

February 27, 2006

David Shiller ENERGY STAR Marketing Manager Environmental Protection Agency C/o Gwen Duff, ICF Consulting 1725 Eye Street NW, Suite 1000 Washington, DC 20006

Dear Mr. Shiller:

On behalf of GasNetworks®¹, I am submitting the following comments on EPA's proposal to sunset the ENERGY STAR Thermostat Specification (Specification). The members of GasNetworks thank you for the opportunity to provide input on the proposal. GasNetworks has consistently been a strong supporter of EPA's efforts to ensure that all products currently eligible for the ENERGY STAR label deliver expected savings and enhance the overall mission of the ENERGY STAR program. In fact, the collaborative of New England's largest gas utilities, i.e. GasNetworks, was founded on the principle of promoting energy efficient gas technologies in the marketplace and has been an ENERGY STAR partner since its inception in 1997.

We believe the EPA Should <u>NOT</u> Temporarily Suspend the ENERGY STAR Thermostat Label for the following reasons:

- We are in the midst of a global energy crisis and this is not the time to confuse consumers and the overall marketplace with "suspensions" of a well known and entrenched energysaving product.
- The rationale for EPA's recommendation to suspend or "sunset" the program is based on outdated studies consisting of small sample sizes.
- The newer, more user-friendly programmable thermostats are undeniably more likely to change consumer behavior than those used in the studies referenced by EPA, making these studies inapplicable by today's standards.
- Energy efficiency programs combining ENERGY STAR-labeled products with consumer education have realized significant fossil fuel savings, particularly in the Northeast.
- Maintaining the ENERGY STAR label is more important than ever for marketing energy-saving products such as programmable thermostats.
- Rising energy costs provide further incentive for consumers to yield significant energy savings through setback programming.

¹ GasNetworks® is a nationally-recognized and award-winning energy efficiency collaborative consisting of New England's largest natural gas companies serving residential and commercial & industrial customers throughout the Northeast. Members include; Bay State Gas, Berkshire Gas, KeySpan Energy (MA, NH), New England Gas (MA), Northern Utilities (NH, ME) NSTAR Gas, and Unitil (MA).

- Suspension of the ENERGY STAR label handicaps the utilities ability to promote and
 incentivize a known energy-saving devise that can help our consumers, including our most
 vulnerable and low-income customers, save energy and money on what are their highest fuel
 costs they have ever seen.
- The option of suspending the program is counter-productive given all of the recent gains realized here in New England regarding programmable thermostats (i.e., consumer education, retailer partnerships, demonstrated product improvements, and much greater consumer acceptance, etc.)

As previously stated, all GasNetworks member utilities ardently support EPA's efforts to ensure that all products currently eligible for the ENERGY STAR label deliver expected savings. However, we would ask that <u>until</u> further study provides <u>conclusive evidence</u> based on the current product designs, current energy costs, current consumer habits, and current savings analyses that EPA keep the ENERGY STAR labeling in place for programmable thermostats.

As part of its ongoing evaluation plan, GasNetworks plans to conduct a comprehensive evaluation of ENERGY STAR-labeled programmable thermostats during 2006. We would be happy to share the findings with the EPA and other stakeholders and at that point, revisit the labeling issue. GasNetworks believes that a more in-depth and timely study of these thermostats would provide the necessary data for EPA to make a better informed decision about the future of ENERGY STAR thermostat labeling.

Given all the focus on energy consumption and record high energy costs facing our consumers, we also believe that *maintaining labeling pending a future study is a much better alternative* than placing labeling in a stagnant "suspension" mode. This mode leads to market based confusion and ultimately undermines the overall credibility of ENERGY STAR labeling investments in general within the retailer and manufacturing industry. This is a time to strengthen our relationships with industry partners not alienate them.

Once again, we ask that you consider our alternative recommendation as the right course of action and we thank you again for the opportunity to comment on the EPA proposal.

Please feel free to contact me at 413-445-0315 with any questions.

Sincerely,

Michael J. Sommer Chairman, GasNetworks

cc. GasNetworks® Member Utilities - Bay State Gas, Berkshire Gas, KeySpan Energy (MA, NH), New England Gas (MA), Northern Utilities (NH, ME), NSTAR Gas, and Unitil (MA).