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January 18, 2007

Richard H. Karney, P.E. ENERGY STAR Product Manager US Department of Energy Washington, DC

Delivered by Electronic Mail

Dear Mr. Karney:

The National Association of Energy Service Companies (NAESCO) submits these comments on the Draft ENERGY STAR[®] Program Requirements for Solid State Lighting Luminaires, Eligibility Criteria – Version 1.0, dated December 20, 2006.

NAESCO's current membership of about 100 organizations includes firms involved in the design, manufacture, financing and installation of energy efficiency and renewable energy equipment and the provision of energy efficiency and renewable energy services in the private and public sectors. NAESCO members deliver about \$3 billion of energy efficiency projects each year. NAESCO numbers among its members some of the most prominent companies in the world in the HVAC and energy control equipment business, including Honeywell, Johnson Controls, Siemens, Trane and TAC/Tour Andover. Our members also include many of the nation's largest utilities: Pacific Gas & Electric, Southern California Edison, New York Power Authority, and TU Electric & Gas. In addition, ESCO members include affiliates of ConEdison, Pepco Energy Services, Constellation, DMJM Harris and Direct Energy. Prominent national and regional independent members include Custom Energy, NORESCO, Onsite Energy, EnergySolve, Ameresco, UCONS, Chevron Energy Solutions, Synergy Companies, WESCO and Energy Systems Group.

NAESCO applauds the continuing efforts of the U.S. Department of Energy (US DOE) and the U.S. Environmental Protection Administration (US EPA) to promote ENERGY STAR appliances, equipment and building operations practices. We believe that the ENERGY STAR brand is now a recognized symbol of energy efficiency, environmental stewardship and superior performance by consumers. We fully support the extension of ENERGY STAR standards to new lighting technologies.

NAESCO cautions, however, that the release of ENERGY STAR standards for new lighting equipment on a "one-off" basis may inadvertently undermine the foundation of the ENERGY STAR program in commercial buildings which is predicated on comprehensive energy efficiency project design and implementation.

NAESCO's understanding is that the ENERGY STAR program for commercial buildings is a comprehensive, whole building, continuous improvement program. A building is really not part of the ENERGY STAR program unless its design has embraced this comprehensive approach, which, unfortunately, relatively few commercial buildings have done thus far.

In NAESCO's experience, commercial building owners, especially high-end commercial building owners, seem unconcerned about the huge potential for energy efficiency in their buildings, which the US EPA estimates at 30% or more. This market sector has historically been very hard for either private sector or utility-sponsored energy services to penetrate. The modest improvements that have been made in the buildings are generally low-cost or no-cost measures, which barely scratch the surface of the buildings' potential.

In this context, NAESCO is concerned that the proposed new standard for luminaires will send the wrong message to commercial building owners. It will give them the ability to tout their "green" consciousness by installing a few fancy fixtures in lobbies, board rooms and other public areas, while continuing to ignore the much more substantial energy savings generated by largely invisible improvements to building *systems* – lighting, heating, cooling, ventilation, etc.

We therefore urge that US DOE not promulgate this new standard for luminaires until it is made part of an ENERGY STAR commercial building *lighting system standard*, which combines energy-efficient lighting design, appropriate daylighting and state-of-the-art control systems that integrate energy efficiency and demand response capabilities.

Respectfully submitted,

Donald D. Gilligan President