

**Comments on Proposed Rulemaking for
Consumer Electronics Labeling, Project No. P094201
Federal Trade Commission
Submitted by Robert K. Sweeney, NYS Assemblyman
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I commend Congress for providing the directive, in its passage of the Energy Independence and Security Act of 2007, and for the Federal Trade Commission, for its follow-up action to prescribe the addition of various consumer products to the list of those required to be labeled with energy cost information. I appreciate the opportunity to comment and believe that as soon as is possible televisions and other consumer products should be added to the list of products on which energy cost labels are required. Consumers (all purchasers) of electronic products would benefit from such required energy labeling, and more so in New York since our State's average electric rate is higher than the national average used for label cost comparison. Furthermore, as Chair of New York State Assembly's Environmental Conservation Committee, I applaud this action as a means of conserving our energy and natural resources.

While a product's energy cost is just one of several factors used in purchasing decisions, for TVs and other electronic products the costs are significant enough to warrant label requirements. Not only will this action allow consumers to more easily weigh energy costs in purchasing, but also encourage the design of products with greater energy efficiency, thereby reducing national energy usage through these products. The combined benefit to consumers and the national/global interest in energy and environmental conservation of this action is too valuable to pass up except in clear cases for product categories in which such requirements produce very little benefit.

My recommendation for determining whether a product category should be included for labeling requirements is to use a threshold of energy cost differential among products in that category. Specifically, product categories in which the highest and lowest energy costs of similar models have an estimated lifetime energy cost differential (average product lifespan in years X estimated annual energy cost differential) of at least \$20 should be required to have energy cost labeling. Televisions would clearly meet this threshold according to research done by CNET Green Electronics Guide.¹ Desktop and laptop computers as well as computer monitors show similar (if not greater) energy cost differentials to TVs in studies by the University of Pennsylvania Information Systems and Computing Department.² Other consumer electronics should be similarly evaluated to determine whether they meet the threshold and should require labeling.

Additionally, in order to accurately and fairly assess, as well as appropriately label, within categories, comparisons should be made according to product sub-categories

¹ CNET Green Electronics Guide; <http://reviews.cnet.com/green-tech/tv-consumption-chart/>; 2009.

² Penn Computing; University of Pennsylvania Information Systems and Computing Department; <http://www.upenn.edu/computing/provider/docs/hardware/powerusage.html>; 2009.

so as to allow for key differences in features among products in broad categories. For instance, televisions should be sub-categorized according to screen sizes, and in some cases by technology (such as LCD, plasma, rear-projection), or whether or not they include extra accessories (e.g. HDTV with built-in Blu-ray player).

I believe that labels for televisions and other electronics should generally follow a format similar to the “Energy Guide” currently required for certain showroom products (like refrigerators), but suggest adding a little more information. As is the current “Energy Guide” requirement, each product’s label should depict the estimated annual energy cost of such product as determined by the Department of Energy (DOE), and where it fits within the range (lowest to highest) of annual energy costs for all products in the category or sub-category. In addition, I recommend that labels further include the estimated cost of 1) a product which would just meet minimum energy standards in categories for which such standards exist, and 2) a product which would just meet the Energy STAR standards in categories for which such standards exist.

Understanding that televisions and many other electronic products draw energy even when in “Standby” (powered off), and that the Department of Energy (DOE) energy cost estimates include measurements for when a product is in the “On Mode” added to its energy use when in “Standby,” I submit that such delineated information should be used in the labeling. So, in addition to a product’s total energy cost comparisons, I recommend that a product’s label also indicate (perhaps parenthetically next to total energy cost) the cost attributed to a product’s “Standby” mode. Consumers should have information on the degree to which products will draw electricity even when not in use, an issue that I believe warrants greater attention.

The form and placement of a label will factor in its effectiveness. As such, I recommend that for any covered product purchased in retail, whether at brick and mortar stores, or mail or internet order, that labeling is required on the exterior packaging of a product as well as on the product itself. Having a conspicuous label on both product and packaging would help in addressing the issue of requiring brick & mortar retailers to display the energy cost label information since it would already be on a product if it was displayed in a showroom setting. For electronics, requirements for placement and the type of label need to consider how the product may be displayed as a showroom piece assuring that labels are clearly seen and accessible. For example, while an adhesive label may generally be best on a package exterior, an easily seen and accessible hanging tag -- instead of a sticker -- might be required to be attached to the right side of the TV screen to avoid blocking the picture display on the front.

Although somewhat limited, retailers also play a role in the effectiveness of energy cost labeling. Brick and mortar retailers’ primary role should be to make the attached labels clearly viewable and accessible. For internet or mail order, in addition to labels required on the shipped product and package, any website or catalog display or description of a product for sale should be accompanied by the required label information or a link to such information in a clear and conspicuous manner.

Finally, rulemaking should be accompanied by an aggressive consumer education campaign made available on the FTC, DOE, and EPA websites. It would be valuable for all energy cost product labels to include the URL at least for the FTC website which would give greater detail and explanation on the label and conspicuous links to related DOE and EPA websites.

Thank you for the opportunity to provide comments on this important rulemaking.