



ENERGY STAR® Certified Homes

Request for Information: ISO/IEC 17065 Verification Oversight for the ENERGY STAR Certified Homes Program

Introduction

Through this Request for Information (RFI), EPA is soliciting feedback from ENERGY STAR program stakeholders on whether organizations that earn and maintain ISO/IEC 17065 “Conformity Assessment: Requirements for bodies certifying products, processes, and services” accreditation should be permitted to submit applications to EPA to be recognized as a Verification Oversight Organization (VOO) for the ENERGY STAR Certified Homes program.

Comments should be submitted to EPA no later than November 9, 2018 at energystarhomes@energystar.gov.

ISO/IEC 17065¹ is an internationally recognized standard for organizations that certify products and provides a set of criteria for various certifying organizations to help implement an effective and accredited Management System based on objective testing. The role of an ISO/IEC 17065 accredited organization (i.e., third-party certification body) is to issue a certificate to confirm that a product (e.g., a new home) of a given supplier (e.g., a homebuilder) satisfies the requirements of a specified certification scheme (e.g., ENERGY STAR Certified Homes program requirements, including ANSI/RESNET/ICC Standards 301 and 380).

As part of this RFI, EPA is also seeking feedback on whether the Agency should consider incorporating additional or alternative requirements in the VOO ‘Application for Recognition’ to ensure the impartiality and avoidance of conflict-of-interest of Verification Oversight Organizations.

¹ <https://www.iso.org/resources-for-conformity-assessment.html>

Through this Request for Information, EPA is seeking to collect stakeholder feedback on the appropriateness of such changes, their potential benefits and negative impacts, and a potential timeline for implementation (if indicated). Based on comments provided by stakeholders and additional marketplace research, EPA may or may not proceed with changes to the Verification Oversight Organization application and requirements.

I. Background on Verification Oversight

Since its inception, the hallmark of EPA's ENERGY STAR Certified Homes Program has been the requirement for independent, third-party verification of the energy performance of homes that earn ENERGY STAR certification. In 2007, EPA first proposed to formally recognize the independent organizations that could provide for the training, credentialing, oversight, and quality assurance of businesses and individuals that verify homes to earn ENERGY STAR certification. These organizations were subsequently referred to as Verification Oversight Organizations (or VOOs). Prior to this, EPA had maintained informal relationships with organizations that performed these types of functions in the marketplace.

EPA solicited stakeholder input on the VOO concept in late 2007, and in 2008, formalized an 'Application for Recognition' that organizations are required to submit to, and be approved by, EPA to be recognized as a VOO. The application, last revised in 2011, is in effect today. Through this application, organizations must demonstrate that they meet the program's eligibility criteria and successfully perform all required roles and responsibilities, including:

- Establishing and maintaining governing policies and procedures for verifying homes to earn the ENERGY STAR label;
- Training and credentialing of verifiers;
- Establishing a business code of conduct for verifiers;
- Maintaining a participating verifier dispute resolution process and procedures for investigation of complaints, probation, dismissal, and appeals;
- Conducting quality assurance of participating verifiers; and

- Working collaboratively with EPA on quality assurance findings and other issues related to the labeling of ENERGY STAR certified homes.

II. Background on Non-Profit Status Requirement

In the original 2008 VOO application and subsequent 2011 revision, EPA established and maintained eligibility criteria for organizations that wished to pursue recognition. These included the demonstration of impartial governance and the ability to provide verification oversight services at a national level.

EPA sought to ensure that organizations recognized as VOOs were organized and operated to safeguard the objectivity of their activities and maintained policies to ensure that potential conflict of interest issues are identified and avoided. At the time, the Agency identified maintaining a 501(c)(3) or 501(c)(6) not-for-profit corporation status, with a Board of Directors or Executive Committee with a diverse representation of interests, as an appropriate way to identify such organizations. This decision was made, in part, after looking at the marketplace to establish common attributes of organizations that were already serving similar roles to those outlined in the VOO application.

III. The Rationale for ISO 17065 Verification Oversight

ISO/IEC 17065 accreditation is intended to ensure that a certification body operates in a manner to maintain impartiality, confidentiality, competent demonstration, openness, access to information, responsiveness to complaints and appeals, and responsibility. An Accreditation Body provides confirmation that the certification body operates in accordance with international standards and indirectly, the performance of product manufacturers (i.e., builders).

EPA notes that the responsibilities of these certification bodies are similar to and consistent with the roles previously established for VOOs in the ENERGY STAR Certified Homes Program. Further, since 2010, the ENERGY STAR Labeled Products program has required that all products

earning the ENERGY STAR label be tested in an EPA-recognized laboratory and reviewed by an EPA-recognized certification body before they can carry the label; and has established ISO/IEC 17065 accreditation as a pre-requisite to becoming recognized as a certification body.

QUESTIONS:

- Is earning and maintaining ISO/IEC 17065 accreditation an appropriate demonstration that an organization meets the eligibility criteria for Demonstration of Impartial Governance required for recognition as a Verification Oversight Organization?
- What are the potential benefits or drawbacks to expanding the eligibility criteria for recognition as a Verification Oversight Organization to include ISO/IEC 17065 accredited organizations (such as impacts on consistency/reliability of ratings, or barriers to entry related to cost of accreditation)?
- What are the potential benefits or negative impacts to builders, verifiers, and homebuyers resulting from an ISO/IEC 17065-based approach to verification oversight (such as cost, certification time, and/or rating consistency and reliability)? What information is available to validate these benefits or concerns?
- Are there examples of other programs similar to the ENERGY STAR Certified Homes Program (other than ENERGY STAR Labeled Products, as identified above) that have relied on ISO/IEC 17065 accreditation? What has been the result of requiring accreditation for these programs and what lessons have been learned that could help to inform EPA's decision?

IV. The Role of ISO/IEC 17020 Accredited Organizations

As part of ISO/IEC 17065 certification schemes, certification bodies often rely on different accreditations for inspection/surveillance activities, depending on the nature of the conformity assessment being performed. ISO/IEC 17020² accredited organizations (i.e., inspection bodies) carry out assessments with the objective of providing information about the conformity of inspected items with regulations, standards, specifications, inspection schemes or contracts (in

² <https://www.iso.org/resources-for-conformity-assessment.html>

this case, ANSI/RESNET/ICC Standards 301 and 380, and all ENERGY STAR requirements and documentation, including the ENERGY STAR National/Regional Program Requirements documents, Energy Rating Index (ERI) Index Target Procedures, and Mandatory Measures Checklists). Activities of inspection bodies are defined as including the examination of materials, products, installations, plants, processes, work procedures or services, and the determination of their conformity with requirements and the subsequent reporting of results of these activities to clients and, when required, to authorities. Inspections can concern all stages during the lifetime of these items, including the design stage. It is noted that such work normally requires the exercise of professional judgment in performing the inspection.

If ISO/IEC 17065 accredited certification bodies were eligible to be recognized as VOOs, these organizations would likely rely on ISO/IEC 17020 accredited inspection bodies as verifiers, performing inspection conformance activities and conducting verification assessments of homes to be ENERGY STAR certified. However, consistent with established ISO/IEC guidelines, all verifiers of ENERGY STAR certified homes may not need to directly maintain their own ISO/IEC 17020 accreditation. Rather, at the discretion of the ISO/IEC 17065 certification body, another ISO/IEC 17020 accredited inspection body could outsource/sub-contract some or all of its inspection surveillance activities to a non-accredited organization, provided that the outsourced organization/sub-contractor demonstrates conformance to the requirements of ISO/IEC 17020 that apply to the activities that they provide to the accredited inspection body. Further, an ISO/IEC 17065 certification body may also be an ISO/IEC 17020 accredited inspection body itself, and may outsource/sub-contract some or all of its inspection surveillance activities to non-accredited organizations, subject to the same requirements.

QUESTIONS:

- Is earning and maintaining ISO/IEC 17020 accreditation (or being a sub-contractor to an ISO/IEC 17020 accredited inspection body) an appropriate requirement for verifiers of ENERGY STAR certified homes?

- Is ISO/IEC 17020 accreditation (or becoming a sub-contractor to an accredited organization) feasible/reasonable for the types of companies that are currently delivering energy ratings in the marketplace today?
- What are the potential benefits or drawbacks to requiring ISO/IEC 17020 accreditation or becoming a sub-contractor to an accredited organization (such as impacts on consistency/reliability of ratings, or barriers to entry related to cost of accreditation or sub-contracting relationships)?
- What are the potential benefits or negative impacts to builders and homebuyers resulting from an ISO/IEC 17020-based approach to conducting inspection surveillance activities and verification assessments of homes (such as cost, certification time, and/or rating consistency and reliability)? What information is available to validate these benefits or concerns?
- Are there examples of other programs similar to the ENERGY STAR Certified Homes Program that have relied on ISO/IEC 17020 accredited inspection bodies? What has been the result of requiring accreditation for these programs and what lessons have been learned that could help to inform EPA's decision?

V. Additional Input Regarding Demonstrating Impartiality and the Ability to Avoid Conflict of Interest

As part of EPA's consideration of adding ISO/IEC 17065 accreditation to the eligibility criteria to apply to become a Verification Oversight Organization, the Agency is also seeking comment on whether EPA should consider incorporating additional or alternative requirements in the VOO application to help ensure the impartiality and avoidance of conflict-of-interest of Verification Oversight Organizations, and if so, what those requirements might be. For example, ISO/IEC 17065 accredited certification bodies are subject to review by their Accrediting Body. Could a similar model be used for other types of organizations?

VI. Possible Timeline for Next Steps

If EPA determines that it is appropriate to allow organizations that earn and maintain ISO/IEC 17065 accreditation to submit an application to EPA to be recognized as a Verification Oversight Organization (VOO) for the ENERGY STAR Certified Homes program, the Agency would develop an ISO/IEC 17065 Certification Scheme for ENERGY STAR certified homes and a revised Verification Oversight Organization 'Application for Recognition.' The revised application would also include additional changes from the last updated version (2011) to account for industry changes (such as the development of ANSI/RESNET/ICC Standards 301 and 380, and the creation of a national registry of rated homes), and any ENERGY STAR Certified Homes program changes since the last revision.

Below is a possible timeline for next steps, should EPA determine that it is appropriate to move towards ISO/IEC 17065 Verification Oversight for the ENERGY STAR Certified Homes Program:

- August-November 2018: Comment Period for Request for Information: ISO/IEC 17065 Verification Oversight for the ENERGY STAR Certified Homes Program (~90 days)
- December-February 2018: EPA reviews stakeholder feedback on the Request for Information
- March 2019: EPA releases a Response to Comments summary for the Request for Information, and, if indicated, a first draft ISO/IEC Certification Scheme for ENERGY STAR certified homes and revised VOO application

If EPA proceeds with the development of an ISO/IEC Certification Scheme for ENERGY STAR certified homes, it is anticipated that there will be at least two stakeholder comment periods to respond to this and an accompanying revised VOO application, with the Agency developing a Response to Comments summary and revised materials after each round of comments. EPA estimates that this process would be completed in Quarter 4 of 2019.

QUESTIONS:

- Please provide any general or specific comments/feedback regarding the timeline outlined above.
- If EPA proceeds with allowing entities to meet the impartial governance eligibility criteria through ISO/IEC 17065 accreditation, and subsequently develops a Certification Scheme, what would be an appropriate timeframe for requiring such entities to add the Certification Scheme to their scope of accreditation?

VII. Additional Questions/Comments Related to Potential Revision of the Current VOO Application

- The current VOO application references the Mortgage Industry National Home Energy Rating Standards (MINHERS) as a baseline for many VOO responsibilities (such as verifier training and quality assurance), but also permits applicants to propose alternative approaches, provided that they are at least as rigorous as the requirements specified in the relevant chapter of the Mortgage Industry National Home Energy Rating Standards. Are there other industry standards that should be referenced in addition to, or in lieu of, MINHERS?
- Please provide any additional general or specific comments/feedback regarding other areas that EPA should address in revising the Verification Oversight Organization application.