



FOR IMMEDIATE RELEASE

1111 19th Street NW > Suite 402 > Washington, DC 20036
t 202.872.5955 f 202.872.9354 www.aham.org

Contact: Mary Kelly
t 202.872.5955 x325
mkelly@aham.org

US HOME APPLIANCE INDUSTRY ISSUES PRINCIPLES & REQUIREMENTS FOR ACHIEVING A WIDELY ACCEPTED SMART GRID AT CLIMATE CHANGE CONFERENCE

SMART GRID ENABLED HOME APPLIANCES WILL REDUCE GREENHOUSE GAS EMISSIONS AND INCREASE ENERGY EFFICIENCY

COPENHAGEN, DENMARK (December 14, 2009)— The Association of Home Appliance Manufacturers (AHAM), the United States (US) based trade group representing the home appliance industry, today issued *The Home Appliance Industry's Principles & Requirements for Achieving a Widely Accepted Smart Grid* during the 15th United Nations Climate Change Conference. Smart Grid enabled home appliances, through a fully functional Smart Grid, will contribute greatly to reducing greenhouse gas emissions. Also, Smart Grid enabled appliances will help to better integrate and coordinate renewable energy resources.

Home appliances are already a success story in terms of energy efficiency and environmental protection. New appliances often represent the most effective choice a consumer can make to reduce home energy use and costs. While new appliance standards will further add to this success story, a much greater opportunity exists with making appliances “smart.” Smart Appliances will reduce peak energy demand and make the electrical power grid more efficient. For example, a Smart refrigerator or clothes dryer could defer a portion of its operating cycle to a time of day when true energy costs are lower and power generation is ample. Not only will this save the consumer money through reduced electric bills, but it will help reduce the need for additional peaker power plants.

The Home Appliance Industry's Principles & Requirements for Achieving a Widely Accepted Smart Grid white paper released in Copenhagen and available at www.aham.org/smartgrid emphasizes that consumer choice, control and security must be a priority in the development of a Smart Grid. The white paper outlines the three essential requirements of a widely accepted Smart Grid:

1. **Pricing Rate Structure and Incentives to Consumers:** In order to provide the maximum incentive to consumers to take advantage of Smart Appliances, residential electricity prices must be based on time of use. Strong consideration should be given to the development of uniform pricing and usage information standards that provide for a harmonized way of communicating local rate and timing information. If done right, time of use electricity pricing will not require people to change their behavior to save money and help the environment.
2. **Communication Standards:** Standards and protocols for communications with Smart Appliances must be open and limited in number across all utility districts. This will allow appliance

manufacturers to produce for a national marketplace so the same Smart Appliance can contribute to the Smart Grid whether in a home in Florida or in Oregon.

3. **Consumer Choice & Privacy:** If consumers do not use Smart Appliances, then the vision of the Smart Grid is at risk. While Smart Appliances must work seamlessly with electric utilities in a fully functional Smart Grid system, the consumer must always have control over the appliance. If a consumer wishes to override deferral of an appliance function and incur a higher electricity rate, they should be able to make such a choice. The boundary of the utility's reach should end at the smart meter. The purpose of the Smart Grid is to provide more efficient use of energy, not for utilities to control or monitor appliance usage.

AHAM is engaged in a number of Smart Grid related groups, including the US National Institute of Standards and Technology (NIST) Smart Grid Interoperability Panel, Priority Action Plan (PAP) 3 on Common Price Communication Model, and PAP 9 Standard DR and DER Signals. AHAM also serves as a member of the US Technical Advisory Group to IEC Strategic Group 3 on Smart Grid. In addition, AHAM works closely with other stakeholder groups on the development of the Smart Grid.

AHAM is optimistic that with proper coordination, cooperation and communication among the various Standards Development Organizations, associations, government agencies and companies, the Smart Grid vision can be achieved.

To view AHAM's Smart Grid white paper, please go to <http://www.aham.org/smartgrid>. To schedule a media interview, please contact Mary Kelly at mkelly@aham.org or 202-872-5955 ext. 325.

#

The Association of Home Appliance Manufacturers (AHAM) is a not-for-profit trade association representing manufacturers of major, portable and floor care home appliances, and suppliers to the industry and is headquartered in Washington, DC. You can visit the AHAM web site at <http://www.aham.org>