



State Standards Guidance Document: Living Document

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So you want to set state-level appliance standards? Here are some considerations and components to successfully get you there. While each state and legislature is different, these key components will help set you up for success. This document covers the Background of state standards, details on **Assembling the right team** to move standards forward, a description of the Process to getting standards in place, the Timing (if new legislation must be passed), the Regulator expectations for successful standards, and a **Sample letter of support**.

Background

The Appliance Standards Awareness Project (ASAP) has historically released a set of products that are good candidates for state standards every year and created an associated model bill. This model “package” takes into account the following considerations:

- Is there an existing efficiency specification (e.g., an existing state standard or ENERGY STAR specification) that can serve as the basis for a state standard?
- Is there an existing test procedure to measure efficiency?
- Can products from multiple manufacturers meet the potential standard level?
- Are there sufficient data to reliably analyze potential costs and savings?
- Would the potential standard level be cost effective for purchasers of the regulated product?

In this way, stakeholders can be assured that the model bill and associated analysis has been vetted for feasibility and success. That being said, it is a model; if a state decides to add or subtract specific technologies, that is possible. Some states may have vocal advocates for or against specific measures, for example, which may influence whether or not they stay in the package.

Assembling the right team

State Energy Office:

- Support from an energy office is beneficial for building legislative support
- Typically the impacts from standards would fit well into SEO goals
- Opposition from a state energy office could be detrimental

Advocacy organizations:

- Environmental, conservation, and energy efficiency organizations can place a key role in building broad support for standards
- They can mobilize other organizations, grassroots population, or in some cases even lobby for a bill.
- While here to help with technical support and analysis, it is important to note that some 501(c)3s such as NEEP and ASAP do not lobby

Legislators:



- In most (but not all!) cases, new legislation is required to pass appliance standards
- When legislation is needed, a legislative champion is key, not only to sponsor the bill but to also see it through to the end
- In some cases a champion or sponsor is needed in both chambers
- Legislative staff can play a key role to understand and build excitement for the model bill

Utility, regulators, and efficiency boards:

- Utilities can provide support, technical analysis, data, and in some cases lobbying and organizing force.
- In some cases, utilities can claim savings attributed to their role in helping get the standards in place or enforcement of the standard. This is an ongoing conversation and worth discussion with regulators for states considering state standards.

Businesses, manufacturers, and trade associations:

- Support from the business community can be incredibly helpful for any appliance standards bills. Trade ally support should be considered for any bill, especially if there are positive economic examples to be shared.
- On the flip side, opposition can arise from the business community about additional regulation. It is important to research and understand who may be for or against a bill.

Process to getting standards in place¹

1. Gain stakeholder input.
 - This process varies widely by state. For example, some states have a series of informal meetings in which a handful of key stakeholders (e.g., key legislators, state agencies, and local and regional public interest groups) convene and draft new legislation.
 - States that don't require new legislation to establish new standards also seek stakeholder input. They may solicit comments from various stakeholders, including manufacturers, or hold formal public hearings.
2. Conduct benefit-cost analysis and related studies.
 - Several states have conducted benefit cost analyses of new standards or reviewed such analyses conducted by others.
 - California runs a rulemaking process in which utilities fund Codes and Standards Enhancement (CASE) reports and evaluate benefits and costs of new standards.
 - Most other states typically review existing studies conducted in California or by advocacy and research organizations such as ASAP and NEEP.
3. Define and establish draft appliance standards.
 - This process typically defines covered products, effective dates, efficiency standards, test methods, certification and labeling procedures, inspection and enforcement procedures,

¹ Adopted from: http://www.4cleanair.org/sites/default/files/Documents/Chapter_14.pdf



penalties for noncompliance, procedures for appeals, waivers and other exceptions, and contact information for the agencies involved.

- ASAP's Model Package can be used to define the covered products, but the remaining logistical requirements are up to those writing the regulation and/or the enabling legislation.
4. Enforce, monitor, review, and modify the program as needed.
- Based on stakeholder responses and market trends, some states have made specific program modifications, including revisions to covered products, efficiency levels, and effective dates, as well as process improvements such as more frequent stakeholder input cycles and more transparent public information processes.

Timing (if new legislation must be passed)

June through October: Stakeholders must build their team. This includes:

- Preparing for the introduction of the bill, building broad support across the key players (state energy offices; advocacy organizations; legislators; utility, regulators, and efficiency boards; businesses, manufacturers, and trade association) completing technical analysis, coordination between stakeholders.

October through December

- ASAP's model bill language is released, work can begin to translate the model bill into state-specific bill. This includes Identifying and working with the legislative champion.
- Identify key additional analysis that may position this bill for success (i.e. further carbon or economic analysis)

January through the end of legislative season: After the bill is introduced, but before it is passed, these activities can and should take place to support the bill:

- Lobby for the bill (if you do that)
- Testify on behalf of the bill
- Get partners/supporters to send letters or testify on behalf
- Analysis/customize responses to questions/clarifications
- During the legislative process, it is critical that invested parties maintain diligence and also flexibility. Because of the technical and regulatory nature of appliance standards, bills may get sliced and diced with other legislative priorities in order to get passed. That is to be expected and should be looked at creatively.

After bill passes: The bill moves from legislation to regulation.

- Utilities and stakeholders can work with regulatory arm to ensure regulations are written (perhaps providing technical assistance), building process for database of products (largely working off CEC Database but also ENERGY STAR and WaterSense), spot checks for enforcement, checking in to make sure process is going smoothly.
- It is important to remember that passing legislation is critical, but not the last step in the process.



Regulator expectations

Once standards are in place, either through legislation or regulation, there are still remaining responsibilities to ensure that they actually go into effect and have the intended impact. For the agency within a state responsible for “promulgating” the standards, there are several pieces that may need to happen.

1. Implementing regulations: The standards do not take effect unless the regulation has been written and implemented.
2. Certification regulations: instructions and clarity on compliance towards the regulation is critical.
3. Publish or reference a list of certified products: In many cases, the California Energy Commission maintains a database of certified products that can be referenced, but in all cases information about which products qualify are needed in order to have an effective standard in place.

Sample letter of support

Dear Senator Barrett and Representative Golden:

On behalf of the National Consumer Law Center's (NCLC) low-income clients, I write to urge passage of H. 3404, "An act relative to expanding resource efficiency in the Commonwealth," sponsored by Rep. Smizik. In essence, this bill would set minimum energy and water efficiency standards for a range of appliances and equipment. To provide some context for these comments, NCLC has been advocating for increased appliance efficiency standards for well over a decade. We do so for many reasons. Reducing energy consumption puts savings in the pockets of Massachusetts homeowners, renters and businesses. Those savings are particularly important for low-income households, who struggle to pay their energy bills and are too often faced with termination of vital utility services due to non-payment. Moreover, money that would have gone to purchase energy supplies from out of state (natural gas in particular, to fuel our power plants) stays in the local economy, helping to create more jobs. And energy savings help the Commonwealth meet its important greenhouse gas reduction goals.

The Appliance Standards Awareness Project, which is the expert in this field, estimates that, if adopted, H. 3404 would save Massachusetts residents and businesses tens of millions of dollars annually. The bill covers a wide range of plumbing, lighting and appliance products, and sets standards that are easily achievable.

On behalf of our low-income clients, NCLC urges you to pass this bill.

Please feel free to contact me if you have any questions.

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