From: Vokes.Kathleen@epamail.epa.gov
Sent: Thursday, April 29, 2010 12:25 PM
To: Chadwick, Natalie
Cc: ENERGYSTARVerificationProgram@energystar.gov
Subject: Fw: ENERGY STAR PROGRAM

More comments

----- Forwarded by Kathleen Vokes/DC/USEPA/US on 04/29/2010 12:24 PM -----

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|jscanlon@hatcocorp.com |
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|Kathleen Vokes/DC/USEPA/US@EPA, Una Song/DC/USEPA/US@EPA, Christopher Kent/DC/USEPA/US@EPA |
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|ENERGY STAR PROGRAM |
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Ms. Kathleen G. Vokes
April 29, 2010
U.S. Environmental Protection Agency
Climate Protection Partnership Division
ENERGY STAR Program
1200 Pennsylvania Ave. NW.
Washington, DC 20460

Dear Ms. Vokes:

After review of the EPA's proposal for the commercial food service equipment program, we are encouraged by the overall long term benefits this program will bring to the industry. However as a Wisconsin based ESOP company, employing over 350 American citizens, and trying to survive in a very competitive market, we have multiple concerns regarding the phase-in and short term goals expressed by the EPA.

Please recognize that the commercial food service equipment industry in general has been supportive of the EPA's ENERGY STAR program since its inception. We are not aware of any known abuses of the ENERGY STAR's voluntary program in the commercial food service equipment segment, of the type that have been publicized in the recent past.

Specifically, Hatco Corporation is concerned about the requirement for third-party laboratories to certify and verify qualifying products and the potential costs associated with a third party program. Many manufacturers, such as Hatco Corporation, test their products in-house, using calibrated equipment and the required ASTM test methods. The primary reasons for this have been the costs and scheduling conflicts that delay product introductions associated with a third party lab tests. A typical commercial model is offered in several voltages (120V, 208V, 240V and 480 V) for electric powered equipment and natural gas or propane gas fuel for gas heated equipment. Based on the EPA requirements to test each variation of the product, a series of five (5) tests may be needed for each model and capacity of equipment.

Preparation of food and statistical validation of results required by ASTM procedures will typically cost $15,000 to $20,000 per model for an external (third party) test program when including the cost of equipment, raw materials (food), shipping and test labor. These costs will ultimately be passed on to the end user, who may choose to take business to foreign concerns for cost savings.

The equipment is typically heavy, large, expensive, quite frequently made to order, and low production volume when compared to consumer products. The logistics of managing the fabrication of test units and then shipping them are additional fixed costs. When compounded over multiple products, this level of cost may not justify participation in ENERGY STAR programs for some models and we are concerned that a few manufacturers may elect to completely 'opt' out of the program. This will be a great disservice not only to the ENERGY STAR program but the overall national policy of encouraging use of energy efficient appliances.

Additionally, there are concerns that the available lab capacity and qualified personnel is inadequate to test and certify all products that are currently ENERGY STAR compliant.

In light of these concerns, we recommend the following approach for a smoother and effective transition to the proposed program:

1. Manufacturers who have invested the resources to conduct their own ENERGY STAR testing in-house may:

continue to submit appropriate test reports for any new products for ENERGY STAR qualification, and

when test lab qualifications are finalized, the manufacturers should be allowed to phase in the new requirements over a reasonable time frame.

2. Upon identification of the test lab qualification requirements, an ‘approved’ program manager can qualify manufacturers’ test facilities along with other interested independent test facilities in a phased program. This will allow many manufacturers to qualify ENERGY STAR products with internal test reports and reduce costs associated with ENERGY STAR certifications.

3. The ‘approved’ program manager should be authorized to ‘verify’ performance of selected model(s) from each manufacturer’s ENERGY STAR listed models. Selection of model for verification should be based on a five year cyclical rotation method when the model has not undergone any significant design revisions that may affect its performance.

4. Verification may be completed at the manufacturer’s facility by a third party technical agent designated by the ‘approved’ program manager, utilizing design and construction documents of the original qualification. This type and level of verification is currently routine for safety (electrical and gas systems) of the food service equipment manufactured today and is typically managed by UL, CSA International, ETL, NSF or similar agencies. We believe that a verification of energy use rate should not exceed the current industry-standard safety and sanitation certifications.

5. Fines should be imposed on manufacturers that falsify test results to get their products listed as ENERGY STAR qualified.

6. Challenge. In the instances of a challenge by a competitor, user or another interested party of any ENERGY STAR qualified models, the ‘approved’ program manager should be responsible for procurement of the model challenged, and verification testing at a third party facility.
The ‘injured’ party (manufacturer or challenger) should be expected to bear the total costs.

7. Existing ENERGY STAR qualified products should retain their qualification in the program until completion of #2 and 3 above. At that time these products should be placed under the verification program (#4 and 5 above). This will confirm verification of all products over time.

We strongly encourage the EPA to take our concerns and recommendations into consideration.

John Scanlon
Director of Engineering
Hatco Corporation
1118 S. Neenah Avenue
Sturgeon Bay, WI. 54235
920-746-4838
jscanlon@hatcocorp.com