



**Statement
of
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**Before the
Energy & Commerce Committee
Subcommittee on Energy, Climate and Grid Security
U.S. House of Representatives**

**Hearing on the
DOE Appliance and Equipment Standards
Reform and Consumer Protection Act.**

September 13, 2023

Summary

It is our hope that today's hearing will provide insights and momentum towards much-needed improvements in the energy and water conservation appliance program, whose core elements have not been updated since the end of the Cold War. Some common-sense updates include:

- Requiring that test procedures be finalized before issuing a proposed rule for minimum levels, updating test procedures quickly with consensus support;
- Requiring that standards be prioritized based on savings of energy or water;
- Allowing that standards be changed if they are harmful to consumers or the economy;
- Requiring meaningful consideration of cumulative regulatory burden and impact on consumer welfare; and
- Requiring transparent public engagement.

Home appliances have undergone significant improvements in energy efficiency over the last almost four decades. We have worked collaboratively with DOE and other stakeholders during each standard-setting process, several products have been subject to as many as seven rounds of standards. The energy and water efficiency gains across all the core major appliance categories are dramatic and undeniable. We think the law should not require DOE to do regulations just based on the passage of time but based on opportunity to conserve energy in a cost-effective way that preserves consumer choice. The goal of AHAM and its members is to work together to improve the implementation of the federal energy and water conservation program to ensure that consumers will continue to have access to affordable, safe, reliable, high-performing, fully featured appliances across the value spectrum.

Statement

Chairman Duncan, Ranking Member DeGette, and members of the Subcommittee, thank you for the opportunity to testify on behalf of the Association of Home Appliance Manufacturers (AHAM) regarding the DOE Appliance and Equipment Standards Reform and Consumer Protection Act.

We appreciate the Subcommittee's attention to the Energy Policy and Conservation Act of 1975 as amended (EPCA), and its impact on everyone, every day, all across the country. From the time we wake up in the morning to cook breakfast for our families, make school lunches and have clean clothes for the day, people are using home appliances until we wash the dishes at the end of the day and curl up in our bed with clean sheets. Home appliances make our lives easier, safer, and healthier. This relatively unknown law to most people needs to be brought into the 21st Century. We thank the committee for its time and interest in doing just that and look forward to working with the committee toward the goal of enacting a bill that will modernize EPCA.

It is our hope that today's hearing will provide insights and momentum towards much-needed improvements in the energy and water conservation appliance program, whose core elements have not been updated since the end of the Cold War. Since the time President Reagan signed this bill into law, many changes in how we live, and work have occurred. We have personal computers, Wi-Fi, email, video calls, and smart phones. Just imagine, this law was written when we were using rotary dial telephones. Appliances today can be connected to the internet, have many new features like sanitizing clothes, focus on cleaning pet hairs, robotic vacuums. Innovation has touched every home appliance over the years and our shared policy goals are best served when our federal laws and regulations are also updated to remain relevant.

AHAM represents manufacturers of major, portable and floor care home appliances, and suppliers to the industry. AHAM's membership includes more than 150 companies throughout the world and AHAM members produce more than 95% of the household appliances shipped for sale in the U.S. and Canada, driving nearly \$200 billion in economic output throughout the U.S. and manufacturing products with a factory shipment value of more than \$50 billion. The home appliance industry, through its products and innovation, is essential to U.S. consumer lifestyle, health, safety, and convenience. Home appliances played a key role in unlocking economic growth during the second industrial revolution by freeing individuals from chores to join the workforce, and today represents a success story of energy efficiency and environmental protection.

AHAM and our members have supported a system of federal standards that improve energy and water conservation to ensure a strong national program. A national program benefits consumers by displacing inefficient and costly conflicting state requirements. A key to the program's successes are the provisions that seek to preserve features, performance, and affordability, which contribute to consumers' wellbeing.

We recognize that updates are needed. Some common-sense updates include:

- Requiring that test procedures be finalized before issuing a proposed rule for minimum levels that rely on those test procedures, and allowing DOE to update test procedures quickly with consensus support;
- Requiring that standards be prioritized based on savings of energy or water;
- Allowing that standards be changed if they are harmful to consumers or the economy;
- Requiring meaningful consideration of cumulative regulatory burden and impact on consumer welfare; and

- Requiring transparent public engagement.

Home appliances have undergone continual and significant improvements in energy efficiency over the last almost four decades. We have worked collaboratively with DOE and other stakeholders during each standard-setting process, several products have been subject to as many as seven rounds of standards. EPCA allows stakeholders to work with DOE to identify more cost-effective ways to achieve energy saving and then propose those solutions to DOE for public comment.

Since the law was enacted in 1988, the U.S. has made great strides in reducing energy and water use. Home appliance manufacturers have played a significant role in that success by innovating to create products that save time, effort, water, and energy, as well as enhance style, convenience, and ease of use. The energy and water efficiency gains across all the core major appliance categories are dramatic and undeniable. For example:

- Refrigerators are being produced with more room inside and are 50% more efficient than 20 years ago. In fact, the most commonly purchased modern refrigerator uses the same amount of electricity as a 50-Watt light bulb.
- Clothes washer capacity is 50% larger than in 2000, while energy consumption has dropped by 70%. Washers of average efficiency can save a household more than 5,000 gallons of water and more than \$150 in utility costs compared to a 10-year-old washer.

Because home appliances have undergone so many standard changes, there are diminishing returns from further tightening of standards. There is the reality of the laws of physics that prevent never-ending reductions in energy and water. Some energy and water are needed for home appliances to keep food cold and clean both clothes and dishes. Despite the progress to date, EPCA requires

DOE to continue to re-review standards every six years, resulting in a never-ending regulatory churn regardless of who is in the White House. We think the law should not require DOE to do regulations just based on the passage of time but based on opportunity to conserve energy in a cost-effective way that preserves consumer choice. Appliance regulations take years and are very resource intensive for DOE, manufacturers, and many other stakeholders.

Complicating implementation, test procedures follow a different arbitrary timeline. Without a test procedure that demonstrates compliance with a standard, DOE, manufacturers, and other stakeholders may not be “speaking the same language” when it comes to the potential impacts of a proposed standard. EPCA should require test procedures to be issued before DOE proposes a standards level.

As standards become more and more stringent, it is more likely that DOE may need the authority to reconsider a standard where forecasted technical options are found to be infeasible, unreasonably expensive, or eliminate valued consumer utility. Under EPCA today, DOE has no such authority and cannot modify a standard once promulgated regardless of harm to consumers, to safety, or to the economy.

Conclusion

The goal of AHAM and its members is to work together to improve the implementation of the federal energy and water conservation program to ensure that consumers will continue to have access to affordable, safe, reliable, high-performing, fully featured appliances across the value spectrum. We thank this Subcommittee for its interest in modernizing EPCA so that DOE can appropriately prioritize work on the Appliance Standards Program, maximize energy savings, and improve transparency and stakeholder engagement. This is the best way to assure the continued

success of the Program while still recognizing the realities of limited opportunities for further energy and water savings that are economically justified, technologically feasible, and preserve product features and performance.

I look forward to your questions.