



Appliance and Equipment Standards Save Money and Create Jobs

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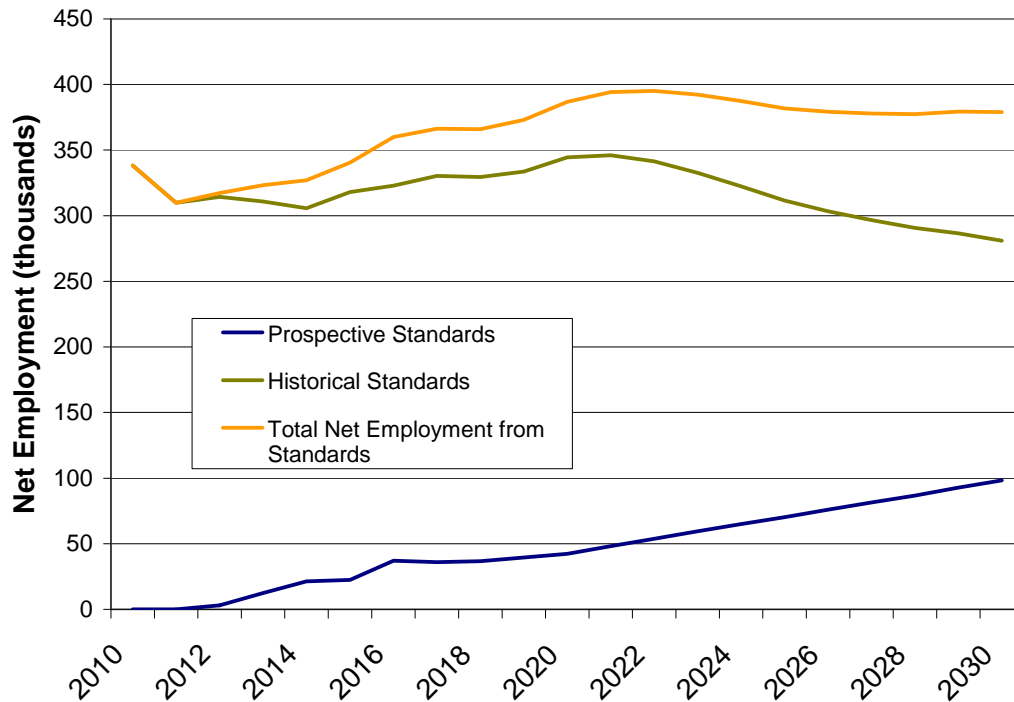
National appliance, equipment, and lighting energy efficiency standards have a proven track record of creating jobs and strengthening the U.S. economy. These standards for common household and business products reduce energy waste, save consumers and businesses money, and cut power plant pollution that harms public health and the environment. For manufacturers, these standards provide regulatory certainty on a national basis, in place of a multiplicity of state regulations.

In order to continue and expand upon these benefits, Congress should **continue to support strong national standards** and **reject calls to repeal the consensus incandescent light bulb standards** enacted in 2007. In addition, Congress should **pass new consensus appliance standards** that have been proposed by manufacturers and energy efficiency advocates.

Support Existing Standards:

- Standards are a proven cost-effective way of reducing energy waste and consumer and business energy bills. They address market barriers that inhibit purchases of cost-effective energy-efficient products, such as “split-incentives” (e.g., many appliances are purchased by landlords and builders who do not pay operating costs).
- These standards can help drive innovation, because when companies have to upgrade their products and plants, they sharpen their pencils and come up with better products. For example, Phillips Lighting Company brought to market halogen IR technology in preparation for the incandescent light bulb standard. Phillips and other companies have already planned and implemented investments in other light bulbs that are creating jobs in communities around America, and changing those standards now would require them to divert their energy from those investments and potentially even strand these new investments.
- A recent ACEEE/ASAP report found that standards resulting from the four prior standards laws (signed by President Reagan and both Presidents Bush) generated about **340,000 jobs in 2010**, or 0.2% of the nation’s jobs. The energy and related utility bill savings from standards will continue to contribute to a healthy economy over time, and in 2030, the number of jobs generated will increase to about **380,000 jobs**—an amount about **equal to the number of jobs in Delaware today** (see figure on next page).
- Cost-effective standards contribute to job growth because when families and businesses save on utility bills, this moves money from the utility sector, with relatively few jobs per dollar of revenue, to other sectors that have higher jobs per dollar of revenue. As existing standards affect more product purchases, and as new standards take effect, the number of jobs generated will increase along with energy bill savings.

Net Employment from Historical and Prospective Standards



- Existing and new standards also are making a big contribution to U.S. efforts to reduce energy waste, with savings growing to 6.1 quads a year in 2030, or roughly **enough to meet the total energy needs of one-quarter of all U.S. households for a year.**

Enact New Consensus Standards. Manufacturers and efficiency advocates have agreed on a package of new consensus standards for Congressional consideration. These new consensus standards would cover new or updated standards for about a dozen products. Benefits from enacting these new consensus standards would include:

- Market certainty for manufacturers and energy savings for consumers totaling over 1.1 quadrillion BTUs of energy savings in 2030, **about the annual energy use of the state of Oregon.**
- Allowing manufacturers to control their regulatory environment with negotiated standards improves their business environment; without enactment of the new consensus standards they will be subject to the uncertainty of DOE regulation and/or a multiplicity of inconsistent individual state standards.
- Cutting energy waste through efficiency standards improves national security by reducing reliance on potentially unfriendly foreign suppliers and exposure to volatile international energy markets.
- Continued and expanded job creation.