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DATE	JUN 20 2007
REC'D	JUL 02 2007

STATE OF CALIFORNIA  
ENERGY RESOURCES  
CONSERVATION AND DEVELOPMENT COMMISSION

Proposed Amendments to	)	Docket No. 07-AAER-1
Appliance Efficiency Regulations:	)	Amendments to Regulations Adopted
Sections 1602, 1604, 1606, and 1607	)	Order Number 07-620-24
_____	)	June 20, 2007

**ORDER ADOPTING REGULATIONS AND  
DIRECTING ADDITIONAL ACTIVITIES**

**I. INTRODUCTION**

The California Energy Commission ("Commission") adopts amendments to its appliance efficiency regulations. (Cal. Code of Regs., tit. 20, §§ 1602, 1604, 1606, and 1607). We take this action under the authority of, and to implement, interpret, and make specific, Sections 25213, 25216.5(d), 25218(e), and 25402(c) of the Public Resources Code.

In this rulemaking, the Energy Commission proposes to adopt various amendments that are required under a federal Court Order.<sup>1</sup> The proposed amendments to the California Code of Regulations (CCR), title 20, sections 1602, 1604, 1606, and 1607 are consistent with federal law and constitute Energy Commission compliance with the federal court order. On December 1, 2006 the Energy Commission published a Notice of Proposed Action (NOPA) concerning the potential adoption of amendments to the Appliance Efficiency Regulations (45-Day Language). The NOPA and the 45-Day Language were posted on the Energy Commission website on December 1, 2006. The first public hearing, with the Energy Commission's Efficiency Policy Committee was held on December 20, 2006 where public comments were received. The second public hearing with the full Energy Commission was on January 17, 2007. At that hearing, the Energy Commission staff recommended and the Energy Commission agreed to postpone the adoption and directed staff to draft proposed 15-Day Language for adoption at a future date.

On March 19, 2007 a draft of proposed 15-Day Language was posted on the Energy Commission website. After consideration of public comments received, the draft 15-Day language was revised and finalized. A Public Notice was issued providing for review of the 15-Day Language during a public comment period from April 23, 2007 through May 8,

<sup>1</sup> Court Order Vacating Injunction, Dismissing Complaint and Entering Judgment for Defendants [Energy Commission] dated September 8, 2006 U.S. District Court for the Eastern District of California (Case No. 2:02-CV-02437-WBS-PAN) and Joint Status Conference Statement Order dated September 11, 2006. (Case No. 2:02-CV-02437-WBS-EFB).

2007, and a proposed adoption date by the Energy Commission on May 9, 2007.

After considering comments received during this 15-Day Public Comment Period, on May 9, 2007, staff recommended and the Commission agreed that adoption be delayed and directed the staff to address these comments in additional 15-Day Language to be published and provided in a second 15-Day Public Comment Period. A Public Notice was issued providing for review of the 15-Day Language during a public comment period from June 4, 2007 through June 20, 2007, and a proposed adoption date by the Energy Commission on June 20, 2007.

Today, we hereby adopt the proposed 45 Day Language dated December 1, 2006 and 15-Day Language dated April 20, 2007 and subsequent 15-Day Language amendments dated June 1, 2007.

## **II. FINDINGS**

Based on the entire record of this proceeding, we find as follows:

### **A. The Warren-Alquist Act. The adopted regulations:**

- (1) are based on reasonable use patterns;
- (2) apply to appliances which require the use of a significant amount of energy on a statewide basis;
- (3) require efficiencies that are feasible and attainable; and
- (4) do not result in any added total costs to the consumer over the designed life of the appliances concerned.

### **B. The Administrative Procedure Act. The adopted regulations:**

- (1) will not result in a significant statewide adverse impact directly affecting business, including the ability of California businesses to compete with businesses in other states;
- (2) will not create or eliminate a significant number of jobs in California;
- (3) will not create new businesses, eliminate existing businesses, or have an effect on the expansion of businesses in California;
- (4) will not impose costs on private persons;

- (5) will impose no direct costs or direct or indirect requirements on state agencies, local agencies, or school districts, including but not limited to costs that are required to be reimbursed under Part 7 (commencing with Section 17500) of the Government Code;
- (6) will result in no costs or savings in federal funding to the State;
- (7) will not affect housing costs;
- (8) will have no significant adverse effect on businesses in general or small businesses in particular;
- (9) will have no significant costs that a representative person or business would incur in compliance (\$360 per year per appliance for appliance manufacturers); and
- (10) have no alternatives that would be more effective in carrying out the purposes of the Warren-Alquist Act without increasing burdens, or that would be as effective and less burdensome in carrying out the purposes.

C. The California Environmental Quality Act. The proposed amendments to the California Code of Regulations (CCR), title 20, sections 1602, 1604, 1606, and 1607 are consistent with federal law and constitute Energy Commission compliance with a federal court order that reinstated, after an injunction, regulations that had been previously adopted. The regulations adopted today will not result in a direct, or reasonably foreseeable indirect, significant adverse effect on the environment.

### **III. EFFECTIVE DATE FOR RESUMPTION OF MANDATORY DATA-COLLECTION, DIRECTIVES TO THE EXECUTIVE DIRECTOR, AND CONTINUATION OF DELEGATION OF AUTHORITY TO THE EFFICIENCY COMMITTEE**

The Commission notes that despite the diligent work of the CEC Staff, manufacturers, and trade associations, which has resulted in today's approved regulations, it is clear that we will not be ready for data collection for all affected appliances on one date in the near future. Therefore, the Commission:

- (1) specifies an effective date, for all of the regulations adopted today, of September 17, 2007 (this is the effective date of the appliance-marking regulations that were the subject of the *ARI v. ERCDC* litigation);
- (2) directs the Executive Director (or his designee), pursuant to section 1606(a)(1) of the regulations, to establish schedules for the submittal of data that reflects

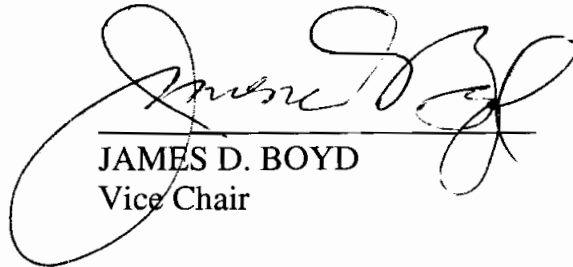
the capabilities of both manufacturers and the staff; and


- (3) continues in effect its delegation to the Efficiency Committee of the authority to take, on behalf of the Commission, all actions reasonably necessary to have the adopted regulations go into effect, including but not limited to incorporating any changes approved at the June 20, 2007 hearing into the final Express Terms submitted to the Office of Administrative Law ("OAL"); making any appropriate nonsubstantive, editorial-type changes; and preparing and filing all appropriate documents, such as the Final Statement of Reasons at OAL.

Dated: June 20, 2007 at Sacramento, California

ENERGY RESOURCES  
CONSERVATION AND  
DEVELOPMENT COMMISSION

  
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Vice Chair

  
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Commissioner

Absent  
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JOHN L. GEESMAN  
Commissioner

Absent  
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JEFFREY BYRON  
Commissioner