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November 2, 2009

California Energy Commission
Docket No. 09-AAER-1C
Docket Unit
1516 Ninth Street, Mail Station 4
Sacramento, California, 95814-5504

To Whom It May Concern:

DEG: The Digital Entertainment Group ("DEG") submits this letter to express its opposition to the mandatory television energy limits proposed for adoption by the Commission in Docket No. 09-AAER-1C.

California leads the world in providing new and innovative entertainment experiences. Passage of these standards may put at risk more than a decade of ongoing investment advanced digital entertainment for consumer consumption. The DEG urges the commission to rely instead on voluntary programs to promote programs of electricity consumption, such as the Energy Star program, in conjunction with appropriate labeling and consumer education, to ensure that consumers make informed choices as to the energy impact - and operation cost - of the televisions they purchase.

The DEG is a Los Angeles-based, industry-funded nonprofit corporation that advocates and promotes the benefits associated with physical and digital entertainment media. A primary focus of the DEG is to promote opportunities for the entertainment industry arising from new digital technologies. Its 70-member companies include participants in all segments of the home entertainment industry including studios and consumer electronics manufacturers, as well as developers of the technology that underpins the industry.

A key objective of California's entertainment industry is the development of immersive, interactive, and innovative forms of entertainment that consumers can enjoy in theaters, at home and on personal entertainment devices. Over the past decade, digital technology has dominated the home entertainment experience. DVD, Blu-ray, interactive gaming, HD television broadcasting, cable and satellite, pay-per-view and video-on-demand, and internet-delivered content, all have become successful markets for the motion picture and television production industries. The development of 3D theatrical releases and their movement to the home market is the latest example of technological innovation made possible through the digitization of movie production and distribution.

Consumer demand for these new media and services ultimately depends on one device: the digital television. Innovation has brought consumers high performance digital televisions, with more of the features that consumers want, at lower price points. In turn, this rapid innovation in digital home displays has had a symbiotically beneficial effect on the entertainment industry. Better, more affordable displays spur consumers to invest in more compelling, audiovisual experiences, and provided a much-needed boost to the entertainment industry.

By subjecting the key home entertainment device—televisions—to arbitrary and inflexible limits, the Commission's proposed regulations threaten the ability of California-based digital content and technology providers to further developments in home entertainment.

The DEG and its members remain committed to the promotion of an environmentally-sound consumer electronics marketplace, and believe the promotion of energy efficiency is an important goal. However, mandating limits on television power usage will restrain innovation, to the detriment of California's digital entertainment industry. We support achievement of the Commission's energy savings goals through use of voluntary alternatives, such as Energy Star and those proposed by the consumer electronics industry. These efforts will encourage competition and consumer demand for energy conserving sets, without impeding the introduction of advanced digital media equipment upon which California's entertainment industry depend for future sources of revenue.

Sincerely,



Amy Jo Smith
Executive Director
DEG: The Digital Entertainment Group