

**Statement for the Record
Administrator Scott Pruitt
U.S. Environmental Protection Agency**

**Hearing: Discussion Draft, ENERGY STAR Reform Act of
2017 and H.R. 3477, Ceiling Fan Energy Conservation
Harmonization Act**

**Energy and Commerce, Energy Subcommittee
United States House of Representatives
November 7, 2017**

Chairman Upton, Ranking Member Rush, members of the subcommittee, I appreciate the opportunity to provide written testimony on the ENERGY STAR Reform Act of 2017 Discussion Draft. Although the Administration does not have an official position on the specifics of this bill, I am appreciative of the committee's interest in improving the ENERGY STAR program.

ENERGY STAR is a voluntary program, implemented by the Environmental Protection Agency (EPA) and the Department of Energy (DOE), that provides consumers and businesses with information identifying the most energy efficient choices in products, homes and buildings. The ENERGY STAR program was established by EPA in 1992, under the authority of Section 103(g) of the Clean Air Act. In 2005, Congress enacted the Energy Policy Act. Section 131 of the Act amended Section 324 of the Energy Policy and Conservation Act and directed EPA and DOE to implement "a voluntary program to identify and promote energy-efficient products and buildings in order to reduce energy consumption, improve energy security, and reduce pollution through voluntary labeling of or other forms of communication about products and buildings that meet the highest energy efficiency standards."

In September 2009, EPA and DOE signed a Memorandum of Understanding (MOU) that redefined roles and responsibilities for EPA and DOE in response to industry

concerns and to enhance and expand the various aspects of ENERGY STAR. The division of responsibilities established by the MOU resulted in significant improvements to the program including standardized program approaches, reduced duplication of effort and it helped resolve market confusion. Under the MOU, EPA and DOE work together to implement the ENERGY STAR program, leveraging the strengths of each agency. EPA manages the ENERGY STAR Products, New Homes, Commercial, and Industrial programs. DOE provides technical support, including test procedure development for products and some verification testing of products. DOE's role leverages DOE's complementary regulatory work on minimum efficiency standards. Due to DOE's Recovery through Retrofits program, DOE also manages Home Performance with ENERGY STAR for upgrades to existing homes.

Over the last 25 years, EPA has developed and fostered relationships with thousands of market actors across the residential, commercial, and industrial sectors of the American economy. EPA developed and manages ENERGY STAR Portfolio Manager, an online energy tracking and benchmarking tool, which has become an industry accepted tool that has benchmarked close to 50% of U.S. commercial floor space. EPA built and manages IT systems that share product data in real time to thousands of retailers, manufacturers, and utilities; an average of over 800,000 ENERGY STAR certified products were sold each day in 2015. Nearly 700 utilities (serving roughly 85% of American households) partner with EPA to leverage ENERGY STAR as a common national platform, investing billions in energy efficiency programs each year.

EPA and DOE remain committed to improving the ENERGY STAR program in response to stakeholder feedback as well as improving coordination between the two agencies.

- For example, EPA has aligned ENERGY STAR testing requirements with DOE standards to allow testing for ENERGY STAR to also be used for purposes of federal efficiency standards.
- In addition, when standards are updated on a different timeline than ENERGY STAR specification revisions, EPA updates existing specifications and data requirements to align with DOE definitions, metrics and test procedures.

- To further improve the efficiency and effectiveness of our collaboration, EPA and DOE are initiating an effort to reduce manufacturer reporting burden by avoiding duplicative submittal of product information. EPA and DOE will convene stakeholders to explore this proposal as well as other ways ENERGY STAR can leverage current IT functionality to increase program efficiency.
- In response to recent stakeholder discussions and to address any potential confusion about the transparency and inclusiveness of EPA's processes, EPA is creating a Standard Operating Procedure (SOP) for setting ENERGY STAR product specifications. The new SOP will include specifics on minimum public comment periods, procedures for sharing proposals with stakeholders, and a detailed, step-by-step description of the entire process. EPA will continue to explore with stakeholders areas where EPA can improve transparency.

To improve the oversight of ENERGY STAR certified products, homes, and commercial facilities, EPA has implemented independent certification requirements. In response to a finding by the U.S. Government Accountability Office that the program was vulnerable to fraud, EPA implemented third-party certification of ENERGY STAR products starting in 2011. Prior to 2011, ENERGY STAR products were self-certified by partners.

In conclusion, EPA stands ready to work with Congress and our industry partners to ensure the Energy Star program continues to work well for those partners and American consumers. I appreciate the opportunity to provide written testimony as I support the committee's interest in improving the ENERGY STAR program. The Agency stands ready to provide technical assistance to the Committee should the Committee have any further questions.

Thank you.