

GENERAL ASSEMBLY OF NORTH CAROLINA  
SESSION 2003

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HOUSE DRH30249-RT-14 (03/26)

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

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Sponsors: Representative Nesbitt.

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Referred to:

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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:

8 "Article 3.

9 "Energy Efficiency Standards.

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.

- 1           (2) 'Ceiling fan light kit' means the equipment used to provide light from a  
2 ceiling fan. This equipment can be: (i) integral such that the ceiling  
3 fan light kit is hardwired to the ceiling fan, or (ii) attachable such that  
4 the ceiling fan light kit is not, at the time of sale, physically attached to  
5 the fan. Attachable ceiling fan light kits might be included inside the  
6 ceiling fan package at the time of sale or sold separately for  
7 subsequent attachment to the fan.
- 8           (3) 'Commercial clothes washer' means a soft mount front-loading or soft  
9 mount top-loading clothes washer that is designed for use in (i)  
10 applications where the occupants of more than one household will be  
11 using it, such as in multifamily housing common areas and coin  
12 laundries; or (ii) other commercial applications, if the clothes container  
13 compartment is no greater than 3.5 cubic feet for horizontal-axis  
14 clothes washers, or no greater than 4.0 cubic feet for vertical-axis  
15 clothes washers.
- 16           (4) 'Commercial refrigerators and freezers' means reach-in cabinets, pass-  
17 through cabinets, roll-in cabinets, and roll-through cabinets that have  
18 less than 85 cubic feet of capacity and that are not walk-in models or  
19 consumer products regulated under the National Appliance Energy  
20 Conservation Act of 1987 (Pub. L. 100-12, 101 Stat. 103, 42 U.S.C. §  
21 6201).
- 22           (5) 'Commission' means the Utilities Commission.
- 23           (6) 'Digital cable television box' means a device that acts as a tuner for  
24 cable television programming and that converts digital signals received  
25 from a cable service provider to a signal usable by a television set.
- 26           (7) 'Digital television converter box' means a device that receives and  
27 decodes digital signals for display by an analog television set.
- 28           (8) 'Illuminated exit sign' means an internally illuminated sign that is  
29 designed to be permanently fixed in place and used to identify an exit,  
30 a light source illuminates the sign or letters from within, and the  
31 background of the exit sign is not transparent.
- 32           (9) 'Large package air-conditioning equipment' means packaged air-  
33 conditioning equipment having 240,000 Btu/hour or more of cooling  
34 capacity.
- 35           (10) 'Low voltage dry-type distribution transformer' means a distribution  
36 transformer that (i) has an input voltage of 600 volts or less; (ii) is  
37 between 14 kVA and 2,501 kVA in size; (iii) is air-cooled; and (iv)  
38 does not use oil as a coolant.
- 39           (11) 'Packaged air-conditioning equipment' means air-conditioning  
40 equipment that is built as a package and shipped as a whole to end-user  
41 sites.
- 42           (12) 'Pass-through cabinet' means a commercial refrigerator or commercial  
43 freezer with hinged or sliding doors on both the front and rear of the  
44 refrigerator or freezer.

- 1           (13) 'Reach-in cabinet' means a commercial refrigerator, commercial  
2           refrigerator-freezer, or commercial freezer with hinged or sliding doors  
3           or lids, but excluding roll-in or roll-through cabinets and pass-through  
4           cabinets.
- 5           (14) 'Roll-in or roll-through cabinet' means a commercial refrigerator or  
6           commercial freezer with hinged or sliding doors that allows wheeled  
7           racks of product to be rolled into or through the refrigerator or freezer.
- 8           (15) 'Set-top box' means a digital cable television box, wireless television  
9           receiver, or digital television converter box.
- 10          (16) 'Torchiere lighting fixture' means a portable electric lighting fixture  
11          with a reflector bowl giving light directed upward so as to give indirect  
12          illumination.
- 13          (17) 'Traffic signal module' means a standard 8-inch (200 mm) or 12-inch  
14          (300 mm) round traffic signal indication. It consists of a light source,  
15          lens, and all parts necessary for operation and communicates  
16          movement messages to drivers through red, amber, and green colors.  
17          Arrow modules in the same colors are used to indicate turning  
18          movements.
- 19          (18) 'Transformer' means a device consisting essentially of two or more  
20          coils of insulated wire that transfers alternating current by  
21          electromagnetic induction from one coil to another in order to change  
22          the original voltage or current value.
- 23          (19) 'Unit heater' means a self-contained fan-type heater that uses natural  
24          gas, propane, or fuel oil and that is designed to be installed within a  
25          heated space. Unit heaters include an apparatus or appliance to supply  
26          heat and a fan for circulating air over a heat exchange surface, all  
27          enclosed in a common casing. Unit heaters do not include 'warm air  
28          furnaces' as specifically defined under the federal Energy Policy Act of  
29          1992 (Pub. L. 102-486, 106 Stat. 2776, 42 U.S.C. § 13201).
- 30          (20) 'Wireless television receiver' means a device used in conjunction with  
31          a dish antenna to receive satellite or other wireless television  
32          programming and that converts signals from a dish antenna for use by  
33          a television set.

34 **"§ 113B-43. Scope.**

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

- 38           (1) Ceiling fans and ceiling fan light kits.  
39           (2) Commercial clothes washers.  
40           (3) Commercial refrigerators and freezers.  
41           (4) Illuminated exit signs.  
42           (5) Large packaged air-conditioning equipment.  
43           (6) Low voltage dry-type distribution transformers.  
44           (7) Set-top boxes.

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

14 **"§ 113B-44. Efficiency standards.**

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

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

1           developed by the United States Environmental Protection Agency that  
2           took effect on 1 January 2001.

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

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

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

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

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

24          **"§ 113B-45. Testing, certification, labeling, and enforcement.**

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

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

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

43          (d)   The Commission may test products subject to energy efficiency standards  
44          adopted pursuant to G.S. 113B-44 using an accredited testing facility. If products that

1 are tested are found not to be in compliance with the energy efficiency standards  
2 established pursuant to G.S. 113B-44, the Commission shall assess the manufacturer of  
3 the product for the costs of product purchase and testing and may provide information to  
4 the public on products found not to be in compliance with the standards.

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

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

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

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

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

30 **SECTION 4.** This act is effective when it becomes law, except that G.S.  
31 113B-45(f) becomes effective 1 January 2006. The Utilities Commission shall adopt  
32 rules to implement Article 3 of Chapter 113B of the General Statutes, as enacted by  
33 Section 1 of this act, so that the rules become effective on 1 January 2006. No civil  
34 penalty shall be assessed pursuant to G.S. 113B-45(f), as enacted by Section 1 of this  
35 act, for installation after 1 January 2006 of any product set forth in subsection (a) of  
36 G.S. 113B-43, as enacted by Section 1 of this act, that is purchased prior to 1 January  
37 2006.