



## **NRDC COMMENTS ON REVISED ENERGY STAR TV SPECIFICATION**

**November 14, 2007**

On behalf of the Natural Resources Defense Council (NRDC) and its more than 1 million members and e-activists, we submit the comments provided below on the ENERGY STAR television specification which is being updated. Our comments were developed in response to the presentations made during the EPA stakeholder meeting held in San Diego on October 18, 2007 and a follow-up conference call, and address the following areas:

- Technology neutrality
- Effective date
- Data availability
- Tier 2
- Setup menu language

Technology neutrality – As this issue continues to surface in stakeholder meetings, we felt the need to reiterate our support for a technology neutral specification. We concur with the current draft of the ENERGY STAR specification that the spec should be technology neutral and should NOT set separate specs for different TV types ( plasma, LCD, DLP, CRT, etc.). It is our opinion that each of these TV technologies provides roughly equivalent service to consumers.

We agree with the EPA's approach to set a maximum allowable on mode power limit that is normalized for viewable screen area. As higher resolution TVs deliver a crisper picture and require slightly more power, we are comfortable with EPA's decision to establish separate requirements for standard, high definition, and "full" high definition models. The debate between the plasma and LCD industries is, however, an unfortunate ongoing distraction. We believe these two technologies, as well as any other TV technology — current and those yet to be brought to the market — should compete on a level playing field.

We believe it would be a big mistake for EPA to set a separate specification for plasma TVs. This could seriously water down the value of the ENERGY STAR brand and create ongoing consumer confusion. We think it is entirely inappropriate for consumers to be faced with a market environment where two 42 inch TVs with identical features

could both earn the ENERGY STAR even though one uses two or more times the amount of power to operate than the other ENERGY STAR labeled model. This is exactly the scenario that could play out if ENERGY STAR created separate specification levels for the best of the LCDs, and the best of the plasmas.

In addition, we understand that several new innovations may be coming that could dramatically reduce the power consumption of new plasma TVs. After analyzing the data from a DisplaySearch market research “white paper,” we found that a large percentage of plasma TVs could meet the draft 2 ENERGY STAR specification given the forecast improvements in luminous efficacy that are expected to occur during the lifetime of the specification or shortly thereafter. The motivation to achieve significant future reductions to plasma TV energy use could be dramatically reduced were EPA to set a less stringent spec for plasmas than for other technologies.

Lastly we want to dispel the misconception that plasma and LCD TVs represent essentially different product categories, thus warranting different specs. They are both flat panel TVs, period. While many retailers may market their TVs as plasma or LCD, the reality is consumers base their purchasing decision based on one of many factors which include: price point/budget, brand, picture quality on the store floor, the size of the TV screen (either want a small one for the kitchen, or in many cases the biggest one they can afford), overall product appearance, the TV’s “form factor” (e.g. flat panel vs. traditional tube style), and perhaps if it’s a LCD, plasma, DLP, etc.. We hope of course that over time an increasing percent of TV purchasers will also base their decision in part on whether its ENERGY STAR qualified.

Schedule – The sooner EPA can shift away from its current spec that only addresses standby power to one that also includes active mode (which typically represents 85% or more of a TV’s annual energy use) the better. **Under the current system, some consumers will go out of their way to purchase an ENERGY STAR qualified TV only to find out later that they really bought an “energy hog”.** This will result in disappointed consumers and erosion of their trust of the ENERGY STAR brand, which EPA and others have worked so hard to develop. As such we strongly support EPA’s proposed effective date of September 1, 2008. While this date may slightly inconvenience certain manufacturers due to their normal production cycle, ENERGY STAR must understand that there is, in fact, no universal product introduction date for TV manufacturers, and finding a date that suits everyone would be impossible.

We also think it’s important to stick to this date because of the spike in TV sales that is likely to occur during the 2008 holiday season and in early 2009 in response to the pending national transition to digital only broadcasts and the increased media and marketing attention that is likely to occur. Some analog TV owners who had been considering buying a new flat panel or “high definition” TV may be increasingly motivated to buy that new TV, rather than keeping their current TV and having to purchase a digital TV adapter box.

As 25% or more of the models in the EPA data set already qualify for the ENERGY STAR label TODAY without any design modifications, there will be plenty of qualifying models available for sale later this year. As this program is a voluntary one, manufacturers who may not be able to meet the September 1, 2008 date can of course continue to sell their non ENERGY STAR complying models and once they are able to achieve compliance with the ENERGY STAR spec, they can qualify that model anytime after that

Lastly we want to point out that the ENERGY STAR program is based on date of manufacturer not date of sale. This eliminates many of the concerns raised in the meeting that manufacturers whose products meet the current ENERGY STAR spec but won't meet the new one will need to manually cover or remove the ENERGY STAR logo from those made prior to Sept. 1. This is simply not the case.

Data Availability – During the spec setting process, the manufacturers' trade association played the role of data collection for its members. While we appreciate the coordinating role they played, we are very concerned by the fact that they totally scrubbed the identity of the specific product name. We see no good reason why the public should not have access to the energy use of specific TV models. There is nothing "confidential" about this data for existing models. We should also point out that EPA did not request information such as price or sales data, which we understand are much more sensitive data.

As NRDC has stated previously, we respectfully request that the TV industry and EPA "unmask" this data. Without the model specific information (manufacturer and model number) it is not possible to determine if the data set is sufficiently representative of the current market and thus a fair basis for a specification. An unmasked data set will also help in future spec revisions to assess the improvements made in TV energy efficiency.

Tier 2 – We are in complete agreement with EPA's intention to create a Tier 2 specification. We anticipate this product category to remain very dynamic in terms of the mix of manufacturers, new features and efficiency improvements that will occur. To that end we think EPA should formally announce a schedule to establish a revised specification that would go into effect in September 2010, roughly three years from today.

We hope the Tier 2 specification will make strides to ratchet down active mode power consumption requirements on increasingly popular large screen sizes (those TVs with a diagonal screen dimension greater than or equal to 42"). We raise this point because for most technologies TV power use scales with screen area and because the very large screen TVs tend to be the unit with the highest home operating hours. In addition, the really big screen TVs are increasingly being installed in restaurants, health clubs, hotel lobbies, airports etc, most of which are operated 12 plus hours per day.

Without specifically addressing large screen size energy use, the overall energy use for the TV category is likely to continue to grow, despite ENERGY STAR's best efforts.

Set-Up Menu Language – During the spec setting process it became clear that many TV models are configured to deliver very bright “out of the box” pictures as a means to stand out on the retail floor. This may be fine for retail settings but unfortunately may result in brighter than necessary out of the box settings for many consumers and as a result excess energy consumption. While we don’t have exact data, it’s probably a safe assumption that 99% or so of TVs shipped each year go to consumers homes and are not put on the retail display floor. *Why have 1% of the shipped TVs dictate the settings and energy use of the 99% of TVs that get installed?*

As a partial solution, Panasonic and other manufacturers have offered a user set up scheme for those TV models that require the user to select settings during the user’s initial selection of various settings. In short, some common language would be developed to alert the user that the TV was shipped in “retail mode” and that they should select a user option best suited for home use. This screen would then be followed by various options most suitable for home usage. We are very supportive of this approach and encourage ENERGY STAR and the TV industry to establish standardized language that would be used. Standardization around the terms “retail” and “home” would be very useful and would eliminate confusion that would be created by allowing terms like “vivid”, which sound very appealing to the user, for the retail setting.

We appreciate the opportunity to provide these comments and look forward to working with all the stakeholders involved during this process to develop a meaningful and timely ENERGY STAR specification for televisions.

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