



## Week in Regulation

# Ceiling Fan Proposal Blows Through Unexceptional Week

DAN GOLDBECK | JUNE 26, 2023

Last week was a moderately active one in terms of regulatory volume with 14 rulemakings that contained some quantified estimates of economic impact. In terms of magnitude of those impacts, however, it was relatively restrained with only a couple of rules crossing the \$100 million threshold. The most notable rulemaking of the week was another set of energy efficiency standards from the Department of Energy (DOE) focusing on ceiling fans. Across all rulemakings, agencies published \$1.2 billion in total costs and added 1.3 million annual paperwork burden hours.

## REGULATORY TOPLINES

- Proposed Rules: 33
- Final Rules: 50
- 2023 Total Pages: 41,219
- 2023 Final Rule Costs: \$57.2 billion
- 2023 Proposed Rule Costs: \$316.2 billion

## NOTABLE REGULATORY ACTIONS

The most significant rulemaking of the week was DOE's [proposed rule](#) regarding "Energy Conservation Program: Energy Conservation Standards for Ceiling Fans." The proposal represents the first broad update to efficiency standards for that product class since 2017. Affected [sub-classes](#) of products include: "standard ceiling fans," "hugger ceiling fans," "large-diameter ceiling fans," and "high-speed, belt-driven ceiling fans." DOE estimates that the new standards would involve total "Consumer Incremental Product Costs" of approximately \$820 million.

## TRACKING THE ADMINISTRATIONS

As we have already seen from [executive orders and memos](#), the Biden Administration will surely provide plenty of contrasts with the Trump Administration on the regulatory front. And while there is a general expectation that the current administration will seek to broadly restore Obama-esque regulatory actions, there will also be areas where it charts its own course. Since the AAF RegRodeo data extend back to 2005, it is possible to provide weekly updates on how the top-level trends of President Biden's regulatory record track with those of his two most recent predecessors. The following table provides the cumulative totals of final rules containing some quantified economic impact from each administration through this point in their respective terms.

# TRACKING THE ADMINISTRATIONS

REGULATORY ACTIVITY FROM INAUGURATION DAY TO JUNE 23<sup>rd</sup> (Year 3)

	FINAL RULES	FINAL RULE COSTS	PAPERWORK HOURS
<b>BIDEN</b> 2021	<b>603</b>	<b>\$375.3B</b>	<b>227.9M</b>
<b>TRUMP</b> 2017	<b>679</b>	<b>\$7.9B</b>	<b>48.3M</b>
<b>OBAMA</b> 2009	<b>883</b>	<b>\$214.5B</b>	<b>136.4M</b>

LAST UPDATED: JUNE 23<sup>RD</sup>, 2023 AMERICANACTIONFORUM.ORG

While this past week’s major action was on the proposed rule side of the ledger, there was still some noticeable movement on the final rule side. Biden-era final rule costs and paperwork burdens increased by \$260 million and roughly 546,000 hours, respectively. Across its two predecessors, the Trump Administration saw the biggest spike in paperwork (890,000 hours), while the Obama Administration had a notable jump in its cost total (\$704.5 million). A [rule](#) on “health reimbursement arrangements” provided the bulk of the former, and a [rule](#) on warning labels for cigarette packages provided most of the latter.

## THIS WEEK'S REGULATORY PICTURE

This week, the Federal Energy Regulatory Commission (FERC) takes another step in setting up plans for bolstering electricity transmission systems in the face of “extreme weather.”



Source: Photo by [Mark Stenglein](#) on [Unsplash](#)

Last Friday, FERC published its [rule](#) regarding “Transmission System Planning Performance Requirements for Extreme Weather.” The rule itself does not necessarily establish any new regulatory requirements, but rather “directs the North American Electric Reliability Corporation [NERC]...to develop a new or modified Reliability

Standard no later than 18 months” from the rule’s publication. Instead, the rule essentially sets up the parameters for how NERC should formulate such a standard.

The Commission notes that “current transmission planning Reliability Standards...do not obligate transmission planners and planning coordinators to consider extreme hot and cold weather in their transmission assessments.” Citing seven “major extreme heat and cold weather events” over the past dozen years and ongoing concerns about how climate change could contribute to even more such events in coming years, FERC believes it is time to update the relevant regulatory code. This rule represents the latest step to that end under authority granted to FERC under the Federal Power Act.

The major considerations FERC directs to NERC to contemplate the latter’s forthcoming proposed standard include:

- Creating a series of baseline cases informed by both recent extreme cases and projections of potential future trends;
- Establishing the geographic and systemic scope of the area a particular standard may cover;
- Determining the relevant stakeholders involved in examining the data and responding to a given event; and
- Requiring “the development of extreme weather corrective action plans for specified instances when performance standards are not met.”

## **TOTAL BURDENS**

Since January 1, the federal government has published \$373.4 billion in total net costs (with \$57.2 billion in new costs from finalized rules) and 147.9 million hours of net annual paperwork burden increases (with 10.5 million hours in increases from final rules).

Year

[Select All]

2023

2022

2021

2020

2019

2018

2017

2016

2015

2014

2013

2012

2011

2010

2009

2008

2007

2006

2005

Total Number of  
Regulations  
Finalized

**94**

Total Finalized Cost

**\$57.2b**

Paperwork Hours

**10,507,154**