## Appliance Standards Awareness Project American Council for an Energy-Efficient Economy Consumer Federation of America Elevate

National Consumer Law Center, on behalf of its low-income clients

Natural Resources Defense Council

Southwest Energy Efficiency Project

July 18, 2023

Dr. Carl Shapiro
U.S. Department of Energy
Office of Energy Efficiency and Renewable Energy
Building Technologies Office, EE-5B
1000 Independence Avenue SW
Washington, DC 20585

RE: Docket Number EERE–2019–BT–STD–0039/RIN 1904–AE32: Notice of Proposed Rulemaking for Energy Conservation Standards for Dishwashers

Dear Dr. Shapiro:

This letter constitutes the comments of the Appliance Standards Awareness Project (ASAP), American Council for an Energy-Efficient Economy (ACEEE), Consumer Federation of America (CFA), Elevate, National Consumer Law Center, on behalf of its low-income clients (NCLC), Natural Resources Defense Council (NRDC), and Southwest Energy Efficiency Project (SWEEP) on the notice of proposed rulemaking (NOPR) for energy conservation standards for dishwashers. 88 Fed. Reg. 32514 (May 19, 2023). We appreciate the opportunity to provide input to the Department.

We strongly support the proposed efficiency levels for dishwashers. DOE estimates that the proposed standards would save 0.3 quads of energy and 240 billion gallons of water over 30 years of sales. Additionally, the proposed standards would cumulatively save consumers nearly sillion on utility bills and reduce carbon dioxide emissions by over 12 million metric tons. Updated efficiency levels would particularly benefit low-income households, many of whom are renters and rarely get a say in the efficiency of their dishwasher. Furthermore, DOE's analysis shows that the consumer benefits, even at the more conservative discount rate, outweigh the maximum costs to manufacturers by over seven times.

<sup>&</sup>lt;sup>1</sup> 88 Fed. Reg. 32525.

<sup>&</sup>lt;sup>2</sup> 88 Fed. Reg. 32516.

<sup>&</sup>lt;sup>3</sup> 88 Fed. Reg. 32574.

In the NOPR, DOE proposed Efficiency Level (EL) 2 for standard-size dishwashers, which make up most of the dishwasher market. The vast majority of the market (93%) for standard-size dishwashers meets the ENERGY STAR V6.0 level,<sup>4</sup> which corresponds to EL 1 in the DOE analysis. DOE found that an increase in dishwasher efficiency from EL 1 to EL 2 would correspond to a zero-cost improvement in control strategies.<sup>5</sup> Thus, at EL 2, most consumers would see no incremental cost, and only 3% of consumers would experience a net cost. For compact-size dishwashers, DOE proposed EL 1, which represents the use of improved controls with no incremental cost to consumers.<sup>6</sup>

This proposed rule would be a beneficial and long-overdue update to standards that haven't been amended in over a decade. Thus, we urge DOE to promptly publish a final rule.

We support maintaining the current product classes for dishwashers. There are currently two product classes for dishwashers – standard-size and compact-size. Many dishwashers also offer a variety of cycles options in addition to a "normal cycle." At the proposed standard level, short cycles and other cycle options would continue to be available to consumers because the test procedure at Appendix C2 regulates only the normal cycle, as long as it meets the cleaning index threshold. Thus, there is no justification or need to establish separate product classes for dishwashers with these other cycle options.

Analysis from DOE and EPA demonstrates that dishwashers that meet the proposed standards meet consumer expectations in various performance areas. For the preliminary analysis, DOE evaluated dishwasher cleaning performance and found that higher efficiency dishwashers are able to reduce energy and water consumption while providing good cleaning performance. In the NOPR, DOE further noted that standard-size dishwashers meeting EL 3 and compact-size dishwashers meeting EL 2 (i.e., levels higher than those proposed in the NOPR) could achieve the required cleaning performance threshold on the normal cycle at all soil levels. In addition, as part of the development of the ENERGY STAR Residential Dishwasher Version 7.0 specification, EPA used web-scraped and *Consumer Reports* data to understand how dishwashers meeting the proposed requirements perform across a range of metrics that impact consumer satisfaction. EPA found standard-size dishwashers on the market that could meet the ENERGY STAR Most Efficient 2022 criteria (i.e., EL 4) while achieving the cleaning performance threshold. Furthermore, as we noted in our comments on the preliminary

<sup>&</sup>lt;sup>4</sup> ENERGY STAR 2021 Unit Shipment Data.

https://www.energystar.gov/sites/default/files/asset/document/2021%20Unit%20Shipment%20Data%20Summar y%20Report\_0.pdf.

<sup>&</sup>lt;sup>5</sup> 88 Fed. Reg. 32523.

<sup>&</sup>lt;sup>6</sup> 88 Fed. Reg. 32558.

<sup>&</sup>lt;sup>7</sup> 88 Fed. Reg. 32527.

<sup>&</sup>lt;sup>8</sup> https://www.regulations.gov/document/EERE-2019-BT-STD-0039-0015. p. 5-17.

<sup>&</sup>lt;sup>9</sup> https://www.regulations.gov/document/EERE-2019-BT-STD-0039-0032. p. 5-15.

technical support document (PTSD),<sup>10</sup> EPA's analysis indicated that standard-size dishwashers are able to meet EL 3 while providing high consumer satisfaction across various areas of performance such as drying time, cycle time, and noise performance.

We believe that DOE's assignment of efficiency levels in the no-new-standards case reasonably reflects actual consumer behavior. DOE used information from manufacturer interviews and its Compliance Certification Database (CCD) to help derive the base case efficiency distribution in 2027 for dishwashers. We agree with DOE's determination that the Department's method of assigning dishwasher efficiencies for the life-cycle cost (LCC) analysis, which is in part random, is more representative of actual consumer behavior than assigning efficiencies based solely on cost-effectiveness. As DOE describes in the NOPR, there are various market failures as well as aspects of consumer preference that significantly impact how products are chosen by consumers. 11 For example, consumer purchasing decisions for an infrequent purchase such as a dishwasher can be based on a variety of complex issues such as the timing of the purchase, competing demands for funds, and the information available to the consumer. In addition, the split-incentive or principal-agent problem is likely to affect large home appliances like dishwashers. There are often misaligned incentives in rental properties where the landlord purchases and installs the dishwasher while the renter is responsible for paying the utility bill. We therefore believe that DOE's assignment of efficiency levels in the nonew-standards case is sufficiently representative of actual consumer behavior.

Thank you for considering these comments.

Sincerely,

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<sup>&</sup>lt;sup>10</sup> https://www.regulations.gov/comment/EERE-2019-BT-STD-0039-0023.

<sup>&</sup>lt;sup>11</sup> 88 Fed. Reg. 32542-32543.

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