



GE  
Lighting

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May 28, 2010

Ms. Kathleen Vokes  
US Environmental Protection Agency  
ENERGY STAR  
Washington, DC 20460

**RE: Conditions and Criteria for Recognition of Laboratories for the ENERGY STAR® Program**

Dear Ms. Vokes:

Thank you for the opportunity to comment on the draft lab requirements for the ENERGY STAR® Program. It is important to GE Lighting and the industry that currently accredited in-house laboratories continue to be part of the ENERGY STAR program. To that end, we offer the comments on the following page regarding the Draft Lab Requirements.

Please contact me if you have any questions about our comments.

Regards,

A handwritten signature in black ink that reads 'Joseph G. Howley'.

Joseph G. Howley  
Manager, Environmental Marketing and Industry Relations

## GE Comments on Proposed Reporting Requirements

The Draft Lab Requirements would put in place new criteria specifically for in-house laboratories. Our comments specifically relate to the Reporting section on page 2 of the Draft Conditions and Criteria for Recognition of Laboratories. We propose the following changes to the draft text. Our rationale is listed below the proposed changes.

Submit to EPA documentation demonstrating the impartiality and freedom of laboratory management and laboratory test personnel (collectively laboratory employees) from any undue internal or external commercial, financial or other pressures and influences that may adversely affect the quality of their work. In the case of “in-house” laboratories, this shall include evidence that:

- laboratory employee compensation or annual bonuses are not directly tied to the financial performance of the parent company;
- ~~laboratory engineering-test personnel who do not originate with or return to the parent company may not work in the same product line for a period of one-year after they move to the test lab or return to the parent company, or otherwise look to the parent company for career advancement;~~
- laboratory employees are required to participate and regularly pass third-party ethics and compliance audits conducted in accordance with the International Federation of Inspection Agencies (IFIA) Compliance Code or equivalent standards/policies for ethics and compliance programs; and,
- mechanisms for reporting and responding to attempts to exert undue influence on the test results are in place. This shall include establishment of an external system for employees to make such reports and follow-up on such claims, as well as regular education of staff as to what avenues are available to them should they identify attempts to influence test reports.

### Comment Rationale:

#### General

“In-house” laboratories exist for a number of reasons. Among them:

- For high volume testing, they offer manufacturers significant cost savings compared to a for-profit external laboratory
- Quick turn around time
- Proprietary designs can remain proprietary, i.e., they are not shared with an outside party. This has significant implications where IP has yet to be filed.

#### Compensation

Most companies provide general, or cost of living raises, that are indirectly based on the overall performance of the company and the economy. We believe that the proposal intent was to make sure compensation or bonuses are not DIRECTLY tied to company performance. We simply suggest adding the word “Directly” to make this clear.

### **Laboratory Personal Opportunities**

While we understand the intent to remove incentives for laboratory personal to behave improperly, we believe the proposal must strike a balance between this concern and the ability to have flexibility in moving company resources as needed to operate a business.

As currently written, the proposal seems to require that any new laboratory personnel come from outside the parent company and that existing personnel may not seek a position within the parent company. This deprives the lab of personnel with needed expertise and creates a captive (and unmovable and inflexible) workforce. Given that the test personnel in some laboratories are covered by collective bargaining agreements, the proposal may also create other labor and union issues. The proposed alternative allows for movement between the lab and the parent company with a restriction on which product line the employee may work. We believe this would greatly minimize the ability of test personal to be rewarded or promoted by other departments that may benefit from good test results.