

2000 M 63 · Mail Drop 3005 · Benton Harbor, Michigan 49022 · Phone: 269/923-4647 · Fax: 269/923-4652

J.B. HOYT DIRECTOR, GOVERNMENT RELATIONS

July 8, 2005

Mr. Richard Karney Energy Star Program Manager U.S. Department of Energy Building Technologies Program 1000 Independence Avenue, SW Washington, DC 20585-0121

Re: Position of Whirlpool Corporation Regarding ENERGY STAR® Qualifying Levels for Dishwashers

Dear Mr. Karney:

Whirlpool Corporation appreciates the opportunity to comment on the Dishwasher ENERGY STAR program. The comments herein are in response to the Department of Energy's (Department) "Market Impact Analysis of the Potential Revision of the ENERGY STAR Criteria for Dishwashers" issued on June 10, 2005.

Response to Questions Raised by DOE

- It is appropriate for the ENERGY STAR <u>qualification levels</u> for Dishwashers to be revised. No longer is ENERGY STAR status a point of product differentiation in the marketplace, therefore ENERGY STAR is not having the marketplace impact that it commands in other product categories.
- Inclusion of <u>standby power</u> is logical and appropriate. As the Department suggests, an increasing number of models utilize standby power to bring a broader set of features and benefits to the consumer. Such use should be accounted for in the ENERGY STAR measures.
- The Energy Factor (EF) value is not able to represent standby power. We recommend combining the kWh consumed for 215 annual Dishwasher operations with that used for annual standby power and indicating total energy consumption in kWh only (not using EF). This is the direct measure used in the DOE test procedure and that is shown on the FTC EnergyGuide; it can be directly translated to operating cost for the consumer. The energy factor (EF) is a derived value that does not provide any value to manufacturers or the end consumer. We believe that most consumers understand that lower kWh consumption equates to lower operating cost. We believe this approach offers the greatest simplicity to the end consumer.

- <u>Water consumption</u> does not need to be included as an ENERGY STAR criterion. Unlike Clothes Washers, water use in a Dishwasher is highly correlated with energy consumption, so reducing energy consumption also results in a reduction of water consumption. Also, the absolute amount Dishwasher water use is modest (on the order of 1/10th of 1% of total U.S. water use) and even the highest water consumption dishwashers use far less water than hand washing of dishes.
- Manufacturers need to be provided with sufficient time to react to any change in criteria. We agree that there a number of Dishwashers with an EF of .62 or above in the marketplace today. Before we can effectively market ENERGY STAR Dishwashers at any new level, we will need to have complete product lines developed and tested, have adequate supply base and manufacturing capability in place and have fully developed merchandising plans in place prior to the effective date. Further, since the ENERGY STAR logo is widely used in product catalogs, point of purchase materials, use and care guides, and even printed on the product, a significant lead time is required between issue of the final qualification level and its effective date to properly prepare these materials. For example, if the Department issues the new level at 355 kWh (EF = .62 + 1 watt standby) per year or more by November 2005, we would need an effective date no earlier than January 1, 2007. If the department issues the new level below 355 kWh per year we will need a later effective date. Again, these dates presume final criteria by the end of November 2005. Should the Department move the communications date out further, we would ask for a corresponding delay in the effective date.
- We are evaluating technology, cost, and market impact of various ENERGY STAR levels; we will provide a <u>specific recommendation</u> to the Department during the August comment period. We believe there may be an opportunity to set the ENERGY STAR qualifying level higher and save more energy, if manufacturers have a bit more time to engineer appropriate models.

Reaction to the Specifics of the Analysis Provided by DOE:

- Whirlpool <u>concurs with the six ENERGY STAR criteria</u>, as we have in the past. These criteria provide an appropriate way in which to balance the needs of the Department, consumers and manufacturers. In particular, the Department should choose new ENERGY STAR levels with a particular focus on the principle of not compromising functionality or performance. Some of the more energy efficient machines on the market today use very little rinse water, leading to cleaning and re-deposition problems.
- The Department's analysis shows that some 36% of the models in the marketplace today meet or exceed and EF of .62. This is noticeably above the 25% target for the ENERGY STAR program. While this suggests that the revised levels should be at least .62, we urge the Department to make any such change with sensitivity to the time needs of industry mentioned above.
- While we are familiar with *Appliance* magazine market share data, and agree that Electrolux, General Electric, Maytag and Whirlpool are largest suppliers of Dishwashers, 173 (or 30%) of the 565 models cited in the Department's analysis are made by other manufacturers. Some small market share is attributable to the 13 manufacturers who produce these models! However, because these manufacturers and their brands are seeking marketplace acceptance, they are

often niche players whose product performance may not be indicative of or meet the consumer requirements of the market at large.

- We agree that with the current high ENERGY STAR mix, there is a minimal price premium for such products today. However, there is no assurance that all of the models currently with very high EF levels (especially those cited at the \$219-\$299 price points) will fully satisfy consumers' performance requirements. We must not drive a tradeoff of reducing wash performance to reduce energy. Since consumers use adaptive behaviors to achieve desired results, a loss in performance to "improve" energy could actually increase energy and water consumption by driving more pre-rinsing.
- The analysis cites some 148 models with standby power of less than 1 kWh per year. These models do not consume standby power. Database indications of 1 kWh or less are attributable to rounding of non-standby power consuming models. A standby power level of one watt can be achieved by known, affordable technology and we support including this level of standby power consumption in the ENERGY STAR qualification level. This equates to approximately 8.5 kWh per year (or \$0.73 operating cost at 8.6 cents per kWh).

Again, Whirlpool appreciates the opportunity to make these remarks. We look forward to the Stakeholder Meeting on July 13 and anticipate providing further remarks during the August timeframe mentioned in your message of May 31, 2005.

Sincerely,

J3 Hoyt