Wooden, Grant

From:	Shore, Kevin M.
Sent:	Thursday, February 12, 2015 11:04 AM
To:	Wooden, Grant; Kristjansson, Sue
Cc:	Rendler, Daniel
Subject:	Fw: DOE's NOPR on Gas Furnace Minimum Efficiency
Attachments:	residential_furnaces_nopr021015.pdf; AGA Furnace Standard Infographic 10.29.pdf

Another effort we need to address.

The proposed minimum efficiency for all non-weatherized furnaces in all states would become 92%. • See two graphs below. There are roughly 1.8 Million non-condensing furnaces being installed each year that will be impacted by this rule. A majority of these non-condensing units are replacements of existing furnaces. • This NOPR will increase the cost of a furnace if adopted and as such could create fuel switching away from gas. In some cases, the installation of a condensing model just isn't practical due to venting issues. • A public meeting is scheduled for 3/26/15. The gas industry needs to be actively involved with this issue.

(sent from blackberry)

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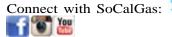
From: Ruiz, Carlos Sent: Thursday, February 12, 2015 10:35 AM To: Bringas, Harvey; Gonzalez, Hugo; Swaim, Cynthia M. Cc: Shore, Kevin M. Subject: FW: DOE's NOPR on Gas Furnace Minimum Efficiency

Surrounded By Assassins! Looks like this change will have an impact on our programs with HVAC related measures, PLA, IQ, and HUP so we need to keep abreast of this.

Carlos Ruiz

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"Be like a duck. Calm on the surface, but paddling like the dickens underneath." - Michael Caine
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From: Barbara Stinson [mailto:BStinson@AGA1.onmicrosoft.com] Sent: Thursday, February 12, 2015 6:14 AM Subject: DOE's NOPR on Gas Furnace Minimum Efficiency

Residential Consortium Member,

On 2/10/15 DOE Issued a NOPR for Energy Conservation Standards for certain types of residential furnaces. This is déjà vu. This is a repeat of the prior Direct Furnace Rule. This is something your company needs to be concerned about and the clock is ticking. A public meeting is scheduled for 3/26/15. Please take a moment to read this e-mail. This version is worse for the gas industry than the 2011 NOPR as the minimum efficiency in this NOPR is higher than before and now effects all 50 states, not just 30 northern states.

Some brief history:

- On 10/25/11 DOE issued a new standard for non-weatherized (indoor) furnaces. This rule eliminated any furnace less than 90% efficiency in 30 northern states beginning on 5/1/13 and made the minimum 80% everywhere else.
- In December 2011 APGA sued DOE and after a long battle, they won and put this prior to bed for a little while.
- On 7/29/14 the Federal Registry listed that effective 11/19/15 the minimum efficiency for non-weatherized furnaces goes from 78% to 80%.

The new Rule:

- The proposed minimum efficiency for all non-weatherized furnaces in all states would become 92%.
- See two graphs below. There are roughly 1.8 Million non-condensing furnaces being installed each year that will be impacted by this rule. A majority of these non-condensing units are replacements of existing furnaces.
- □ This NOPR will increase the cost of a furnace if adopted and as such could create fuel switching away from gas. In some cases, the installation of a condensing model just isn't practical due to venting issues.
- □ A public meeting is scheduled for 3/26/15. The gas industry needs to be actively involved with this issue.

I have attached the new NOPR, as well as an infographic that AGA put together. In addition, you may access a recorded webinar we had on this topic this past November

at:<u>http://consortia.myescenter.com/residential/DirectFurnaceRuleUpdate_111214.wmv</u>. And below is some information from DOE along with important links.

The Department of Energy has issued a <u>pre-publication</u> Federal Register notice of proposed rulemaking and public meeting for energy conservation standards for certain residential furnaces. (February 10, 2015) DOE will host a public meeting on March 26, 2015.

□ To participate in the public meeting via webinar, please click <u>here</u> to register.

- □ Find more information on the <u>rulemaking</u>, including milestones, statutory authority, rulemaking documents, and any other related rulemakings.
- □ All notices, public comments, public meeting transcripts, and supporting documents associated with this rulemaking are included in Docket No. <u>EERE-2014-BT-STD-0031.</u>
- Learn <u>how to participate</u> in the public meeting/webinar scheduled for March 26, 2015.
- Find information about how to comment on the rulemaking. The public comment period closes 90 days after publication in the Federal Register.

Find <u>product information</u> about current standards and test procedures; recent product updates; waivers, exceptions, and exemptions; the statutory authority; historical information; and contact information.

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