



1111 19th Street NW > Suite 402 > Washington, DC 20036
t 202.872.5955 f 202.872.9354 www.aham.org

March 9, 2010

The Honorable Jon Fonfara
Co-Chair
Connecticut General Assembly
Energy and Technology Committee
Room 3900, Legislative Office Building
Hartford, CT 06106
Phone: 860-240-0430

The Honorable Vickie Orsini Nardello
Co- Chair
Connecticut General Assembly
Energy and Technology Committee
Room 3900, Legislative Office Building
Hartford, CT 06106
Phone: 860-240-0430

RE: Opposition to House Bill 5217

Dear Co-Chairs Fonfara and Orsini Nardello ,

The Association of Home Appliance Manufacturers (AHAM) is the trade association representing the manufacturers of major, portable and floor care home appliances, and suppliers to the industry. AHAM's more than 150 members employ tens of thousands of people in the U.S. and produce more than 95% of the household appliances shipped for sale within the U.S. The factory shipment value of these products is more than \$30 billion annually. The home appliance industry, through its products and innovation, is essential to U.S. consumer lifestyle, health, safety and convenience. Through its technology, employees and productivity, the industry contributes significantly to U.S. jobs and economic security. Home appliances also are a success story in terms of energy efficiency and environmental protection. New appliances often represent the most effective choice a consumer can make to reduce home energy use and costs.

We wish to express our concerns with House Bill 5217, which requires the Office of Policy and Management, in consultation with the Multi-State Appliance Standards Collaborative, to identify additional appliance and equipment efficiency standards for which no equivalent Connecticut or federal standard currently exists, and adopt such regulations.

State Standards are NOT Effective in Creating Efficiency Gains.

State efficiency standards are not the most effective way to realize energy savings. State minimum efficiency standards unfairly penalize consumers and manufacturers by creating unnecessary confusion in the marketplace and added costs for manufacturing, compliance and distribution. The increased costs and confusion caused by state standards also lead consumers to repair less efficient older products instead of purchasing newer appliances. This effectively negates any energy savings that the legislation intended to provide.

Federal minimum efficiency standards are the most effective way to realize energy savings. Federal minimum efficiency standards avoid negative impacts by creating a uniform market and are set at the highest levels that are economically justified and technologically feasible. Federal standards have a proven track record. The Department of Energy (DOE) estimated that federal minimum energy efficiency standards will save up to 28 quads of primary energy by 2015, thereby decreasing power plant emissions by 61 million metric tons. That is why it is important to support federal energy efficiency standards rather than state standards.

States Often Neglect to Use the “Process Rule” in Setting Standards

In 1996, the DOE published the Final Rule entitled “Procedures for Consideration of New or Revised Energy Conservation Standards for Consumer Products,” commonly referred to as the “Process Rule.” The Process Rule directs the DOE to set standards at levels that achieve the maximum improvement in energy efficiency that is technologically feasible and economically justified. The DOE decides which appliances should be subject to efficiency standards by using a proscribed set of criterion that determines whether a standard is technologically feasible and economically justified for each analyzed appliance. States often neglect to conduct such complicated and time-consuming analyses, leading to the promulgation of standards for products that will yield little to no energy savings.

Adoption of State Standards Create a Patchwork of Appliance Standards

As stated above, when states create individual appliance standards, unnecessary confusion and added costs for both consumers and manufacturers is added to the marketplace. States often believe that proposing legislation that is a “model” bill will rectify the patchwork problem as all states using this “model” will be adopting the same standards. Further, some have suggested amending the bill to include a regional “trigger” provision to guarantee that several states will enact the same standards simultaneously. However, model bills are just that – a model. Coordination among many states and their agencies will be impossible and result in many different standards.

States considering a “model” bill as a blueprint for implementing standards will inevitably amend the legislation due to circumstances in their state. In addition, “trigger” provisions will not cover future regulatory action. Therefore, as standards are updated, fragmentation will occur and result in differing standards in every state within a very short time. Only federal minimum efficiency standards can create uniform markets and achieve significant national aggregate energy savings.

Manufacturers will be Excluded From the “Standards” Development Process

Appliance standards should be developed through a transparent stakeholder driven process, where there is an opportunity for manufacturers to present analyses that consider the economic, consumer, manufacturer and energy impacts balanced by available technology.

Connecticut Already Receives the Most Energy Efficient Products on the Market

Appliances are not made differently for each individual state. Instead, the very same products that are available for purchase in any other state are readily available for purchase in Connecticut. A combination of the availability of ENERGY STAR appliances on the market, federal and state rebate programs, as well as manufacturer rebates on the purchase of energy efficient appliances, are much more effective in saving the citizens of Connecticut money and energy than the enactment state energy use standards.

AHAM members are committed to providing energy efficient appliances and are enthusiastic supporters of the ENERGY STAR program. In fact, there has been a significant decrease in energy consumption since 2000 with federal standards and consumer and manufacturer incentives. The industry is committed to providing high-performance energy efficient home appliances. Our industry understands the need to conserve energy, but state energy use standards are not the way to achieve that goal.

Please contact me or Caroline Taylor, Manager of Government Relations, at ctaylor@aham.org or (202) 872-5955 ext. 320, if you would like to discuss this matter further. We appreciate your time on this matter.

Respectfully submitted,



Vice President, Government Relations
Association of Home Appliance Manufacturers