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United States General Accounting Office
Washington, DC 20548

B-287104

January 31, 2001

The Honorable Frank H. Murkowski
Chairman
The Honorable Jeff Bingaman
Ranking Member
Committee on Energy and Natural Resources
United States Senate

The Honorable Billy Tauzin
Chairman
The Honorable John D. Dingell
Ranking Minority Member
Committee on Energy and Commerce
House of Representatives

Subject: Department of Energy, Office of Energy Efficiency and Renewable Energy:
Energy Conservation Program for Consumer Products: Clothes Washer
Energy Conservation Standards

Pursuant to section 801(a)(2)(A) of title 5, United States Code, this is our report on a major rule promulgated by the Department of Energy (DOE), Office of Energy Efficiency and Renewable Energy, entitled "Energy Conservation Program for Consumer Products: Clothes Washer Energy Conservation Standards" (RIN: 1904-AA67). We received the rule on January 17, 2001. It was published in the Federal Register as a final rule on January 12, 2001. 66 Fed. Reg. 3314.

The final rule amends the existing energy conservation standards for standard-size clothes washers to significantly conserve energy with technologically feasible and economically justifiable standards proposed and recommended by stakeholders.

Enclosed is our assessment of the DOE's compliance with the procedural steps required by section 801(a)(1)(B)(i) through (iv) of title 5 with respect to the rule. Our review indicates that DOE complied with the applicable requirements.

If you have any questions about this report, please contact James W. Vickers, Assistant General Counsel, at (202) 512-8210. The official responsible for GAO

evaluation work relating to the subject matter of the rule is Bob Robinson, Managing Director, Natural Resources and Environment. Mr. Robinson can be reached at (202) 512-3841.

signed

Kathleen E. Wannisky
Managing Associate General Counsel

Enclosure

cc: Mr. Neal J. Strauss
Assistant General Counsel for
Regulatory Law
Department of Energy

ANALYSIS UNDER 5 U.S.C. § 801(a)(1)(B)(i)-(iv) OF A MAJOR RULE
ISSUED BY THE
DEPARTMENT OF ENERGY,
OFFICE OF ENERGY EFFICIENCY AND RENEWABLE ENERGY
ENTITLED
"ENERGY CONSERVATION PROGRAM FOR CONSUMER PRODUCTS:
CLOTHES WASHER ENERGY CONSERVATION STANDARDS"
(RIN: 1904-AA67)

(i) Cost-benefit analysis

DOE performed a cost-benefit analysis that is contained in its Technical Support Document (TSD). The TSD was furnished to our Office as part of DOE's submission of the final rule.

DOE estimates that the cumulative national energy savings will be 5.52 quads of energy over 27 years (2004 to 2030). This is equivalent to the total energy consumption of all U.S. homes over a period of approximately 3.3 months.

The energy savings will result in cumulative greenhouse gas emission reductions of 95.1 million metric tons of carbon dioxide. Additionally, air pollution will have cumulative reduction by the elimination of 253.5 thousand metric tons of nitrous oxides and 28.1 thousand metric tons of sulfur dioxide from 2004 to 2030. The cumulative water savings are estimated at 11 trillion gallons.

In total, DOE estimates the net economic benefit to the nation of this standard will be \$15.3 billion from 2004 to 2030.

(ii) Agency actions relevant to the Regulatory Flexibility Act, 5 U.S.C. §§ 603-605, 607, and 609

The Department of Energy has certified that the final rule will not have a significant economic impact on a substantial number of small entities.

(iii) Agency actions relevant to sections 202-205 of the Unfunded Mandates Reform Act of 1995, 2 U.S.C. §§ 1532-1535

Section 202 of the Act requires a federal agency to publish estimates of the costs, benefits, and other effects on the economy when a regulatory action may result in the expenditure by the private sector of \$100 million or more in any one year. The TSD discussed above addresses these requirements.

Section 205 of the Act also requires a federal agency to identify and consider a reasonable number of regulatory alternatives before promulgating a rule. In the

TSD, DOE discusses the alternatives considered and describes how this final rule establishes energy conservation standards that achieve the maximum improvement in energy efficiency that is technologically feasible and economically justified.

(iv) Other relevant information or requirements under acts and executive orders

Administrative Procedure Act, 5 U.S.C. §§ 551 et seq.

The final rule was issued using the notice and comment procedures contained at 5 U.S.C. 553. On October 5, 2000, DOE published a Notice of Proposed Rulemaking in the Federal Register. 65 Fed. Reg. 59550. This notice utilized the comments collected over the preceding 6 years. In addition to the comments received in response to the proposed rule, DOE held conferences and workshops to obtain further input.

Paperwork Reduction Act, 44 U.S.C. §§ 3501-3520

The final rule does not contain any information collections that are required to be reviewed and approved by the Office of Management and Budget under the Paperwork Reduction Act.

Statutory authorization for the rule

The final rule was issued under the authority contained in 42 U.S.C. 6291-6309 and 28 U.S.C. 2461 note.

Executive Order No. 12866

The final rule was reviewed by the Office of Management and Budget and found to be an “economically significant” regulatory action under the order.

Executive Order No. 13132 (Federalism)

The final rule was reviewed under the order and DOE has determined that it would not have a substantial direct effect on the states, on the relationship between the national government and the states, or on the distribution of power and responsibilities among the various levels of government. State regulations that may have existed on the products that are the subject of the final rule were preempted by the federal standards established in the National Appliance Energy Conservation Amendments of 1988. States can petition DOE for exemption from such preemption based on the criteria set forth in the Energy Policy and Conservation Act.