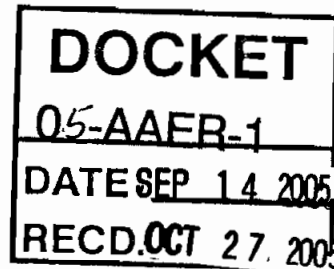


September 14, 2005

The Honorable Jackalyne Pfannenstiel  
Vice Chair  
California Energy Commission  
1516 9<sup>th</sup> Street, MS 33  
Sacramento, CA 95814



RE: Appliance Efficiency Regulations: CA Code of Regulations, Title 20: Sections 1601-1608

Dear Commissioner Pfannenstiel:

Apple requests that the California Energy Commission amend the Appliance Efficiency Regulations which went into effect on April 15, 2005 to allow manufacturers to provide and distribute external power supplies as service and replacement parts for their products manufactured prior to the Tier 1 and Tier 2 implementation dates.

In the current Regulations, manufacturers cannot produce service parts after the Tier 1 and Tier 2 implementation dates unless the older design external power supply meets the effective energy efficiency requirements. Manufacturers must be able to make service parts available to consumers for several years after a product has been sold, even after that product has been discontinued. California Civil Code Section 1790, The Beverly Song Warranty Act (the "Warranty Act"), requires manufacturers who provide an express warranty for a product to make available functional parts to effectively repair the product for at least seven years after the date a product model or type was manufactured.

Typically, manufacturers design their external power supplies to function reliably and safely with specific models of host equipment. This means that the host system in combination with specific external power supply models must be subjected to reliability testing, safety certification and EMC certification. Often, newer design external power supplies are not backward compatible with older design host equipment due to changes in the power output (e.g. voltage, current, or wattage) and/or changes in the connector type/size, or lack of appropriate EMC and safety approvals for the host equipment/external power supply combination. For some products, logic in the host equipment is programmed to recognize only the external power supply originally designed for that particular product. For the same reasons, older design external power supplies may not be forward compatible with new design host equipment.

To allow manufacturers to honor warranties to their customers and comply with the Warranty Act, the CEC must exempt external power supplies from energy efficiency requirements if they are intended for use as service or replacement parts for equipment sold before the Tier 1 and Tier 2 implementation dates. It is not feasible for manufacturers to redesign external power supplies, intended as service parts for older equipment, to meet new energy requirements.

On August 31, 2005, CEC staff members Cecile Martin and John Wilson met with Apple to discuss this issue. The staff members were very helpful and understood our concerns. The parties agreed that while the service part exemption is needed to allow manufacturers to meet their legal obligation in California to provide equipment warranties and replacement parts, the exemption language must be narrowly drafted to eliminate any such exemption for external power supplies not provided by the product's original manufacturer.

Apple suggests that the following language be inserted in Section 1605.3(u)(1):

"Power supplies that are made available by a product manufacturer as accessories, service parts or spare parts for its products manufactured prior to July 1, 2006 shall be exempt from the requirements in Table U-1 and Table U-2.

Power supplies that are made available by a product manufacturer as accessories, service parts or spare parts for its products manufactured between July 1, 2006 and December 31, 2007 shall be exempt from the requirements in Table U-2."

This language would only exempt external power supplies that are made available by the product's manufacturer, not external power supplies made available by third-party manufacturers or retailers for products which they did not manufacture. We believe this language provides the necessary exemption for manufacturers who wish to extend the useful life of their products and provide warranties to their customers, while still mandating that aftermarket, third-party external power supply manufacturers comply with the regulation.

Please do not hesitate to contact me at 408-974-5077 if you have any further questions.

Sincerely,



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CC: John Wilson, Assistant to the Commissioner  
Cecile Martin, Assistant Director, Office of Governmental Affairs