



Consumer Federation of America

1620 I Street, N.W., Suite 200 * Washington, DC 20006

Via email

April 22, 2019

Honorable Faith Winter, Chair
Honorable Brittany Pettersen, Vice Chair
Members, Colorado Senate Transportation and Energy Committee
Colorado General Assembly
200 E Colfax Avenue, Room SCR 352
Denver, CO 80203

Re: Support for HB19-1231—Appliance Energy and Water Standards

Dear Senators Winter, Pettersen, and Members of the Committee,

The Consumer Federation of America (CFA) is writing in regards to HB19-1231, legislation relating to energy and water efficiency standards under consideration by your committee. By way of background, CFA is an association of more than 250 nonprofit consumer organizations, including members in Colorado, that was established in 1968 to advance the consumer interest through research, advocacy, and education. We have long advocated for cost-effective efficiency standards on the federal and state levels as they benefit consumers through lower utility bills.

CFA supports HB19-1231, which updates or establishes energy and water efficiency standards to protect consumers. The bill, which includes standards for common household products such as computers, lighting products, portable air conditioners, and residential ventilating fans, is a great opportunity to reduce energy and water waste, lower consumer utility bills, and cut emissions.

The bill is in line with CFA's long held attributes for effective, 'command but not control' standards¹:

- Long-Term: Setting an increasingly rigorous standard over a number of years that covers several redesign periods fosters and supports a long-term perspective. The long term view lowers the risk and allows producers to retool their plants and provides time to re-educate the consumer.
- Product Neutral: Attribute based standards accommodate consumer preferences and allow producers flexibility in meeting the overall standard.
- Technology-neutral: Taking a technology neutral approach to the long term standard unleashes competition around the standard that ensures that consumers get a wide range of choices at that lowest cost possible, given the level of the standard.

¹ https://consumerfed.org/pdfs/Energy_Efficiency_Performance_Standards_Report.pdf, Oct. 2013, p. 3;
<https://consumerfed.org/wp-content/uploads/2019/02/department-of-energy-reg-reduction-rfi-comments.pdf>, July 2017, p. 45.

- Responsive to industry needs: The standards must recognize the need to keep the target levels in touch with reality. The goals should be progressive and moderately aggressive, set at a level that is clearly beneficial and achievable.
- Responsive to consumer needs: The approach to standards should be consumer-friendly and facilitate compliance. The attribute-based approach ensures that the standards do not require radical changes in the available products or the product features that will be available to consumers.
- Procompetitive: All of the above characteristics make the standards pro-competitive. Producers have strong incentives to compete around the standard to achieve them in the least cost manner, while targeting the market segments they prefer to serve.

If HB19-1231 is adopted, according to data provided by the Appliance Standards Awareness Project, Colorado consumers and businesses would save \$78 million per year on utility bills with reduced consumption, and these savings will grow to \$168 million by 2035.

Passing this legislation is a win-win-win for Colorado--it will cut energy and water waste, save consumers and businesses money, and reduce greenhouse gases. CFA urges your committee to approve this beneficial, pro-consumer bill and enable the state of Colorado to continue as a leader in protecting consumers from paying higher costs while benefitting the environment and Colorado's economy.

Thank you for your consideration.

Sincerely,



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