Fact Sheet on California’s Proposed Energy Efficiency Standards for Televisions

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Summary: The California Energy Commission (CEC) is in the process of finalizing minimum energy efficiency standards for new televisions sold in California. The standards will reduce annual energy use of new TVs by 30 to 50 per cent. Once the standard is in full effect, California will save almost $1 billion/yr in the form of lower electric bills and prevent the need to build a large 500 MW power plant.

Why TVs? – TV energy use has been rising dramatically due to growing screen size and increased hours of operation. TVs represent over 1 percent of all national electricity use and represent one of the largest unregulated appliances in the home. Some of the large plasma TVs use more annual energy than a new refrigerator. Minimum efficiency standards will ensure that every TV sold in California is an efficient one.

How does the standard work? – The standards will apply to new televisions sold in California. The standards are performance based and technology neutral. The on mode requirements scale with screen size; the greater the screen size the more power the TV is allowed to use. Contrary to some misrepresentations by the industry and their trade associations, the standards will continue to allow the sale of any type of TV including LCDs and plasmas, and does NOT place any limits on screen size. The final effective date of the standards is still being negotiated but is expected to be no later than January 1, 2013.

How will the standard impact product availability? – Consumers will continue to be able to choose from a wide range of TVs in all the desired sizes, technologies and price points with equivalent or better performance than today’s models. The proposed standard provides the manufacturers with a power budget and leaves manufacturers with complete flexibility on how they design their products. Today, almost 300 LCD models already meet the Tier 2 standard three years before its effective date. These TVs use off the shelf technology and are produced by all the leading manufacturers including Samsung, Sony, LG, Vizio, and Sharp, as well as value brands such as Sylvania and Insignia. Based on recent public statements made by Panasonic that their new plasma models will use 1/3 the power of their 2007 models, consumers will also be able to choose from numerous plasma models.

What about jobs? – The DC-based lobbying group the Consumer Electronics Association (CEA) has been irresponsibly claiming that the proposed standards will result in massive job losses at independent retailers and lost tax revenues. The standard will not result in any job losses and will provide close to a billion dollars/yr in economic benefit to the state in the form of lower electric bills. CEA’s analysis incorrectly assumes that 25 percent of today’s models won’t be available in 2013 and that no new efficient models will be offered in the future to replace them. CEA fails to acknowledge the current availability at these independent retailers.
of super efficient hi-end models that already comply with the proposed standard and that new complying models are being introduced almost monthly.

Despite numerous formal requests from the Energy Commission, the CEA has not provided any data on the additional energy needed to achieve specific performance levels or incremental cost needed to comply with the standard. Rather than participate in a fact based dialog, the CEA has decided to embark on an extensive media campaign and created a group with the misleading name “Californians for Smart Energy” to spread these false claims.

These types of scare tactics have been used repeatedly by the CEA in the past. A few years ago, the same group vigorously opposed the Energy Commission’s efficiency standards for external power supplies, the little black box chargers used to power cell phones, MP3 players, and computer laptops. During that proceeding CEA made all sorts of dire predictions of lack of product availability, exaggerated product costs, etc none of which proved to be true.

**Who supports the standard?** – There are many companies within the TV industry that strongly support and are ready to meet the standard using readily available off the shelf technology. Vizio, an Irvine CA based company that is the country’s biggest seller of LCD TVs, endorsed the proposed standard in a letter to the CEC, and the LCD TV trade association, which includes suppliers such as Corning, expressed its support for the standard and indicated that 50 percent power savings can be met with little to no incremental cost. The leading California utilities and all the leading environmental and clean energy advocates also strongly support passage of the proposed standards.

**Why is the standard good for California?** – This standard will ensure every TV sold in California is an efficient one and put close to a billion dollars back into the state economy in the form of electric bill savings. The 500 MW that will be saved is roughly 10 times greater than the amount of power to be generated by the new solar PV systems installed under the state’s multi million dollar rebate program during the first half of 2008.