



At a Glance

Catalyst for Improving the Environment

Why We Did This Review

We initiated this review to evaluate how effectively the U.S. Environmental Protection Agency (EPA) is managing the ENERGY STAR® Product Labeling Program. We specifically sought to determine whether EPA ensures that consumer product specifications are sufficient, the extent EPA verifies that products adhere to specifications, and whether EPA adequately ensures that the ENERGY STAR label is properly used.

Background

The ENERGY STAR Product Labeling Program identifies and promotes energy-efficient products. EPA reported in 2006 that using ENERGY STAR products prevented estimated greenhouse gas emissions equivalent to those from 23 million vehicles, and saving Americans an estimated \$12 billion in their utility bills.

For further information, contact our Office of Congressional and Public Liaison at (202) 566-2391.

To view the full report, click on the following link:
www.epa.gov/oig/reports/2007/20070801-2007-P-00028.pdf

ENERGY STAR Program Can Strengthen Controls Protecting the Integrity of the Label

What We Found

To ensure the efficiency and effectiveness of the ENERGY STAR program and the integrity of its label, EPA established several processes. These processes include product specification setting and revision, product self-certification, product verification testing, and label utilization monitoring. We reviewed these processes and found improvements could be made that could better assure the integrity of the ENERGY STAR label for the consumer of home and office products.

The criteria for revising specifications were unclear and not documented. It was not evident when or what factors would trigger a specification revision. Furthermore, EPA does not have reasonable assurance that the self-certification process is effective. EPA relies on some alternative verification mechanisms, but lacks any quality assurance or review of these reported results. The Agency's verification testing also lacks a clear documented methodology governing products selected for verification tests and does not test for statistically valid results. Consequently, product efficiency and energy savings reported by manufacturers are, for the most part, unverified by EPA review.

We found little oversight in using the ENERGY STAR label in retail stores, which is commonly the purchase point for the consumer. EPA could not provide documentation related to followup actions taken, final results for all retail store assessments, or the resolution status of label inconsistencies. We also found that manufacturers may label and sell products as ENERGY STAR qualified prior to submitting test results to the Agency. Using the label on products that do not meet ENERGY STAR requirements may weaken the value of the label and negatively impact the ENERGY STAR program.

What We Recommend

EPA should strengthen management controls to protect the integrity of the ENERGY STAR label. EPA should clarify and document the criteria for product specification revisions. EPA should establish a quality assurance program for its verification program. Also, EPA should improve its oversight in using the ENERGY STAR label by establishing a systematic methodology and procedures for monitoring, resolving, and following up on label misuse. EPA disagreed with many of our conclusions, but stated it had implemented many of the recommendations. However, EPA's planned actions do not address the intent of our recommendations, and we consider the issues unresolved.