May 14, 2009

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

Re: Consumer Electronics Labeling, Project No. P094201

Dear Mr. Newsome:

The Consortium for Energy Efficiency (CEE) respectfully submits the following comments on consumer electronics labeling in response to the advance notice of proposed rulemaking published in the March 16, 2009 *Federal Register*. These comments were developed by the CEE Consumer Electronics Committee (Committee). The organizations listed at the end of this letter have chosen to indicate their strong individual support for these comments.

In comments submitted on January 13, 2006 regarding Energy Labeling, Project No. R511994, CEE expressed its support for expanding the scope of the EnergyGuide label to cover televisions because they are one of the largest energy users within a home,[1] their energy use has increased significantly in recent years, and there has been notable technical advancement. We are pleased that the Commission has begun this rulemaking process pursuant to the Energy Independence and Security Act of 2007 (EISA). CEE strongly supports energy disclosure labeling for televisions and other electronics products.

Based on its work promoting efficiency in consumer electronics, the Committee believes two aspects are essential to a successful labeling program for televisions and other electronics products:

1. Consistency: The Committee recommends energy use disclosures be consistent in format and content to EnergyGuide labeling consumers are accustomed to seeing for appliances such as refrigerators, dishwashers, and clothes washers.
2. Prominence of information at point of product display: The Committee recommends energy use disclosures be prominently available to consumers at point of display, regardless of the setting in which the television is available for purchase.

1. Consistency in Format and Content of Energy Use Disclosure

To enhance the effectiveness of energy use disclosures for televisions and other consumer electronics products and to avoid consumer confusion, the Committee recommends that

[1] According to the current products list for ENERGY STAR® qualified televisions, some televisions may consume more than 500 kWh/year, which is as much electricity as many refrigerators use. See www.energystar.gov.

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these disclosures be as consistent as possible with the EnergyGuide label used on products that may appear in the same sales venue as televisions (e.g., refrigerators, dishwashers). Consistency is important due to the high level of consumer recognition that the current EnergyGuide label has achieved.[2] Building on these levels of recognition, rather than creating a different format and structure for electronics energy use disclosures, should boost consumer understanding and use of the energy information. This is especially important because electronics and appliances are often sold in the same retail locations.

To achieve the benefits associated with consistency, the Committee suggests that the electronics energy use disclosure information should:

- Be in the form of a label
- Have the same general appearance as the EnergyGuide label (i.e., color, format)
- Display the same type of information as the EnergyGuide label:
    1. Estimated yearly operating cost
        - While the Committee expressed some interest in displaying lifetime energy cost based on an identified product lifespan, there was a stronger concern that this will create consumer confusion because they are not accustomed to seeing lifetime energy costs on the EnergyGuide label for other products. Consumers are accustomed to seeing the estimated yearly operating cost, which is why its display is supported by the Committee.
    2. Estimated yearly electricity use
        - Televisions consume electricity in both on and standby power modes, though with televisions current standby power use is normally less than 1 Watt. For the energy use disclosure label, the Committee recommends that one yearly electricity use estimate be calculated that includes both modes. The FTC's estimate of 5 hours in on mode and 19 hours in standby appears to be reasonable and is consistent with the estimate used by ENERGY STAR®. As there is a substantial difference in the energy use of televisions in on and standby modes, the Committee believes consumers may benefit from seeing the power use for these two modes listed separately in the Appliance Energy Database the Commission maintains.
    3. Key product features that may impact the energy use of a television (e.g., integral DVD players or set-top boxes)
    4. Product manufacturer, model and size
    5. Inclusion and placement of ENERGY STAR logo for qualifying models in a manner consistent with the current EnergyGuide label

The Committee recognizes that the issue of label design is a complicated one and acknowledges that it does not have expertise in this area. The Committee's primary

[2] Eighty-six percent of consumers who visited an appliance showroom noticed the label and nearly 60% of those recalled the yellow and black color scheme according to research conducted by Harris Interactive Research for the FTC in October 2006.

interest is that the label developed for televisions is easily recognizable as the same type of label consumers are accustomed to seeing for other appliances.

To serve their purpose of informing consumer decisions, the Committee believes that the ranges of operating cost and electricity use information should be based on all television technologies. Consistent with the technology-neutral approach taken by CEE and ENERGY STAR in their television specifications, the Committee believes consumers will be best armed to make informed decisions when televisions' energy consumption is reported independent of technology. An additional consideration is consistency with past Commission decisions enabling comparisons across technology types, including the rule published in March 2000 combining front-loading and top-loading clothes washers into one category.

Another important aspect of energy use disclosures is the use of ranges to compare televisions within and across size categories. The Committee recognizes several benefits and drawbacks to using comparative size ranges. On the one hand, comparing televisions of all sizes would enable consumers to understand the difference in energy consumption between smaller and larger screen sizes. On the other hand, consumers may only be interested in a particular size range and therefore a more relevant comparison may be between televisions of a similar size (e.g., 37 inches to 42 inches). The Committee is not aware of any research on this topic and suggests that the Commission solicit information to better understand consumer purchasing behavior with regard to size. Knowing whether consumers typically decide on a size range before comparison shopping would help the Commission to decide whether creating comparative size bins would increase consumers' understanding of the energy implications of their television selection.

CEE also encourages the Commission to monitor the activities of other organizations that establish labeling and/or packaging requirements (e.g., ENERGY STAR) in order to identify opportunities to develop consistent information for consumers.

2. Prominence of Label Placement

The Committee agrees with the Commission's assertion that energy use disclosures are most effective when they are prominently displayed while the consumer is viewing televisions for a contemplated purchase. The Committee does not have a strong opinion on precisely where the necessary information appears at retail (e.g., on the shelf or on the product) as long as the location serves the purpose of informing the consumer's decision making process. For on-line purchases, the Committee supports the display of the information on the first product listing page so that it is readily viewable by the consumer. For both locations it may be important that the label be displayed consistently in the same location for all televisions displayed. The Committee recognizes that there are different costs and burdens associated with the different scenarios for label placement and supports FTC's efforts to develop a mechanism that is most easily managed by stakeholders.

Other Electronics Products
Based on its recent work on numerous consumer electronics products, the Committee believes that the development of energy use disclosure labels for the other electronics products specified in EISA (personal computers, cable or satellite set-top boxes, stand-alone digital video recorder boxes, and personal computer monitors) is warranted for the following reasons: 1) these products consume a significant amount of energy, 2) there is variation in energy use among products, and 3) consumers are likely to benefit from receiving information about a product's energy use. The comments provided above extend to the Commission's work on these products as well.

In response to the Commission's request for stakeholder input about what other consumer electronics products it should consider for labeling, the Committee encourages the Commission to screen new products to cover those that are significant energy users in the home and that have a significant range of energy use between models. The Committee believes that several additional consumer electronics products meet these criteria and recommends that the Commission begin its assessment with game consoles, multifunction devices, and audio/visual equipment. In conducting this assessment, the Committee suggests the Commission take advantage of research (including on test procedures) done by ENERGY STAR in its specification development process for these products.

Thank you for your consideration of these comments. Please contact CEE Program Manager Margie Lynch at (617) 337-9277 with any questions.

Sincerely,

Marc Hoffman
Executive Director

Supporting Organizations
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Efficiency Vermont
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