SENATE BILL REPORT
E2SHB 1017

As Reported by Senate Committee On:
Energy, Environment & Telecommunications, February 26, 2014

Title: An act relating to creating new efficiency standards.

Brief Description: Creating new efficiency standards.

Sponsors: House Committee on Appropriations Subcommittee on General Government & Information Technology (originally sponsored by Representatives Morris, Fitzgibbon, Fey, Liias, McCoy, Hudgins, Farrell, Morrell, Ormsby, Upthegrove and Pollet).

Brief History: Passed House: 3/06/13, 66-31; 3/06/13, 59-38; 2/12/14, 57-41.
Committee Activity: Energy, Environment & Telecommunications: 2/19/14, 2/26/14 [DPA, DNP].

SENATE COMMITTEE ON ENERGY, ENVIRONMENT & TELECOMMUNICATIONS

Majority Report: Do pass as amended.
Signed by Senators Ericksen, Chair; Sheldon, Vice Chair; McCoy, Ranking Member; Billig, Chase, Litzow and Ranker.

Minority Report: Do not pass.
Signed by Senators Brown and Honeyford.

Staff: Jan Odano (786-7486)

Background: Efficiency Standards for Electrical Products. Washington law sets minimum energy efficiency standards for several categories of electrical products sold, offered for sale, or installed in the state, including the following:

- automatic commercial ice cube machines;
- commercial refrigerators and freezers;
- certain incandescent reflector lights;
- pool heaters, residential pool pumps, and portable electrical spas;
- hot water dispensers and mini-tank electric water heaters;
- wine chillers used by individuals;
- tub spout diverters;
- commercial hot-food holding cabinets; and
- bottle-type and point-of-use water dispensers.

This analysis was prepared by non-partisan legislative staff for the use of legislative members in their deliberations. This analysis is not a part of the legislation nor does it constitute a statement of legislative intent.

The Department of Commerce (Department) may recommend updates to the energy efficiency standards and test methods for products listed under the energy efficiency laws. The Department may also recommend establishing state standards for additional non-federally covered products. In making its recommendations, the Department must use the following criteria: (1) multiple manufacturers produce products that meet the proposed standard at the time of recommendation; (2) products meeting the proposed standard are available at the time of recommendation; (3) the products are cost effective to consumers on a life-cycle cost basis using average Washington resource rates; (4) the utility of the energy-efficient product meets or exceeds the utility of the comparable product available for purchase; and (5) the standard exists in at least two other states in the United States.

Federal law generally allows states to establish minimum energy efficiency standards for electrical products that are not currently addressed in federal law. The National Appliance Energy Conservation Act of 1987 established minimum efficiency standards for many common household appliances. Congress set initial federal energy efficiency standards and established schedules for the U.S. Department of Energy to review and update these standards. The Energy Policy Act of 1992 (EPAct) added standards for some fluorescent and incandescent reflector lamps, plumbing products, electric motors, commercial water heaters, and heating, ventilation, and air conditioning systems. EPAct also allowed for the future development of standards for many other products.

California's Appliance Efficiency Regulations include standards for both federally regulated appliances and non-federally regulated appliances. The standards within these regulations apply to appliances that are sold or offered for sale in California, except those sold wholesale in California for final retail sale outside the state and those designed and sold exclusively for use in recreational vehicles or other mobile equipment.

Summary of Bill (Recommended Amendments): Efficiency Standards for Battery Charger Systems, Battery Backup Supplies, and Uninterruptible Power Supplies. Minimum efficiency standards for consumer and non-consumer battery charger systems, battery backup supplies, and uninterruptible power supplies are established. The minimum efficiency standards for these products are incorporated by reference to the California Code of Regulations Title 20, section 1605, as of the effective date of the bill.

Large and small battery charger systems, battery backup supplies, and uninterruptible power supplies manufactured after January 1, 2017, may not be sold or offered for sale or installed for compensation in the state on or after January 1, 2018, unless the new product meets or exceeds the efficiency standards.

Certain battery charger systems are exempt from meeting the efficiency standard for battery charger systems. They include battery charger systems:

- used to charge a motor vehicle powered by an electric motor drawing current from rechargeable storage batteries, fuel cells, or other portable sources of electrical current;
- that are certain medical devices approved for human use under the federal Food, Drug, and Cosmetic Act and listed and approved by the United States Food and Drug Administration as a medical device;

- used to charge a battery or batteries in an illuminated exit sign;
- designed for certain stationary power application;
- that are battery analyzers;
- that are voltage independent or voltage and frequency independent uninterruptible power supplies; and
- used to charge larger industrial motive equipment such as fork lifts, burden carriers, or person carriers.

Efficiency Standards for Quartz Halogen Lamps. Efficiency standards for high light output double-ended quartz halogen lamps (quartz halogen lamps) are established. A quartz halogen lamp must meet minimum efficiency standards of (1) 27 lumens per watt for lamps with a minimum-rated initial lumen value greater than 6000 and a maximum initial lumen value of 15,000; and (2) 34 lumens per watt for lamps with a rated initial lumen value greater than 15,000 and less than 40,000.

A quartz halogen lamp, if manufactured on or after January 1, 2017, may not be sold or offered for sale in the state unless the efficiency of the new product meets or exceeds the efficiency standards. A quartz halogen lamp may not be installed for compensation in the state on or after January 1, 2018, unless the efficiency of the new product meets or exceeds the efficiency standards.

EFFECT OF CHANGES MADE BY ENERGY, ENVIRONMENT & TELECOMMUNICATIONS COMMITTEE (Recommended Amendments):

- Revises the manufacturer date requirement from January 1, 2015, to January 1, 2017, for all products.
- Makes technical changes to the definition of "Consumer Product."
- Adds a definition for "Battery Backup and Uninterruptible Power Supply Charger."

Appropriation: None.

Fiscal Note: Available.

Committee/Commission/Task Force Created: No.

Effective Date: Ninety days after adjournment of session in which bill is passed.

Staff Summary of Public Testimony on Engrossed Second Substitute House Bill: PRO: This is a good policy to adopt. It is good for ratepayers and provides easy conservation of energy. Washington has the second-largest population of the western states and has a significant market. It is important to adopt these measures so that we do not become a dumping ground for less-efficient products. Washington has a tradition of leading transformations of the market by establishing minimum energy requirements. With Washington adopting these standards, it sends a signal to manufacturers.

CON: A national standard is preferred. The implementation dates should be consistent to allow time within the product chain to comply. The language regarding water conservation should be removed since there are no longer requirements in the bill for these appliances.

Persons Testifying: PRO: Representative Morris, prime sponsor; Nancy Hirsh, NW Energy Coalition.

CON: Mark Johnson, WA Retail Assn.; Bill Stauffacher, Building Industry Assn. of WA.