

November 6, 2007

Mr. Richard Karney
Mr. Josh Butzbaugh
U.S. Department of Energy
1000 Independence Ave., SW
Washington, DC 20585

Dear Mr. Karney,

I note that in your proposed Energy Star criteria for residential hot water heaters, that you only include the drop-in type that have the heat pump and the tank as one piece. I think there was only one company manufacturing that and I believe that it is no longer offered. The one that was made never came close to have a 50 GPH recovery rate as I understand. That would require a heat pump with an output of 20-25,000 BTUH and I think the one that was marketed with extensive DOE support and funding was about 3500 BTUH. The larger system would create a number of problems such as over-cooling the heat source location and would be impractical in most applications.

There is no need for a 50GPH rate because the resistance heater remain in the cycle when needed. Even with the resistance heaters, independent, very detailed, testing showed that the overall COP did average 2. The heat pump itself has a COP of 3 but the resistance heater and heat loss for the tank

Nyle has several thousand installations of heat pump hot water heaters that are add-on units used with electric hot water heaters. We sell them every day and though the market is very small, it could increase quite easily.

The add-on units are included in the energy tax credit program. In fact, Sen. Collins specifically included that in the list at our request and we worked with her staff on it. So it seems odd that this type of system would not be considered in your development of criteria as it outsells the others by a considerable margin.

Don Lewis
Nyle Corporation