also, EPA is exploring potential changes to the ENERGY STAR Battery Charging Systems (BCS) specification to broaden eligibility to certain product categories currently covered by the End-Use Products Program (e.g., cell phones).

EPA proposes the following milestones associated with implementing this proposal, affecting the EPSs and the End-Use Products categories only, and not associated product-specific categories (e.g., Computers, Displays, Telephony):

- ENERGY STAR qualified EPSs, End-Use Products using qualified EPSs, and their manufacturers will continue to be recognized at www.energystar.gov until December 31, 2010.
- No new Partnership Agreements for the EPSs and End-Use Products programs will be accepted by EPA as of July 15, 2010.
- No new qualifying product information for the EPSs and End-Use Products programs will be accepted by EPA as of July 15, 2010.
- Manufacturers must stop using the ENERGY STAR name and ENERGY STAR mark or EPS graphic in association with all EPSs and End-Use Products manufactured on or after December 31, 2010. (ENERGY STAR qualified EPSs and End-Use Products manufactured before that date will be allowed to carry the ENERGY STAR mark or EPS graphic on their packaging and product literature as applicable. Retailers and distributors will be allowed to sell off their existing inventory.)
- No new promotional materials for EPSs and End-Use Products (printed and electronic) that use the ENERGY STAR mark or EPS graphic may be produced after December 31, 2010. (Manufacturers are allowed to use up existing printed material, including packaging, in order to minimize waste.)
- To minimize the cost of labeling changes and be in compliance by December 31, 2010, manufacturers of EPSs and End-Use Products are encourage to remove ENERGY STAR references on websites or in other collateral materials as these materials are reprinted or changed in the coming months.

Stakeholders are invited to comment on EPA's proposal to sunset the ENERGY STAR EPS and End-Use Products programs. Any feedback or data that you wish to share with EPA must be submitted by June 18, 2010 to externalpoweradapters@energystar.gov. Shortly following the comment deadline, EPA will issue another letter with its final decision along with any important dates and next steps, as appropriate.

In closing, EPA appreciates the efforts of EPS and End-Use Products partners to advance a cleaner environment through the ENERGY STAR Program and applauds your success in moving the market towards greater energy efficiency. Thank you.

Best regards,



Ann Bailey, Chief
ENERGY STAR Labeling Branch
US Environmental Protection Agency