

Proposed Rollbacks of Efficiency Standards Would Cost Consumers \$43 Billion

By Joanna Mauer

Summary

May 2025

On May 12, the Department of Energy (DOE) announced proposals to eliminate or reduce dozens of regulations. While DOE claims that these actions would save Americans \$11 billion, it simply ignores that they would add more than \$54 billion—nearly five times as much—in utility bill costs, according to the department's own analyses. Families and businesses would therefore see their net costs raised by \$43 billion under the proposed repeals.

In every efficiency standards rulemaking, DOE estimates both the additional upfront product costs and the lifetime operating cost savings from higher efficiency levels. In DOE's recent <u>press release</u> announcing its proposals to eliminate or reduce 47 regulations, the department claimed that these actions "will save the American people \$11 billion." However, this number—which appears to reflect the cumulative incremental costs associated with efficiency standards for 12 products—ignores the much larger utility bill savings that these standards are delivering or are set to deliver. Rather than saving money for Americans, DOE's proposed repeals would instead significantly increase costs by allowing the sale of outdated, energy-wasting products.

Twenty-two of the 47 proposals are unrelated to efficiency standards; for these, it appears that the administration does not have any savings estimates. Similarly, for 13 of the 25 proposals related to efficiency standards, DOE has not published estimates of costs or savings.

For the remaining 12 proposals related to efficiency standards,³ table 1 shows DOE's prior estimates of the cumulative incremental product costs and operating cost savings (over 30 years of product sales) for the standards that would be eliminated. (For three products—microwave ovens, compact residential clothes washers, and miscellaneous refrigeration products—DOE's proposals would eliminate both the current standards as well as recently finalized standards scheduled to take effect in the coming years.) The total cumulative incremental product costs are \$11.4 billion, which matches the claimed "savings" from eliminating these standards in DOE's press release. However, the total cumulative operating cost savings are \$54.5 billion. In other words, DOE's published analyses show that the utility bill savings for

¹ As of May 19, the DOGE website listed the savings for these rules as "To be calculated." https://doge.gov/regulations.

² One relates to a reporting requirement (#1 on the list of 47), two address test procedures (#39 and #40), three would withdraw coverage determinations for products for which DOE has not yet set standards (#38, #45, and #46), two address products (faucets and showerheads) for which DOE has never updated the standards established by Congress (#15 and #44), and one is a request for information (#42). Another four would repeal water efficiency standards while leaving the energy efficiency standards in place (#12, #20, #21, and #22), and DOE has not separated out the costs associated with just the water efficiency requirements.

³ Corresponding to #13, #14, #16, #17, #18, #19, #23, #24, #34, #35, #36, and #37.



households and businesses from these rules are nearly five times greater than the additional upfront costs.

The table also shows for each rule DOE's estimate of the total net present value savings, which are the difference between the operating cost savings and the incremental costs. The total net present value savings for the 12 rules are \$43 billion. In other words, while DOE claims that its recent proposals would save Americans \$11 billion, the department's own analyses show that eliminating these standards would instead raise net costs for households and businesses by \$43 billion.

Table 1. Costs and savings of 12 efficiency standards targeted for repeal

Product	Final rule date	Compliance date	Cumulative incremental product costs (billion \$)	Cumulative operating cost savings (billion \$)	Net present value savings (billion \$)
Prerinse spray valves	2016	2019	0.00	1.48	1.48
Microwave ovens	2013 2023	2016 2026	1.34 0.08	4.72 0.43	3.38 0.35
External power supplies	2014	2016	3.3	7.1	3.8
Dehumidifiers	2016	2019	0.19	2.90	2.71
Conventional cooking tops	2009	2012	0.17	0.73	0.56
Conventional ovens	2009	2012	0.18	0.33	0.14
Battery chargers	2016	2018	0.2	1.4	1.2
Compact residential clothes washers	2012 2024	2015/2018 2028	0.07 0.05	0.64 0.07	0.56 0.02
Air cleaners	2023	2023/2025	0.5	14.1	13.7
Compressors	2020	2025	0.2	0.6	0.4
Miscellaneous refrigeration products	2016 2024	2019 2029	2.9 1.23	13.9 2.00	11.0 0.77
Portable air conditioners	2020	2025	1.0	4.1	3.1
Total			11.4	54.5	43.2

Note: The incremental product costs, operating cost savings, and net present value savings all reflect a 3% discount rate.

Appendix A shows the sources for the estimates of costs and savings.



Appendix A. Sources for costs and savings

Product	Sources
Prerinse spray valves	DOE 2016 Final Rule: www.govinfo.gov/content/pkg/FR-2016-01-27/pdf/2016-00068.pdf .
Microwave ovens	DOE 2013 Final Rule: www.govinfo.gov/content/pkg/FR-2013-06-17/pdf/2013-13535.pdf . DOE 2023 Final Rule: www.govinfo.gov/content/pkg/FR-2023-06-20/ .
External power supplies	20/pdf/2023-12958.pdf. DOE 2014 Final Rule: www.govinfo.gov/content/pkg/FR-2014-02-10/pdf/2014-02560.pdf .
Dehumidifiers	DOE 2016 Final Rule: www.govinfo.gov/content/pkg/FR-2016-06-13/pdf/2016-12881.pdf .
Conventional cooking tops	DOE 2009 Final Rule: www.govinfo.gov/content/pkg/FR-2009-04-08/pdf/E9-7545.pdf . DOE 2009 Final Rule National Impact Analysis Tool for Cooktops and Ovens: www.regulations.gov/document/EERE-2006-STD-0127-0099 .
Conventional ovens	DOE 2009 Final Rule: www.govinfo.gov/content/pkg/FR-2009-04-08/pdf/E9-7545.pdf . DOE 2009 Final Rule National Impact Analysis Tool for Cooktops and Ovens: www.regulations.gov/document/EERE-2006-STD-0127-0099 .
Battery chargers	DOE 2016 Final Rule: www.govinfo.gov/content/pkg/FR-2016-06-13/pdf/2016-12835.pdf .
Compact residential clothes washers	DOE 2012 Final Rule National Impact Analysis: www.regulations.gov/document/EERE-2008-BT-STD-0019-0046. DOE 2024 Final Rule National Impact Analysis: www.regulations.gov/document/EERE-2017-BT-STD-0014-0512.
Air cleaners	DOE 2023 Final Rule: www.govinfo.gov/content/pkg/FR-2023-04-11/pdf/2023-06499.pdf .
Compressors	DOE 2020 Final Rule: www.govinfo.gov/content/pkg/FR-2020-01-10/pdf/2019-26355.pdf .
Miscellaneous refrigeration products	DOE 2016 Final Rule: www.govinfo.gov/content/pkg/FR-2016-10-28/pdf/2016-24759.pdf . DOE 2024 Final Rule: www.govinfo.gov/content/pkg/FR-2024-05-07/pdf/2024-08001.pdf
Portable air conditioners	DOE 2020 Final Rule: www.govinfo.gov/content/pkg/FR-2020-01-10/pdf/2019-26350.pdf .