November 11, 2009

Steve Ryan, EPA
c/o Christina Chang, ICF
ENERGY STAR Program Manager
Environmental Protection Agency
Ariel Rios Building, SW, MS 6202J
1200 Pennsylvania Avenue, NW
Washington, DC 20460

Dear Mr. Ryan:

Thank you for the opportunity to provide comments on the ENERGY STAR specification for Light Commercial HVAC Equipment (FINAL DRAFT). The CEE Commercial HVAC Committee (the Committee) convened to review and provide comments on this final draft. The Committee remains committed to the recommendations conveyed in previous correspondence and takes this opportunity to emphasize its positions and basis.

Increase EER to 11.6 for Packaged Air Conditioners ≤65,000 Btu/h

The Committee recommended in Draft 2 comments (June 2009), and continues to believe, that ENERGY STAR should align its performance levels for packaged air conditioners (perhaps the product category that is most likely to be positively influenced by ENERGY STAR) with the levels promoted by the majority of efficiency program administrators (CEE Tier 1). This alignment would be achieved by raising the EER value from 11.0 to 11.6. The Committee strongly believes that it would be a mistake for the ENERGY STAR performance levels not to align with existing CEE Tier 1 levels, which have been in place since January 1, 2009. The Committee agrees with EPA’s proposal to align with CEE Tier 1 for split system air conditioners, and believe there are two strong reasons—both rooted in strengthening the ENERGY STAR Brand—to expand this alignment to packaged units:

- **Obtaining all currently available savings**: The EPA proposal does not achieve the maximum amount of kWh and kW savings possible, thereby diminishing its value in the market. As EPA points out in its comment response document, the increase from 11.0 to 11.6 EER for packaged units has a minimal effect on model availability (from 1507 to 1436 qualified products; or a decrease in the compliance rate from 26% to 25%). Increasing the performance levels from 11.0 to 11.6 EER will result in additional kW savings across the country (.13 kW annual per-unit saved in California) and kWh savings in regions with
relatively high outdoor ambient temperatures (i.e., 95° Fahrenheit). Many utilities incorporate a demand charge on kW used, so an increase in EER will also translate to direct financial savings for commercial customers.

- **Positioning ENERGY STAR for increased promotion locally:** Due to EPA’s limited marketing budget, CEE members and other Partners are key boosters of the ENERGY STAR Brand in the market. CEE member programs have been promoting 11.6 EER for almost a year with success. The Committee indicated that if ENERGY STAR is to finalize performance levels less than 11.6 EER, then they will not be able to use ENERGY STAR for these products, thereby diminishing its value in this market. Setting EER at 11.6 will increase investment in ENERGY STAR without compromising its brand tenets.

EPA cites a desire to align small commercial packaged system performance levels with residential performance requirements. Given the different customer segments, operating tendencies, model availability, economic value of demand savings and other differences, we do not believe EPA’s basis is compelling and serves the broader interests of the ENERGY STAR Program, Brand, or CEE members. In our estimation, the price of simplicity in this case is too great. If simplicity is the primary objective, the Committee recommends evaluating an upward adjustment to the EER requirement (to 11.6) for residential packaged equipment.

**IEER Performance Levels**

Given the past guidance of the CEE Board Committee on ENERGY STAR, which encourages consistent use of the ENERGY STAR brand tenets across product categories covered by the program, CEE recommends that EPA not specify IEER values in the specification at this time. Given the lack of IEER data and analysis at this time there is not a compelling basis to include or exclude products based on IEER performance levels. Once the IEER performance data is available and associated analysis conducted, the Committee looks forward to providing input to support ENERGY STAR performance levels that capture the top 25% of products in the market.

Once again, CEE would like to thank the EPA for the opportunity to comment on the ENERGY STAR specification for Light Commercial HVAC Equipment (FINAL DRAFT). Please contact CEE Senior Program Manager, Afroz Khan, at 617-337-9266 with any questions about these comments.

Sincerely,

Marc Hoffman
Executive Director