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TO: House Committee on Energy and Environment

FROM: Andy Ginsburg, Assistant Director, Planning and Innovation

SUBJECT: Testimony on SB 20 – Corrections to appliance energy efficiency standards

INTRODUCTION

The Oregon Department of Energy supports SB 20. The bill corrects apparently inadvertent errors and omissions in SB 692 (2013), which established new energy efficiency standards for televisions, battery charger systems, and certain halogen lamps.

First, SB 20 adds language to the standards adopted in 2013 for televisions, large battery charger systems and high light output double-ended quartz halogen lamps to clarify that those standards apply only to products manufactured on or after the effective date of the relevant standard.

Second, SB 20 revises language in the standards adopted in 2013 for battery backups and uninterruptible power supplies for small battery charger systems such that those standards match the California standards for the same products, as was intended by SB 692. The revisions correct typographic errors in the description of the products subject to the standard and in the mathematical formula for calculating energy usage.

Third, SB 20 repeals a paragraph from SB 692 that is redundant with the adopted standards for a la carte replacement small battery charger systems and contains a conflicting effective date for small battery charger systems not sold at retail.

BACKGROUND

In 2013 with SB 692, the Legislature adopted new energy efficiency standards for televisions, large and small battery charger systems, and high light output double-ended quartz halogen lamps. The standards for televisions, large battery charger systems and small battery charger systems sold at retail became effective January 1, 2014. The standards for small battery charger systems not sold at retail will become effective January 1, 2017. The standards for high light output double-ended quartz halogen lamps will become effective January 1, 2016.

ODOE maintains administrative rules for Oregon's regulated appliances (OAR 330-092). After the enactment of SB 692, ODOE conducted a rulemaking with a stakeholder advisory committee and adopted rules to implement the new efficiency standards. During the rulemaking, stakeholders indicated that, for televisions and battery charger systems, the Legislature had intended to adopt the same standards as previously adopted by California. However, stakeholders identified several discrepancies between Oregon's new standards and California's. The discrepancies appear to be unintended by the 2013 Legislature. The discrepancies exist in statute, and therefore could not be resolved in the rulemaking.

For high light output double-ended quartz halogen lamps, Oregon was the first state to adopt standards. Therefore, there is no equivalent standard in California.

DISCUSSION

In practice, televisions and battery charger systems being installed in Oregon very likely meet Oregon's intended standards because manufacturers generally had already redesigned their products to comply with California's standards, and Oregon's administrative rules consider products that are certified as compliant in California to be automatically compliant in Oregon. Nonetheless, it is important for Oregon's energy efficiency standards to be defined accurately and clearly in statute so that manufacturers can understand and comply with the standards, and so that Oregon's standards are aligned with California's as intended by the Legislature. Therefore, SB 20 corrects and clarifies the standards established in 2013 by SB 692.

The corrections made by SB 20 will update the statute in which the standards are defined. No rulemaking will be required to implement the changes. The corrections will not cause changes in Oregon's market for these products, other than providing clarity and certainty to manufacturers and retailers of products that are subject to Oregon's standards.

Applicability of standards based on manufacture date

As currently written, the standards adopted in SB 692 for televisions, large battery charger systems and high light output double-ended quartz halogen lamps apply to all devices *sold or installed* in Oregon after the effective date of the standard, regardless of manufacture date. During the rulemaking, manufacturers expressed serious concerns that the standard could apply retroactively to products manufactured before the standard was in effect. California's energy efficiency standards for *all* products apply only to products manufactured on or after the effective date of the standard.

Section 1 of SB 20 amends the energy efficiency standards in ORS 469.233 by adding language making the standards for televisions (subsection (18)) and large battery charger systems (subsection (19)(a)) applicable only to devices manufactured on or after January 1, 2014, the effective date of those standards.

Section 2 of SB 20 amends ORS 469.233 again after the new energy efficiency standard for high light output double-ended halogen lamps is added on January 1, 2016. Section 2 of SB 20 adds language making the new standards applicable only to lamps manufactured on or after January 1, 2016, the effective date of the new standard, and also repeats the additions made in Section 1 for televisions and large battery charger systems.

SB 20 does not add language specifying manufacture date for small battery charger systems subject to the standards because SB 692 included manufacture dates for those products.

Correction of apparent typographic errors

SB 692 contained two apparent inadvertent mistakes in the language related to the energy efficiency standards for battery backups and uninterruptible power supplies for small battery charger systems not sold at retail. Those mistakes are corrected in Section 1 of SB 20.

Section 1 of SB 20 amends ORS 469.233 to add a "+" symbol that is missing from the formula to calculate energy consumption of these devices in battery maintenance mode (subsections (19)(b)(B)(v) and (vi)).

Section 1 of SB 20 also changes the devices subject to the requirement in subsection (19)(b)(B)(vi) from "small battery charger systems not sold at retail" to "battery backups and uninterruptible power supplies for small battery charger systems not sold at retail". The original language from SB 692 is clearly in error because it conflicts with the standard for "small battery charger systems that are not sold at retail" in subsection (19)(b)(B)(iii), and does not match the California standard.

These revisions resolve the conflict and align Oregon's standards for these devices with California's.

Removal of redundant and conflicting language

Section 3 of SB 20 resolves a conflict that existed within SB 692 by deleting the language in Section 10(5) of SB 692 (implemented as Chapter 418, Oregon Laws 2013).

The language being deleted creates an exemption from the standards for a la carte small battery charger systems used as repair or replacement parts. That exemption is unnecessary because it is redundant with the exemption in ORS 469.233(19)(b)(C) established by Section 4 of SB 692.

The deleted language also contains an effective date of *July* 1, 2017, for the standard for small battery charger systems not sold at retail that is in conflict with the effective date of *January* 1, 2017, in ORS 469.233(19)(b)(B)(iii) established by section 4 of SB 692.

Deleting Section 10(5) of SB 692 eliminates the confusion caused by these conflicts, and aligns Oregon's standards with California's.

SUMMARY

SB 20 corrects errors and omissions in the energy efficiency standards for televisions, battery charger systems and high light output double-ended quartz halogen lamps adopted in SB 692 (2013). Those errors and omissions were identified by manufacturers of products that are subject to the standards, and confirmed by ODOE. The errors appear to be inadvertent, and not intended by the 2013 Legislature. Manufacturers asked ODOE to resolve the errors in rulemaking to implement SB 692, but the corrections must be made in statute.

ODOE asks for your support of SB 20. Adoption of SB 20 will correct the standards defined in statute, but will not require rulemaking or other administrative implementation work. SB 20 responds to concerns raised by manufacturers and retailers of products that are subject to the recently implemented standards, providing them with the clarity they need to comply with Oregon's standards. SB 20 also brings Oregon's standards for televisions and battery charger systems into alignment with California's as intended by the 2013 Legislature.