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March 4, 2011

Via E-Mail

Amanda Stevens
U.S. Environmental Protection Agency
ENERGY STAR Appliance Program
appliances@energystar.gov

Re: ENERGY STAR Program Requirements Product Specification
For Residential Dishwashers, Eligibility Criteria, Draft 2, Version 5.0

Dear Ms. Stevens:

The Joint Commenters below provide comments on the ENERGY STAR Program Requirements Product Specification for Residential Dishwashers, Eligibility Criteria, Draft 2, Version 5.0.

The Joint Commenters support EPA and DOE in their efforts to provide incentives to manufacturers, retailers, and consumers for continual energy efficiency improvement, as long as product performance can be maintained for the consumer. The Joint Commenters believe that the ENERGY STAR criteria for dishwashers that are scheduled to take effect July 1, 2011, should be retained. The various organizations will be commenting separately on EPA's proposal beyond the July 1, 2011 specification.

I. The Joint Commenters

The American Council for an Energy Efficient Economy (ACEEE) is a nonprofit, non-partisan, organization dedicated to advancing energy efficiency as a means of promoting economic prosperity, energy security, and environmental protection. ACEEE fulfills its mission by conducting in-depth technical and policy assessments; advising policymakers and program managers; working collaboratively with businesses, public interest groups, and other organizations; publishing books, conference proceedings, and reports; organizing conferences and workshops; and educating consumers and businesses.

The Association of Home Appliance Manufacturers (AHAM) represents manufacturers of major, portable and floor care home appliances, and suppliers to the industry. AHAM's membership includes over 150 companies throughout the world. In the U.S., AHAM members employ tens of thousands of people and produce more than 95% of the household appliances shipped for sale. The factory shipment value of these products is more than \$30 billion annually. The home appliance industry, through its products and innovation, is essential to U.S. consumer lifestyle, health, safety and convenience. Through its technology, employees and productivity, the industry contributes significantly to U.S. jobs and economic security. Home appliances also are

a success story in terms of energy efficiency and environmental protection. New appliances often represent the most effective choice a consumer can make to reduce home energy use and costs. AHAM represents the manufacturers of virtually all affected residential dishwashers manufactured and/or sold in the United States.

The Alliance to Save Energy (ASE) is a coalition of prominent business, government, environmental, and consumer leaders who promote the efficient and clean use of energy worldwide to benefit consumers, the environment, economy, and national security. Established as an NGO in 1977, to carry out its mission, the Alliance undertakes research, educational programs, and policy advocacy, designs and implements energy-efficiency projects, promotes technology development and deployment, and builds public-private partnerships, in the U.S. and other countries.

The Alliance for Water Efficiency is a stakeholder-based 501(c)(3) non-profit organization dedicated to the efficient and sustainable use of water, with 317 member organizations from water utilities, government agencies, businesses, industry, plumbing, appliance and irrigation manufacturers, retailers, environmental and energy efficiency advocates, and other stakeholders. Located in Chicago, the Alliance serves as a North American advocate for water efficient products and programs, and provides information and assistance on water conservation efforts. The Appliance Standards Awareness Project (ASAP) is a coalition group dedicated to advancing cost-effective energy efficiency standards for appliances and equipment. ASAP works at both the state and federal levels and is led by a Steering Committee with representatives from consumer groups, utilities, state government, environmental groups, and energy-efficiency groups.

The Consumer Federation of America is an association of nearly 300 nonprofit consumer groups that was established in 1968 to advance the consumer interest through research, advocacy, and education.

The National Consumer Law Center ®, a nonprofit corporation founded in 1969, assists consumers, advocates, and public policy makers nationwide on consumer law issues. NCLC works toward the goal of consumer justice and fair treatment, particularly for those whose poverty renders them powerless to demand accountability from the economic marketplace. NCLC has provided model language and testimony on numerous consumer law issues before federal and state policy makers. NCLC publishes an 18-volume series of treatises on consumer law, and a number of publications for consumers.

The Natural Resources Defense Council (NRDC) is a national environmental advocacy organization with over 1.3 million members and online activists. NRDC has spent decades working to build and improve DOE's federal appliance standards programs because of the important energy, environmental, consumer, and reliability benefits of appliance efficiency standards. NRDC participated in the enactment of the first federal legislation establishing efficiency standards, and has been active in all significant rulemakings since then. Northeast Energy Efficiency Partnerships (NEEP) is a non-profit organization that facilitates regional partnerships to advance the efficient use of energy in homes, buildings and industry in the Northeast U.S. NEEP works to leverage knowledge, capability, learning and funding

through regionally coordinated policies, programs and practices. As a regional organization that collaborates with policy makers, energy efficient program administrators, and business, NEEP is a leader in the movement to build a cleaner environment and a more reliable and affordable energy system.

The Northwest Power and Conservation Council is an interstate compact between the states of Idaho, Montana, Oregon and Washington authorized by the Northwest Power Act of 1980 (PL96-501). The Council is charged with ensuring that the Northwest's electric power system will provide adequate and reliable energy at the lowest economic and environmental cost to its citizens.

II. The Previously Proposed Energy and Water Consumption Levels Should Be Retained for July 2011

The Joint Commenters believe that the energy and water consumption requirement levels previously set for July 2011 should be retained. We appreciate that EPA made some attempt to consider our comments by proposing two tiers of requirements, but that proposal does not provide an adequate response to our joint concerns. Manufacturers have been planning and investing resources in designs that would be consistent with the agreement that meet the ENERGY STAR levels currently set to increase in July, 2011. If ENERGY STAR changes the specification at this late date, it will result in market disruption and the potential for stranded investments. Manufacturers took the previous Tier 2 proposal seriously. To change things now risks stranding some of their investments and also could make manufacturers less willing to invest in Tier 2 products in the future, undermining the rapid progress that Tier 2 standards are designed to foster. Also, by delaying the start of a new ENERGY STAR tier by six months, significant energy savings will be lost that will take more than six months to make up with the proposed V5.0 specification.

AHAM, energy efficiency advocates, and consumer groups recently held successful negotiations which resulted in a major agreement on federal minimum energy conservations for five products, and related test procedures, ENERGY STAR, and financial incentive provisions. The description of this package can be found at Attachment A to our comments dated November 10, 2010. The agreement consists of recommendations for updates and extensions of the manufacturer tax credit for the production of super-efficient appliances. These incentives encourage manufacturers to develop, commercialize, and sell very high efficiency products, helping to transform markets faster than with standards alone. The lower tiers of the current federal incentives are phased-out under the new agreement and new, higher tiers are added. Lawrence Berkeley National Laboratory has estimated the tax credits for residential dishwashers would save an additional 0.07 quads of primary energy and 0.03 billion gallons of water over 30 years, for a total energy savings of 0.84 quads and a total water savings of 0.47 trillion gallons.

The agreement does not include ENERGY STAR levels, but it does include aspects that relate to ENERGY STAR including the July 1, 2011, specification and the proposed new EPA specification

The ENERGY STAR levels that are now scheduled to take effect on July 1, 2011, are the basis for new minimum efficiency standards that the agreement recommends take effect January 1, 2013. In developing this recommendation for new standards, the parties to the agreement recognized the value of using the ENERGY STAR specification to help with the transition to the new standard. EPA's proposal to drop the July 1, 2011, specification and further increase the eligibility criteria will make the transition to the 2013 energy efficiency standard much more difficult. Thus, it is not something the Joint Commenters can support.

Furthermore, the ENERGY STAR levels EPA proposes for January 1, 2012, (draft 2 Version 5.0) are the same as the second tier of agreed to tax credit levels, and the levels proposed for January 1, 2013, are the same as the third tier of agreed to tax credit levels, both of which are proposed to apply to dishwashers manufactured in 2011, 2012, and 2013. Those levels, and the associated timeframes for tax credits, were agreed to by all parties (manufacturers, energy efficiency advocates, and consumer groups) with an understanding that it will take time for manufacturers to develop and widely market equipment at this new level, and that initially such levels are only suitable for a portion of shipments. We are concerned that EPA's proposal to have a 295 kWh ENERGY STAR level effective January 1, 2012, would not provide enough time for manufacturers to bring new products to market. Furthermore, based on AHAM's latest data, the number of products currently meeting the new proposed level is less than ENERGY STAR's goal of achieving approximately 25% of the market. Instead, ENERGY STAR should maintain the previously set increase for July 1, 2011. Failure to do so undercuts both a broadly supported appliance standards agreement and the credibility and stability of the ENERGY STAR program itself.

Both manufacturers and energy efficiency advocates will be submitting separate further comments on the EPA proposal.

We appreciate the opportunity to submit these comments on ENERGY STAR's proposal regarding Advancing ENERGY STAR Program Requirements Product Specification For Residential Dishwashers, Eligibility Criteria, Draft 2, Version 5.0. We would be glad to discuss this matter further should you request.

Best Regards,

Joint Commenters



Kevin Messner
Vice President, Government Relations

Association of Home Appliance
Manufacturers



Steven Nadel
Executive Director

American Council for an Energy
Efficient Economy

Members of Major Appliance Division:

*Whirlpool
General Electric
Electrolux
LG Electronics
BSH
Alliance Laundry
Viking Range
Sub-Zero Wolf
Friedrich A/C
U-Line
Samsung
Sharp Electronics
Miele
Heat Controller
AGA Marvel
Brown Stove
Haier
Fagor America
Airwell Group
Arcelik
Fisher & Paykel
Scotsman Ice
Indesit
Kuppersbusch
Kelon
DeLonghi*

On Behalf of –

*Appliance Standards Awareness Project
Natural Resources Defense Council
Alliance to Save Energy
Alliance for Water Efficiency¹
Northwest Power and Conservation Council
Northeast Energy Efficiency Partnerships
Consumer Federation of America
National Consumer Law Center*

¹ Signatory to overall agreement but has not been able to vet these particular comments with their relevant committee.