

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



OFFICE OF
AIR AND RADIATION

June 19, 2014

Dear ENERGY STAR® Water Heater Stakeholder:

The U.S. Environmental Protection Agency (EPA) is pleased to share the attached Final Draft Version 3.0 ENERGY STAR® Water Heaters specification. EPA appreciates the time and effort industry stakeholders have invested to contribute detailed feedback to inform the specification development process. For this specification development, the responsiveness of stakeholders was a particular help in meeting our shared goal of aligning the effective date with that for the upcoming DOE standards. Any comments on this Final Draft should be submitted to EPA no later than July 3, 2014. Please note that this is the last opportunity to comment before EPA finalizes the Version 3.0 specification.

The Final Draft specification was developed based on comments received on the Draft 1 specification as well as subsequent stakeholder discussions and research. Significant feedback was received in four areas, as discussed below.

- **Gas Storage Water Heaters Greater than 55 gal:** Many stakeholders asserted that the Energy Factor (EF) requirement of 0.80 proposed in Draft 1 for large gas storage water heaters was too stringent. EPA undertook detailed discussions with manufacturers on the basis for this claim, and completed thorough analysis of similar products currently on the market. Based on these efforts, EPA has decided to lower the requirement to 0.77.
- **Light Duty EPACT Covered Gas Water Heaters:** Given that these products serve the same consumer need as large gas storage water heaters, EPA's intention is to keep the requirements roughly equivalent. To be consistent with the change to EF, above, EPA is proposing to revise the standby loss requirement such that it corresponds to an EF of 0.77, with the Thermal Efficiency requirement retained at 0.90. This change also addresses stakeholders' concern that the standby loss requirement in Draft 1 was too stringent for current models. This change may allow an ample selection of currently certified models to remain on the ENERGY STAR certified product list.
- **Connected Criteria:** Taking into consideration the stakeholder comments received on connected criteria, and subsequent discussions, EPA agrees that development of connected criteria for ENERGY STAR water heaters is premature at this time, while two major efforts around connected or grid-enabled water heaters are ongoing. These are the CEE-AHRI discussions, and the DOE rulemaking efforts around grid-enabled large electric resistance water heaters. As such, the connected criteria section has been removed. EPA anticipates continued dialogue with stakeholders about the developing market for connected products.

- **Warranty Requirements:** EPA has moved to uniform warranty requirements for all products except solar water heaters. The need for differential requirements for gas instantaneous, most notably, has passed as technologies have matured.

EPA addresses these and additional stakeholder comments on Draft 1 in note boxes found throughout the Final Draft specification.

Comment Submittal

Any written comments for EPA consideration may be submitted to Waterheaters@energystar.gov by **July 3, 2014**. All comments will be posted to the ENERGY STAR Product Development website unless the submitter requests otherwise.

Specification and supporting materials will be posted on the ENERGY STAR web site. To track EPA's progress with the revision of this specification, please visit the Product Development website at www.energystar.gov/revisedspecs and follow the link to "Version 3.0 is in development" under Water Heaters.

Please direct any specific questions to Abigail Daken at EPA, daken.abigail@epa.gov and 202-343-9375 or Sarah Medepalli, ICF International, at sarah.medepalli@icfi.com and 202-677-5201. Please direct specific questions regarding test method to Ashley Armstrong at the U.S. Department of Energy (DOE), Ashley.armstrong@ee.doe.gov and 202-586-6590.

Thank you for taking the time to review this draft specification.

Sincerely,



Abigail Daken
Product Manager
ENERGY STAR HVAC Program