

DOCKETED

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NOTICE OF PROPOSED ACTION
PROPOSED AMENDMENTS TO THE APPLIANCE EFFICIENCY REGULATIONS
California Code of Regulations, Title 20, Sections 1601 through 1609

California Energy Commission
Docket No. 2018-AAER-10
March 30, 2018

I. INTRODUCTION

The California Energy Commission proposes to amend California Code of Regulations, title 20, sections 1601 to 1609 (the Appliance Efficiency Regulations) and take the following actions:

- (1) update provisions to reflect current federal law,
- (2) change state-specific requirements,
- (3) update the appliance certification procedures to reflect the current use of a new electronic database system,
- (4) update the appliance data submittal requirements, and
- (5) improve the readability of the regulations.

This rulemaking will not make changes to the underlying energy and water efficiency standards for any appliance or result in any changes in the estimated energy and water savings from those standards.

II. PROPOSED ADOPTION DATE

The Energy Commission will hold a public hearing for consideration and possible adoption of the proposed amendments to the Appliance Efficiency Regulations on the following date and time unless the Energy Commission decides to modify the Express Terms.

June 13, 2018
10:00 a.m. (Pacific Time)
California Energy Commission
1516 9th Street
Sacramento, CA 95814
Rosenfeld Hearing Room
(Wheelchair accessible)

Audio for the adoption hearing will be broadcast over the internet. Details regarding the Energy Commission's webcast can be found at www.energy.ca.gov/webcast.

If you have a disability and require assistance to participate in these hearings, please contact Poneh Jones at (916) 654-4425 at least 5 days in advance.

The Energy Commission's Public Adviser's Office is available to assist any person who wishes to participate in this proceeding. For assistance from the Public Adviser's Office, please call (916) 654-4489 or toll-free in California at (800) 822-6228 or contact publicadviser@energy.ca.gov.

III. PUBLIC COMMENT PERIOD/WRITTEN COMMENTS (Gov. Code, § 11346.5(a)(15))

The public comment period for this Notice of Proposed Action will be from March 30, 2018, through and including May 14, 2018. Any interested persons may present oral and/or written statements, arguments, or contentions regarding the proposed regulations at the hearing, or may submit written comments to the Energy Commission for consideration on or prior to 5:00 p.m. on May 14, 2018. The Energy Commission appreciates receiving written comments at the earliest possible date.

Please submit comments to the Energy Commission using the Energy Commission's e-commenting feature by going to the Energy Commission's Appliance Efficiency Rulemaking webpage at <http://energy.ca.gov/appliances/rulemaking.html>, selecting Docket Number 18-AAER-10, then select the "Submit e-comment" link. A full name, e-mail address, comment title, and either a comment or an attached document (.doc, .docx, or .pdf format) is mandatory. After a challenge-response test used by the system to ensure that responses are generated by a human user and not a computer, click on the "Agree & Submit Your Comment" button to submit the comment to the Energy Commission's Docket Unit.

Please note that written comments, attachments, and associated contact information included within the written comments and attachments (e.g., your address, phone, email, etc.) become part of the viewable public record.

You are encouraged to use the electronic filing system, described above, to submit comments. If you are unable to submit electronically, a paper copy of your comments may be sent to:

Docket Unit
California Energy Commission
Docket No. 2018-AAER-10
1516 9th Street, MS-4
Sacramento, CA 95814
Or e-mailing them to: DOCKET@energy.ca.gov
Or faxing them to Dockets at (916) 654-4354

IV. STATUTORY AUTHORITY AND REFERENCE (Gov. Code, § 11346.5(a)(2) and California Code of Regulations, title 1, § 14)

Authority: Public Resources Code sections 25210, 25213, 25218(e), 25402(c)(1), and 25402.11.

Reference: Public Resources Code sections 25216.5(d) and 25402(c).

V. INFORMATIVE DIGEST (Gov. Code, § 11346.5(a)(3))

A. Existing laws and regulations related directly to the proposed action and of the effect of the proposed action. (Gov. Code, § 11346.5(a)(3)(A))

State law requires the Energy Commission to reduce the wasteful, uneconomic, inefficient, or unnecessary consumption of energy and water by prescribing standards for minimum level of operating efficiency and other cost-effective measures for appliances that require a significant amount of energy to operate on a statewide basis. (See Public Resources Code § 25402(c)(1).)

California Code of Regulations, title 20, sections 1601 to 1609, contain definitions, test procedures, energy and water efficiency and design standards, marking, certification and reporting requirements for both federally regulated and state-regulated appliances. California Code of Regulations, title 20, section 1606, requires appliance manufacturers to certify to the Energy Commission that their products meet all applicable federal and state efficiency requirements before their products can be included in the Energy Commission's Modern Appliance Efficiency Database System (MAEDbS) of approved appliances and then sold or offered for sale in California.

Federal law establishes definitions, test procedures, efficiency standards, and labeling requirements for federally regulated consumer products and commercial and industrial equipment. These are federally mandated requirements set forth in the Energy Policy and Conservation Act (EPCA), as amended, 42 U.S.C. section 6291 *et seq.*, and in federal regulations adopted by the U.S. Department of Energy in 10 C.F.R. sections 430 and 431 and by the Federal Trade Commission in 16 C.F.R. section 305.

California Code of Regulations, title 20, section 1602, includes the federal definitions of federally regulated appliances. Sections 1604 and 1605.1 contain federal test procedures and efficiency standards, respectively, for federally regulated appliances. This rulemaking proposes to amend sections 1602, 1604, and 1605.1 to reflect current federal law. These changes are listed in Table 1 of the Initial Statement of Reasons.

California Code of Regulations, title 20, sections 1602, 1604, 1605.3, 1606, 1607, and 1608 include state-specific requirements. This rulemaking proposes changes to the state-specific

requirements in the Appliance Efficiency Regulations. The proposed changes include removing state test procedures and standards that are preempted by federal law, aligning state test procedures with federal test procedures even though there is no preemption, and making necessary updates to other state-specific requirements, such as labeling and reporting, for certain appliances. The changes also include updates to the certification procedures and data submittal requirements for inclusion of appliances in the Energy Commission's MAEDbS. These changes are listed in Tables 2.1, 2.2, and 2.3 of the Initial Statement of Reasons.

Finally, this rulemaking proposes nonsubstantive changes to improve the clarity and readability of the Appliance Efficiency Regulations. These nonsubstantive changes are listed in Table 3.

B. Difference from existing comparable federal regulation or statute (Gov. Code, § 11346.5(a)(3)(B))

The Energy Commission has determined that the proposed changes to the federal requirements in the Appliance Efficiency Regulations do not differ from existing comparable federal regulations and statutes. The proposed changes reflect current federal law. The purpose for updating federal law in the Appliance Efficiency Regulations is to provide manufacturers, retailers, and consumers of appliances with a clear and comprehensive set of federal and state regulations in a single location.

The Energy Commission has determined that there are no existing, comparable federal regulations or statutes that address the proposed changes to the state-specific requirements in the Appliance Efficiency Regulations. To the extent that changes are made to requirements for state-regulated appliances that are now subject to federal test procedures and standards, the proposed changes merely remove state test procedures or state standards that are preempted by federal law.

C. Policy statement overview regarding broad objectives of the regulations and the specific benefits anticipated by the proposed amendments (Gov. Code, § 11346.5(a)(3)(C))

1. Changes to Reflect Current Federal Law

EPCA provides that no state regulation concerning energy efficiency, energy use, or water use shall be effective with respect to a federally covered product before and after a federal standard established for such product becomes effective, unless an exception to preemption applies. (See 42 U.S.C. §§ 6297(b) & (c), 6316 and 10 C.F.R. § 430.33(a).) EPCA also supersedes any state regulation that requires testing or use of any measure of energy consumption, water use, or energy descriptor in any manner other than that provided under EPCA. (See 42 U.S.C. §§ 6297(a)(1)(A), 6316.)

California Code of Regulations, title 20, section 1605(a)(2) provides for the preservation of each of the federal efficiency standards in section 1605.1 as California state law applicable to the sale and offering for sale of appliances in California, if the corresponding federal standard is repealed or becomes inoperable, inapplicable, or otherwise invalid as federal law. This means that immediately upon the effect of such federal repeal or invalidity, the standard becomes effective as California state law, and no appliance previously covered by the federal standard may be sold or offered for sale in the state unless the appliance complies with the requirements in the Appliance Efficiency Regulations.

This rulemaking makes no changes to section 1605(a)(2) and leaves this provision in place. While the proposed changes reflect updates to federal appliance efficiency regulations, these updates would immediately become California state law if the federal standard is repealed or becomes invalid. For example, if the U.S. Department of Energy repeals the federal efficiency standards for federally regulated battery chargers — thereby removing such products from the scope of federal preemption—those previous federal standards for battery chargers would continue as California state law until the Energy Commission took further action to amend the regulations.

The objective of this rulemaking is to reflect updates to federal appliance efficiency regulations. Many of the existing federal requirements in the Appliance Efficiency Regulations are outdated or inaccurate. This can lead to unnecessary confusion and increase regulatory burdens.

The proposed changes will benefit manufacturers, retailers, and consumers by providing current federal and state appliance efficiency regulations in one location. This rulemaking will provide the regulated parties and consumers more clarity and accessibility with respect to the federal requirements in the Appliance Efficiency Regulations.

2. Substantive Changes to State-Specific Regulations

a. Removal of State Standards and State Test Procedures Preempted by Federal Law

An objective of the proposed changes to the state-specific requirements in the Appliance Efficiency Regulations is to remove state-specific requirements that are preempted by federal law. The Appliance Efficiency Regulations contain state test procedures and state standards that are no longer in effect because they are superseded by federal test procedures or federal standards. Keeping outdated state test procedures and state standards create confusion and uncertainty. The proposed changes will benefit manufacturers and other regulated parties by providing them correct and current representation of the state regulations and will thereby provide greater clarity and regulatory certainty.

b. Changes to State Test Procedures for Certain State-Regulated Appliances

Another objective of the proposed changes to the state-specific requirements in the Appliance Efficiency Regulations is to align state test procedures for certain appliances with federal test procedures, where appropriate, even though there is no preemption. Some of the state test procedures apply to subsets of an appliance type that do have a federal test procedure; therefore, the state test procedure is not federally preempted. In some circumstances, having two different test procedures is not necessary and is burdensome to appliance manufacturers. The proposed changes will benefit appliance manufacturers by reducing industry testing burdens and costs.

c. Changes to Reporting and Marking Requirements

The proposed changes include removing a sales-data reporting requirement for portable luminaire manufacturers, adding a requirement to certify data for walk-in coolers and freezers, pumps, and low-profile ceiling fans, and modifying the marking requirement for distribution transformers. Removing the unnecessary portable luminaire sales data reporting requirement, which has not yielded useful information to the Energy Commission, will benefit manufacturers by reducing reporting burden. The proposed changes to require certifying walk-in coolers and walk-in freezers, pumps, and low-profile ceiling fans will benefit consumers by ensuring a robust compliance program so that consumers will receive the benefits of the efficiency standards. These products are not currently required to certify to the MAEDbS because they were not previously covered under performance standards. Now that these products have performance standards, requiring manufacturers to certify their models to the MAEDbS will provide verification that they meet the standards and ensure that only products meeting the efficiency standards are offered for sale or sold in California in the event that the federal appliance program no longer verifies compliance with the appliance standards. The proposed changes to the marking requirements for distribution manufacturers will benefit manufacturers by simplifying the cost of marking by shifting from the NEMA Standard TP3-2000 labeling program to a simple “DOE compliant” or equivalent mark. This proposed change will also benefit consumers by providing them the means to identify compliant distribution transformers that meet federal efficiency standards.

d. Changes to the Appliance Certification Procedures

The proposed changes to the state-specific requirements in the Appliance Efficiency Regulations seek to reflect the current procedures for utilizing MAEDbS and improve communications between the Energy Commission and regulated parties. In 2015, the Energy Commission implemented the Modern Appliance Efficiency Database System, also known as MAEDbS, which manufacturers must use to electronically certify to the Energy Commission that their appliances comply with all the applicable state and federal standards before their products can be included in the Energy Commission’s database of compliant appliances. The

procedures for using MAEDbS are not currently reflected in the existing regulations. In addition, the existing regulations contain cumbersome procedures for communicating with regulated parties. The proposed changes will benefit manufacturers, test labs, third party certifiers, and the Energy Commission by removing unnecessary and burdensome certification procedures and will assist regulated parties with overall compliance with the Appliance Efficiency Regulations.

e. Changes to the Appliance Data Submittal Requirements

The proposed changes to the state-specific requirements in the Appliance Efficiency Regulations also aims to align appliance data submittal requirements with updates to both federal and state appliance efficiency regulations. The U.S. Department of Energy's adoption of new and updated federal test procedures and standards has resulted in incomplete and outdated data submittal requirements. The proposed changes will benefit manufacturers and third party certifiers by reducing burdens and costs associated with submitting incorrect or unnecessary data to the Energy Commission, and will assist the Energy Commission and consumers verify compliance with applicable federal and state appliance efficiency standards.

3. Nonsubstantive Changes to Correct Typographical Errors, Improve Clarity and Maintain Consistency

A broad objective of this rulemaking is to improve the clarity and readability of the Appliance Efficiency Regulations. The regulations contain typographical errors, unintentional ambiguous language, and inconsistent terms and format. This can lead to unnecessary confusion and regulatory burdens. The proposed changes correct typographical errors, clarify ambiguous language, and maintain consistent terms and format throughout the regulations. In addition, to improve the clarity of the regulations, the proposed changes delete federal requirements that have been superseded by more recent federal standards or federal test procedures.

These changes are nonsubstantive because they clarify without materially altering existing requirements, rights, responsibilities, conditions, or prescriptions contained in the Appliance Efficiency Regulations. The proposed changes will benefit regulated parties by providing greater clarity of the federal and state appliance efficiency regulations. This will improve compliance, which will help consumers receive the efficiency benefits from the underlying regulations.

D. Inconsistency or incompatibility with existing state regulations (Gov. Code, § 11346.5(a)(3)(D))

After conducting an evaluation of state regulations related to appliances, the Energy Commission has found that there are no other state regulations that address the appliance

efficiency standards, testing, marking, and certification requirements in California Code of Regulations, title 20, section 1601-1609. Therefore, the proposed regulations are neither inconsistent nor incompatible with existing state regulations.

VI. DOCUMENTS INCORPORATED BY REFERENCE (Cal. Code of Regs., title 1, § 20(c)(3))

The Energy Commission proposes to incorporate by reference the following documents in the Appliance Efficiency Regulations. Pursuant to California Code of Regulations, title 1, section 20, these documents are available for review at the Energy Commission, and are also available directly from the publishing entities. All available contact information, including internet addresses, physical addresses, and phone numbers for these entities is provided where possible.

The Code of Federal Regulations and the ENERGY STAR documents are available for free online. Other documents are available for free online but due to copyright cannot be posted on the Energy Commission's website. The remaining documents are available from the sources provided at a nominal, one-time fee ranging from \$57 to \$551.

In this rulemaking, the affected public consists of manufacturers of regulated products and test laboratories that are hired by these entities to conduct the required testing. Both manufacturers and test laboratories need to purchase only those documents that apply to their appliances. Additionally, many of these companies likely have the required documents, and, if not, these documents need only be purchased once no matter how many models the manufacturers would be testing and certifying to the Commission's database. Therefore, the Commission has determined that the cost to obtain these documents is nominal for entities that are subject to these regulations. Because all of the documents will be available for viewing at the Commission, copies of the Code of Federal Regulations and ENERGY STAR specifications may be obtained for free, and the fee for obtaining copies of the remainder is a nominal one-time expense that can be easily absorbed by the entities being regulated, the Commission concludes that these documents are reasonably available to the affected public in conformance with California Code of Regulations, title 1, section 20(c).

California Code of Regulations, title 20, section 1602:

Document	Title	Publication Date	Copies Available From
ANSI C78.901-2014	American National Standard for Electric Lamps—Single-Based Fluorescent Lamps—Dimensional and Electrical Characteristic	July 2, 2014	American National Standards Institute 1819 L Street, NW, 6th Floor Washington, DC 20036 www.ansi.org
ANSI C79.1-2002	American National Standard for Electric Lamps—Nomenclature for Glass Bulbs Intended for Use with Electric Lamps	September 16, 2002	Phone: (202) 293-8020 FAX: (202) 293-9287
ASTM C177-13	Standard Test Method for Steady-State Heat Flux Measurements and Thermal Transmission Properties by Means of the Guarded-Hot-Plate Apparatus	September 15, 2013	ASTM 100 Barr Harbor Drive West Conshohocken, PA 19428-2959 www.astm.org Phone: (610) 832-9555 FAX: (610) 832-9555
ASTM C518-15	Standard Test Method for Steady-State Thermal Transmission Properties by Means of the Heat Flow Meter Apparatus	September 1, 2015	
FM Class Number 1319 (Jan. 2015 ed.)	Approval Standard for Centrifugal Fire Pumps (Horizontal, End Suction Type)	January 1, 2015	FM Global 1151 Boston-Providence Turnpike P.O. Box 9102 Norwood, MA 02062 www.fmglobal.com Phone: (781) 762-4300
HDMI Specification Informational Version 1.0	High-Definition Multimedia Interface Specification	December 2002	HDMI Licensing Administrator, Inc. 550 S. Winchester Blvd., Ste. 515

			San Jose, CA 95128 www.hdmi.org/
ANSI/HI 1.1-1.2-2014	Rotodynamic Centrifugal Pumps for Nomenclature and Definitions	October 30, 2014	Hydraulic Institute 6 Campus Dr., First Floor North Parsippany, NJ 07054-4405
ANSI/HI 2.1-2.2-2014	Rotodynamic Vertical Pumps of Radial, Mixed, and Axial Flow Types for Nomenclature and Definitions	April 8, 2014	http://www.pumps.org/ www.hydraulicinstitute.com Phone: (973) 267-9700 FAX: (973) 267-9055
IEC 60034-12 Edition 2.1 2007-09	Rotating Electrical Machines, Part 12: Starting Performance of Single-Speed Three-Phase Cage Induction Motors for Voltages Up to and Including 660 V	2007	International Electrotechnical Commission 3, rue de Varembe P.O. Box 131 CH – 1211 Geneva 20 Switzerland http://www.iec.ch Phone: +41 22 919 02 11 FAX: +41 22 919 03 00
ITU-R BT 470-6	Conventional Television Systems	November 30, 1998	International Telecommunication Union Place des Nations 1211 Geneva 20 Switzerland www.itu.int Phone: +41 22 730 6141 FAX: + 41 22 730 5194
NFPA 20 (2016)	Standard for the Installation of Stationary Pumps for Fire Protection	June 15, 2005	National Fire Protection Association 1 Batterymarch Park Quincy, MA 02169-7471 www.nfpa.org Phone: (617) 770-3000 FAX: (617) 770-0700
SMPTE 170M-2004	Television - Composite Analog Video Signal - NTSC for Studio	January 1, 2004	Society of Motion Picture and Television Engineers White Plains Plaza

	Applications		445 Hamilton Ave, Ste 601 White Plains, NY 10106-1827 www.smppte.org Phone: (914) 761-1100 FAX: (914) 206-4216
ANSI/UL 448-2013	Standard for Safety Centrifugal Stationary Pumps for Fire Protection Service	July 12, 2013	Underwriters Laboratories, Inc. 333 Pfingsten Road Northbrook, IL 60062-2096
UL 1995	Heating and Cooling Equipment	July 31, 2015	www.ul.com Phone: (847) 272-8800

Federal Regulations

Document	Copies Available From
C.F.R., Title 10, sections 429.14(d), 429.16(a), 429.61(d)	Superintendent of Documents U.S. Government Printing Office Washington, DC 20402 www.ecfr.gov
C.F.R., Title 10, section 430.2	
C.F.R., Title 10, sections 431.25, 431.192, 431.344, 431.442, and 431.446	
C.F.R., Title 10, part 431, subpart A and subpart Y.	

California Code of Regulations, title 20, section 1604:

Document	Title	Publication Date	Copies Available From
10 C.F.R. section 430.23(aa) (Appendix Y of subpart B of part 430) (Jan. 1, 2016)	Uniform Test Method for Measuring the Energy Consumption of Battery Chargers	June 1, 2011 (effective date November 28, 2011)	Superintendent of Documents U.S. Government Printing Office Washington, DC 20402 www.ecfr.gov 430
10 C.F.R. section 430.23(aa) (Appendix Y of subpart B of part 430) (Jan. 1, 2017)	Uniform Test Method for Measuring the Energy Consumption of Battery Chargers	May 20, 2016 (effective date November 16, 2016)	

Energy Star Guidelines, “Measuring Interior Volume” (Test for measuring interior volume of commercial hot food holding cabinets)		2011	US EPA Climate Protection Partnership ENERGY STAR Programs Hotline & Distribution (MS-6202J) 1200 Pennsylvania Ave NW Washington, DC 20460 www.energystar.gov
ANSI/ASHRAE 133-2008	Method of Testing Direct Evaporative Air Coolers	June 26, 2008	American Society of Heating, Refrigerating, and Air-Conditioning Engineers 1791 Tullie Circle N.E. Atlanta, GA 30329 www.ashrae.org Phone: (800) 527-4723 (U.S./Canada) or (404) 636-8400 FAX: (404) 321-5478
ANSI/ASHRAE 143-2007	Method of Test for Rating Indirect Evaporative Coolers	June 27, 2007	

Federal Regulations

Document	Copies Available From
C.F.R., Title 10, section 429.56	Superintendent of Documents U.S. Government Printing Office Washington, DC 20402 www.ecfr.gov
C.F.R., Title 10, section 430.23, and 10 C.F.R. Appendixes A, B, C1, D1, D2, E, F, H, I, J1, J2, M, N, O, P, Q, R, S, T, U, V, W, X, S1, Y, Z, AA, BB, and CC of subpart B of part 430	
C.F.R., Title 10, section 431.204(b)	
C.F.R., Title 10, section 431.344	
C.F.R., Title 10, section 431.464	
C.F.R., Title 10, section 431 subpart G.	

California Code of Regulations, title 20, section 1605.1:

Document	Title	Publication Date	Copies Available From
AHRI 1200-2006	Performance Rating of Commercial Refrigerated Display Merchandisers and	2006	Air-Conditioning, Heating, and Refrigeration Institute (AHRI) 2111 Wilson Blvd, Suite

	Storage Cabinets		500 Arlington, VA 22201 Phone: (703) 524-8800 FAX: (703) 562-1942 http://www.ahrinet.org
Federal Regulations			
Document		Copies Available From	
C.F.R., Title 10, section 429.39(a)		Superintendent of Documents U.S. Government Printing Office Washington, DC 20402 www.ecfr.gov	
C.F.R., Title 10, section 429.44			
C.F.R., Title 10, section 429.59			
C.F.R., Title 10, part 430, subpart B, appendix AA			
C.F.R., Title 10, part 430.2			
C.F.R., Title 10, part 430.3			
C.F.R., Title 10, sections 430.23(a) (Appendix A to subpart B of part 430)			
C.F.R., Title 10, sections 430.23(b) (Appendix B to subpart B of part 430)			
C.F.R., Title 10, section 430.32(c)			
C.F.R., Title 10, section 430.32(d)			
C.F.R., Title 10, section 430.32 (w)(1)			
C.F.R., Title 10, sections 431.63			
C.F.R., Title 10, sections 431.66(d)(2)(i) through (iii)			
C.F.R., Title 10, section 431.110			
C.F.R., Title 10, section 431.324			
C.F.R., Title 10, section 431.326(b)(3)			
C.F.R., Title 10, section 431.462			
C.F.R., Title 10, part 431, subpart K, Appendix A			
C.F.R., Title 10, section 431.465(c)(6)			
C.F.R., Title 10, part 431, subpart Y, Appendix A, Section II.B			
C.F.R., Title 10, part 50, "Domestic Licensing of Production and Utilization Facilities"			

California Code of Regulations, title 20, section 1605.3:

Document	Title	Publication Date	Copies available from
ASME A112.19.2/CSA B45.1-2013 Waste Extraction Test (Section 7.10)	Ceramic Plumbing Fixtures	July 1, 2013	ASME Headquarters Two Park Avenue New York, NY 10016-5990 www.asme.org Phone: 800-843-2762 (U.S./Canada) 973-882-1170 (outside North America) Email: CustomerCare@asme.org

California Code of Regulations, title 20, section 1607:

Federal Regulations	
Document	Copies available from
C.F.R., title 10, section 430.32(w)(4)	Superintendent of Documents U.S. Government Printing Office Washington, D.C. 20402 www.ecfr.gov

VII. MANDATED BY FEDERAL LAW OR REGULATIONS (Gov. Code, § 11346.2(c))

The proposed changes to the federal requirements in the Appliance Efficiency Regulations reflect current federal law. None of the proposed changes to the state-specific requirements conflict with federal law; rather changes are proposed, such as removing state test procedures and state standards that are preempted by federal law, to ensure consistency with federal regulations and statutes. The remaining changes are merely changes to clarify ambiguous language, correct typographical errors, and maintain use of consistent terms and format throughout the regulations.

VIII. OTHER STATUTORY REQUIREMENTS (Gov. Code, § 11346.5(a)(4))

None.

IX. LOCAL MANDATE DETERMINATION (Gov. Code, § 11346.5(a)(5))

The proposed changes will not impose a mandate on local agencies or school districts.

X. FISCAL IMPACTS (Gov. Code, § 11346.5(a)(6))

Cost or Savings to Any State Agencies. The proposed changes will result in an estimated \$63,000 per year in savings to the Energy Commission by allowing it to notify manufacturers that models will be moved from the Approved Database to the Archived Database through electronic notice (e.g., email) instead of by certified or registered mail.

Cost to Local Agencies or School Districts Requiring Reimbursement. The proposed changes will not impose on local agencies or school districts any costs for which Government Code sections 17500-17630 require reimbursement.

Other Nondiscretionary Cost or Savings Imposed Upon Local Agencies. The proposed changes will not result in other nondiscretionary cost or savings to local agencies.

Cost or Savings in Federal Funding to the State. The proposed changes will not result in any cost or savings in federal funding to the state.

XI. HOUSING COSTS (Gov. Code, § 11346.5(a)(12))

The proposed changes to the Appliance Efficiency Regulations will not have an effect on housing costs. Because the federal regulations are already effective by operation of preemption in California, and because regulated parties must comply with them regardless of California's regulations, the changes to the Appliance Efficiency Regulations do not materially alter housing costs. The proposed substantive changes to the state-specific requirements in the regulations will not have an effect on housing costs because the proposed changes do not increase or decrease expected energy or water efficiency requirements for any appliance. The proposed nonsubstantive changes to the Appliance Efficiency Regulations will not have an effect on housing costs because these changes are only clarifications of existing regulations.

XII. INITIAL DETERMINATION RE SIGNIFICANT STATEWIDE ADVERSE ECONOMIC IMPACT DIRECTLY AFFECTING BUSINESS, INCLUDING ABILITY TO COMPETE (Gov. Code, §§ 11346.3(a), 11346.5(a)(7), and 11346.5(a)(8))

The Energy Commission has determined that the proposed changes to the Appliance Efficiency Regulations will not have a significant, statewide adverse economic impact directly affecting business, including the ability of California businesses to compete with businesses in other states.

Federal Requirements

The proposed changes to the federal requirements in the Appliance Efficiency Regulations will have no adverse economic impact on business because manufacturers are already obligated to comply with current federal appliance efficiency regulations.

State Requirements

The proposed changes to the state-specific requirements in the Appliance Efficiency Regulations do not impose any significant adverse economic impact on business because they do not increase expected efficiency requirements for appliances or increase the underlying testing costs for appliance manufacturers, retailers, or distributors.

The changes to state-specific requirements include removal of inconsistent state test procedures and standards that are preempted by federal law. There are no adverse economic impacts associated with the repeal of state test procedures and standards that are inconsistent with federal test procedures or standards.

The changes to align state test procedures with federal test procedures, where appropriate, will benefit appliance manufacturers by reducing industry testing costs. Therefore, there are no adverse economic impacts on business affected by this type of proposed changes.

Removing the requirement to report sales data of certain portable luminaires will result in a reduction in reporting requirements for manufacturers of portable luminaires. This will not have an adverse economic impact on business. Changing the marking requirements for distribution transformers to remove obsolete industry standards and replace with a simple “DOE compliant” mark will have an initial estimated cost of \$350 per manufacturer to retool or reprogram with the new marking requirement. Ongoing costs and benefits would remain the same as before the proposed regulations, as marking was already required. This small cost will not have any adverse economic impact on businesses affected by this proposed change.

The changes to the Energy Commission’s appliance certification procedures will not have an adverse economic impact on business. These changes reflect the current procedures for utilizing MAEDbS to certify appliances to the Energy Commission and improve the method of communications between the Energy Commission and the regulated community. These changes do not adversely impact manufacturers, who are still required to certify that their appliances comply with the applicable efficiency standards.

The changes to the data submittal requirements to certify to the Energy Commission’s MAEDbS that appliances comply with applicable federal and state efficiency standards will not

have a significant adverse economic impact on business. The changes to align data submittal requirements with current federal and state test procedures and standards will not add costs to industry as the cost to collect the information is accounted for in the cost of the test procedures, which were imposed by the changes to the federal regulations and are not the result of these regulations. Ongoing costs remain the same as before the proposed changes, as reporting was already required.

The changes to add new reporting obligations for newly federally regulated products, such as pumps, walk-in coolers and freezers, and low-profile ceiling fans, will result in an initial estimated cost of \$500 per manufacturer. The annual ongoing cost to certify new models of these newly federally regulated product is estimated to be about \$100. This cost would not have an adverse effect on business. Moreover, because manufacturers of these products are located out of state, the cost would not affect these manufacturers ability to compete with businesses in California, as there are no in-state manufacturers of these products.

Finally, the proposed nonsubstantive changes to the Appliance Efficiency Regulations do not impose any additional obligations on business. Therefore, there will not be any adverse impacts on business.

XIII. COST IMPACTS ON REPRESENTATIVE PERSON OR BUSINESS (Gov. Code, § 11346.5(a)(9))

The Energy Commission estimates an initial cost of \$500 per manufacturer to comply with the proposed changes to the Appliance Efficiency Regulations associated with the submittal of data for pumps, walk-in coolers and freezers, and low-profile ceiling fans. In addition, these manufacturers would incur an ongoing cost of about \$100 per year to certify new models of these products to the Energy Commission. This is based on the product design cycle of these products (about 5 years). Manufacturers only need to certify each model once to demonstrate compliance with the regulations.

There are also costs associated with the changes to the marking requirements for distribution transformers. Manufacturers are expected to incur \$350 per manufacturer in one-time costs to retool or reprogram the mark on their products, with no ongoing costs since marking is already required under the current regulations. Although the proposed marking requirement is greatly simplified compared to the existing marking requirement, the Energy Commission was unable to estimate the benefits of this simplification in terms of reduced manufacturer burden.

There is no initial or ongoing cost to a representative private person, as individuals are not required to comply with the regulations. The Energy Commission does not expect the cost to be passed on to consumers in any meaningful way.

There are no other cost impacts a business would necessarily incur in the reasonable compliance with the proposed regulations.

XIV. STATEMENT OF THE RESULTS OF THE ECONOMIC IMPACT ASSESSMENT
(Gov. Code, § 11346.5(a)(10))

Creation or elimination of jobs within the state:

No new jobs will be created and no existing jobs will be eliminated by the proposed regulations.

Creation of new businesses or the elimination of existing businesses within the state:

No new businesses will be created and no existing businesses will be eliminated by the proposed regulations.

Expansion of businesses currently doing business within the state:

No existing businesses will expand due to the proposed regulations.

Benefits of the regulation to the health and welfare of California residents:

The proposed changes to the Appliance Efficiency Regulations benefits the health and welfare of California residents by improving compliance with and enforcement of existing regulations, which ensures that consumers receive the benefits of the federal and state efficiency standards, including reduced energy demand and reduced need for new power plants.

Benefits of the regulation to worker safety:

The Energy Commission does not anticipate any benefits to worker safety as a result of the proposed changes to the Appliance Efficiency Regulations because the proposed changes will not impact working conditions or worker safety.

Benefits of the regulation to the state's environment:

The proposed changes to the Appliance Efficiency Regulations do not result in new benefits to the state's environment but improve compliance with existing regulations, which ensures that the anticipated energy savings and associated pollution reduction levels from the underlying regulations are met.

XV. BUSINESS REPORT (Gov. Code, §§ 11346.5(a)(11) and 11346.3(d))

The proposed changes to the federal requirements in the Appliance Efficiency Regulations would not require any additional mandatory data reporting beyond what is already required to be collected and reported to the federal government. The proposed changes would conform to the data that is presently collected by regulated manufacturers as required by federal standards.

The proposed changes to the state-specific requirements in the Appliance Efficiency Regulations will reduce reporting requirements as the changes remove the requirement that manufacturers of portable luminaires report sales data of certain portable luminaires. The proposed changes to the appliance certification procedures do not impose any new reporting requirements, but merely reflect the current electronic certification procedure through MAEDbS.

The proposed changes to the data submittal requirements will result in the addition of new reporting obligations for newly federally regulated products, such as pumps, walk-in coolers and freezers, and low-profile ceiling fans. Moreover, changes to the data submittal requirements to align with current federal and state test procedures may change the data being submitted in each report to align with the results of those tests, but it will not require additional reports to be submitted as a result of those changes.

Manufacturers, distributor/wholesalers, and retailers must comply with existing data reporting requirements to sell or offer for sale their products in California. (See Cal. Code of Regs., title 20, section 1606.) The proposed changes to these requirements ensure that consumers receive the benefits of the federal and state efficiency standards, including reduced energy demand and reduced need for new power plants. This is accomplished because the reporting requirements support improved compliance with the regulations. Therefore, the Energy Commission finds that the additional reporting requirements are necessary for the health and welfare of the people of the state.

XVI. EFFECT ON SMALL BUSINESS (Cal. Code of Regs., title 1, § 4(a) and (b))

The proposed changes to the federal requirements in the Appliance Efficiency Regulations will not affect small businesses because these changes reflect the current federal regulations. Since these federal regulations are already effective nationwide, and in California by preemption, and because regulated parties must comply with them regardless of California's regulations, the adoption of these proposed changes does not affect small business.

The proposed changes to the state-specific requirements will affect small businesses. The

Energy Commission estimates that 771 small businesses will be affected by the proposed changes to the state-specific requirements, including 500 battery charger manufacturers, 148 portable luminaire manufacturers, 41 distribution transformer manufacturers, 41 ceiling fan manufacturers, 38 pump manufacturers, and 10 walk-in cooler and walk-in freezer manufacturers. These businesses are located out-of-state or, in most cases, out-of-country.

Battery charger and portable luminaire manufacturers that are small businesses will receive a small benefit from the proposed regulations. The changes in the test procedures for battery chargers, which align the state test procedures with federal test procedures for those products, will provide a modest, one-time benefit of \$300 per manufacturer. The change to remove the sales data reporting requirement for portable luminaires will result in a modest, one-time benefit of \$500 per manufacturer.

The proposed changes for marking distribution transformers will affect those distribution transformer manufacturers that are small businesses. The cost associated with the label for small businesses is expected to be the same as for large businesses, about \$350 per manufacturer in initial retooling or reprogramming costs to change the mark from the NEMA standard to “DOE compliant,” and \$0 in ongoing costs as marking is already required under the existing regulations. Ceiling fan, walk-in cooler and freezer, and pump manufacturers that are small businesses will incur a \$500 cost per manufacturer to comply with the new reporting requirements, and a \$100 annual cost to submit reports for new models.

XVII. ALTERNATIVES STATEMENT (Gov. Code, § 11346.5(a)(13))

The Energy Commission must determine that no reasonable alternative considered by the agency, or that has otherwise been identified and brought to the attention of the agency, would be more effective in carrying out the purpose for which the action is proposed, would be as effective and less burdensome to affected private persons than the proposed action, or would be more cost-effective to affected private persons and equally effective in implementing the statutory policy or other provision of law.

XVIII. CONTACT PERSON (Gov. Code, § 11346.5(a)(14))

Inquiries concerning all aspects of the rulemaking process, including the substance of the proposed regulations or any other information upon which the rulemaking is based, should be directed to Angelica Romo-Ramos at Angelica.Romo@energy.ca.gov or at (916) 654-4147. The designated backup contact person is Carlos Baez who can be reached at Carlos.Baez@energy.ca.gov or (916) 654-4719.

IXX. COPIES OF THE INITIAL STATEMENT OF REASONS AND THE TEXT (Gov.

Code, § 11346.5(a)(16))

The Energy Commission has prepared an initial statement of reasons for the proposed regulations. To obtain a copy of the initial statement of reasons, the express terms of the proposed regulations, or any other rulemaking document, please visit the Energy Commission's website at:

<http://energy.ca.gov/appliances/rulemaking.html>, contact Angelica Romo-Ramos at Angelica.Romo@energy.ca.gov, or at (916) 654-4147. Additionally, all rulemaking documents can be obtained from the Docket Office at the above address or by calling (916) 654-5076.

XX. AVAILABILITY OF SUBSTANTIAL CHANGES TO ORIGINAL PROPOSAL FOR AT LEAST 15 DAYS PRIOR TO AGENCY ADOPTION/REPEAL/AMENDMENT OF RESULTING REGULATIONS (Gov. Code, § 11346.5(a)(18))

Participants should be aware that any of the proposed regulations could be substantively changed as a result of public comment, staff recommendation, or recommendations from Commissioners. Moreover, changes to the proposed regulations not indicated in the express terms could be considered if they improve the clarity or effectiveness of the regulations. If the Energy Commission considers changes to the proposed regulations pursuant to Government Code section 11346.8, a full copy of the text will be available for review at least 15 days prior to the date on which the Energy Commission adopts or amends the resulting regulations.

XXI. COPY OF THE FINAL STATEMENT OF REASONS (Gov. Code, § 11346.5(a)(19))

At the conclusion of the rulemaking, a copy of the final statement of reasons may be obtained by visiting the Energy Commission's website at: <http://energy.ca.gov/appliances/rulemaking.html> and clicking on Docket Number 18-AAER-10, or by contacting Angelica Romo-Ramos at Angelica.Romo@energy.ca.gov or at (916) 654-4147.

XXII. INTERNET ACCESS (Gov. Code, §§ 11346.4(a)(6) and 11346.5(a)(20))

The Energy Commission maintains a website in order to facilitate public access to documents prepared and considered as part of this rulemaking proceeding. Documents prepared by the Energy Commission for this rulemaking, including this Notice of Proposed Action, the Express Terms, and the Initial Statement of Reasons, as well as other documents in the rulemaking file have been posted at: <http://energy.ca.gov/appliances/rulemaking.html>.