

UNITED STATES ENVIRONMENTAL PROTECTION AGENCY
WASHINGTON, D.C. 20460



OFFICE OF
AIR AND RADIATION

May 27, 2011

Dear ENERGY STAR® Water Heaters Stakeholder or Other Interested Party:

With this letter, the U.S. Environmental Protection Agency (EPA) is pleased to announce the launch of the ENERGY STAR Version 2.0 Water Heaters specification development process. The current ENERGY STAR specification has been in place since January 1, 2009. EPA estimates that approximately 37 million residential water heaters will be replaced in the next five years creating an opportunity to substantially increase energy savings. The specification development process, including subsequent specification drafts and stakeholder comment periods, is anticipated to conclude at the end of 2011. Until the Water Heaters Version 2.0 specification is finalized with an announced effective date, Version 1.0 of the specification will remain in force and available for partner use.

The attached Water Heaters V2.0 Specification Framework outlines EPA's reassessment of the current ENERGY STAR Water Heater requirements and is intended to enable discussion of these points with stakeholders. Included in this document are EPA's initial thoughts on issues such as scope of the program, referenced test protocols, and potential revisions to program requirements. As noted in this framework document, EPA intends to focus the water heater specification revision on the following elements:

Technology Neutrality: The ENERGY STAR Program has a long history of setting technology-neutral performance specifications. Because consumers shop for water heaters, not for water heater technologies, it is important for the ENERGY STAR label to mean the same thing in terms of energy savings, regardless of technology.

Revisions to Existing Product Categories

- **Solar Water Heaters:** A re-evaluation of the metrics for efficiency is required to support a technology neutral approach. EPA intends to examine the applicability of Energy Factor (EF), Solar Energy Factor (SEF), and Solar Fraction (SF) with respect to technology neutrality.

- Gas Condensing Water Heaters: EPA is considering combining gas condensing water heaters and high efficiency gas storage water heaters into a single category.

Consideration of New Product Categories

- Add-on Heat Pump Water Heaters: Reliable Add-on heat pump water heaters may have the potential to increase the efficiency of the installed base of water heaters, and are being considered for the ENERGY STAR Program.
- Point-of-use Electric Tankless Water Heaters: Since originally being excluded from the first specification in 2009, industry members and advocates have come together to make a case for electric tankless products appropriate for point-of-use (POU) to be included in the ENERGY STAR Program.

Revision Schedule

EPA will host a webinar to discuss this framework document on June 22, 2011. To RSVP, please e-mail Waterheaters@energystar.gov. Further information and a detailed agenda will be distributed to confirmed attendees in advance of the meeting. EPA anticipates distributing a first draft of the revised specification in July 2011. As EPA moves forward with the revision process, EPA will solicit input from all stakeholders on an ongoing basis via draft specifications, e-mail updates, and stakeholder meetings. In addition, all documents related to this specification development process will be posted to the ENERGY STAR Product Development Web site.

The anticipated schedule for the specification revision is as follows:

May 2011	Launch of Specification Revision Process, release of specification framework
June 22, 2011	Stakeholder webinar and discussion
June 24, 2011	Comment period closes on Specification Framework
July 2011	Draft 1 Specification distributed, stakeholder webinar or meeting, comment period
September 2011	Draft 2 specification distributed, stakeholder comment period
November 2011	Final Draft specification distributed, stakeholder comment period
December 2011	Final specification published
September 2012	Final specification goes into effect

Written comments on the specification framework may be submitted to Waterheaters@energystar.gov by June 24 2011, with the subject line "ENERGY STAR Water Heaters Specification Framework". Comment letters received will be posted to the ENERGY STAR Product Development Web site except those marked "Do Not Post".

Please direct any additional questions to Abigail Daken at EPA, daken.abigail@epa.gov or 202-343-9375, or to Craig Haglund at chaglund@drintl.com or 301-588-9387. Thank you for your continued support of the ENERGY STAR program.

Sincerely,

Abigail Daken
ENERGY STAR Water Heater Program Manager
U.S. Environmental Protection Agency