



7 February 2003

RE: PANASONIC COMMENTS ON ENERGY STAR VERSION 2.0 SPECIFICATION

As a leading manufacturer of high performance ventilation fans that meet the needs of both residential and industrial building designs, Panasonic appreciates the opportunity to provide comments on the EPA's proposed revisions to the ENERGY STAR Draft 1 Version 2.0 specification.

With EPA's leadership through the ENERGY STAR Program, robust changes have occurred in the marketplace the past several years as both homeowners and builders have begun to place a greater importance on indoor air quality. The current ENERGY STAR specification has helped spur this ongoing market transformation toward more efficient ventilation fans and sales of ENERGY STAR qualifying models are growing in excess of 10% annually.

Panasonic has shared in this expansion by offering a full line of ceiling-mounted and through-the-wall ventilation fans that set the industry standard for performance and customer satisfaction. Yet many of the proposed revisions to the ENERGY STAR specification would, in effect, move the industry backward toward less efficient, lower quality products in an effort to broaden manufacturer participation in the program.

Many of the advances made in enhanced air movement inside increasingly airtight buildings would be sacrificed under the proposed revisions to the specification. The net result would be degradation in air quality, home comfort levels, and greater issues associated with mold, all of which ought to be consequences unacceptable to the EPA.

Consistent with the ENERGY STAR program's desire to help consumers differentiate products based on their energy savings, Panasonic believes the ENERGY STAR logo should remain a symbol for energy efficiency. Consumers that rely on the ENERGY STAR label, and those looking for guidance on product performance, should be assured in the future that ENERGY STAR labeled ventilation fans continue to represent technologically advanced products.

Among the proposed revisions that Panasonic takes issue with are raising the level of allowable sound and shortening the warranty period for products. In tandem, these revisions could result in consumer dissatisfaction and likely greater energy consumption.

Keep the Three-Year Warranty – Issues related to indoor air quality and mold require longer run cycles for effective spot ventilation. In turn, longer run cycles demand greater energy efficiency, quieter operation, and high quality products. The longer run times spell greater energy consumption, which further justifies the need for an ENERGY STAR requirement for this class of product.

In addition to Panasonic, three other ventilation fan manufacturers have increased their warranty to three years, benefiting both consumers and the ENERGY STAR program. Yet EPA's proposal moves in the opposite direction, lowering the warranty period. Quite simply, a shorter warranty sends the wrong message to consumers.

Maintain Current Levels for Sones -- The single strongest deterrent to longer run times is excessive noise. Regardless of potential health benefits, homeowners will not run noisy fans when there is no need to exhaust. By allowing for a higher noise level during operation, the proposed revision would serve to eliminate many improvements to IAQ and increase consumer dissatisfaction with the product.

The current specification addresses the IAQ considerations by requiring a "quieter operation" level of sones. Instead of jettisoning IAQ improvements by weakening the sones requirement, EPA could positively address the issue by creating a 3-tiered specification for "quietness" that provides for manufacturer flexibility while maintaining performance levels to ensure consumer satisfaction and maximum health benefits. Panasonic would be happy to further discuss this concept with the EPA.

In summary, Panasonic commends the EPA's foresight in creating an ENERGY STAR program for ventilation fans. By setting aggressive yet reasonable specifications, consumers and the environment stand to greatly benefit. However, we believe the current proposal (Version 2.0) represents a worrisome step backward and an abandonment of the original intent of the specification. The net result is to penalize manufacturers, like Panasonic, who have made significant R&D investments to upgrade product offerings. Consumers, and the environment, would also lose under the proposed specification changes as currently written.

Panasonic remains committed to the ideals of the ENERGY STAR program and has been recognized for its ongoing efforts by winning the ENERGY STAR Partner of the Year award for five consecutive years. We strongly urge EPA to carefully reconsider the proposed changes to the specification and welcome the opportunity to work cooperatively with the EPA and other stakeholders in the development of an improved specification for ventilation fans.

Sincerely,

Mark Sharp