



STATE TECHNICAL FORUM ON EE/RE
Call #9 Summary – June 9, 2005
State Appliance Efficiency Standards

Julie Rosenberg, EPA, introduced the call by noting that it was the last discussion before we take a break for the summer and resume calls in the Fall. She thanked participants for making the Forum a big success by presenting information, sharing experiences, raising questions and offering advice to fellow state officials. Over the summer, EPA will be working with contractors PQA and Keystone to review the feedback and suggestions received to date and develop topics for the next round of calls.

If you have any additional feedback on topics, format or speakers (including interesting programs in your state that you'd like to highlight), please contact Julie at 202-343-9154 or Rosenberg.julie@epa.gov.

We'll be back in touch at the end of the summer to announce the schedule for the Fall.

Participants: 18 state officials from 15 states participated in the call (see the attached participant list)

Key Issues Discussed

- Appliances covered under federal and state standards
- Data energy savings and related cost savings
- Certification process
- Proposal for multi-state standards program and coordination opportunities

Summary of Presentations

A. Overview – Steve Keach, Perrin Quarles Associates (See background_appliancestandards.doc)

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- Steve gave an overview of the current federal standards and states where additional appliance efficiency standards have been adopted including Arizona, California, Connecticut, Maryland, New Jersey, and Washington.
 - NY and RI also have Appliance Efficiency Standard legislation pending. GA is considering appliance efficiency standards to address Atlanta's ozone problems.
 - A number of resources are provided in the background document including the Appliance Standards Awareness Project (ASAP) which has developed model legislation
 - ASAP/ACEEE have developed a technical data base of energy savings, cost and emissions impacts by state for approximately a dozen products. See:

“Opportunity Knocks: Capturing Pollution Reductions and Consumer Savings From

Updated Appliance Efficiency Standards” (www.aceee.org)

"Leading the Way: Continued Opportunities for New State Appliance and Equipment Efficiency Standards"(www.standardsasap.org)

B. Arizona – Representative Lucy Mason, Arizona State Legislature and sponsor of HB 2390

Email: lmason@azleg.state.az.us; phone: 602-926-5874

- o Arizona Appliance Efficiency standards picks up where the 1987 federal standards stop:
 - Requires higher efficiency standards on 12 Products sold in AZ (initially had 15 appliances)
 - 19 billion gallons of water save
 - \$700 Billion saved in business costs
- o Bipartisan issue but still had resistance from some in state
- o Grassroots efforts were very important in passage of bill; needed to educate people on the cost/benefit and cost recovery issues to gain acceptance.
- o Also created a legislative ad-hoc committee on renewable generation and efficiency – a task force with legislative authority to talk about issues across the state (chaired by Rep. Mason)
- o Have had strong support from state utility commissioners
- o Had opposition from washing machine manufacturers because they thought it would impose onerous costs. Generally businesses didn't object to the higher front-end costs of implementing standards, which can be passed on to consumers.
- o Also had some national opposition.
- o Selected the appropriate appliances by working with Jeff Schlegel, Phone: 520/797-4392; Email: schlegelj@aol.com (Southwest Energy Efficiency Partnership). SWEEP has done an analysis of the most appropriate appliances to target in the Arizona marketplace.
- o Rep. Mason also worked closely with National Council of State Legislators (Matthew Brown) and Hal Harvey @ Hewlett Foundation

C. California – John Wilson, Advisor to Commissioner Rosenfeld, California Energy Commission (See “Overview of California’s Appliance Standards and a Proposal for Multi-state Cooperation”)

Email: jwilson@energy.state.ca.us; phone: 916-654-5056

- 1975 - CA implemented the longest standing appliance efficiency standards in advance of federal standards
- 3 criteria in selecting which appliance standards to implement:
 - o Apply to appliances that use a lot of energy
 - o Must be cost-effective
 - o Must be technically feasible
- 1989 - After federal standards were adopted, the issue of federal preemption was raised because federal standards were not as stringent as CA. Currently seeking a

- waiver from federal standards for clothes washing machines. Regulations currently under consideration at federal level that would preempt CA ceiling fan standards.
- 2002 - CA adopted emergency building codes and appliance standards to address the state energy crisis; had tremendous response. Adopted standards for non-traditional and non-federal appliances; e.g. Traffic signals which are very cost-effective
 - 2004 - Adopted standards for electronics with phased-in implementation from 2006-2008.
 - 2005 – CA is looking at setting standards for incandescent lighting. Still opportunities to improve R1 and R5 bulbs which are in wide use, even though there are more efficient technologies for lighting.
 - Estimate of economic benefits is \$16 billion/year on electricity bills for all utility programs and standards – big portion of this is appliance standards
 - Miscellaneous energy use is growing while energy use for major appliances is declining.
 - CEC relied on utility staff and consultants to develop much of the technical data needed to support the standards.
 - Certification process: manufacturers send document to state which attests to compliance and provides supporting data. Challenge to CEC’s authority to require certification was upheld recently.
 - Enforcement is at point of sale not manufacturer; State conducts periodic surveys of what is being sold; CEC has the authority to test and de-list certain products that are not in compliance. Generally, manufacturers are compliant because they don’t want a dispute.
 - Need to do more work with overseas manufacturers
 - Costs of appliance efficiency standards is low compared to benefits

Discussion & Questions

A. How can states work together to reduce the duplication of effort and streamline the certification process?

- CA has an on-line data base that can be used by other states to avoid start-up costs on certification.
- Not productive for manufacturers to face 50 different sets of standards. CA is working with CT to encourage adoption of CA standards.
- States should encourage legislature to delegate the process of setting standards to the state agency so they have the flexibility to work with other states and change them as technology changes. In CT, the legislature set standards, which were the result of negotiation with different manufacturers
- Need model regulations in addition to model legislation developed by ASAP.
- One participant raised the possibility of a multi-state task force to help coordinate state initiatives.
- Discussions with DOE about establishing a national certification data base

B. How should EPA voluntary standards (E Star) be considered in the process?

- One participant suggested that EPA standards should be more stringent than state standards since they are voluntary. In fact, EPA standards are the same as CA standards.

D. How can non-US manufacturing firms be incorporated in the process?

- Many of the products are produced in China (e.g external power supply products)
- Need to think globally
- Torchieres is an example of a product with numerous manufacturers and regional markets

E. Have environmental benefits been quantified?

- Environmental benefits were not a driver of the policy in CA although expect that energy savings have helped reduce emissions; GHG targets may make explicit quantification of standards more important..
- ACEEE AND ASAP have completed a study on opportunities for state appliance standards see <http://www.aceee.org/pubs/a051.pdf> ASAP has developed a website based on data in this study – showing individual state potential emissions reductions, energy savings and costs. See. <http://www.standardsasap.org/a051states.htm>
- CT's appliance standards are part of the state's Climate Action Plan.