

October 19, 2018

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 the Draft 1, Version 4.0 ENERGY STAR® Refrigerated Beverage Vending Machine Product Specification, released by the Environmental Protection Agency (EPA) on September 10, 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 Supports EPA Consideration of Energy Savings Opportunities in the Refrigerated Beverage Vending Machine Market

CEE supports the EPA decision to revise the existing ENERGY STAR specification for refrigerated beverage vending machines given growing market penetration of energy efficient machines and the upcoming increase in the US Department of Energy federal minimum standards effective in January 2019. A revision to the ENERGY STAR specification at this time allows for continued identification of the highest performing models in

the market. Additionally, it has the potential to provide continued support to CEE members with programs for this category. In 2018, seven CEE member organizations offered programs.

CEE understands that higher DOE federal minimum standards for vending machines may initially reduce the number of machines that meet the proposed ENERGY STAR criteria. As noted in the Draft 1 material provided by EPA, only 15-18 percent of models currently in the market will meet the proposed ENERGY STAR Version 4.0 performance criteria. We look to vending machine manufacturers to confirm that additional products that could meet ENERGY STAR Version 4.0 will be available in 2019 to ensure adequate product availability for consumers.

## CEE Appreciates EPA Providing the Data Set Used to Develop the Performance Criteria; However, Additional Data is Needed to Justify Incentives at Defined Levels

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 enable cost-effective offerings, consumer value, and regulator support. While the data provided in Draft 1 supports a portion of this assessment, additional information is necessary for program administrators to justify program support, including:

- Market sales and penetration data or other 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 generally 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

These data enable program administrators to evaluate changes in energy performance levels. CEE members need this information to determine impact, understand the size of the energy savings opportunity in terms of market potential and total energy savings, and the energy savings and the incremental costs of higher performing models. Having access to this level of data better enables program administrators to justify programs and support the ENERGY STAR criteria.

# Potential Risk to ENERGY STAR Brand by Defining Performance Criteria for Combination Vending Machines Using Modeled Data

CEE appreciates EPA 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 machine, EPA proposes to use modeled data from the 2015 DOE Technical Support Document as the basis for ENERGY STAR's proposed performance criteria for these products. CEE members indicate that they are challenged to use modeled data as the basis for financial incentives. Although the DOE modeled data may be the best available data at this time, CEE notes that there are risks to the ENERGY STAR brand by not using tested energy performance data to establish performance criteria. For example, once tested, combination vending machines could significantly under or over perform compared to the modeled data. Either scenario renders the ENERGY STAR criteria ineffective at achieving the originally intended market delineation. In fact, this occurred recently with the ENERGY STAR pool pump specification, where initial test results of efficient pool pumps are showing wide variances from modeled data used by EPA. As a result, models intended to be recognized by ENERGY STAR may be unable to meet the version 2.0 criteria. To protect against this risk, CEE recommends that EPA wait to develop criteria for combination vending machines until tested product performance data is available. If EPA proceeds with the use of modeled data as a basis for performance criteria, we recommend that EPA develop a strategy to manage for the potential scenarios described above.

CEE would once again like to thank EPA for the opportunity to comment on the Draft 1 Version 4.0 ENERGY STAR Refrigerated Beverage Vending Machine Specification. Please contact CEE Program Manager Laura Thomas at 617-337-9272 with any questions about these comments.

Sincerely,



Ed Wisniewski  
Executive Director