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August 21, 2023

Ann Bailey, Director
ENERGY STAR, Product Labeling

RE: ENERGY STAR Most Efficient Proposed Changes
via email to: MostEfficient@energystar.gov

Ms. Bailey:

Headquartered in St. Louis, Missouri, Nortek Global HVAC (Nortek) has been designing and manufacturing groundbreaking HVAC solutions for residential, manufactured housing, and light commercial buildings for over 100 years. Nortek currently serves 6 business segments, offering 12 trusted brands, and operating out of 3 manufacturing facilities employing over 2000 employees globally. As a result of federal, state, and local policy and incentives, electrification of space heating continues to increase in adoption. Nortek's engineering expertise and advanced technology continue to bring industry leading, environmentally responsible, cost-effective HVAC solutions customers rely on for residential and light commercial applications.

Nortek supports the Environmental Protection Agency's (EPA) stated intent for the Most Efficient Program to "recognize the best of Energy Star" and agrees that updates are needed for 2024. However, the changes from the 2023 criteria within the proposal are inconsistently applied to various product categories. Nortek recommends the following changes to maintain consistency and a level competitive environment across product categories:

Criteria should be rationalized with federal tax credit levels for both ducted and ductless heat pumps. While the basis for the Inflation Reduction Act tax credit differs slightly from that of the ENERGY STAR Most Efficient program, Nortek agrees that harmonized criteria will reduce complexity for the consumer. EPA proposes to match its criteria to that of the federal tax credit for non-ducted equipment only, which not only creates unequal opportunity for efficient ducted products to qualify, but it generates additional confusion to consumers and installers when determining product eligibility. EPA should align the criteria for ducted heat pumps with that of the Consortium for Energy Efficiency (CEE) specification for ducted air-source heat pumps in the North and Canada, Tier 1. This change would enable ENERGY STAR Most Efficient criteria to be a

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reference for tax credit-qualifying heat pumps more broadly, and it would also rationalize the EER2 requirement to be more reflective of the capabilities of multi-stage equipment.

Installation capability relief should be applied to both ducted and ductless heat pumps. Nortek supports the notion of pausing the applicability of the installation criteria as outlined in the proposal, but this relief is needed for both ducted and non-ducted equipment types. The installation criteria remain overly prescriptive and risk exclusion of otherwise efficient variable speed systems, regardless of equipment category. Quality installation is a crucial aspect of achieving maximum energy savings, but the execution of such remains a function of the trained installer.

Nortek appreciates that EPA maintains the simplicity of nation-wide requirements for equipment categories and avoids regional-specific criteria.

Sincerely,



Matthew H. Lattanzi
Vice President of Research and Innovation
Nortek Global HVAC