NATURAL RESOURCES DEFENSE COUNCIL

July 29, 2013

California Energy Commission
1516 Ninth Street, Mail Station 4
Sacramento, CA 95814-5512

Via e-mail: docket@energy.ca.gov

RE: Portable Electric Spas Efficiency Standards – **Docket #12-AAER-2G**

On behalf of the Natural Resources Defense Council and our more than 250,000 members and online activists in California, we respectfully submit this response to the Commission's Invitation to Submit Proposals dated June 13, 2013.

Enclosed is NRDC's proposal under Docket #12-AAER-2G for Portable Electric Spas.

We appreciate the opportunity to present our proposals. Please let me know if you have any questions.

Respectfully submitted,

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Proposal for Standards
Portable Electric Spa Labeling
Docket Number 12-AAER-2G

Appliance Efficiency Standards and Measures

for California Energy Commission's Invitation to Submit Proposals

Submitted By:

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July 29, 2013

On behalf of the Natural Resources Defense Council (NRDC) and our more than 250,000 members and online activists in California, we respectfully submit this response to the Commission's Invitation to Submit Proposals dated June 13, 2013.

NRDC has reviewed the Investor Owned Utilities (IOUs) standards proposal for portable electric spa labeling and is in agreement with their analysis, savings estimates and proposal. Rather than repeat much of their content, NRDC highlights below key considerations regarding the IOU proposal.

In 2004, the CEC set standards for the allowable standby power use for portable electric spas, but did not require that spas be labeled with information about their energy use. Even with the existing Title 20 standards, portable electric spas can still use a significant amount of energy compared to other household appliances. For example, a 300 gallon spa would be permitted to use approximately 1963 kilowatt-hours (kWh) under the current Title 20 requirements.[1] This spa would cost a consumer about $300 per year in energy costs at 15 cents per kWh. Currently, a spa purchaser does not have any information about the standby energy use and operational cost of the spa, leading them to make uninformed decisions.

Despite the lack of information on spa efficiency, the portable electric spas certified in the CEC database show that there is a wide range of standby power available for a given spa size, indicating that consumers have the option to purchase a lower power spa but do not currently have information on these choices. For instance, approximately half of the spas certified in the database are more than 12.5 percent better than standard and approximately a quarter of the spas in the database are more than 25 percent better than the standard. This wide range of efficiency combined with the high energy use of spas indicates that consumers would likely benefit from a label providing information on spa efficiency at the time of purchase.

[1] This assumes the spa runs in standby mode for the duration of the year. A spa that was unplugged for a portion of the year or used frequently could use more or less energy.

The label proposed by the IOUs includes information that would be important to a consumer's decision making, such as standby power use, the estimated annual energy cost, and two options for a visual label that would help consumers see how the spa compared to the minimum standard. While many spas are advertised as being energy efficient today, these advertisements are not standardized or verified and the proposed label would help provide uniform information to consumer. In addition to aiding consumer decision making, a spa label could increase compliance with the existing Title 20 regulations, as it would be easier to identify any noncompliant spas available for sale.

The IOUs conservatively estimate that a label would cause 5 percent of consumers to buy a spa that was 12.5 percent more efficient than they would have without a label. This would result in 5.1 gigawatt-hours (GWh) per year in energy savings and 1 megawatt (MW) peak demand reduction once the full stock had turned over. The proposed label would also save a net $8.1 million for consumers and reduce emissions by 2,200 metric tons of CO2 equivalent per year, once fully implemented.

NRDC urges the CEC to adopt the IOUs' proposal which is cost-effective and would provide necessary information to consumers on spa energy use. Additionally, we urge the CEC to consider including revised portable electric spa standards in Phase 2 of the Title 20 rulemaking. Given the wide range of spa efficiencies available, higher standards could achieve further energy savings and are potentially cost-effective for consumers.