

November 18, 2016

Ms. Abigail Daken
US Environmental Protection Agency
Ariel Rios Building 6202J
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® Draft 3 Version 1.0 Connected Thermostats Specification (Thermostats Specification), released by the Environmental Protection Agency (EPA) on October 18, 2016.

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 46 US states, the District of Columbia, and seven Canadian provinces. In 2014, CEE members directed over \$6.8 billion of the \$8.7 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.

Verified, Measurable Savings Through Data Reporting is Imperative for This Data-driven Specification.

CEE lauds EPA's continued effort to credibly distinguish opportunities for energy savings within the HVAC controls market. In particular, we agree that ENERGY STAR's presence in this market would benefit the consumer if the energy savings claims of thermostat manufacturers could be credibly compared, and if stakeholders could accurately predict the energy savings resulting from the installation and use of a communicating thermostat. The federal government is likely

well positioned to credibly assess the savings potential of connected thermostats and to determine if a viable test procedure is possible. However, due to the potential precedent setting nature of this specification, we question whether additional data reporting or independent verification of savings (consistent with the comments submitted by the California IOUs on October 26th, 2016) is necessary to protect the integrity of the ENERGY STAR label and its reputation in the marketplace.

We support EPA's investigation and ongoing pursuit of connected thermostats; however at the given time, we believe this new method for determining energy savings would benefit from greater vetting and in-field experience prior to the use of ENERGY STAR for this category of products.

The Term “Demand Response Functionality” Would Benefit From Greater Definition.

We believe that the value of connected thermostats stems from both HVAC energy efficiency and potential load management in a variety of control scenarios. CEE appreciates that EPA is seeking to address the needs of utilities and load management aggregators by requiring the disclosure of thermostat demand response capabilities, and we support specific EPA provisions for thermostat demand response functionality.

While there is a reference to demand response functionality on line 185, it is not clearly defined. CEE members would value assurance that any labeled thermostat is capable of basic demand response functionality.

EPA May Be Able to Provide an Avenue for Customer Data Capabilities and Benefit.

Ensuring the customer maintains free access to and ownership of key performance data from their ENERGY STAR-certified communicating device is foundational to their assessment of and eventual investment in energy efficiency. If EPA labels a subset of communicating thermostats, we believe consumers benefit from having guaranteed access to their energy data along with the ability to share that data with energy service providers, including DSM program administrators.

CEE believes that customers should exclusively own their own thermostat data and control with whom that data is shared. However, programs also value the ability of connected thermostats with the ENERGY STAR label to enable real-time, individual customer data reporting rather than aggregated data. The value of near real-time customer data is becoming increasingly important as connected thermostats become more prevalent and programs are able to leverage them for peak shaving through demand response. This level of feedback from participants allows programs to adjust load during a demand response event.

While we are confident this level of connected thermostat data reporting is technically feasible, its acquisition has historically been a hurdle for programs, in part because there is no clear means for customers to authorize data sharing. CEE sees an opportunity for EPA to offer additional value to customers by providing them a clear pathway to designate data either directly to the DSM programs in which they elect to participate or indirectly through a home automation platform. This would help programs attain savings and the grid stability. Sharing data allows the customer to enjoy the benefits of program participation including compensation.

Program Partners Would Benefit from Targeted Discussions about ENERGY STAR Promotion in Light of the Proposed Electronic Labeling Method.

Programs understand the rationale for the proposed alternative approach for labeling ENERGY STAR certified connected thermostats and support EPA efforts to avoid confusion stemming from applying the ENERGY STAR label to products. However, this approach challenges programs that have historically created demand for ENERGY STAR products by prompting consumers to look for the ENERGY STAR logo, and may require additional coordination to protect the integrity of the ENERGY STAR brand. At this point in time, programs do not have a market strategy to promote ENERGY STAR connected thermostats and would appreciate an opportunity to engage with EPA regarding the marketing strategy for this labeled product.

Additionally, CEE members would like clarification about whether the partner logo use requirements include or preclude programs from using the ENERGY STAR logo in their marketing and point of purchase materials for connected thermostat incentives. Such logo use would be a precursor to directing consumers to the ENERGY STAR or service provider websites to find qualified products.

CEE would once again like to thank EPA for the opportunity to comment on the ENERGY STAR® Draft 3 Version 1.0 Connected Thermostats Specification. Please contact CEE Deputy Director John Taylor at (617) 532-0944 with any questions.

Sincerely,



Ed Wisniewski
Executive Director