

Consumer Federation of America

Via email

March 3, 2021

Chair Bob Smith
New Jersey State Senate Committee on
Environment and Energy

Vice Chair Linda Greenstein New Jersey State Senate Committee on Environment and Energy

RE: Support for S 3224, an act establishing minimum energy and water efficiency standards for certain residential and commercial products

Dear Chair Smith, Vice Chair Greenstein, and members of the Committee:

The Consumer Federation of America (CFA) is writing in regards to S3224, legislation to establish minimum energy and water efficiency standards. We applaud you for holding a hearing on this bill.

By way of background, CFA is an association of more than 250 national, state and local nonprofit organizations (including several in New Jersey) that was established in 1968 to advance the consumer interest through research, advocacy, and education. We have long advocated for cost-effective energy and water efficiency standards as they benefit consumers through lower utility bills.

We support S3224, by which the state of New Jersey would establish money saving energy and water efficiency standards that help protect consumers' pocketbooks. The bill includes standards for computers, common household products such as ventilating fans, state regulated lighting products known as general service lamps, faucets, toilets and showerheads as well as standards for commercial products such as commercial dishwashers, ovens and steam cookers. In addition, we are pleased that air purifiers are among the products included in the bill as they have not been subject to standards. The standards eliminate products that needlessly waste energy, but also leave an abundance of compliant models on the market which means that consumers will still have lots of options and product availability.

Overall, this bill is an excellent opportunity to reduce energy and water waste, lower consumer utility bills, and cut emissions, and when the commercial and industrial sectors save on their operating costs, consumers benefit indirectly through lower costs of goods and services.

If S3224 is adopted, data provided by the Appliance Standards Awareness Project indicates the annual savings by 2026 for New Jersey consumers and businesses would be:

- \$132 million on utility bills;
- 294 gigawatt hours of electricity;
- 5.9 billion gallons of water;
- 178,000 metric tons of carbon.

And, by 2035, the pocketbook savings on utility bills would triple to \$392 million.

With the average payback period of consumer products covered by the bill being less than a year, low-income homeowners will benefit with the installation of more efficient household appliances, as the marginal cost increase will be paid back relatively quickly through lower utility bills. Low-income tenants, as well, will benefit by paying lower utility bills as landlords purchase more efficient replacement appliances for their rental properties.

In closing, passing this legislation is a win-win-win for New Jersey--S3224 will cut unnecessary energy and water waste, save consumers and businesses money, and reduce greenhouse gas emissions, a key contributor to climate change. CFA urges you to act favorably on this beneficial, pro-consumer bill – it would demonstrate New Jersey's commitment to the economic wellbeing of its citizens and to being a leader in energy and water efficiency.

Thank you for your consideration.

Sincerely,

Mel Hall-Crawford

Director of Energy Programs Consumer Federation of America

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