Federal Trade Commission

Title: Advance Notice of Proposed Rulemaking, Request for Public Comments and Notice of Public Meeting
Subject Category: 16 CFR Part 305: Rule Concerning Disclosures Regarding Energy Consumption and Water Use of Certain Home Appliances and Other Products Required Under The Energy Policy and Conservation Act (Appliance Labeling Rule) (R611004) (P114202)
Published: November 28, 2011 <u>View Notice (PDF)</u>
Comments Due: Tuesday, January 10, 2012

As an educated consumer, I pride myself in researching and planning my expenses. I like to make educated decisions on services and products I purchase, especially with the difficult economic times that we are facing. I typically engage in a two stage buying process for appliances. The first stage consists of assessing if the appliance will fit, if it has sufficient capacity, if it's the right design, color, feature, etc. The second stage consists of comparing value, performance, running costs, etc.

We have come a long way with labels on home appliances such as televisions, dishwashers, refrigerators, etc., but it would also benefit us to have the same information on items like central air conditioners, heat pumps, furnaces, boilers, and water heaters based on our regional standards—since they are relatively different by region. These labels would help consumers in calculating monthly expenses and determine if they meet the regional standards that have been set. Once the equipment is installed, the consumer can read the label to determine the energy efficiency and he/she can make educated decisions on monthly budgeting. This will help the consumer in making wise decisions about their monthly expenses.

Labeling this equipment will also benefit people who are purchasing an existing home. It is important to calculate the expenses associated with a mortgage as well as the monthly utility bills associated with the equipment in the home and ensuring that the equipment meets the mandated regional standard. In doing so, the consumer will have a more realistic idea of what their monthly expense associated with the home might be and be confident that the home meets the regional efficiency standard.

Although these products come with homes, they can break down. If a product has to be replaced, consumers should have options as to which equipment they want to purchase based on the efficiency label and they shouldn't have to guess if the equipment meets the regional standard. Contractors can also use this information to educate consumers as they are more in tune with purchasing the equipment.

These labels enable consumers to compare the energy efficiency of equipment. It also provides incentive for manufacturers to improve the energy performance regionally. Once a consumer is educated on the efficiency standard, he/she can select the most efficient equipment in his/her region, pushing the deficient manufacturer to improve.

Educating consumers about the characteristics, costs, and benefits of this equipment regionally will lead to an educated decision in which the consumer will feel confident about the investment he/she is making. Labeling these appliances will stimulate both the demand and the supply side of the market. It will create and increase awareness and influence the buying behavior of consumers. Manufacturers can distinguish themselves through innovation and improvement of their equipment.

In these tough economic times, we should promote that everyone budget expenses to ensure that we don't exceed our incomes and that we are meeting the standards that have been set. Everyone wants to save. One way that this can be accomplished is by educating consumers on expenses related to appliances. This regulation will benefit us all.