

Response to Comments: ISO/IEC 17065 Verification Oversight for the ENERGY STAR Certified Homes Program

On August 10, 2018, EPA solicited feedback from ENERGY STAR program stakeholders on whether the eligibility criteria for EPA recognition as a Verification Oversight Organization (VOO) for the ENERGY STAR New Construction program should be expanded to include organizations that earn and maintain accreditation through ISO/IEC 17065 “Conformity Assessment: Requirements for bodies certifying products, processes, and services.” EPA thanks all the organizations and individuals who provided comments and feedback in response to this Request for Information. In addition, EPA conducted additional outreach to ensure that stakeholders had their viewpoints represented and that potentially affected parties were aware of the possible changes and their potential impacts.

EPA received comments from the following organizations and/or groups:

- American National Standards Institute (ANSI)
- EAM Associates
- Energy Professional Exchange (EPX)
- Home Innovation Research Labs
- International Code Council (ICC)
- National Association of Home Builders (NAHB)
- Newport Partners
- Pando Alliance
- Residential Energy Services Network (RESNET)
- Tempo Partners/TexEnergy Solutions/US-EcoLogic
- Triconic

Based on careful consideration of the comments and additional outreach, EPA has determined that it is appropriate to expand the eligibility criteria for Verification Oversight Organizations to include ISO/IEC 17065. EPA will also maintain the existing non-profit eligibility criteria for new applicants and previously-recognized VOOs at this time. EPA will closely monitor the effectiveness of any ISO/IEC 17065-based oversight programs that are recognized and enter the market and may revisit this issue in the future. Likewise, EPA may move to propose sunseting ISO/IEC 17065 eligibility in the future if this approach to oversight does not result in satisfactory outcomes for the program.

All comments have been posted on the [ENERGY STAR website](#). The following document provides a summary of the main themes of the comments received and EPA’s responses.

ISO/IEC 17065

A majority of commenters expressed support for (or acceptance of) EPA expanding the VOO application eligibility criteria to include ISO/IEC 17065-accredited organizations. Specifically, commenters noted that ISO/IEC 17065 accreditation would or could potentially provide:

- An effective demonstration of impartial governance and accountability;
- An increase in confidence in the ENERGY STAR New Construction program, resulting in overall strengthening of the ENERGY STAR brand;
- Assurance of consistency and competency of certification;
- Additional choices for program partners seeking ENERGY STAR certification;
- Additional market competition and innovation, with possible reduced costs for participants;
- An increase in the standard of performance of the industry and levelling of the playing field;
- Overall increased rigor to the ENERGY STAR New Construction program, including the addition of internal processes to consistently evaluate conformity and perform internal audits of operational practices;
- An increase in the value of the program to builders and consumers;
- Assurance that if an issue arises, a complaints and appeals process is available and corrective actions will be completed;
- Consistency with other federal governmental programs (i.e., WaterSense, ENERGY STAR Labeled Products, TSCA Title VI, etc.);
- A clear and consistent set of expectations for builders; and
- A clearer distinction between the role of builders and verifiers.

Other ISO/IEC 17065 Programs

In response to EPA's request for examples of other programs similar to the ENERGY STAR New Construction program that utilize ISO/IEC 17065 accreditation or reference it as an option, commenters provided two relevant examples:

- LEED v4 for Neighborhood Development

The U.S. Green Building Council (USGBC)'s Leadership in Energy and Environmental Design (LEED) v4 for Neighborhood Development has a prerequisite called [Certified Green Building](#). This prerequisite can be met either directly through LEED or through an alternative green building rating system that requires review by independent, impartial, third-party certifying bodies that have been accredited by an IAF-accredited body to ISO/IEC Guide 65 or, when available, ISO/IEC 17065. However, it is noted that to date, no projects have submitted any non-LEED green building rating systems using ISO compliance. For additional information, see <https://www.usgbc.org/articles/getting-know-leed-neighborhood-development>.

- National Green Building Standard (NGBS) Green Certification

While the ICC/ASHRAE 700 National Green Building Standard (NGBS), as implemented by Home Innovation Research Labs, is not a fully ISO/IEC 17065 accredited program, it utilizes a program certification model based on the ISO/IEC 17065 process. For additional information, see www.homeinnovation.com/Green.

Despite limited demonstrated marketplace application of ISO/IEC 17065 in whole-building certification programs, EPA believes that a program such as ENERGY STAR New Construction is within the scope and intent of ISO/IEC 17065 and that the standard can function effectively in a whole-building context. It should also be noted that EPA has specified ISO/IEC 17065 accreditation as an eligibility option for organizations applying to be recognized as a pilot Multifamily Review Organization (MRO) through the ENERGY STAR Multifamily High Rise (ESMFHR) program.

Concerns

While many commenters expressed support for the expansion of the VOO eligibility criteria to include ISO/IEC 17065 accreditation, several commenters expressed concerns as well. These concerns can be generally grouped into the following areas:

- Cost
- Consistency
- Complexity/Confusion

Cost

Some commenters expressed concern with potential increased costs on the industry with an ISO/IEC 17065-based certification program. These concerns were specifically related to the cost of accreditation for VOO applicants, the potential for increased administrative costs for verifiers, and potential cost impacts for builders and consumers.

As previously noted, EPA is maintaining the non-profit eligibility option and is not requiring that VOOs be ISO/IEC 17065 accredited at this time. Therefore, any concerns regarding potential accreditation costs for VOO applicants should be alleviated.

EPA recognizes that the costs to the verifiers, builders, and consumers are difficult to predict; however, EPA notes that feedback received from organizations that have implemented certification programs using ISO/IEC 17065 indicate that the process is not inherently more costly. If a partner found the ISO/IEC 17065 approach to be too costly, they could choose to continue to participate in the certification program that they currently use. Further, EPA acknowledges that allowing ISO/IEC 17065-accredited organizations in addition to non-profit organizations may bring additional competition to the marketplace and actually reduce costs and/or increase the overall value of the certification process for participants.

Consistency

Some commenters expressed concern that having multiple recognized VOOs may result in a loss of consistency in the certification process for ENERGY STAR certified homes and apartments and that this inconsistency could endanger the integrity of the program. One commenter also expressed concern that the market forces might lead partners to choose the least stringent VOO, if these organizations are not held to the same level of consistency. In general, commenters noted the strong need for EPA to safeguard consistency across VOOs, should more than one organization be recognized in the future.

EPA acknowledges that allowing ISO/IEC 17065-accredited organizations to apply to become VOOs could exacerbate inconsistency in the market and that having multiple organizations responsible for

certification could lead to issues of reliability and variability of ratings. However, EPA notes that while expanding the eligibility criteria to include ISO/IEC 17065 accreditation may increase the pool of applicants, the potential for competition (and inconsistency) exists currently, as the VOO application has been available for any organizations that meet the current non-profit eligibility option to apply for recognition. EPA also notes that several commenters raised concerns regarding the consistency of ratings with the current oversight structure in the market today, with verification being implemented over a large network of Home Energy Raters and accredited Rating Providers.

To minimize the potential for consistency issues, EPA is committed to developing a strong Certification Protocol for ENERGY STAR certified homes and apartments and providing clear and consistent oversight requirements for all recognized VOOs related to the training, credentialing, and quality assurance of their verifiers, as well as their own internal operations. EPA will also continue to monitor the effectiveness of the VOO requirements and make adjustments as needed, to ensure the integrity of the program.

Complexity/Confusion

Some commenters expressed concern that ISO/IEC 17065-based certification was overly complex, and that if the system was perceived by the marketplace as being too confusing, there is the potential that organizations will not participate in the ENERGY STAR New Construction program.

Again, EPA notes that it is maintaining the non-profit eligibility option and is not requiring that VOOs be ISO/IEC 17065 accredited at this time. Therefore, concerns regarding the potential complexity of ISO/IEC 17065-based certification should be alleviated. If an ISO/IEC 17065-accredited organization is recognized as a VOO in the future, ENERGY STAR residential program partners would have the opportunity to explore how such a certification program might provide value for them, but they would not be required to use such a system. If the partner found the ISO/IEC 17065 approach to be too complex or confusing, they could choose to continue to participate in the certification program that they currently use. EPA further acknowledges that while expanding the eligibility criteria does create more complexity; doing so also provides more options, which leads to more choices for program partners. EPA intends to schedule a series of webinars and other opportunities for stakeholders to ask any questions that they may have about the proposed changes to the Verification Oversight Organization application and implications for program partners.

ISO/IEC 17020

EPA thanks the commenters who provided detailed feedback regarding ISO/IEC 17020 accreditation for inspection bodies. ISO/IEC 17020 accreditation is an important element of ISO/IEC 17065, as it provides requirements for the inspection bodies (i.e., verifiers) that perform inspection conformance activities and conduct verification assessments of homes and apartments for ENERGY STAR certification. An ISO/IEC 17065-accredited organization would accept the verification assessment of an ISO/IEC 17020-accredited inspection body, much like how an ISO/IEC 17065-accredited organization accepts test results of an ISO/IEC 17025-accredited testing laboratory, as utilized by the ENERGY STAR Labeled Products program. It is EPA's understanding that there are three possible ways for an ISO/IEC 17065 accredited organization to utilize ISO/IEC 17020 accreditation in their activities:

1. The ISO/IEC 17065 accredited organization is also ISO/IEC 17020 accredited, but allows non-accredited verifiers to participate based on its internal program requirements.
2. The ISO/IEC 17065 accredited organization is also ISO/IEC 17020 accredited, but may require or allow verifiers to be ISO/IEC 17020 accredited.
3. The ISO/IEC 17065 accredited organization is not also ISO/IEC 17020 accredited, necessitating partnership with separate inspection bodies that are ISO/IEC 17020 accredited.

EPA believes that the most likely marketplace outcome for ISO/IEC 17020 accreditation is described in Scenario 1, with verifiers not being required to pursue their own accreditation through ISO/IEC 17020 (though they may have the option to do so, if they choose). ISO/IEC 17065 accredited organizations have the authority and governance in their relationship with inspection bodies, and EPA will allow them to determine how best to implement ISO/IEC 17020 accreditation in their operations.

Reference to MINHERS

Some commenters expressed concern regarding EPA's normative reference of the Mortgage Industry National Home Energy Rating Standards (MINHERS) in the VOO Application, noting that this is a "captive standard" that is held by a specific entity and not ANSI-accredited.

EPA recognizes the difficulties in directing one organization to adhere to another organization's program requirements; however, EPA believes that to maintain the rigor of the program, the MINHERS Standard minimum requirements should continue to be cited, unless and until an equivalent, publicly available replacement is identified. EPA has included reference to MINHERS in the draft revised VOO Application, but in some cases, also allows applicants to propose alternative protocols with documentation, so long as those protocols are at least as rigorous as those specified under MINHERS. EPA continues to invite feedback on this issue through the upcoming comment process.