

DOCKETED

Docket Number:	19-AAER-04
Project Title:	General Service Lamps
TN #:	229454
Document Title:	Initial Statement of Reasons - General Service Lamps Appliance Efficiency Rulemaking
Description:	N/A
Filer:	Patrick Saxton
Organization:	California Energy Commission
Submitter Role:	Commission Staff
Submission Date:	8/15/2019 4:47:32 PM
Docketed Date:	8/15/2019

CALIFORNIA ENERGY COMMISSION

1516 Ninth Street
Sacramento, California 95814

Main website: www.energy.ca.gov
CEC-57 (Revised 1/19)

**INITIAL STATEMENT OF REASONS**

Title 20. Public Utilities and Energy
Division 2. State Energy Resources Conservation and Development Commission
Chapter 1. General Provisions
Article 1. Construction of Regulations
Section 1004
and
Chapter 4. Energy Conservation
Article 4. Appliance Efficiency Regulations
Sections 1601-1609
California Energy Commission
General Service Lamps
Docket No. 19-AAER-04
Notice Published on August 16, 2019

INTRODUCTION

The California Energy Commission proposes to amend the regulations for general service lamps to align with federal law and to reinstate a severability clause after considering all comments, objections, and recommendations regarding the proposed action.

PROBLEM STATEMENT

The Warren-Alquist Act establishes the Energy Commission as California's primary energy policy and planning agency. Sections 25213, 25218(e), and 25402(a)-(c) of the Public Resources Code mandate and/or authorize the Energy Commission to adopt rules and regulations, as necessary, to reduce the inefficient consumption of energy and water by prescribing efficiency standards and other cost-effective measures for appliances whose use requires a significant amount of energy or water statewide.

One of the ways the Energy Commission satisfies this requirement is through the Appliance Efficiency Regulations (California Code of Regulations, Title 20, Sections 1601-1609), which contain definitions, test procedures, efficiency standards, and marking and reporting requirements for state and federally regulated appliances. Further, the regulations require that appliance manufacturers certify to the Energy Commission that their products meet all applicable state and federal appliance efficiency regulations before their products can be included in the Energy

Commission's database of appliances approved to be sold or offered for sale within California.

On December 3, 2008, the Energy Commission adopted efficiency regulations for general purpose lighting. These regulations mirrored federal statutory standards for these products and provided for early implementation of the standards in California compared to the rest of the nation. These regulations included a requirement that all general service lamps be at least 45 lumens per watt if manufactured on or after January 1, 2018, and offered for sale in California.

On January 27, 2016, the Energy Commission adopted efficiency regulations for small-diameter directional lamps and general service light-emitting diode (LED) lamps. These regulations are effective for small-diameter directional lamps and general service LED lamps manufactured on or after January 1, 2018, and offered for sale in California.

On January 19, 2017, the U.S. Department of Energy (DOE) published federal definitions for general service lamps and their subcategories, which would take effect on January 1, 2020. These definitional rules expand the number of light bulbs subject to the 45 lumen-per-watt efficacy standard in federal law that applies nationwide to general service lamps sold on or after January 1, 2020.

On August 3, 2018, Energy Commission staff published the *Analysis of General Service Lamps (Expanded Scope)*. In its analysis, staff determined that a 45 lumen-per-watt efficacy standard for general service lamps is technically feasible, cost-effective to the consumer, and would yield significant statewide energy savings as required by Public Resources Code Section 25402(c)(1).

The Energy Commission proposes to incorporate the federal definitions published on January 19, 2017, and the 45 lumen-per-watt efficacy standard into both state and federal efficiency standards for general service lamps. The Energy Commission also proposes to align the existing test procedures with the new and updated test procedures that have been adopted by the DOE and are mandatory for manufacturers making representations about the energy use or efficiency of the applicable lamp types.

The proposed regulations would be effective for general service lamps sold on or after January 1, 2020.

PURPOSE

The purpose of these regulations is to increase energy efficiency savings in the state by revising the appliance efficiency regulations related to general service lamps to align with federal requirements. The Energy Commission proposes to align the appliance efficiency regulations definitions for general service lamps with the two DOE definitional final rules published in the Federal Register on January 19, 2017, and effective January 1, 2020, and to align the existing test procedures with the new and

updated test procedures that have been adopted by the DOE and are mandatory for manufacturers making representations about the energy use or efficiency of the applicable lamp types. The Energy Commission proposes to incorporate the federal efficiency standard for general service lamps that exists in federal law and to adopt a state regulation that is identical to the federal law to ensure implementation of the regulations if repealed at the federal level. California has an exemption from state preemption in U.S. Code, Title 42, Section 6295(i)(6)(A)(vi).

BENEFITS

The specific benefits from the federal requirements, which the proposed regulations are meant to ensure take place regardless of potential changes at the federal level, would be utility bill cost savings to the consumer and lower statewide energy use. No additional energy savings benefits or incremental costs will result directly from the proposed regulations beyond those that would result from federal law and regulations effective January 1, 2020. The estimated savings below are those expected to occur in California, due to federal law and regulations effective January 1, 2020, for lamps not already covered by California efficiency standards. The estimated savings are highly dependent on the current population of efficient lamps in California. Because this cannot be known with certainty, a range of savings is estimated between a low population (0 to 20 percent) of efficient lamps and a higher population (30 to 50 percent) of efficient lamps. The federal requirements would save between 2,290 and 4,600 gigawatt-hours of electricity in California the first year the standard is in effect. After existing stock fully turns over, the federal requirements would have an annual electricity savings in California between 4,000 and 13,600 gigawatt-hours. The annual electricity savings equate to a value between \$736 million and \$2.4 billion in annual savings, after stock fully turns over, to California businesses and individuals.

STATEMENT OF SPECIFIC PURPOSE AND NECESSITY

SECTION 1004. SEVERABILITY. SPECIFIC PURPOSE

The specific purpose is to add a severability clause to clarify that in the event that any provision of the division is held to be invalid, the remainder of the division continues in full force and effect.

NECESSITY

It is necessary to reinstate a severability clause into the regulations. Such a clause used to be present, but was previously removed under the mistaken notion that it was codified in statute. It is the intent of the Energy Commission, should any regulation be struck down by the courts that all other regulations not so struck down remain. These regulations would reinstate this severability provision to codify this intent.

**SECTION 1602. DEFINITIONS.
SPECIFIC PURPOSE**

The specific purpose is to add a new definition for general service lamps and numerous related definitions that are near verbatim copies of the federal definitions which are effective January 1, 2020.

NECESSITY

It is necessary for the Energy Commission to add new definitions related to general service lamps sold on or after January 1, 2020, to align with those definitions established in two DOE final rules published in the Federal Register on January 19, 2017. The definitions expand the number of light bulbs subject to the 45 lumen-per-watt efficacy standard in federal law that applies nationwide to general service lamps sold on or after January 1, 2020 (42 U.S.C. § 6295(i)(6)(A)(v)). The new definitions are near verbatim copies of those definitions published in the Federal Register on January 19, 2017, and are added to eliminate confusion between lamp types sold before January 1, 2020, and those sold after the effective date of the federal definitions and standards.

It is necessary to move some definitions into subsection (a) because those definitions apply to multiple categories of appliances.

It is necessary to divide subsection (k) into subsections (k)(1) and (k)(2) to provide clarity for when specific definitions related to general service lamps, and other lamps, become effective. It is necessary to add and divide these definitions by effective date to ensure that the terms and effective dates used within the regulations will have clear and unambiguous meaning to readers, including the public, and particularly to the persons and organizations affected by these regulations.

**SECTION 1604. TEST METHODS FOR SPECIFIC APPLIANCES.
SPECIFIC PURPOSE**

The specific purpose is to align with the federal test procedures for general service lamps and integrated LED lamps.

NECESSITY

The changes are necessary for the Energy Commission to align the existing lamp test methods in the California appliance efficiency regulations with the federal test methods (C.F.R., Title 10, Section 430.23, and 10 C.F.R Appendices R, W, BB, and DD of subpart B of part 430). This alignment reflects new and updated test methods that have been adopted by the DOE and are mandatory for manufacturers making representations about the energy use or efficiency of the applicable lamp types.

Subsection (k)(1): It is necessary to strike *federally regulated* from this section for general service incandescent lamps and incandescent reflector lamps to correctly indicate these lamps may be both state and federally regulated as indicated in the proposed changes to sections 1605.1(k) and 1605.3(k).

Subsection (k)(2): It is necessary to strike subsection (k)(2) because incandescent filament small diameter directional lamps are not able to meet the energy efficiency standard for small diameter directional lamps; therefore, a test method is unnecessary.

The previous subsection (k)(3) has been renumbered to subsection (k)(2): It is necessary to strike out *medium base* because the updated federal test method applies to all compact fluorescent lamps, not just to medium base compact fluorescent lamps.

The previous subsection (k)(4) has been renumbered to subsection (k)(3): It is necessary to place the federal test method for integrated LED lamps here and remove it from Table K-1 for improved clarity. This aligns the mandatory test method with the federal test method.

Subsection (k)(4): It is necessary to add this subsection for optional test methods for state-regulated small diameter directional lamps and state-regulated LED lamps to separate them from the mandatory test method to improve clarity. It is necessary to specify that the optional test methods are conditionally required depending on manufacturer claims of performance as described in other sections of the Article. It is necessary to specify the sampling provisions that apply to the optional test methods for certification, compliance, and enforcement purposes.

Table K-1: The required federal test method has been struck out of Table K-1 and placed in subsection (k)(3). These changes are necessary to align the mandatory test method with the federal test method. Table K-1 now applies only to optional test methods.

Subsection (k)(5): The changes to subsection (k)(5) are necessary to add the federal test method, 10 C.F.R. Section 430.23 (gg), Appendix DD of subpart B of part 430, for any other types of general service lamps not captured by the previous test methods and to strike out the language stating there are no federally prescribed test methods as it is no longer accurate.

Appendix DD of subpart B of part 430 is being incorporated by reference under the “FEDERAL TEST METHODS” section. This is necessary to provide that the federal test procedure is also a state test procedure.

Non-substantive numbering changes have been made to effectively communicate the requirements in a precise and clear manner.

SECTION 1605.1. FEDERAL AND STATE STANDARDS FOR FEDERAL REGULATED APPLIANCES.

SPECIFIC PURPOSE

The specific purpose is to align this section with federal law and regulation by identifying pre-2020 and post-2020 requirements for various lamp types and to clearly indicate that general service lamps sold on or after January 1, 2020,

must meet requirements in Sections 1605.1(k)(6) and 1605.3(k)(1)(B). The Energy Commission proposes to add the 45 lumen-per-watt efficiency standard for general service lamps that exists in federal law to clarify its applicability and to ensure implementation of the regulations if repealed at the federal level.

NECESSITY

This section of the appliance efficiency regulations contains mandatory requirements for federally regulated appliances as determined by federal law and regulation. This is necessary to align with the federal requirements and to ensure that the lamp types, standards, and effective dates will be clear and unambiguous to readers, including the public, and particularly to the persons and organizations affected by these regulations. It is important that the federal requirements contained in the Appliance Efficiency Regulations properly and accurately reflect current federal law to avoid confusion and to provide regulated parties and consumers more clarity, accessibility, and regulatory certainty with respect to the federal regulatory language in the Appliance Efficiency Regulations.

Under Section 1605(a)(2), requirements in Section 1605.1 are adopted as mandatory state requirements that become effective if the federal requirements are repealed or become inoperable, inapplicable, or otherwise invalid. 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 would be permitted to 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 requirements, these updates would immediately become California state law if the federal standard is repealed or becomes invalid. Therefore, it is necessary to add the federal efficacy standard into Section 1605.1(k) for general service lamps.

Subsection (k)(2):

The title of (k)(2) has been amended to strike outdated information related to date of manufacture and to correctly reflect that incandescent reflector lamps (IRLs) are not exclusively federally regulated. The changes are necessary to clarify what topic the subsection addresses.

Subsection (k)(2) has been separated into (k)(2)(A) for clarity and proper numbering format. The amendments in (k)(2)(A) are necessary to correctly reflect that IRLs sold prior to January 1, 2020, are federally regulated lamps and subject to the existing requirements in Table K-3.

The previous subsection (A) has been struck out. This is necessary as the information refers to effective dates for lamps manufactured on or after dates in 2008 and the language is outdated and no longer accurate.

Subsection (A) has been added to the “EXCEPTION” section to reflect that (k)(2) has been divided and renumbered into (k)(2)(A).

Subsection (k)(2)(B) has been added to clearly indicate that IRLs which are general service lamps sold on or after January 1, 2020, must meet requirements in Sections 1605.1(k)(6) and 1605.3(k)(1)(B).

Subsection (k)(3):

Subsection (k)(3) has been separated into (k)(3)(A) for clarity and proper numbering format. The amendments in (k)(3)(A) are necessary to correctly reflect that medium base compact fluorescent lamps sold prior to January 1, 2020, are federally regulated lamps and subject to the existing requirements in Table K-4.

Subsection (k)(3)(B) has been added to clearly indicate that compact fluorescent lamps which are general service lamps sold on or after January 1, 2020, must meet requirements in Sections 1605.1(k)(6) and 1605.3(k)(1)(B).

Subsection (k)(4):

Subsection (k)(4) has been separated into (k)(4)(A) for clarity and proper numbering format.

Subsection (k)(4)(A) has been amended to add “and sold before January 1, 2020.” This is necessary to indicate that general service incandescent lamps and modified spectrum general service lamps sold before January 1, 2020, are federally regulated lamps and subject to the existing requirements in tables K-5 and K-6.

Previous subsection (k)(4)(A)4. has been struck out. This is necessary as the information refers to effective dates for lamps manufactured or imported on or after December 31, 2011, and the language is obsolete.

New subsection (k)(4)(A)2. has been amended to correct an incorrect section number reference.

Subsection (k)(4)(B) has been added to clearly indicate that general service incandescent lamps and modified spectrum general service incandescent lamps which are general service lamps sold on or after January 1, 2020, must meet requirements in Sections 1605.1(k)(6) and 1605.3(k)(1)(B).

Subsection (k)(5):

Subsection (k)(5) has been separated into (k)(5)(A) for clarity and proper numbering format. This is necessary to indicate that candelabra base and intermediate base incandescent lamps sold before January 1, 2020, are federally regulated lamps and subject to the existing requirements in Table K-7.

Subsection (k)(5)(B) has been added to clearly indicate that candelabra base and intermediate base incandescent lamps which are general service lamps sold on or after January 1, 2020, must meet requirements in Sections 1605.1(k)(6) and 1605.3(k)(1)(B).

Subsection (k)(6) has been added to clarify that the minimum lamp efficacy for general service lamps sold on or after January 1, 2020, is 45 lumens-per-watt. This is necessary to align with the efficiency standard in federal law that applies nationwide to general service lamps sold on or after January 1, 2020 (42 U.S.C. Section 6295(i)(6)(A)(v)).

Tables K-3, K-4, K-5, K-6 and K-7 have been amended to clarify and make specific the dates the information in the tables are effective. Once the federal requirement becomes effective January 1, 2020, the tables will no longer be relevant.

Non-substantive numbering changes have been made to effectively communicate the requirements in a precise and clear manner.

SECTION 1605.3. STATE STANDARDS FOR NON-FEDERALLY REGULATED APPLIANCES.

SPECIFIC PURPOSE

The specific purpose is to adopt, as an identical state regulation, the 45 lumen-per-watt efficiency standard for general service lamps that exists in federal law to ensure implementation of the regulations if repealed at the federal level, and to clearly indicate that general service lamps sold on or after January 1, 2020, must meet requirements in Sections 1605.1(k)(6) and 1605.3(k)(1)(B). California has an exemption from state preemption in U.S. Code, Title 42, Section 6295(i)(6)(A)(vi).

NECESSITY

This section of the appliance efficiency regulations contains state standards for non-federally regulated appliances. Because of its exemption to state preemption, California may adopt the federal 45 lumen-per-watt efficiency standard (42 U.S.C. Section 6295(i)(6)(A)(v)) for general service lamps as a state standard. Doing so is necessary to align with the federal requirements and to ensure that the lamp types, standards, and effective dates will be clear and unambiguous to readers, including the public, and particularly to the persons and organizations affected by these regulations. The proposed regulations are necessary to give the Energy Commission authority to enforce the 45-lumen-per-watt standard on the broader scope of products described in Section 1602(k)(2). However, the proposed regulations would not change the efficiency levels, types of products, or effective dates already applicable under federal law and regulation.

Therefore, it is necessary for the Energy Commission to incorporate the federal definitions, effective dates and the 45 lumen-per-watt efficacy standard into

both state and federal efficiency standards for general service lamps. The proposed regulations would be effective for general service lamps sold on or after January 1, 2020.

Subsection (k), related to lamps, has been amended to separate the standards for state-regulated LED lamps and general service lamps into two distinct subsections, update effective dates, and incorporate the 45-lumen-per-watt standard for general service lamps sold on or after January 1, 2020. This is necessary to align with the federal requirements and to ensure that the lamp types, standards, and effective dates will be clear and unambiguous to readers, including the public, and particularly to the persons and organizations affected by these regulations.

Subsection (k)(1) has been struck out as there are no state standards for incandescent reflector lamps and this language is obsolete.

New subsection (k)(1) (previously (k)(2)) has been separated into (k)(1)(A) for clarity and proper numbering format.

(k)(1)(A) has been amended to reflect the existing state standard for general service lamps manufactured on or after January 1, 2018, and to clarify its applicability to general service lamps sold before January 1, 2020. The relevant portions of this subsection that have been struck relate to state-regulated LED lamps and have been relocated to the new subsection (k)(2).

Subsection (k)(1)(B) has been added to clearly indicate that general service lamps sold on or after January 1, 2020, must have a minimum lamp efficacy of 45 lumens per watt.

Subsection (k)(2)(A) has been amended to name the specific bases for state-regulated LED lamps that must meet the standards shown in table K-9. This verbiage is already provided in the appliance efficiency regulation definitions under section 1602(k) and it is being provided here for consistency. This is necessary for clarity to ensure the regulations have clear and unambiguous meaning to readers, including the public, and particularly to the persons and organizations affected by these regulations.

Table K-8 has been amended to clarify the effective date of the general service lamps standards under this section of regulation. This is necessary for clarity to ensure the regulations have clear and unambiguous meaning to readers, including the public, and particularly to the persons and organizations affected by these regulations.

There are non-substantive numbering changes necessary to effectively communicate the requirements and standards in a precise and clear manner.

SECTION 1606. FILING BY MANUFACTURERS; LISTING OF APPLIANCES IN THE MAEDbS.

SPECIFIC PURPOSE

The specific purpose is to add general service lamps to the list of appliances that are not required to meet specified reporting requirements to be sold or offered for sale in California.

NECESSITY

State law (Public Resources Code § 25402(c)(1) and Title 20, California Code of Regulations, section 1606) requires manufacturers to provide specified information on each appliance sold or offered for sale in California to the Energy Commission's Modernized Appliance Efficiency Database System (MAEDbS). MAEDbS is the database used by manufacturers and maintained by the Energy Commission that lists the appliances authorized to be sold or offered for sale in California.

The Energy Commission is not proposing to add any reporting requirements for these products because efficient products are easily visually identifiable and distinguishable from inefficient products and requiring reporting would not improve implementation or enforcement of the proposed regulations.

EXCEPTIONS: It is necessary to add general service lamps to the exceptions section of Section 1606 because the Energy Commission is not proposing to add any reporting requirements for these products.

Table X: It is necessary to add language "sold before January 1, 2020" to separate pre-January 1, 2020 lamp requirements and post January 1, 2020 lamp requirements.

It is necessary to strike out *LED* as a permissible answer for federally regulated medium screw base general service incandescent and OLED lamps sold before January 1, 2020 in Table X, Section K, because the allowable lamp types are limited to general service incandescent and OLED and LED is no longer accurate

It is necessary to strike out *state-regulated medium screw base general service compact fluorescent lamps* in Table X, Section K, because these products are federally regulated and this language is outdated and no longer accurate.

SECTION 1608. COMPLIANCE, ENFORCEMENT, AND GENERAL ADMINISTRATIVE MATTERS.

SPECIFIC PURPOSE

The specific purpose is to add general service lamps as an exception not required to meet specified requirements in order to be sold or offered for sale in California.

NECESSITY

The Energy Commission is not proposing to add any reporting requirements for these products because efficient products are easily visually identifiable and distinguishable

from inefficient products and requiring certification would not improve implementation or enforcement of the proposed regulations.

EXCEPTIONS: It is necessary to add general service lamps to the exceptions section of Section 1608 because the Energy Commission is not proposing to add any reporting requirements for these products.

TECHNICAL, THEORETICAL, OR EMPIRICAL STUDIES, REPORTS, OR SIMILAR DOCUMENTS.

The Energy Commission relied on input from various stakeholders, subject matter experts, and interested parties that provided information, feedback and subject matter expertise from operational, technical and manufacturing perspectives.

The groups and organizations that participated include:

Alliance to Save Energy, American Council for an Energy-Efficient Economy, American Lighting Association, Appliance Standards Awareness Project, Association of Home Appliance Manufacturers, Consumer Federation of America, GE Lighting, IKEA, LEDVANCE, National Electrical Manufacturers Association, Newport Ventures, Northeast Energy Efficiency Partnerships, Northwest Energy Efficiency Alliance, National Resources Defense Council, Pacific Gas and Electric, Sacramento Municipal Utility District, San Diego Gas and Electric, Signify, Southern California Edison, and Whirlpool Corporation.

The Energy Commission also relied upon the following documents:

- U.S. Department of Energy. 2017-01-19 Energy Conservation Program: Energy Conservation Standards for General Service Lamps; Final Rule. ID: EERE-2013-BT-STD-0051-0097.
- U.S. Department of Energy. 2017-01-19 Energy Conservation Program: Energy Conservation Standards for General Service Lamps; Final Rule. ID: EERE-2013-BT-STD-0051-0098.
- Saxton, Patrick. 2018. *Analysis of General Service Lamps (Expanded Scope)*. California Energy Commission, CEC-400-2018-015-SD.
- Saxton, Patrick. 2019. Memorandum to Docket: Supplemental Staff Analysis for General Service Lamps (Expanded Scope). California Energy Commission.

CONSIDERATION OF REASONABLE ALTERNATIVES INCLUDING THOSE THAT WOULD LESSEN ANY ADVERSE IMPACT ON SMALL BUSINESS

No reasonable alternatives to the proposed regulations have been proposed that would lessen any adverse impact on small business or that would be less burdensome and equally effective in achieving the purposes of the regulation. The proposed regulations maintain the baseline conditions that exist due to federal law and regulation – the prohibition of sale of low efficacy general service lamps beginning January 1, 2020. This results in no economic impact due to the proposed regulations.

Manufacturers are obligated to comply with federal appliance efficiency standards and the proposed changes to the requirements do not increase the expected requirements but align with the DOE requirements. The federal requirements will be effective nationwide and all regulated parties will have to comply with them regardless of California's regulations. Manufacturers will have needed to prepare to comply with the federal regulations well ahead of the January 1, 2020, effective date, as only compliant products may be sold on or after that date. Therefore, even in the event of a federal repeal of the definitions, there will not be an economic impact on businesses or consumers from having to comply with the state standards, which ensure the continuation of the federal standards in case of repeal.

The proposed regulations would not change the efficiency levels, types of products, or effective dates applicable already under federal law and regulation. The proposed regulations do not add any reporting requirements for these lamp types.

SPECIFIC TECHNOLOGIES OR EQUIPMENT

The proposed regulations do not mandate proprietary technology or equipment.

THE ECONOMIC IMPACT ANALYSIS/ ASSESSMENT

The Creation or Elimination of Jobs within the State of California

The proposed regulations maintain the baseline conditions that exist due to federal law and regulation – the prohibition of sale of low efficacy general service lamps beginning January 1, 2020. This results in no economic impact due to the proposed regulations. Manufacturers are obligated to comply with federal appliance efficiency standards and the proposed changes to the requirements do not increase the expected requirements but align with the DOE requirements. The federal requirements will be effective nationwide and all regulated parties will have to comply with them regardless of California's regulations. The proposed regulations would not change the efficiency levels, types of products, or effective dates that are applicable already under federal law and regulation. The Energy Commission also is not proposing to add any reporting requirements for these products. Therefore, the Energy Commission has determined the proposed regulations are unlikely to create jobs and are unlikely to eliminate jobs in California.

The Creation of New Businesses or the Elimination of Existing Businesses within the State of California

The proposed regulations maintain the baseline conditions that exist due to federal law and regulation – the prohibition of sale of low efficacy general service lamps beginning January 1, 2020. This results in no economic impact due to the proposed regulations. Manufacturers are obligated to comply with federal appliance efficiency standards and the proposed changes to the requirements do not increase the expected requirements but align with the DOE requirements. The federal requirements will be effective nationwide and all regulated parties will have to comply with them regardless of California's regulations. The proposed regulations would not change the efficiency levels, types of products, or effective dates applicable already under federal law and

regulation. The Energy Commission also is not proposing to add any reporting requirements for these products. Therefore, the Energy Commission has determined that it is unlikely that any new or existing businesses in California will be created or eliminated.

The Expansion of Businesses Currently Doing Business within the State of California

The proposed regulations maintain the baseline conditions that exist due to federal law and regulation – the prohibition of sale of low efficacy general service lamps beginning January 1, 2020. This results in no economic impact due to the proposed regulations. Manufacturers are obligated to comply with federal appliance efficiency standards and the proposed changes to the requirements do not increase the expected requirements but align with the DOE requirements. The federal requirements will be effective nationwide and all regulated parties will have to comply with them regardless of California's regulations. The proposed regulations would not change the efficiency levels, types of products, or effective dates that are applicable already under federal law and regulation. The Energy Commission also is not proposing to add any reporting requirements for these products. Therefore, the Energy Commission has determined that businesses currently doing business in California will not be expanded.

Benefits of the Regulations to the Health and Welfare of California Residents, Worker Safety, and the State's Environment

Benefit of the Proposed Action: The specific benefits from the federal requirements, which the proposed regulations are meant to ensure take place regardless of potential changes at the federal level, would be utility bill cost savings to the consumer, and lower statewide energy use. No additional energy savings benefits or incremental costs will result directly from the proposed regulations, beyond those that would result from federal law and regulations effective January 1, 2020. The estimated savings below are those expected to occur in California, due to federal law and regulations effective January 1, 2020, for lamps not already covered by California efficiency standards. The estimated savings are highly dependent on the current population of efficient lamps in California. Because this cannot be known with certainty, a range of savings is estimated between a low population (0 to 20 percent) of efficient lamps and a higher population (30 to 50 percent) of efficient lamps. The federal requirements would save between 2,290 and 4,600 gigawatt-hours of electricity in California the first year the standard is in effect. After existing stock fully turns over, the federal requirements would have an annual electricity savings in California between 4,000 and 13,600 gigawatt-hours. The annual electricity savings equate to a value between \$736 million and \$2.4 billion in annual savings, after stock fully turns over, to California businesses and individuals.

The federal requirements, which the proposed regulations are meant to ensure take place regardless of potential changes at the federal level, will have a significant positive impact on the environment through energy efficiency gains and avoiding greenhouse gas emissions and criteria pollutant emissions associated with the

generation of electricity from fossil fuels. No additional environmental benefits are expected as a result of the proposed regulations.

Results of the Economic Impact Analysis/Assessment

The Energy Commission concludes that: (1) it is unlikely the proposal will create jobs within California, (2) it is unlikely the proposal will eliminate jobs within California, (3) it is unlikely the proposal will create new businesses in California, (4) it is unlikely the proposal will eliminate existing businesses within California, (5) it is unlikely the proposal will result in the expansion of businesses currently doing business within the state.

DUPLICATION OR CONFLICTS WITH FEDERAL REGULATIONS

On January 19, 2017, the U.S. Department of Energy (DOE) published federal definitions for general service lamps and their subcategories, which would take effect on January 1, 2020. These definitional rules expand the number of light bulbs subject to the 45 lumen-per-watt efficacy standard in federal law that applies nationwide to general service lamps sold on or after January 1, 2020.

The Energy Commission proposes to incorporate the federal definitions published on January 19, 2017, and the 45 lumen-per-watt efficacy standard into both state and federal efficiency standards for general service lamps. California has an exemption from state preemption in U.S. Code, Title 42, Section 6295(i)(6)(A)(vi). The Energy Commission also proposes to align the existing test procedures with the new and updated test procedures that have been adopted by the DOE and are mandatory for manufacturers making representations about the energy use or efficiency of the applicable lamp types.

The proposed regulations would be effective in California for general service lamps sold on or after January 1, 2020, the same date as the nationwide requirement. Because the proposed regulations backstop the federal requirements, they neither unnecessarily duplicate nor conflict with federal regulations.

EVIDENCE SUPPORTING FINDING OF NO SIGNIFICANT ADVERSE ECONOMIC IMPACT AFFECTING BUSINESS

The Energy Commission estimates that businesses may be impacted by the federal requirements, which the proposed regulations are intended to ensure take place regardless of potential changes at the federal level. However, these regulations are not likely to result in a significant adverse economic impact on any business.

The Energy Commission proposes to incorporate the federal definitions published on January 19, 2017, and the 45 lumen-per-watt minimum efficacy standard in federal law into both state and federal efficiency standards for general service lamps. The Energy Commission also proposes to align the existing test procedures with the new and updated test procedures that have been adopted by the DOE and are mandatory for

manufacturers making representations about the energy use or efficiency of the applicable lamp types.

The proposed regulations maintain the baseline conditions that exist due to federal law and regulation – the prohibition of sale of low efficacy general service lamps beginning January 1, 2020. This results in no economic impact due to the proposed regulations. Manufacturers are obligated to comply with federal appliance efficiency standards and the proposed changes to the requirements do not increase the expected requirements but align with the DOE requirements. The federal requirements will be effective nationwide and all regulated parties will have to comply with them regardless of California's regulations. Manufacturers will have needed to prepare to comply with the federal regulations well ahead of the January 1, 2020, effective date, as only compliant products may be sold on or after that date. Therefore, even in the event of a federal repeal of the definitions, there will not be an economic impact on businesses or consumers from having to comply with the state standards, which ensure the continuation of the federal standards in case of repeal.

The proposed regulations would not change the efficiency levels, types of products, or effective dates applicable already under federal law and regulation. The proposed regulations do not add any reporting requirements for these products.

FOR FURTHER INFORMATION

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 Corrine Fishman at Corrine.Fishman@energy.ca.gov or (916) 654-4976. If Corrine Fishman is unavailable, you may contact Patrick Saxton at Patrick.Saxton@energy.ca.gov or (916) 654-4274.