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July 7, 2023

Ann Bailey, Director
ENERGY STAR Labeling Branch
U.S. Environmental Protection Agency
1200 Pennsylvania Ave NW
Washington, DC 20460

Submission via HVAC@energystar.gov

Re: Comments of National Energy & Fuel Institute on EPA's Proposal to Sunset ENERGY STAR Version 3.0 for Residential Boilers and Creation of a New Specification for Air-to-Water Heat Pumps

Dear Ms. Bailey:

The National Energy & Fuels Institute (NEFI) is submitting these comments in response to the request for input on the ENERGY STAR proposal dated June 5, 2023, which would sunset the ENERGY STAR Version 3.0 Specification for Residential Boilers and effectively replace it with a new specification for "air-to-water" (i.e., hydronic) heat pump systems.¹ NEFI appreciates the opportunity to share the perspectives of its members on this issue.

Established in 1942, NEFI is a national trade association that represents over 400 distributors of safe, reliable liquid heating fuels and related service companies. Our retail members, often referred to as "fuel dealers," deliver warmth and comfort to millions of American homes and businesses each winter. We represent both fuel delivery and "full service" businesses that also sell, install, and maintain various heating, ventilation, and air conditioning (HVAC) systems. These include oil- and biofuel-fired furnaces and boilers, gas systems, water heaters, and electric air source heat pumps. Most NEFI members are small, multigenerational family businesses with an average of 28 full-time equivalent employees.

The ENERGY STAR program, established in 1992, is a joint initiative of the U.S. Environmental Protection Agency ("EPA") and the U.S. Department of Energy and is authorized by Congress.² The program's original purpose was to reduce environmental impact and lower energy costs by promoting energy efficiency in homes and businesses. To this end, the program provides labels to help consumers identify the most efficient appliances for their budget, including HVAC systems.

¹ On June 5, 2023, the EPA issued a notice announcing the release of the ENERGY STAR Residential Boilers Discussion Guide and inviting early stakeholder feedback on proposals to sunset the boilers specification and create a new specification to cover heat pump hydronic heating appliances. The EPA first announced its intent to sunset boilers in a May 18, 2025, memorandum notifying stakeholders of the agency's plan to sunset specifications for residential furnaces and central air conditioners.

² ENERGY STAR is a registered trademark of the U.S. Environmental Protection Agency. It operates under authority provided under Section 103(g) of the Clean Air Act and Section 131 of the Energy Policy Act of 2005.

Consumers often look for the ENERGY STAR label when shopping for home appliances and electronics. According to the EPA, the ENERGY STAR label “provides simple, credible, and unbiased information that consumers and businesses rely on to make well-informed decisions” (emphasis added).³ According to a survey of American households, 90% recognize the ENERGY STAR label, and of the 45% that purchased ENERGY STAR labeled products in the past year, 74% were influenced by the label in their purchasing decision.⁴

Many state and local governments and private businesses consider ENERGY STAR to be the ‘gold standard’ when it comes to energy efficiency. As a result, many public and private entities utilize ENERGY STAR in establishing the minimum requirement for energy efficiency tax credits, rebates, and financing programs.

These comments should be seen as complimentary to NEFI’s letter submitted on June 22, 2023, in response to the EPA’s May 18 memo announcing the agency’s plan to sunset specifications for furnaces and central air conditioners. We view these proposals as interrelated, as both proposals are intended to eliminate non-electric heating systems from ENERGY STAR in favor of heat pump systems. Taken together, these proposals will restrict consumer choice and increase consumer costs, and conflict with Congressional and administration policies. NEFI asserts that the EPA could use the ENERGY STAR program to meet its objective of decarbonizing the economy without forcing the adoption of electric-powered products that may be less energy efficient and more expensive than existing alternatives.⁵

We are concerned about the process by which the EPA is carrying out these proposals. Section 131(c)(5) of the Energy Policy Act of 2005 requires the EPA and the U.S. Department of Energy to solicit comments from interested parties before making changes to an ENERGY STAR product category, specification, or criterion (or prior to effective dates for any such product category, specification, or criterion). Subsection (c)(6) further provides that, on adoption of a new or revised product category, specification, or criterion, the agencies must provide reasonable notice to interested parties of any changes (including effective dates) in product categories, specifications, or criteria, along with an explanation of the changes, and as appropriate, responses to comments submitted by interested parties.⁶

These proposals, which would eliminate whole categories of products from eligibility for ENERGY STAR certification and labelling, do not meet these statutory requirements. The agency informed a select group of stakeholders of its proposal to sunset the boiler specification via a listserv and provided only 30-days for public input. The comment period falls during two major federal holidays, with the comment deadline itself falling during a holiday week. As with the furnace proposal, the agency also failed to provide substantive analysis for its proposals, thereby precluding affected parties from making informed comments on the considerations and justifications underlying the decision to delete the product categories from the program. Rather

³ <https://www.energystar.gov/about>.

⁴ https://www.energystar.gov/sites/default/files/asset/document/PowerOfTheBrand_2017.pdf.

⁵ NEFI also joins in and endorses the comments submitted to this docket by the National Propane Gas Association (“NPGA”) and incorporates those comments herein.

⁶ 42 U.S.C. § 6294a(c).

than hold a hearing and obtain substantive input from stakeholders and the public, the EPA instead opted for a webinar held on June 21, 2023, that only briefly discussed the merits of sunseting the boiler specification before proceeding to lengthy discussion of the development of a new specification for air-to-water heat pumps. The EPA's proposed sunseting of specifications for both furnaces and boilers will have significant implications, and we urge they be withdrawn and published in the Federal Register with adequate opportunity for public review and comment.

As mentioned in our June 22 comments, American consumers rely on a diversity of heating fuels and technologies, depending on factors like geography, personal preference, and affordability. In its proposed elimination of furnaces and boilers from the ENERGY STAR program, the EPA jeopardizes the program's historic fuel- and technology-neutral approach to consumer appliances and makes it more difficult for homeowners to select the most suitable and efficient heating technology for their needs and, importantly, household budgets. They may inadvertently choose less efficient and more costly systems if the boiler specification is sunset.

Boilers remain very popular with homeowners in colder parts of the country, particularly in the Northeast region. Conventional boilers that meet existing ENERGY STAR specifications are incredibly efficient and cost-saving solutions for residents of these climates. They require about 10% of the energy of an air distribution system and transfer heat 3,500 times more quickly and efficiently.⁷ They can also heat larger homes more efficiently than other types of heating systems, because they can circulate hot water throughout the entire home, which helps to distribute the heat evenly.

Recently, manufacturers of modern and efficient boilers have announced new innovations that will achieve the dual aims of higher efficiencies and resulting cost savings and reduced greenhouse gas emissions. Chief among them are boilers designed to utilize 100% blends of Renewable Liquid Heating Fuels (RLHFs). This includes 100% biodiesel fuel, which when utilized in space heating applications is often referred to as B100 Bioheat® fuel. These innovations are assisting fuel marketers and state government alike in achieving ambitious climate goals.

You will recall that in 2019, the home heating oil industry made a formal commitment to achieve at least a 40% reduction in emissions by 2030, aiming for net-zero-carbon emissions by 2050. This roadmap, often referred to in the home heating industry as the *Providence Resolution*, is leveraging innovation and efficiency in space heating technologies and promoting the deployment of high blends of RLHFs. To support these objectives, NEFI collaborates with its members, as well as related local, state, and national associations. Furthermore, several states, such as Connecticut, New York, and Rhode Island, have mandated renewable fuel blending in all home heating oil and aim to achieve at least 50% blends by 2030.⁸ This provides an additional layer of market certainty. Meanwhile, other states are considering implementing blending requirements or incentive programs to further promote RLHF adoption.

Manufacturers of liquid-fuel appliances and equipment are also proactively supporting the objectives outlined in the *Providence Resolution*. For years, boilers and furnaces capable of

⁷ <https://www.pmmag.com/articles/104830-ray-wohlfarth-why-boilers-are-still-a-great-heating-source>.

⁸ See 296 CGS §16a-21b; NYCL ENV §19-0327; 23 RIGL §23-23.7.

operating with B20 (up to 20% biofuel blends) have been readily available to consumers. Now, the introduction of liquid fuel burners rated for B100 (up to 100% biofuel blends) is facilitating the deployment of fully renewable fuel-fired furnaces and boilers. In June, RW Beckett Corporation announced the availability of the industry's first UL listed burner for use with concentrations up to 100% renewable liquid heating fuel.⁹ At the 2023 Industry Summit hosted by NEFI in Springfield, Massachusetts on June 22, 2023, Carlin Combustion Technologies, Inc. announced it will also offer a UL listed 100% renewable fuel burner in coming months.

Given this industry-wide commitment, we propose that the EPA consider modifying existing ENERGY STAR specifications to further encourage market innovation and expand consumer choice, specifically for high-efficiency boilers designed for use with 100% renewable heating fuel blends. This approach could simultaneously advance the agency's decarbonization goals and preserve crucial consumer choice.

The ENERGY STAR program could enhance its mission of reducing residential energy consumption and greenhouse gas emissions by continuing to endorse both conventional hydronic systems and heat pump technology, without compelling consumers to choose one type of fuel source over another. This is particularly important given that many consumers, particularly those in cold climates, will need to rely on hybrid systems. ENERGY STAR specifications should be expanded to include a pathway for RLHF-fired systems. This would allow them to work in tandem with heat pumps to deliver the highest level of home comfort solutions safely and cost-effectively, while also reducing energy consumption and potentially harmful emissions.

In conclusion, we urge the EPA to reconsider its proposal and instead leverage the ENERGY STAR program to promote all efficient and sustainable heating solutions, ensuring a balance between environmental objectives and the interests and needs of American consumers.

We appreciate the opportunity to submit comments on this proposal. For any further discussion, questions, or if additional information is required, please feel free to contact me at (202) 508-3645 or jim.collura@nefi.com.

Respectfully submitted,



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Vice President and Director of Government Affairs
National Energy & Fuels Institute

⁹ <https://www.beckettcorp.com/product-announcements/r-w-beckett-af-afg-oil-and-renewable-fuels-burner-the-industrys-first-b100-ul-listed-burner>.