



UNITED STATES ENVIRONMENTAL PROTECTION AGENCY
WASHINGTON, D.C. 20460

OFFICE OF
CONGRESSIONAL AND
INTERGOVERNMENTAL
RELATIONS

January 16, 2018

The Honorable Pete Olson
Vice Chairman
Subcommittee on Energy
Committee on Energy and Commerce
U.S. House of Representatives
Washington, D.C. 20515

Dear Vice Chairman Olson:

Enclosed please find the U.S. Environmental Protection Agency's responses to the Subcommittee's questions for the record following the November 7, 2017, hearing titled "Discussion Draft, ENERGY STAR Reform Act of 2017 and H.R. 3477, Ceiling Fan Energy Conservation Harmonization Act."

I hope this information is helpful to you and the members of the Subcommittee. If you have further questions, please contact me or your staff may contact Patricia Haman in the EPA's Office of Congressional and Intergovernmental Relations at haman.patricia@epa.gov or at (202) 564-2806.

Sincerely,



/ Aaron E. Ringel
Deputy Associate Administrator

Enclosure

cc: The Honorable Bobby Rush
Ranking Member, Subcommittee on Energy

Attachment—Additional Questions for the Record

The Honorable Pete Olson

1. The 2011 GAO study led to the requirement of near-universal third party testing. Based on what we now know, is it possible that there may be circumstances where requiring third-party testing in all cases not optimal, such as testing of products that need to get to market quickly?

A: To improve the oversight of ENERGY STAR certified products, homes, and commercial facilities, EPA has implemented independent certification requirements. In response to a finding by the U.S. Government Accountability Office that the program was vulnerable to fraud, EPA implemented third-party certification of ENERGY STAR products starting in 2011. Prior to 2011, ENERGY STAR products were self-certified by partners. Manufacturers continue to have the option to use their own labs for testing. We would be willing to consider alternative approaches that provide a comparable level of verification.

2. The 2009 Memorandum of Understanding made EPA the lead agency for Energy Star. Were there any serious disruptions, in adopting this policy change? If not, do you think the policy could be adjusted again, either legislatively or through another Memorandum of Understanding, without serious difficulties?

A: In September 2009, EPA and DOE signed a Memorandum of Understanding (MOU) that redefined roles and responsibilities for EPA and DOE in response to industry concerns and to enhance and expand the various aspects of ENERGY STAR. The division of responsibilities established by the MOU resulted in significant improvements to the program including standardized program approaches and reduced duplication of effort. It also helped resolve market confusion. Under the MOU, EPA and DOE work together to implement the ENERGY STAR program. Further adjustments to achieve additional improvements might be possible.

3. Under the Obama administration, EPA made explicit its desire to reshape Energy Star into a global warming policy tool. For example, it began to take into account the carbon emissions attributed to the manufacture of products, even though this metric has no bearing on the core purpose of Energy Star which is to save consumers money on their energy bills. Do you agree that global warming considerations that have no direct benefit to consumers should not be a part of Energy Star?

A. ENERGY STAR is a voluntary program that helps businesses and individuals save money and protect our environment through superior energy efficiency. The program reduces energy use through voluntary action, thus helping to decrease emissions associated with energy production including greenhouse gases. But, we do not consider ENERGY STAR to be a “global warming policy tool.”

4. EPA has stated that it is creating a Standard Operating Procedure (SOP) for Energy Star. Why has the agency waited so long to do so? Would EPA be legally bound to adhere to the SOP, and if not wouldn't it make more sense to legislatively mandate the Administrative Procedure Act for at least some steps of Energy Star specification setting and enforcement?

A. In response to recent stakeholder discussions and to address any potential confusion about the transparency and inclusiveness of EPA's processes, EPA created a Standard Operating Procedure (SOP) for setting ENERGY STAR product specifications. The new SOP includes specifics on minimum public comment periods, procedures for sharing proposals with stakeholders, and a detailed, step-by-step description of the entire process. EPA will continue to explore with stakeholders areas where EPA can improve transparency.

5. As the law now stands, each administration can divide responsibilities under Energy Star between DOE and EPA. In 2009, the Obama administration chose to shift many responsibilities to EPA. The current or a future administration may choose to again restructure the program. Would it make sense to give Energy Star a permanent structure?

A. EPA remains committed to improving the ENERGY STAR program in response to stakeholder feedback as well as improving coordination between the two agencies. EPA stands ready to work with Congress and our industry partners to ensure the ENERGY STAR program continues to work well for those partners and American consumers.

6. EPA has stated that it will refrain from developing Energy Star Standards for larger versions of some products – in other words, creating arbitrary caps on energy use. Is it appropriate for the agency to influence consumer choice in this manner?

A. The ENERGY STAR Program is generally inclusive of all product sizes and capacities unless constrained by practical considerations such as the lack of a relevant test procedure, insufficient available performance data, or associated performance trade-offs.

7. In EPA's Statement for the Record, Administrator Pruitt characterized Energy Star as a voluntary program, but given the fact that there are federal purchase requirements for Energy Star products, that many rebate programs only apply to Energy Star products, and

that retailers have been pressured to only carry Energy Star, isn't it true that Energy Star is a de facto mandatory program in many instances and thus should be treated as one?

A. ENERGY STAR has been a voluntary program since its inception.

8. Is EPA working with DOE on a new Memorandum of Understanding to revise or replace the 2009 Memorandum of Understanding?

A. No such work is underway.

The Honorable Frank Pallone, Jr.

1. I am aware that DOE and EPA have worked together in recent years to ensure parts of the Energy Star program are mirrored in both agencies to minimize programmatic and reporting duplication. However, I am worried that there will still be significant costs associated with shifting the program to DOE.

a. Please provide an estimate of how much it will cost EPA to shut down the Energy Star program, and transfer the agency's current responsibilities to DOE.

A: We do not have an estimate of the costs that might be associated with transferring the entire program to DOE.