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Mr. Andrew Fanara  
Office of Air and Radiation  
United States Environmental Protection Agency  
Washington, DC 20460

Dear Mr. Fanara,

Thank you for the opportunity to comment on the Draft 1 ENERGY STAR EPS Version 2.0 specification. The Consumer Electronics Association (CEA) is the preeminent trade association promoting growth in the \$148 billion U.S. consumer technology industry through technology policy, events, research, promotion and the fostering of business and strategic relationships. CEA represents more than 2,100 corporate members. Among their numerous lines of business, CEA members design, develop, manufacture, and distribute consumer electronics that use external power supplies (EPSs). Such product include, but are not limited to, camcorders, computer monitors, cordless phones, digital cameras, laptop and notebook computers, mobile phones, personal digital assistants, printers, scanners, and two-way radios. CEA and its members have been very active in regulatory policy relevant to EPSs at the state, federal and international levels.

#### Top-level Comments and Concerns

##### *ENERGY STAR and EPSs*

As EPA considers revising its specification for EPSs, the most significant question is whether it makes sense to do so, given that mandatory regulations for energy efficient EPSs are now established. As EPA is aware, mandatory regulations are in place in several states, and thus there is a de facto national standard as well, as manufacturers in our industry, and presumably others, change their product lines based on the national market rather than state-by-state. In addition, there is the possibility of a national standard for the energy efficiency of EPSs as an outcome of pending federal legislation or as the outcome of a Department of Energy rulemaking. Finally, there are pending energy efficiency regulations for EPSs in other regions around the world. In light of these developments, and as it considers whether and how to revise its specification for EPSs, EPA should examine whether any significant value is added by investing agency and industry resources in the revision of this ENERGY STAR specification as opposed to the maintenance or initiation of ENERGY STAR specifications in other product categories.

Another significant issue concerning the revision of this ENERGY STAR specification is the fact that the ENERGY STAR program for EPSs has been undermined by regulatory actions, which is not only a concern for the continuation of the EPS specification, but also a major issue for the ENERGY STAR program overall.

The success of the ENERGY STAR program is due to its voluntary nature. ENERGY STAR program criteria are the result of broad industry participation, careful negotiation, and recognition of market and technological facts and limitations. Contrary to the spirit and purpose of the ENERGY STAR program, the California Energy Commission (CEC), through its “Appliance Efficiency Regulations,” promulgated mandatory energy efficiency standards for external power supplies based directly on the ENERGY STAR specifications for EPSs. The voluntary ENERGY STAR criteria were negotiated by EPA representatives and industry just one year prior to the regulatory action by the CEC, which was followed by legislation in several states that also established mandatory efficiency levels for EPSs.

As EPA should recognize, the initial ENERGY STAR criteria for EPSs were developed as a voluntary initiative and reasonable incentive for manufacturers and their suppliers. The good faith negotiations that led to the first ENERGY STAR program criteria and related effective dates took into account time and cost considerations related to product design, marketing and certification. In addition to state action that made mandatory the ENERGY STAR “Tier 1” program criteria for EPSs, California went further to mandate compliance with the ENERGY STAR “Tier 2” criteria, which were the expected but not necessarily the final next-stage specifications.

State or other governmental action that takes the voluntary ENERGY STAR program criteria and makes them mandatory is a serious threat to the future viability of the ENERGY STAR program and the public-private partnership behind it. Quite clearly, the efficiency levels developed as part of the current ENERGY STAR specification for EPSs were never intended as nor negotiated to be mandatory limits after any set period of time. CEA has raised these public policy concerns before state policy makers and other parties, and CEA continues to believe that EPA should be doing more to discourage as much as possible the regulatory abuse of the ENERGY STAR program, which has unfortunate consequences for consumers and manufacturers, as well as energy savings in general.

### *Harmonization*

As an alternative to revising its current specification for EPSs, CEA encourages EPA to consider focusing on harmonization efforts at the international level, particularly in regions where policy makers are considering measures and programs related to EPSs. The harmonization of test procedures as well as regulatory program specifications relative to EPSs in markets around the world could have a broad and substantially positive impact on consumers and energy conservation, and CEA stands ready to lend its support in this regard.

## *Consultants*

In general, CEA believes that the consultants with which EPA and its contractors work should provide an unbiased perspective on the issues relevant to ENERGY STAR programs, technical analysis and specification revisions. As CEA has observed, Ecos Consulting does not provide an unbiased perspective but rather has been an advocate for mandatory regulations for EPSs which exacerbates the aforementioned problem of regulatory abuse of the ENERGY STAR program. CEA's observations are based on Ecos Consulting's work with domestic and foreign regulators as well as statements made by the firm. CEA respectfully recommends that EPA reconsider its relationship and that of its prime contractors or grantees with Ecos Consulting on work related to the ENERGY STAR program in general, and on the EPS specification revision in particular.

In addition to the issues raised above, we would like to draw your attention to some of the specific concerns with the current draft of the ENERGY STAR EPS Version 2.0 specification that have been identified by our members:

### Effective Date

The EPA is proposing that the ENERGY STAR EPS Version 2.0 specification take effect on July 1, 2008. The EPA further proposes that after the specification takes effect, all EPSs marketed as ENERGY STAR must meet the Version 2.0 levels.

The consumer electronics industry has committed substantial resources to meeting the current ENERGY STAR standards and incorporating the ENERGY STAR label on products. Because the new proposed requirements create substantial technical hurdles, many products now labeled ENERGY STAR would fail to meet the new specifications, thereby requiring manufacturers to remove the label from all packaging, manuals, promotional material, etc. Removal of the ENERGY STAR label will disrupt product distribution, require new procedures by vendors, and confuse customers who have seen the label on identical products. In addition, removal of the label would impose additional costs (e.g., design changes and removing the label from existing products) where an existing product model suddenly is deemed out of compliance.

It is important to recognize that the supply chain and development cycle for electronic products is typically at least 18 months.

For the above reasons, and in light of the fact that the ENERGY STAR EPS Version 1.1 specification became effective on January 1, 2005, and considering ongoing efforts to meet other energy efficiency mandates for this product category, CEA believes that the ENERGY STAR EPS Version 2.0 specification should be made effective thirty months after final publication of the specification. Moreover, CEA seeks assurances from the EPA that any ENERGY STAR-complaint external power supplies manufactured prior to the effective date of the revised specification can continue to be marketed as ENERGY STAR.

## Cost Benefit Analysis

The ENERGY STAR core program principle is cost-effectiveness while maintaining product performance. During the stakeholder's online meeting on November 13, the EPA noted that its own cost benefits analysis yielded positive results. However, not enough specific information has been released to stakeholders to allow for independent review of this conclusion. CEA respectfully requests that all detailed information used in the EPA's cost benefit analysis be made publicly available so that we may perform an independent review of the data and conclusions.

## Estimates of Compliance

The EPA has developed proposed new Active Mode levels for the ENERGY STAR EPS Version 2.0 specification from a dataset of 1,834 units measured in 2006 and 2007. According to the EPA, the dataset shows a compliance rate of 26% for units meeting the Active Mode, No-Load and Power Factor requirements. We believe that the sampling method used by the EPA is flawed. The current dataset includes a preponderance of ENERGY STAR models which the EPA believes is representative of the status quo and a good proxy for the US market in 2008.

However, our own estimates of compliance rates vary widely by product categories, with some product categories having a significantly less compliance rate.

## Power Factor Correction

The EPA notes that in recent years, there has been increased interest in the effect that high wattage products have on power quality. Accordingly, the EPA has included power factor requirements for high power devices. The EPA proposes that all EPSs with a power output of at least 75 watts be required to have a power factor of at least 0.9 at 100% of rated load. The EPA intends for this 75 watt power output cutoff to be consistent with the European regulation EN 61000-3-2, which requires limited total harmonic distortion for appliances above 75 watts input power.

The distribution losses/harmonic distortion the EPA is attempting to address with the power factor correction requirement are typically related to high-power-consuming products such as home appliances. Accordingly, the EPA should focus directly on addressing the harmonics distortion issue by requiring compliance with EN 61000-3-2. This regulation alone will drive down harmonic distortions and minimize distribution losses.

The power factor correction requirement should be removed from the ENERGY STAR EPS Version 2.0 specification thereby avoiding an unnecessary test and lowering the cost of compliance with the specification.

We appreciate the opportunity to comment on the Draft 1 ENERGY STAR EPS Version 2.0 specification. We look forward to continued close cooperation during the updating of this specification. Please do not hesitate to contact us if you have any questions.

Sincerely,

/s/

Brian Markwalter  
Vice President, Technology & Standards

Douglas Johnson  
Senior Director, Technology Policy & International Affairs

Bill Belt  
Senior Director, Technology & Standards

cc: Kathleen Hogan  
Director, Climate Protection Partnership Division  
Office of Atmospheric Programs