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United States Government Accountability Office

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ENERGY EFFICIENCY

Long-standing Problems with DOE's Program for Setting Efficiency Standards Continue to Result in Forgone Energy Savings

What GAO Found

DOE has missed all 34 congressional deadlines for setting energy efficiency standards for the 20 product categories with statutory deadlines that have passed. DOE's delays ranged from less than a year to 15 years. Rulemakings have been completed for only (1) refrigerators, refrigerator-freezers, and freezers; (2) small furnaces; and (3) clothes washers. DOE has yet to finish 17 categories of such consumer products as kitchen ranges and ovens, dishwashers, and water heaters, and such industrial equipment as distribution transformers. Lawrence Berkeley National Laboratory estimates that delays in setting standards for the four consumer product categories that consume the most energy—refrigerators and freezers, central air conditioners and heat pumps, water heaters, and clothes washers—will cost at least $28 billion in forgone energy savings by 2030. DOE's January 2006 report to Congress attributes delays to several causes, including an overly ambitious statutory rulemaking schedule and a lengthy internal review process. In interviews, however, DOE officials could not agree on the causes of delays. GAO's panel of widely recognized, knowledgeable stakeholders said, among other things, that the General Counsel review process was too lengthy and that DOE did not allot sufficient resources or make the standards a priority. However, GAO could not more conclusively determine the root causes of delay because DOE lacks the program management data needed to identify bottlenecks in the rulemaking process.

In January 2006, DOE presented to Congress its plan to bring the standards up to date by 2011. It is unclear whether this plan will effectively clear DOE's backlog because DOE does not have the necessary program management data to be certain the plan addresses the root causes. The plan also lacks critical elements of an effective project management plan, such as a way to ensure management accountability for meeting the deadlines. Finally, the plan calls for a sixfold increase in workload with only a small increase in resources. DOE plans to manage the workload through improved productivity.

What GAO Recommends

GAO recommends that DOE adopt elements of effective project management in its standards rulemaking, such as using a more transparent process and allocating adequate resources within its appropriation. In commenting on this report, DOE did not respond to the recommendations but said it was incorrect to single out any official or office for the delays and that the report did not reflect many of its standards-setting activities since EPAct 2005. GAO reported several causes of delays; activities since EPAct 2005 were outside this report's scope.

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