Consortium for Energy Efficiency
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November 20, 2015

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

Dear Ms. Hesla:

The Consortium for Energy Efficiency (CEE) respectfully submits the following comments in response to the *ENERGY STAR® Draft 1 Version 3.0 ENERGY STAR Commercial Fryers Specification* (Draft Specification), released by the US Environmental Protection Agency (EPA) on October 8, 2015.

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 45 US states, the District of Columbia, and seven Canadian provinces. In 2013, CEE members directed nearly $6.4 billion of the $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 Commercial Fryer Market, But Additional Data and Market Intelligence is Necessary

CEE supports the EPA decision to consider energy savings opportunities in the commercial fryer market to continue to identify top performing standard vat electric fryer units, so long as EPA can do so in a manner consistent with the brand promise. Currently, the commercial fryer product category consists of four subcategories that are determined by vat size and fuel type (large vat electric, standard vat electric, large vat gas, and standard vat gas). The proposed

revision only addresses the standard vat electric subcategory. Based on the data provided by ENERGY STAR, the proposed standard vat electric fryer performance levels would qualify 13 percent of products currently identified as ENERGY STAR compliant. EPA anticipates that the percentage of eligible products would quickly reach 20 to 25 percent based on conversations with manufacturers. However, this assessment only addresses a percentage of a subset of products, current ENERGY STAR compliant fryers, available for sale. The assessment does not take into account the percentage of total sales these 13 percent of products represent. While EPA has provided information about market penetration and broad estimates of comparative energy savings for this product category, there is additional and more granular data and market intelligence that program administrators rely on to make a complete assessment of the proposed revision and to incorporate a specification into a program.

ENERGY STAR estimates that the proposed specification levels represent 19 percent savings over standard fryers, however data regarding the kWh savings of Version 3.0 compared to both standard and ENERGY STAR Version 2.0 fryers has not been presented for assessment and consideration. Program administrators require such data to determine impact. To evaluate changes in energy performance levels, CEE members must understand both the energy savings and the incremental costs of higher performing models. We believe EPA ENERGY STAR is well positioned to support efforts by program administrators to gain this understanding and request the suggested retail price for each model as well as product performance.

CEE members also need to understand the size of the energy savings opportunity in terms of market potential and total energy savings. Based on the ENERGY STAR Unit Shipment Data, the market penetration for fryers has fluctuated significantly in the last few years, reaching 33 percent in 2013 and dipping to 23 percent in 2014, while overall sales figures were not provided. Given this fluctuation and EPA assessment of market penetration by fryer product type, CEE members would benefit from a deeper understanding of the market penetration, relative and total sales of each fryer product type since Version 2.0 went into effect, and any insight behind the significant fluctuation in market penetration over the past few years. This information allows CEE member programs to identify market transformation opportunities and evaluate program performance in reference to national figures.

Reliance on Market Penetration as a Driver for Revision May Be Too Limited a Basis

EPA indicated that the market penetration for electric standard vat fryers is currently greater than 50 percent, but for the fryer equipment category as a whole, the market penetration was 23 percent in 2014. While significant market penetration for a product category is rightfully a driver for consideration of new performance levels that provide adequate differentiation in the market, it should not be dispositive. Currently there are four product subcategories, with aggregate sales penetration of only 23 percent. Furthermore, while standard sized electric vat fryers are the second most common product in this class, gas fryers continue to represent the majority of the

market. CEE members note that changes to program performance criteria are time intensive and costly. While increased market penetration of qualifying products can increase the opportunity for free ridership, programs seek to revise performance specifications when the energy savings are significant.

Furthermore, CEE members encourage EPA to avoid piecemeal specification revisions addressing each subcategory separately. From the program perspective, specification revisions based on a single product subcategory can be burdensome to programs administrators as this leads to the possibility that multiple revisions will be required to update a single program offering. Given the potential additional burden, CEE member programs may choose not to adopt a standalone revision for one product subcategory, particularly if this product category represents a minority of the market, and the total energy savings are not substantial. Given that the aggregate penetration is 23 percent, limiting the revision drivers to just market penetration may be too limited in scope. CEE would note that additional data showing the product specific market penetration for the life of the Version 2.0 specification, along with details about the sales for each product type, allows for a more complete assessment of the impact of the proposed Version 3.0 revisions and the role these products might play in member programs.

Continued Alignment with CEE Specifications

Currently, the ENERGY STAR Version 2.0 Fryer Specification and CEE Commercial Fryer Specification are aligned. CEE believes that complementary performance of ENERGY STAR and CEE Specifications is useful for market players as it provides a clear and consistent message. This market may see additional potential changes due to upcoming updates to the ASTM standards. While CEE does not anticipate changes to energy performance due to changes in the test procedures, CEE plans to only revisit the fryer specification after the proposed 2015 ASTM standards are finalized and additional model testing data is available to confirm that the revisions do not impact product performance. At that time, CEE member programs will consider the performance criteria for all four product subcategories, and opportunities for significant energy savings through increased performance levels.

Thank you for your consideration of these comments. Please contact CEE Senior Program Manager George Chapman at (617) 337-9262 with any questions.

Sincerely,

Ed Wisniewski
Executive Director