SAMSUNG

January 26, 2018

Ann Bailey ENERGY STAR Products Environmental Protection Agency 1200 Pennsylvania Avenue, N.W. Washington, DC 20460

Sent by e-mail to EnergyStarProducts@energystar.gov

Re: Environmental Protection Agency's (EPA) ENERGY STAR Standard Operating Procedures

Dear Ms. Bailey:

Samsung Electronics America ("Samsung") respectfully submits these comments on the EPA's ENERGY STAR Standard Operating Procedures.

A world leader in technology, Samsung is the leading home appliance brand in the United States and has been the top television manufacturer in the US and globally for over ten years. Committed to providing energy efficient products to U.S. consumers, Samsung is the winner of the ENERGY STAR Partner of the Year Award for Sustained Excellence in 2013, 2014, 2015 and 2016. Samsung has also won the 2017 ENERGY STAR Emerging Technology Award for Innovative Refrigerant Systems. Additionally, EPA recently honored the company's U.S. ewaste collection efforts with the Gold Tier Award for the fourth consecutive year and presented Samsung the 2017 Cutting Edge Champion Award for our innovative Galaxy Upcycling initiative.

Samsung commends the EPA ENERGY STAR program for inviting stakeholders to comments on ENERGY STAR procedures. ENERGY STAR provides great value to consumers by identifying energy efficient products. The EPA has been successfully administering the ENERGY STAR program for many years by leveraging resources across a broad spectrum of products. The EPA has effectively worked with stakeholders to maintain the strength of the ENERGY STAR program through promotion of brand awareness and development of specifications, while coordinating with the Department of Energy (DOE) for development of accurate, repeatable and reproducible test methods. The EPA should continue to lead in these ways across all product categories.

ENERGY STAR is a non-regulatory program that uses voluntary market-based mechanisms to identify innovative, efficient products. Consumers rightly view the ENERGY STAR brand as representing the most energy-efficient products. To maintain its relevance, it is important that the program operate with the flexibility to adapt to rapid technological advancements, including regular updates in the specifications. The Most Efficient product classification and the

ENERGY STAR Emerging Technology Award are additional key designations through which the EPA is recognizing innovative, top-tier energy efficient and environmentally friendly products above and beyond the ENERGY STAR categories. Samsung supports EPA's efforts to recognize innovative, energy-efficient products at various levels to help consumers in their purchasing decisions.

Samsung views the ENERGY STAR program as:

- <u>Effective</u>: ENERGY STAR is a cost-effective, market-based tool for saving money, strengthening energy security and reducing stress on the grid. The ENERGY STAR brand has more than 88% consumer awareness. Americans purchased over 300 million ENERGY STAR certified products in 2015 across more than 70 product categories.
- <u>Voluntary</u>: ENERGY STAR is one of the most successful voluntary public-private collaborations ever, with more than 16,000 participating companies and organizations. It is a flexible, market-driven alternative to regulations.
- <u>Providing Strong Returns</u>: ENERGY STAR delivers a tremendous return on taxpayer investment. It costs about \$50 million/year to administer yet delivered <u>\$34 billion in</u> <u>savings</u> on utility bills to American households and businesses in 2015 and \$430 billion cumulatively since 1992.
- <u>Widely Supported:</u> More than 1,050 ENERGY STAR partner organizations and businesses, including Samsung, added their signatures to a <u>letter</u> addressed to the U.S. Congress requesting its Members' continued support for the ENERGY STAR program funding when they vote on the 2018 budget this year.

Samsung appreciates the development across several product categories of the ENERGY STAR program of minimum acceptable functionality testing, based on repeatable and reproducible test methods, to recognize real-world usage conditions for products. The requirement for at least a minimum acceptable level of performance sets a baseline metric for a product to perform its basic function in the mode that is tested for energy consumption, such as a minimum dryness for a dryer (as in the auto-termination test) or a minimum cleaning performance for a dishwasher (as in the Cleaning Index requirement for a Most Efficient dishwasher). It is important to set a baseline through minimum functionality in the default (tested) mode to encourage consumer satisfaction in this mode so consumers do not switch to more energy-consuming modes. Samsung supports such minimum functionality requirements in order to increase consumer confidence in the ENERGY STAR brand and help to avoid potential circumvention by design.

Samsung also believes that the ENERGY STAR program should continue to raise the bar across all product categories. Market forces will drive efficiency gains given the strength and power of the ENERGY STAR brand. Innovation will result improvements that enhance energy efficiency without sacrificing performance. As it has done, it is imperative that the ENERGY STAR brand continues to recognize technological advancement and to keep raising the bar across products categories in the ENERGY STAR brand for the benefit of consumers.

I. <u>Standard Operating Procedure</u>

Overall, Samsung appreciates ENERGY STAR's specification setting process through which the voluntary ENERGY STAR program collaborates and cooperates with stakeholders on various product categories and operates with a flexibility that would be impossible to achieve in a regulatory program. Moreover, EPA collaborates effectively with various stakeholders, including program administrators in states, to help adoption of new technologies by consumers.

One example of flexibility is how EPA paved the way for grid-connected appliances. EPA worked with industry and advocates to promote smart appliances by providing a connected credit as requested jointly by advocates and industry. EPA collaborated with all stakeholders to develop requirements to qualify for the 5% credit with DOE's support on the qualification test procedures.

EPA's Standard Operating Procedure is systematic and results in the development of ENERGY STAR product specifications in a fair manner, thereby achieving stated goals to effectively prioritize transparency, inclusiveness and consistency. The process achieves the stated intent of facilitating stakeholder input in ENERGY STAR's decisions regarding specifications consistent with the program's Strategic Vision and Guiding Principles.

II. <u>Comment Periods</u>

Samsung believes that EPA operates effectively through its notice and comment procedure with a clear timeline. For appliances and televisions, EPA has provided sufficient notice for specification development throughout various phases and the Agency responds to stakeholder comments. The EPA sets a clear timeline when communicating with stakeholders, which allows for business efficiencies. When stakeholder consensus takes time to emerge, the EPA has the flexibility to extend specification development into additional rounds of notice and comment.

III. Data Transparency

EPA operates transparently in sharing information about the data on which ENERGY STAR relied to formulate specification setting. EPA and its technical consultants have sound expertise during specification development and communicate with stakeholders in a collaborative manner while maintaining confidentiality as required.

IV. <u>Test Procedures</u>

ENERGY STAR is a voluntary program jointly administered by the EPA and DOE with the DOE developing test procedures to support the program. EPA and DOE should continue to rely on international and industry consensus standards when they are available, but develop test procedures using DOE's expertise when such standards are not available. Overall, the ENERGY STAR program should use test procedures that are representative of consumer behavior and rely upon DOE to develop appropriate test procedures.

V. <u>Opportunity for Appeal</u>

Samsung believes that the EPA provides sufficient opportunities to weigh in during specification development. Our company has found that ENERGY STAR's specification development operates with clarity and transparency with avenues to address stakeholder's concerns.

Samsung appreciates the opportunity to comment on EPA's ENERGY STAR Procedures. We would gladly welcome the opportunity to discuss these matters further.

Respectfully submitted,

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