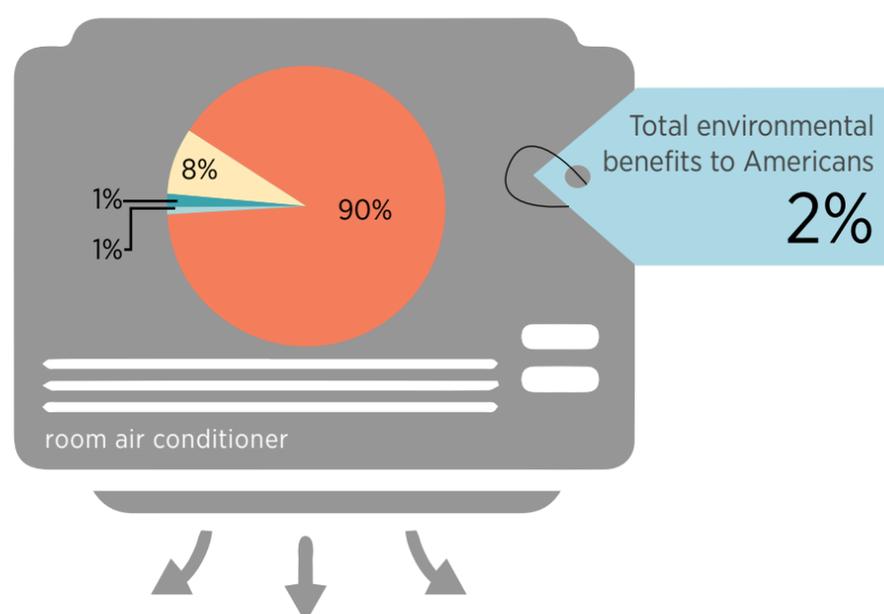
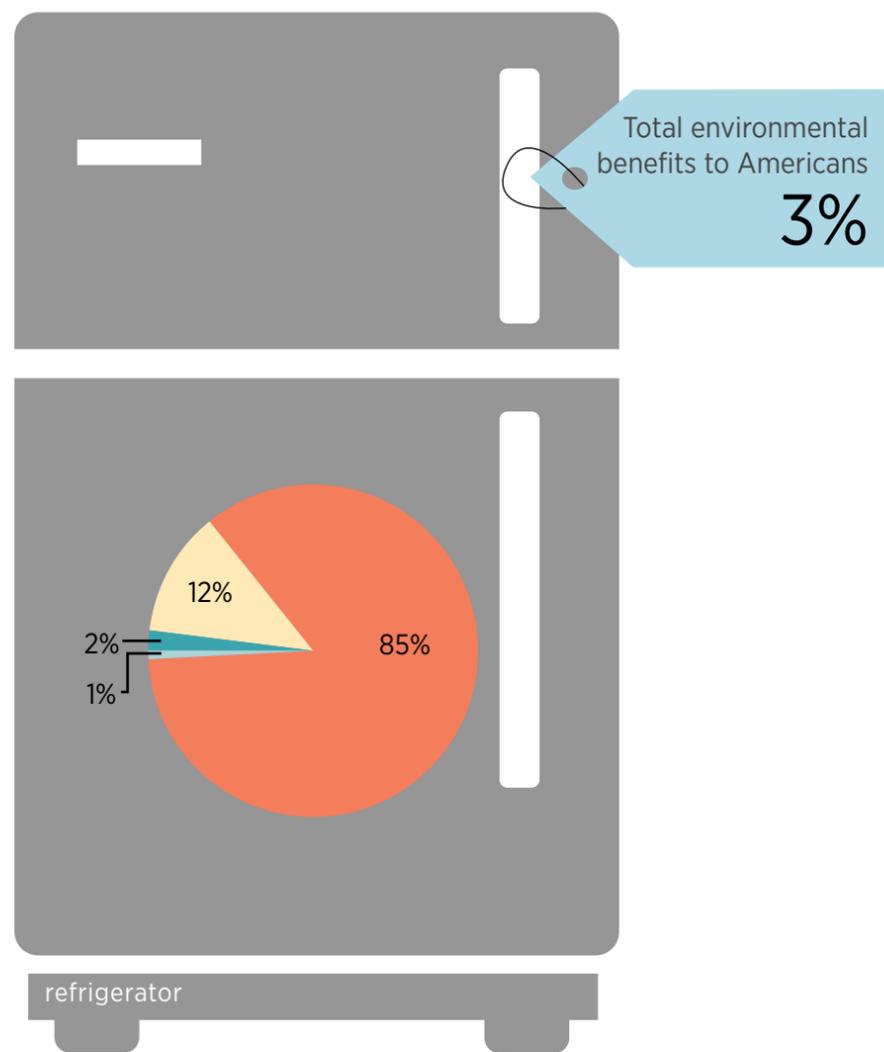
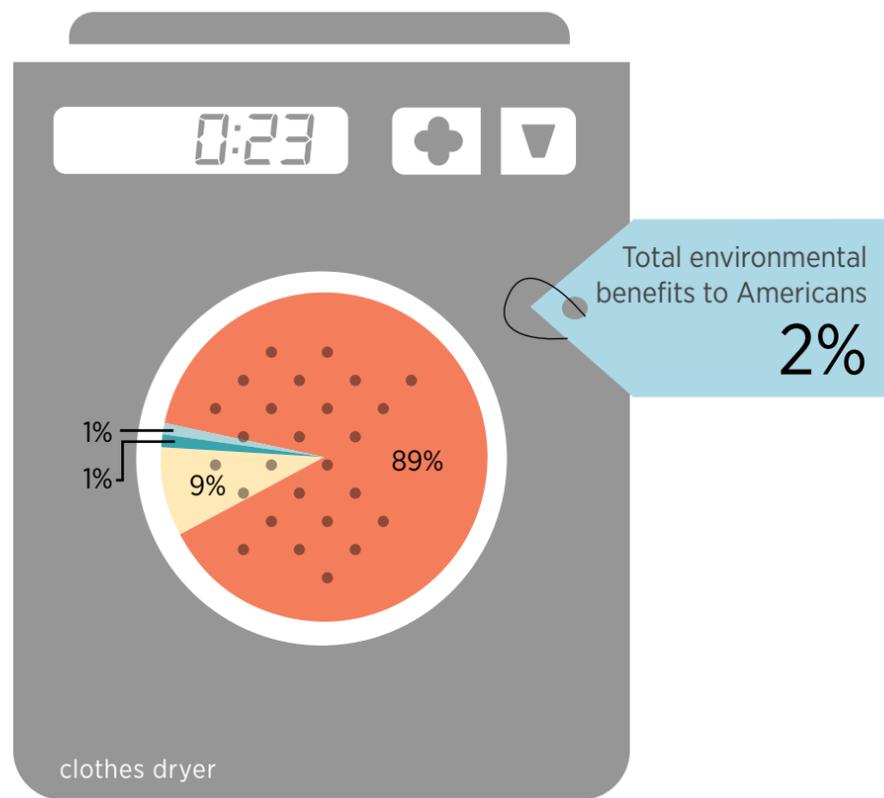
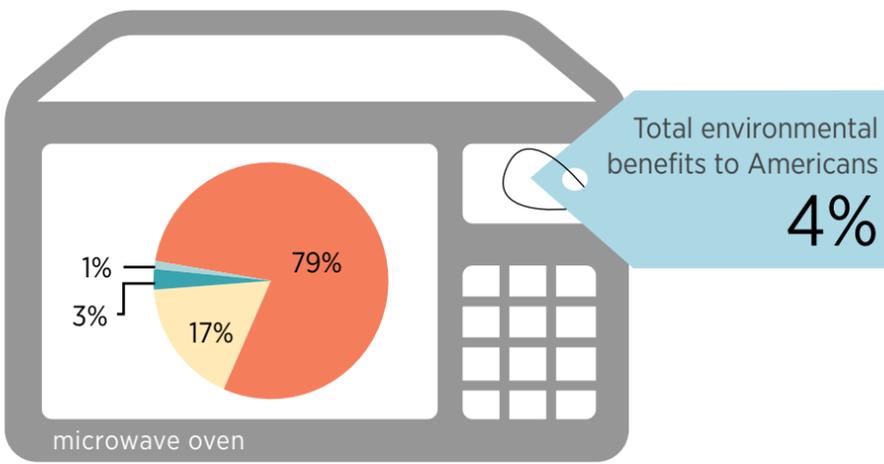


ARE YOU TOO IRRATIONAL TO CHOOSE THE RIGHT APPLIANCE?

The Department of Energy Thinks So.

For a recent suite of energy-efficiency regulations, the Department of Energy (DOE) assumes consumers are irrational because they do not value energy efficiency above all other product attributes. Only a small fraction of the benefits of these rules are concerned with protecting the environment in the United States.



DOE ESTIMATES OF BENEFITS RESULTING FROM ENERGY EFFICIENCY REGULATIONS

Correcting irrational consumer behavior

When purchasing appliances, consumers often prefer to save money upfront by paying lower prices, rather than choosing to wait for potential savings on future utility bills promised by more expensive, energy-efficient products. The DOE views this consumer choice as irrational and therefore considers itself to be bestowing a benefit upon consumers by removing the option to buy cheaper, less energy-efficient products.

Environmental benefits to other countries due to reductions in CO₂ emissions

Environmental benefits to the United States due to reductions in CO₂ emissions

While using less energy means lower emissions of CO₂ into the atmosphere, most of these environmental benefits will be captured by citizens of foreign countries, not by Americans.

Benefits due to reductions in NO_x emissions

There are additional health and environmental benefits from reducing emissions of nitrogen oxides. These benefits are limited, however, since most states already cap these emissions as a result of other regulations.