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May 9, 2024

The Honorable Joe Manchin
Chairman
The Honorable John Barrasso
Ranking Member
Committee on Energy and Natural Resources
United States Senate

The Honorable Cathy McMorris Rodgers
Chair
The Honorable Frank Pallone, Jr.
Ranking Member
Committee on Energy and Commerce
House of Representatives

Subject: *Department of Energy: Energy Conservation Program: Energy Conservation Standards for General Service Lamps*

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) entitled “Energy Conservation Program: Energy Conservation Standards for General Service Lamps” (RIN: 1904-AF43). We received the rule on April 24, 2024. It was published in the *Federal Register* as a final rule on April 19, 2024. 89 Fed. Reg. 28856. The effective date is July 3, 2024.

This final rule adopts amended energy conservation standards for general service lamps (GSLs). The Energy Policy and Conservation Act (EPCA), 42 U.S.C. §§ 6201–6422, prescribes energy conservation standards for various consumer products and certain commercial and industrial equipment, including GSLs. DOE has determined that the amended GSL energy conservation standards in this final rule would result in significant conservation of energy and are technologically feasible and economically justified.

Enclosed is our assessment of 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. If you have any questions about this report or wish to contact GAO officials responsible for the evaluation work relating to the subject matter of the rule, please contact Charlie McKiver, Assistant General Counsel, at (202) 512-5992.

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Enclosure

cc: Ami Grace-Tardy
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Legislation, Regulation & Energy Efficiency
Department of Energy

REPORT UNDER 5 U.S.C. § 801(a)(2)(A) ON A MAJOR RULE
ISSUED BY THE
DEPARTMENT OF ENERGY
ENTITLED
“ENERGY CONSERVATION PROGRAM:
ENERGY CONSERVATION STANDARDS FOR GENERAL SERVICE LAMPS”
(RIN: 1904-AF43)

(i) Cost-benefit analysis

The Department of Energy (DOE) conducted an economic analysis of this final rule. DOE examined the benefits and costs to consumers, the impact on manufacturers, and national benefits and costs. Under one estimate, DOE reported that the estimated net benefit of the standards adopted in the rule would amount to \$1,413.1 million per year. Under another estimate, DOE reported that the total estimated net benefit would amount to \$1,920.9 million per year. According to DOE, these monetized estimates account for health benefits from reduced emissions, climate benefits from reduced emissions, and reduced operating costs. DOE also discussed alternatives it considered to the rule.

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

DOE prepared a Final Regulatory Flexibility Analysis for the products that are the subject of this rulemaking. The analysis included (1) a statement of the need for, and objectives of, the rule, (2) a statement of significant issues raised by public comments in response to the Initial Regulatory Flexibility Analysis, (3) a description and estimated number of small entities affected, (4) a description of reporting, recordkeeping, and other compliance requirements, and (5) a description of significant alternatives considered and steps taken to minimize significant economic impacts on small entities.

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

DOE concluded that this final rule may require expenditures of \$100 million in 1995 dollars, updated annually for inflation, or more in any one year by the private sector, including: (1) those expenditures relating to investment in research and development and in capital expenditures by general service lamp (GSL) manufacturers in the years between the rule and the compliance date for the new standards, and (2) incremental additional expenditures by consumers to purchase higher-efficiency GSLs, starting at the compliance date for the applicable standard. DOE stated that the rule establishes amended energy conservation standards for GSLs that are designed to achieve the maximum improvement in energy efficiency that DOE has determined to be both technologically feasible and economically justified.

(iv) Agency actions relevant to the Administrative Pay-As-You-Go-Act of 2023, Pub. L. No. 118-5, div. B, title III, 137 Stat 31 (June 3, 2023)

Section 270 of the Administrative Pay-As-You-Go-Act of 2023 amended 5 U.S.C. § 801(a)(2)(A) to require GAO to assess agency compliance with the Act, which establishes requirements for

administrative actions that affect direct spending, in GAO’s major rule reports. In guidance to Executive Branch agencies, issued on September 1, 2023, the Office of Management and Budget (OMB) instructed that agencies should include a statement explaining that either: “the Act does not apply to this rule because it does not increase direct spending; the Act does not apply to this rule because it meets one of the Act’s exemptions (and specifying the relevant exemption); the OMB Director granted a waiver of the Act’s requirements pursuant to section 265(a)(1) or (2) of the Act; or the agency has submitted a notice or written opinion to the OMB Director as required by section 263(a) or (b) of the Act” in their submissions of rules to GAO under the Congressional Review Act. OMB, *Memorandum for the Heads of Executive Departments and Agencies*, Subject: Guidance for Implementation of the Administrative Pay-As-You-Go Act of 2023, M-23-21 (Sept. 1, 2023), at 11–12. OMB also states that directives in the memorandum that supplement the requirements in the Act do not apply to proposed rules that have already been submitted to the Office of Information and Regulatory Affairs, however agencies must comply with any applicable requirements of the Act before finalizing such rules.

DOE did not discuss the Act in the rule. In its submission to us, DOE stated that the Act does not apply to the rule since it does not increase direct spending.

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

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

On January 11, 2023, DOE published a notice of proposed rulemaking (NPR). 88 Fed. Reg. 1638. DOE reported that it received 17 comments in response to the NPR from certain interested parties and 158 comments from private citizens. DOE also noted that it held a public meeting on February 1, 2023. According to DOE, it developed this final rule after considering oral and written comments, data, and information from interested parties that represent a variety of interests. DOE stated that the discussion contained within this final rule addressed issues raised by these commenters.

Paperwork Reduction Act (PRA), 44 U.S.C. §§ 3501–3520

DOE determined that this final rule contains information collection requirements (ICRs) under the Act. DOE reported that this ICR has been approved by OMB under OMB Control Number 1910-1400. DOE further stated that the public reporting burden for the certification is estimated to average 35 minutes per response, including the time for reviewing instructions, searching existing data sources, gathering and maintaining the data needed, and completing and reviewing the collection of information.

Statutory authorization for the rule

DOE promulgated this final rule pursuant to various sections of title 42 of the United States Code.

Executive Order No. 12866 (Regulatory Planning and Review)

DOE determined that this final rule is economically significant under the Order and submitted it to OMB for review.

Executive Order No. 13132 (Federalism)

DOE determined that this final rule does not have federalism implications and does not impose substantial direct compliance costs on state and local governments or preempt state law within meaning of the Order.