



Electrolux

SUB-ZERO



May 31, 2013

Ann Bailey  
ENERGY STAR Labeling Branch Chief  
U.S. Environmental Protection Agency  
ENERGY STAR Appliance Program  
appliances@energystar.gov

Re: ENERGY STAR Program Requirements, Product Specification for Residential Refrigerators and Freezers Final Draft, Version 5.0 and Final Draft Test Method to Validate Demand Response

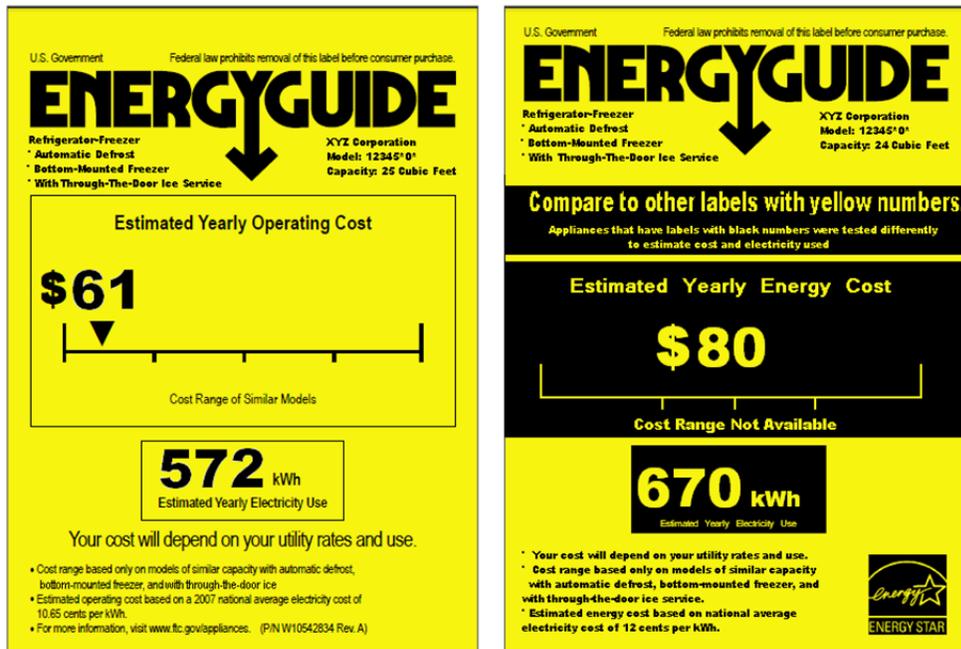
Dear Ms. Bailey:

On May 31, Electrolux Home Products, Inc., General Electric Co., Sub-Zero, Inc. and Whirlpool Corp. (the "Companies"), submitted supplemental comments to EPA urging the Agency to align the effective date of the 2014 ENERGY STAR Refrigerator/Freezer specification with the effective date of the new Department of Energy (DOE) energy minimum standard on September 15, 2014. In those comments the Companies outlined their concerns that changes to the DOE test procedure would lead consumers to believe that new 2014 ENERGY STAR-qualified models will appear to be *less efficient* and *more costly to operate* than pre-2014 models. The 2014 models will appear to be less efficient because the new test procedure requires the addition of approximately 14% more energy to the rating and more costly to operate because of the added energy and the increase in kWh energy cost from \$0.1065 to \$0.12

In order to provide EPA with information to enable it to evaluate concerns about consumer confusion, the Companies requested that the Stevenson Company, [DESCRIBE], conduct a survey of representative consumers.

The survey findings, based on responses from 1,006 consumers, provide overwhelming evidence that a clear majority of consumers would believe – incorrectly -- that the 2014 ENERGY STAR-qualified model is *less efficient and more costly to operate* than a comparably featured model mode manufactured before 2014.

Consumers were shown the EnergyGuide labels for a pre-2014 bottom-freezer refrigerator with through-the-door ice and water and a comparably featured 2014 DOE-compliant ENERGY STAR model.



In response to questions regarding their understanding of the information contained in the EnergyGuide and how that information would affect their product purchase decision:

1. 82 % of respondents responded that the pre-2014 non-ENERGY STAR model used less energy than the 2014 ENERGY STAR model.
2. 71% responded that the pre-2014 non-ENERGY STAR model was the most efficient.
3. 70% responded that based on the EnergyGuides alone, they were more likely to purchase the pre-2014 non-ENERGY STAR model.

A copy of the survey is attached as Exhibit 5 and the report of the survey findings, Exhibit 6.

From the above results it is clear that the Companies in their May 30 supplemental comments significantly underestimated the potential consumer confusion and the resulting increased energy consumption and negative environmental impact. We estimated—conservatively—that “the increased energy consumption could be up to 300

million kWh, costing consumers approximately \$36 million<sup>1</sup> and generating 211,665 metric tons of carbon equivalent (MTCE)<sup>2</sup> if only 10% of expected refrigerator purchases made during the six month period March 1 to September 15, 2014, were based on failure to understand from the EnergyGuide that they were wrongly selecting the more energy consuming product.

*The survey results show conclusively that even a 50% “confusion rate” underestimates the magnitude of “wrong” purchases. And, at that rate, the total increased energy consumption would exceed 1.5 billion kWh, unnecessarily cost consumers an additional \$180 million and generate 1,058,325 MTCE.*

The survey did contain some affirmation of the strength of the ENERGY STAR brand: significant percentages of the minority of consumers who selected the 2014 ENERGY STAR model as using less energy, being the most efficient or the model they would likely purchase cited the ENERGY STAR label as the reason. If the ENERGY STAR effective date were aligned with the effective date of the new 2014 DOE standard in September, it would provide industry, retailers and EPA time to work together to expand consumer awareness of the benefits of the new ENERGY STAR requirements and to educate them and retail sales personnel on how to read and interpret the new FTC EnergyGuide labels. It would also significantly shorten the window of confusion (by six months) as consumers attempt to interpret the old and new labels.

#### Conclusion.

Decisions made by other regulatory agencies have significantly complicated EPA’s 2014 refrigerator specification process. The impact of those decisions, from changes to the DOE test procedure and product operating energy costs to the still-unfinished FTC EnergyGuide label design rulemaking, as confirmed by the survey, will lead consumers to make “wrong” decisions in that the products they select will use more energy and cost them more to operate than the ENERGY STAR labeled products. An overwhelming majority will mistakenly conclude that the ENERGY STAR brand cannot be relied on to help them identify the most efficient product.

EPA can minimize the consumer confusion resulting from the above noted decisions by making the effective date of the refrigerator/freezer specification September 15, 2014, the effective date of the DOE standard, thereby reducing the period when large numbers of hold-over pre-2014 models will be on retail floors. By aligning the effective dates to September 2014, EPA will optimize manufacturers’ ability to increase the

---

<sup>1</sup> kWh x \$0.12.

<sup>2</sup> Calculated using EPA’s Greenhouse Gas Equivalent Calculator, <http://www.epa.gov/cleanenergy/energy-resources/calculator.html>

number of models tested and labeled in compliance with the 2014 test procedure and manufacturers' and retailers' ability to promote, discount and move from retail floors the older models whose labels give consumers incomplete energy and cost information.

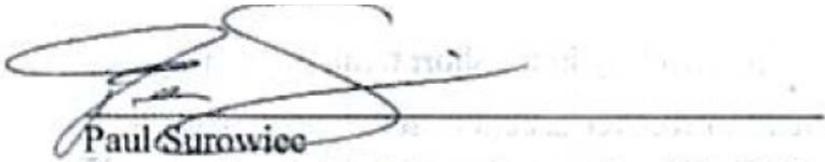
Sincerely,



George E. Hawranko  
Senior Associate General Counsel  
Electrolux North America



VP, Design Engineering  
Sub-Zero



General Manager, Refrigeration  
GE



Jeff Noel  
Corporate VP, Communications & Public Affairs  
Whirlpool