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Via e-mail: The.Secretary@hq.doe.gov

The Honorable Dr. Ernest Moniz
Secretary of Energy
United States Department of Energy
1000 Independence Avenue, S.W.
Washington D.C. 20585

Subject: **Energy efficiency policy coordination and alignment**

Dear Secretary Moniz:

On behalf of the Consumer Electronics Association, I am writing to highlight two policy concerns related to energy efficiency regulation and U.S. trade and suggest opportunities for improvement.

The Consumer Electronics Association (CEA) is the technology trade association representing the \$208 billion U.S. consumer electronics industry and more than 2,000 companies. For many years, CEA has been on the vanguard of energy efficiency initiatives related to consumer electronics at the state, federal and international levels. Our comprehensive approach to energy efficiency includes public policy, consumer education, research and analysis, and industry standards.

With respect to U.S. energy efficiency policy, our first concern is the growing misalignment of energy efficiency policies and programs regarding consumer electronics in the United States and with our trading partners in North America. The mishmash of Canadian, Mexican and U.S. energy efficiency policies is confusing and costly for businesses and could force consumers to pay higher prices. In just the past two years, we have seen two sets of efficiency regulations imposed in Mexico¹ which are out of step with Canada and the U.S.; three regulatory mandates in Canada at the federal level² and recent provincial activity³ not aligning with the U.S. or Mexico; and one rulemaking in the U.S. that undercuts international harmonization efforts, as further explained below. This failure to coordinate and consider available measures and best practices directly burdens manufacturers, reduces supply efficiencies and confuses consumers.

¹ Mexico has enacted the *Law for Sustainable Use of Energy of 2011* ("LASE") and NOM-032-ENER-2013, *Maximum Limits of Electrical Power for Equipment and Apparatuses that Draw Standby Energy*. While both provisions are intended to curb energy consumption and improve consumer information, they have simply created unreasonable testing and labeling requirements while providing no discernible energy savings or guidance to consumers.

² Canada's *Energy Efficiency Regulations*, Amendment 11, established minimum (and outmoded) energy performance standards for certain products that use standby power, including compact audio, television and video products.

³ British Columbia and Ontario unnecessarily mandated energy use limits for televisions.

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Our second concern is the Department's recent action under its appliance and equipment standards program to mandate a test procedure for measuring energy use in televisions. This DOE rulemaking directly undermined the industry's standards development and harmonization efforts for televisions at the international level. Moreover, the Department is contravening its own investments on the international side to harmonize test procedures as well as our industry's efforts to promote international standards. Such action is contrary to U.S. policy and law promoting the direct use of industry-led, consensus-based standards.⁴

Although CEA is gratified that in large part DOE adopted the substance of our TV test procedure, the manner in which it was done –pulling content out of our standard and adopting some provisions while changing other provisions– undermines our industry's willingness and ability to continue to develop private-sector standards in an open, transparent process, a process in which DOE and its representatives can and did participate. Coincidentally, DOE mandated its test procedure on the heels of an International Electrotechnical Commission (IEC) meeting at which the industry's TV test procedure was presented for consideration as a worldwide, international standard.

We are aware that the Department is devoting significant resources to multilateral initiatives, such as the Super-efficient Equipment and Appliance Deployment (SEAD) Initiative, as well as bilateral dialogues, such as the U.S.-Mexico Bilateral Framework on Clean Energy and Climate Change and the U.S.-Canada Clean Energy Dialogue. Unfortunately, engagement with the consumer electronics industry, which is a focus of policy makers here and abroad, is severely lacking in these government-to-government dialogues.

We have the technical expertise, data and best practices to share which support the Department's policy objectives and the President's Climate Action Plan. The Voluntary Agreement on set-top boxes, which the Department has recognized and supported, is a recent example. We ask that the Department work together with our industry in these bilateral and multilateral dialogues so that we can share ideas and best practices and avoid policy pitfalls, misaligned outcomes, and backward-looking requirements for our forward-looking industry.

With improved coordination between the Office of International Affairs, the Office of Energy Efficiency and Renewable Energy and the consumer electronics industry, we can better shape the policy landscape internationally, set the appropriate examples and achieve measurable results faster.

CEA would welcome the opportunity for a follow up meeting with the Department to further discuss these ideas and opportunities. CEA's lead on these issues is Douglas Johnson, djohnson@ce.org.

Sincerely,



Gary Shapiro
President & CEO

⁴ Under the National Technology Transfer and Advancement Act (15 USC section 3701) and OMB Circular A-119, U.S. law and policy evidence clear preference for voluntary and market solutions in these circumstances.