



April 6, 2011

Maria Vargas  
ENERGY STAR Brand Manager  
US Environmental Protection Agency  
Ariel Rios Building 6202J  
1200 Pennsylvania Avenue, NW  
Washington D.C. 20460

Dear Ms Vargas:

The Consortium for Energy Efficiency would like to thank you for your invitation to provide input on how to responsibly expand ENERGY STAR to promote super-efficient equipment. Consortium members have invested hundreds of millions of dollars supporting the ENERGY STAR brand as the marketing platform for energy efficiency, and we look forward to further utilizing investments to serve ever increasing energy savings objectives. The membership has integrated ENERGY STAR as a foundational element in local efforts to drive mass market increases in efficiency. Traditionally, individual members have elected to further distinguish products that exceed the minimum performance levels that define ENERGY STAR. In many cases the bases for further distinction have been CEE performance tiers, established through a particular process and for a particular purpose specific to the relevant product category. In such cases, the organization did not elect to create a national-level market identify or label; rather, it recognized local and regional differences as well as other factors and encouraged financial incentives to differentiate performance as appropriate.

We welcome a responsible ENERGY STAR Program enhancement to increase overall savings and look forward to helping make this a reality. We are unified in our interest to protect the equity and credibility of ENERGY STAR and are ready to meet the leadership challenge of making a new component effective for our shared purpose.

We appreciate EPA's invitation to comment on the specific performance requirements and common recognition principles. For more than 15 years, CEE members have worked with industry to develop tiered specifications for super efficiency. Below, based on these past experiences, please find our suggestions that will help enable local program administrators to make use of "Most Efficient" to meet their ambitious energy savings goals. We look forward to working with EPA and DOE to build even greater demand for the most efficient ENERGY STAR products.

## We Support Many Aspects of the Proposal

Per our previous comments, CEE supports a federal program for super efficiency that is predictable, recognizes key differences in the markets for eligible products, and yields significant energy savings above the existing ENERGY STAR requirements. We believe “Most Efficient” could play a valuable role in supporting local efforts to promote super efficiency if the recognition of the ENERGY STAR brand can be linked with the financial incentives, education, and marketing offered by local programs for super efficiency. If structured in consultation with CEE’s members, “Most Efficient” could be an effective means to accelerate the introduction of higher performance products—particularly in markets with a high penetration of ENERGY STAR products.

## Clarity of Purpose and Defined Stakeholder Roles are Key Success Factors

Defining “Most Efficient” requires not only a description of what it is intended to represent in the market, but also articulation of what venues in which it is to exist, how in practice it will be supported, and what strategic purpose it provides relative to the ENERGY STAR Program (and existing energy efficiency program approaches). CEE’s program committees are concerned about cost effectiveness and challenges with offering incentives at the proposed performance levels because most program administrators conceptually define “most efficient” as a higher CEE Tier that is still viable for a market transformation incentive program (as determined by conventional program cost-effectiveness tests). EPA’s proposal *suggests* a definition of very few products that yield significant energy savings above ENERGY STAR, and represents a leading-edge technology offered by at least two manufacturers. We are concerned that the current uncertainty about EPA’s objectives and desired role for stakeholders is undermining the potential value of “Most Efficient.” Additional details on the following questions would aid our assessment:

1. Does the success of “Most Efficient” depend on promotion by CEE Members and other program administrators? If so, how does EPA envision program administrators will integrate “Most Efficient” into efficiency programs? If not, what is the EPA’s strategy for achieving market traction?
2. How will “Most Efficient” benefit the ENERGY STAR brand in the future?
3. How will “Most Efficient” lead to greater national energy savings?

## Timing of Implementation Affects Up-Take in Local Programs

Ideally, roll-out of “Most Efficient” would recognize the lead time necessary to modify existing local programs. It’s too late for most organizations to change their 2011 programs to incorporate new elements such as “Most Efficient.” An April 2011 effective date risks confusion in several markets due to conflicting definitions of what constitutes the most efficient products. It’s our hope that “Most Efficient” will be rolled out in a manner that takes into account the existing messaging and incentives currently offered by CEE Members and other stakeholders in the market.

## Refinement to Product Performance Levels is Needed to Enable Local Program Incentives

If EPA believes the success of “Most Efficient” requires active promotion by local energy efficiency program administrators, the following characteristics would likely lead to increased program participation

- A level of performance suitable for financial incentives with a hope they will be customer cost-effective in the long run, but meet the program cost-effectiveness test now.
- Availability in all common sizes and configurations. For some products (e.g. HVAC ) eligibility of an entire *product line* is essential for market up-take of “Most Efficient.”
- Assurance that reliability and amenity of eligible products are not compromised.

Further, “Most Efficient” could enhance its appeal if specific messaging about respective roles of each of the partners (utilities, retailers, manufacturers, etc) is conveyed by EPA. This may require facilitated discussion among key stakeholders. If helpful, CEE is willing to play a significant role in making its current performance specifications and initiative descriptions available to inform EPA’s process.

## CEE Stands Willing to Partner with EPA to Help Mitigate Risk to the ENERGY STAR Brand

We appreciate the steps EPA has taken to minimize risk when scoping a differentiated component of ENERGY STAR. As “Most Efficient” moves forward, we believe that a strong technical foundation in support of its represented meaning is paramount to the Brand’s success. To ensure the Brand continues to live up to expectations, and to afford the ability to take

corrective action should it's prominence diminish, we recommend that EPA monitor and report against metrics that speak to Brand integrity and savings impacts. CEE members are eager to partner with EPA to assist in assessing such information and assist in corrective actions if and when necessary.

CEE is committed to working with EPA and DOE towards the successful roll out of "Most Efficient." We look forward to ongoing consultation with you in the coming months. Please contact John Taylor, CEE ENERGY STAR Liaison, with any questions regarding these comments or requests for additional information.

Respectfully yours,

A handwritten signature in black ink, reading "Marc G. Hoffman". The signature is fluid and cursive, with the first name "Marc" and last name "Hoffman" clearly legible.

Marc G. Hoffman  
Executive Director