This section of the FEDERAL REGISTER contains notices to the public of the proposed issuance of rules and regulations. The purpose of these notices is to give interested persons an opportunity to participate in the rule making prior to the adoption of the final rules.

FEDERAL TRADE COMMISSION

16 CFR Part 305


AGENCY: Federal Trade Commission [FTC or Commission].

ACTION: Advance notice of proposed rulemaking and public meeting announcement.

SUMMARY: Section 321 of the Energy Independence and Security Act of 2007 requires the Commission to conduct a rulemaking to consider the effectiveness of current energy labeling for lamps (commonly referred to as “light bulbs”) and to consider alternative labeling approaches. In response to that directive, the Commission seeks comments on the effectiveness of current labeling requirements for lamp packages and possible alternatives to those requirements. As part of this effort, the Commission will hold a public roundtable meeting on September 15, 2008, from 9:00 a.m. to 1:00 p.m.


DATES: Comments must be received by September 29, 2008.

ADDRESSES: Comments should refer to “Lamp Labeling, Project No. P084206” to facilitate organization of comments. A comment filed in paper form should include this reference both in the text and on the envelope, and should be mailed to the following address: Federal Trade Commission/Office of the Secretary, Room H-135 (Annex N), 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. Comments containing confidential material must be filed in paper form, must be clearly labeled “Confidential,” and must comply with Commission Rule 4.9(c).

Comments filed in electronic form should be submitted by clicking on: (https://secure.commentworks.com/ftc-lamplabeling) and following the instructions on the web-based form. To ensure that the Commission considers an electronic comment, you must file it on the web-based form at the (https://secure.commentworks.com/ftc-lamplabeling) weblink. You may also visit http://www.regulations.gov to read this advance notice of proposed rulemaking, and file an electronic comment through that Website. The Commission will consider all comments that regulations.gov forwards to it.

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

The comment must be accompanied by an explicit request for confidential treatment, 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 Commission’s General Counsel will grant or deny the request, consistent with applicable law and the public interest. See 16 CFR 4.3(c).

ROUNDTABLE INFORMATION: The public roundtable will include participation by selected panelists. Other attendees also will have an opportunity to comment and ask questions. There is no fee for attendance. A stenographer will record the proceedings, and the Commission will place the transcription on the public record. The FTC also plans to make this workshop available live via webcast (see [http://www.ftc.gov/bcp/ workshops/lamp/index.shtml]). For admittance to the Conference Center, all attendees must show a valid photo identification such as a driver’s license. The FTC will accept pre-registration for this workshop. Pre-registration is not necessary to attend, but is encouraged. To pre-register, please email your name and affiliation to lampmeeting@ftc.gov. When you pre-register, we will collect your name, affiliation, and your email address. The Commission will use this information to estimate how many people will attend. We may use your email address to contact you with information about the workshop.

Under the Freedom of Information Act (FOIA) or other laws, we may be required to disclose to outside organizations the information you provide. For additional information, including routine uses permitted by the Privacy Act, see the Commission’s Privacy Policy at (www.ftc.gov/ftc/privacy.shtm). The FTC Act and other laws the Commission administers permit the collection of this contact information to consider and use for the above purposes.


SUPPLEMENTARY INFORMATION:

I. Lamp Labeling

The lighting market is changing. Over the next several years, new energy standards mandated by Congress will eliminate low efficiency light bulbs [i.e., lamps] from store shelves in favor of more energy efficient products. Such products include high-efficiency incandescent lamps, and compact fluorescent lamps [i.e., compact fluorescent light bulbs or CFLs] that are widely available now, as well as even more energy efficient products, such as...
solid-state lighting (e.g., light-emitting diode (LED) products).

Given these changes, Congress has asked the FTC to consider the effectiveness of current lamp labeling and alternative labeling disclosures to help consumers understand new high-efficiency lamp products. As a first step toward fulfilling this mandate, the Commission is publishing this Notice which provides background about current labeling rules for lamps, the recent Congressional mandate, the purpose of the FTC labeling requirements, and various labeling considerations. This Notice also contains a series of questions related to the effectiveness of current labeling and potential labeling alternatives to aid comment and discussion at the September 15, 2008 meeting.

A. Background on Current FTC Labeling: Current FTC regulations require that most incandescent and compact fluorescent lamp packages display energy information. In particular, the U.S. DOE must display the product’s light output (in lumens), energy use (in watts), and lamp life (in hours). The package disclosures must also provide the following statement: “To save energy costs, find the bulbs with the light output you need, then choose the one with the lowest watts.” Additionally, catalog retailers (including websites) must disclose the required label information for the covered lamp products they sell. The current rules do not impose a uniform disclosure format. Instead, the labeling requirements provide manufacturers flexibility regarding the size, font, and style in which the information is presented.

The Rule also requires manufacturers to “possess and rely upon a reasonable basis consisting of competent and reliable scientific tests” to substantiate the information on their labels. For lamp life and light output representations, the Rule states that the Commission will accept as a reasonable basis, competent and reliable scientific tests conducted according to applicable test protocols that substantiate the representations. The Rule, however, does not require manufacturers to use these protocols.

B. Congressional Mandate - Efficiency Standards and Labeling: The Energy Independence and Security Act of 2007 (EISA) directs the Department of Energy (DOE) to issue stringent energy efficiency standards for lighting products that will have the effect of phasing out traditional, low-efficiency incandescent lamps from the U.S. market over the next several years. Higher efficiency lamps, such as certain incandescent lamp types, CFLs, and LEDs, that meet the new standards, will take their place.

To address these changes, Congress directed the FTC to consider the effectiveness of current lamp disclosures and to consider whether alternative labeling disclosures would be more effective in helping consumers make purchasing decisions. In particular, the law directs the Commission to consider labeling disclosures that address consumer needs for information about lighting level, light quality, lamp lifetime, and total lifecycle cost. The Commission must complete this effort by June of 2010.

The EISA amendments also provide the Commission with discretion to require labeling for any consumer product not specified in the current labeling statute, if the Commission determines such labeling is likely to assist consumers in making purchasing decisions. Accordingly, the Commission now has the authority to require energy disclosures for consumer products that use lighting technologies not currently specified in the law (e.g., solid-state lighting such as LED products).

Finally, we note that EISA (section 321(c)) directs the Secretary of Energy to conduct an annual assessment of the lighting market “to identify trends” and to “better understand the degree to which consumer decisionmaking is based on” the type of information currently appearing on FTC-required labels. EISA requires DOE to provide the results of the assessment to the FTC. The law also requires DOE, in cooperation with the FTC and other agencies, to conduct a “proactive national program of consumer awareness, information, and education” to help consumers understand the lamp labels and make energy-efficient lighting choices that meet their needs.

C. Purpose of FTC Labeling: EPCA (section 6294(a)(1)) tasks the FTC with issuing labeling requirements for lighting products that “enable consumers to select the most energy efficient lamps which meet their needs.” The recent EISA amendments add to EPCA’s mandate by directing the FTC to consider alternative approaches that will help consumers understand new lighting products and to allow them to choose products that meet their various needs such as light output, light quality (e.g., color temperature) and lamp lifetime (see 42 U.S.C. 6294(D)(ii)).

To meet these and other related directives under EPCA, the FTC creates labeling programs that help ensure consumers receive truthful, objective information and enable them to choose energy-efficient products that meet their needs. At the same time, the task of promoting energy efficient products falls primarily to other agencies. Most notably, the Environmental Protection Agency and DOE provide the U.S. Government’s imprimatur for high-efficiency lighting.

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3 See 16 CFR § 305.5. For fluorescent lamp ballasts, the Rule requires manufacturers to derive energy consumption information using specific DOE test procedures (10 CFR Part 430, subpart B, § 430.23(a)). There were no DOE test procedures available for other lighting products when the FTC first published the lamp labeling rules in 1994.

5 The U.S. Department of Energy (DOE) is currently supporting domestic research and development for new solid-state lighting technologies. (See http://www.netl.doe.gov/ssl/strategy.html.)

6 See 16 CFR §§ 305.15(a), (b), & (l). See 59 FR 25716 (May 13, 1994).

7 16 CFR 305.15. A sample of the current label is attached to this Notice.

4 16 CFR 305.20.

5 In addition to the requirements for common household lamps, the Rule directs manufacturers of fluorescent lamp ballasts and luminaires, metal halide lamp fixtures, and certain tube-type (“general service”) fluorescent lamps to mark their products with an encircled “E,” a symbol signifying compliance with DOE minimum efficiency standards. See 16 CFR 305.15. Packages for incandescent reflector lamps must also display the encircled “E” and information on light output, energy use, and watts.

8 16 CFR § 305.5. For fluorescent lamp ballasts, the Rule requires manufacturers to derive energy consumption information using specific DOE test procedures (10 CFR Part 430, subpart B, § 430.23(a)). There were no DOE test procedures available for other lighting products when the FTC first published the lamp labeling rules in 1994.

7 The U.S. Department of Energy (DOE) is currently supporting domestic research and development for new solid-state lighting technologies. (See http://www.netl.doe.gov/ssl/strategy.html.)


10 The law does not specifically authorize the Commission to require disclosures related to the hazardous content of lamps.

11 Section 321(b) of EISA (42 U.S.C. 6294(a)(2)(D)) also gives the Commission the discretion to “consider reopening the rulemaking not later than 180 days before the [statutorily mandated] effective dates of the standards for general service incandescent lamps established under section 325(1)(A) [and implemented by DOE], if the Commission determines that further labeling changes are needed to help consumers understand lamp alternatives.”

12 16 CFR § 305.5. For fluorescent lamp ballasts, the Rule requires manufacturers to derive energy consumption information using specific DOE test procedures (10 CFR Part 430, subpart B, § 430.23(a)). There were no DOE test procedures available for other lighting products when the FTC first published the lamp labeling rules in 1994.

13 The law defines “consumer product” as any article (other than an automobile) which “in operation consumes, or is designed to consume energy” and “which, to any significant extent is distributed in commerce for personal use or consumption by an individual.” 42 U.S.C. § 6291(1).

14 See section 325 of EISA (see 42 U.S.C. 6294(a)(6)). The EISA amendments to EPCA (the energy standards and labeling law) included definitions for solid-state lighting products (e.g., LED), but did not alter the scope of lighting products for which labeling is required. Therefore, the current law does not specifically direct the FTC to require labeling for solid-state lighting products. (See 42 U.S.C. 6294(10)(BB-DD) and 42 U.S.C. 6294(1)(BB-DD)).

15 See, e.g., 72 FR 6836, 6841 (Feb. 13, 2007).
efficiency products through the successful ENERGY STAR program.\textsuperscript{14} The FTC’s labels and the ENERGY STAR program work in tandem to provide a robust source of energy efficiency information to consumers.

D. Labeling Considerations:
Consumers are accustomed to using watts as a means to gauge the expected light output of lamps because the wattage (i.e., energy use) of incandescent lamps provides a consistent proxy for brightness (i.e., light output). For example, a consumer may seek a “100-watt” incandescent bulb because it provides the light output they desire for a reading lamp fixture. Conversely, a consumer may choose a “40-watt” incandescent bulb for a hallway or utility room where high light output may not be as important.

This approach worked well in a market largely populated by standard incandescent lamps, but the emergence of new, more energy efficient technologies has changed matters. CFLs and solid-state lighting products can provide the same light output as traditional incandescent lamps, but at a fraction of the energy use. A traditional, standard incandescent bulb typically uses 100 watts to provide 1,600 lumens of light output. A CFL, on the other hand, can provide the same light output using only 25 watts, while a solid-state lamp (likely to be widely available in the future) may use even less energy to produce the same brightness. Accordingly, energy use (watts) no longer serves as a reliable proxy for light output.

Light output expressed in “lumens” is a more accurate way for consumers to determine the brightness of lamps because it conveys the brightness of lighting products regardless of energy use or the technology upon which the lamp is based (e.g., incandescent, CFL, or solid-state). Nonetheless, anecdotal evidence suggests that consumers continue to look for watts (instead of lumens) as a means to gauge light output when purchasing lamps. Therefore, CFL packages routinely contain conspicuous comparisons to incandescent lamps (e.g., “this bulb is a ’100-watt’ equivalent”). With these considerations in mind, as part of this rulemaking, the Commission will consider new labeling approaches that communicate light output in a way that is understandable and useful to consumers. For example, consistent with EISA’s directive, the Commission will consider inclusion of additional lighting characteristics such as light quality (e.g., color rendering or temperature) to help consumers choose the kind of lighting they prefer.

Along with light output and quality, the Commission also will look at new ways of communicating energy use. For example, packages could convey energy use information in terms of operating cost, such as dollars per year or dollars per light output (e.g., megalumens-hour), a lifecycle cost,\textsuperscript{15} or an efficacy factor (i.e., lumens-per-watt). Packages also could disclose relative energy use through a comparison range, similar to that used on the yellow EnergyGuide labels which the FTC requires on most household appliances.

Furthermore, as the Commission weighs possible label changes, there are a variety of alternative formats and disclosures to consider. For example, the FTC could consider requiring a uniform label format rather than the flexible labeling disclosures currently required. The FTC also could consider changing the prominence of certain information on the existing label, such as light output (lumens). In addition, the Commission could consider establishing categories for lamp brightness (e.g., 1,600 lumens = Category A; 1,100 lumens = Category B) to help consumers identify the light output they need.

III. Request for Comment
The Commission seeks written comments on a series of questions related to lamp labeling issues. These include the overall effectiveness of existing disclosures on lamp labels, alternative labeling disclosures, and the labeling of lamp types not currently covered by the Rule. The Commission invites interested persons to submit written comments on any issue of fact, law, or policy that may bear upon the FTC’s labeling requirements. The Commission encourages commenters to respond to the specific questions. However, commenters do not need to respond to all questions. Please provide explanations for your answers and supporting evidence where appropriate. After examining the comments, the Commission will determine whether to propose any specific amendments.

A. Current Lamp Labeling
To facilitate the Commission’s efforts to examine the effectiveness of the existing labeling program, we request that commenters consider the following questions:

1. Efficacy of Current Labels
a. How should the Commission measure the effectiveness of current lamp labeling requirements (including required catalog disclosures) in assisting consumer purchasing decisions? For example, should the Commission measure effectiveness by evaluating consumer comprehension of specific label elements, consumer preference for different labels, the impact of labels on consumer product choice, or by other means?

b. Are the current labeling requirements effective in providing consumers with useful, accurate information about the energy consumption and energy efficiency of covered products? If so, how?

c. Do the current lamp label requirements aid in improving energy efficiency? If so, how?

d. Do the current lamp label requirements aid consumers in choosing products that meet their lighting needs other than energy efficiency (e.g., brightness, color temperature, etc.)? If so, how? If not, why not?
e. Should the Commission continue to require manufacturers to have a “reasonable basis” for their energy representations on current labels? Or, should the Commission require a specific test procedure, such as existing DOE test procedures (10 CFR Part 430, Subpart B, Appendix R), for measuring the energy characteristics represented on labels?

2. Reports, Studies, or Research on Current Labels
a. Do any recent reports, studies, or research provide data relevant to estimating the effectiveness of current energy disclosures on consumer lighting products in the United States?\textsuperscript{16} In particular, have any such reports, studies, or research examined the effectiveness of current disclosures compared to alternative formats and approaches?

b. Are there any recent reports, studies, or research from other countries that the Commission should consider?

3. Costs and Benefits of Current Labels
a. What are the benefits to consumers, if any, of the current lamp labels?

b. What costs, if any, have the current lamp labels imposed on consumers?

c. What benefits, if any, have the current lamp labels provided to businesses, and in particular to small businesses?

d. What costs, including compliance costs, have the current lamp labels had on businesses, and in particular on small businesses?

\textsuperscript{14} See http://www.energystar.gov.

\textsuperscript{15} Information about impacts beyond consumers’ operating costs such as costs related to manufacture or disposal.

\textsuperscript{16} When statistical or scientific data is presented, the Commission requests enough detail about data, study design, statistical analysis, and findings to enable it to understand the methodology that was used to conduct the analysis.
B. Possible Alternatives to Current Labels

To aid the Commission in considering possible changes to current lamp labeling requirements, we request that commenters consider the following questions:

1. Possible Alternative Information on Labels
   a. What changes, if any, should the Commission make to the information on current lighting labels?
   b. Should the Commission consider requiring descriptors other than those already required (i.e., lumens, watts, and hours)? For example, should the Commission consider operating costs (e.g., dollars per year or dollars per megalumen-hour), light quality (e.g., color temperature and color rendering index), lifecycle costs, an efficacy factor, or some other metric of energy use? If so, why?
   i. Should the Commission consider labels including the operating cost or lifetime cost of a lamp? If so, how should those figures be calculated? What assumptions regarding discount rates are made with this calculation?
   ii. Should the Commission consider labels that address light quality? If so, what attributes should they convey (e.g., color temperature and color rendering index)? Which of these attributes are most important for consumers?
   iii. Should the Commission consider labels including a range or scale comparing the energy use of similar products?
   c. If the Commission should require alternative descriptors on labels, for each proposed descriptor:
      i. How should the descriptor be presented to consumers?
      ii. Is use of the descriptor applicable to all lighting technologies?
      iii. Are there existing test procedures or other ways to measure or substantiate the descriptor (e.g., usage patterns for calculating annual operating costs)?
      d. Do recent or impending changes in technology affect whether and how the Rule should be modified? If so, which technologies would affect modification and how?
      e. What other information (other than that required by the Rule), if any, are manufacturers currently providing to consumers through packaging disclosures and other advertising to convey characteristics of light bulbs, such as energy use, lighting level, light quality, lamp lifetime, and total lifecycle cost?
   f. What modifications, if any, should be made to current “encircled E” labeling requirements for lighting products covered by the Rule such as general service fluorescent lamps (and ballasts) and metal halide lamp fixtures?

2. Possible Alternative Formats for Labels
   a. What changes, if any, should the Commission make to the requirements for the format of lighting disclosures (size, format, color, graphical presentation, etc.)? If appropriate, please provide examples of recommended label designs.
   b. Should the Commission require a uniform label with specific text styles, sizes, etc. (e.g., an “EnergyGuide” label for lighting packages)?

3. Costs and Benefits of Possible Alternative Labels
   a. What are the benefits to consumers, if any, of any recommended label alternatives?
   b. What are the costs to consumers, if any, of any recommended label alternatives?
   c. What are the benefits to businesses, and in particular to small businesses, if any, of any recommended label alternatives?
   d. What are the costs, including compliance costs, to businesses, and in particular to small businesses, of any recommended label alternatives?

4. Consumer Research Concerning Possible Alternative Labels
   a. If the Commission were to conduct consumer research on alternative label designs, what questions should be explored?
   b. Should the Commission explore the effect of various label designs on consumers’ ability to rank products by energy use, efficiency, and operating cost? If so, how?
   c. Should the Commission explore the impact of different label designs on consumer product choice, product use, and consumer willingness to pay more for more energy efficient products? If so, how?

5. Other Considerations
   a. Are there international laws, regulations, or standards with respect to lamp labeling that the Commission should consider as it explores labeling alternatives? If so, what are they and how do they affect the Commission’s rulemaking?
   b. ENERGY STAR is a voluntary labeling program covering high efficiency products and administered by the Environmental Protection Agency (EPA) and DOE. What issues, if any, does the ENERGY STAR program raise with regard to the Commission’s consideration of labeling alternatives? Are there any potential conflicts between ENERGY STAR requirements and possible changes to Commission label requirements?
   c. Should the Commission continue to require catalog sellers (paper catalogs and websites) to provide consumers with the information required for package labels? If so, why? If not, why not?

C. Coverage of New Lighting Products

The current required disclosures for lumens, watts, and hours apply to compact fluorescent lamps and general service incandescent lamps as those terms are defined in 16 CFR section 305.3. The Rule also requires an encircled “E” for fluorescent ballasts, luminaires, metal halide lamp fixtures, and general service fluorescent lamps. To aid the Commission in considering possible Rule changes to cover additional product types, we request that commenters consider the following questions:

1. Should the Commission consider issuing labeling requirements for consumer lighting products other than those currently covered by the Rule? If so, which lamp types should be included?

2. If the Commission should consider labeling requirements for other lamp types, are there adequate test procedures in place to measure light output, energy use, life, and any other characteristics of these products that may be relevant to FTC labeling requirements? If so, what are they?

3. If the Commission should consider labeling requirements for other lamp types, are there any issues that would affect labeling for those products? If so, what are those issues and how should the Commission address them?

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18 As part of this rulemaking, the Commission will need to consider changes to existing definitions in the Rule. For example, section 321(a) of EISA revises the statutory definition of general service incandescent lamps to, among other things, add a lumen range to the definition and to add several categories of lamp types to the list of exclusions. See 42 U.S.C. 6291(30).
List of Subjects in 16 CFR Part 305

By direction of the Commission.

Donald S. Clark
Secretary

INTERNATIONAL TRADE COMMISSION
19 CFR Part 207
Revised Procedures and Requests for Information During Adequacy Phase of Five-Year Reviews


ACTION: Notice of proposed rulemaking.

SUMMARY: The United States International Trade Commission ("the Commission") proposes to amend its Rules of Practice and Procedure to require that responses to notices of institution of five-year reviews be filed within 30 days of publication of the notice, as opposed to the 50-day response period specified in its current rules. It additionally seeks public comment on proposals, which would not require changes in its rules, to seek additional information from interested parties at the institution of five-year reviews, and to seek information from purchasers during the adequacy phase of five-year reviews in certain circumstances.

DATES: To be assured of consideration, written comments must be received by September 15, 2008.

ADDRESSES: You may submit comments, identified by docket number MISC–024, by any of the following methods:


—Hand Delivery/Courier: U.S. International Trade Commission, 500 E Street, SW., Room 112, Washington, DC 20436, from the hours of 8:45 a.m. to 5:15 p.m.

Instructions: All submissions received must include the agency name and docket number (MISC–024) for this rulemaking. All comments received will be posted without change to http://www.usitc.gov, including any personal information provided. For paper copies, a signed original and 14 copies of each set of comments, along with a cover letter stating the nature of the commenter’s interest in the proposed rulemaking, should be submitted to Marilyn R. Abbott, Secretary, U.S. International Trade Commission, 500 E Street, SW., Room 112, Washington, DC 20436.

Docket: For access to the docket to read background documents or comments received, go to http://www.usitc.gov and/or the U.S. International Trade Commission, 500 E Street, SW., Room 112, Washington, DC 20436. The pertinent docket number is MISC–024.


SUPPLEMENTARY INFORMATION: The preamble below is designed to assist readers in understanding these proposed changes to Commission procedures during the adequacy phase of five-year reviews. This preamble provides background information, a regulatory analysis of the proposed amendment to the Commission’s Rules of Practice and Procedure, an explanation of the procedural changes proposed, and a description of the proposed amendment to the rules. The Commission encourages members of the public to comment, in addition to any other comments they wish to make on the proposed amendment, on whether

Light Output

1200
Lumens

Energy Used

20
Watts

Life

10,000
Hours

To save energy costs, find the bulbs with the light output you need, then choose the one with the lowest watts.

Example of Current Lamp Label