

Stakeholder Feedback: Refrigerated Beverage Vending Machines ENERGY STAR Version 4.0 Draft 2 Specification		
Topic	Feedback	EPA Responses
Definitions	A commenter agrees with the Agency that due to the absence of a test procedure and minimal market share of food vending machines it's not the right time to expand the ENERGY STAR scope to include these products. The same commenter also agrees with EPA's proposal to change the term from 'Food Vending Machine' to 'Refrigerated Food Vending Machine' which suggests the food product is perishable.	EPA appreciates the support to hold off on scope expansion to refrigerated food vending machines at this time.
Levels	A commenter appreciates the EPA's note regarding aligning with DOE's introduction of requirements for new Combination A and Combination B machines in the federal minimum standards. Furthermore, the concern raised by at least one industry stakeholder around basing the proposed levels on a modeling approach as opposed to a testing performance data is also acknowledged. As such, the commenter requests that the final levels for Combination A and Combination B machines mirror those for Class A and Class B machines.	Based on review of the DOE database for RBVMs, EPA has confirmed since the release of Draft 2 that multiple Combination A machines meet the ENERGY STAR V4.0 Draft 2 proposed levels. EPA does not intend to amend the Draft 2 levels for Combination A or B machines at this time.
Test Method	A manufacturer agrees that it is preferable to use the DOE test procedures and requests that it be made clear how the ENERGY STAR program will or will not be affected by future changes to those DOE procedures.	EPA aligns with DOE on the test methods applicable to federal minimum efficiency standards. If DOE amends the test method for this product category, EPA will amend the Version 4.0 specification accordingly.
	A manufacturer requests that it be made clear how the ENERGY STAR program will or will not be affected by future changes to those DOE procedures as it pertains to significant digits and rounding.	
Future Specification Revisions	We understand that certification is not automatically granted for the life of a product model, but the language here leads me to ask for clarification. If we make changes to a Model in order to meet the newest requirements, but do not want to confuse our customers with different Model Numbers, is it allowable to get the changes certified under the existing Model Number? If so, Model xx built up to 1 day before the Effective Date could be Labelled and the same Model Number built on or after the Effective Date could also be Labelled provided that it includes the design changes and indeed met the new requirements? This idea would seem to be supported in the Proposal's Item 5 on Effective Dates, but we do request clarification.	If changes are made to a specific model that is currently ENERGY STAR certified, the manufacturer will be responsible to work with their certification body to re-test the model to maintain certification. Upon revision to a specification that includes amendments to the performance criteria, the manufacturer must re-certify their model(s) in order to maintain certification. If achieving compliance requires re-engineering or componentry changes, then the model does need to undergo testing for recertification.

<p>Data</p>	<p>Additional information is necessary for program administrators to justify program support, including:</p> <ol style="list-style-type: none"> 1) Market sales and penetration data or other data EPA is using as a proxy, such as shipment data by product type; 2) Per unit and percent energy savings of proposed performance levels for all product categories, including transparency to how these energy savings values are calculated; 3) Number of models, brand, or unique model groups generally available that would meet the proposed performance criteria for each product type; and 4) Cost-effectiveness analysis and incremental retail price of the base unit relative to the ENERGY STAR unit. <p>A commenter requested the data above in 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 energy savings and the incremental costs of higher performing models. Having access to this level of data enables program administrators to justify programs and support the ENERGY STAR criteria.</p> <p>This commenter accepts the market penetration by sub-type is not published information and agrees that the data package includes some information helpful to stakeholder assessment of proposed performance criteria. EPA summarized the number of products, brand owners, and percentage of the products in the dataset that would meet Draft 2 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 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.</p>	<p>As EPA mentioned in response this comment in Draft 1, this granular level of data (market penetration by sub-type) is not published information, but the published data package (for both Draft 1 and Draft 2) includes the data set and other information that 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.</p>
<p>Scope</p>	<p>EPA proposed to use modeling data from the 2015 DOE Technical Support Document as the basis of ENERGY STAR's proposed performance criteria for these products. A commenter to 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.</p> <p>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."</p> <p>The commenter appreciated this response and acknowledged that it is encouraging that manufacturers did not object to the use of modeled data in their comments. We 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 machines significantly under or over perform compared to modeled data.</p> <p>Another commenter understands and appreciates the EPA's note regarding aligning with DOE's introduction of requirements for new Combination A and Combination B machines in the federal minimum standards. However, this commenter also understands the concern raised by at least one industry stakeholder around basing the proposed levels on a modeling approach as opposed to a testing performance data. This commenter requests that the final levels for Combination A and Combination B machines mirror those for Class A and Class B machines.</p>	<p>The Agency does plan to move forward with the previously outlined approach. EPA is planning on monitoring the tested energy performance of Combination A and Combination B machines as it becomes available to confirm the levels continue to reflect the tier of products that EPA is expecting to meet the proposed criteria. In the event a surge of products meet the criteria for certification and the performance data suggests the levels are too lenient, or if all products (based on test performance) fail to meet the certification criteria, EPA will explore the option of amending the levels in a subsequent revision.</p>
	<p>One manufacturer commented that more harmonization between the EPA's ENERGY STAR and SNAP Programs, and the DOE is necessary and offered any assistance to that end. The commenter recognizes and applauds EPA's recent efforts in this regard and urges the Agency to continue to give this aspect of the rule-making process serious consideration.</p>	<p>The ENERGY STAR program will continue to work with other regulatory programs and departments to maintain consistency.</p>
<p>General</p>	<p>One stakeholder suggested that the EPA conduct a comprehensive review of the impact on small businesses across the country per the Regulatory Flexibility Act of 1980, 5 U.S.C. 603. This stakeholder stated that raising the stringency of the ENERGY STAR requirements would have a negative economic impact on small businesses as they would not be able to source ENERGY STAR models, as required by some customers such as government buildings.</p>	<p>ENERGY STAR considers many aspects of market participation, use and impact, and energy savings when developing a new product specification, including consideration for small businesses as a part of that. Because ENERGY STAR is a technology-advancing program based on voluntary participation, product introduction at the outset of a specification begins with those entities best situated to make product updates. This has proven to include businesses of all sizes. While the program's primary goal is to promote energy efficiency and savings for consumers, the fluid nature of product certifications allows ongoing opportunities for new manufacturers to enter the market and compete. Furthermore, EPA wants to ensure that purchasers have a good selection of products that have earned the ENERGY STAR. EPA completed this analysis for RBVMs and has proposed levels that are achievable by 28%-32% of the latest models on the market. The ENERGY STAR program expects the selection of products to grow even larger before this specification is effective in March 2020. As a leadership program, ENERGY STAR must have more stringent requirements than the federal minimum standards. The levels EPA has included in the Final Draft are a modest increase over the new DOE federal minimum recognizing the transition in the market now. DOE's review under the Regulatory Flexibility Act is in section IV B of the test procedure final rule (http://www.regulations.gov/#documentDetail;D=EERE-2013-BT-TP-0045-0014) and in IV B of the standards final rule (http://www.regulations.gov/#documentDetail;D=EERE-2013-BT-STD-0022-0073).</p>