EMBRAER MRBR TR	Subject	MRBR task No.	Compliance time
TR 2–5, dated December 6, 2007.	Wing stub main box lower skin and splices—internal.	57-01-002-0002	250 flight cycles after July 6, 2011 (the effective date of AD 2010–11–14, Amendment 39-16319 (75 FR 30277, June 1, 2010)).
TR 2–5, dated December 6, 2007.	Wing stub spar 3—internal/ external.	57-01-008-0003	500 flight cycles after July 6, 2011.
TR 2–5, dated December 6, 2007.	Wing stub spar 3—external	57–01–008–0004	500 flight cycles after July 6, 2011.
TR 2–5, dated December 6, 2007.	Wing lower skin panel string- ers—internal.	57–10–007–0004	500 flight cycles after July 6, 2011.
TR 2–5, dated December 6, 2007.	Wing main box rib 11—inter- nal.	57–10–012–0003	500 flight cycles after July 6, 2011.
TR 2–6, dated February 12, 2008.	Nose landing gear wheel well metallic structure.	53–10–021–0004	500 flight cycles after July 6, 2011.

TABLE 1-MRBR TRS AND TASKS, WITH COMPLIANCE TIMES

(iii) Thereafter, except as provided in paragraphs (h) and (j) of this AD, no alternative replacement times or structural inspection intervals may be approved for the tasks specified in the TRs specified in table 1 of this AD.

# (h) New Requirements of This AD: Revision of the Maintenance Program

Within 90 days after the effective date of this AD, revise the maintenance program to incorporate the tasks specified in Part 2-Airworthiness Limitation Inspections (ALI)-Structures, of Appendix A, Airworthiness Limitations (AL), of the EMBRAER 190 Maintenance Review Board Report, MRB-1928, Revision 5, dated November 11, 2010; and EMBRAER TR 5-1, dated February 11, 2011, to Part 2—Airworthiness Limitation Inspections (ALI)-Structures, of Appendix A, Airworthiness Limitations (AL), of the EMBRAER 190 Maintenance Review Board Report, MRB-1928, Revision 5, dated November 11, 2010; with the thresholds and intervals stated in these documents. The initial compliance times for the tasks are stated in the "Implementation Plan" section of Appendix A, Airworthiness Limitations (AL), of the EMBRAER 190 Maintenance Review Board Report, MRB-1928, Revision 5, dated November 11, 2010. Doing the revision required by this paragraph terminates the revision required by paragraph (g) of this AD.

#### (i) No Alternative Actions or Intervals

After accomplishing the revision required by paragraph (h) of this AD, no alternative actions (e.g., inspections) or intervals, may be used, unless the actions or intervals are approved as an AMOC in accordance with the procedures specified in paragraph (j)(1) of this AD.

#### (j) Other FAA AD Provisions

The following provisions also apply to this AD:

(1) Alternative Methods of Compliance (AMOCs): The Manager, International Branch, ANM-116, Transport Airplane Directorate, FAA, has the authority to approve AMOCs for this AD, if requested using the procedures found in 14 CFR 39.19. In accordance with 14 CFR 39.19, send your request to your principal inspector or local Flight Standards District Office, as appropriate. If sending information directly to the International Branch, send it to ATTN: Cindy Ashforth, Aerospace Engineer, International Branch, ANM-116, Transport Airplane Directorate, FAA, 1601 Lind Avenue SW., Renton, Washington 98057-3356; phone: 425-227-2768; fax: 425-227-1149. Information may be emailed to: *9-ANM-116-AMOC-REQUESTS@faa.gov*. Before using any approved AMOC, notify your appropriate principal inspector, or lacking a principal inspector, the manager of the local flight standards district office/ certificate holding district office. The AMOC approval letter must specifically reference this AD.

(2) Airworthy Product: For any requirement in this AD to obtain corrective actions from a manufacturer or other source, use these actions if they are FAA-approved. Corrective actions are considered FAA-approved if they are approved by the State of Design Authority (or their delegated agent). You are required to assure the product is airworthy before it is returned to service.

#### (k) Related Information

Refer to MCAI Brazilian Airworthiness Directive 2011–05–04, dated June 16, 2011, and the service information specified in paragraphs (k)(1) through (k)(4) of this AD.

(1) EMBRAER TR 2–5, dated December 6, 2007, to Part 2—Airworthiness Limitation Inspections (ALI)—Structures, of Appendix A, Airworthiness Limitations (AL), of the EMBRAER 190 Maintenance Review Board Report, MRB–1928.

(2) EMBRAER TR 2–6, dated February 12, 2008, to Part 2—Airworthiness Limitation Inspections (ALI)—Structures, of Appendix A, Airworthiness Limitations (AL), of the EMBRAER 190 Maintenance Review Board Report, MRB–1928.

(3) EMBRAER TR 5–1, dated February 11, 2011, to Part 2—Airworthiness Limitation Inspections (ALI)—Structures, of Appendix A, Airworthiness Limitations (AL), of the EMBRAER 190 Maintenance Review Board Report, MRB–1928, Revision 5, dated November 11, 2010.

(4) Part 2—Airworthiness Limitation Inspections (ALI)—Structures, of Appendix A, Airworthiness Limitations (AL), of the EMBRAER 190 Maintenance Review Board Report, MRB–1928, Revision 5, dated November 11, 2010.

(5) For service information identified in this AD, contact Embraer S.A., Technical Publications Section (PC 060), Av. Brigadeiro Faria Lima, 2170—Putim—12227–901 São Jose dos Campos-SP—Brasil; telephone +55 12 3927–5852 or +55 12 3309–0732; fax +55 12 3927–7546; email distrib@embraer.com.br; Internet http://www.flyembraer.com. You may review copies of the referenced service information at the FAA, Transport Airplane Directorate, 1601 Lind Avenue SW., Renton, Washington. For information on the availability of this material at the FAA, call 425–227–1221.

Issued in Renton, Washington, on May 24, 2012.

### Michael Kaszycki,

Acting Manager, Transport Airplane Directorate, Aircraft Certification Service.

[FR Doc. 2012–13672 Filed 6–5–12; 8:45 am] BILLING CODE 4910–13–P

## FEDERAL TRADE COMMISSION

#### 16 CFR Part 305

[RIN 3084-AB03]

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")

**AGENCY:** Federal Trade Commission (FTC or Commission).

**ACTION:** Proposed rule; request for comments.

**SUMMARY:** The Commission seeks comment on proposed disclosures to help consumers, distributors, contractors, and installers easily determine whether a specific furnace or central air conditioner meets applicable Department of Energy regional efficiency standards.

**DATES:** Comments must be received by August 6, 2012.

**ADDRESSES:** Interested parties may file a comment online or on paper, by following the instructions in the Request for Comment part of the

SUPPLEMENTARY INFORMATION section below. Write "Regional Labeling for Heating and Cooling Equipment— Proposed Rule (16 CFR Part 305) (Project No. P114202)" on your comment, and file your comment online at https://ftcpublic.commentworks.com/ ftc/proposedregionaldisclosuresnprm, by following the instructions on the web-based form. If you prefer to file your comment on paper, mail or deliver your comment to the following address: Federal Trade Commission, Office of the Secretary, Room H–113 (Annex C), 600 Pennsylvania Avenue NW., Washington, DC 20580.

#### FOR FURTHER INFORMATION CONTACT:

Hampton Newsome, Attorney, (202) 326–2889, Division of Enforcement, Federal Trade Commission, 600 Pennsylvania Avenue NW., Washington, DC 20580.

### SUPPLEMENTARY INFORMATION:

#### I. Introduction

The Commission seeks comment on proposed labeling requirements for residential furnaces, central air conditioners, and heat pumps to help consumers and industry members install products that comply with Department of Energy (DOE) efficiency standards.

#### II. Background

The Commission's Appliance Labeling Rule ("Rule"), issued pursuant to the Energy Policy and Conservation Act (EPCA),<sup>1</sup> requires energy labeling for major household appliances and other consumer products to help consumers compare competing models.<sup>2</sup> When first published in 1979,<sup>3</sup> the Rule applied to eight appliance categories: refrigerators, refrigerator-freezers, freezers, dishwashers, water heaters, clothes washers, room air conditioners, and furnaces. The Commission has since expanded the Rule's coverage to include central air conditioners, heat pumps, plumbing products, lighting products, ceiling fans, certain types of water heaters, and televisions.<sup>4</sup>

The Rule requires manufacturers to attach yellow EnergyGuide labels to all covered furnaces, central air conditioners, and heat pumps.<sup>5</sup> It also

<sup>4</sup> See 52 FR 46888 (Dec. 10, 1987) (central air conditioners and heat pumps); 54 FR 28031 (Jul. 5, 1989) (fluorescent lamp ballasts); 58 FR 54955 (Oct. 25, 1993) (certain plumbing products); 59 FR 25176 (May 13, 1994) (lighting products); 59 FR 49556 (Sep. 28, 1994) (pool heaters); 71 FR 78057 (Dec. 26, 2006) (ceiling fans); and 76 FR 1038 (Jan. 6, 2011) (televisions).

<sup>5</sup> See 42 U.S.C. 6302(a)(1) and 16 CFR 305.4(a)(1).

prohibits retailers from removing these labels or rendering them illegible.<sup>6</sup> In addition, retailers must post label information on Web sites and in paper catalogs from which consumers can order these products.<sup>7</sup> Manufacturers must provide distributors and installers with energy information about their furnaces, central air conditioners, and heat pumps in paper or electronic form (including internet-based access). In turn, retailers, including installers, must show this information to their customers and let them read the information before purchase.<sup>8</sup>

The EnergyGuide labels for heating and cooling equipment contain two key disclosures: (1) The product's efficiency rating, and (2) a comparability range showing the highest and lowest ratings for all similar models.<sup>9</sup> The Rule also specifies the label's format. For example, the label must be yellow and feature the EnergyGuide headline in a specific format and type. Additionally, manufacturers cannot place any information on the label other than that specifically allowed by the Rule.

# III. DOE Regional Standards for Heating and Cooling Equipment

On October 25, 2011,<sup>10</sup> DOE announced new efficiency standards for residential furnaces, central air conditioners, and heat pumps as directed by the Energy Independence and Security Act of 2007 (EISA).<sup>11</sup> Unlike existing DOE standards, which impose uniform, national efficiency levels, the new standards vary by region for certain products.<sup>12</sup> As detailed in Tables 1 and 2, the DOE rules impose regional efficiency standards for four product categories: split-system air conditioners, single-package air

<sup>10</sup> 76 FR 67037 (Oct. 31, 2011). *See also,* 76 FR 37408 (June 27, 2011).

<sup>11</sup> Pub. L. 110–140; 42 U.S.C. 6295(0)(6). EISA amended EPCA to authorize separate regional standards for these products.

<sup>12</sup> 42 U.S.C. 6295(o)(6)(B). The DOE standards apply to three regions: the North, Southeast, and Southwest. For furnaces, the standards are the same for the Southeastern and Southwestern regions. The Northern region encompasses Alaska, Colorado, Connecticut, Idaho, Illinois, Indiana, Iowa, Kansas, Maine, Massachusetts, Michigan, Minnesota, Missouri, Montana, Nebraska, New Hampshire, New Jersey, New York, North Dakota, Ohio, Oregon, Pennsylvania, Rhode Island, South Dakota, Utah, Vermont, Washington, West Virginia, Wisconsin, and Wyoming. The Southeastern region encompasses Alabama, Arkansas, Delaware, Florida, Georgia, Hawaii, Kentucky, Louisiana, Maryland, Mississippi, North Carolina, Oklahoma, South Carolina, Tennessee, Texas, Virginia, the District of Columbia, and U.S. territories. The Southwest includes Arizona, California, New Mexico, and Nevada. 76 FR 37422.

conditioners, non-weatherized gas furnaces, and mobile home gas furnaces. For all other covered heating and cooling equipment, the new standards are nationally uniform. The new DOE requirements will become effective on two dates: May 1, 2013, for nonweatherized gas furnaces, mobile home gas furnaces, and non-weatherized oil furnaces; and January 1, 2015, for weatherized gas furnaces and all central air conditioners and heat pumps.

To promote compliance with these new standards, EISA also directs DOE to develop an enforcement plan to specify the responsibilities of installers, distributors, and manufacturers in meeting the new standards and making required disclosures.<sup>13</sup> DOE must complete this plan within 15 months after issuance of the final efficiency standards. To augment DOE's enforcement efforts, EISA gives states authority to enforce the regional standards in Federal court.<sup>14</sup>

### IV. EISA's Mandate for New FTC Disclosures Related to Regional Standards

EISA directs the FTC to develop new disclosures for heating and cooling equipment. Specifically, the law requires the Commission to "determine the appropriate 1 or more methods for disclosing information so that consumers, distributors, contractors, and installers can easily determine whether a specific piece of equipment that is installed in a specific building is in conformance with the regional standard that applies to the building."<sup>15</sup> The statute also authorizes the Commission to modify the EnergyGuide label or develop other disclosure "methods that make it easy for consumers and installers to use and understand at the point of installation."<sup>16</sup> Consistent with the timing for DOE's enforcement plan, EISA directs the Commission to complete this effort 15 months after DOE issues the regional standards.

#### V. FTC Advance Notice of Proposed Rulemaking

In response to EISA's mandate, the Commission published an Advance Notice of Proposed Rulemaking (ANPR) on November 28, 2011, seeking comments on the development of new disclosures related to the regional standards.<sup>17</sup> The ANPR invited comment to help consumers,

<sup>&</sup>lt;sup>1</sup>42 U.S.C. 6291 et seq.

<sup>&</sup>lt;sup>2</sup> More information about the Rule can be found at: *http://www.ftc.gov/appliances.* 

<sup>&</sup>lt;sup>3</sup> 44 FR 66466 (Nov. 19, 1979).

<sup>&</sup>lt;sup>6</sup> See 42 U.S.C. 6302(a)(2) and 16 CFR 305.4(a)(2). <sup>7</sup> See 42 U.S.C. 6296(a) and 16 CFR 305.20.

<sup>&</sup>lt;sup>8</sup>16 CFR 305.14.

<sup>916</sup> CFR 305.13

<sup>13 42</sup> U.S.C. 6295(o)(6)(G).

<sup>&</sup>lt;sup>14</sup> *Id.* <sup>15</sup> 42 U.S.C. 6295(o)(6)(H).

<sup>16</sup> Id

<sup>17 76</sup> FR 72872 (Nov. 28, 2011).

distributors, contractors, and installers easily determine whether a specific furnace, central air conditioner, or heat pump meets the applicable standard for their region. It also sought input on the content, location, and format of such disclosures. To facilitate this process, FTC and DOE staff held a joint public meeting on December 16, 2011.

#### VI. Public Comments

The Commission received four written comments in response to its ANPR.<sup>18</sup> In general, the comments recommended EnergyGuide label changes to inform industry members and consumers about regional standards for heating and cooling equipment. In addition, one commenter provided suggestions for the label's location on products, packaging, and Web sites. That commenter also addressed the time needed to comply with the new requirements. Finally, the comments suggested specific changes for oil furnace labels related to input rates set by installers.

#### A. Recommended Label Content

The comments recommended several label changes to help industry members and consumers understand applicable regional efficiency standards. These suggestions included a U.S. map and a list of states to identify applicable regions, specific disclosures for central air conditioners and furnaces, links to product databases, and efficiency range updates.

U.S. Map on Label: Manufacturers, installers, and energy efficiency groups urged the Commission to include a U.S. map on the label depicting the applicable regional efficiency standards for specific product types. According to Air-Conditioning, Heating, and Refrigeration Institute (AHRI), such a map will allow manufacturers to inform distributors, installers, and consumers about the regional requirements. To augment the map, Natural Resources Defense Council (NRDC) recommended a list of states where the product can be legally installed and a warning that federal law prohibits installation in any

other state. NRDC also recommended maps for all models subject to regional standards (*e.g.*, all non-weatherized gas furnaces regardless of efficiency). In its view, such an approach would avoid consumer confusion in comparing labels for different models. For models that comply with all applicable standards (e.g., a 90 AFUE furnace), NRDC also recommended that the label state: "Federal Law allows installation of this unit in any U.S. state." Finally, the Air Conditioning Contractors of America (ACCA) urged the Commission to spell state names on the label and not use state abbreviations.

Split-System Central Air Conditioners: The comments also provided specific recommendations for split-system central air conditioners. These systems consist of two separate pieces of equipment: an outdoor condenser and an indoor coil. During the installation process, installers match a condenser with a coil to form the entire air conditioning system. The final efficiency rating for these systems varies depending on the installed condensercoil combination. Under the current Rule, EnergyGuide labels appear on the condenser unit and disclose the efficiency rating of that unit when matched with the typical coil (i.e., the condenser-coil combination with the highest sales volume). The applicable regional standards for these products involve three different geographic regions and two different efficiency ratings (Seasonal Energy Efficiency Ratio ("SEER") and Energy Efficiency Ratio ("EER")).19

For these systems, AHRI recommended using a general U.S. map identifying the three regions covered by the standards and a table listing the applicable standards by region.<sup>20</sup> NRDC advocated a product-specific map depicting the states in which the model may be legally installed. AHRI also suggested a disclosure to help installers and consumers understand that a system's efficiency depends on the installed condenser-coil combination. Specifically, AHRI recommended that the label disclose the high and low efficiency values associated with the different coils certified to match the labeled condenser (e.g., 13.5–14.4 SEER). In addition, AHRI suggested a statement explaining that the system's overall efficiency rating will depend on the condenser-coil combination.

The comments also recommended that the air conditioner label include information to help consumers and installers understand the product's Energy Efficiency Ratio (EER), an efficiency rating different from SEER. Unlike SEER, which reflects the model's efficiency over a typical cooling season, EER measures efficiency under specific operating conditions. Although SEER is the primary efficiency rating for these products, EER is necessary for determining an air conditioner's compliance with the new DOE standards in the southwest region. NRDC argued that the label should include definitions of both EER and SEER. In addition, AHRI advocated a separate comparability range for EER on the label. NRDC did not believe that this was necessary.

*Furnaces:* The comments made specific recommendations for nonweatherized and mobile gas furnaces, which are both subject to the regional standards. These standards prohibit the installation of furnaces rated lower than 90 AFUE in northern states.<sup>21</sup> In AHRI's view, labels for these lower-efficiency furnaces should include a map identifying the states where those models can be legally installed. AHRI also suggested that the Commission consult the furnace map used on the Energy Star logo, which appears on the label for qualified products. This logo includes a U.S. map displaying the states in which certain furnaces qualify for the Energy Star program.<sup>22</sup> NRDC agreed but urged the Commission to avoid confusion that might arise with the appearance of two maps on the label.

Product Databases: AHRI recommended that all labels contain a reference to the AHRI directory (www.ahridirectory.org), which lists models certified by that organization. In its view, the directory will help ensure contractors select appropriate products for their location and consumers receive products that comply with the regional standards. AHRI also urged the Commission to allow installers to use the directory in complying with their point of sale disclosure requirements.

<sup>&</sup>lt;sup>18</sup> Air Conditioning Contractors of America (ACCA) (# 00005); Air-Conditioning, Heating, and Refrigeration Institute (AHRI) (# 00003); Natural Resources Defense Council (NRDC) and other Organizations (# 00004) (the other organizations include Alliance to Save Energy, American Council for an Energy-Efficient Economy, Appliance Standards Awareness Project, Consumer Federation of America, Earthjustice, National Consumer Law Center, Natural Resources Defense Council, Northeast Energy Efficiency Partnerships, Northwest Energy Efficiency Alliance, Northwest Power and Conservation Council); and Torres, Michelle (# 00002). The comments are available at: http://www.ftc.gov/os/comments/ regionaldisclosuresanpr/index.shtm.

<sup>&</sup>lt;sup>19</sup> As explained in NRDC's comments, EER is "a measure of energy efficiency for central air conditioners at specific operating conditions"; and SEER is a "a measure of energy efficiency for central air conditioners that estimates energy performance over a typical cooling season."

<sup>&</sup>lt;sup>20</sup> For single-package air conditioners, which do not have separate condenser-coil combinations, the new standards set a minimum EER rating in the Southwest region. To help installers comply with these standards, AHRI recommended a map on labels for single-package air conditioner labels to communicate the minimum EER standard for those products in the Southwest region.

 $<sup>^{\</sup>rm 21}$  ''Annual Fuel Utilization Efficiency'' (AFUE) is the efficiency rating for these products.

<sup>&</sup>lt;sup>22</sup>Energy Star is a program administered by the Environmental Protection Agency (EPA) which identifies high efficiency products for consumers. See *www.energystar.gov.* 

Efficiency Ranges: Both AHRI and NRDC recommended amendments to the comparability ranges displayed on the EnergyGuide labels for heating and cooling equipment. These ranges disclose the most and least efficient product ratings on the market. Specifically, AHRI urged the Commission to update these efficiency ranges to reflect the new energy conservation standards. NRDC also suggested that the thresholds for the regional standards should appear on the label's range. For furnace labels, it recommended a vertical arrow on the range accompanied by the statement "Federal law requires furnaces installed in northern states to meet a minimum AFUE of 90," or, alternatively, the phrase "Installation legal in Southern states only" placed on the range between 80 and 90 AFUE. For central air conditioners, NRDC recommended a hash mark or shaded region on the SEER range to communicate the regional standard for those products.

#### B. Location and Format for Disclosures

The comments also offered some suggestions for the label's location and format. NRDC provided three specific suggestions for the label's placement and format. First, it recommended a permanent version of the EnergyGuide label on products to aid enforcement and voluntary compliance by consumers and other market participants. In its view, a permanent label would reveal non-compliance for real estate transactions and energy ratings. Second, NRDC argued that the product package should display the label to aid official enforcement efforts and help distributors, installers, and consumers avoid costly shipping and installation mistakes. According to NRDC, the package label could also display a Quick Response (QR) scan code so that consumers can access additional product information online.<sup>23</sup> Finally, NRDC argued that the required disclosures should appear online in official product descriptions and advertisements because online dealers currently offer heating and cooling equipment directly to consumers. In its view, such disclosures should include an EnergyGuide icon and a link to the EnergyGuide label and any other relevant product information to help consumers who research equipment online. Additionally, NRDC proposed that Web sites selling such equipment

should provide regional standards information on the product information page, without requiring consumers to open a link to the EnergyGuide label. It recommended that the FTC look to the recent television labeling requirements as guidance for the EnergyGuide label's placement. Among other things, these new rules require online sellers to use an FTC-provided EnergyGuide icon so that consumers can view the required labels.<sup>24</sup>

Finally, AHRI explained that focus on EnergyGuide label revisions alone should be sufficient to meet FTC and DOE objectives and cautioned that additional requirements would increase regulatory burden without consumer benefit. Similarly, ACCA stated that labeling changes, along with the current contractor disclosures, should meet the Commission's objectives.<sup>25</sup>

#### C. Timing of New Labels

NRDC encouraged the FTC to establish compliance deadlines of May 1, 2013 for non-weatherized gas, oilfired, and mobile home gas furnaces, and January 1, 2015 for weatherized furnaces and central air conditioners and heat pumps. These dates coincide with the implementation of the relevant regional efficiency standards, and, in NRDC's view, will ensure that products manufactured on these dates and thereafter comply with the disclosure requirements.

#### D. Oil Furnace Labels

On an issue unrelated to the regional standards, AHRI urged the FTC to modify the EnergyGuide label for oil furnaces.<sup>26</sup> The installed efficiency rating of these products depends on input rates set by installers in the consumer's home. Thus, the efficiency rating on the label may not match the rating of the installed unit. To address this issue, AHRI recommended the Commission require a label listing the efficiency ratings associated with four different input rates set in the field. Under AHRI's proposal, installers would mark the label to indicate the product's efficiency rating as installed.

#### VII. Proposed Disclosures for Heating and Cooling

After reviewing the comments, the Commission proposes amending the

EnergyGuide label content for heating and cooling equipment. The Commission also proposes to expand the label's availability by requiring it on manufacturer Web sites, on product packaging, and at the point of sale. These changes should help industry members comply with the regional standards and aid consumers in their purchasing decisions for these products. The labels' proposed new content discloses efficiency ratings in a simple format and provides regional information to help installers comply with the law. Tables 1 and 2 summarize the content of the proposed labels by product category. In addition, the proposal directs contractors to make the labels available to consumers prior to purchase. These changes should help industry members and consumers easily use and understand the labels. The proposed amendments also change the oil furnace labels in response to AHRI's suggestion. Finally, the proposed effective dates for the new labels coincide with the DOE compliance dates for the various product categories.

#### A. Label Revisions

Consistent with commenter suggestions, the Commission proposes changing the EnergyGuide label content to inform industry members and consumers about regional standards and otherwise improve the label. The proposed label contains two parts: a revised upper portion designed primarily for consumers and a lower portion to help installers comply with the regional standards. The upper portion, which resembles the current EnergyGuide, will appear on labels for all heating and cooling products, whether or not they are subject to different regional standards.<sup>27</sup> The lower portion contains maps, tables, and other information designed to help installers comply with the regional standards and will appear only on products subject to regional standards (i.e., split-system air conditioners, single-package air conditioners, and non-weatherized and mobile home gas furnaces).

Upper Portion: The upper portion, which closely resembles the current label, discloses the product's efficiency rating, a range of efficiency ratings for similar products, and a link to an online energy cost calculator. It bears the simple title "Efficiency Rating" followed by a technical acronym for the rating applicable to that product (e.g., SEER or AFUE). The Commission

<sup>&</sup>lt;sup>23</sup> Currently, the Environmental Protection Agency requires QR codes on fuel economy labels for vehicles. These codes link consumer to detailed information for individual models at *www.fueleconomy.gov. See* 40 CFR 600.302– 12(b)(6).

<sup>24</sup> See 76 FR 1038 (Jan. 11, 2011).

<sup>&</sup>lt;sup>25</sup> ACCA also urged FTC, in coordination with DOE, to create print and broadcast public service announcements, promotional materials with the DOE or FTC logo, and other information to inform consumers and contractors of the pending standard changes.

<sup>&</sup>lt;sup>26</sup> The efficiency standards for oil furnaces are the same across the country.

 $<sup>^{27}</sup>$  These products include boilers, which fall under the definition of "furnace" in the Rule. 16 CFR 305.3(g).

oposed Rules

proposes to use "efficiency rating" because the technical terms alone (e.g., SEER) are likely to be unfamiliar to most consumers. Nevertheless, the acronyms for those technical terms appear in smaller type elsewhere on the label to identify the type of rating disclosed (e.g., SEER, AFUE, or EER).

In addition to the product's efficiency rating, the upper portion displays a range of ratings for similar models to help consumers compare competing products.<sup>28</sup> Consistent with the comments and the current Rule's requirements, the Commission proposes to update existing comparability ranges for all heating and cooling equipment.<sup>29</sup> Following NRDC's comment, the Commission proposes requiring new ranges beginning May 1, 2013, to coincide with the new efficiency standards applicable to most products.<sup>30</sup> However, for products subject to standards effective on January 1, 2015 (i.e., central air conditioners, heat pumps, and weatherized furnaces), the new ranges will not apply until that date.<sup>31</sup> The Commission also proposes specifying separate ranges for each system type addressed by the efficiency standards. Thus, for example, the Rule will have separate ranges for weatherized and non-weatherized furnaces, split-system air conditioner systems, small duct, high-velocity systems, and space-constrained air conditioners. Commenters should address whether such separate categories are necessary to help consumers compare products.32

Yearly energy cost disclosure gives consumers a clear, understandable tool to compare energy performance.

<sup>31</sup> The Commission will publish new ranges for central air conditioners, heat pumps, and weatherized furnaces before the January 1, 2015 date. Under the current Rule, the Commission amends range information for labels on a five-year schedule. However, the Commission has indicated it may update ranges more frequently. 72 FR 49948, 49959 (Aug. 29, 2007). The ranges on the new sample heat pump and air conditioner labels in this Notice stem from current industry data and have been included only for illustrative purposes.

<sup>32</sup> To reduce label clutter, the proposal also eliminates text stating that the efficiency range is based on a particular model type (*e.g.*, "Efficiency range based only on split system units"). The Commission seeks comment on whether this statement should remain on the label.

Therefore, the proposed label also contains a prominent link to an online energy cost calculator based on a government Web site. Energy cost information appears on EnergyGuide labels for other covered products such as dishwashers and televisions. Unlike those products, however, heating and cooling costs can vary significantly depending on the consumer's location. For example, the annual operating cost of a furnace installed in Minnesota is likely to be much higher than one in Florida. As a result, national average cost information on the label may not provide a good estimate for a substantial number of consumers. Accordingly, the Commission proposes to provide consumers with a link to an online cost calculator, which will give consumers estimates based on their location.33

*Lower Portion:* The proposed label's lower portion contains information to help installers comply with regional standards. The proposed rule only requires this information for product categories subject to different regional standards (i.e., split-system air conditioners, single-package air conditioners, and non-weatherized and mobile home gas furnaces).<sup>34</sup> The lower portion communicates standards information through text, a map, and a link. The text provides general information to installers about regional efficiency standards, including a list of applicable states.<sup>35</sup> Second, a color U.S. map illustrating regional standards information appears on the label for products that do not meet standards in at least one region (i.e., certain split air conditioner systems, single-package air conditioners lower than 11.0 EER, and non-weatherized and mobile gas furnaces lower than 90 AFUE). The color map provides a simple, graphical means to inform distributors, contractors, and consumers about the regional requirements. However, contrary to commenter suggestions, the proposed label for units that are legal to install in any state would not have a map but rather would state, "Federal law allows this unit to be installed in all U.S. states and territories." Because these higher-efficiency models can be installed anywhere, a map would add unnecessary detail to the label.

Additionally, under this approach, the FTC map would not appear on any labels displaying the Energy Star map and thus eliminate any confusion from the appearance of two different maps on the same label. Finally, the proposed label contains a link to DOE's database of certified equipment (http:// www.regulations.doe.gov/certificationdata/Category.html).<sup>36</sup> This information will help contractors and consumers ensure that installed equipment complies with the regional standards. The Commission seeks comment on whether it should require a QR code on all labels to link consumers and installers directly to detailed information about the product at the DOE Web site.

Central Air Conditioners and Heat Pumps: The proposed label contains specific requirements for split-system air conditioners and heat pumps. First, consistent with AHRI's suggestion, the upper portion of the label discloses the lowest and highest SEER (and HSPF) ratings for all the condenser's certified coil combinations. This disclosure provides the minimum and maximum efficiency yielded by a particular splitsystem. Second, the proposed label states that an installed system's efficiency varies depending on which coil is matched with the condenser. Third, consistent with AHRI's suggestion, the lower portion of the proposed air conditioner label displays a map and a table illustrating the three regions covered by the new DOE standards.<sup>37</sup> This map will provide installers with a clear illustration of the standards applicable to the product. The Commission is not proposing a productspecific map because split-system air conditioner efficiency ratings vary depending on the installed condensercoil combination. Thus, a condenser may meet the standard in the southern region when paired with one coil but not when paired with another.

The proposed labels for split-system air conditioners and single-package air conditioners also contain EER ratings because such information is necessary to determine regional standards compliance. EER information would appear in the proposed label's lower portion and, for split systems, would include the high and low certified ratings. The Commission does not

<sup>&</sup>lt;sup>28</sup> The label's range does not include thresholds for regional standards as suggested by NRDC because the addition of such information may create confusion and detract from the label's basic message. In addition, the proposed label addresses applicable regional standards elsewhere.

<sup>&</sup>lt;sup>29</sup> In the final rule notice, the Commission will adjust the range tables in the Appendices if necessary to reflect new industry data available at that time. 16 CFR 305.10(b).

 $<sup>^{30}</sup>$  The new ranges effective May 1, 2013 will also apply to equipment not subject to any change in the standards (e.g., electric furnaces and boilers).

<sup>&</sup>lt;sup>33</sup> To allow consumers to use the calculator, the proposed rule requires the labels to display the model's capacity in addition to its efficiency rating.

<sup>&</sup>lt;sup>34</sup> The regional disclosures do not apply to products subject to uniform national standards (e.g., heat pumps).

<sup>&</sup>lt;sup>35</sup> Given space limitations, the labels do not spell out state names as suggested by ACCA. State postal abbreviations should not lead to significant confusion, particularly for installers who are likely to be familiar with the abbreviations of states in which they work.

<sup>&</sup>lt;sup>36</sup> The Commission proposes to link consumers to the DOE Web site, rather than AHRI's directory, because DOE's site provides a government source for information from both AHRI and non-AHRI members.

<sup>&</sup>lt;sup>37</sup> The proposed rule contains no regional standards information for heat pump labels because those products are subject to uniform national standards.

propose to include a separate EER range bar. Because most consumers are not likely to be familiar with EER ratings, the inclusion of a separate EER range is likely to lead to confusion without providing significant benefit. Finally, the proposed label for single-package air conditioners rated below 11.0 EER displays a product specific map to illustrate that such models can only be installed in the northern and southeastern regions.

*Furnaces:* The Commission also proposes specific regional information for furnace labels. For non-weatherized and mobile gas furnaces rated below 90 AFUE, the proposed label contains a map and a list identifying those states where the product may be installed. For non-weatherized and mobile home furnaces that meet standards in all regions, the proposed label contains the statement: "Federal law allows this unit to be installed in all U.S. states and territories."

#### B. Label Location

To improve access to the EnergyGuide label for heating and cooling products, the proposed amendments continue to require the label on the product itself and retailer Web sites, and propose requiring it on packaging (for product categories subject to regional standards) and manufacturer Web sites. The proposal also directs contractors to give consumers the opportunity to review the EnergyGuide label prior to purchase. These requirements provide a single, familiar tool for communicating efficiency and standards information. They also avoid multiple formats that could cause confusion and increase compliance burdens. For distributors and installers, the comprehensive label eliminates the need to create their own disclosures.

In addition, by requiring the label in several different locations, the proposed approach should help consumers and installers with their purchasing and installation decisions—regardless of where those decisions occur. The label's continued presence on products provides consumers with efficiency information for their purchases. It will also help installers with regional standards information to ensure they install the correct equipment under the law.<sup>38</sup> Labels on packages will help distributors and installers determine whether a model meets applicable standards before they ship or open boxes, avoiding costly shipping or installation mistakes.

Consistent with the Commission's recent television labeling requirements as well as its proposed requirements for all covered products, the proposed rule requires manufacturer Web sites to provide consumers, distributors, and installers access to their product labels online.<sup>39</sup> The proposed amendments continue to require retail Web sites to post a copy of the EnergyGuide label. In addition, the proposal requires retail Web sites selling any product subject to regional standards to display the statement "Federal law prohibits the installation of some [central air conditioners or furnaces] in certain states. Look to the EnergyGuide label to determine whether this product can be legally installed in your location." This should ensure that the Web site alerts purchasers to regional restrictions even if purchasers do not open the label itself. Though some commenters suggested a lengthier disclosure, such information would unnecessarily duplicate the label's content. In addition to requirements for Web sites, the proposal also contains disclosures for paper catalogs requirements related to regional standards.

Finally, the Commission proposes requiring retail sellers (e.g., contractors, installers, and assemblers) to make the EnergyGuide label available to consumers before purchase. Contractors can comply with this requirement by, for example, showing the labels to consumers or providing them instructions to view the labels online. Though AHRI urged the Commission to refer to AHRI's directory for these required disclosures, the label itself is preferable because it provides detailed information in a larger format specifically designed for consumers. This requirement should not increase existing disclosure burdens for installers because the Rule already requires them to make energy disclosures to consumers.<sup>40</sup> Nothing prevents installers from also directing consumers to the AHRI site.

#### C. Oil Furnace Labels

In response to AHRI's suggestion, the Commission proposes to amend the oil furnace label to include the efficiency ratings associated with different input

rates. The proposed label provides consumers with the furnace's efficiency rating as configured and installed in their home, as well as the efficiency rating associated with the product's input rate as shipped by the manufacturer. In addition, the proposed label contains a chart displaying four efficiency ratings associated with the four input rates recommended by AHRI. It also contains a single scale displaying the furnace's efficiency rating at the manufacturer's rated input to avoid label clutter that could potentially confuse consumers. If the installer uses a different input rate, they must mark the chart on the EnergyGuide label to indicate so.<sup>41</sup> The Commission seeks comment on whether this is necessary and, if so, whether the proposed label will provide clear information to consumers. In addition, commenters should address whether this same design should appear on boilers, which also vary in efficiency by input rate settings.

#### D. Effective Dates for Label Changes

The Commission proposes to require the proposed label changes in two phases. Under the first phase, manufacturers must begin using the new label no later than May 1, 2013 for equipment subject to new standards effective on that date (i.e., weatherized gas and mobile home gas furnaces) or not subject to any change in the standards (e.g., boilers, oil-fired, and electric furnaces). Under the second phase, manufacturers must begin placing the new labels no later than January 1, 2015 for any heating and cooling equipment subject to new standards effective on that date (i.e., weatherized furnaces and central air conditioners and heat pumps).42 Until January 1, 2015, manufacturers must continue to use the current label, including the current ranges, for those products. These proposed dates coincide with the effective dates of regional standards for those products and thus should provide a reasonable transition date for the new labels. However, DOE has clarified that the effective date for the regional standards applies to the installation of products on or after that date.<sup>43</sup> Accordingly, the Commission seeks comment on whether to require manufacturers to begin using

<sup>&</sup>lt;sup>38</sup> The proposed rule does not require a permanent EnergyGuide label on these products as suggested by comments because the unit's model number provides the information necessary to determine compliance, particularly given the availability of online databases from DOE and AHRI.

<sup>&</sup>lt;sup>39</sup> See 76 FR 1038 (Jan. 11, 2011) (television requirements) and 77 FR 15298 (Mar. 15, 2012) (proposed requirements for all covered products). The present notice includes the proposed rule language for catalog disclosure from the March 15, 2012 notice and corrects minor errors in that language.

<sup>40 16</sup> CFR 305.14.

<sup>&</sup>lt;sup>41</sup> See 42 U.S.C. 6294(c)(4).

<sup>&</sup>lt;sup>42</sup> The Commission will update ranges for weatherized furnaces and central air conditioners and heat pumps before the January 1, 2015 transition to the new labels.

<sup>&</sup>lt;sup>43</sup> See Department of Energy, "Regional Standards Enforcement Framework Document," *http://www1. eere.energy.gov/buildings/appliance\_standards/ pdfs/furncac\_regstnd\_enforceframework.pdf*.

the new labels earlier to provide a leadtime for newly labeled units to enter retailer inventories before the regional standards take effect.

TABLE	1—FURNACES
-------	------------

System type	Regional standards information on proposed label	Date for label change	Efficiency standard— north %	Efficiency standard— southeast %	Efficiency standard— southwest %
Non-weatherized gas	Models below 90 AFUE: U.S. map and ex- planatory text indicating product can only be installed in south/southwest (see Sam- ple Label 9). All other models: a statement that unit can be	May 1, 2013	90 AFUE	80 AFUE	80 AFUE.
Mahila hama gaa	installed in any state (see Sample Label 9A).	May 1, 0012			
Mobile home gas	Models below 90 AFUE: U.S. map and explanatory text indicating product can only be installed in south/southwest. All other models: a statement that unit can be installed in any state.	May 1, 2013	90 AFUE	80 AFUE	80 AFUE.
Non-weatherized oil-fired	No regional standards information (see Sample Label 9B).	May 1, 2013	83 AFUE	83 AFUE	83 AFUE.
Weatherized gas	No regional standards information	Jan. 1, 2015	81 AFUE	81 AFUE	81 AFUE.
Mobile home oil-fired	No regional standards information	May 1, 2013	75 AFUE	75 AFUE	75 AFUE.
Weatherized oil-fired Electric	No regional standards information No regional standards information	Jan. 1, 2015 May 1, 2013	78 AFUE 78 AFUE	78 AFUE 78 AFUE	78 AFUE. 78 AFUE.

TABLE 2—CENTRAL AIR CONDITIONERS AND HEAT PUN
---

System type	Regional standards information on proposed label	Date for label change	Efficiency stand- ard-north	Efficiency stand- ard-southeast	Efficiency stand- ard-southwest
Split-system air conditioners	<ul> <li>All models regardless of efficiency rating: low and high SEER and EER for certified compressor-coil combinations.</li> <li>Models below 14 SEER (any size model), below 12.2 EER (for models smaller than 45,000 Btu/h), or below 11.7 EER (for models larger than 45,000 Btu/h): General U.S. map &amp; standards chart (see Sample Label 7A).</li> <li>All other models: A statement that unit can be installed in any state.</li> </ul>	Jan. 1, 2015	13 SEER <sup>44</sup>	14 SEER	14 SEER/12.2 EER <sup>45</sup> <45,000 Btu/h 14 SEER/11.7 EER >45,000 Btu/h.
Split-system heat pumps	No regional standards information (see Sample Label 8A). All Models: Low and high SEER and HSPF for certified com- pressor-coil combinations.	Jan. 1, 2015	14 SEER/8.2 HSPF <sup>46</sup> .	14 SEER/8.2 HSPF.	14 SEER/8.2 HSPF.
Single-package air condi- tioners.	Models below 11 EER: U.S. Map and explanatory text indicating product can only be installed in northern and southeastern states (not southwestern) (see Sample Label 7B). All other models: A statement that unit can be installed in any state.	Jan. 1, 2015	14 SEER	14 SEER	14 SEER/11.0 EER.
Single-Package Heat Pumps	No regional standards information	Jan. 1, 2015	14 SEER/8.0 HSPF.	14 SEER/8.0 HSPF.	14 SEER/8.0 HSPF.
Small-duct, high-velocity sys- tems.	No regional standards information. All Models: Low and high SEER and HSPF for certified com- pressor-coil combinations.	Jan. 1, 2015	13 SEER/7.7 HSPF.	13 SEER/7.7 HSPF.	13 SEER/7.7 HSPF.
Space-constrained products -air conditioners.	No Regional Standards informa- tion. All split-systems models: Low and high SEER and HSPF for cer- tified compressor-coil combina- tions.	Jan. 1, 2015	12 SEER	12 SEER	12 SEER.

<sup>44</sup> Seasonal Energy Efficiency Rating.

<sup>45</sup>Energy Efficiency Rating.

 ${}^{46}\operatorname{Heating}$  Seasonal Performance Factor.

System type	Regional standards information on proposed label	Date for label change	Efficiency stand- ard-north	Efficiency stand- ard-southeast	Efficiency stand- ard-southwest
Space-constrained prod- ucts—heat pumps.	No Regional Standards informa- tion. All split-system models: All Mod- els: Low and high SEER and HSPF for certified compressor- coil combinations.	Jan. 1, 2015	12 SEER/7.4 HSPF.	12 SEER/7.4 HSPF.	12 SEER/7.4 HSPF.

TABLE 2—CENTRAL AIR CONDITIONERS AND HEAT PUMPS—Continued

#### VIII. Paperwork Reduction Act

The current Rule contains recordkeeping, disclosure, testing, and reporting requirements that constitute "collection[s] of information" under the Paperwork Reduction Act (PRA).47 OMB has approved the Rule's existing information collection requirements through Jan. 31, 2014 (OMB Control No. 3084–0069). As described below, the proposed amendments modify existing EnergyGuide label design and require its presence on packaging for some products. Accordingly, the Commission is submitting this proposed rule and an associated PRA Supporting Statement to OMB for review.

*Manufacturer EnergyGuide Images Online:* The proposed Rule requires manufacturers to post images of their EnergyGuide labels on their Web sites. Given approximately 6,000 total models<sup>48</sup> at an estimated five minutes per model, this requirement will entail a burden of 500 hours.<sup>49</sup> Assuming that the additional disclosure requirement will be implemented by graphic designers at a mean hourly wage of \$23.42 per hour,<sup>50</sup> the associated labor cost would approximate \$11,710 per year (500 hours × \$23.42).

Updating EnergyGuide Labels: The proposed rule requires heating and cooling equipment manufacturers to change the EnergyGuide labels to the new design. The new label design will require a one-time drafting change for the manufacturers. Consistent with similar label changes in the past, the Commission estimates that this one-time change will take 40 hours per

manufacturer.<sup>51</sup> As with other recent labeling changes, the FTC staff plans to provide template labels to manufacturers to minimize the burden associated with such labels changes. The Commission estimates that there are approximately 100 manufacturers of affected covered products. Therefore, the label design change will result in a one-time burden of 4,000 hours (100 manufacturers  $\times$  40 hours). In calculating the associated labor cost estimate, the Commission assumes that the label design change will be implemented by graphic designers at an hourly wage rate of \$23.42 per hour based on Bureau of Labor Statistics information. Thus, the Commission estimates that the new label design change will result in a one-time labor cost of approximately \$93,680 (4,000 hours  $\times$  \$23.42 per hour).

EnergyGuide Labels on Packaging: The proposed amendments would require manufacturers to affix a copy of the EnergyGuide on packaging for splitsystem and single-package air conditioners, and non-weatherized and mobile home gas furnaces. DOE has estimated past annual shipments of these units at about 5,500,000.52 The Commission estimates the burden for package labeling at 9,167 hours [6  $seconds \times 5,500,000$  units]. In calculating the associated labor cost estimate, the Commission assumes that the label design change will be implemented by packaging and filling machine operators at an hourly wage rate of \$14.67 per hour based on Bureau of Labor Statistics information. Thus, the Commission estimates that label placement on packaging will result in an annual labor cost of approximately \$134,480 (9,167 hours × \$14.67 per hour).

Catalog and Installer Disclosures: The Rule already requires retailers to post energy information in catalogs (including Web sites) and installers to make information available to consumers at the point of sale. Therefore, the proposed requirements would not alter this burden.

*Estimated Annual Non-labor Cost Burden:* Any capital costs associated with the amendments are likely to be minimal.

The Commission invites comments that will enable it to: (1) Evaluate whether the proposed collections of information are necessary for the proper performance of the functions of the Commission, including whether the information will have practical utility; (2) evaluate the accuracy of the Commission's estimate of the burden of the proposed collections of information, including the validity of the methodology and assumptions used; (3) enhance the quality, utility, and clarity of the information to be collected; and (4) minimize the burden of the collections of information on those who must comply, including through the use of appropriate automated, electronic, mechanical, or other technological techniques or other forms of information technology.

Comments on any proposed disclosure requirements that are subject to OMB review under the PRA should additionally be submitted to: Office of Information and Regulatory Affairs, Office of Management and Budget, Attention: Desk Officer for Federal Trade Commission. Comments should be submitted via facsimile to (202) 395– 5167 because U.S. postal mail at the OMB is subject to lengthy delays due to heightened security precautions.

#### **IX. Regulatory Flexibility Act**

The Regulatory Flexibility Act ("RFA"), 5 U.S.C. 601–612, requires that the Commission provide an Initial Regulatory Flexibility Analysis ("IRFA") with a proposed Rule and a Final Regulatory Flexibility Analysis ("FRFA"), with the final Rule, if any, unless the Commission certifies that the Rule will not have a significant economic impact on a substantial number of small entities. *See* 5 U.S.C. 603–605.

The Commission does not anticipate that the proposed Rule will have a significant economic impact on a

<sup>47 44</sup> U.S.C. 3501–3521.

<sup>&</sup>lt;sup>48</sup> This estimate is based on information from industry sources.

<sup>&</sup>lt;sup>49</sup> Unlike retail Web sites that already have established Web pages for the products they offer, some manufacturers may have to create new Web pages for posting these requirements. Accordingly, the burden estimate for manufacturers is higher (five minutes per model) than that for catalog sellers (one minute per model).

<sup>&</sup>lt;sup>50</sup> See U.S. Department of Labor, National Compensation Survey: Occupational Earnings in the United States 2010 (May 2011), Bulletin 2753, Table 3 at 3–13 ("Full-time civilian workers," mean and median hourly wages), available at http://www. bls.gov/ncs/ncswage2010.htm.

 <sup>&</sup>lt;sup>51</sup>72 FR 49948, 49964 (Aug. 27, 2007).
 <sup>52</sup> See http://www1.eere.energy.gov/buildings/ appliance\_standards/residential/pdfs/hvac\_ch\_09\_ shipments\_2011-04-25.pdf.

33345

substantial number of small entities. The Commission recognizes that some of the affected manufacturers may qualify as small businesses under the relevant thresholds. However, the Commission does not expect that the requirements specified in the proposed Rule will have a significant impact on these entities because, as discussed in the previous section, the proposed amendments involve formatting changes to labels, additional labels on some packaging, and Web site changes that should not have a significant impact on affected entities, including small businesses.

Accordingly, this document serves as notice to the Small Business Administration of the FTC's certification of no effect. To ensure the accuracy of this certification, however, the Commission requests comment on whether the proposed Rule will have a significant impact on a substantial number of small entities, including specific information on the number of entities that would be covered by the proposed Rule, the number of these companies that are "small entities," and the average annual burden for each entity. Although the Commission certifies under the RFA that the Rule proposed in this notice would not, if promulgated, have a significant impact on a substantial number of small entities, the Commission has determined, nonetheless, that it is appropriate to publish an IRFA in order to inquire into the impact of the proposed Rule on small entities. Therefore, the Commission has prepared the following analysis:

#### *A. Description of the Reasons That Action by the Agency Is Being Taken*

As directed by Congress, the Commission proposes new disclosures to help consumers and industry members understand new DOE regional efficiency standards for heating and cooling equipment.

# *B. Statement of the Objectives of, and Legal Basis for, the Proposed Rule*

The objective of the proposed Rule is to develop new labels to help communicate regional standards requirements for heating and cooling equipment. The legal basis for this Rule is the EPCA (42 U.S.C. 6291 *et seq.*).

### C. Small Entities to Which the Proposed Rule Will Apply

Under the Small Business Size Standards issued by the Small Business Administration, the standards for equipment manufacturers is 750 employees.<sup>53</sup> The Commission estimates that fewer than 50 entities subject to the proposed Rule's requirements qualify as small businesses. The Commission seeks comment and information with regard to the estimated number or nature of small business entities for which the proposed Rule would have a significant economic impact.

### D. Projected Reporting, Recordkeeping and Other Compliance Requirements

The Commission recognizes that the proposed labeling changes will involve some burdens on affected entities. However, the amendments should not have a significant impact on small entities. The proposed amendments would increase existing burdens by requiring manufacturers to change their EnergyGuide labels for products and place labels on packages for certain furnaces and central air conditioners. Graphic designers and packaging operators will implement the new requirements. There should be no capital costs associated with the amendments. The Commission invites comment and information on these issues.

### E. Duplicative, Overlapping, or Conflicting Federal Rules

The Commission has not identified any other federal statutes, rules, or policies that would duplicate, overlap, or conflict with the proposed Rule. While the proposed labels are related to DOE efficiency standards, the proposed requirements do not overlap with DOE rules.

# F. Significant Alternatives to the Proposed Rule

The Commission seeks comment and information on the need, if any, for alternative compliance methods that, consistent with the statutory requirements, would reduce the economic impact of the rule on such small entities. As one alternative to reduce burden, the Commission could delay the effective date of the amendments to provide additional time for small business compliance. Comments filed in response to this notice should identify small entities that are affected by the Rule, as well as alternative methods of compliance that would reduce the economic impact of the Rule on small entities. The Commission will consider the feasibility of such alternatives and determine whether they should be incorporated into the final rule.

# X. Communications by Outside Parties to the Commissioners or Their Advisors

Written communications and summaries or transcripts of oral communications respecting the merits of this proceeding, from any outside party to any Commissioner or Commissioner's advisor, will be placed on the public record. See 16 CFR 1.26(b)(5).

#### XI. Request for Comment

The Commission invites interested persons to submit written comments on any issue of fact, law, or policy that may bear upon the FTC's proposed requirements. Please provide explanations for your answers and supporting evidence where appropriate. After examining the comments, the Commission will determine whether to issue final amendments.

All comments should be filed as prescribed below, and must be received by August 6, 2012. Interested parties are invited to submit written comments electronically or in paper form. Comments should refer to "Regional Labeling for Heating and Cooling Equipment—Proposed Rule (16 CFR Part 305) (Project No. P114202)" to facilitate the organization of comments. Please note that your commentincluding your name and your statewill be placed on the public record of this proceeding, including on the publicly accessible FTC Web site, at http://www.ftc.gov/os/publiccomments. shtm.

Because comments will be made public, they should not include any sensitive personal information, such as any individual's Social Security Number; date of birth; driver's license number or other state identification number, or foreign country equivalent; passport number; financial account number: or credit or debit card number. Comments also should not include any sensitive health information, such as medical records or other individually identifiable health information. In addition, comments should not include "[t]rade secret or any commercial or financial information which is obtained from any person and which is privileged or confidential" as provided in Section 6(f) of the Federal Trade Commission Act ("FTC Act"), 15 U.S.C. 46(f), and FTC Rule 4.10(a)(2), 16 CFR 4.10(a)(2). Comments containing matter for which confidential treatment is requested must be filed in paper form, must be clearly labeled "Confidential," and must comply with FTC Rule 4.9(c).54

<sup>&</sup>lt;sup>53</sup> See http://www.sba.gov/content/table-smallbusiness-size-standards.

<sup>&</sup>lt;sup>54</sup> The comment must be accompanied by an explicit request for confidential treatment, Continued

Because paper mail addressed to the FTC is subject to delay due to heightened security screening, please consider submitting your comments in electronic form. Comments filed in electronic form should be submitted using the following weblink: *https://* ftcpublic.commentworks.com/ftc/ proposedregionaldisclosuresnprm (and following the instructions on the webbased form). To ensure that the Commission considers an electronic comment, you must file it on the webbased form at the weblink https:// ftcpublic.commentworks.com/ ftcproposedregionaldisclosuresnprm. If this Notice appears at http://www. regulations.gov/#!home, you may also file an electronic comment through that Web site. The Commission will consider all comments that regulations.gov forwards to it. You may also visit the FTC Web site at *http://www.ftc.gov* to read the Notice and the news release describing it.

A comment filed in paper form should include the "Regional Labeling for Heating and Cooling Equipment-Proposed Rule (16 CFR Part 305) (Project No. P114202)" reference both in the text and on the envelope, and should be mailed or delivered to the following address: Federal Trade Commission, Office of the Secretary, Room H-113 (Annex C), 600 Pennsylvania Avenue NW., Washington, DC 20580. The FTC is requesting that any comment filed in paper form be sent by courier or overnight service, if possible, because U.S. postal mail in the Washington area and at the Commission is subject to delay due to heightened security precautions.

The FTC Act and other laws that the Commission administers permit the collection of public comments to consider and use in this proceeding as appropriate. The Commission will consider all timely and responsive public comments that it receives, whether filed in paper or electronic form. Comments received will be available to the public on the FTC Web site, to the extent practicable, at http://www.ftc.gov/os/publiccomments. shtm. As a matter of discretion, the FTC makes every effort to remove home contact information for individuals from the public comments it receives before placing those comments on the FTC Web site. More information, including routine uses permitted by the Privacy

Act, may be found in the FTC's privacy policy, at *http://www.ftc.gov/ftc/privacy.htm*.

Because written comments appear adequate to present the views of all interested parties, the Commission has not scheduled an oral hearing regarding these proposed amendments. Interested parties may request an opportunity to present views orally. If such a request is made, the Commission will publish a document in the Federal Register stating the time and place for such oral presentation(s) and describing the procedures that will be followed. Interested parties who wish to present oral views must submit a hearing request, on or before June 26, 2012, in the form of a written comment that describes the issues on which the party wishes to speak. If there is no oral hearing, the Commission will base its decision on the written rulemaking record.

### XII. Proposed Rule Language

#### List of Subjects in 16 CFR Part 305

Advertising, Energy conservation, Household appliances, Labeling, Reporting and recordkeeping requirements.

For the reasons set out above, the Commission proposes the following amendments to 16 CFR Part 305:

#### 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")

1. The authority citation for part 305 continues to read as follows:

Authority: 42 U.S.C. 6294.

2. In § 305.12, revise paragraphs (c), (d), and (e), redesignate paragraphs (f) and (g) as paragraphs (h) and (i) respectively, add new paragraphs (f) and (g), and revise redesignated paragraphs (h)(8)(iii) and (i)(9)(iii) to read as follows:

# § 305.12 Labeling for central air conditioners, heat pumps, and furnaces.

(c) Colors. The basic colors of all labels covered by this section shall be process yellow or equivalent and process black unless otherwise indicated in this part. The label shall be printed full bleed process yellow. All type and graphics shall be print process black unless otherwise stated.

(d) Label Type. The labels must be affixed in the form of an adhesive label.

All adhesive labels should be applied so they can be easily removed without the use of tools or liquids, other than water, but should be applied with an adhesive with an adhesion capacity sufficient to prevent their dislodgment during normal handling throughout the chain of distribution to the retailer or consumer. The paper stock for pressuresensitive or other adhesive labels shall have a basic weight of not less than 58 pounds per 500 sheets (25" x 38") or equivalent, exclusive of the release liner and adhesive. A minimum peel adhesion capacity for the adhesive of 12 ounces per square inch is suggested, but not required if the adhesive can otherwise meet the above standard.

(e) Placement.

(1) Manufacturers shall affix adhesive labels to the covered products in such a position that it is easily read by a person examining the product. The label should be generally located on the upper-right-front corner of the product's front exterior. However, some other prominent location may be used as long as the label will not become dislodged during normal handling throughout the chain of distribution to the retailer or consumer. The top of the label should not exceed 74 inches from the base of taller products. The label can be displayed in the form of a flap tag adhered to the top of the appliance and bent (folded at 90°) to hang over the front, as long as this can be done with assurance that it will be readily visible. Labels for split system central air conditioners shall be affixed to the condensing unit.

(2) In addition to the requirements of paragraph (1), for split-system and single-package central air conditioners manufactured on or after January 1, 2015, and all non-weatherized and mobile home furnaces, manufacturers shall affix adhesive labels to covered product packages in such a position easily read by a person examining the product. Labels for split-system central air conditioners shall be affixed to the condensing unit's package.

(f) Content of labels for nonweatherized, mobile home, and electric furnaces and boilers manufactured after May 1, 2013, and all furnaces and boilers manufactured after January 1, 2015.

(1) Headlines and texts, as illustrated in the prototype and sample labels in appendix L to this part.

(2) Name of manufacturer or private labeler shall, in the case of a corporation, be deemed to be satisfied only by the actual corporate name, which may be preceded or followed by the name of the particular division of the corporation. In the case of an

including the factual and legal basis for the request, and must identify the specific portions of the comment to be withheld from the public record. The request will be granted or denied by the Commission's General Counsel, consistent with applicable law and the public interest. See FTC Rule 4.9(c), 16 CFR 4.9.(c).

individual, partnership, or association, the name under which the business is conducted shall be used.

(3) The model's basic model number.(4) The model's capacity as illustrated in the prototype and sample labels in appendix L to this part.

(5) The annual fuel utilization efficiency (AFUE) for furnace models as determined in accordance with § 305.5.

(6) Ranges of comparability consisting of the lowest and highest annual fuel utilization efficiencies (AFUE) ratings for all furnaces of the model's type consistent with sample label 9A in appendix L.

(7) Placement of the labeled product on the scale shall be proportionate to the lowest and highest annual fuel utilization efficiency ratings forming the scale.

(8) The following statement shall appear in bold print on furnace labels beneath the range(s) as illustrated in the sample labels in appendix L:

For energy cost info, visit ftc.gov/ energy.

(9) For non-weatherized gas furnaces and mobile home gas furnaces with an AFUE of 90 or greater, the label must contain the following regional standards information consistent with sample label 9A in appendix L to this part:

Notice Federal law allows this unit to be installed in all U.S. states and territories.

(10) For non-weatherized and mobile home gas furnaces with an AFUE lower than 90, the label shall contain the following regional standards information consistent with sample label 9A in appendix L to this part:

(i) A statement that reads:

Notice Federal law allows this unit to be installed only in: AL, AZ, AR, CA, DC, DE, FL, GA, HI, KY, LA, MD, MS, NC, NM, NV, OK, SC, TN, TX, VA, and U.S. territories.

Federal law prohibits installation of this unit in other states.

(ii) A color map and accompanying text as illustrated in sample label 9A in appendix L. The map contains the following colors: Green, CMKY value 34, 0, 55, 0; and Gray, CMKY value 0, 0, 0, 9.

(11) The following statement shall appear at the top of the label as illustrated in the sample labels in appendix L:

Federal law prohibits removal of this label before consumer purchase.

(12) No marks or information other than that specified in this part shall appear on or directly adjoining this label except that:

(i) A part or publication number identification may be included on this label, as desired by the manufacturer. If a manufacturer elects to use a part or publication number, it must appear in the lower right-hand corner of the label and be set in 6-point type or smaller.

(ii) The energy use disclosure labels required by the governments of Canada or Mexico may appear directly adjoining this label, as desired by the manufacturer.

(iii) The manufacturer may include the ENERGY STAR logo on the label for qualified products in a location consistent with the sample labels in appendix L. The logo must be no larger than 1 inch by 3 inches in size. Only manufacturers that have signed a Memorandum of Understanding with the Department of Energy or the Environmental Protection Agency may add the ENERGY STAR logo to labels on qualifying covered products; such manufacturers may add the ENERGY STAR logo to labels only on those covered products that are contemplated by the Memorandum of Understanding.

(13) Manufacturers of boilers shipped with more than one input nozzle to be installed in the field must label such boilers with the AFUE of the system when it is set up with the nozzle that results in the lowest AFUE rating.

(14) Manufacturers that ship out boilers that may be set up as either steam or hot water units must label the boilers with the AFUE rating derived by conducting the required test on the boiler as a hot water unit.

(15) Manufacturers of oil furnaces must label their products with the AFUE rating associated with the furnace's input rate set by the manufacturer at shipment. The oil furnace label must contain a chart, as illustrated in sample label 9B in appendix L, indicating the efficiency rating at additional input rates of 84,000, 105,000, 119,000, and 140,000 Btu/hr.

(g) Content of labels for central air conditioners and heat pumps manufactured on or after January 1, 2015.

(1) Headlines and texts, as illustrated in the prototype and sample labels in appendix L to this part.

(2) Name of manufacturer or private labeler shall, in the case of a corporation, be deemed to be satisfied only by the actual corporate name, which may be preceded or followed by the name of the particular division of the corporation. In the case of an individual, partnership, or association, the name under which the business is conducted shall be used.

(3) The model's basic model number.(4) The model's capacity as illustrated in the prototype and sample labels in appendix L to this part.

(5) The seasonal energy efficiency ratio (SEER) for the cooling function of central air conditioners as determined in accordance with § 305.5. For the heating function, the heating seasonal performance factor (HSPF) shall be calculated for heating Region IV for the standardized design heating requirement nearest the capacity measured in the High Temperature Test in accordance with § 305.5. In addition, as illustrated in the sample labels 7A and 8A in appendix L, the energy efficiency ratings for any split-system condenser-evaporator coil combinations shall include the low and high ratings of all condenser-evaporator coil combinations certified to the Department of Energy pursuant to 10 CFR Part 430.

(6)(i) Each cooling-only central air conditioner label shall contain a range of comparability consisting of the lowest and highest SEER for all cooling only central air conditioners consistent with sample label 7A in appendix L to this part.

(ii) Each heat pump label, except as noted in paragraph (g)(6)(iii) of this section, shall contain two ranges of comparability. The first range shall consist of the lowest and highest seasonal energy efficiency ratios for the cooling side of all heat pumps consistent with sample label 7A in appendix L to this part. The second range shall consist of the lowest and highest heating seasonal performance factors for the heating side of all heat pumps consistent with sample label 7A in appendix L to this part.

(iii) Each heating-only heat pump label shall contain a range of comparability consisting of the lowest and highest heating seasonal performance factors for all heating-only heat pumps following the format of sample label 7A in appendix L to this part.

(7) Placement of the labeled product on the scale shall be proportionate to the lowest and highest efficiency ratings forming the scale.

(8) The following statement shall appear on the label in bold print as indicated in the sample labels in appendix L.

For energy cost info, visit ftc.gov/ energy.

(9) All labels on split-system condenser units must contain one of the following three statements:

(i) For labels disclosing only the seasonal energy efficiency ratio for cooling, the statement should read:

This system's efficiency rating depends on the coil your contractor installs with this unit. Ask for details. (ii) For labels disclosing both the seasonal energy efficiency ratio for cooling and the heating seasonal performance factor for heating, the statement should read:

This system's efficiency ratings depend on the coil your contractor installs with this unit. The heating efficiency rating will vary slightly in different geographic regions. Ask for details.

(iii) For labels disclosing only the heating seasonal performance factor for heating, the statement should read:

This system's efficiency rating depends on the coil your contractor installs with this unit. The efficiency rating will vary slightly in different geographic regions. Ask for details.

(10) The following statement shall appear at the top of the label as illustrated in the sample labels in appendix L:

Federal law prohibits removal of this label before consumer purchase.

(11) For any single-package air conditioner with a minimum Energy Efficiency Ratio (EER) of 11.0, any splitsystem central air conditioner with a rated minimum cooling capacity of 45,000 Btu/h and minimum efficiency ratings of 14 SEER and 11.7 EER, and any split-system central air conditioners with a rated cooling capacity less than 45,000 Btu/h and minimum efficiency ratings of 14 SEER and 12.2 EER, the label must contain the following regional standards information consistent with sample label 7A in appendix L to this part:

Notice Federal law allows this unit to be installed in all U.S. states and territories.

(12) For any split-system central air conditioners with a rated minimum cooling capacity of 45,000 Btu/h and minimum efficiency ratings below 14 SEER or 11.7 EER, and any split-system central air conditioner with a rated cooling capacity less than 45,000 Btu/h and a minimum efficiency rating below 14 SEER or 12.2 EER, the label must contain the following regional standards information consistent with sample label 7A in appendix L to this part:

(i) A statement that reads:

The system you install must meet the minimum Federal regional efficiency standards.

See regulations.doe.gov/certification for certified combinations.

(ii) A map and accompanying text as illustrated in the sample label 9A in appendix L. The map contains the following colors: Blue, CMYK value 33, 7, 1, 0; Peach, CMKY value 11, 26, 51, 0; and Yellow, CMKY value 3, 0, 55, 0. (iii) A statement that reade:

(iii) A statement that reads:

Energy Efficiency Ratio (EER): The installed system's EER could range from [\_\_\_\_] to [\_\_\_\_]., depending on the coil installed with this unit.

(13) For any single-package air conditioner with an EER below 11.0, the label must contain the following regional standards information consistent with sample labels in appendix L to this part:

(i) A statement that reads:

Notice Federal law allows this unit to be installed only in: AK, AL, AR, CO, CT, DC, DE, FL, GA, HI, ID, IL, IA, IN, KS, KY, LA, ME, MD, MI, MN, MO, MS, MT, NC, ND, NE, NH, NJ, NY, OH, OK, OR, PA, RI, SC, SD, TN, TX, UT, VA, VT, WA, WV, WI, WY and U.S. territories.

Federal law prohibits installation of this unit in other states.

(ii) A color map and accompanying text as illustrated in the sample label in appendix L. The map contains the following colors: Green, CMKY value 34, 0, 55, 0; and Gray, CMKY value 0, 0, 0, 9.

(i) A statement that reads: Energy Efficiency Ratio (EER): This model's EER is [\_\_\_].

(14) No marks or information other than that specified in this part shall appear on or directly adjoining this label except that:

(i) A part or publication number identification may be included on this label, as desired by the manufacturer. If a manufacturer elects to use a part or publication number, it must appear in the lower right-hand corner of the label and be set in 6-point type or smaller.

(ii) The energy use disclosure labels required by the governments of Canada or Mexico may appear directly adjoining this label, as desired by the manufacturer.

(iii) The manufacturer may include the ENERGY STAR logo on the label for qualified products in a location consistent with the sample labels in appendix L. The logo must be no larger than 1 inch by 3 inches in size. Only manufacturers that have signed a Memorandum of Understanding with the Department of Energy or the Environmental Protection Agency may add the ENERGY STAR logo to labels on qualifying covered products; such manufacturers may add the ENERGY STAR logo to labels only on those covered products that are contemplated by the Memorandum of Understanding.

(h) Content of label for weatherized gas furnaces manufactured before January 1, 2015.

\* \* \* \* \*

(8) \* \* \*

(iii) The manufacturer may include the ENERGY STAR logo on the label for qualified products in a location consistent with the sample labels in appendix L. The logo must be 1 inch by 3 inches in size. Only manufacturers that have signed a Memorandum of Understanding with the Department of Energy or the Environmental Protection Agency may add the ENERGY STAR logo to labels on qualifying covered products; such manufacturers may add the ENERGY STAR logo to labels only on those covered products that are contemplated by the Memorandum of Understanding.

(i) Content of label for central air conditioners and heat pumps manufactured before January 1, 2015.

(9) \* \* \*

(iii) The manufacturer may include the ENERGY STAR logo on the label for qualified products in a location consistent with the sample labels in appendix L. The logo must be no larger than 1 inch by 3 inches in size. Only manufacturers that have signed a Memorandum of Understanding with the Department of Energy or the Environmental Protection Agency may add the ENERGY STAR logo to labels on qualifying covered products; such manufacturers may add the ENERGY STAR logo to labels only on those covered products that are contemplated by the Memorandum of Understanding.

3. Revise section 305.14 to read as follows:

# § 305.14 Energy information disclosures for heating and cooling equipment.

(a) Manufacturer Duty to Provide Labels. For any covered central air conditioner, heat pump, or furnace model that a manufacturer distributes in commerce, the manufacturer must make a copy of the EnergyGuide label available on a publicly accessible Web site in a manner that allows catalog sellers to hyperlink to the label or download it for use in catalogs that advertise such products. The labels must remain on the Web site for two years after the manufacturer ceases the model's production.

(b) Distribution. (1) Manufacturers and private labelers must provide to distributors and retailers, including assemblers, EnergyGuide labels for the central air conditioners, heat pumps, and furnaces (including boilers) they sell to them. The label may be provided in paper or electronic form (including Internet-based access). Distributors must give this information to retailers, including assemblers, they supply.

(2) Retailers, including assemblers, who sell central air conditioners, heat pumps, and furnaces (including boilers) to consumers must make the EnergyGuide labels for the models they sell available to customers prior to purchase, in any manner, as long as customers are likely to notice them. For example, they may be available in a display, where customers can take copies of them. They may be kept in a binder or made available electronically at a counter or service desk, with a sign telling customers where the required information is.

(3) Retailers, including installers, who negotiate or make sales at a place other than their regular places of business must show the labels to their customers and let them read the labels before the customers agree to purchase the product. If the labels are on a Web site, retailers, including assemblers, who negotiate or make sales at a place other than their regular places of business, may choose to provide customers with instructions to access such labels in lieu of showing them a paper version of the information. Retailers who choose to use the Internet for the required label disclosures must provide customers the opportunity to read such information prior to sale of the product.

(c) Oil Furnace Labels. If an installer installs an oil furnace with an input rate different from that set by the manufacturer and identified on the label, the installer must permanently mark the appropriate box on the EnergyGuide label displaying the installed input rate and the associated AFUE.

4. In section 305.20, revise paragraphs (a) and (b), and add paragraph (c) to read as follows:

#### § 305.20 Paper catalogs and Web sites.

(a) Covered products offered for sale on the Internet. Any manufacturer, distributor, retailer, or private labeler who advertises a covered product on an Internet Web site in a manner that qualifies as a catalog under this Part shall disclose energy information as follows:

(1) Content.

(i) Products required to bear EnergyGuide or Lighting Facts labels. All Web sites advertising covered refrigerators, refrigerator-freezers, freezers, room air conditioners, clothes washers, dishwashers, ceiling fans, pool heaters, central air conditioners, heat pumps, furnaces, general service lamps, and televisions must display, for each model, an image of the label required for that product by this Part. The Web site may hyperlink to the image of the label using the icon depicted in appendix L.

(ii) Products not required to bear EnergyGuide or Lighting Facts labels.

All Web sites advertising covered showerheads, faucets, water closets,

urinals, general service fluorescent lamps, fluorescent lamp ballasts, and metal halide lamp fixtures must include the following disclosures for each covered product:

(A) Showerheads, faucets, water closets, and urinals. The product's water use, expressed in gallons and liters per minute (gpm and L/min) or per cycle (gpc and L/cycle) or gallons and liters per flush (gpf and Lpf) as specified in § 305.16.

(B) General service fluorescent lamps, fluorescent lamp ballasts and luminaires and metal halide lamp fixtures. A capital letter "E" printed within a circle.

capital letter "E" printed within a circle. (2) Format. The required Web site disclosures, whether label image, icon, or text, must appear clearly and conspicuously and in close proximity to the covered product's price on each Web page that contains a detailed description of the covered product and its price. The label and hyperlink icon must conform to the prototypes in appendix L, but may be altered in size to accommodate the Web page's design, as long as they remain clear and conspicuous to consumers viewing the page.

(b) Covered products offered for sale in paper catalogs. Any manufacturer, distributor, retailer, or private labeler that advertises a covered product in a paper publication that qualifies as a catalog under this part shall disclose energy information as follows: (1) Content.

(i) Products required to bear EnergyGuide or Lighting Facts labels. All paper catalogs advertising covered products required by this Part to bear EnergyGuide or Lighting Facts labels illustrated in appendix L (refrigerators, refrigerator-freezers, freezers, room air conditioners, clothes washers, dishwashers, ceiling fans, pool heaters, central air conditioners, heat pumps, furnaces, general service lamps, and televisions) must either display an image of the full label prepared in accordance with this Part, or make a text disclosure as follows:

(A) Refrigerator, refrigerator-freezer, and freezer. The capacity of the model determined in accordance with § 305.7, the estimated annual operating cost determined in accordance with § 305.5 and appendix K of this Part, and a disclosure stating "Your energy cost depends on your utility rates and use. The estimated cost is based on [\$\_] per kWh. For more information, visit www.ftc.gov/energy."

(B) Room air conditioners and water heaters. The capacity of the model determined in accordance with § 305.7, the estimated annual operating cost determined in accordance with § 305.5 and appendix K of this Part, and a disclosure stating "Your operating costs will depend on your utility rates and use. The estimated operating cost is based on a national average [electricity, natural gas, propane, or oil] cost of [\$\_\_\_\_\_ per kWh, therm, or gallon]. For more information, visit www.ftc.gov/energy."

(C) Clothes washers and dishwashers. The capacity of the model determined in accordance with § 305.7 and the estimated annual operating cost determined in accordance with § 305.5 and appendix K, and a disclosure stating "Your energy cost depends on your utility rates and use. The estimated cost is based on [4 washloads a week for dishwashers, or 8 washloads a week for clothes washers] and [\_] cents per kWh for electricity and \$\_\_per therm for natural gas. For more information, visit *www.ftc.gov/energy.*"

(D) General service fluorescent lamps or general service lamps. All the information concerning that lamp required by § 305.15 of this part to be disclosed on the lamp's package, and a disclosure stating "Your energy cost depends on your utility rates and use. The estimated cost and life is based on 11 cents per kWh and 3 hours of use per day. For more information, visit www.ftc.gov/energy." For the "Light Appearance" disclosure required by § 305.15(b)(3)(iv), the catalog need only disclose the lamp's correlated color temperature in Kelvin (e.g., 2700 K). General service fluorescent lamps or incandescent reflector lamps must also include a capital letter "E" printed within a circle and the statement described in § 305.15(d)(1).

(E) Ceiling fans. All the information required by § 305.13.

(F) Televisions. The estimated annual operating cost determined in accordance with § 305.5 and a disclosure stating "Your energy cost depends on your utility rates and use. The estimated cost is based on [\_] cents per kWh and 5 hours of use per day. For more information, visit www.ftc.gov/energy."

(G) Furnaces, Central Air Conditioners, and Heat Pumps: The model's efficiency rating or ratings as disclosed on the label and a disclosure stating "For more information, visit www.ftc.gov/energy." For split-system units, a disclosure stating "This system's efficiency rating depends on the coil installed with this unit." For central air conditioners manufactured on or after January 1, 2015, the catalog must provide, in at least one location, the disclosures and graphics required by section 305.12(g)(11)&(12). For nonweatherized, mobile home, and electric furnaces and boilers manufactured after May 1, 2013, and all furnaces and

boilers manufactured after January 1, 2015, the catalog must disclose, in a clear and conspicuous fashion, the states in which specific models may be installed as indicated on the product's label prepared by the manufacturer

pursuant to § 305.12. (ii) Products not required to bear EnergyGuide or Lighting Facts labels. All paper catalogs advertising covered products not required by this Part to bear labels with specific design characteristics illustrated in appendix L (showerheads, faucets, water closets, urinals, fluorescent lamp ballasts, and metal halide lamp fixtures) must make a text disclosure for each covered product identical to those required for Internet disclosures under § 305.20(a)(1)(iii).

(2) Format. Unless otherwise indicated in this section, the required disclosures, whether text, label image, or icon, must appear clearly and conspicuously on each page that contains a detailed description of the covered product and its price. If a catalog displays an image of the full label, the size of the label may be altered to accommodate the catalog's design, as long as the label remains clear and conspicuous to consumers. For text disclosures made pursuant to § 305.20(b)(1)(i) and (ii), the required disclosure may be displayed once per page per type of product if the catalog offers multiple covered products of the same type on a page, as long as the disclosure remains clear and conspicuous.

(c) For split-system and singlepackage central air conditioners offered for sale after January 1, 2015, and any non-weatherized or mobile home furnace, the catalog (Web site or paper catalog) must contain the following statement conspicuously placed on the product page in close proximity to the link to the product's EnergyGuide label:

Federal law prohibits the installation of some [central air conditioners or furnaces] in certain states. Look to the EnergyGuide label to determine whether this product can be installed in your location.

\* \* \* \* \*

5. Revise Appendices G1, G2, G3, G4, G5, G6, G7, and G8 and add Appendices G9 and G10 to read as follows:

#### APPENDIX G1 TO PART 305-FURNACES-NON-WEATHERIZED GAS

Manufacturer's rated heating capacities (Btu/h)		Range of annual fuel utilization efficiencies (AFUEs)		
		High		
All Capacities	80.0	98.5		

### APPENDIX G2 TO PART 305—FURNACES—WEATHERIZED GAS

Manufacturer's rated heating capacities (Btu/h)		Range of annual fuel utilization efficiencies (AFUEs)		
		High		
All Capacities	78.0	96.6		

### APPENDIX G3 TO PART 305—FURNACES—ELECTRIC

Manufacturer's rated heating capacities (Btu/h)	Range of annual fuel utilization efficiencies (AFUEs)		
		High	
All Capacities	100	100	

### APPENDIX G4 TO PART 305-FURNACES-NON-WEATHERIZED OIL

Manufacturer's rated heating capacities (Btu/h)		Range of annual fuel utilization efficiencies (AFUEs)		
		High		
All Capacities	83.0	95.4		

### APPENDIX G5 TO PART 305—FURNACES—WEATHERIZED OIL

Manufacturer's rated heating capacities (Btu/h)		Range of annual fuel utilization efficiencies (AFUEs)		
		High		
All Capacities	78.0	86.1		

# APPENDIX G6 TO PART 305-MOBILE HOME FURNACES-GAS

Manufacturer's rated heating capacities (Btu/h)		Range of annual fuel utilization efficiencies (AFUEs)		
		High		
All Capacities	80.0	96.5		

# APPENDIX G7 TO PART 305-MOBILE HOME FURNACES-OIL

Manufacturer's rated heating capacities (Btu/h)	Range of annual fuel utilization efficiencies (AFUEs)	
	Low	High
All Capacities	75.0	86.6

# APPENDIX G8 TO PART 305-BOILERS (GAS)

Manufacturer's rated heating capacities (Btu/h)	Range of annual fuel utilization efficiencies (AFUEs)	
	Low	High
All Capacities	78.0	98.0

# APPENDIX G9 TO PART 305-BOILERS (OIL)

Manufacturer's rated heating capacities (Btu/h)	Range of annual fuel utilization efficiencies (AFUEs)	
	Low	High
All Capacities	80.0	96.0

# APPENDIX G10 TO PART 305-BOILERS (ELECTRIC)

Manufacturer's rated heating capacities (Btu/h)	Range of annual fuel utilization efficiencies (AFUEs)	
	Low	High
All Capacities	100	100

6. In Appendix L, Sample Label 7 is revised, Sample Label 7A is added, Sample Label 8 is revised, Sample Label 8A is added, Sample Label 9 is revised, and Sample Labels 9A and 9B are added to read as follows: \* \* \* \* \* \* BILLING CODE 6750-01-P



Sample Label 7 - Split-System Central Air Conditioner (models manufactured before January 1,



Sample Label 7A Split-System Central Air Conditioner (models manufactured after January 1,



Sample Label 7B Single-Package Central Air Conditioner (models manufactured after January 1,



Sample Label 8 – Split-system Heat Pump (only for units manufactured before January 1, 2015)



Sample Label 8A - Split-system Heat Pump (only for units manufactured on or after January 1,



Sample Label 9 – Non-weatherized Gas Furnace (below 90 AFUE)



Sample Label 9A – Non-weatherized Gas Furnace (AFUE of 90 or greater)



Sample Label 9B – Non-weatherized Oil Furnaces

By direction of the Commission. Donald S. Clark, Secretary. [FR Doc. 2012–13626 Filed 6–5–12; 8:45 am] BILLING CODE 6750–01–C