



November 10, 2010

Hampton Newsome  
US Federal Trade Commission  
600 Pennsylvania Avenue, NW  
Washington, DC 20580

Re: October 27, 2010 Petition from NEMA Seeking Changes to FTC Lighting Labeling Requirements

Dear Mr. Newsome,

On behalf of the Natural Resources Defense Council (NRDC) and the undersigned energy efficiency advocacy organizations, enclosed are our comments on the National Electrical Manufacturers Association's 10/27/2010 petition to the FTC. In its petition NEMA requests relief from some of the package labeling requirements that are due to go into effect in July 2011 for sales of new light bulbs. In our comments we address each of NEMA's requests which as we understand them include:

- Delay the rule's effective date to January 1, 2012;
- Delay effective date of labeling requirements for medium base CFLs until January 1, 2013;
- Exempt from the labeling requirements general service incandescent lamps that will be phased out by the Energy Independence and Security Act (EISA), and;
- Exempt from the labeling requirements incandescent reflector lamps which will be obsolete by DOE efficiency standards effective July 2012.

### **Summary of Advocates' Position**

We agree with NEMA that there are many more lighting products on the market today than there were the last time FTC changed its labeling requirements and that the required changes may be more complex for many products. As such, we are generally sympathetic and supportive of some of the changes requested by NEMA. Upon careful review of the NEMA petition, we recommend that FTC:

1. Maintain the July 19, 2011 effective date of the FTC rule;
2. Grant NEMA their request for delaying labeling requirements for medium based CFLs until January 1, 2013;

3. Deny NEMA's request for exempting from the labeling requirements general service incandescent lamps that will be obsoleted due to EISA. To minimize the changes needed to the packaging of these lamps, allow manufacturers to opt out of providing the side/back panel information required by the FTC. Manufacturers would still be required to meet the FTC's front/main package requirements that include light output and operating cost claims; and
4. Grant NEMA their request to exempt from the FTC labeling requirements for the incandescent reflector lamps that will be obsoleted by the July 2009 DOE regulations.

The relief provided by these recommendations will significantly reduce the near-term labeling changes required of manufacturers. We believe our recommendations address NEMA's concerns to a significant degree while preserving the main benefits intended by FTC's final rule.

### **1. Final Rule Effective Date**

We do not agree with NEMA's request for an overall delay in the July 19, 2011 effective date of the FTC's lamp labeling requirements. This date is a full year from the date FTC published its final rule on July 19, 2010.

We believe it is essential for consumers to receive the information required by the new FTC light bulb labeling requirements as soon as possible. The new labels provide critical information, requiring for the first time information on the lamp's yearly energy cost and light appearance (color temperature). This information will help consumers make informed decisions in this increasingly complex marketplace, enabling them to more easily understand the operating costs of the products they are considering and, in many cases, may result in them shifting to a more efficient option.

In our comments below, we provide our support for NEMA's proposals to exempt and/or delay coverage of the labeling requirements for many products. These exemptions and delays will greatly reduce the number of products that will be required to make the required changes in the near term, making those remaining near-term labeling requirements more doable. As most of the energy saving halogen lamps and LED products are just being introduced to the market, we expect that these new products will carry the new label as soon as introduced. Therefore, the number of existing products impacted by the labeling rules as of July 2011 will be low. However, because the new products will be unfamiliar to most consumers, the information required by the FTC labeling rule will be especially important for consumer understanding of their performance and benefits in comparison to traditional incandescents. The FTC labeling rules not only require key information to be included on the package but also establish mandatory rules for calculating operating costs and savings claims. Thus, the rules also will help protect consumers from misleading or inaccurate claims which could otherwise give consumers a bad first impression of the new products.

## **2. Grant NEMA Their Request for Delaying Labeling CFLs Until 2013**

We are sympathetic to manufacturers' workload to update the packaging for medium base CFLs and agree to delay the full FTC requirements for CFLs until January 1, 2013. This delay provides the industry with almost 2.5 years from the date of the final rule to make the required changes. This delay will also allow manufacturers to focus on labeling their remaining incandescent offerings and the other new energy saving products they are bringing to the market.

Between July 19, 2011 and January 1, 2013 the FTC should still require manufacturers of CFLs to meet its current rules that require labeling of lumens, power and lifetime on the front panel, and for manufacturers to use the rules specified by FTC for calculating lifetime operating costs and savings claims. Manufacturers should be able to start using the labels on a voluntary basis in place of the existing requirements as soon as they choose.

## **3. Keep All Incandescent Lamps in the Labeling Program**

We do not agree with industry's proposal to outright exempt from the labeling requirements incandescent lamps that will be affected by the standards set in the 2007 EISA legislation. These are the least efficient lamps on the market and in some cases use four times more energy than the more efficient alternatives. Consumers are frequently unaware that the inefficient 75W incandescent that may only cost a quarter to buy may well cost them \$9/yr to operate. Armed with this information, they are more likely to buy the long lasting CFLs or more efficient energy-saving halogens – or even LED lamps. As more than 50% of the market (60W and below) is not subject to the EISA regulations until January 1, 2014, a lot of energy savings may be achieved by these labeling requirements that are scheduled to begin on July 2011.

As a compromise to the lighting manufacturers' proposal, we are open to a regulatory outcome that would allow manufacturers the option of not including the lighting facts information on the side/back panel. Those manufacturers that choose this option would only be required to make a slight modification to the front of the package, to substitute the current information on power, light output, and lifetime requirements with the new FTC front-panel requirements: brightness and annual energy costs. This would only require very minor changes in packaging, changes that should easily be achievable within the time frame provided by FTC.

## **4. Grant NEMA their request to exempt labeling of incandescent reflector lamps that will be obsolete by DOE efficiency standards**

To help reduce the burden on the lighting industry, we do not oppose FTC granting an exemption for those incandescent reflector products which will be eliminated from the market by the standards effective in July 2012.

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