



October 29<sup>th</sup>, 2010

Maria Vargas  
ENERGY STAR Brand Manager  
US Environmental Protection Agency  
Ariel Rios Building 6202J  
1200 Pennsylvania Avenue, NW  
Washington D.C. 20460

Dear Ms Vargas:

As the voice of North America's energy efficiency program administrators, the members of the Consortium for Energy Efficiency would like to thank you for your invitation to provide input on how to responsibly expand ENERGY STAR to promote super-efficient equipment. Consortium members have invested hundreds of millions of dollars supporting the ENERGY STAR brand as the marketing platform for energy efficiency, and we look forward to continuing our investment to serve our savings objectives. We depend on ENERGY STAR as a foundational element in our local efforts to drive increases in efficiency through the mass markets and to meet the significant energy saving goals we face. We believe EPA's priority must remain to protect the equity and credibility of ENERGY STAR.

We applaud the care, consideration, and consultation involved in assessing the potential implications that a "Top Tier" would have on the ENERGY STAR Brand. Additional market research and program evaluation will likely be necessary throughout the early stages of "Top Tier," and we look forward to working with you to identify specific aspects for study and assessment.

CEE members have employed tiered specifications for fifteen years, and recently hosted pilots to test the concept of marketing super-efficiency using a "Save More with ENERGY STAR" retail message. These efforts have likely seeded the market for introduction of a "Top Tier" program nested within ENERGY STAR. Below, based on these past experiences, please find our suggestions that will help enable local program administrators to meet their ambitious energy savings goals. We look forward to providing EPA and DOE with detailed comments on the specific performance requirements for each product category prior to finalization.

## Suggested Characteristics of “Top Tier”

1. **Predictability:** We seek a program that is consistent in its use and market representation, while accommodating key differences between the eligible product categories. In order for local program administrators to design and implement a successful program that leverages “Top Tier,” they must understand what aspects of “Top Tier” are fixed, and what aspects will vary by product. Explicitly stating the tenets of “Top Tier,” the specific criteria for identification of eligible products, and the mechanism of updating product lists, stakeholder confidence in this new program element will be enhanced, leading to increased investment and promotion. Regarding your current approach we offer the following initial input:
  - ***Case by Case Selection of Performance Requirements:*** CEE supports the proposal to perform a careful assessment of the market for each product category before setting performance requirements that reflect the latest in proven technological achievement. Given the different market cycles for white goods, HVAC, and televisions, this approach provides the greatest likelihood that “Top Tier” can deliver on it’s represented purpose.
  - ***Frequency of Updates:*** CEE supports the proposal to recognize and list new products that meet established “Top Tier” requirements as they become available for purchase. We also support the proposal to modify performance requirements (which will often lead to the delisting of some products) per an established, scheduled timeline that provides partners with sufficient lead time for manufacturing, marketing, warehousing and retailer reaction. While the proposal to review and potentially modify performance requirements for all product categories on an annual basis might be appealing for ease of stakeholder understanding and planning, we are concerned that this frequency may not be sufficient for televisions or other fast moving markets. The relevance and credibility of “Top Tier” could suffer. We recommend evaluating the practicality of supporting a reduced review cycle for fast moving markets such as televisions.
  - ***Qualified Products List:*** CEE supports the proposal to create and manage a high-quality, web-based products list that will serve as a credible clearinghouse of eligible products for all Partners to reference.

2. **Significant Energy Savings Above ENERGY STAR Minimum Requirements:** In order for rate-payer funded energy efficiency programs to promote “Top Tier,” eligible products need to meet a stretch target that yields sizable energy savings and be available at retail in sufficient quantities to invite partnerships with local efficiency programs. Ideally, EPA would provide energy savings estimates for each “Top Tier” product category that could be used in local programs for marketing and program design.
3. **Consultative and Transparent Process for Selecting Performance Requirements:** Similar to ENERGY STAR, in order to maintain market relevance and the value of the brand, qualifying “Top Tier” products must keep pace with market developments so that they continue to consistently represent significant energy savings and deliver on the stated value proposition. While setting “Top Tier” requirements may not demand a specification revision process equal to ENERGY STAR, outlining the specific criteria that will be used to set performance requirements is necessary. We recommend that all stakeholders have an opportunity to comment on the performance requirements proposed.
4. **Dovetails With Existing Local Programs:** CEE members have a broad array of current efforts to increase the market penetration of super-efficient products. These include efforts to “pull” new, emerging technologies into the market, as well as tiered incentives for the most-efficient product that are already proven and fully-commercialized. While many of these programs reference CEE tiered performance specifications, the marketing strategies for super-efficiency are diverse. Consultation with CEE throughout the development of “Top Tier” will help ensure this new program doesn’t inadvertently harm successful local programs. Ideally, EPA would share its marketing strategy for positioning “Top Tier” relative to the national platforms members leverage. We are particularly interested in working with EPA to develop messaging that will explain to consumers why “Top Tier” will only be available for a subset of ENERGY STAR-eligible products.

CEE is committed to work with EPA and DOE towards the successful roll out of "Top Tier." We look forward to ongoing consultation with you in the coming months. Please contact John Taylor, CEE ENERGY STAR Liaison, with any questions regarding these comments or requests for additional information.

Respectfully yours,

A handwritten signature in black ink that reads "Marc G. Hoffman". The signature is written in a cursive style with a large, stylized initial 'M'.

Marc G. Hoffman  
Executive Director