TRANSCRIPT OF PROCEEDINGS

IN THE MATTER OF:	)	
	)	
DEFINITIONS FOR GENERAL	)	Docket No.:
SERVICE LAMPS, GENERAL SERVICE	)	EERE-2021-BT-STD-0012
INCANDESCENT LAMPS, AND OTHER	)	
SUPPLEMENTAL DEFINITIONS	)	
	)	

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U.S. DEPARTMENT OF ENERGY
OFFICE OF ENERGY EFFICIENCY & RENEWABLE ENERGY

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Suite 206
Heritage Reporting
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1220 L Street, N.W.
Washington, D.C.

Thursday,
September 30, 2021

The parties met, pursuant to the notice, at 10:01 a.m.

PARTICIPANTS: (Via Webinar)

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U.S. Department of Energy

NAEEMA CONWAY
U.S. Department of Energy

MARY ANDERSON
Pacific Gas & Electric

ALEX BOESENBERG
National Electrical Manufacturers Association

ANDREW DELASKI
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DAVE GATTO
Westinghouse Lighting

PARTICIPANTS: (Cont'd.)

CHRIS GRANDA
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JOSEPH HOWLEY
GE Lighting, a Savant Co.

DANIEL ROGERS
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Signify

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P R O C E E D I N G S

(10:01 a.m.)

MS. ARMSTRONG: Good morning, everyone. I'd like to welcome you to our public meeting concerning the General Service Lamp Definition. We're looking forward to a great discussion today, and we're really looking for feedback from all of you.

So let me start off by introducing myself. For those that don't know me, my name is Ashley Armstrong. I'm a Senior Advisor to the Acting Assistant Secretary in the front office, and I work primarily on code standards and building-related things.

I'd like to welcome you, as I already said. A few ground rules for the day. Participants should raise your hand to be recognized to speak. Naeema will walk through those that have raised their hand. Say your name for the record each time you wish to speak as there will be a complete transcript of this meeting. Please be concise and share the airtime. We're really looking for feedback from everyone today, so keep that in mind as you make your comments throughout the proceeding.

So, throughout the presentation, you're going to see issues boxes. We've highlighted specific

issues that we're seeking comment on. Obviously, you're welcome to provide any comments, even those that are not highlighted at issue boxes, but we'll be pausing when we see an issue box more specifically related to those topics.

Just a friendly reminder, the deadline for submitting comments is October 18, and we look forward to getting those both verbally today and in writing by the close of the comment period.

This is just a summary about how you submit comments. Obviously, you can see that this is also in the notice.

At this time, I'm going to open it up. As I said, we're pleased to have you here today. We're excited about this rulemaking and the General Service Lamp definition, and please raise your hand if you would like to speak at this time.

MS. CONWAY: We have opening remarks from Dan Rogers.

MR. ROGERS: I'm sorry, actually, I don't. I must have raised my hand inadvertently. My apologies.

MS. CONWAY: Okay. We have an opening statement from Anthony Serres.

MR. SERRES: I'm sorry. Like Dan, I had my

hand raised inadvertently.

MS. CONWAY: Okay. We have an opening statement from Mary Anderson.

MS. ANDERSON: Good morning. Can you hear me?

MS. CONWAY: Yes, we can hear you.

MS. ANDERSON: Wonderful. Good morning. My name is Mary Anderson, and I am from PG&E, speaking on behalf of the California IOUs. The California Investor-Owned Utilities represent some of the largest utility companies in the western United States, serving over 32 million customers in total.

We appreciate the opportunity to participate in this rulemaking. We strongly support DOE's proposal to reinstate and make effective the 2017 expanded scope definitions for General Service Lamps and General Service Incandescent Lamps. I would like to thank DOE for expeditiously initiating this rulemaking.

We believe the changes proposed by DOE in this NOPR will relieve the confusion created by the withdrawal of these definitions in 2019 and along with the enforcement of the 45 lumens per watt GSL backstop standard will finally ensure a full transition to a solid-state technology-based lighting market in the

U.S., securing massive savings for consumers.

We strongly support DOE's efforts to finalize this rule as quickly as possible and to put broad, firm GSL and GSIL definitions in place and in effect as part of the implementation of the GSL backstop standard.

These rules go hand in hand and are essential to securing the transformative potential added by solid-state lighting. We look forward to participating in future General Service Lamp rulemakings and supporting DOE's efforts to improve the efficacy of these products. Thank you.

MS. CONWAY: And we have an opening statement from Andrew deLaski.

MR. DELASKI: Good morning. This is Andrew deLaski from the Appliance Standards Awareness Project. ASAP is a coalition project with representation from energy efficiency groups, environmental advocates, consumer voices, the utility sector, and state government. We welcome the chance to comment today at this public hearing.

We supported the 2017 final rule. We believe it was true to the statutory requirements set by Congress and Congress's clear intent as contained in the Energy Independence and Security Act of 2007.

DOE established appropriate and clear criteria in that rule and are applying those criteria in this proposed rule for an expanded definition of what is a General Service Lamp. We believe that you've carried out those criteria consistent and as required by the law.

Due to the illegal actions of the prior administration, this rule has been seriously delayed, as well as the application of the backstop standard contained in the law. Each additional month of delay locks in very large unnecessary costs for consumers and additional greenhouse gas pollution, as well as other pollutants. We estimate these additional costs in the hundreds of millions of dollars and hundreds of thousands of tons of pollution with each additional month delay incurred over the life of the additional needlessly inefficient bulbs sold in those months.

So I think it's long past time that DOE implement this definition and the attendant backstop requiring it for General Service Lamps and the very large benefits for the public and for the environment that will result.

On Inauguration Day, President Biden issued Executive Order 13990, and the President, in that Executive Order and materials connected to it, identified this rule and others as actions to be

reviewed. So this process is being carried out consistent with that Executive Order.

In March, Assistant Secretary Steve Stockman (phonetic) identified this rule as one for review this year or reinforcing the commitment under the Executive Order, and that requires that the Department act on this, issue a final rule, by the end of this year.

So it's really critical for the Department because of the commitment under the Executive Order as well as the costs of additional delay that the Department move with all due speed to complete the final rule implementing this definition as well as the backstop requirement. Thank you for the chance to comment, and I look forward to participating in the hearing today.

MS. CONWAY: Okay. That was the last opening remark we have.

MS. ARMSTRONG: Great, thanks. Anthony, I'm just going to ask if you could kindly raise your hand, please, just so we don't get confused as we move forward? Thank you.

So, to give you a little bit of background as we walk through the public meeting slides, the Energy Policy and Conservation Act directs DOE to conduct two rulemaking cycles to evaluate the energy

conservation standards for General Service Lamps.

For the first rulemaking cycle, EPCA directs DOE to initiate a rulemaking process prior to January 1, 2014, to consider whether to amend the energy conservation standards for General Service Lamps to establish a more stringent standard than EPCA specifies and whether the exemptions for certain incandescent lamps should be maintained or discontinued.

Currently, EPCA defines a General Service Lamp to include general service incandescent lamps, compact fluorescent lamps, general service light-emitting diode lamps and organic light-emitting diode lamps, and any other lamps that the Secretary determines is used to satisfy lighting applications traditionally served by General Service Incandescent Lamps.

Currently, GSLs do not include any of the 22 lighting applications or bulb shapes explicitly not included in the definition of General Service Incandescent Lamp or any General Service Fluorescent Lamp or Incandescent Reflector Lamp.

EPCA defines a General Service Incandescent Lamp generally as a standard incandescent or halogen-type lamp that is intended for general service

applications, has a medium-screw base, has a lumen range of not less than 310 lumens and not more than 2600 lumens, or, in the case of a modern, modified spectrum lamp, not less than 232 lumens and not more than 1950 lumens, and is capable of being operated at a voltage range at least partially within 110 and 130 volts.

Currently, the General Service Incandescent Lamp definition does not apply to the 22 lighting applications and bulb shapes listed in this statute.

On January 19, 2017, DOE published two final rules concerning the definitions of General Service Lamp, General Service Incandescent Lamp, and the associated related terms. We commonly refer to these as the January 27 final rules -- 2017 final rules. In these rules, DOE amended the definitions of General Service Incandescent Lamp and General Service Lamps by bringing certain categories of lamps within the definition of both GSIL and GSL that EPCA had initially exempted.

The first rule maintained the existing exemption for Incandescent Reflector Lamps in the definition of GSL, and the second rule discontinued that IRL exemption. The definitions in the January 2017 final rules were to become effective on

January 1, 2020. However, on September 5, 2019, DOE published a final rule withdrawing the revised definitions of GSL and GSIL in the new and revised definitions of related terms that were to go into effect.

So how do we get here? What are we doing today? DOE has undertaken a review of the definitions of GSL and GSIL in the September 2019 withdraw rule and in the January 2017 final rules. As part of this review, on August 19, 2021, DOE published a Notice of Proposed Rulemaking for General Service Lamp definitions, which is the subject of this presentation.

So let’s talk about what we actually proposed in the NOPR itself. DOE is proposing to adopt the definitions of GSL and GSIL and the associated supplemental definitions as set forth in the January 2017 final rules. DOE’s review of the GSIL exclusions included the following market and technology considerations. I’m not going to read all these, but you can see them on your slide. Candelabra-based lamps were evaluated also in the context of the GSL definition.

On the screen, you can see that this is DOE’s proposed definition of General Service

Incandescent Lamps. You can see at the bottom this definition does not apply to the following incandescent lamp types.

Also on the slide is DOE's proposed definition of General Service Lamps. I will walk through these attributes. DOE proposes that a General Service Lamp has an ANSI base. It is also able to operate at a voltage of 12 volts or 24 volts, at or between 100 to 130 volts, at or between 220 to 240 volts, or up 277 volts for integrated lamps, or is able to operate at any voltage for non-integrated lamps.

It has an initial lumen output of greater than or equal to 310 lumens, or 232 lumens for modified-spectrum general service incandescent lamps, and less than or equal to 3300 lumens. It is not a light fixture. It is not an LED downlight retrofit kit, and it is used in general lighting applications.

General Service Lamps include but are not limited to General Service Incandescent Lamps, compact fluorescent lamps, general service light-emitting diode lamps, and general service organic light-emitting-type lamps.

In this NOPR, DOE is proposing that GSLs do not include, and there's 26 enumerated examples on the

slide. I'm not going to walk through them all. You can all see them, and they're presented in the proposed definition NOPR, as well as our associated rationale.

In this NOPR, DOE is proposing supplemental definitions for the following terms. These terms are meant to support and provide clarity to stakeholders surrounding the General Service Incandescent Lamp and the General Service Lamp definitions.

So I'm going to pause there actually and see if anyone has specific comments or questions on the definitions, the one proposed for General Service Incandescent Lamp or the one proposed for General Service Lamps.

MS. CONWAY: We have a comment from Andrew deLaski.

MR. DELASKI: Thanks for that explanation. We support the proposed modifications and supplemental definitions the Department has proposed. We also would encourage the Department either as part of this proceeding or a subsequent proceeding to consider including lamps lowering the bottom lumen threshold.

For example, the California Energy Commission and California regulations set standards covering LED lamps down to, I believe, 150 lumens and

that lamps in this lumen output ring or up -- this will point up to the current lower threshold to include lamps that historically have been a 40-watt incandescent lamp or right on the border of it.

And these lamps -- these light bulbs are often used with multiple light bulbs in a single light fixture to provide general illumination for lighting in homes and in other places. So we encourage DOE to consider extending the definition to include those lamps with a lumen output down to 150 lumens. Thank you.

MS. CONWAY: We have a comment from Stephanie Thompson.

(No response.)

MS. ARMSTRONG: Stephanie, can you hear us, and would you like to make a comment at this time? I think you're unmuted, but we can't hear you, unfortunately. Maybe we'll skip Stephanie for now and go to Chris Granda, and we'll come back to her if she's able to get her microphone working. Chris?

MR. GRANDA: Hello, everyone. This is Chris Granda with Energy Solutions for the California Investor-Owned Utilities. I just wanted to speak in support of ASAP's comment. As I think everyone is familiar, the definition of GSL that is described here

has been in place in California for some 20 months now, and what we see at retail is, you know, a remaining cluster of low light output incandescent lamps in that, you know, roughly 40-watt range. So there still appears to be a place in the market for them, if you will, and the California standards do go lower, but where we see incandescent lamps in general, it's in that low lumen output range, and there is no technical reason not to cover them with the standard at this point from our perspective. Thank you.

MS. CONWAY: We have a comment from Dave Gatto.

MR. GATTO: Can you hear me?

MS. CONWAY: Yes.

MR. GATTO: Okay, sorry. I'm just making sure I wasn't still muted. Just in response to Andrew and Chris's comment, while there are lamps in lower lumen bands, CEC only applied that to specific base types. So just two comments I guess I would make is one, that a lot of those lamps that Chris described are not used in general service applications. They're in specialty sign and indicator-type stuff.

And if DOE did choose at some point to lower the lumen range below 310, one of the critical components of that will be to understand what base

types are used in general service applications versus the current definition, which is any ANSI base type, which can include a lot of specialty products. Oh, and I'm sorry, since Alex isn't here to kick me under the table, Dave Gatto, Westinghouse Lighting.

MS. CONWAY: Steve Rosenstock?

MR. ROSENSTOCK: Yes, hi, Steve Rosenstock, Edison Electric Institute. I have to be quite honest with you. Like many people, I haven't been to a hardware store since pre-COVID, just looking online, basically, when I would need things.

But, again, just thinking about, you know, General Service Lamps, and I remember way back when seeing just some 25-watt, again, medium base, you know, even the 25-watt old incandescent lamps put out 250 lumens. So, you know, I understand there might be some out there, but just the light output is so low compared to especially now what's on the market with LEDs and compact fluorescents and the occasional halogen. I'm just surprised, unless they're like a niche product like Mr. Gatto was saying, that they really have any sort of market share. Thank you.

MS. CONWAY: Joe Howley?

MR. HOWLEY: Yes, it's Joe Howley from GE Lighting, and I also just wanted to clear up that

lamps below 310 lumens are not 40-watt lamps. Forty-watt lamps typically are in the, you know, 350 to 450 range. You're talking about lamps that suggest, you know, 15- to 25-watt lamps. And, you know, as Steve surmised, these are very low market share lamps used in niche applications and using very little wattage.

MS. ARMSTRONG: Does anybody else have any comments they'd like to make on the definitions themselves? If not, we'll move to discuss the proposed effective date. We do thank everyone for your comments to date.

Okay. So the proposed effective date associated with the General Service Lamp definition and General Service Incandescent Lamp definition, DOE is proposing that the definitions in this NOPR, if adopted, would become effective 60 days after publication of the rule.

That means, if finalized, lamps included in these proposed amended definitions would be subject to any applicable standards for GSLs and GSILs at that time. This notice does not propose any new or amended standards. It also does not address the applicability of the 45 lumen per watt statutory backstop requirement. So I'm going to pause here and see if there's additional questions and/or comments on the

proposed effective date?

MS. CONWAY: Dave Gatto?

MR. GATTO: Actually, I see Alex has got his hand up. Alex may say what I was about to say, so let's let Alex go first.

MR. BOESENBERG: Good morning. I'm Alex Boesenberg, the Director of Regulatory Affairs for the National Electrical Manufacturers Association. Sixty days is an extremely short timeline in a global economy. It's short even if everything was inside the United States already. But, as an example, I think those present on the call in the Department cannot have escaped the recurrent news about how many container ships are waiting to unload in the Port of Los Angeles. This morning said 500,000 containers are awaiting arrival and unload.

After they unload, they go into a Customs warehouse and wait to be Cleared by customs. Once they're cleared, then they're imported. That makes them -- that is the date of manufacturing.

Today, with the amount of time that ships are waiting, and I'll also interject, a lot of products that we're talking about is made overseas today. That's sort of what a global economy means. It is possible at this time for a ship full of

containers with light bulbs to depart an overseas port and not be unloaded and uptake by Customs inside of 60 days.

You could have a product that is paid for, they paid an outrageous amount of money to ship with container prices now going into the five figures and container billets on a ship being sold at auction, going through all of that hassle to secure transport, only to have a 60-day effective date definition drop while the ship is en route such that those products are obsoleted before they're unloaded, and we can't stop them from being unloaded.

So this timeline is very tight even in a good scenario, and in a COVID scenario, when ports are being shut down without notice due to outbreak, where Customs are taking days or weeks to clear and it takes days or weeks to pick up from Customs, not including 30 days among transit and 30 days among anchoring offshore, the numbers are compounded. It just won't work in today's reality. Thank you.

MS. ARMSTRONG: Dave, did you have any follow-on you wanted to add there?

MR. GATTO: Yeah, actually, I do, Ash, thanks, and thanks, Alex. From a timing standpoint, Alex is sharing what I think everyone's aware of,

what's going on with the global logistical hold-ups that we're all dealing with. So I think I have a question for you that I'm hoping you'll answer, and I guess an additional comment on what Alex said just real briefly is that the production timing is longer than it takes to get here, it's longer than the shipping times, it's longer than, I think, non-manufacturers understanding.

So this is in our GSIL RFI comments. So, if you finalize the rule with a 60-day timeframe, we'll have anywhere up to nine months of some combination of component sourcing, production capacity, labor, and finished goods that would not be able to meet that 60-day clock. So, really, just from an informational standpoint, we want to make sure that DOE understands how long 60 days is in comparison to how long it actually takes to make and import products.

The question for you is this. So, if I'm reading this slide correctly, you're not addressing the 45 backstop or that timing, you're not proposing new standards. So then the flipside of that is that this definition would actually cause some products that are exempt from existing GSIL standards to be subject to standards, and that's where I want to be honest that those are the products that are concerning

particularly for the 60 days because you have goods that are already in the manufacturing pipeline that potentially would be non-saleable even though we've already produced the goods because they haven't cleared Customs yet and they couldn't clear Customs in that 60-day timeframe.

So I guess that's the question is, is that what you're saying here, is that even though you're not proposing amended -- new standards, at the time the definition goes into effect, would products that are now -- that weren't GSLs that are now GSLs be subject to the existing GSL -- I'm sorry -- GSIL standard? There's no existing standard for GSL lamps.

So all the other stuff in the definition really doesn't -- not that the timing doesn't matter, but the 60 days wouldn't really cause those products a problem. But the products that, you know, medium-base sheet and deck lamps that are in that 310 to 2600 lumen range, they -- if I'm reading this correctly, you're saying that they would be subject to standard 60 days after the publication of the final rule. Is that -- do I have that right?

MS. ARMSTRONG: So the short answer I think is yes, Dave, but I think the longer, maybe better answer is DOE has stated, right, that it is

reconsidering its previous conclusion regarding the applicability of EPCA's 45 lumen per watt backstop provision and has issued an RFI to that effect seeking input from stakeholders, as a couple of you have mentioned today.

Thank you to those who have already provided feedback. DOE intends to address the application of standards for those lamps proposed in this definition NOPR to be GSLs or GSILs in a separate rulemaking, including, if determined to be applicable, the implementation of the 45 lumen per watt backstop requirement and whether a phased implementation would be appropriate for certain lamp types.

Let's see. DOE understands that the current GSIL standards apply at the point of manufacture while the congressionally mandated backstop applies at the point of sale. DOE understands it's important for stakeholders to have additional clarity, which specifically, I think, is what you're seeking, Dave.

MR. GATTO: Yes, absolutely.

MS. ARMSTRONG: DOE appreciates your questions. It will consider them as it seeks to provide this additional clarity in a separate rulemaking. DOE will continue to value the input of stakeholders regarding the availability of lamps,

specifically the different categories of lamps to consumers for GSLs and GSILs.

MR. GATTO: Sorry, I was muted. Thank you, Ashley. While that isn't the full answer that I know we hoped for, I appreciate that you guys understand that we're looking for certainty, I do. Thanks.

MS. CONWAY: Chris Granda?

MR. GRANDA: Yes, thank you. Chris Granda from Energy Solutions for the California Investor-Owned Utilities. I just wanted to comment that the idea of -- while thinking in terms of the imports might be relevant to the discussion here but should be done in the context of the market transformation that has already been underway for this crowded category.

The containers that Mr. Boesenberg referred to waiting to be unloaded at the Port of Los Angeles, if trends for 2020 continue, three quarters of the lightbulbs in those containers would already be LEDs in the absence of this discussion at this public meeting and the actions that DOE has been taking over the last two months regarding regulation.

I think the minute that it became clear to the lighting industry that the U.S. Administration was changing over nine months ago, risk-averse planners would be hedging their bets by changing their

production plans in favor of lamps that were most likely to comply with the 45 lumen per watt standard and also would be under the broad definition as issued by DOE in 2017.

So I think that the idea that there will be wholesale market disruption by the short timeframe, the 60-day timeframe that DOE has proposed for the definition, is a little disingenuous. Thank you.

MR. GATTO: So, Ashley, since Chris is responding to me, can I respond to Chris, or do you prefer to go in the order people have their hands up?

MS. ARMSTRONG: That’s fine, you can go ahead. We’ll go back to everybody in their fair share of time. We have plenty of time today.

MR. GATTO: Thanks. And thanks, Chris. I wish I were sitting across from you. It’d be easier for us to kind of confer back and forth that way. So I appreciate we’ve heard this before that manufacturers should somehow be predicting the future and then changing production. But that’s not how manufacturing works. We can’t tell our customers that we won’t make products that are currently legal to make because, if we did that, we would be at a huge competitive disadvantage and may not have any business.

So, yes, Chris, we know when the Executive Order came out, and we know from signaling from DOE in the RFIs that have come out and from other DOE activity that we're moving in this direction, and I think I've said publicly on the record before this is a direction I'm actually happy to go speaking for electric and gas lighting.

But it is not disingenuous to say that the 60 days would be a problem. It is honest, exactly how any manufacturing industry works. This has nothing to do with light bulbs. Manufacturers can't choose to stop producing products because they think they won't be allowed to at some point. That's why we need certainty from DOE. That's why we need a final rule, so we actually have that certainty, and that's why we need the time, once a final rule's published, to be able to adjust to it. Thanks.

MS. ARMSTRONG: Okay. Joe, would you like to add?

MR. HOWLEY: Yes, Joe Howley, GE. Dave is right. We need to -- as a large manufacturer, we have a lot of customers. They order what they order. They order what people are buying, quite frankly, and people are still buying incandescent versions of these lamps, especially the decorative lamps and the lamps

that would be affected by a sudden implementation of this 60-day requirement.

Alex said it would be tight. It's much more than tight. It would be impossible under today's operating environment because you have all these retailers who are still ordering incandescent versions of these products that we would all of a sudden have to stop making. And then the question is, what do they want to order to replace them?

And so you have a double-edged problem of products not coming in anymore, and by the time we get them planned, organized, sometimes new packaging is required, the orders placed, component orders placed, there's shortages with electronic chips today, it's a long process. It's way beyond 60 days, and then the shipping port issues that have already been discussed, there would be empty shelves because there are right now a lot of retailers still selling these products.

Those products would also disappear, and it would take much, much longer, probably on the order of nine months or so, to get products made, shipped, and over. And although we are making those products today and shipping them to certain retailers, there wouldn't be enough products that are currently on order, in production, to serve all of the market. So there

would be massive market disruption in these product categories. That would be missing products that wouldn't be on the shelves. It would be impossible not to happen under today's operating environment.

And I also agree with Dave that it would be nice if we could predict the future and our customers could predict the future and people buying these lamps would say, oh, okay, we're not going to buy these anymore. But that's not how the world works. Customers will still buy these lamps. Retailers will still order them from us. We will still make and sell them for retailers ordering them.

And if we don't, as Dave said, some other manufacturer will and take that market space up. So it's not something we can control at all. Knowing perhaps what's going to happen doesn't mean we can control this. We can only control it when the regulation actually goes final. We can have conversations with our retailers about what is real, not what may happen, but what just did happen. Thank you.

MS. ARMSTRONG: Thanks, Joe. Alex, did you want to say something else at this point?

MR. BOESENBERG: Yes, thank you. This is Alex Boesenberg of the National Electrical

Manufacturers Association. I wanted to respond to one point and then offer another statement about, you know, why are we selling these products even -- why are my members selling incandescent lamps.

I think any manufacturer will tell you, while they can make just about anything, what they want to make is something that someone wants to buy. I think we can all remember through history some interesting product we saw or some odd product we saw and a new, novel whatever or a product that was too soon for its time, where what I mean is it was a very good product, but no one wanted to buy it, and these companies go out of business because they leveraged heavily into this it'll be the new mousetrap, and it wasn't.

So what that means for incandescent lamps is the reason manufacturers are sourcing and supplying these is because customers are buying them. So, you know, we make what people want to buy, is what I heard a member say. It's not about what you can make, it's knowing who will buy it that matters. So that's why there are contracts for these products from a wide variety of source, and that's why they're being -- that's why they're still in catalogs.

Another point and perhaps one that's less

contentious that I wanted to add is that in the case where there is a substitute product -- let’s say there’s a halogen version -- I’m speaking about that 60 days and current standards taking effect that Ashley mentioned a few minutes ago.

In the case where there might be a halogen substitute that is not a currently regulated product subject to standards, but they have a halogen design, they being a manufacturer somewhere, if it is not regulated, that means it has not been required to be tested in a certified NAFLAP or ILAC laboratory. It could have been tested in a manufacturer's laboratory or a less stringent lab for the purposes of satisfying a Federal Trade Commission lamp label or truth in advertising, so to speak, requirement, which is less rigorous than the Department of Energy certification standards.

In the case of products like that where there was no reason to justify the investment in a certified laboratory test because it wasn’t necessary, even if those products are available because it’s required that they be certified before they’re sold and certified using an improved test procedure, there isn’t time. Sixty days isn’t long enough to test lightbulbs because of some of the length of the test

requirements. Just getting them into a lab, having them tested, is more than 60 days, so you have a product that's legal to sell ostensibly, but you can't prove it inside of the time it would take to have a substitute available so there are not bare shelves and to satisfy the customers and contract holders. And so that's just a point I wanted to share. Thank you.

MS. ARMSTRONG: Thanks. Chris, did you want to speak now?

MR. GRANDA: Sorry, there we go. I will defer to Andrew deLaski seeing as I've already spoken some.

MS. ARMSTRONG: That sounds good. Andrew, welcome.

MR. DELASKI: Thanks. As I say, we support the proposed rule in its entirety. The Department also solicited comments on compliance in the May notice, and we commented on that, as I think many other stakeholders did as well, with suggestions for how the Department could implement new standards.

And in that notice or in response to that, we suggested that the Department could consider implementing the standards in a phased approach with the standards going into effect for high-volume lamps sooner than with respect to lamps that sell that are

slow movers, recognizing that high-volume lamps are -- the slow movers might be in the inventory for -- might need longer to clear inventory.

I want to say, though, that, you know, there’s a balancing here, and the Department is balancing the impacts on manufacturers and retailers with the impacts on the public and the environment and that, as I noted in my opening remarks statement, each additional month of delay does impose additional costs on consumers in terms of additional needlessly inefficient lamps that are, again, you know, put into use and then remain in use for, in many cases, months or, for some lamps, years, resulting in needless climate emissions.

So it is a balance, and I understand that there are costs -- that there are impacts for manufacturers, and I think it’s the important the Department implement this standard in ways that are smooth, that doesn’t cause needless disruption, but I also want to keep in mind -- folks to keep in mind that there’s a balancing here of impacts on manufacturers, supply chain, and also impacts on the market, impacts on the climate.

And this standard is delayed, right? We’re two years -- we’re going to be more than two years

later than it should have been under the law. And people have seen this coming. I want to be -- there's a balancing act here and doing it in a way that doesn't result in unnecessary disruption but also protects and results in savings that are long-delayed, I think, is important. Thank you.

MS. ARMSTRONG: Chris, did you have follow-on remarks that you wanted to make at this time in response to Andrew or others?

MR. GRANDA: I did. Thank you.

MS. ARMSTRONG: Sure.

MR. GRANDA: Chris Granda with the California Investor-Owned Utilities. So, briefly, in response to Mr. Gatto's and Mr. Boesenberg's earlier comments, the fact that consumers want to buy the remaining incandescent lightbulbs on the market clearly defines the market failure that the energy efficiency standards were designed to address.

I don't think there's any simpler way to say that, and manufacturers make decisions that are not driven by regulation all the time in anticipation of changes in the markets driven by market forces or regulation. We see, in anticipation of regulation, before that regulation is defined, we see that happening now in the automobile industry.

What we're talking about with this remnant of the incandescent lightbulb production is the exploitation of a market failure by the industry in order to squeeze profitability out of the existing incandescent production phase, fully amortized production phase, by the way, and in the face of overwhelming pressure by market forces and by regulation to switch to the new technology paradigm, which will be better for consumers and better for the world.

I have a lot of sympathy for the industry in having to deal with the uncertainty that it's had to deal with. I agree with Mr. deLaski and support the idea of DOE taking steps to minimize the disruption caused by the transition. However, it is also true that, without regulation, that transition will not happen as quickly as it could, nor go as thoroughly and completely into the market as it would without regulation. Thank you.

MS. ARMSTRONG: And, Joe, do you have a follow-on?

MR. HOWLEY: Yes, this is Joe Howley, GE Lighting. I'd just like to offer a different perspective, and that perspective is that the market transformation is happening quite rapidly. We're

looking at this from a company that’s been in business for 104 years, and we’ve never seen such a fast and complete transformation as we’re seeing now with literally all our traditional technologies, incandescent and fluorescent and HID moving to LED technology.

The transformation in the incandescent world has been quite amazing, actually, if you look at the last 10 years and how far just the market has accepted these LED lamps, mostly because they weren't great. They have good -- the price has come down, making them much more acceptable, and consumers like them. They like them much more than they like compact fluorescents.

I think, if we were dealing with compact fluorescents here, perhaps there would be some, you know, truth to Chris’s comment and Andrew’s comment that, hey, we need regulations, we need them quickly to make this thing happen because consumers aren’t buying really the compact fluorescents, and there was a big segment that wasn’t.

But, when you look at LEDs, we’re having this transition happen quickly. It’s much more quickly than we expected as an industry, but because it’s been happening since this has been proposed,

since 2016, 2017, when we were first talking about this, a big chunk of the market has by itself converted to LED and will continue to do so.

So, really, the difference here between letting the market continue -- what we're talking about here is the difference between letting the market continue this transformation and basically trying to hurry it up a little bit with regulation. I suppose the last thing regulation does is the market never goes to zero by itself. There's always somebody that wants to use that old technology for some reason, and if you absolutely want to get to the end, then you need a regulation.

We saw that with mercury vapor lamps that were succeeded by -- sodium and metal halide, and they came out in the '60s. It took forever for them to get down to a low number -- 30, 40 years, I would say -- and then it, you know, still hovers around a couple percent of the market. It's very, very minimal, but it doesn't go to zero without a regulation most likely. But here is this situation where the difference between the market doing it and DOE regulations doing it is not that great.

The other thing is that these are short-life products. So I've heard these arguments before with

longer-life products, you know, if you miss a sale of a new air conditioning system or a new refrigerator or dishwasher, you're stuck with that for, you know, 10, 20 years, and the consumer loses that savings for that long.

In this situation, these incandescent lamps, on average, die in about a year, maybe a little bit more than a year. So, every year, there's an opportunity to switch them over to LED. So this market will convert very quickly in waiting -- or providing manufacturers, giving manufacturers and retailers the time they need to do this in a rational fashion is what's needed here. Everybody knows the market's going to LED, but we need the time to do this in a rational way. Thank you.

MS. ARMSTRONG: Thanks, Joe. Looks like we might have one final comment from Steve Rosenstock?

MR. ROSENSTOCK: Hi, Steve Rosenstock, Edison Electric Institute. I think it is important that, you know, when I hear the word "market failure," I guess I'm stunned because looking at some of the NEMA data, it looked like LEDs now for general service lamp shipments are, like, 75 percent of the market in 2020, early 2020.

I don't have any data for 2021. I'm sure

someone -- other lighting experts could let me know, but, I mean, the market for LED's gone from, like, 10 percent, and they were 0 percent, to 75 percent in just several years for a lot of factors that Joe mentioned, and then there's been utility programs, and it's been quite, you know -- the market's responded pretty well in my view.

And, again, there are certain people who just don't like to change their habits. That happens, but, again, to say "market failure" where now LEDs are the dominant lighting technology for general service and that's what you can find, that's mostly what's on the shelves -- they're, like, 70, 75 percent of the shelf space in many stores -- I don't consider that a market failure. Again, I'm speaking for myself. Thank you very much.

MS. ARMSTRONG: Thanks, Dan. And I do want to get back to the focus on the definition rule. So, Alex, happy to let you have the floor and say one final comment, but I do want to make sure we're getting meaningful comments on the definition and the effective date of definitions. So, Alex, any final comments?

MR. BOESENBERG: I'll decline, thank you.

MS. ARMSTRONG: Okay. All right. Moving

on, Naeema, can you move forward, please? So, at this time, we do appreciate all the comments that we heard to date with regards to the content of the definition itself both for General Service Lamps and for General Service Incandescent Lamps, as well as the comments on the effective date or the proposed effective date of the rule. We do appreciate the feedback. We welcome any final remarks at this time for anyone that wants to make them. Alex, go ahead.

MR. BOESENBERG: Thank you, Ashley. This, again, is Alex Boesenberg of the National Electrical Manufacturers Association. I want to thank the Department for hosting this meeting and for explaining as much as you have and for listening as well.

We will be submitting written comments with additional detail, as well as referring to some comments we’ve already given, such as was mentioned with the backstop RFI and some others potentially where we have made relevant descriptions of the process or timing in association with retailers in the past. We’re going to try to put that all in one document so we don’t force folks to pick things out of other dockets. And we always are available for any questions or clarifying data requests and so forth from the Department. Thank you.

MS. ARMSTRONG: Thanks, Alex. Anybody else want to make any final remarks?

(No response.)

MS. ARMSTRONG: So, as Alex alluded to, we welcome written comments as a follow-up to today's proceeding and on any topic that's in the definition proposed rule that's out for comment. Just a friendly reminder, as I said at the outset, the comment period closes on October 18, and we really value your input.

Thanks to all of you for participating today and for the discussion, and thanks in advance for the comments that you are going to submit in response to the proposed definition rule. We really appreciate it. We hope everyone has a great Thursday, and thank you.

(Whereupon, at 10:59 a.m., the webinar in the above-entitled matter adjourned.)

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REPORTER'S CERTIFICATE

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CASE TITLE: Definitions For GSLs and GSILs

HEARING DATE: September 30, 2021

LOCATION: Washington, D.C.

I hereby certify that the proceedings and evidence are contained fully and accurately on the tapes and notes reported by me at the hearing in the above case before the U.S. Department of Energy, Office of Energy Efficiency and Renewable Energy.

Date: September 30, 2021

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