MVE Approaches for Electronics and the Recent Experience with ENERGY STAR

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Consumer Electronics Association (CEA)

• Represents more than 2,000 companies in the $165 billion U.S. consumer electronics industry

• Membership includes component suppliers, device manufacturers, retailers, distributors, and service providers
Consumer Electronics
Current U.S. Programs for Consumer Electronics

• U.S. Environmental Protection Agency’s ENERGY STAR program (Voluntary)
  - Covers major categories of consumer electronics

• U.S. Department of Energy’s appliance standards program (Mandatory)
  - External power supplies and battery chargers
MVE Case Study

ENERGY STAR
EPA’s Proposed Changes

• Enhanced testing and verification procedures for the ENERGY STAR program by the end of 2010
• [www.energystar.gov/testingandverification](http://www.energystar.gov/testingandverification)
Industry Position

• The electronics industry strongly supports reasonable efforts to ensure credibility and accuracy for the ENERGY STAR program and reduce the program’s vulnerability to fraud and abuse
Self-certification Approach

• Excellent track record of ENERGY STAR conformity for electronics
• In March 2010 press release, EPA notes that ENERGY STAR electronics tested by the agency as part of its verification program had a 100% compliance rate
Self-certification Approach

• Self-declaration of conformity is relied upon internationally for various regulatory requirements

• U.S. EPA Office of Inspector General report in 2009: “During our product testing, we did not find any evidence that the self-certification process EPA uses allows for products that do not meet the specifications to enter the program.”
Industry Support

• Improvements to product registration, combined with an enhanced ENERGY STAR marketplace verification program, will produce sufficient controls and safeguards to address the concerns that have been raised regarding the ENERGY STAR qualification and verification system.
Industry Support

- Self-certification with testing by approved labs with standard accreditation (ISO 17025)
- Marketplace verification
Verification Testing

• Set criteria as part of the ENERGY STAR product specification development process; stakeholders in a given product category can advise on best methodologies and approaches to managing testing and verification requirements
Third-party Certification

• For electronics, mandatory third-party testing/certification for ENERGY STAR qualification is strongly opposed
  - Would increase costs
  - Would slow time-to-market
  - No substitute for market surveillance and enforcement
Timeline Concerns

• Industry is concerned that the new ENERGY STAR accreditation and certification processes will not be up and running by January 1, 2011

• Industry urged EPA to allow enough time (e.g. 12-18 months) for parties to set up qualification and verification processes pursuant to international standards
International Concerns

• Unilateral action by U.S. EPA
• Lack of consultation with government partners in Asia and Europe, and lack of sensitivity to their concerns
Conflict with Program Goals

- U.S. EPA’s proposed changes to testing and verification work against goals:
  - *Policy goal to increase availability of energy efficient products*
  - *Industry goal to provide more energy efficient products at most attractive pricing possible*
Program Participation

Incentive to participate in EPA’s ENERGY STAR program

- Third party certification
- Lab accreditation
- Self-certification

Costs: LOW to HIGH

Incentive: LOW to HIGH
Implications

• Disincentive to participate in ENERGY STAR; label loses effectiveness
• Pursuit of comparable performance ("meets ENERGY STAR specification"); harm to ENERGY STAR brand
• Increased ENERGY STAR burdens could make emerging eco-labeling schemes more attractive
International Implications

• Potential to undermine global harmonization based on a single energy efficiency approach for electronics
• Jeopardizes ENERGY STAR leadership as a global brand
• Disenfranchises international ENERGY STAR partners
• Divergence rather than collaboration
Harm to Commerce

• Fragmented worldwide approaches harm trade
• Divergence of standards, testing and verification requirements for energy efficiency programs creates problems for market access, costs and competition
ENERGY STAR Framework

• U.S. Congress has oversight over EPA and the ENERGY STAR program

• Legislature might provide a statutory framework for the ENERGY STAR program that could address outstanding stakeholder concerns
Concluding Thoughts

• Balanced MVE solutions needed
• Build on self-declaration
• Avoid fragmented approaches
• Listen to program partners