Before the Federal Trade Commission Washington, D.C. 20580

| In the Matter of |) | |
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| |) | |
| Rule Concerning Disclosures Regarding |) | |
| Energy Consumption and Water Use of |) | Project No. P094201 |
| Certain Home Appliances and Other Products |) | (RIN 3084- AB03) |
| Required Under the Energy Policy And |) | , |
| Conservation Act ("Appliance Labeling |) | |
| Rule") |) | |

<u>COMMENTS OF</u> <u>MITSUBISHI DIGITAL ELECTRONICS AMERICA, INC.</u>

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MITSUBISHI DIGITAL ELECTRONICS AMERICA, INC. ("MDEA") appreciates the opportunity to file these comments on the Commission's Advance Notice of Proposed Rulemaking in the above-entitled matter.¹

I. THERE IS SIGNIFICANT NEED FOR ENERGY DISCLOSURE LABELING FOR TELEVISIONS

The marketplace for digital television is complex and can be confusing to consumers. In the analog era, consumers had few choices when selecting a television: the available options were all cathode ray tubes ("CRT"), had options for connecting to antenna and cable signals, and often input connectors for VCRs and videogame consoles. Choices generally consisted of choosing a desired size at an affordable price.

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¹ Federal Trade Commission, 16 CFR Part 305: Rule Concerning Disclosures Regarding Energy Consumption and Water Use of Certain Home Appliances and Other Products Required Under the Energy Policy and Conservation Act ("Appliance Labeling Rule"),74 FR 11045 (Mar. 16, 2009).

A. ENERGY DISCLOSURES WOULD ASSIST CONSUMERS IN MAKING PURCHASING DECISIONS

Today, consumers and businesses have many different feature choices and the shopping experience for digital televisions is filled with wide variations on display technologies, product features and compliance logos. Although research has demonstrated the importance that consumers associate with energy efficient televisions in their purchasing decisions, Consumers understandably have a difficult time comparing the energy performance of televisions.

Presently, the only indication a consumer has is whether the device has an ENERGY STAR logo – which attempts to indicate that the device is at or above the 75th percentile of similar sized models. However, the spread between power consumption at the 75th percentile and 99th percentile can be as much as 433 watts to less than 135 watts for a 65" (diagonal) television – a difference of more than 300%.²

The simple, straightforward EnergyGuide labeling would give consumers usable information and actionable intelligence for making purchasing decisions, particularly when choosing between ENERGY STAR models, and non-ENERGY STAR-qualifying models.

B. LABELING IS TECHNOLOGICALLY AND ECONOMICALLY FEASIBLE

Energy usage testing is inexpensive, requiring commonly available laboratory measurement tools and the IEC 62087 test disc. Testing is entirely nonintrusive, and does not have any costs associated with damage or destruction of the device under test, and generally is being performed in any case for ENERGY STAR qualification and other reasons.

² See ENERGY STAR Program Requirements for TVs: Version 3.0, (Feb. 2008). The Tier 1 Maximum On-Mode Power Consumption for 65" (1805 in²) is 433 Watts, the MDEA 65" LaserVue™ model L65-A90 consumes less than 135W (MDEA currently publishes only the UL power supply rating for the L65-A90, actual operating power consumption is lower). Mitsubishi LaserVue specification sheet (Sep. 2008), available at http://www.laservuetv.com/pdf/L65A90 specsheet.pdf at p.2.

C. BENEFITS OF ENERGY CONSUMPTION DISCLOSURE AND LABELING ARE SIGNIFICANT AND PERVASIVE

There are many benefits of energy consumption disclosure and labeling both to consumers and businesses. Given the importance of energy performance to consumers, the availability of meaningful efficiency data should encourage the adoption of energy efficient televisions and contribute towards national energy saving goals MDEA is an ENERGY STAR partner, but ENERGY STAR is only a threshold of energy efficiency. Detailed energy consumption disclosure available at the point-of-purchase, including estimated annual energy costs, provides purchasers of televisions accurate, helpful information. Without EnergyGuide disclosure and labeling, operational energy costs are hidden and difficult to find or calculate – even for sophisticated consumers.

Other benefits to consumers of energy disclosures and labeling include making it easy for a consumer to choose energy-efficient technologies and models. Disclosures would also make it easy to know projected actual energy usage, and make it easy to compare energy usage among available products.

Costs of labeling and energy disclosures are small, consisting mainly of printing and paper costs.

II. INCOMPLETE ENERGY USAGE DATA IS GENERALLY AVAILABLE; COMPREHENSIVE DATA IS UNAVAILABLE

Energy use data detailing power consumption by model is available from the ENERGY STAR program.³ This data is compiled by EPA from voluntary self-reporting for qualification under the ENERGY STAR program, and is generally limited to a subset of ENERGY STAR-qualifying models. The ENERGY STAR program itself has a goal of

³ Environmental Protection Agency, *ENERGY STAR Television Product List*, at http://downloads.energystar.gov/bi/qplist/tv_prod_list.pdf (last visited May 7, 2009) ("ENERGY STAR Product List").

highlighting approximately the least-consuming 25% of the marketplace. Therefore, the ENERGY STAR Product List, while useful, is incomplete.

The internet product reviews website "CNET" has a much smaller compilation of the power consumption of 150 HDTVs available. This list includes both ENERGY STAR-qualified and non-qualified models.⁴

However, it is imminently clear in both the Product List and the CNET data that even within size categories and display technologies, there are significant variances in energy consumption. For example, 52" LCD televisions vary from 115 watts (Sony KDL-52VE5) to 329 watts (Insignia NS-LCD52HD-09). Furthermore, across display technologies there is even more variance. Some manufacturers, like MDEA, have introduced or are developing novel new display technologies that will demonstrate even wider ranges.

We are unaware of more comprehensive compilations of television energy consumption data that details specific usage by model.

III. RECENT STUDIES DETAIL CONSUMER TELEVISION OPERATING HOURS

The most recent survey and estimate of television viewing times available indicate that 43% of televisions are the primary television in a household, and the primary television is active for 7.1 hours/day (in 2007).⁷ The ENERGY STAR annual energy cost model is based on 1882 annual hours of usage, or just more than five hours per day.⁸

⁴ CNET, *The chart: 150 HDTVs' power consumption compared*, at http://reviews.cnet.com/green-tech/tv-consumption-chart/?tag=contentMain;contentAux (last visited May 7, 2009).

⁶ Mitsubishi, *supra* note 2 at p.2. The MDEA 65" LaserVue™ model L65-A90 consumes less than 135 watts, there are five ENERGY STAR-qualified television models in the 65" class that consume 400 watts or greater. Environmental Protection Agency, *supra* note 3.

⁷ Roth, K. W., McKenney, K, *Energy Consumption by Consumer Electronics in U.S. Residences*, TIAX LLC, Ref. D5525 (Jan. 2007), available at http://tinyurl.com/d39cz8 (last visited May 7, 2009), at p.89, table 5-53.

⁸ Id., p.90, table 5-55, see also Chase, A., Analysis of Standards Options for Televisions (Jul. 2008), available at http://www.energy.ca.gov/appliances/2008rulemaking/documents/2008-07-
16 workshop/proposals/PGE Revised Television Proposal.pdf, at p.15, table 4.

Average television viewing has been increasing for at least the past decade. The average household television viewing time has increased from seven hours, twelve minutes per day in 1996-1997 to eight hours, fourteen minutes per day in 2006-2007. At the same time, personal viewing has increased from nearly four and one half hours per person per day in 2000 to over five hours per person per day in 2010 (projected). One of the past decade. The average household television viewing time has increased from seven hours, twelve minutes per day in 1996-1997 to eight hours, fourteen minutes per day in 2006-2007. At the same time, personal viewing has increased from nearly four and one half hours per person per day in 2010 (projected).

For an average household in 2006, an average new primary television is active for at least 7.1 hours per day. Nielsen data shows television usage increases by 0.1 hours per day annually. 12

Consumers typically purchase a new television to replace the existing primary television set, and the replaced set is moved to a different location in the house (e.g., bedroom or basement). For this reason, the Commission should require EnergyGuide disclosures based on the anticipated usage of the device.

Energy usage costs should be calculated taking into account that primary sets are in active use nearly twice as much as secondary devices. ¹³ In order to accommodate changing viewing habits, we recommend that the Commission project that the primary television is in the

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⁹ Nielsen Reports Television Tuning Remains at Record Levels (press release), Nielsen Media Research, October 17, 2007, p.2, table 1, available at http://tinyurl.com/cug93p (last visited May 7, 2009).

¹⁰ U.S. Census Bureau, *Statistical Abstract of the United States: 2008*, 127th ed., 2007 at p.703 table 1098. *See also* Roth, *supra* note 6, p. 93. Census statistics show that the sum of all television viewing was 1502 hours in 2000 and projects 1733 hours in 2010. Television display usage is slightly more than television usage, as it includes videogame (65 hours in 2000, 86 hours in 2010 (projected)) and home video usage (43 hours in 2000, 67 hours in 2010 (projected)), for a total of 4:24 per day in 2000, 5:10 in 2010 (projected).

¹¹ Roth, *supra* note 6, p.89 table 5-53. Roth concludes in 2006 a primary television is active for 7.1 hours per day.

¹² See Nielsen, supra note 8, p.2 table 1.

¹³ Roth, *supra* note 6, p.89 table 5-53.

active ("on") mode for eight hours per day, and calculate annual operating costs ("AOC") as follows:

$$AOC = (AvgCost/kWh) \times [(8 \times 365) \times C_A) + ((16 \times 365) \times C_S)]$$

Where:

 C_A is the active ("on") mode power consumption (in kW) C_S is the standby ("off") mode power consumption (in kW)

IV. EXISTING EPA ENERGY STAR TEST PROCEDURES ARE APPROPRIATE FOR MEASURING ENERGY CONSUMPTION OF TELEVISIONS

The Commission should require the use of Section 11 of "IEC 62087, Ed. 2.0: Methods of Measurement for the Power Consumption of Audio, Video and Related Equipment" and "IEC 62301, Ed. 1.0: Household Electrical Appliances - Measurement of Standby Power" similar to what has been adopted by ENERGY STAR for television labeling purposes.

The current version of ENERGY STAR was published before IEC 62087 was published in final form.¹⁴ The Commission should adopt the final, published version of IEC 62087 simply as an administrative matter, the version referenced by ENERGY STAR and the final version are substantially identical.

The FTC should adopt EPA test procedures usage for measuring power usage, specifically including the test procedures detailed in ENERGY STAR 3.0, section 4.E.2, but excluding section 4.E.2.c (power factor reporting). Disclosure of power factor is not helpful to consumers.

V. FORMAT, CONTENT & PLACEMENT

Television labels should substantially follow the existing EnergyGuide format, content and placement requirements applicable refrigerators, similar to that required by 16 C.F.R. 305.11.

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¹⁴ ENERGY STAR, *supra* note 2, p.8 and n.2.

Unlike refrigerators, televisions generally do not have large areas upon which an EnergyGuide label may be affixed. EnergyGuide labels should be permitted to be affixed to the display screen using a 'cling' label, in addition to adhesive and exterior hang tag options.

As televisions on display are nearly entirely active display screen area, the Commission should consider modifying or allowing manufacturers to modify the energy labels into a triangular format, suitable for affixing in a corner of the display screen (e.g., with the content rotated 45 degrees and rearranged). This would allow consumers to read the label without significantly blocking the television picture area.

The Commission should not consider alternative disclosure methods which do not provide consumer information at the point of purchase. Ancillary disclosure methods, in addition to the point of purchase disclosure, should be encouraged. Online retailers, including manufacturers who sell direct to consumers on the web, should be required to display an electronic version of the EnergyGuide label on each product page.

VI. COMPARATIVE INFORMATION

The Commission should require disclosure for range of comparability similar to other EnergyGuide labels for other covered products.

Comparisons should be made by screen size only, not across display technologies or screen resolution. Consumers should be made aware of the energy costs associated with technologies and other features of a television. Consumers don't shop for a LCD television, for example: they shop for a 60" television and evaluate their options.

The commission should limit comparison information to screen size for <20" diagonal televisions, then by 10" (diagonal) increments thereafter. (e.g., 20-29, 30-39, 40-49, 50-59", 60-69", 70-79, 80-89, 90-99").

VII. REPORTING REQUIREMENTS

The Commission needs representative data of energy consumption in order to describe the energy consumption ranges for disclosure, therefore the Commission should require manufacturers to submit the following data (per model) to the FTC: Model Name/Number, Screen Size, On-mode Power, Standby Power,

VIII. SUMMARY

MDEA is in favor of Commission regulation requiring energy consumption labeling requirements for televisions and television monitors. This disclosure would be beneficial to consumers evaluating products in the marketplace and would serve as an essential resource in accurately calculating operating energy costs. Such disclosure is entirely consistent with current government policies that heavily emphasize energy efficiency and the importance that consumers associate with energy efficient technologies. The IEC 62087 measurement standard, as referenced by ENERGY STAR, is an appropriate, effective, inexpensive power measurement procedure. Annual energy cost estimates should be calculated based on an 8-hour average daily "on" time.

Respectfully Submitted,

MITSUBISHI DIGITAL ELECTRONICS AMERICA, INC.