

## DOCKETED

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*Comment Received From: Ben Chou*

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## **NRDC Comments on CEC Drought Rebate Program**

Please see attached for comments from NRDC on the CEC presentation at the 08-28-2015 Joint Agency Workshop on California's Drought Response. These comments were also submitted to the Water Energy Appliance Rebate Program docket (15-WATER-03).

*Additional submitted attachment is included below.*



August 28, 2015

Submitted electronically via <https://efiling.energy.ca.gov>

Dockets Unit  
California Energy Commission  
1516 Ninth Street, MS 4  
Sacramento, CA 95814

**RE: NRDC Comments on the Appliance Rebate Program**  
**Docket No. 15-WATER-03**

Dear Commissioners:

Thank you for the opportunity to provide additional comments on the Energy Commission's forthcoming Appliance Rebate Program. These comments are submitted by the Natural Resources Defense Council (NRDC), which works on behalf of our 2.4 million members and activists, more than 380,000 of whom are Californians, to ensure safe and sufficient water for people and the environment.

We commend the Energy Commission for moving quickly to approve the Appliance Rebate Program as the state's serious drought crisis necessitates strong action to reduce water use wherever possible. We staunchly support the rebate program, and its focus on replacing inefficient clothes washers will help households throughout California save water, energy, and money during the current drought and in future years.

However, we strongly urge the Energy Commission to reconsider its decision not to require rebate applicants to submit documentation showing proper recycling of their previous appliance with a Certified Appliance Recycler (CAR). Such a requirement is necessary to ensure that the program maximizes actual water and energy savings. While we support measures that streamline the rebate redemption process to encourage household participation, such streamlining should not undermine the core purpose of the rebate program, which is to save water. Additionally, since Greenhouse Gas Reduction Fund (GGRF) monies are being used to fund the program, the Energy Commission must take prudent measures to ensure that energy savings are maximized.

While the final guidelines require applicants to acknowledge that they have followed all terms and conditions of the program (including the proper recycling of old appliances that are replaced),<sup>1</sup> the guidelines do not require that applicants submit documentation verifying proper recycling. This relatively

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<sup>1</sup> Final Guidelines at p.8.

simple additional step is necessary to ensure that old, inefficient units being replaced are properly recycled instead of transferred to other households where they continue to waste both water and energy. Industry surveys suggest that more than half of all old, working clothes washers being replaced likely remain in service.<sup>2</sup> These secondary market transfers would negate much, if not all, of the appliance rebate program's water and energy savings.

Requiring proper recycling documentation would not prove extraordinarily burdensome to rebate applicants. In fact, the state's previous Cash for Appliances program—which used federal funding from the 2009 American Recovery and Reinvestment Act to incentivize the purchase of more than 178,000 energy efficient appliances and equipment, including more than 88,000 ENERGY STAR clothes washers—required rebate applicants to submit documentation showing that their previous appliance was recycled by a CAR. By all accounts, this program was successful and popular, and it does not appear that the recycling documentation requirement dampened enthusiasm or participation in the program as more than \$33 million in rebate funding was exhausted in the span of just eight months.<sup>3</sup>

Further, as part of the application process, participants in the Energy Commission's new appliance rebate program will already be submitting proof of purchase documentation including a copy of a purchase receipt or invoice, a copy of a recent water or energy utility bill, and the original UPC label from the appliance box or packaging.<sup>4</sup> Requiring applicants to also submit documentation verifying proper recycling would involve marginal additional effort and would ensure that rebate applicants are in fact recycling their old clothes washers and therefore maximizing water and energy savings.

Thank you for considering our recommendation. If you should have any questions or would like to discuss our comments further, please do not hesitate to contact me at (310) 434-2300 or by email at [bchou@nrdc.org](mailto:bchou@nrdc.org).

Sincerely,



Ben Chou  
Policy Analyst, Water Program

cc: Patrick Saxton, CEC  
Christine Collopy, CEC  
Jack Bastida, CEC  
Anne Fisher, CEC

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<sup>2</sup> Association of Home Appliance Manufacturers, "2010 Major Appliance Consumer Research," December 7, 2010, Research Conducted by Bellomy Research.

<sup>3</sup> State Energy Efficient Appliance Rebate Program, *State Energy Efficient Appliance Rebate Program Final Program Report – California* (2014).

<sup>4</sup> Final Guidelines at p. 9.