



American Council for an Energy-Efficient Economy

WASHINGTON, DC

July 24, 2006

Mr. Hampton Newsome
Federal Trade Commission
Office of the Secretary
Room H-135 (Annex J)
600 Pennsylvania Avenue, NW
Washington, DC 20580

RE: Appliance Labeling Research: No. P064200

Dear Mr. Newsome:

The American Council for an Energy-Efficient Economy (ACEEE) appreciates the opportunity to provide further comment to the FTC in the ongoing rulemaking on the Commission's appliance labeling program.

We have reviewed the information on FTC's plan to research the effectiveness of the current EnergyGuide label design and alternate labeling approaches published in the June 23, 2006 Federal Register Notice. Based on this review, we offer the following comments.

1. We applaud the FTC's decision to build on prior research conducted on the EnergyGuide label. The modified continuous label and categorical label designs proposed for the FTC research are closely modeled on the optimized graphical designs for continuous and categorical labels identified in ACEEE's multi-year research. Similar designs were also used in the research conducted by AHAM. This decision will make it easier for the FTC to compare research results with the findings of earlier research while leveraging the time and resources invested in prior research. We believe it is unnecessary for the FTC to explore additional graphical labeling concepts or symbols at this time.

2. We would like to see a more detailed research plan and the proposed survey instrument. ACEEE is pleased to see that the FTC intends to test consumer comprehension of the various label formats. However, we would like to see additional details on how consumer comprehension will be tested. Specifically, we request that the FTC allow for stakeholder review and comment on a more detailed research plan and the proposed survey instrument. An additional comment period would allow experts on appliance energy issues and program evaluation an opportunity to share their knowledge and point out any potential concerns about the detailed research plan and survey instrument before the survey is finalized.

3. The proposed system for assigning stars for the categorical label is fine for the current research purposes, but additional methods should be considered if a categorical system is to be implemented. The percentage above standard method suggested is only one option for assigning categories. We encourage FTC to remain open to other options and to further explore other potential methods with stakeholders before implementing a categorical labeling approach.

4. *We support the proposed research to compare refrigerator configurations on the same label, but are concerned about including all full-size refrigerators on the same label.* The differences between a 14- or 16-cubic foot refrigerator and a 24- or 26-cubic foot model are greater than the differences between top-mount freezer and side-by-side models of similar size. We ask that FTC clarify their intention to test collapsed refrigerator categories and seriously consider grouping models by size. It may be feasible to use fewer size categories than currently used.

5. *We would like to underscore the issues of self-selection bias and overrepresentation of wealthier, highly educated consumers common to many internet research panels and the importance of measures to address these limitations.* We are pleased to see that the FTC plans to work with Harris Interactive to address these concerns to the extent possible. Any steps that can be taken to ensure that the research provides an understanding of how the label is used by groups that may be underrepresented in the research panel, including those with limited literacy, difficulty processing numerical concepts, and those with difficulty reading English, will help FTC develop an EnergyGuide label that is useful to the broadest range of American consumers possible.

Thank you again for the opportunity to participate and comment on the ongoing rulemaking regarding the appliance labeling program. We look forward to continuing to work with the FTC and other stakeholders throughout the process.

Sincerely,

Jennifer Thorne Amann
Senior Associate