



April 8, 2011

United States Environmental Protection Agency
ENERGY STAR Program
1200 Pennsylvania Ave NW
Washington, DC 20460

ENERGY STAR Program Managers,

Thank you for this opportunity to share our comments regarding the latest proposed recognition plan for the “Most Efficient” Pilot program. Northeast Energy Efficiency Partnerships (NEEP), in collaboration with our efficiency program sponsors, has been an enthusiastic partner with ENERGY STAR since NEEP began fifteen years ago. The value of ENERGY STAR to advance energy efficiency in the Northeast has been immeasurable. As ENERGY STAR prepares to roll out this new “Most Efficient” pilot, we offer NEEP’s perspective in the hopes that the final product will provide significant value to consumers and serve as a valuable tool to increase energy savings in ratepayer-funded energy efficiency programs.

NEEP’s fifteen years of experience and success in working with multiple states and partners to transform markets for energy efficiency in the Northeast gives us a unique and informed perspective about strategies and approaches that work. Essential lessons from that experience relevant to introduction of the Most Efficient pilot include:

- Be relevant by maintaining a primary focus on consumer needs and issues,
- Work within and leverage the reach and influence of existing market channels,
- Actively coordinate with stakeholders and related efforts to provide a clear, powerful message to consumers and to effectively engage market interests (e.g., retailers, distributors, and manufacturers),
- Stay attentive and learn from experience with readiness to evolve and rapidly respond to “what works”, feedback and market changes (e.g., new products).

Our following comments apply these lessons to the introduction of the Most Efficient labeling program.

First and foremost, we support ENERGY STAR’s effort to strengthen its core programs and explore opportunities to “do more” with this successful program. The goal of the “Most Efficient” labeling program, to drive more energy efficient products into the market more quickly, is laudable and important to the Northeast - a high value region for energy efficiency hungry for the next level of energy savings in consumer products to help states achieve the goal of “all cost-effective” energy efficiency. However, when it comes to the particular process undertaken to develop Most Efficient, we observe a general lack of stakeholder engagement. Going forward, we encourage ENERGY STAR to be more open and collaborative with stakeholders - with a clear process and schedule for doing so. This will allow NEEP as well others to participate in a timely and productive manner.

Specific comments include:

1) Evaluation of the 2011 pilot will be crucial

NEEP is glad to see that ENERGY STAR is considering the Most Efficient labeling program a “pilot”. We would like to stress that the nature of any pilot involves establishing objectives (i.e., what is being tested? what is the focus for learning?) and a research design to collect the information needed to assess the pilot before a full blown program is undertaken. We are concerned that there has been very little information provided about what ENERGY STAR intends to test or how the pilot will be evaluated. Questions include;



- What are the learning objectives for the pilot?
- What specifically is being tested?
- What questions do you hope to answer?
- What are the indicators of success?
- How will the pilot be evaluated?
- What will be the process to share the results and consider program expansion?
- What role will stakeholders play as part of the evaluation?

Before continuing the pilot into 2012 or expanding into other product categories, we urge ENERGY STAR, through an open process, to take a careful look at what can be learned from the 2011 pilot before expanding the program.

2) Need for greater coordination with existing tools

Other tools already exist to help early adopters identify the most efficient products (e.g., TopTen USA). Since both TopTen USA and ENERGY STAR will co-exist in the market, it is essential that the work be coordinated with an effort to harmonize the specifications for overlapping product categories prior to the launch of the Most Efficient Pilot. This would avoid potential consumer confusion and leverage the use of limited resources. A lack of clear cooperation risks delaying progress, as market actors would need to sort out on their own how these two programs, one non-governmental, the other, linked to ENERGY STAR, relate to each other. A lack of harmonization also risks sending mixed signals to the marketplace, which could be counterproductive.

Furthermore, because TopTen USA offers additional features to help consumers identify and purchase the most efficient products and appliances available in the marketplace, active coordination with TopTen USA will increase the consumer value of the Most Efficient product list. For example, TopTen USA includes a number of useful features for consumers which Most Efficient would be wise to leverage, such as a section on how products are evaluated, where these products can be purchased, whether rebates are available, how to operate the products most efficiently, etc. These features provide important information and guidance to help consumers make quick, informed product choices.

3) NEEP continues to have concerns that the coexistence of the ENERGY STAR label and Most Efficient label may create consumer confusion

We continue to be concerned that the differentiation between the ENERGY STAR core label and the "Most Efficient" label will not be well understood by typical consumers. ENERGY STAR's success can be traced to the simplicity of its binary nature. To introduce a new "embedded" label into the mix may cause confusion. This question should be clearly addressed as part of the pilot evaluation including possible testing of presentation formats that help differentiate and distinguish Most Efficient products on-line or at retail outlets

4) Qualification method may create diluted program. Annual revisions may not be sufficient.

We have concern that the method for which products would qualify for Most Efficient may lead to unexpectedly high levels of qualified products. By establishing defined performance specifications that will remain static over the course of a full year, Most Efficient runs the real risk that what may have been an appropriate level for January 1st, may not be for September 1st. NEEP still prefers recognizing a set amount of top performers (ala TopTen USA) that constantly evolves as the leading edge as efficiency evolves, especially in the case of consumer electronics product categories. The TopTen USA methodology eliminates the challenge of establishing qualification levels months in advance and misjudging the market.

For consumers to understand the difference between base ENERGY STAR and Most Efficient, the number of the most efficient labeled products should remain a limited group that reflects the



latest, most efficient products available. Otherwise the clear distinction between ENERGY STAR and Most Efficient may be lost.

5) Concerns about quality assurance as part of both the core ENERGY STAR program and Most Efficient program

The introduction of Most Efficient underscores the need for strong certification and verification testing programs. Although ENERGY STAR has responded with recent efforts to improve quality assurance, it is not yet known how effective the use of independent accreditation and certification bodies will be. One of Most Efficient's guiding principles is "no compromise in performance". Ensuring that the qualifying products meet the expectations of consumers will be crucial. Does ENERGY STAR plan to dedicate extra resources towards Most Efficient in the area of certification/verification testing (i.e. verifying a higher percentage of Most Efficient products)? Will that assessment address issues of concern to consumers beyond efficiency (e.g., overall product quality and reliability)?

6) NEEP supports ENERGY STAR's stance that Most Efficient should not create separate qualification criteria among product configurations (i.e. refrigerator, clothes washer criteria) as it does for the core ENERGY STAR program, yet in some cases we encourage sub categorization based on product size.

While we appreciate the integration of sub categories for products such as clothes washers (front and top loading) and refrigerator/freezers (side by side, top freezer, etc.) in the Most Efficient program, we see good reason to establish separate size categories for these and other products.

Based on the products that would qualify under the currently proposed product criteria for televisions and clothes washers, we see a considerable bias towards larger units. We're concerned that this may drive consumers away from adequately sized units to larger units simply because these have more products with the Most Efficient label. We might see the unintended consequence of consumers buying larger units that are in fact highly efficient, but larger than what that consumer was originally shopping for and going home with a product that consumes more energy than the unlabeled smaller unit.

TopTen USA addressed this issue by creating separate categories for small/medium/large units where appropriate. This system would provide consumers with a mix of available products that qualify for Most Efficient across the various size categories. This eliminates the likelihood that a consumer would encounter the situation described above. By moving to such a structure, Most Efficient would not only be providing consumers with a better mix of efficient options, but ultimately drive consumers to purchase appropriately sized units, saving energy in the process.

Thanks, again, for this opportunity to provide our comments on the Most Efficient Pilot program. We look forward to maintaining regular communication as the Pilot prepares to launch later this year. Our primary hope for Most Efficient is that it provides a real value add to the consumer, helping them to identify the leading edge high efficiency products. Evaluation of the pilot offers an important opportunity to engage stakeholders and determine best direction going forward. We look forward to participating in that.

Sincerely yours,

[Susan E. Coakley](#)
Executive Director