

DOCKETED	
Docket Number:	19-BUSMTG-01
Project Title:	2019 Business Meeting Transcripts
TN #:	230712
Document Title:	Transcript of Item 5 from the 11-13-2019 Business Meeting
Description:	N/A
Filer:	Cody Goldthrite
Organization:	California Energy Commission
Submitter Role:	Commission Staff
Submission Date:	11/14/2019 2:43:24 PM
Docketed Date:	11/14/2019

APPEARANCES

STATE LEADERSHIP PRESENT:

David Hochschild, Chair
Janea Scott, Vice Chair
J. Andrew McAllister, California Energy Commission
Patty Monahan, California Energy Commission
Karen Douglas, California Energy Commission

CEC STAFF PRESENT:

Pat Saxton, Appliances Office, Efficiency Division
Lisa DeCarlo, Senior Staff Counsel
Darcie Houck, General Counsel

PUBLIC COMMENT:

Noah Horowitz, NRDC
Mary Anderson, PG&E
*Mel Hall-Crawford, Consumer Federation of America
*Christopher Granda, Appliance Standard Awareness Project
*Daniel Buch, CPUC
*Laura Gildengorin, CARES

1 P R O C E E D I N G S

2 NOVEMBER 13, 2019 10:00 A.M.

3 CHAIR HOCHSCHILD: Let's move on to Item 5,
4 Appliance Efficiency Regulations Rulemaking for General
5 Service Lamps, Pat Saxton.

6 MR. SAXTON: Good morning Chair and Commissioners.
7 My name is Patrick Saxton and I'm an electrical engineer in
8 the Appliances Office in the Efficiency Division. I'm joined
9 by Lisa DeCarlo an attorney with the Chief Counsel's Office.

10 Today, I'm presenting proposed changes to the
11 California Appliance Efficiency Regulations for General
12 Service Lamps.

13 The first part of this agenda item is a Proposed
14 Negative Declaration finding that there are not significant
15 adverse effects on the environment from the proposed
16 regulations. There is a 30-day public comment period for the
17 Negative Declaration. However no comments were received.

18 At the conclusion of this presentation staff will
19 request approval of the Proposed Negative Declaration.

20 I'll provide a short background on general service
21 lamps. California has an existing standard requiring a
22 minimum efficacy of 45 lumens per watt for general service
23 lamps. But it has only been enforced on A-shaped lamps,
24 essentially traditional light bulbs. This standard was
25 adopted by the CEC in 2008 with a contingent effective date

1 of January 1, 2018. The standard implemented and became
2 effective when the United States Department of Energy, or
3 DOE, failed to meet congressional directives on general
4 service lamps. These actions were taken pursuant to
5 California's exceptions to preemption that are found in the
6 United States Code.

7 The result of enforcing this standard, typically
8 called the backstop standard, was removal of Halogen A-lamps
9 from California's market, leaving light emitting diode or LED
10 lamps, and compact florescent lamps or CFLs.

11 The U.S. DOE published two final rules that
12 established new and revised definitions related to general
13 service lamps in the Federal Register on January 19th, 2017.
14 And while the current definitions for general service lamps
15 already incorporates the 2017 Federal Revised Definitions,
16 staff proposes here to memorialize them into the California
17 Appliance Efficiency Regulations, as allowed by California's
18 exceptions to preemption for general service lamps in U.S.
19 Code.

20 After staff released its notice of proposed action
21 in this proceeding, DOE purported to withdraw its
22 definitions. On November 4th, 2019 15 State Attorneys
23 General, including California's as well as Washington D.C.
24 and the City of New York, filed a legal challenge to DOE's
25 purported withdrawal of its January 19th, 2017 expanded GSL

1 definitions.

2 A separate legal challenge on the same issue was
3 filed by the Natural Resources Defense Council, Sierra Club,
4 Consumer Federation of America, Massachusetts Union of Public
5 Housing Tenants, Environment America and the U.S. Public
6 Interest Research Group.

7 The proposed regulations clarify the types of lamps
8 to which the existing state backstop standard for general
9 service lamps applies. The existing 45 lumens per watt
10 standard, which is not being amended, cannot be met by
11 incandescent or halogen lamps. The California market would
12 be served by LED and CFL lamps which are readily available,
13 provide equal service, are much higher efficiency resulting
14 in large utility bill savings and they last much longer.

15 This is the definition for general service lamps.
16 The highlights are that it increases the number of base types
17 meeting the state definition of general service lamps,
18 expands the voltage range and increases the maximum lumens
19 output or brightness. General service lamps include but are
20 not limited to general service incandescent lamps, CFLs and
21 LEDs.

22 Notably, several important lamp types are no longer
23 exempt from the state definition of a general service lamp.
24 These lamp types are either products with high sales volumes
25 that are actually used in general lighting applications or

1 represent substitute products that could be used in general
2 lighting applications. Discontinued exemptions for reflector
3 lamps and certain lamp shapes such as candle shaped are
4 particularly important.

5 Twenty-six lamp types continue to be exempt from
6 the state definition of general service lamps. But these are
7 truly specialty lamps. Examples are appliance lamps, black
8 light lamps, bug lamps, colored lamps and 22 other types.

9 The proposed regulations also include clarification
10 of the definition for general service incandescent lamps and
11 supplemental definitions.

12 This chart shows the results of staff cost
13 effectiveness analysis for replacing various lamp types with
14 more efficient LEDs that are available on the market.
15 Incremental prices for LED lamps are generally low and
16 continue to come down. Staff used conservative assumptions
17 meaning higher incremental prices. Four of these five lamp
18 types have a simple payback period of less than one year.
19 And the fifth type has a simple payback of about two years.
20 The lifetime utility bill of electricity savings ranges from
21 \$50 to \$90 per lamp.

22 This slide shows two scenarios estimating statewide
23 savings from the market shift from low efficiency lamp types
24 to high efficiency lamps. The scenario for low LED market
25 saturation was developed for the 2018 staff report on general

1 service lamps. The high LED market saturation was developed
2 as part of a supplemental analysis based on comments received
3 during the pre-rulemaking that the LED market share was
4 higher than staff original assumptions.

5 There's a large range of savings resulting from the
6 full shift of the market to high efficiency lamps depending
7 on the assumptions of current LED market saturation.

8 Industry has commented that they believe even the
9 high LED saturations scenario overestimates statewide
10 savings. Even if that is the case, it does not impact the
11 technical feasibility or cost effectiveness of replacing low
12 efficiency lamps with high efficiency lamps.

13 Comments supporting the proposed regulations have
14 been received from energy efficiency, environmental,
15 ratepayer and consumer organizations and utilities that are
16 shown on the screen here.

17 GE Lighting, LEDVANCE and the National Electrical
18 Manufacturer's Association have filed comments opposing the
19 proposed regulations. Their comments suggest that the CEC
20 should stop this proceeding, because DOE has withdrawn their
21 definitions for general service lamps, because the market
22 transition to LEDs is occurring quickly and in their opinion
23 regulations are not necessary. And because DOE has stated,
24 in DOE's opinion, California's exception to preemption are
25 not available. Staff strongly disagrees with these comments.

1 Additionally an out of scope comment on portable
2 luminaires was received.

3 Staff finds that the proposed regulations provide
4 clarifications that are technically feasible and cost
5 effective. And that California's exceptions to preemption
6 for general service lamps in U.S. Code Title 42, Section
7 6295(i)(6)(a) are operative and applicable.

8 Staff requests approval of the Negative Declaration
9 and the proposed regulations. I'm available for any
10 questions.

11 CHAIR HOCHSCHILD: Thank you, Pat.

12 Commissioner McAllister, did you want to?

13 COMMISSIONER MCALLISTER: Do we have any public
14 comment?

15 CHAIR HOCHSCHILD: Should we do the public comments
16 on this, yeah sure. Thank you, Pat. Let's do public
17 comments starting with those in the room, Noah Horowitz, from
18 NRDC.

19

20 MR. HOROWITZ: Good morning, Commissioners and
21 staff. My name is Noah Horowitz. And I'm the Director of
22 the Center for Energy Efficiency Standards at the Natural
23 Resource Defense Council, NRDC.

24 I'm here today to express our strong support for
25 the CEC proposal to update the state standards for general

1 service lamps or every-day light bulbs, more commonly known.
2 The update includes three essential components, the test
3 method, the definition of scope and the minimum efficiency
4 requirements. And we believe the CEC got it right in all
5 three cases.

6 To be mindful of time, I'd like to make four key
7 points. One, scope and definition really do matter. CEC's
8 current lighting regulations only cover the bulbs that go
9 into roughly half of the sockets in existing homes in
10 California. CEC's proposal which mirrors the 2017 updated
11 definition by DOE brings into scope key bulb types which
12 include three-way bulbs, candle and flame shaped bulbs in our
13 chandeliers and sconces, reflector bulbs in our recessed cans
14 and down lights and the round globe bulbs often in our
15 bathroom fixtures.

16 In some cases these might be the only bulb used in
17 the room and they're not some sort of niche or specialty bulb
18 as NEMA and its member often incorrectly allege.

19 Secondly, it's critically important to phase out
20 the remaining inefficient light bulbs in our homes.
21 Incandescents and halogens consume four-to-six times more
22 energy than the LED bulbs that replace them while giving off
23 the same amount of light. Given the many millions of sockets
24 in California homes that still contain an inefficient light
25 bulb, adopting the 45 lumen per watt backstop for bulbs not

1 yet covered by California standards will deliver massive
2 energy and carbon savings to the state.

3 As a result of these new regulations virtually all
4 bulbs in California will soon be efficient ones, resulting in
5 annual energy savings as Pat has shown, between roughly 750
6 million and more than \$2 billion per year.

7 In addition, millions of tons of greenhouse gas
8 emissions and other pollutants will be prevented annually.

9 Three, we support CEC's proposal to update the test
10 methods for measuring the energy use and light output of the
11 GSLs including LED lamps, so as to align with the federal
12 ones.

13 And four and finally, we urge the CEC to maintain
14 the date of sale, effective date of January 1, 2020, which
15 aligns with the backstop date contained in the 2007 Federal
16 Energy Bill.

17 Unlike other state and federal appliance efficiency
18 standards, which utilize the date of manufacturer or a date
19 of import prohibition the backstop and EISA, or the Energy
20 Independence and Security Act -- I didn't make up that name -
21 - uses a date of sale effective date. This means that
22 retailers may not sell through their existing inventories of
23 incandescents and halogens as of January 1st.

24 While January 1 is just around the corner, the
25 lighting industry and retailers have known for years that

1 these standards were coming and some have chosen at their
2 potential peril to ignore or oppose them.

3 CHAIR HOCHSCHILD: If you could wrap up.

4 MR. HOROWITZ: Okay. The date of sale compliance
5 mechanism also makes enforcement much faster and
6 representatives of the CEC can simply look at the bulb and
7 know whether or not it complies.

8 So in closing, we commend the CEC for moving
9 forward with its proposal and doing its part to ensure the
10 transition away from energy wasting light bulbs is completed
11 in California as soon as possible. Thank you.

12 CHAIR HOCHSCHILD: Thank you.

13 Let's move on to Mary Anderson, PG&E on behalf of
14 the California IOUs.

15 MS. ANDERSON: Good morning, it's almost afternoon.
16 My name is Mary Anderson from PG&E speaking on behalf of the
17 California IOUs. I am pleased to be here to urge the Energy
18 Commission to adopt the expanded general service lamp
19 definition into Title 20, California Appliance Efficiency
20 Regulations.

21 The State of California has championed forward
22 looking lamp standards for over a decade, first through the
23 implementation of state GSIL standards and then through the
24 adoption of the 45 lumens per watt backstop for GSLs. Now
25 California seeks to complete the transition to a high

1 efficiency lamp type through alignment with DOE's lawfully
2 expanded definition of GSLs.

3 By implementing these regulations on Jan 1, 2020,
4 along with the already effective backstop the Energy
5 Commission will ensure that Californians realize an
6 anticipated 1.4 quadrillion BTUs of energy savings through
7 2050. The California investor owned utilities urge the
8 Energy Commission to adopt these definitions and implement
9 them as planned to secure the front-loaded savings afforded
10 by this rule making. Thank you.

11 CHAIR HOCHSCHILD: Thank you.

12 I think that's everybody in the room. Let's move
13 on to the public comment on the phone starting with Mel Hall-
14 Crawford, if I'm pronouncing that correctly, Consumer
15 Federation of America.

16 MS. HALL-CRAWFORD: Yes, hi. Good morning, Chair
17 and Commissioners. I hope you can hear me, I have a little
18 bit of an echo.

19 My name is Mel Hall-Crawford. I am the Director of
20 Energy Programs for the Consumer Federation of America. CFA
21 is a federation of some 250 non-profit organizations working
22 in the consumer interest through research, advocacy and
23 education.

24 I am pleased to speak in support of the
25 Commission's adoption of the revised 2017 federal definitions

1 for GSLS, general service lamps. Consumer Federation, the
2 Consumer Federation of California, Consumer Action and
3 Consumer Reports together submitted comments into the docket
4 in favor of the Commission's proposed action, so I will just
5 highlight the points made.

6 Over the past decade, we have managed to increase
7 the amount of light in our lives with declining electricity
8 consumption and bills.

9 The proposed action by the CEC will further benefit
10 California consumers and businesses. As previously point
11 out, it is projected to save them between \$736 million and
12 \$2.4 billion in annual savings after the existing stock turns
13 over and there are also important benefits for the
14 environment.

15 In addition, there are broader economic benefits
16 when the commercial and industrial sectors save on lighting
17 costs, consumers benefit through lower costs in goods and
18 services.

19 We greatly appreciate the CEC's leadership in
20 energy efficiency. You serve as a beacon for the rest of the
21 country. CFA urges you to adopt the 2017 federal definitions
22 for GSILs and GSLS.

23 Thank you for this opportunity to speak.

24 CHAIR HOCHSCHILD: Thank you. You were fading in
25 and out there, but I think we got about 80 percent of that.

1 Thank you.

2 Let's move on to Christopher Granda, Appliance
3 Standards Awareness Project.

4 MR. GRANDA: Yes, good morning. This is Chris
5 Granda calling from the Appliance Standards Awareness
6 Project. I am a Senior Researcher Advocate and staff member
7 responsible for our lighting technologies.

8 The Appliance Standards Awareness Project applauds
9 California's history of light bulb energy efficiency
10 standards, and supports the CEC's expansion of the definition
11 of general service lamps as contained in the Negative
12 Declaration. This expansion of California's definition for
13 general service lamps will make California regulations
14 consistent with similar state standards in Vermont, Nevada,
15 Washington State and Colorado. And with federal standards
16 that are due to come into effect prohibiting the sales of
17 non-compliant general service lamps starting January 1st,
18 2020.

19 The U.S. Department of Energy has issued a rule
20 withdrawing the expansion of the federal definition, but we
21 believe that this action was illegal and will be overturned
22 in court pending the resolution of the lawsuits mentioned by
23 Mr. Saxton in his presentation.

24 By expanding the California definition of general
25 service lamps, and enforcing the standard under this broader

1 scope, California will save significant amounts of
2 electricity, save lightbulb users large amounts of money,
3 reduce carbon emissions from electricity generation and
4 mitigate the confusion and inconvenience that the Department
5 of Energy's recent actions have caused for manufacturers,
6 retailers, and consumers of light bulbs.

7 The effect of the California Energy Commission's
8 proposed changes will be to accelerate the transition from
9 incandescent and other legacy light bulb technologies to
10 light emitting diodes. We see only benefits to California
11 consumers and the environment from this change.

12 In addition to the savings in dollars, kilowatt
13 hours and carbon, and reduction in other impacts, we
14 anticipate no reduction and the availability of different
15 lamp types to consumers.

16 California's general service lamps standards came
17 into effect smoothly in 2018, and since then we have seen
18 many new kinds of LED light bulbs come to the market. And
19 new manufacturers enter the market to serve consumer demand
20 for these products as well.

21 Thank you for the opportunity to share these
22 comments.

23 CHAIR HOCHSCHILD: Thank you.

24 Let's move on to Daniel Buch from the Public
25 Advocate's Office.

1 MR. BUCH: Thank you for the opportunity to speak
2 today. My name is Dan Buch and I'm the Supervisor of the
3 Energy Customer Programs Team at the Public Advocates Office
4 at the California Public Utilities Commission.

5 The Public Advocates Office strongly supports
6 approval of this item, which will solidify California's
7 continuing leadership in Energy Efficiency and lock in a very
8 significant stream of highly cost-effective energy savings
9 from lighting, reducing greenhouse gas emissions and ensuring
10 bill savings for customers. It is imperative that California
11 continue to lead the way in fighting climate change.

12 If the federal government continues to abrogate its
13 duty to enforce cost-effective lighting standards that
14 protect the environment and save customers money, it is
15 necessary and appropriate that the State of California step
16 in to achieve these important goals.

17 California's regulatory agencies and utilities have
18 been planning for this set of lighting standards for many
19 years, supporting the state's energy and environmental goals
20 through a systematic effort to transform the lighting market.
21 Charting a path to broad, cost effective and highly efficient
22 lighting standards has been the planning goal since the early
23 2000s. California ratepayers have contributed hundreds of
24 millions of dollars in subsidies and programmatic efforts to
25 spur market development, quality improvements and price

1 reductions.

2 And we have achieved those market transformation
3 goals. Highly efficient lighting is now widespread high
4 quality and inexpensive. The most recent CPUC goals and
5 potential studies show that there is little remaining space
6 for an incentive-led efficiency gains in lighting. And no
7 reason to continue incentivizing lighting measures that
8 consumers would largely adopt regardless of whether
9 incentives are offered or not. And so it is appropriate for
10 ratepayers to wind down their financial commitment and for
11 compulsory standards to take over.

12 Based on the most recent potential end goals
13 studies the CPUC now expects dramatic reductions in lighting
14 incentives starting in 2020 and the Public Advocates Office
15 strongly supports that direction. So as of January 1, 2020
16 the lighting products covered by this regulation will be
17 included in a standard practice baseline in most
18 applications. And investor owned utilities and other energy
19 efficiency program administrators regulated by the CPUC will
20 no longer offer incentives or subsidies. This is reflected
21 in CPUC decisions, investor owned utility energy efficiency
22 business plans and regulatory filings and CPUC and CEC energy
23 savings and procurement planning forecasts.

24 This is the right policy. It safeguards ratepayers
25 from paying for energy savings that would occur without

1 subsidy. And it allows the CPUC to direct needed resources
2 to transforming new markets and initiatives like building
3 decarbonization. And importantly, CPUC policy sunseting
4 incentives for lighting is not legally dependent on standards
5 approval. The Public Advocates Office anticipates that even
6 if these standards were to face legal challenge, the
7 sunseting of lighting incentives would continue to be CPUC
8 policy. We do not anticipate nor would we support a
9 resumption of ratepayer funding for lighting after January 1,
10 2020.

11 Thank you for the opportunity to speak at this
12 meeting and your continued leadership in energy efficiency.

13 CHAIR HOCHSCHILD: Thank you.

14 Let's move on to Laura Gildengorin. Thank you,
15 let's move on to Laura Gildengorin, California Association of
16 Ratepayers for Energy Savings.

17 MS. GILDENGORIN: Thank you, Commissioners. My
18 name's Laura Gildengorin and I'm speaking on behalf of the
19 California Association of Ratepayers for Energy Savings,
20 commonly known as CARES. CARES is a nonprofit association of
21 California ratepayers dedicated to affordable and sustainable
22 energy, on a mission to create and maintain a healthy
23 environment for all Californians.

24 CARES is participating in today's meeting, because
25 it wants to show its strong support of the CEC's proposed

1 action to expand the GSL definition to be coextensive with
2 the Obama-era federal definition including the 45 lumens per
3 watt efficacy standard and updating the relevant test
4 procedures. What I will refer to as the CEC's proposed
5 action.

6 Ask California energy ratepayers, CARES members
7 have two main concerns. The first, preserving the
8 environment we all live in. And second, saving money on
9 their energy costs. The CEC's proposed action addresses both
10 those concerns and makes tremendous improvements to
11 California energy policy. By our estimates, conserving up to
12 13,600 gigawatt hours of and saving consumers an average of
13 \$210 per household per year. Those are meaningful savings
14 that Californians simply don't have the luxury of giving up.

15 As Mr. Saxton mentioned, the CEC's proposed action
16 is expressly provided for in the language of the Energy
17 Independence and Security Act of 2007 in California's
18 preemption exceptions. And is undoubtedly the next
19 progressive step towards significant financial relief and
20 environmental protections.

21 For these reasons, and those stated in the CARES
22 comment letter, CARES fully supports the CEC's proposed
23 action. Thank you for your time.

24 CHAIR HOCHSCHILD: Thank you.

25 I think that concludes public comment. Let's move

1 on to Commissioner McAllister.

2 COMMISSIONER MCALLISTER: Okay. Thanks, Chair
3 Hochschild.

4 So thanks Pat for that presentation and all the
5 commenters for being here on the line today. I just have a
6 brief statement really. I certainly would echo the
7 historical context mentioned by some of the commenters. I
8 believe this item fits perfectly within California's history
9 along these lines as well as federal history, and our history
10 collaboration with the federal government to promote
11 efficient lighting.

12 Here, we are doing exactly what we have said we
13 would do since essentially 2007, and certainly since 2017.
14 This is a straight conformance item with the proper federal
15 GSL definition. The backstop applies and anti-backsliding
16 provisions also apply. Commission staff and Chief Counsel
17 will continue to support the Attorney General's Office in its
18 efforts in the courts together with other state partners.

19 So in sum, this rulemaking clarifies the scope of
20 our enforcement authority. It does not establish new or
21 amended regulations. This merely clarifies the scope to
22 which our existing 45 lumens per watt standard applies.

23 I commend the lighting industry to take note of
24 that. I want to thank staff and then Counsel, certainly
25 CCO's Office, the Executive Office as well, for all of their

1 leadership and collaboration on this. So I strongly support
2 this item.

3 CHAIR HOCHSCHILD: Thanks. Any other comments from
4 Commissioners?

5 Hearing none, is there a motion?

6 MS. HOUCK: Chairman? Just really quick before you
7 vote, I noted that there is a typo in the agenda. That it
8 should be Title 20, Section 1004, not 1007. The docket
9 number is correct and all the backup material has the correct
10 code, but I just want it to be clear for the record for the
11 vote.

12 CHAIR HOCHSCHILD: Thank you for catching that,
13 Darcie. So with that correction --

14 COMMISSIONER MCALLISTER: We have to do a Negative
15 Declaration and then the motion itself, right?

16 MS. DECARLO: Yes, correct. In that order.

17 COMMISSIONER MCALLISTER: Okay. So I'll move Item
18 5 Negative Declaration.

19 CHAIR HOCHSCHILD: Okay. Is there a second?

20 COMMISSIONER DOUGLAS: Second.

21 CHAIR HOCHSCHILD: All in favor say aye.

22 (Ayes.)

23 CHAIR HOCHSCHILD: That motion passes unanimously.

24 COMMISSIONER MCALLISTER: I'll move Item 5b.

25 VICE CHAIR SCOTT: Second.

1 CHAIR HOCHSCHILD: Second by Vice Chair Scott. All
2 in favor say aye.

3 (Ayes.)

4 CHAIR HOCHSCHILD: All right, that motion passes
5 unanimously. Thank you.

6 MR. SAXTON: Thank you.

7 CHAIR HOCHSCHILD: Thank you to the staff for all
8 the work on that.

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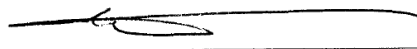
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And I further certify that I am not of counsel or attorney for either or any of the parties to said hearing nor in any way interested in the outcome of the cause named in said caption.

IN WITNESS WHEREOF, I have hereunto set my hand this 14th day of November, 2019.



PETER PETTY
CER**D-493
Notary Public

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And I further certify that I am not of counsel or attorney for either or any of the parties to said hearing nor in any way interested in the outcome of the cause named in said caption.

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