

September 9, 2011

Ms. Abigail Daken
ENERGY STAR® Water Heater Program Manager
U.S. Environmental Protection Agency (EPA)
1200 Pennsylvania Avenue NW
MC 6202J
Washington, DC 20460

Re: ENERGY STAR Program Requirements
Product Specification for Residential Water Heaters
Eligibility Criteria
Version 2.0: Draft 1

Dear Ms. Daken:

The California Solar Energy Industries Association (CALSEIA) is a solar energy trade association representing approximately 200 companies involved in California's solar energy industry. At least 50 of our members manufacture, distribute, or install solar water-heating systems. CALSEIA, therefore, has an ongoing interest in regulations, which impact solar heating-related businesses. Additionally, in the mid-2000s CALSEIA was a key participant in several workshops that led to introduction of the Energy Star Water Heating Program. CALSEIA offers the following comments on questions posed by EPA in Version 2.0 Draft 1 and associated documents:

- *EPA intends to examine if there is a more effective tool than ENERGY STAR for encouraging broader adoption of solar water heating systems.*

The Energy Star designation is one of a number of market development tools, which – when taken together – provide technology recognition and increased affordability. For example, a number of states have come to rely on Energy Star as a measure of energy efficiency and increased consumer protection. In the course of developing incentive programs for renewable energy products, the Energy Star designation, coupled with solar energy system certification, increases the comfort level of renewable energy program administrators.

Removing the Energy Star designation would likely have a deleterious effect on market acceptance of solar water heating systems.

- *EPA remains concerned about the consumer cost effectiveness of these systems, even taking 30% tax credits into account and comparing them to conventional systems.*

Solar water heating markets exist in areas where energy rates are tiered and high-energy users have some portion of their consumption priced in the higher tiers. State and federal incentives, consumer awareness and increased product sales volume also expand markets for solar water heaters. The prospect of de-listing solar water heaters from the Energy Star Program causes great concern to those solar companies who participated in developing the Energy Star Water Heater Program, and who invested their time and resources to earn the Energy Star listing. It is difficult to envision any positive outcome from this course of action. Instead, de-listing would likely reduce consumer awareness and cause upward pressure on prices.

- *Does the Energy Star label add significant value to solar system certification?*

The Energy Star label contributes significantly to a product's certification value, because Energy Star is a widely-known mark. By displaying this mark near the certification mark, product sellers increase customer confidence, leading to a competitive advantage.

CALSEIA appreciates the opportunity to provide these comments. Please contact Les Nelson, Chair of CALSEIA's Solar Heating and Cooling Committee if you would like additional information.

Sincerely,

Mignon Marks

Mignon Marks
Executive Director

cc: Les Nelson, (949) 230-9060

