

**GENERAL ASSEMBLY OF NORTH CAROLINA
SESSION 2003**

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HOUSE BILL 1150

Short Title: Appliance/Equipment Energy Efficiency Stds. (Public)

Sponsors: Representative Nesbitt.

Referred to: Public Utilities.

April 10, 2003

1 A BILL TO BE ENTITLED
2 AN ACT TO DIRECT THE UTILITIES COMMISSION TO ESTABLISH ENERGY
3 EFFICIENCY STANDARDS FOR CERTAIN PRODUCTS SOLD IN THE
4 STATE.

5 The General Assembly of North Carolina enacts:

6 **SECTION 1.** Chapter 113B of the General Statutes is amended by adding a
7 new Article to read:

"Article 3.

"Energy Efficiency Standards.

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9
10 **"§ 113B-41. Legislative findings.**

11 The General Assembly finds that energy efficiency standards:

- 12 (1) Assure consumers and businesses that certain goods meet minimum
13 efficiency performance levels thus saving money on utility bills.
14 (2) Save energy and thus reduce pollution and other environmental
15 impacts associated with the production, distribution, and use of
16 electricity and natural gas.
17 (3) Make the distribution of electricity more reliable by reducing the strain
18 on the electric distribution grid during peak demand periods.
19 (4) Reduce or delay the need for new power plants, power transmission
20 lines, and power distribution system upgrades.
21 (5) Contribute to the economy of the State by enabling consumers and
22 business owners to spend less on energy and more for the purchase of
23 goods and services.

24 **"§ 113B-42. Definitions.**

25 As used in this Article:

- 26 (1) 'Ceiling fan' means a nonportable device that is suspended from a
27 ceiling for circulating air via the rotation of fan blades.
28 (2) 'Ceiling fan light kit' means the equipment used to provide light from a
29 ceiling fan. This equipment can be: (i) integral such that the ceiling

1 fan light kit is hardwired to the ceiling fan, or (ii) attachable such that
2 the ceiling fan light kit is not, at the time of sale, physically attached to
3 the fan. Attachable ceiling fan light kits might be included inside the
4 ceiling fan package at the time of sale or sold separately for
5 subsequent attachment to the fan.

6 (3) 'Commercial clothes washer' means a soft mount front-loading or soft
7 mount top-loading clothes washer that is designed for use in (i)
8 applications where the occupants of more than one household will be
9 using it, such as in multifamily housing common areas and coin
10 laundries; or (ii) other commercial applications, if the clothes container
11 compartment is no greater than 3.5 cubic feet for horizontal-axis
12 clothes washers, or no greater than 4.0 cubic feet for vertical-axis
13 clothes washers.

14 (4) 'Commercial refrigerators and freezers' means reach-in cabinets, pass-
15 through cabinets, roll-in cabinets, and roll-through cabinets that have
16 less than 85 cubic feet of capacity and that are not walk-in models or
17 consumer products regulated under the National Appliance Energy
18 Conservation Act of 1987 (Pub. L. 100-12, 101 Stat. 103, 42 U.S.C. §
19 6201).

20 (5) 'Commission' means the Utilities Commission.

21 (6) 'Digital cable television box' means a device that acts as a tuner for
22 cable television programming and that converts digital signals received
23 from a cable service provider to a signal usable by a television set.

24 (7) 'Digital television converter box' means a device that receives and
25 decodes digital signals for display by an analog television set.

26 (8) 'Illuminated exit sign' means an internally illuminated sign that is
27 designed to be permanently fixed in place and used to identify an exit,
28 a light source illuminates the sign or letters from within, and the
29 background of the exit sign is not transparent.

30 (9) 'Large package air-conditioning equipment' means packaged air-
31 conditioning equipment having 240,000 Btu/hour or more of cooling
32 capacity.

33 (10) 'Low voltage dry-type distribution transformer' means a distribution
34 transformer that (i) has an input voltage of 600 volts or less; (ii) is
35 between 14 kVA and 2,501 kVA in size; (iii) is air-cooled; and (iv)
36 does not use oil as a coolant.

37 (11) 'Packaged air-conditioning equipment' means air-conditioning
38 equipment that is built as a package and shipped as a whole to end-user
39 sites.

40 (12) 'Pass-through cabinet' means a commercial refrigerator or commercial
41 freezer with hinged or sliding doors on both the front and rear of the
42 refrigerator or freezer.

43 (13) 'Reach-in cabinet' means a commercial refrigerator, commercial
44 refrigerator-freezer, or commercial freezer with hinged or sliding doors

1 or lids, but excluding roll-in or roll-through cabinets and pass-through
2 cabinets.

3 (14) 'Roll-in or roll-through cabinet' means a commercial refrigerator or
4 commercial freezer with hinged or sliding doors that allows wheeled
5 racks of product to be rolled into or through the refrigerator or freezer.

6 (15) 'Set-top box' means a digital cable television box, wireless television
7 receiver, or digital television converter box.

8 (16) 'Torchiere lighting fixture' means a portable electric lighting fixture
9 with a reflector bowl giving light directed upward so as to give indirect
10 illumination.

11 (17) 'Traffic signal module' means a standard 8-inch (200 mm) or 12-inch
12 (300 mm) round traffic signal indication. It consists of a light source,
13 lens, and all parts necessary for operation and communicates
14 movement messages to drivers through red, amber, and green colors.
15 Arrow modules in the same colors are used to indicate turning
16 movements.

17 (18) 'Transformer' means a device consisting essentially of two or more
18 coils of insulated wire that transfers alternating current by
19 electromagnetic induction from one coil to another in order to change
20 the original voltage or current value.

21 (19) 'Unit heater' means a self-contained fan-type heater that uses natural
22 gas, propane, or fuel oil and that is designed to be installed within a
23 heated space. Unit heaters include an apparatus or appliance to supply
24 heat and a fan for circulating air over a heat exchange surface, all
25 enclosed in a common casing. Unit heaters do not include 'warm air
26 furnaces' as specifically defined under the federal Energy Policy Act of
27 1992 (Pub. L. 102-486, 106 Stat. 2776, 42 U.S.C. § 13201).

28 (20) 'Wireless television receiver' means a device used in conjunction with
29 a dish antenna to receive satellite or other wireless television
30 programming and that converts signals from a dish antenna for use by
31 a television set.

32 **"§ 113B-43. Scope.**

33 (a) The provisions of this Article apply to the establishment, testing, certification,
34 and enforcement of energy efficiency standards for each of the following types of
35 products sold, offered for sale, or installed in the State:

36 (1) Ceiling fans and ceiling fan light kits.

37 (2) Commercial clothes washers.

38 (3) Commercial refrigerators and freezers.

39 (4) Illuminated exit signs.

40 (5) Large packaged air-conditioning equipment.

41 (6) Low voltage dry-type distribution transformers.

42 (7) Set-top boxes.

43 (8) Torchiere lighting fixtures.

44 (9) Traffic signal modules.

- 1 (10) Unit heaters.
- 2 (11) Other products as may be designated by the Commission in
3 accordance with G.S. 113B-44(b).
- 4 (b) The provisions of this Article do not apply to any of the following:
- 5 (1) Products manufactured in the State and sold outside the State.
- 6 (2) Products manufactured outside the State and sold at wholesale inside
7 the State for final retail sale and installation outside the State.
- 8 (3) Products installed in mobile manufactured homes at the time of
9 construction.
- 10 (4) Products designed expressly for installation and use in recreational
11 vehicles.

12 **"§ 113B-44. Efficiency standards.**

13 (a) The Commission shall adopt rules to establish energy efficiency standards for
14 the types of products set forth in G.S. 113B-43(a). The rules shall provide for the
15 following minimum energy efficiency standards:

- 16 (1) Ceiling fans and ceiling fan light kits shall meet the Tier 1 criteria of
17 the product specification (Version 1.1) of the 'Energy Star Program
18 Requirements for Residential Ceiling Fans' developed by the United
19 States Environmental Protection Agency.
- 20 (2) Commercial clothes washers shall meet the requirements shown in
21 Table P-3 of section 1605.3 of the California Code of Regulations,
22 Title 20: Division 2, Chapter 4, Article 4: Appliance Efficiency
23 Regulations that took effect on 27 November 2002.
- 24 (3) Commercial refrigerators and freezers shall meet the 1 August 2004
25 requirements shown in Table A-6 of section 1605.3 of the California
26 Code of Regulations, Title 20: Division 2, Chapter 4, Article 4:
27 Appliance Efficiency Regulations that took effect on 27 November
28 2002.
- 29 (4) Illuminated exit signs shall meet the product specification (Version
30 2.0) of the 'Energy Star Program Requirements for Exit Signs'
31 developed by the United States Environmental Protection Agency.
- 32 (5) Large packaged air-conditioning equipment shall meet the Tier 2
33 efficiency levels of the 'Minimum Equipment Efficiencies for Unitary
34 Commercial Air Conditioners' and 'Minimum Equipment Efficiencies
35 for Heat Pumps' developed by the Consortium for Energy Efficiency,
36 Boston, Massachusetts, that took effect on 1 July 2002.
- 37 (6) Low voltage dry-type distribution transformers shall meet or exceed
38 the energy efficiency values shown in Table 4-2 of National Electrical
39 Manufacturers Association Standard TP-1-2002.
- 40 (7) Set-top boxes shall meet the Tier 2 criteria of the product specification
41 of the 'Energy Star Program Requirements for Set-top Boxes'
42 developed by the United States Environmental Protection Agency that
43 took effect on 1 January 2001.

1 (8) Torchiere lighting fixtures shall not consume more than 190 watts and
2 shall not be capable of operating with lamps that total more than 190
3 watts.

4 (9) Traffic signal modules shall meet the product specification of the
5 'Energy Star Program Requirements for Traffic Signals' developed by
6 the United States Environmental Protection Agency that took effect in
7 February 2001.

8 (10) Unit heaters shall not have pilot lights and shall have either power
9 venting or an automatic flue damper.

10 (b) The Commission may adopt rules to establish minimum energy efficiency
11 standards for products designated pursuant to G.S. 113B-43(a)(11).

12 (c) The Commission may adopt rules to establish energy efficiency standards for
13 the products set forth in G.S. 113B-43(a) that exceed the energy efficiency standards
14 established pursuant to this section. Prior to adopting a rule to establish an increased
15 energy efficiency standard for a product, the Commission shall determine that the
16 increased energy efficiency standard would promote energy conservation and would be
17 cost-effective for consumers of that product. No energy efficiency standard established
18 by a rule adopted pursuant to this subsection shall become effective earlier than one
19 year after the adoption of the rule. For any product for which a federal energy
20 conservation standard has been adopted, the Commission may apply for a waiver of
21 federal preemption in accordance with subsection (d) of 42 U.S.C. § 6297.

22 **§ 113B-45. Testing, certification, labeling, and enforcement.**

23 (a) The Commission shall adopt rules to provide for the testing of product
24 compliance with energy efficiency standards adopted pursuant to G.S. 113B-44 if an
25 applicable procedure is not set out in the State Building Code. The Commission shall
26 use United States Department of Energy approved testing methods or other nationally
27 recognized testing methods. Product manufacturers shall cause samples of their
28 products to be tested in accordance with the test procedures adopted pursuant to this
29 subsection and those set out in the State Building Code.

30 (b) A manufacturer of products subject to energy efficiency standards adopted
31 pursuant to G.S. 113B-44 shall certify to the Commission that its products are in
32 compliance with the provisions of this Article. The Commission shall adopt rules
33 governing the certification of product compliance and may coordinate its certification
34 rules with the certification programs of other states.

35 (c) A manufacturer of products subject to energy efficiency standards adopted
36 pursuant to G.S. 113B-44 shall label each product that it offers for sale or installs in the
37 State as being in compliance with the provisions of this Article with a label on the
38 product and product package that is clearly visible at the time of sale or installation. The
39 Commission shall adopt rules governing the labelling of products that are in compliance
40 and may coordinate its labelling rules with the labelling programs of other states.

41 (d) The Commission may test products subject to energy efficiency standards
42 adopted pursuant to G.S. 113B-44 using an accredited testing facility. If products that
43 are tested are found not to be in compliance with the energy efficiency standards
44 established pursuant to G.S. 113B-44, the Commission shall assess the manufacturer of

1 the product for the costs of product purchase and testing and may provide information to
2 the public on products found not to be in compliance with the standards.

3 (e) The Commission may cause periodic inspections to be made of distributors or
4 retailers of products subject to energy efficiency standards adopted pursuant to G.S.
5 113B-44 in order to determine compliance with the provisions of this Article. The
6 Commission shall also work with the State Building Commission to coordinate
7 inspections of products that are also regulated by the State Building Code.

8 (f) The Commission shall investigate complaints received concerning violations
9 of this Article and shall report the results of the investigation to the Attorney General.
10 The Attorney General may institute a civil action to enforce the provisions of this
11 Article. For a first violation, the Commission shall issue a warning to the manufacturer,
12 distributor, or retailer who violated this Article. For a second or subsequent violation,
13 the Commission shall assess a civil penalty of not more than two hundred fifty dollars
14 (\$250.00) against the manufacturer, distributor, or retailer who violated this Article.
15 Each violation shall constitute a separate offense and each day that a violation continues
16 shall constitute a separate offense. Penalties assessed under this subsection are in
17 addition to costs assessed pursuant to subsection (d) of this section.

18 (g) The Commission may adopt other rules necessary to insure the proper
19 implementation and enforcement of the provisions of this Article."

20 **SECTION 2.** If any section or provision of this act is declared
21 unconstitutional or invalid by the courts, the unconstitutional or invalid section or
22 provision does not affect the validity of this act as a whole or any part of this act other
23 than the part declared to be unconstitutional or invalid.

24 **SECTION 3.** There is appropriated from the General Fund to the Utilities
25 Commission the sum of fifty thousand dollars (\$50,000) for the 2003-2004 fiscal year
26 and the sum of fifty thousand dollars (\$50,000) for the 2004-2005 fiscal year to
27 implement the provisions of this act.

28 **SECTION 4.** This act is effective when it becomes law, except that G.S.
29 113B-45(f) becomes effective 1 January 2006. The Utilities Commission shall adopt
30 rules to implement Article 3 of Chapter 113B of the General Statutes, as enacted by
31 Section 1 of this act, so that the rules become effective on 1 January 2006. No civil
32 penalty shall be assessed pursuant to G.S. 113B-45(f), as enacted by Section 1 of this
33 act, for installation after 1 January 2006 of any product set forth in subsection (a) of
34 G.S. 113B-43, as enacted by Section 1 of this act, that is purchased prior to 1 January
35 2006.