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January 8, 2009

U.S. Environmental Protection Agency
ATTN: Bryan Berringer
1200 Pennsylvania Ave., NW
Washington, DC 20460

Re: Enhanced Program Plan for ENERGY STAR Products

Dear Mr. Berringer:

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 and its members are fully supportive of the ENERGY STAR program. The program has provided tremendous consumer energy, water and money savings through its partnership with manufacturers who have made great strides in making more energy efficient products. The partnership between the Environmental Protection Agency (EPA), the Department of Energy (DOE), and appliance manufacturers has worked well, and we look forward to continuing our work together to enhance the ENERGY STAR program and provide further consumer savings.

We appreciate your recent work on the Memorandum of Understanding (MOU) between EPA and DOE in an attempt to make the ENERGY STAR program operate more efficiently. The Enhanced Program Plan released on December 4, 2009, provides additional helpful information regarding the changes EPA and DOE envision. Congress also is working on legislation affecting the ENERGY STAR program. We urge the Congress, the Administration and stakeholders to move forward together in adopting any significant changes to the ENERGY STAR program. The ENERGY STAR program has grown considerably since its inception and it impacts many other areas, e.g., tax credits, rebates, marketing. Stakeholders must have confidence in a stable program.

We strongly urge you to consider and address the home appliance industry's concerns outlined in this letter before implementing any changes to this very important program. Our comments below track the respective sections of the Enhanced Program Plan.

4. Frequent Updates to ENERGY STAR Criteria

- 4.1 Relevant Provisions in the MOU - Payback periods: AHAM opposes a payback period of 3-5 years as outlined in the Plan. The payback period should remain consistent with the current payback period. Further, consideration should be given to industry product cycles so that a specification change does not occur in the middle of an industry model year.
- 4.1 Relevant Provisions in the MOU - 3 year/35% market share review: Current law and policy for the Department of Energy's program on energy conservation standards recognizes the need to ensure that an adequate "lock-in" period of five years occurs between standard level changes so that manufacturers can recoup investments. We understand that increased flexibility needs to occur for the ENERGY STAR program and recommend a three-year lock-in period that could be adjusted on a product specific basis through consensus among interested parties.

5. Enhanced Testing Procedure Review, Improvement, and Development

- 5.3 Agency roles and responsibilities: The Plan states that DOE "will lead the development of product testing procedures and metrics." We would like further clarification and specifics on this statement. We strongly recommend that test procedures, test interpretations, testing reviews, laboratory certification, and all other related testing activities be unified in a single agency with expertise in that product's area to minimize inconsistent and burdensome testing, interpretations and results. In general, the same, well-established testing and evaluation processes do and should occur to ensure compliance with ENERGY STAR, appliance minimum efficiency standards, and FTC label requirements. It would make little sense, cause duplication, increase costs, cause consumer confusion, and create opportunities for inconsistent compliance if these functions were distributed (or even worse, applied differently) between EPA and DOE for a given product.

6. Enhanced Product Verification, Testing, and Enforcement

- 6.2 Description and rationale for enhancement: We request clarification on the terminology used in the Plan with reference to product verification, testing and enforcement. The terms "qualification," "verification," "certification," and "accreditation" are important to distinguish and define. In addition, we request additional information on the verification, testing and enforcement plan.
- 6.3 Agency roles and responsibilities: The Plan states that "EPA will lead implementation of qualification testing." This statement appears to conflict with the previous section (5.3) that states DOE "will lead the development of product

testing procedures and metrics.” Again, We recommend that test procedures, test interpretations, testing reviews and all other related testing activities be unified in a single agency with expertise in that product’s area to minimize inconsistent testing results.

- 6.4 Activities, milestones, and process for implementing enhancements - *Qualification Prior to Labeling*: Any requirements for qualifying or substantiating a product’s performance for ENERGY STAR should be developed on a product-by-product basis that uses the least burdensome method to demonstrate energy performance. For example, it would be inadvisable to require, across the board, energy performance certification testing for qualification in a third party lab for all products since such a requirement would surpass the capacity of qualified testing laboratories. The ENERGY STAR program should accept certifying energy performance prior to qualification through proper documentation, self-certification, or testing by a manufacturer’s accredited laboratory. Of paramount consideration is that duplicative and redundant testing should not be required. For major appliances, Natural Resources Canada (NRCan) already requires that products are qualified by a lab accredited by the Standards Council of Canada. Companies should be allowed to submit the same information to NRCan and DOE/EPA and not have to pay twice for essentially the same testing.
- 6.4 Activities, milestones, and process for implementing enhancements - *Laboratory Qualification*: The qualification requirements of laboratories are unclear, partially due to the lack of a definition for “accredited laboratory.” If a manufacturer has a laboratory that is accredited by a relevant accreditation body, such as Standards Council of Canada, these laboratories should be considered as accredited. The Plan states that “the government will consider ISO 17025 where appropriate recognizing that other accreditations may be appropriate for some products and that third party certification programs can serve this function.” ISO 17025 should not be the sole criteria for determining accreditation. A lab may be accredited by organizations such as the American National Standards Institute (ANSI), Standards Council of Canada (SCC), American Association of Laboratory Accreditation (A2LA), or others. These organizations have specific criteria for compliance (like compliance with IEC 17025 and other pertinent standards).
- 6.4 Activities, milestones, and process for implementing enhancements - *Comprehensive Verification Testing*: AHAM’s third party verification programs balance self-certification for qualification with a robust third party verification program. This approach should be considered as a viable alternative. AHAM has deep experience with effectively functioning third party verification programs and administers verification programs for room air conditioners, dehumidifiers and room air cleaners. Appliances certified by participants in these voluntary programs carry an AHAM seal which assures consumers that rated product characteristics are accurate, using standard test methods. AHAM verifies products rated through this program through a third party testing laboratory.

AHAM publishes certification directories listing all models included in the various programs. These directories have proved useful to government regulatory bodies, retailers and consumers. Further, the additional recent actions being taken by EPA and DOE to increase enforcement should be considered when evaluating the complete system of substantiating a product's performance to ensure measures are not undertaken without consideration of the cumulative impact of the other layers of enforcement.

- 6.4 Activities, milestones, and process for implementing enhancements - *Next Steps in Developing Plan for Verification Enhancements*: We appreciate EPA/DOE's acknowledgment of the importance of testing and look forward to the stakeholder meeting in early 2010.

8. Top-Tier Program (Super Star)

- 8.1 Agency Roles and Responsibilities: The Energy Superstar concept is unproven and its impact, including possible dilution of the ENERGY STAR brand, is unknown. We oppose this concept within the ENERGY STAR program. The Senate Energy & Natural Resources Committee passed legislation (S. 1462) that would require DOE and EPA to carry out jointly a study to determine the feasibility and advisability of adding Energy Superstar to the ENERGY STAR program. This study would require an examination to determine whether the Energy Superstar tier would cause an undesirable dilution of the ENERGY STAR brand. Further, we believe it imperative that such a study address all key stakeholders--manufacturers, retailers and, most importantly, consumers. Comprehensive consumer research is crucial to understanding how such a program might favorably or unfavorably impact the existing ENERGY STAR program.

Other Concerns

- **Continuity of Operations**: It is critical that a plan be developed and reviewed by stakeholders on how government personnel and ENERGY STAR contractors will be deployed in any new ENERGY STAR arrangements. The expertise and experience built up over many years will not be easily replaced and insufficient planning and retention of agency and contractor competence will cause mistakes, delays and poor rollout of new and revised programs.
- **“Lead-in” Period**: Current law and policy for the Department of Energy's program on energy conservation standards recognizes the need to ensure that an adequate “lead-in” period of at least three years occurs between standard level changes so that manufacturers can redesign and retool facilities. We understand that increased flexibility needs to occur for the ENERGY STAR program and recommend that the current nine month lead-in period cannot be reduced without a consensus agreement among interested parties. Further, consideration should be given to industry product cycles so that new specifications do not occur in the middle of an industry model year.
- **Notice and Comment**: The ENERGY STAR program is a voluntary program that flourishes on a strong partnership between manufacturers, EPA and DOE. The

notice and comment process should be strengthened so that manufacturers and other stakeholders can have greater input on specification level changes before they are finalized. We would recommend that EPA and DOE solicit and be guided by comments from interested parties prior to establishing a product category, specification, criterion, or effective date.

Again, thank you for your commitment to this important program. We look forward to continuing our work together to further enhance the success of the ENERGY STAR program, while continuing to evaluate the impacts the proposed changes may have on manufacturers and consumers.

Sincerely,

A handwritten signature in blue ink, appearing to read "Kevin Messner", with a stylized flourish at the end.

Kevin Messner
Vice President, Government Relations