



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

OFFICE OF
AIR AND RADIATION

January 16, 2013

Dear Commercial Water Heater Manufacturer or Other Interested Party:

With this letter, the U.S. Environmental Protection Agency (EPA) is updating the Final Draft Version 1.0 ENERGY STAR Commercial Water Heater specification previously distributed on December 6, 2012. Any new comments on this updated Final Draft proposal will be accepted through **January 30, 2013**. We anticipate releasing the Final Version 1.0 specification in the first week of February, at which time it will be immediately effective.

The primary purpose in updating the Final Draft is to address a key issue brought forth by stakeholders during the most recent comment period. Several stakeholders informed EPA that in limiting the input rate of gas instantaneous water heaters to greater than 200,000 Btu/hr, the program is excluding smaller gas instantaneous water heaters sold to the commercial market and designed to heat above 180F. EPA does not intend to exclude these products and believes that their inclusion will provide greater consumer choice. Therefore, EPA has removed the "greater than 200,000 Btu/hr" language from the gas instantaneous water heater definition allowing these appliances to qualify under the Version 1.0 specification.

Additional changes were needed to include smaller gas instantaneous water heaters in light of the fact that the U.S. Department of Energy (DOE) requires that some instantaneous water heaters sold in the commercial market with input rates less than 200,000 Btu/hr be rated using the Energy Factor (EF) metric while others are required to be rated using Thermal Efficiency (TE). To allow manufacturers who seek ENERGY STAR certification to use EF or TE as required by the federal standard, EPA is proposing that products with input rates less than 200,000 Btu/hr may certify either against an EF rating of 0.93 or a TE rating, as previously vetted, of 0.94. Products with a 0.94 TE rating and products with a 0.93 EF rating will deliver essentially equivalent efficiency in use. Allowing the 0.93 EF level ensures that top performers across all product types covered by this specification are eligible for the ENERGY STAR.

The updated Final Draft retains all of the remaining requirements as outlined in the previous Final Draft specification except for the following adjustments:

- **Definitions:** To avoid excluding water heaters with input rates less than 200,000 Btu/hr, EPA has deleted the phrase "input greater than 200,000 Btu/hr" from the gas instantaneous water heater definition in Section 1. A new EF definition has also been added to this section.
- **Requirements:** The table of requirements has been amended to allow the use of EF as well as TE for a rating method.
- **Test Method Reference:** EPA has added the federal test method to Table 4 in Section 4 for purposes of measuring EF, i.e., 10 CFR Part 430, subpart B, Appendix E.

EPA addresses these changes and other stakeholder comments within note boxes found throughout the updated Final Draft specification.

Comment Submittal

Any comments on the updated Final Draft Version 1.0 specification should be submitted to Commercialwaterheaters@energystar.gov no later than **January 30, 2013**. All comments will be posted to the ENERGY STAR Product Development website unless the submitter requests otherwise.

The exchange of ideas and information between EPA, industry, and other interested parties is critical to the success of ENERGY STAR. To track EPA's progress in developing the ENERGY STAR Commercial Water Heaters specification, go to www.energystar.gov/newspecs and click on the Commercial Water Heaters Version 1.0 development link under Heating and Cooling.

Please direct any specific questions to Abigail Daken, EPA, at daken.abigail@epa.gov or 202-343-9375 or Sarah Medepalli, ICF International, at sarah.medepalli@icfi.com or 202-677-5201. Questions regarding test methods may be addressed to Ashley Armstrong, DOE, at ashley.armstrong@ee.doe.gov or 202-586-6590. Thank you for your continued support of ENERGY STAR.

Sincerely,

A handwritten signature in cursive script, appearing to read "Abigail Daken".

Abigail Daken, Product Manager
ENERGY STAR for HVAC