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May 28, 2010

Ms Kathleen Vokes (vokes.kathleen@epa.gov)
U.S Environmental Protection Agency
Climate Protection Partnership Division
Energy Star Program
1200 Pennsylvania Ave. NW
Washington DC

RE: Energy Star Requirements for 3rd party test labs

Dear Ms. Vokes:

Cleveland Range understands the need for the Environmental Protection Agency to insure that all Energy Star participants list genuine, energy saving appliances. However, we have strong feelings that the requirement that all testing be done by 3rd party testing labs and that these labs must maintain ISO/IEC 17025 accreditation is problematic for our industry. In the following pages, we hope to demonstrate the following:

1. these requirements are not necessary to achieve the goal of verifiable efficiency results for commercial cooking equipment
2. Mandatory third party testing, negates the investment by many companies who have spent considerable time and money to buy test equipment and train their personnel to do their own energy testing
3. This requirement delays ability to introduce newer appliances to the marketplace

This requirement imposes compliance costs that will force manufacturers to not seek Energy Star designation for equipment that could qualify or to not participate in the Energy Star Program

Cleveland Range has reviewed the test lab accreditation requirements in combination with the April 1 presentation about application of Energy Star standards to commercial foodservice equipment. We understand that the Energy Star program needs to improve verification of efficiency results and offer our comments based on our experience in the following areas:

- a) Design and operation of steam cooking equipment
- b) Performance testing equipment to meet industry standards
- c) Working with approval agencies to promote better program/product design.

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Our commentary is limited to commercial steam cooking equipment that utilizes ASTM standards that have been developed by the ASTM F26 committee over the past 20 years. The volunteers that make up this committee continually review and improve test standards to meet changing needs. Product lines such as ice machines, refrigerators, and freezers that rely on ASHRAE or AHRI test methods are outside our scope of commentary.

Cleveland Range believes this requirement will impose both prohibitive compliance costs and delays in market availability of newer and more efficient equipment for both manufacturer and consumer. Both problems will cause decisions to either not participate or not submit equipment for energy start testing even if it is already known the equipment would pass if tested.

During previous review and comment period, Cleveland Range showed how the current inspection mechanism with approval agencies provides what is needed to prove the validity of energy efficiency results and to prove that currently manufactured units are equivalent to the unit that was tested. Those approaches allow verification of efficiency results that the EPA needs, a compliance cost that is more reasonable for both manufacturer and customer, and faster verification time. During this review and comment, we will limit discussion in this response to the requirement itself.

The first area of concern is that the requirement that all 3rd party testing labs must be fully accredited to ISO/IEC 17025 is not necessary to achieve the goal of verification of efficiency testing results. There are many independent and government labs who operate "in compliance with ISO 17025" but are not fully accredited and are capable of producing equally valid efficiency test results for commercial foodservice equipment. In fact many of the major 3rd party testing organizations which would like to be considered to do third party testing do not currently meet this requirement in any area let alone this new energy star requirement including CSA international, Underwriters Laboratories and even Fish Nickel the major third party organization currently conducting energy star testing.

While ISO 17025 makes sense as a backbone, it should not be the only form of accreditation used. Keep in mind that during a Dec. 2, 2008 discussion, EPA used the phrase "a facility that follows the general requirements..." which is how most skill and qualified labs operate. Accreditation by one of the ILAC signatories has merit for calibration labs and labs that are testing components that are life safety related (bolts to hold the wing on an airplane, steel or cement used for a building or bridge) but for energy ratings it is excessive.

Let me cite one company we use regularly named Gas Consultants. They are a small testing, research and development laboratory that has been in business for over 40 years in the highly specialized field of gas burning appliances. They are an independent organization and have been qualified in numerous instances as a disinterested 3rd party. They are also qualified by the Air Quality Management District of Southern California (SCAQMD) as a 3rd party testing organization for NOx emission

from packaged gas appliances (water heaters, furnaces and boilers) and also for efficiency testing of gas products by the California Energy Commission.

They are audited 3 times a year by NRLs to verify that they “operate in accordance with” ISO 17025 and meet every paragraph of 17025, but if every manufacturer had to endure this process, most likely they would pull out of the ENERGY STAR program and just post their own data and cause complete confusion for the end purchaser.

Current energy ratings are not done by ISO 17025 “Accredited” labs and yet those ratings by and large have been fairly reliable numbers.

ISO 17025 “Accreditation” is expensive and time consuming not only for the accreditation process itself but also for the ongoing maintenance of one’s internal QA system. Because of the vast array of products involved, the “Accreditation” process would be extensive because (at least as of now) each product type a lab is accredited to test would need to be technically accredited for that product type. And for the testing labs, these accreditation costs are reoccurring whether one test one sample or a thousand samples. These costs will get passed to the manufacturer and then to the equipment end user and then to the customer.

The obvious question of how to verify one operates in accordance with ISO 17025 becomes an issue, but the EPA and the various trade organizations should be able to address the issue fairly without the requirement of full audits by one of the (only) 7 ILAC signatories in the U.S. We would strongly urge the EPA come up with a mechanism that allows use of these additional technical laboratories who “operate in accordance with ISO 17025” because they will be needed.

The second area of concern is that this requirement will delay ability to introduce newer and more efficient equipment to the market place. Not making use of qualified labs who operate in accordance with ISO 17025 but are then forced to go through the process of becoming fully accredited will take 12-18 months because of training, investment, and facility development time. This does not even take into account how much time it will take the ILAC signatories to accredit themselves to put them into position to accredit the industry. This could conceivably mean that grandfathered equipment will drop off of the shelf before there is a means to accredit new equipment or reevaluate existing designs.

While that process is taking place, there will be a long line of appliances awaiting testing. When we last spoke to Fisher-Nickel, we were quoted a 1 year wait time to get a piece of equipment tested. Our product line involves a vast number of unique custom manufactured units sold in low volume numbers with multiple voltage or phase offerings, fuel gas offerings, or controller options. The decision to shut out qualified labs they operate in accordance with ISO 17025 is a decision to constrain the capacity to test equipment even though the evidence supports the claim they can produce valid and verifiable efficiency results.

Manufacturers cannot afford to wait for the 12-18+ month process of converting operating in compliance with ISO 17025 to fully accredited with ISO 17025. When we

are able to make use of labs with the previous designation, we received quotes of 3 months 3 years ago when the economy was better and receive quotes of 2 weeks currently.

Because this decision increases wait times for testing from 1-3 months to 12-18 months, we will face the decision questioning the merit of seeking Energy Star designation for an appliance we have even if we know it will meet the energy standard because neither we nor our customers can wait this long.

The third area of concern is that this requirement will cause compliance costs that are so high that the energy star rating for a piece of equipment is not worth pursuing, even with rebates, or that participation in Energy Star is not worth continuing.

Our current experience in getting quotes from test labs who are capable of doing efficiency testing and those who explicitly do energy star testing is that the price tag for 3 days of testing will increase from \$5-\$10K to \$15-\$20K, depending on the equipment. Because we've demonstrated that labs with either classification can produce valid and verifiable energy efficiency results, this is a needless large expense that will get amortized over a small number of equipment units sold. This means that only the large companies will be able to afford the testing expense thus leaving many innovative but small manufacturers out of the race for Energy Star branding. Worse yet is that with the currently proposed 3 year retest this will be an ongoing cost burden to manufacturers of energy star rated equipment. Combined with the additional design, development and pretesting costs of creating such energy star designs this further reduces the chance of sales compensating for the cost of maintain compliance.

Consider that commercial foodservice business is one of the last major industries where a small domestic manufacturer can still survive and prosper with a small sales volume and small market share, adding this expense when it doesn't further the goal of verification of efficiency results is questionable.

Consider also that our customers in commercial foodservice must consider factors other than efficiency or Energy Star rating when they purchase food production equipment. They must consider variables like food production rate, equipment footprint, stackability, cleanability, and ease of maintenance. In many cases these factors affect their profitability more than the actual energy star and they use performance test data as well as the to prove the actual equipment selection so energy star is not the only selling point.

Although, direct energy savings is important, with the increased costs of having listed energy star equipment it may become more economical for the food service entity to ignore the energy star rating if they get satisfactory results from other criteria. If Energy Sat Accreditation makes such equipment that much more expensive the other ramifications of selecting a piece of equipment other than energy star rating now become an even more significant factor. In the case with steam cooking equipment, the production rate becomes an even larger factor in the decision, when one considers the additional cost of Energy Star Equipment if these additional burdens are put upon the

program. Some of the direct and indirect cost and energy factors of production rate are as follows:

- The lower food production rate usually associated with energy star listed equipment may mean the user must buy more physical pieces of equipment to meet production load when using energy Star Compliant equipment
- This increases the floor space taken up by appliances in an industry under pressure to reduce kitchen size for the sake of maximizing the serving portion of the facility
- The increased number of appliances means more electric, gas, or water utility lines need to be used so construction/installation costs are higher
- The combination of increased floor space and number of appliances means larger hoods and higher ventilation hood capacity needed (hoods are sized based on number of appliances, sq footage of area that has to be covered)
- Larger hood capacity means higher exhaust ventilation air flow rates, which in turn increases the HVAC requirements of the facility
- Increased AC demand means higher energy costs for air conditioning the facility
- There is also the additional indirect energy cost in the manufacture of additional equipment, which is an environmental burden for society in addition to being a cost for the user

These increased energy and construction costs may when combined with the potential increased cost of energy star rated equipment may get amortized over food sales, causing an increase in food prices for the paying public.

Likewise, if the cost premium for getting an energy star rating for a piece of equipment is high enough that we believe it cannot compete with another equipment offering that has good efficiency but doesn't carry the energy star label, the energy star appliance will not get purchased. No one can stop someone from presenting test data and proof of validity of how it was collected.

Therefore, there is need for a more expansive definition of who can do the testing so the compliance cost is lower so that energy star appliances can be more cost competitive with appliances that aren't energy star rated.

In addition to concerns that we raised in earlier review and comment about other aspects of applying Energy Star program to commercial cooking equipment, we have shown that the requirement that all 3rd party test labs must be fully accredited to ISO/IEC 17025 will both cause prohibitive compliance cost problems and market introduction delays while not increasing the verification of efficiency test data that use of labs that operate in compliance with ISO 17025 would.

We know it is important to bring new, innovative, energy saving appliances to the market to support the EPA's mission of reduced energy and water usage and to present efficiency numbers that consumers can have confidence in.

Cleveland Range looks forward to further constructive dialog with the EPA and other interested parties involved in commercial food service equipment. If you have further questions about the ramifications of this requirement as we have presented them, do not hesitate to contact us.

Sincerely,

Roger McGhee
Director of Engineering II
Cleveland Range, LLC
Manitowoc Foodservice