



Consumer Federation of America

1620 I Street, N.W., Suite 200 • Washington, DC 20006



April 25, 2011

The Honorable Jeff Bingaman  
The Honorable Lisa Murkowski  
Energy and Natural Resources Committee  
304 Dirksen Senate Building  
Washington, DC 20510

Dear Chairman Bingaman and Ranking Member Murkowski:

Consumers Union,<sup>1</sup> Consumer Federation of America, National Consumer Law Center, Public Citizen and National Consumers League strongly support efficiency standards for lighting, appliances, electronics, buildings, and vehicles. We commend your leadership and effective bipartisan efforts to promote energy efficiency in moving S. 398, the Implementation of National Consensus Appliance Agreements Act of 2011, through the Energy and Natural Resources Committee. We enthusiastically endorse S. 398, which would provide enormous cost savings for consumers as well as significant benefits for the general public.

The proposed standards contained in S. 398 are estimated to save consumers 43 billion dollars in energy costs over the coming years, while preserving consumer choice and affordability.<sup>2</sup> Minimum efficiency standards provide basic assurance of efficient performance for many significant consumer purchases and when well-designed, help drive the market towards higher quality, more innovative technologies that cost less for consumers to operate over the life of the product. Efficiency standards also help lower costs of new energy efficient technology by providing

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<sup>2</sup> American Council for an Energy Efficient Economy and Alliance to Save Energy; *Minimum Efficiency Standards Save Energy and Money, Create Jobs*; March 2011; available at: <http://ase.org/sites/default/files/ASE%20ACEEE%20Appliance%20Standards%20Fact%20Sheet.pdf>.

economies of scale. The result is higher efficiency products that are more affordable to own and operate and more widely available.

The track record for federal appliance standards has yielded stunning consumer savings. Major federal legislation on appliance standards enacted in 1988, 1992, 2005, and 2007 has resulted in consumer savings of \$34 billion in 2010 alone and are expected to total \$300 billion by 2030.<sup>3</sup> Prior bills and S. 398 require standards to be cost-effective, and indeed, standards have provided a benefit-cost of 4:1.<sup>4</sup> One stellar example has been standards for refrigerators. Largely as a result of efficiency standards, refrigerators now use 70% less energy than they did thirty years ago, despite the fact that the average cost has declined and enhanced features have multiplied.<sup>5</sup> S. 398 builds on the success from current standards for several major appliances and will provide even greater consumer savings and increased efficiency.

Efficiency standards are also important because they provide a host of public benefits in addition to those accrued by individual consumers. It is often the case that some choices are pre-determined for consumers in the built environment. Utility ratepayers, especially renters and new homeowners, often move into homes where they did not select the lighting or appliances in the home. Improved minimum standards of efficiency help curtail the utility bills they must pay when they did not have the option to select cost-effective efficiency measures that would benefit them. Lower utility bills and decreased energy demand help all consumers and ratepayers by taking pressure off the power grid, decreasing the need for more power plants, and decreasing pollution in their communities.

We strongly believe that Congress should continue to move efficiency standards forward by promptly enacting S. 398, and thank you again for your deep commitment to energy efficiency programs that benefits consumers.

Sincerely,

Shannon Baker-Branstetter  
Consumers Union

Sally Greenberg  
National Consumers League

Mel Hall-Crawford  
Consumer Federation of America

Tyson Slocum  
Public Citizen

Charlie Harak  
National Consumer Law Center, on behalf of its low-income clients

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<sup>3</sup> American Council for an Energy-Efficient Economy and Appliance Standards Awareness Project; *Appliance and Equipment Efficiency Standards: A Money Maker and Job Creator* at 1, 7; January 2011; available at <http://www.standardsasap.org/documents/A111.pdf>.

<sup>4</sup> American Council for an Energy Efficient Economy; *Kaboom! The Power of Appliance Standards* at 23; July 2009; available at <http://www.aceee.org/sites/default/files/publications/researchreports/a091.pdf>.

<sup>5</sup> *Id.* at 6.