

June 10, 2024

Ms. Abigail Daken
US Environmental Protection Agency
1200 Pennsylvania Avenue, NW
Washington, DC 20460

Dear Ms. Daken:

The Consortium for Energy Efficiency (CEE) respectfully submits the following comments in response to the ENERGY STAR® proposal to delay the sunset of ENERGY STAR's Central Air Conditioner specification to February 1, 2026, as released to the public on April 16, 2024.

CEE is the binational organization of energy efficiency program administrators. Historically, the CEE Board of Directors determined to throw its support behind a single brand for efficiency and elected to create standing for the ENERGY STAR program rather than advance the name recognition of CEE or other endeavors that existed at that time. The ENERGY STAR program adopted specifications supported by CEE and program administrators, providing the confidence that utility ratepayer programs needed to invest in incentives in association with ENERGY STAR. This was a conscious investment and contribution of equity and the sanctioned obligations of utility members, which include responsibility for delivering safe, reliable, and affordable service. The staff and membership of the Consortium continue to perform diligence relative to the ENERGY STAR brand promise and associated performance specifications, given the very serious obligations entrusted to US and Canadian utilities as well as others sanctioned with advancement of voluntary market transformation efforts.

CEE members are responsible for ratepayer-funded efficiency programs in 38 US states, the District of Columbia, and four Canadian provinces. In 2021, CEE members directed approximately 60% of the \$9.0 billion in energy efficiency and demand response program expenditures in the two countries. CEE highly values the role ENERGY STAR plays in differentiating energy efficient products and services that the CEE membership supports locally throughout the US and Canada. These comments are offered in support of the local

activities CEE members carry out to actively leverage the ENERGY STAR brand. CEE consensus comments are offered in the spirit of strengthening ENERGY STAR, so it may continue to serve as the national marketing platform for energy efficiency. We appreciate the opportunity to provide this feedback.

Postponing Sunset of ENERGY STAR Central Air Conditioner Specification Enables Programs More Sufficient Time to Adapt Accordingly

CEE thanks EPA for extending the original timeline of the Central Air Conditioner (CAC) specification sunset. In CEE's [comments](#) submitted on July 25, 2023 in response to EPA's May 18, 2023 proposal to sunset the ENERGY STAR specification for central air conditioners on December 30, 2024, CEE expressed concern about the speed of the timeline and the premature nature of the proposal, given market conditions and the importance of ENERGY STAR's product differentiation in the marketplace.

We recognize the intention to sunset the ENERGY STAR CAC specification and believe it may be appropriate to transition away from promotion of these products *at some point in the future*, should incremental or peak energy savings be sufficiently diminished, or program cost effectiveness reduced significantly. Our members are increasingly promoting air source heat pumps as an ideal solution to address both heating and cooling needs, so we acknowledge the market signal that EPA is sending by eliminating a product category that can only provide cooling when there are options that effectively serve a broader range of customer needs. Currently, however, we note that many members are still actively promoting central air conditioners in their program offerings (see Table 1).

While the postponement of the sunset from December 30, 2024, to February 1, 2026, provides slightly more time for the market to adapt and prepare, it is unclear why this date was selected. If there are specific reasons or rationale for February 1, 2026, as an effective date, it would be helpful to better understand those.

For program administrators actively endorsing the ENERGY STAR CAC platform, and as of 2023 there were at least 34 (see Table 1), we offer a few considerations regarding timing:

Efficiency Programs Operate on Multiple Year Cycles

Program administrators file multi-year filings with their regulators, and these are then set in stone for the duration of their program length. This differs by utility and portfolio and even program but are most commonly two or three years (some are fewer, and some are

longer). While some have a degree of flexibility to alter offerings within the program cycle, many are locked into the offerings for the entirety of these years. A program administrator currently promoting ENERGY STAR CAC may already be planning to endorse the label within this category for several years beyond the February 1, 2026, proposed sunset date. With this in mind, CEE notes that some additional buffer time of a few years may be beneficial for the market and those program administrators actively endorsing the label.

Efficiency Programs Often Operate Cycles that Begin at the Start of a Year Just as there is no one-size-fits-all for the duration of program cycles, there is no singular calendar date that every program administrator commences a new offering for customers. However, the first of the year is by far the most common time for utilities to launch new offerings and begin a new cycle of programs for their customers. Given this factor, CEE recommends any sunset date be December 31 of a year, not during the other months when programs are typically in the middle of their cycles.

CEE intends to maintain a CAC specification for as long as there are energy savings on the table for CEE members. While several of CEE members have ceased to offer CAC incentives and many others foresee moving in that direction, currently dozens of members continue to offer CAC incentives as an important part of their energy efficiency portfolios.

Table 1. CEE Members Offering CAC Programs, 2023

Ameren Illinois	Northern California Power Agency
Baltimore Gas and Electric Company	Oncor
Consumers Energy	PNM
DC Sustainable Energy Utility (DCSEU)	Public Service Electric & Gas
DTE Energy	Rhode Island Energy
Duke Energy Carolinas	Southern Minnesota Municipal Power Agency
Duke Energy Progress—Carolinas	Tennessee Valley Authority—Alabama
Duke Energy—Florida	Tennessee Valley Authority—Georgia
Duke Energy—Indiana	Tennessee Valley Authority—Kentucky
Duke Energy—Kentucky	Tennessee Valley Authority—Mississippi
Energy Trust of Oregon—Oregon	Tennessee Valley Authority—North Carolina
Eversource—New Hampshire	Tennessee Valley Authority—Tennessee
Hawai'i Energy Efficiency Program	Tennessee Valley Authority—Virginia
Idaho Power—Idaho	United Illuminating Company
IESO	Xcel Energy—Colorado
Los Angeles Department of Water & Power	Xcel Energy—Minnesota
New Jersey Clean Energy Program	Xcel Energy—New Mexico

CEE is grateful that EPA is proposing a postponement of the CAC Specification sunset, though recommends a slightly longer delay to 1) accommodate the longer-term planning needs of multi-year program cycles, and 2) implement an effective date that aligns with the end of a calendar year, thus coinciding with many program cycles.

CEE would once again like to thank EPA for the opportunity to comment on the proposal to delay the sunset of ENERGY STAR's Central Air Conditioner specification. Please contact CEE Deputy Director, Alice Rosenberg at arosenberg@cee1.org with any questions about these comments.

Sincerely,

A handwritten signature in blue ink that reads "John Taylor". The signature is written in a cursive style with a large initial "J" and a long, sweeping underline.

John Taylor
Executive Director