



UNITED STATES OF AMERICA
FEDERAL TRADE COMMISSION
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Bureau of Consumer Protection
Office of the Director

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for comment on proposals from the EnerGuide Program of Natural Resources Canada (NRCan) to amend the EnerGuide labeling scales for refrigerators, refrigerator-freezers, and freezers and to modify the EnerGuide label for major household appliances by adding estimated operating cost.⁽¹⁾ We appreciate your interest in our input and in the harmonization of the rules governing appliance labeling in our two countries. Our review indicates that the proposed revisions would significantly increase the minimal differences that currently exist between the United States and Canadian appliance energy labels. Although such differences are not in themselves necessarily problematic, the proposed changes could lead to consumer confusion and higher manufacturer compliance costs.

Labeling Scales for Refrigerators, Refrigerator - Freezers, and Freezers

Our understanding is that, under the current Canadian Energy Efficiency Regulations, labeling scales for refrigeration products are based on the product type descriptions that are prescribed in CAN/CSA C300-M91, which establishes seven types of refrigerators/refrigerator-freezers and freezers.

regardless of door configuration and services. Each subcategory would then be broken down according to size in increments of two cubic feet.

The FTC's Rule originally established only three categories for purposes of the ranges of comparability of refrigeration products -- refrigerators, refrigerator-freezers, and freezers -- each further subdivided into two-cubic-foot increments. The FTC's rationale was that consumers would see that the more efficient products (costing less to run) were simpler, and that there was an increased operating cost over time for products with certain features and configurations.

After the Rule had been in place for a number of years, representatives of an amalgam of different public interests - appliance manufacturers, consumer groups, utilities, etc. - asked the FTC to amend the Rule to have more feature-specific subcategories for refrigerators, refrigerator-freezers, and freezers. The representatives contended that consumers knew what features they wanted in a refrigeration product, and that consumers were not interested in knowing the energy use of models with features other than what they were seeking. The group recommended that the Rule be changed to include the subcategories in the U.S. Department of Energy's (DOE) energy conservation standard rule. In 1994, in connection with a comprehensive review of the Rule, the FTC established the current categories, which are based on the DOE rule.⁽²⁾

Our experience is that manufacturers produce a large number of different products within the categories currently used in the U.S. This suggests that manufacturers are responding to consumer interest in and demand for products with certain features. For example, in 1998, manufacturers submitted energy use data to the FTC for more than 3,600 models of refrigerators, refrigerator-freezers, and freezers, broken down as summarized below:

- Refrigerators with automatic defrost 36 models
- Refrigerators with manual defrost 10 models
- Refrigerators with partial automatic defrost 45 models
- Refrigerators with automatic defrost with top-mounted freezer without through-the-door ice service 261 models

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