

**NEW YORK STATE ASSEMBLY
MEMORANDUM IN SUPPORT OF LEGISLATION
submitted in accordance with Assembly Rule III, Sec 1(e)**

BILL NUMBER: A8951

SPONSOR: Rules (Tonko)

TITLE OF BILL: An act to amend the energy law, in relation to energy efficient appliances and establishing the appliance and equipment energy efficiency standards act of 2003

PURPOSE OF BILL:

This bill directs the Secretary of State (Secretary), in consultation with the New York State Energy Research and Development Authority (NYSERDA), to promulgate energy efficiency performance standards for certain new appliances and equipment that are not presently regulated for energy efficiency by the federal government. The performance standards will prescribe minimum energy efficiency levels for new products sold or offered for sale in New York.

SUMMARY OF PROVISIONS:

The proposed bill, which is known as the Appliance and Equipment Energy Efficiency Standards Act of 2003, contains three sections. Section 16-602 includes definitions for the Act.

Section 16-604 sets forth the types of appliances or equipment that are subject to provisions of the Act and proscribes the sale of appliances that do not meet minimum levels of energy efficiency.

Section 16-606 sets forth the responsibilities of the Secretary and NYSERDA under the Act. Specifically, it authorizes the Secretary, in consultation with NYSERDA, to adopt and later amend regulations which establish performance standards, testing methods and certification procedures for the enumerated new products. Moreover, this section grants authority to the Secretary, in consultation with NYSERDA, to later add products to the list enumerated in the statute provided that: (1) the products meeting the proposed standards are commercially available; (2) the proposed standards serve to promote energy conservation or energy load management in New York State; and (3) such products are cost effective on a life-cycle basis.

Section 16-608 contains the enforcement provisions of the Act. Specifically, it creates civil penalties for a person that falsely certifies that a new product meets the minimum levels of energy efficiency established in the Act and for violating other provisions of the Act.

Finally, sections three and four of the Act respectively contain a severability clause and an immediate effective date for the proposed bill.

EXISTING LAW:

This legislation proposes to amend the energy law by adding article 16. Presently, the law does not require that similar appliances sold in New

York meet any minimum energy efficiency level.

PRIOR LEGISLATIVE HISTORY:

This proposal has not been presented previously. The federal government has established energy efficiency performance standards for the sale of certain new appliances and equipment{2}, and states are preempted from regulating those specific products. The products that this bill addresses are not covered by federal law.

STATEMENT IN SUPPORT:

Energy efficiency standards are among the lowest-cost, highest-benefit energy policies that state and national governments can adopt. Efficiency standards save consumers and businesses money and provide significant energy system and environmental benefits by limiting the sale and use of products and equipment that waste energy. New York was among the first states to initiate energy efficiency standards in the 1970s.{3} Seeing the opportunities for energy savings, several states followed suit, causing manufacturers to seek an alternative to the proliferation of different standards from different states. With industry support, Congress enacted the National Appliance Energy Conservation Act of 1987, establishing a federal standards program. Since then, technological progress and the emergence of new energy-using products and equipment have created a wealth of new opportunities for energy savings.

The initiative to adopt broader, more inclusive federal standards has not been successful. The federal law was last amended in 1992 and the process for updating these standards is slow and unreliable. Recognizing the enormous economic and environmental benefits, California has adopted new state-based efficiency standards, and other states are actively contemplating them.

The Northeast Energy Efficiency Partnership (NEEP), of which New York is a member, recently completed an analysis of selected common energy-using products{4}, including the products covered by the proposed legislation. The analysis suggests that implementing efficiency standards in New York for the enumerated products would result in substantial energy savings to New York consumers, provide substantial environmental benefits including carbon reductions of millions of metric tons, and help reduce the electric power needs during periods of high demand.

Several states, including Connecticut, Maine, Maryland, Massachusetts, New Hampshire, New Jersey and Rhode Island have introduced similar bills. NYSERDA and the Secretary envision adopting standards consistent with those adopted by these northeast states.

BUDGET IMPLICATIONS:

The state budget would not be affected by the passage of this bill.

EFFECTIVE DATE:

Immediately.

{1} Appliances covered by this bill include ceiling fans, ceiling fan light kits, commercial clothes washers, commercial refrigerators and freezers, illuminated exit signs, large packaged air-conditioning equipment, pedestrian traffic signal modules, set-top boxes, torchiere lighting fixtures, unit heaters and vehicular traffic signal modules.

{2} See, the National Appliance Energy Conservation Act of 1987 (Pub. L. 100-12) and subsequent amendments found at 42 USC 6201, et seq.

{3} See, Articles 8 and 9 of the Energy Law (respectively "State Lighting Efficiency Standards for Existing Public Buildings Act" chapter 744 of 1979 and "Energy Efficiency Standards for New Room Air Conditioners" chapter 826 of the laws of 1977 which was repealed by chapter 729 of the laws of 1981.

{4} See, Energy Efficiency Standards: A Low-Cost, High-Leverage Policy for Northeast States Northeast Energy Efficiency Partnerships, Inc. (Summer 2002).
