



NATURAL RESOURCES DEFENSE COUNCIL

January 13, 2006

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

**RE: Comments of the Natural Resources Defense Council on
Energy Labeling, Project No. R511994**

Dear Mr. Newsome:

Please find attached the comments of the Natural Resources Defense Council (NRDC) in response to the ANOPR regarding the Appliance Labeling Rule as announced in the Federal Register of November 2, 2005.

Thank you for your consideration.

Sincerely,

Noah D. Horowitz
Sr. Scientist

Comments to the FTC on the Appliance Labeling Rule
Energy Labeling, Project No. R511994

On behalf of the Natural Resources Defense Council (NRDC), we respectfully submit the comments contained below on the FTC rulemaking on revisions to the appliance labeling rule. Our comments focus on two areas: a) support for updating the current design of the FTC label and consideration of movement to a categorical based approach, and b) the addition of televisions (TVs) to the list of products required to provide the Energy Guide label.

Recommendation to Require an Energy Guide Label for Televisions

NRDC has conducted extensive research on the energy use of televisions during the past two years. We pursued this research in order to determine what impact the national move toward big screen and high definition (HD) TVs has on individual and national TV energy consumption.

(To obtain a copy of the complete report go to:
<http://www.nrdc.org/air/energy/energyeff/tv.pdf>.)

There are now many big screen (>50 inch diameter) digital TVs on the market that use 500 or more kWh/yr. or the same amount of energy as a new home refrigerator. In some cases, consumers will be paying several hundred dollars in electricity costs to operate their TV over its life time. While there is a lot of information available for consumers at the time of purchase to assess the annual energy use and cost of operation for most white goods (i.e. refrigerators, clothes washers, etc.), reliable, model specific, energy use information is virtually non-existent for new TVs.

Given the trend toward lower price points, sales of big screen TVs are expected to grow rapidly. With the relatively high levels of TV power use, we urge the FTC to expeditiously add TVs to its Energy Guide program. NRDC has had extensive communication with the TV industry on TV power use and welcome the opportunity to talk with you further on this matter. We can provide input on test method, duty cycle and methods for segmenting the market based on screen size, etc.

A few additional items on this topic for your consideration:

- Based on our measurements, there is a large variation in active mode power use within display technology families such as CRT, plasma, LCD, etc. The active mode power consumption of similarly sized TVs within a specific technology family can vary by as much as a factor of 2 between the least and most efficient units. As such consumers would benefit greatly from the Energy Guide label for TVs.
- We estimate national energy use by TVs in the United States at 46 billion kWh per year. This is expected to rise to more than 70 billion kilowatts per hour per year by 2009 unless new models become more efficient.
- Reducing active mode power consumption in TVs by 25 percent would save over 10 billion kWh per year in the United States once fully implemented. Annually, this would

cut energy bills by nearly \$1 billion and prevent emissions of about 7 million tons of CO₂, a key global warming pollutant.

- A new test method is needed to accurately determine the active mode power use of new televisions. Various regulatory agencies and manufacturers are working to develop a consensus test method that can be used by all TV technologies (CRT, plasma, LCD, etc.) and is based on a moving test clip. We expect such a test method to be available later this year. (Note, the Department of Energy test method is grossly outdated as it was intended for black and white, tube based TVs.)

General Recommendations on the Energy Guide Label

We concur with the various comments being submitted by other energy efficiency advocates that improvements should be made to the Energy Guide label to increase its effectiveness. As part of its revision process, we encourage the FTC to seriously consider moving toward a “categorical” approach. Labels in Australia, Europe, Thailand and most recently China utilize a categorical approach and we understand these have been extremely effective communication tools and have successfully moved consumers to purchase more energy efficient and cost effective models.

While we do not have specific input on the best way to design a US based system, we do urge the FTC to place sufficient thought into the basis for the categories. In particular, we believe that the highest tier can play a pivotal role in influencing manufacturer product design. As such we believe the FTC rules should provide sufficient flexibility to allow the FTC to set stretch goals for the highest tier. In other words, FTC should not be precluded from setting a top tier for product categories in which no qualifying models are currently on the market. Given the competitive nature of the market place, reach energy targets have often provided the basis for industry innovation and the introduction of the next generation of highly efficient new products.