

March 11, 2019

Ms. Tanja Crk  
US Environmental Protection Agency  
Ariel Rios Building 6202J  
1200 Pennsylvania Avenue, NW  
Washington, DC 20460

Dear Ms. Crk:

The Consortium for Energy Efficiency (CEE) respectfully submits the following comments in response to Draft 2, Version 4.0 ENERGY STAR® Refrigerated Beverage Vending Machine Product Specification, released by the Environmental Protection Agency (EPA) on December 27, 2018.

CEE is the binational organization of energy efficiency program administrators and a staunch supporter of the ENERGY STAR® Program. CEE members are responsible for ratepayer-funded efficiency programs in 38 US states, the District of Columbia, and four Canadian provinces. In 2016, CEE members directed nearly \$7 billion of the \$8.8 billion in energy efficiency and demand response program expenditures in the two countries. 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.

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. We appreciate the opportunity to provide these comments.

## **CEE Thanks EPA for Responding to Stakeholder Concerns about Product Availability**

CEE thanks EPA for revising proposed energy efficiency criteria in the Draft 2 proposal to address CEE and other stakeholders concerns regarding product availability at Draft 1 proposed levels. Given that only 15 to 18 percent of models in the dataset met the Draft 1

proposed performance criteria, CEE comments to EPA on the Draft 1 proposal questioned whether there would be a sufficient amount of products available through known sales channels to ensure adequate product availability for customers in 2019. As noted in the Draft 1 Version 4 Comment Matrix (Comment Matrix), most stakeholders “indicated that the Draft 1 levels are aggressive and very difficult to meet without significant innovation in componentry available in the market.” In response, EPA reduced the maximum daily energy consumption (MDEC) criteria proposed in Draft 2 compared to Draft 1 from 10 percent to 7 percent below the federal minimum for Class A and Combination A, and from 15 percent to 12 percent below the federal minimum for Class B and Combination B machines. EPA analysis finds that 31 percent and 32 percent of Class A and Class B products in the dataset, respectively, would meet ENERGY STAR requirements. CEE thanks EPA for responding to stakeholder concerns over the stringency of the Draft 1 performance criteria and finds the level of product availability at the Draft 2 proposed criteria to be more appropriate for the ENERGY STAR brand.

## **CEE Requests Additional Data to Enable Partner Assessment**

To provide ENERGY STAR partners with the ability to assess the appropriateness of Version 4.0 ENERGY STAR® Refrigerated Beverage Vending Machine Product Specification, CEE encourages full disclosure (as specified in the bullets following below) of data informing EPA’s proposal and clear rationale behind decisions made to ensure partners can fully appreciate the implications of the proposal and respond with valuable input.

CEE appreciates EPA providing a data set to support its recommended performance levels, including the percent of models expected to meet the proposed criteria. This information helps to support program administrators and other ENERGY STAR Partners in assessing whether the proposed performance levels will enable cost-effective offerings, consumer value, and regulator support. While the data provided in Draft 1 and Draft 2 enables a portion of this assessment, additional information is necessary for program administrators to justify program support including:

- Market sales and penetration data or the data EPA is using as a proxy, such as shipment data by product type
- Per unit and percent energy savings of proposed performance levels for all product categories, including transparency to how these energy savings values are calculated
- Number of models, brand, or unique model groups “available” that would meet the proposed performance criteria for each product type

- Cost-effectiveness analysis and incremental retail price of the base unit relative to the ENERGY STAR unit

CEE requested the data above in our Draft 1 comments because this level of data enables program administrators to evaluate changes in energy performance levels. Program administrators need this information to determine impact, understand the size of the energy savings opportunity in terms of total energy savings nationally, and consider together the energy savings and the incremental costs of higher performing models. Having access to this level of data better enables CEE members to justify programs and support the ENERGY STAR criteria.

In the Comment Matrix, EPA responds that “this granular level of data (market penetration by sub-type) is not published information. However, the published data package includes the data set and other information that should help interested stakeholders determine market sales, percent of energy saved by model, the number of models that meet, how the per unit energy savings can be calculated, and cost effectiveness.”

We accept that market penetration by sub-type is not published information and agree that the data package includes some information helpful to stakeholder assessment of proposed performance criteria. We thank EPA for summarizing the number of products, brand owners, and percentage of the products in the dataset that would meet Draft 2 proposed performance criteria. However, EPA has not provided a cost-effectiveness analysis and associated assumptions of the base unit relative to the ENERGY STAR unit that would enable EPA to conclude the proposed performance levels will be cost effective. We recommend that EPA perform a cost-effectiveness analysis, if it has not already, and disclose both the analysis and data used as a basis to stakeholders to enable stakeholders to fully evaluate the proposal and respond with valuable input.

## Potential Risk of Using Modeling Data

CEE appreciates EPA’s interest in expanding the scope of the ENERGY STAR specification to include combination vending machines, which will be newly covered by the 2019 DOE federal minimum standard. To address this category of vending machines, EPA proposes to use modeling data from the 2015 DOE Technical Support Document as the basis for ENERGY STAR’s proposed performance criteria for these products. CEE comments on the Draft 1 proposal noted that there are added risks to the ENERGY STAR brand by not using tested energy performance data to establish performance criteria as there could be wide variance between future test results and the modeled data used by EPA.

In response to this comment on the Draft 1 proposal, EPA states that “mirroring the percentage reduction levels of Class A and Class B machines is a logical strategy in setting

Combination levels for ENERGY STAR considering the overall components and machine operations are similar.” EPA also notes that “manufacturers raised no concerns with the Combination machine levels.”

We appreciate EPA’s response and acknowledge that it is encouraging that manufacturers did not object to the use of modeled data in their comments on Draft 1. If EPA elects to move forward using modeling data, we would encourage a commitment to a quarterly examination of tested energy performance versus modeled performance so that quick correction can occur if, once tested, the combination vending machines significantly under or over perform compared to the modeled data.

CEE would once again like to thank EPA for the opportunity to comment on the Draft 2 Version 4.0 ENERGY STAR Refrigerated Beverage Vending Machine Specification. Please contact CEE Program Manager Bjorn Jensen at 617-337-9280 with any questions about these comments.

Sincerely,

A handwritten signature in blue ink that reads "Ed Wisniewski". The signature is fluid and cursive, with the first letters of the first and last names being capitalized and prominent.

Ed Wisniewski  
Executive Director