# Bloomberg

## **Congress Spares Incandescent Bulbs in Victory for U.S. Tea Party**

By Jim Snyder - Dec 17, 2011

Congress spared the 100-watt incandescent light bulb from a government-enforced phaseout in a win for <u>Tea Party</u> activists over manufacturers who said they are already switching to more energy-efficient products.

Lawmakers cleared legislation today to fund the government through Sept. 30, with a provision barring the Energy Department from carrying out the elimination of the pear-shaped bulb. Groups backing small government urged Republican allies to block the requirement, calling it an example of regulatory overreach in keeping with the health-care overhaul and the Wall Street bailout.

The federal standards limit the "freedom of average Americans" to buy whatever type of bulb they wanted, Representative Michael Burgess, a Texas Republican, said yesterday in an interview before the House voted 296-121 for the bill. The Senate voted 67-32 today and sent the legislation to President Barack Obama.

A 2007 law effectively phased out incandescent bulbs starting next year by setting efficiency standards they don't meet. They would be replaced by compact fluorescent, halogen and light-emitting diode models.

"If America is to have a rational <u>energy policy</u>, we need to make progress in efficiency," Senator <u>Jeff</u> <u>Bingaman</u>, a New Mexico Democrat, said in a statement. "Blocking funds to enforce minimum standards works against our nation getting the full benefits of <u>energy efficiency</u>."

While business groups back Republican efforts to repeal or delay clean-air standards proposed by the Environmental Protection Agency, light-bulb makers including <u>General Electric Co. (GE)</u> joined Democrats and environmentalists to defend the light- bulb law signed by President <u>George W. Bush</u>.

#### **Retool Factories**

U.S. manufacturers invested millions of dollars updating factories to produce more efficient bulbs -including a halogen version with the incandescent model's pear shape -- according to Kyle Pitsor, vice president for government affairs with the National Electrical Manufacturers Association, whose members include Fairfield, Connecticut-based GE and <u>Royal Philips Electronics NV (PHIA)</u> of Amsterdam. Other companies may exploit regulatory uncertainty and continue to sell the 100-watt bulbs, leaving manufacturers that comply at a disadvantage, Pitsor told reporters yesterday on a conference call with organizations that support the efficiency standard. He didn't name those companies.

The provision creates "confusion in the market for every American who is interested in securing their own energy savings for their families and their communities," Philips said in an e-mailed statement.

#### 'Government Overreach'

Opponents said consumers should be able to keep the option of buying the cheaper incandescent bulb.

"The light-bulb ban is government overreach at its worst," Nick Loris, a policy analyst at the <u>Heritage</u> <u>Foundation</u> in <u>Washington</u>, which says it promotes conservative public policies, said in an e-mailed statement. "Washington has absolutely no business in dictating what you can and cannot purchase."

FreedomWorks, a Washington-based group affiliated with the Tea Party that said it backs limited government, had urged activists in a blog post to resist the "federal light bulb police." Website visitors were encouraged to sign the group's "Free Our Light" petition sent to Congress.

The provision in the spending bill gives opponents more time to fight for an outright repeal of the 2007 efficiency law, Brian McGraw, a coordinator for the group, said in an interview.

### 'Abide By Standards'

The provision may have limited practical effects. The 2007 law still requires manufacturers to produce more-efficient bulbs even though the Energy Department wouldn't be able to impose fines for violators.

"We are required to abide by the standards, and, of course, intend to comply with our legal obligation," David Schuellerman, a GE spokesman, said yesterday in an e-mailed statement.

State attorneys general can seek to ensure compliance with the federal law, Kateri Callahan, president of the Alliance to Save Energy, a Washington-based group that promotes efficiency standards with funding from companies including <u>Exelon Corp. (EXC)</u> and <u>Dow Chemical Co. (DOW)</u>, said on the conference call.

The U.S. transition to more efficient lighting standards may take longer than it otherwise would have, David Goldston, director of government affairs for the New York-based Natural Resources Defense Council, which supports the efficiency law, said on the call.

While incandescent bulbs are cheaper to buy, they cost consumers more in the long-run because they burn out faster than the alternatives and use more energy, advocates say.

Halting the phaseout would jeopardize \$12.5 billion in consumer savings by 2020, according to a study

by the Washington-based American Council for an Energy-Efficient Economy.

"The question is, who is in favor of wasting energy?" Callahan said.

The bulb provision is in a spending bill for fiscal 2012. The measure is H.R. 2055.

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