Before the

UNITED STATES DEPARTMENT OF ENERGY

Washington, D.C.

In the Matter of

Request for Information Regarding Reducing Regulatory Burden 5 CFR Chapter XXII 10 CFR Chapters II, III, and X

) "Regulatory Burden RFI"

COMMENTS OF THE CONSUMER ELECTRONICS ASSOCIATION

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Introduction

The Consumer Electronics Association (CEA) is the preeminent trade association promoting growth in the \$285 billion U.S. consumer electronics industry. CEA represents more than 2,000 corporate members involved in the design, development, manufacturing, distribution and integration of audio, video, in-vehicle electronics, wireless and landline communications, information technology, home networking, multimedia and accessory products, as well as related services that are sold through consumer channels. For many years, CEA has supported and advanced energy efficiency in consumer electronics as part of the industry's broader commitment to environmental sustainability. CEA's comprehensive approach to energy efficiency includes initiatives related to public policy, consumer education, research and analysis, and industry standards. One of these initiatives, industry's involvement in the successful ENERGY STAR program, is over 20 years old.

I. DOE's television test procedure regulation is unnecessary.

In response to the Department's request for information about regulations that are or have become unnecessary, ineffective or ill-advised, CEA underscores DOE's test procedure for measuring power consumption in televisions.

As CEA has commented in other DOE proceedings, a federally-mandated test procedure for measuring power consumption in televisions is unnecessary, duplicative and problematic, and in the context of reducing regulatory burdens, CEA urges DOE to repeal its test procedure for TVs which was promulgated by final rule in October 2013. By mandating this test procedure despite stakeholder objections, DOE added to U.S. firms' testing burdens, undermined the international and U.S. consensus standards process, undermined international harmonization, and created economic diseconomies with most of the rest of the world which relies on international standards.

DOE's TV test procedure rule could be simply repealed without impairing the Department's or other regulatory programs. DOE has recognized the dramatic success of the voluntary ENERGY STAR specification for televisions and decided not to pursue an energy efficiency regulation for TVs, and thus no test procedure is required. The U.S. Environmental Protection Agency's ENERGY STAR program specification for televisions does not require a federal test procedure. Before DOE's TV test procedure rule was promulgated, the ENERGY STAR program comfortably relied upon International Electrotechnical Commission (IEC)/CEA standards with minor divergences intended to clarify testing procedures.

The Federal Trade Commission's EnergyGuide labeling program also relied on IEC/CEA standards prior to DOE's rule. In 2007, Congress amended the Energy Policy and Conservation Act (EPCA) to enable the Commission to require energy use disclosures if the Commission identifies adequate non-DOE test procedures and finds that disclosures will likely assist consumers to make purchasing decisions. There was, and is, no need

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for a DOE-mandated test procedure for televisions to support the federal EnergyGuide labeling program.

DOE's test procedure for televisions will become obsolete over time, as did the Department's 1979 test procedure, as opposed to the IEC/CEA test procedures, which evolve to technological realities and are revised. DOE has never been able to keep up with the need to revise test procedures. Whatever initial separation there is between the U.S. and international test procedures would only be exacerbated over time. This will cause additional testing burdens to companies selling globally and will hinder innovation because new designs and technologies will be quickly incorporated in the IEC and CEA standards but may be blocked by a federal test procedure. Moreover, agile programs such as ENERGY STAR depend on rapid evolution of test procedures, particularly in the continually evolving market for televisions and other consumer electronics.

By pursuing a federal test procedure for televisions, DOE also undermined its own efforts to support international harmonization of test procedures. For example, DOE has invested resources in support of harmonized of test procedures for televisions and other products through multilateral organizations such as the International Energy Agency and the Asia-Pacific Economic Cooperation. By mandating and locking into regulation a federal test procedure for the United States, DOE harms the ability of both U.S. government and industry to keep pace with technology-driven changes to the television test procedure that otherwise would be managed and harmonized through the industry consensus standards process.

Although we recognize and appreciate that DOE adopted extensively the IEC/CEA standard test procedures for TVs, U.S. public policy favors simply relying on the standard rather than borrowing from, modifying or reinventing it.

II. DOE should disaggregate its "miscellaneous" grouping of products to better understand energy use trends and the impacts of its energy efficiency policies and programs.

In response to questions in the RFI regarding information collection and regulatory analysis, CEA is concerned about DOE's inclusion of consumer electronics in a larger group of "miscellaneous electrical equipment" or "miscellaneous electrical loads." We believe such an aggregate grouping of dramatically unrelated products (e.g., toasters and computers, rice cookers and video game consoles) is not from a legal or technical point of view the proper way to view consumer products for possible regulatory purposes since many of these products are quite dissimilar in their purpose, function, consumer use and energy profile. This lumping together of categories clouds the understanding of energy consumption trends, aggregate usage patterns, energy savings potentials, and the impact of existing policies and programs. We urge DOE, as it considers changes in response to this RFI, to disaggregate its "miscellaneous" category and separate consumer electronics from other unrelated residential product and equipment categories.

III. DOE should consider the energy-saving attributes of consumer electronics in addition to energy use.

Regarding the RFI's focus on costs, burdens and benefits of existing and proposed regulations, CEA urges a more holistic approach for energy efficiency policy concerning electronics. In many ways, consumer electronics are part of an energy savings solution. Many home networking products help to save energy by providing increased control over home heating, cooling and lighting systems. Information technology and telecommunications products allow teleworking and remote access to information and entertainment content, both of which save fuel and reduce greenhouse gas emissions. In the energy efficiency arena, as DOE focuses on the power consumption characteristics of end-use electronics, we urge DOE to also consider and account for any energy-saving benefits resulting from the use of such electronics. To not do so would be arbitrary and

irrational, and it would not be compatible with the goals of EPCA and the spirit and letter of the Data Quality Act.

IV. Appropriate federal policies supporting energy efficiency in consumer electronics are already in place, and it is important that DOE continue to recognize and encourage non-regulatory solutions as well.

The RFI also seeks feedback on achieving regulatory objectives in more efficient ways, which by extension should mean less burdensome, more market-friendly and more innovation-friendly ways as well.

In the realm of energy efficiency, the best-suited, most flexible policy to carry out the purposes of EPCA for consumer electronics is the ENERGY STAR program. By design, the ENERGY STAR program keeps pace with the rapidly-evolving consumer electronics market by updating definitions, revising specifications to account for new features, revising the levels of feature allowances, and regularly updating test procedures in order to keep up with the changes in this dynamic market. This flexibility cannot be built into DOE's traditional regulatory approach which is based on mandated minimum standards and power consumption limits affecting all products.

Another federal program supporting efficiency in consumer electronics is the Federal Trade Commission's (FTC's) EnergyGuide program, which focuses on energy use disclosures and labeling. Congress directed the FTC to pursue energy use disclosure requirements for several categories of consumer electronics as part of the Energy Independence and Security Act of 2007 (Public Law 110-140). EnergyGuide requirements for televisions took effect in 2011, and we understand that the FTC may address in the future other product categories identified in the Act. In general, energy use disclosures allow commercial and individual purchasers to make informed decisions.

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In addition to recognizing existing programs, it also is important that DOE continue to recognize non-regulatory solutions, which by design will be less burdensome to both DOE and the market.

For example, the Department considered mandatory energy-efficiency requirements for set-top boxes and small network equipment, but it terminated those proceedings when it endorsed the private sector Voluntary Agreement for Ongoing Improvement to the Energy Efficiency of Set-top Boxes. CEA appreciates DOE's endorsement and thanks the Department for its support of this successful approach to energy savings. Procedures in the Voluntary Agreement protect energy savings, innovation, and competition with far more agility than regulatory approaches based on static appliances. In as much as the Department encourages alternatives to traditional energy efficiency standards rulemakings, such as negotiated rulemakings, CEA urges DOE to affirmatively encourage voluntary agreements as well.

V. Regarding the operation of certain DOE rules, it is important to consider and account for aftermarket needs.

The RFI also invites comment on the operation of DOE rules. As CEA has written and commented to DOE in the past, time-limited exemptions are sometimes needed to meet market realities in certain product categories. For two categories of regulatory interest to DOE in recent years, external power supplies and battery chargers, an exemption for service parts and spare parts has been important to the market and consistent with existing law. In previous comments to DOE, CEA noted that seven years is an appropriate period of time for such an exemption, given manufacturers' legal and customer service obligations to stock and supply spare parts for sale, product servicing and warranty claims for existing products using external chargers.

Conclusion

CEA appreciates the opportunity to provide comments in response to this request for information and would welcome further opportunities to contribute helpful information.

Respectfully submitted,

CONSUMER ELECTRONICS ASSOCIATION

By: <u>/s/</u>_____

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