

September 1, 2006

Rachel Schmeltz
ENERGY STAR Program Manager
US Environmental Protection Agency
Ariel Rios Building 6202J
1200 Pennsylvania Avenue, NW
Washington, DC 20460

Dear Ms. Schmeltz:

The New York State Energy Research and Development Authority (NYSERDA) appreciates the opportunity to provide comments on the ENERGY STAR furnace specification (Version 2.0 – Draft 1). These comments were developed based on NYSERDA staff's discussion with the Consortium for Energy Efficiency's (CEE) Natural Gas and Residential Heating Ventilation and Cooling Committees. Please note that NYSERDA is only commenting on the second part of the proposed revision, the Tier II furnace fan efficiency requirement.

NYSERDA uses the ENERGY STAR brand as a powerful tool within our programs as a way to increase the market-share of energy efficient products and services to New York State consumers. NYSERDA Programs through mid-stream incentive approaches provide comprehensive solutions for New York residents. High efficiency furnaces are a big part of this approach.

After reviewing the proposed revision, NYSERDA recommends that EPA consider the following issues before finalizing any revisions made to the furnace specification.

NYSERDA would support an ENERGY STAR furnace electricity specification that is cost effective throughout the nation

NYSERDA believes that the ENERGY STAR furnace specification should be set so that any cost differential at the time of purchase is recovered through utility bill savings over a period of time that is reasonable to the consumer. If furnaces qualify as ENERGY STAR but do not yield benefits to consumers, we see a potential risk to the integrity of the ENERGY STAR brand across all product categories. CEE members' analyses of local costs and expected savings for electrically efficient furnaces have found that cost effectiveness varies significantly depending on climate and furnace usage. We recommend that EPA analyze the cost effectiveness and demonstrate to stakeholders that electrically efficient furnace fans will produce adequate savings

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on a national basis. A number of studies of in-field furnace performance have been done in the last few years and can be used for estimating the savings potential, as it appears that in-field savings differ significantly from savings predicted by DOE test procedure results. We believe cost effectiveness should take into account heating loads as well as fan operation, i.e., for heating, cooling, and possibly whole house ventilation. As with many products, savings will surely vary according to usage patterns and climate. If the climate variance analysis shows that there will be limited savings based on location, we urge EPA to consider developing regionally specific criteria.

Electrical Efficiency Criterion Must be Capacity Neutral

NYSERDA does not support the proposed metric of kWh/year based on Eae. We applaud EPA's efforts to develop a performance-based criterion, as this should encourage manufacturers to develop various efficient solutions, including better fan motors, fans, and controls. NYSERDA urges EPA to consider a capacity-neutral criterion to ensure that it is not appreciably easier for certain capacities to qualify and that products meeting the full range of consumers' heating needs can qualify.

In summary, NYSERDA supports a revision to the ENERGY STAR furnace requirements to address energy use. Electrical efficiency criterion must be capacity neutral and we urge EPA to consider developing regionally specific criteria in order to preserve the integrity and effectiveness of the ENERGY STAR label with respect to ENERGY STAR furnaces. Thank you for your consideration of these comments. If you have any questions please contact John Jones, Project Manager on my staff, at (518) 862-1090 ext. 3365 or jjc@nyserdera.org.

Sincerely,



Rick Gerardi, Director
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cc: K. Villeneuve, NYSERDA
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