

Email received on December 29, 2010 from Don Plunkett.

Subject: Comments on EPA Energy Star Luminaires Final Draft Version 1.0 Specification, Regarding Third-Party Certification (Accreditation Bodies, Certification Bodies, and Laboratories)

The United Group of Companies, an informal private consortium of US lighting manufacturers, wholesalers, and consulting companies, applauds the U.S. Environmental Protection Agency (EPA), and the respective U.S. Department of Energy (DOE), in its efforts to strengthen Energy Star standards, and in inviting comments for improvement.

We are concerned in that the new EPA and DOE “Energy Star” third party certification policy unfairly disadvantages smaller American private, minority, and women-owned companies, and unnecessarily increases pollutants in the environment (please see below).

Two committees of the World Trade Organization (WTO) are presently “grappling” with concerns that small businesses are “jeopardized” by “Energy Star” and other environmental labels in their ability to compete. The WTO references this under “Technical Barriers to Trade” (www.wto.org/english/tratop_e/envir_e/labelling_e.htm).

Contrary to the EPA mission “to protect human health and the environment” (www.epa.gov), and the DOE mission “to advance the national, economic, and energy security of the United States, and to promote scientific and technological innovation ...” (www.energy.gov) -- all these aims are contradicted by this unproven network of third party certification in lieu of the former equitable system of “voluntary compliance.”

Third-party certification burdens American consumers with higher prices for products not even guaranteed more efficient than non-labeled comparable competitive product (www.nytimes.com/2010/03/26/science/earth/26star.html). Energy Star specifications have not uniformly kept pace with rapidly changing industry trends, and manufacturers can “design to the label” and not necessarily to newer technology.

Third party certification unequally benefits larger multinational firms that can afford it, since it limits competition from smaller companies and since multinationals systematically import from the cheapest foreign factories that are not directly regulated by the EPA or DOE. These foreign factories are years behind the US in efficiency and greenhouse gas containment practices (www.epa.gov/climatechange/emissions). Overseas shipping additionally undermines the aim of Energy Star with increased fossil fuel pollution from ocean freight and cargo jets, a key factor considered by the US Green Building Council (USGBC) when awarding LEED points for efficiency and cleanliness.

We should remain with voluntary compliance and not jump headfirst into the turbulent waters of third party certification that will sink the navy of the many small ships of American innovation. Manufacturers routinely change product specifications for various reasons, and there is no guarantee that product that is third party certified will match the products later shipped to

consumers. Third party certification cannot guarantee compliance any more than “voluntary compliance.” Yet it gives unfair trade advantages to larger multinational companies that can test and produce overseas, and bestows a disadvantage upon the multitude of smaller American businesses that cannot easily afford third party certification and foreign outsourcing, but would rather allocate their limited human and financial resources on product innovation, invention, and jobs creation.

Of the 25 EPA recognized lighting laboratories, for example, 20 are outside of the USA. (www.energystar.gov/index.cfm?c=partners.enhanced_test_verification). Energy Star indirectly accedes unfair trade advantages to foreign factories, and helps fund a testing and certification industry outside of the U.S. with serious risks of pirating and patent infringement (www.nytimes.com/2010/12/14/business/global/14trade.html?src=busln) in contradiction of DOE’s mission “to advance the economic **security** of the United States.”

Like many public utilities and public housing authorities, we should trust American companies to voluntarily adhere to Energy Star specifications “or equal,” and trust that industry and competitors will continue to effectively and diligently “self-police” (www.energystar.gov/ia/partners/downloads/mou/Oracle_Corporation_Comments.pdfas). We must allow all companies to trade equally and without undue government restrictions on prosperity and innovation.

To summarize, Energy Star’s new third party certification directly and indirectly benefits multinational and foreign companies that produce or certify overseas in often the cheapest, most inefficient and environmentally damaging factories. We have to look “beyond the Energy Star label” and take into account the economic and environmental damage associated with this unnecessary, expensive, and inequitable government restriction on fair US trade. We don’t want “Energy Star” to become synonymous with “Imported” as more and more small American companies are forced out of business.

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on behalf of The United Group of Companies,