

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



OFFICE OF
AIR AND RADIATION

November 15, 2006

Dear ENERGY STAR[®] Transformer Partner or Interested Stakeholder:

As you may know, since 1998, EPA has offered an ENERGY STAR label for low-voltage commercial and industrial (C&I) transformers to encourage the purchase of highly efficient low-voltage transformers used in commercial and industrial facilities. In 2005, Congress passed new Federal minimum efficiency standards (effective January 2007) for low voltage dry-type distribution transformers that are equivalent to ENERGY STAR levels which were in turn equivalent to NEMA's TP-1 efficiency levels.

In 1995, ENERGY STAR qualified utility distribution transformers and methods for specifying them were introduced to encourage utilities to purchase high-efficiency distribution transformers, and for manufacturers to produce them. Over the last several years, the U.S. Department of Energy (DOE) has performed extensive research on utility transformers culminating this year when they released a proposed national standard for distribution transformers.

In light of the new transformer standards and recent DOE activity related to utility transformers, EPA is proposing to suspend the ENERGY STAR specification for low voltage dry-type, C&I transformers and discontinue the utility transformer program.

Low Voltage Dry-Type Commercial and Industrial Transformers

EPA is proposing to suspend the low voltage dry-type, C&I transformer specification, rather than revise it, because of the minimal additional energy savings beyond the new standard delivered by models in the market today. Our analysis shows that savings beyond the standard range widely, by size and by model, averaging about 700 kWh/year. In addition to these savings being low relative to other building opportunities, it is not clear that an ENERGY STAR specification could be justified as cost effective even at this level. If this situation changes in the future to where even more efficient, cost effective transformers become available, EPA may choose to revisit the specification.

Utility Transformers

EPA is proposing to discontinue the utility transformers program because the recent DOE activity and expected new national standard supersedes the historical ENERGY STAR program and because EPA feels that the current and expected levels of interest do not justify the cost of maintaining the program.

EPA is proposing to suspend the ENERGY STAR specification for low voltage dry-type transformers and discontinue the ENERGY STAR specification for utility transformers effective May 1, 2007. Manufacturers would be required to discontinue using the ENERGY

STAR name and mark on transformer materials such as sales and marketing literature, *created* on or after May 1, 2007. Manufacturer and Utility partners also would no longer be authorized to refer to themselves as ENERGY STAR transformer partners. Similarly, EPA would no longer accept product models for qualification as ENERGY STAR or list individual models as ENERGY STAR qualified.

As an important stakeholder in the ENERGY STAR Transformer program, your feedback on these proposals is welcome. Please submit written comments via email to schmeltz.rachel@epa.gov. Alternatively, if you would like to discuss the rationale behind EPA's proposal to suspend the low voltage dry-type transformer specification, please call me at (202) 343-9124. **Comments received by December 8, 2006 will be considered; EPA expects to publish its final decision by the end of December, 2006.**

All correspondence regarding the low voltage dry-type transformer specification will be posted on the Product Development portion of the ENERGY STAR Web site at www.energystar.gov/productdevelopment. Thank you for your support of ENERGY STAR.

Regards,

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

Rachel Schmeltz, EPA
ENERGY STAR Program Manager