

**CALIFORNIA PROPOSES EFFICIENCY RULES FOR COMPUTERS,
COMPUTER MONITORS, AND SIGNAGE DISPLAYS**

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The California Energy Commission (CEC) has issued proposed mandatory energy efficiency requirements for computers, computer monitors, and signage displays. CEC Docket No. 14-AAER-2. The proposal includes efficiency standards, test procedures, and filing requirements.

Industry and other interested parties have an opportunity to participate in this important rulemaking. CEC will hold a meeting on October 10, 2016, to receive oral comments. Written comments are due by October 24, 2016. A public hearing for adoption of the proposal is set for November 9, 2016.

Adoption of the proposal would have significant implications for industry. The California standards could well become de facto national and even worldwide standards. And the California rules would be backed by a draconian CEC sanctions regime, including civil penalties up to \$2,500 per unit.

Desktops and thin-clients. CEC proposes that desktop computers and thin-clients with an “expandability score” (ES) of 250 or less, manufactured on or after January 1, 2019, would be required to have a maximum total energy consumption of 50 kWh/yr, plus a maximum kWh/yr for applicable adders -- such as memory, Energy-Efficient Ethernet, and storage. (ES is a measure of power supply capacity.) These products generally would also need to be shipped with power management settings that (i) transition the computer into either the sleep mode or off mode within 30 minutes of user inactivity; and (ii) transition connected displays into sleep mode within 15 minute of user inactivity. The model would not be required to comply with (i) and (ii) if it is shipped with a limited operating system or without an operating system per the purchaser’s request.

Comparable standards would apply to products with a higher ES, on January 1, 2019, and a second tier of standards on July 1, 2021.

Notebooks. The CEC proposal for notebook computers generally tracks the foregoing requirements for desktops and thin-clients with an ES of 250 or less, except that the maximum total energy consumption for notebooks would be 30 kWh/yr, plus a maximum kWh/yr for applicable adders.

Small scale servers and workstation computers. The CEC proposal would require that small scale servers and workstation computers manufactured on or after January 1, 2018, be powered by a power supply that meets specified requirements. They would also be required to incorporate Energy-Efficient Ethernet functionality; transition connected displays into sleep

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mode within 15 minutes of user inactivity; and transition themselves into a sleep mode within 30 minutes of user inactivity.

Exemption for small volume manufacturers. The CEC proposal contains a limited exemption for computers manufactured on or after January 1, 2019, by “small volume manufacturers.” These are manufacturers with gross revenues of \$2 million or less in the preceding 12 months and that assemble and sell computers at the same location. They must comply with power management settings but are exempt from all other requirements for computers unless they produce more than 40 units of a similar system.

Computer monitors. The CEC proposal provides that computer monitors manufactured on or after July 1, 2019, must meet maximum power requirements in watts for on mode, sleep mode, and off mode. The standards are based on diagonal screen size and resolution. Enhanced performance displays manufactured on or after July 1, 2019, would need to comply with on mode power allowance adders; an additional tier of requirements for adders would apply on January 1, 2021.

Computer monitors with touchscreen capability would be allowed an additional 1 watt allowance per mode in on, sleep, and off modes.

In addition, computer monitors manufactured on or after the effective date must be shipped with a screen luminance less than or equal to $200 \text{ cd/m}^2 \pm 35$ percent.

Signage displays. The CEC proposal includes requirements for signage displays. These are analog or digital devices designed primarily for the display of a computer generated signal and are not marketed for use as a computer monitor or television. Signage displays manufactured on or after January 1, 2006, 2011, and 2013 would be required to meet certain CEC standards specified for televisions. These include maximum standby-passive mode power usage, maximum on mode power usage, and/or minimum power factor. There is an exception for professional signage displays.

Other products. The CEC proposal includes provisions for other computer types, such as high expandable computes, mobile gaming systems, and portable all-in-ones.

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For more information regarding new efficiency rules for computers, computer monitors, and signage displays or Harris, Wiltshire & Grannis LLP’s energy efficiency practice, please contact **Scott Blake Harris** at +1 (202) 730-1330 or by e-mail at sbharris@hwglaw.com, or **John A. Hodges** at +1 (202) 730-1326 or by e-mail at jhodges@hwglaw.com.

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