

**Final Draft Version 2.0 Water Cooler Specification
Comment Response Document**

No.	Comment	EPA Response
1	<p>The vast majority of hot and cold water cooler models with the 25% of EPA's third party dataset using the new 0.87 kWh/day level are retail and/or point of use (POU) models. EPA is dismissing a large number of highly energy efficient hot and cold bottled water cooler models currently used by the bottled water industry to meet the demands of its home and delivery (HOD) customers. Retail models are only built to last 2-3 years while more robust HOD models are built to last and maintain their energy efficiency for 12-15 years. Driving consumers toward cheap, throw away retail water cooler models with shorter term energy efficiency capabilities seems completely contrary to EPA's own goals.</p>	<p>In reviewing the ENERGY STAR QPL, EPA conducted a more thorough analysis, which included pulling out on demand units with significantly lower energy consumption that may have skewed the level. EPA then identified commercial versus residential brands and models. In doing so, EPA found several examples of hot and cold water coolers sold at retail and through HOD channels that can meet the final 0.87 kWh/day level, which represents the top 25% of this data set. Furthermore, discussions with manufacturers indicated that greater energy efficiency does not necessarily mean that product longevity and functionality are compromised. Throughout the draft development process, EPA has encouraged stakeholders to provide more information and data that support a different approach for retail vs. HOD. To date, EPA has not received any additional information or data and continues to believe that the levels as proposed are achievable for models offered in both market channels.</p>
2	<p>The proposed level of 0.87 kWh/day is likely to be unachievable and/or unaffordable for water cooler manufacturers for those products targeted to the HOD customer. A request was made that EPA compare the ENERGY STAR test method against the IBWA consecutive cup draw performance tests and standards to determine if this proposed level can in fact be achieved. EPA was also asked to participate in further discussions with IBWA and members regarding what an appropriate standby level might be over the next 3-5 years. EPA has not been responsive to these requests and is not making an effort to better understand the needs of our consumers.</p>	<p>EPA understands the challenges faced in an industry where no revisions have been made to ENERGY STAR requirements for an extended period. Stakeholders agree that with the high current market penetration of ENERGY STAR water coolers there has been little incentive for competition based on efficiency and the mark has served as a checkbox rather than market driver and differentiator. Therefore, to ensure that ENERGY STAR continues to bring value to the consumer and be representative of the top performers in the marketplace, EPA is finalizing levels that are feasible now and will reward manufacturers who have already taken the step toward more efficient designs and encourage others to innovate. EPA has been responsive to stakeholder concerns, holding an in-person stakeholder meeting during the IBWA conference in 2012 as well as numerous follow-up calls with IBWA representatives. Furthermore, based on continued stakeholder concerns EPA adjusted the hot and cold level from 0.81 to 0.87 kWh/day and actively reached out to several manufacturers to learn more about product designs, current and emerging. Similar to all specification development processes, EPA strives to be transparent and considers all feedback and data submitted for consideration. With regards to the cup draw performance test and standards, EPA requested on multiple occasions data, or other technical information, that could support claims that the energy use during the On-Mode No Water Withdraw test for a hot and cold unit is related to its capacity (e.g. in cups per hour). EPA also asked for data or studies on other factors such as any relation between energy use and tank temperature settings. Absent data that shows a clear link between capacity or other features, and that suggests a means to establish categories of products and appropriate criteria, EPA could not accommodate these requests.</p>

3	<p>The effective date of Version 2.0 is concerning, particularly with regards to how it will affect older ENERGY STAR units qualified under previous specifications. We believe that these model units should be considered ENERGY STAR compliant as long as they remain in the marketplace and regardless of how many times they may be retrieved from one customer and placed with another after being cleaned, sanitized, and in some cases refurbished. It is not disingenuous to customers or the ENERGY STAR program to continue to present these units as ENERGY STAR compliant if they were properly certified under an earlier specification version at the time of manufacturing.</p>	<p>There is no grandfathering in ENERGY STAR. EPA understands the concern regarding water coolers qualified under Version 1.3 and already placed on-site, and the ability of an end user to verify that at the time of placement the water cooler met ENERGY STAR requirements. To that end, EPA does archive final QPLs on the ENERGY STAR website prior to the new specification taking effect, which will provide customers the opportunity to see what models met the older requirements at the time of placement. However, customers receiving new water cooler placements via a new contract and requesting an ENERGY STAR qualified unit as of February 1, 2013 will expect that it meets the Version 2.0 requirements and provide savings over a standard model. Recognizing that removing the label from all previously qualified water coolers may be unreasonable within this distribution channel, EPA instead asks that as of February 1, 2013 manufacturers and distributors to only promote those water cooler models that meet the new Version 2.0 requirements as ENERGY STAR for those that request it. EPA is looking to distributors to clearly delineate those water cooler models (and associated units) that meet the Version 2.0 compared to previously qualified, and in many cases labeled, units.</p>
4	<p>There is concern about the potential barriers to business that these new requirements, if implemented, will have on the bottled water industry as state and federal energy efficiency standards are enacted and mandated. Understanding that ENERGY STAR is voluntary, there are some states that now require water cooler energy efficiency standards to mirror ENERGY STAR requirements. The U.S. Congress has also considered enacting similar mandates in the past and are likely to do so again in the future. It will be unacceptable for the bottled water industry to be forced, because of EPA's actions, to manufacture and distribute water cooler models in some states or throughout the U.S. that must meet ENERGY STAR certification standards, in particular if the new 0.87 kWh/day level is adopted.</p>	<p>EPA has worked with stakeholders to establish efficiency requirements that recognize more efficient models in the market today. These requirements are not designed for use as minimum efficiency requirements. EPA's data demonstrates that approximately 25% of the market can meet them and welcomes the chance to discuss our rationale for finalizing these levels for use in the ENERGY STAR program with a broader group of stakeholders should partners find this helpful.</p>