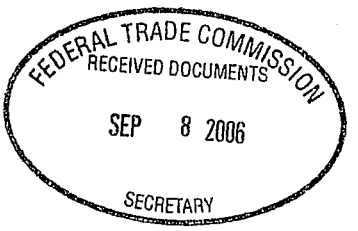
7 September 2006



Federal Trade Commission
Office of the Secretary
Room H-135 (Annex L)
600 Pennsylvania Ave., N.W.
Washington, D.C. 20580

Re: **Ceiling Fan Labeling, Matter No. R611018**

Following are questions and comments written by the ceiling fan industry regarding Ceiling Fan Labeling, Matter No. R611018. The questions were developed by a special task force of ceiling fan manufacturers, organized by the American Lighting Association (ALA). We believe ALA ceiling fan manufacturers produce approximately 75 percent of ceiling fans sold in the United States.

Questions for comment per section "V"

A. Q- What energy-related information should be required on the ceiling fan labels?
   A- The proposed label as depicted on "Prototype label 6" is accepted.

B. Q- Should the amount of information on the proposed label be reduced or otherwise simplified?
   A- No, the proposed label as depicted on "Prototype label 6" is accepted.

C. Q- Are the energy descriptors for the proposed label appropriate?
   A- Yes, the proposed label as depicted on "Prototype label 6" is accepted.

D. Q- Should the label contain information explaining terms such as "airflow," "electricity use," and "airflow efficiency"?
   A- No, the proposed label as depicted on "Prototype label 6" is accepted.

E. Q- Should the label contain information about annual operating costs?
   A- No, the arguments presented by the FTC are fully supported.

F. Q- Do similar sized fans have similar airflow ratings (in cubic feet per minute)?
   A- This can not be determined until after a suitable pool of test data is available. We propose that the test data be reviewed 120 days prior to implementation when suitable range information can be selected from the test data provided by the manufacturers and resellers.

G. Q- Is it appropriate for the label to require energy information at high fan speed only?
A- Yes, high speed is the true unregulated performance of the fan. Medium and low speeds are controlled by capacitors built into the fan's electrical harness. Capacitor values are arbitrarily selected by each manufacturer and do not translate to standardized speeds. The efficiency data collected from medium and low speed testing will only confuse the consumer.

H. Q- Should the label include a disclosure that the power use excludes the power used by light bulbs attached to the fan?
A- No, the proposed label as depicted on "Prototype label 6" is accepted.

I. Q- Is the proposed range disclosure appropriate?
A- Yes, the CFM/Watt criteria is the best measure of efficiency over a range of ceiling fan blade diameters.

J. Q- Should the Rule allow the inclusion of information on the label not specifically required by the Rule? Or should the Rule mandate uniformity in the content of the label?
A- The Rule shall mandate uniformity of label content.

K. Q- Should the label be affixed to the product itself or to the product packaging?
A- The label shall be affixed to the product packaging. Hangtags are not an accurate method to display consumer information. There is risk that the tags will not be displayed correctly at the point of sale.

L. Q- What costs or burdens would the proposed requirements impose, and on whom?
A- The estimated cost burden presented in the Rule is grossly underestimated. Ceiling fans must be tested at a nationally certified test laboratory with an Energy Star qualified test chamber. A cost estimate from one of the three certified facilities is $595.00 per fan per test. With a 95% confidence requirement being imposed by the DOE, it is estimated that a minimum of three tests shall be conducted per fan model. Total cost is $1,785 per fan model. One ALA member has fifty-six (56) fan models available for retail sale. Estimated cost to test for the first year is $99,960.00. Some ALA members introduce up to eight new models per year with an estimated cost of $14,280.00 for annual testing.

The fans are considered to be used merchandise and will be disposed of after testing is completed. Material cost of the sacrificed ceiling fans is estimated at $34,029.00 for 56 models x 3 fans per model.

The cost of shipping the fans to the test lab has been omitted from the burden. Estimated cost of shipping (UPS Ground) one hundred sixty-eight (168) fans is $1,572.00.

Record keeping, reporting, and fact sheet preparation will be conducted by engineering personnel; clerical personnel will not be trained to evaluate test data validity. The hourly wage for an electrical engineer is $40.59 (U.S. Dept. of Labor data). Complete cost to process 56 models at one hour per model is $2273.00.

Estimated cost to comply with the statute for one ALA member is $152,114.00. Recommend the FTC review the burden data and update it with accurate information.

M. Q- What regulatory alternatives to the proposed requirements are available that would reduce the burdens of the proposed requirements? How would such alternatives affect the benefits provided by the proposed Rule?
A- Many ceiling fan manufacturers have models already qualified with the Energy Star program. Data for qualification is collected from one sample tested in accordance with the same test as specified by the statute. We therefore recommend that Energy Star qualified ceiling fan efficiency test data be accepted "as is" without the additional 95% confidence level testing. Energy Star testing costs approximately $1,000.00 per ceiling fan. Not having to conduct the additional two tests would save manufacturers $1,190.00 per each fan qualified with Energy Star. This would save one ALA member approximately $9,520.00 in test fees for the eight ceiling fans already qualified with Energy Star.

Other Questions:

1. Q- Are ceiling fans that are Energy Star qualified required to display two energy efficiency labels?
   A- Ceiling fans that are Energy Star qualified are currently marked with a DOE/EPA approved energy performance label. The addition of the new FTC energy performance label is redundant information that could confuse the consumer. Energy Star qualified ceiling fans shall be marked with only the Energy Star approved label. The Energy Star label shall be used in lieu of the FTC label as required by the ruling requirements.

2. Q- What are the required background and nomenclature colors for the ceiling fan label as depicted on "Prototype label 6"?
   A- Individual labels shall be white background with black nomenclature. For labels integrated into the carton's printing plate, the nomenclature shall be black on a contrasting background.

3. Q- How shall the "Energy Information" be presented in catalogs and websites?
   A- The Airflow, Electricity Use and Airflow Efficiency parameters shall be listed in the specifications section of the catalog and website.

4. Q- Are high speed axial ceiling fans with contoured blades required to be tested and labeled with efficiency information?
   A- The specified Energy Star test was intended to test ceiling fans with flat paddle type blades which generate a laminar air flow. Fans of the high speed axial design with contoured blades develop highly turbulent air flow which can not be accurately measured by the specified Energy Star test without use of airflow straightening devices. An exemption will be granted for this type of fan until suitable test means can be identified.
5. Q- Are ceiling fans with multiple fan assemblies required to be tested and labeled with efficiency information?
   A- The specified Energy Star test was not intended to test ceiling fans with multiple fan assemblies. Ceiling fans with multiple fan assemblies generate non-uniform inlet airflow patterns that directly effect the system performance. An exemption shall be granted for this type of fan until suitable test means can be identified.

6. Q- Are imported 220VAC/50Hz (single phase) ceiling fans intended for foreign export subject to the labeling requirements?
   A- The Energy Star Testing Facility Guidance Manual does not currently address line voltage and frequency parameters. These fans are intended for export to foreign countries and are inoperable within the United States. Such ceiling fans will be exempt from testing and efficiency labeling.

7. Q- Many manufacturers have multiple sources of supply for a given model. Since motor construction is not identical, will it be a requirement for efficiency data from these multiple sources to be printed in catalogs, labels, etc.?
   A- Multiple source information may well confuse the consumer.