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California Energy Commission
1516 Ninth Street
Sacramento, California 95814

Reference: Rulemaking on Appliance Efficiency
Regulations, Docket No. 05-AAER-2
Revised: March 16, 2006 – Docket No. 06-AAER-1

Dear Vice Chair Jackalyne Pfannenstiel and Commissioners,

We at Harman Music Group would like to take this opportunity to provide input to your rulemaking decisions referencing the implementation of the rules and regulations as they apply to External Power Supplies (EPS).

From having read the transcript of the February 14th, 2006 workshop it seems that there is a question of whether or not sufficient public notice was given towards implementation of the new rules on July 1st, 2006. We as a manufacturer of musical equipment as used by music industry were not aware of the CEC upcoming requirements until January of this year. We checked with our manufacturer of EPS to hear that they found out about it sometime in December, 2005. With such short notice it is impossible for our industry to implement such a drastic change.

Many of our products are designed to work with an AC / AC EPS. Per suggestions from above mentioned transcript, I have checked several of the manufactures listed on the Energy Star website and have yet to find an AC / AC EPS that will meet the efficiency requirements. In our case then, it is not even feasible to make the change as high efficiency EPS of AC / AC types do not yet exist in the supply chain. The only feasible way of meeting the efficiency requirements which the CEC is looking to implement would be to change over to an efficient SMPS version of the EPS. However, this would require a complete redesign of the internal power supply circuitry within our products as the output of the SMPS is Vdc while we require Vac. In order to accomplish such a task, we would need to put all of our engineering resources into the redesign of products which could easily go beyond a years worth of time. In doing so, it would be akin to a double edged sword in that while we are redesigning product to meet the new requirements, we are not able to design new products for the market. As you can well imagine, a change as you propose will run into hundreds of thousands of dollars in man hours and lost revenue. We implore the CEC to take into consideration situations of this type and make needed exceptions for such products which do not have drop in substitutes.

In continuation of the EPS which we use, we find that the products which we design must meet the safety requirements of UL 6500 (old number) or the newer version of the standard UL 60065. This is the safety standard for Audio / Video products. Upon searching the market for an EPS that met the UL60065 safety standard, we found that the EPS industry has not designed or tested the EPS to the audio / video standard. Instead, all

of the EPS manufacturers have the EPS tested to the standard for Information Technology Equipment, that being UL1950 (old number) or the newer version of the standard UL60950. If you look at just about any EPS which is floating around your office, you will find that these are certified by the safety agencies under the 1950 / 60950 safety standard. Here we found ourselves in a conflict of how to meet the requirements of the audio / video standard. Due to these requirements, Harman Music Group took it upon themselves to have custom made EPS that would meet the requirements of the audio / video safety standard. We have paid tens of thousands of dollars to have the EPS investigated and certified to UL 60065 as otherwise they were not to be found on the market. So now again, the CEC puts us in a position which is simply not attainable at a reasonable cost or time frame. It is simply impossible for us to go through a complete redesign of our EPS and have them re-certified by the safety agencies in the established time frame. In addition to safety agency requirements, we ask that the CEC also take into account the requirements of EMC which will also require testing and certifications of any SMPS type of EPS which will again run into a substantial amount of time and money.

We would also like to bring to the attention of the CEC other items which are not being taken into consideration. These include for example the redesign of product boxes which have been designed to accept a specific size of package containing the EPS. If the box of the EPS is of a different size, it may not fit into the 'pocket' which was designed into the product box. Alternately, if the EPS box is smaller, it will fit loosely within the 'pocket' and will cause rattling and in worst case could cause damage due to movement during transportation.

In addition to the above mentioned, we also need to take into consideration all the markings on the product, product boxes and literature. Changing to a more efficient SMPS type EPS will more than likely change the total power consumption of the EPS / product combination. This would then call for a change in all the markings of the product, product boxes and literature which we have in-house. Again, thousands of dollars in redesign and thousands more lost in all the packaging materials and product literature which would become unusable. In addition, we also have to take into account possible changes to store point of purchase displays, and all the advertisements that may need to be changed.

Lastly, a question has been asked as to how much of a cost increase would be incurred by changing from a linear supply to an efficient SMPS type EPS. Not having found an AC / AC type in SMPS version I cannot do a direct comparison. However, if we look at pricing of an equivalent SMPS which puts out Vdc, we have had price quotes with increases from as much as 50% to 300% for the EPS replacement as compared to the linear version in current use. So yes, to the consumer at the retail level we can easily see a price increases of anywhere between $5 and $15. But again, we are not yet comparing form, fit, and function. If there is other circuitry to be added in order to have the Vdc work properly with our product, that too would add more cost.

As you can see, the proposed actions of the CEC are drastic in nature when there is no 'drop in replacement EPS'.

For all the stated reasons above, it is the request of Harman Music Group that the CEC reconsider the proposed mandatory changes to the rules and regulations as they apply to the EPS. We are of the opinion that the EPS requirements are left in a voluntary basis in a similar fashion as the Energy Star Program or at the very least make exceptions for those areas and products which do not have a direct drop in replacement in form, fit, and function.

In closing we would like to thank this Commission for their time and consideration on this very important matter.

Sincerely,

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