



Dear ENERGY STAR® Product Manufacturer:

The ENERGY STAR products program has grown tremendously over recent years, offering value to a broader range of consumers, manufacturers and retailers than ever before. Taking steps necessary to maintain the integrity of the ENERGY STAR label is paramount to preserving that value for your company and the consumers who purchase your products.

As you may know, the US Environmental Protection Agency (EPA) is currently collaborating with the Department of Energy (DOE) on a number of enhancements to the ENERGY STAR product labeling program, consistent with a new Memorandum of Understanding signed by the two agencies September 30, 2009. These enhancements, which include revising ENERGY STAR specifications more frequently and expanding verification testing requirements, reflect the government's commitment to preserving the integrity of the label, which is the centerpiece of a program delivering more than 45 MMTCE in greenhouse gas reductions and nearly \$17 billion in energy cost savings each year.

At the close of last week, the US Government Accountability Office (GAO) provided EPA with a copy of an audit report on the ENERGY STAR product certification process, finding that the process is vulnerable to fraud and abuse. In particular, the GAO demonstrated that the ENERGY STAR product qualification process was not sufficient to prevent manufacturers choosing to falsify information from doing so.

In light of these findings, EPA has concluded it is necessary to accelerate program enhancement efforts related to qualification and verification and is taking the following steps, effective immediately:

- Products may no longer be labeled by manufacturers (including product packaging, product literature, Web sites, etc.) until qualifying product information, including a lab report, is submitted to and approved by EPA. This policy, which has been in place for certain product categories, such as residential light fixtures and CFLs, is now extended to all product categories and is applicable to any product model that has not already been approved and posted to the applicable ENERGY STAR qualified products listing.
- EPA's automated review process using the online product submittal (OPS) system has been suspended and qualified product information sheets are being held. We expect to resume product qualification for affected product categories in two weeks or less. When resumed, manufacturers of applicable product categories (i.e., audio/video, computers, displays, external power supplies, imaging equipment, TVs, and telephony) should continue to take advantage of OPS for purposes of submitting qualifying product information, but must provide a lab report for each model for review and approval.
- New ENERGY STAR partners will no longer be granted access to the ENERGY STAR mark upon joining the program. Going forward, the ENERGY STAR mark will be made available to partners only after a qualifying product is submitted and approved.

For most product categories where a lab report has not been required in the past, EPA is temporarily suspending product qualification while the Agency takes steps to ensure smooth implementation of new requirements. It is anticipated that additional communication regarding these new requirements will be forthcoming in approximately two weeks. Changes to the qualification process for certain residential

appliances (i.e., including a review of manufacturer submitted lab reports) are being implemented immediately. In addition, qualifications will continue uninterrupted for the following products, which currently are subject to review through certification programs or have pre-qualification requirements in place that include review of a lab report prior to qualification: battery charging systems; CFLs; ceiling fans; central air conditioners/air-source heat pumps; commercial griddles; commercial ovens; commercial refrigeration; decorative light strings; insulation; residential light fixtures; roof products; solid state lighting; ventilating fans; and windows, doors, and skylights.

While EPA feels swift action is warranted in light of GAO's findings, we remain committed to engaging stakeholders to ensure our implementation of these changes is as effective as possible, with minimal delay and increased burden. To that end, we encourage you to inform EPA of problems you encounter by sending a note to ENERGYSTARVerificationProgram@energystar.gov. We are committed to considering all issues and addressing them as we are able.

We also encourage your participation in the design of enhanced qualification and verification requirements through EPA's stakeholder process underway now. For presentation materials from discussions hosted to date and a list of product-specific calls regarding these enhancements and other next steps, please see <http://www.energystar.gov/mou>; click through to Enhanced Testing and Verification. EPA is committed to completing this stakeholder process as quickly as possible to provide partners with certainty.

Thank you for your cooperation.

CC: EEPS
Retailers
Other interested parties

For more information, visit: www.energystar.gov