

DOCKETED	
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May 23rd, 2018



Commissioner Andrew McAllister
CALIFORNIA ENERGY COMMISSION
1516 Ninth Street
Sacramento, California 95814

Re: CEC Docket # 18-AAER-08, Federally Exempted Linear Fluorescent Lamps

Commissioner McAllister:

The following comments are submitted for the record in the Commission's above-captioned invitation to comment regarding the efficiency of federally exempted linear fluorescent lamps. They are submitted on behalf of the Northwest Energy Efficiency Alliance.

The Northwest Energy Efficiency Alliance is a non-profit organization working to encourage the development and accelerate the adoption of energy-efficient products and services. NEEA is supported by the region's electric utilities, public benefits administrators, state governments, public interest groups and efficiency industry representatives. This unique partnership has helped make the Northwest region a national leader in energy efficiency. NEEA also has a long history of partnering with energy efficiency stakeholders in California to achieve our common goals.

We would like to strongly encourage the Commission to open a docket to set standards for federally exempted linear fluorescent lamps, and in particular, high-CRI lamps. NEEA is in possession of data from our Reduced Wattage Lamp Replacement initiative, included in our submissions to this docket, that suggest that these lamps are increasingly being marketed as an alternative to federally regulated lamps of the same type. In other words, the lack of standards for high-CRI lamps is a growing loophole in the federal regulatory framework for such products.

To our knowledge, two years ago there were no high-CRI T8 lamps available. Now they have a growing market share of the overall T8 market. These products are approximately 14 percent less efficient than the federal standard requires for other T8 lamps.

These lamps are also significantly extending the market for T12 lamps. As one can see in the data, one reason for this market situation is likely the notably lower prices for the high-CRI products, compared to the federally regulated products.

The data submitted are from Pacific Northwest sales data, from distributors representing approximately 45 percent of the Maintenance, Repair & Operations (MRO) and larger electrical/lighting distributor market for these lamp types. Our data does *not* cover smaller MRO distributors, on-line sales, or DIY retail (such as Home Depot or Loew's), where the sales of the less expensive high-CRI lamps may be a larger fraction of total linear fluorescent sales.

Key findings from our analysis include:

1. Using fluorescent T8s and T12s as the total market, high CRI T12s represented 6.4% of the total market in 2017, while high CRI 32W T8 represented 2.8% in 2017.

2. Although prices have risen, the market share of T12 lamps (both high and low CRI) has remained reasonably consistent over time, suggesting that the market is “sticky” or not sensitive to changes in price or other market effects. This could suggest that federal regulation may be one of the only ways to move consumers away from this product.
3. Prices have also risen for high CRI 32W lamps, but the RWLR pricing data shows that these products *are priced lower on average* than 25W, 28W, 32W with CRI below 87 (which must comply with the new federal standards regulations).

We note that data from other parts of the country may show higher market shares for the high-CRI products, in part because of the success of NEEA’s reduced-wattage lamp program, which has significantly impacted the T8 lamp market. The program contractor has confirmed that the sales of 25W and 28W T8 lamps is significantly higher in the Pacific Northwest compared to most of the rest of the country, which suggests that the market share of other T8 lamps and T12 lamps (including the high-CRI models) would be larger in many areas outside the Pacific Northwest. Recent market intelligence in the distribution channels we partner with suggests that much cheaper (approaching \$1 per lamp) high-CRI T8 lamps may soon be on the market, worsening the degree to which the savings from the latest federal lamp standards are being undermined.

We urge the Commission to open a docket for the purpose of closing the loophole and setting standards that are similar to those for the federally regulated products. If the Commission opens a standards docket, we will update the data submitted here with the latest quarterly data we have at that time. If the Commission succeeds in setting standards, NEEA will assist other states such as Oregon and Washington in adopting those standards. Questions with regard to the data submitted can be directed to the author of these comments (contact information below). Thank you very much for considering our input in this docket.



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