



UNITED STATES ENVIRONMENTAL PROTECTION AGENCY
WASHINGTON, D.C. 20460

OFFICE OF
AIR AND RADIATION

July 28, 2006

Dear ENERGY STAR[®] Furnace Partner or Other Industry Stakeholder:

In October of last year, EPA first informed industry stakeholders of its plans to revisit the ENERGY STAR furnace specification. As you may recall, the primary purpose of revisiting the current ENERGY STAR specification was two-fold: (1) to investigate a more appropriate Annual Fuel Utilization Efficiency (AFUE) level for oil furnaces that takes into account the technical challenges faced when designing for energy efficiency and product availability, particularly in the Northeastern U.S.; and (2) to determine the cost effectiveness and applicability of including an energy-efficiency metric that addresses electricity used by the furnace fan. Over the last several months, EPA has held discussions with various members of industry regarding these issues and conducted several analyses of the Gas Appliance Manufacturers Association (GAMA) certified equipment database to determine if new AFUE and furnace fan efficiency levels are feasible.

As a result of these efforts, I am now pleased to present you with a **Draft 1 ENERGY STAR Version 2.0 Furnace specification** for your review and comment. This Draft 1 specification outlines the proposed efficiency requirements that furnaces would need to meet in order to earn the ENERGY STAR. All stakeholders are strongly encouraged to provide written feedback to Rebecca Duff, ICF International, at rduff@icfi.com by **September 1, 2006**.

In addition to some minor clarifications, the following key revisions are presented in the Draft 1 document:

- **New AFUE level for oil furnaces** – EPA is proposing to revise the oil furnace AFUE rating to 83%. This level would allow for a variety of brands and models to qualify for ENERGY STAR, while remaining consistent with the principle of identifying the most efficient. In addition, EPA is proposing an October 1, 2006 Tier I effective date to allow for newly qualified oil furnace models to be available to consumers in time for the upcoming heating season.
- **Tier II furnace fan efficiency requirement** – Based on an analysis of the GAMA database, EPA is proposing a minimum Eae requirement of 800 kWh/year for both oil and gas furnace models. This level alone represents approximately 50% of the models in the database and when coupled with the AFUE requirements, continues to represent the

top performers in energy efficiency. This requirement would go into effect under Tier II proposed for October 1, 2007.

If it is determined, based on stakeholder comments, that additional discussions and research is required before finalizing a furnace fan efficiency requirement, EPA plans to move forward with the revision to the oil furnace AFUE level in the short term and continue to address furnace fan efficiency under an extended revision process.

The exchange of ideas and information among EPA, industry, and other interested parties is critical to the success of ENERGY STAR. All comments will be posted to the ENERGY STAR Product Development Web site unless the submitter requests that their comments remain confidential. If you support the Draft 1 Version 2.0 specification, please state this in writing or via email. It is equally important that EPA understand which portions of the draft specification meet with stakeholder approval, in addition to identifying the sections that may need further revision.

To track EPA's progress in revising the ENERGY STAR specification for furnaces, visit the Product Development Web site at www.energystar.gov/productdevelopment and click on "Revisions to Existing Product Specifications" on the right navigation bar.

Thank you for taking the time to review this draft specification. I look forward to working with you to finalize these requirements over the next several months. Please feel free to contact me directly with any questions or concerns at (202) 343-9124 or via e-mail at schmeltz.rachel@epa.gov.

Sincerely,

A handwritten signature in black ink that reads "Rachel Schmeltz". The signature is written in a cursive, flowing style.

Rachel Schmeltz
ENERGY STAR Product Development