

<b>DOCKET</b> <b>09-AAER-1C</b>
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November 4, 2009

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

**RE: Docket No. 09-AAER-1C**

Dear Commissioners:

LodgeNet Interactive Corporation is the world's largest provider of interactive television systems to the hospitality and healthcare facilities. Televisions designed for these markets ("Commercial Televisions") often contain features that differ from those purchased by consumers, the most notable of which is circuitry which permits two-way communication between the televisions and a centralized head-end. This circuitry enables a variety of functions, including delivery of data (such as program schedules, channel line-ups, software updates and the like) to and monitoring the status of all televisions on a network, and allows televisions on the network to communicate with the head-end to enable features such as pay-per-view movies, viewing data, and diagnostic data. Since the head-end communicates with the televisions connected to the system on a regular basis, this circuitry cannot be effectively turned off while retaining the communications capabilities that are a key feature of these networks.

An alternative solution to the problem would be to supply each television with a separate set-top box capable of supporting these functions. While technically feasible, this alternative has the following significant disadvantages:

- There must be one set-top box for each television on the network, at a cost (typically more than \$50.00 per television) which is significantly greater than the internal circuitry in the television.
- The set-top box requires a constant source of power equal to or greater than the amount of power needed for the internal circuitry (approximately one half watt).
- Each set-top box must be installed on a room-by-room basis at a significant additional cost, a cost which is eliminated if the circuitry is in the television itself.

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- In the absence of this circuitry, reprogramming of televisions must be done on a room-by-room basis, rather than from a centralized site, or would have to be deferred until the television set was activated, which would require material reprogramming and network management.
- A break in the communications between the set-top box and the television would eliminate many of the diagnostic and reporting capabilities of the system.

Interestingly, another application for this control circuitry is to monitor and adjust in-room controls such as heat, air conditioning, and lighting. These features, which would generate significantly more energy savings than the cost of powering the television circuitry, could well be adversely affected if the required circuitry is not in place, to the detriment of “green” initiatives currently being implemented by hotels and hospitals.

The televisions designed for these industries are not sold to consumers; as a result, there is little likelihood that these televisions would detract from the principal goals of this regulation to reduce electrical consumption.

The CEC’s Notice of Proposed Action appears to apply to all televisions sold in California, and does not discriminate between Commercial televisions and consumer sets. Unfortunately, the CEC NOPA ignores the unique application of its proposal to the hospitality sector, healthcare sector, or other applications using a network or other control system, and appears to ban the sale of televisions to the hospitality and potentially other sectors that use a network or other control system. The Energy Star program acknowledged this concern by making a special requirement for hospitality televisions to allow for the higher standby energy use of these televisions. The CEC NOPA ignores this concern.

We request that the CEC not finalize this NOPA unless it exempts such televisions or otherwise addresses the unique characteristics of such televisions. Without a special provision, these business televisions connected to a network or other control system would have to automatically enter TV standby-passive mode standby-active mode after a maximum of 15 minutes without video and/or audio input on the selected input mode (Section 1605.3 (v) (3) (A)). The NOPA then establishes a maximum TV standby-passive mode power usage of 1 Watt. There is no evidence, however, that business televisions connected to a network or other control systems can achieve such a 1 watt standard. That means that the NOPA is very likely to make such televisions illegal in California. This would have a significant effect on members of the hospitality community in California.

LodgeNet strongly urges the CEC not to proceed with the proposal unless it exempts business televisions from the scope of the regulation or includes a specific exemption from the 1 watt standard for business televisions that are connected to a network or other control system.

## Declaration and Marking

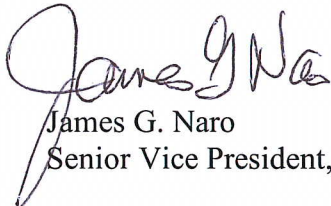
The CEC NOPA also includes specific declaration and labeling requirements for all televisions including business televisions. Under the declaration requirement, all units have to include a mark to display the on mode power consumption. The marking requirement provides that each television must include a mark on the unit “in characters of equal size to the largest font used within the menu screen within the television’s built in menu, the on mode power consumption.” On screen displays often have very large fonts resulting in having to have on product marks with very large fonts. This makes no sense for televisions sold to business. The viewers of these televisions, people in hotels, hospitals and other buildings, have no role in the purchase of the product and will only use the product on a very limited basis. And the requirement regarding the size of the marking would impose additional costs and burden. As a result the CEC NOPA imposes a requirement on such televisions that would not provide any benefit and would impose additional costs and burdens on manufacturers. We also note that we believe television marking is not the best mechanism to provide information to consumers.

We urge you to eliminate the marking requirements for purchases of Commercial Televisions in California.

If you have any questions or require further information in support of this application, please feel free to contact me. We look forward to your expeditious review and disposition of this request.

Very truly yours,

LODGENET INTERACTIVE CORPORATION

A handwritten signature in black ink, appearing to read "James G. Naro". The signature is written in a cursive style with a large initial "J".

James G. Naro  
Senior Vice President, General Counsel